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6 March 2007

S U M M O N S

MEETING: Policy and Organisation Board
DATE: 14 March 2007
TIME: 6.00 p.m.
PLACE: Committee Room 1, Town Hall, Gosport
Democratic Services contact: Chris Wrein



BOROUGH SOLICITOR

MEMBERS OF THE BOARD

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

Councillor Burgess	Councillor Langdon
Councillor Carter	Councillor Smith
Councillor Chegwyn	Councillor Taylor
Councillor Gill	Councillor Wright
Councillor Hook	

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AGENDA

PART A ITEMS

RECOMMENDED
MINUTE FORMAT

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 23 AND 30 JANUARY 2007

To approve as a correct record the Minutes of the meetings of the Policy and Organisation Board held on 23 and 30 January 2007 (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, 12 March 2007. 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, 12 March 2007).

6. CROSS REFERENCE FROM CIVIC AND COMMEMORATIVE EVENTS SUB BOARD 12 FEBRUARY 2007: SYD ASHBY – FREEDOM OF THE BOROUGH

PART II
Contact Officer:
Ken Lucking
Ext 5305

7. CROSS REFERENCE FROM CIVIC AND COMMEMORATIVE EVENTS SUB- BOARD 12 FEBRUARY 2007: APPOINTMENT OF HONORARY ALDERMAN

PART II
Contact Officer:
Linda Edwards
Ext 5400

Policy and Organisation Board
14 March 2007

- | | | |
|-----|---|---|
| 8. | LOCAL AREA AGREEMENT PRIORITY G – USE MATERIAL RESOURCES MORE EFFICIENTLY | PART II |
| | <i>The report outlines what the Council needs to do to deliver those priority actions required towards the successful delivery of Local Area Agreement priority G – ‘Use Material Resources More Efficiently’.</i> | Contact Officer:
David Jago
Ext 5517 |
| 9. | CROSS REFERENCE FROM HOUSING BOARD 7 MARCH 2007: HOUSING RENEWAL POLICY 2007/08 | PART II
Trevor
Charlesworth
Ext 5510 |
| | <i>Note: Appendix A of the report (68 pages) will be available in hard copy format for Members in the Members Room, in Democratic Services for Members of the Public and for viewing in soft copy format on the GBC website www.gosport.gov.uk Appendix B is attached to the report.</i> | |
| 10. | MEDIUM TERM FINANCIAL STRATEGY AND CAPITAL STRATEGY | PART II |
| | <i>To consider the updated Medium Term Financial and Capital Strategies.</i> | Contact Officer:
Peter Wilson
Ext 5300 |
| 11. | ANY OTHER ITEMS
which the Chairman determines should be considered, by reason of special circumstances, as a matter of urgency. | |

**A MEETING OF THE POLICY AND ORGANISATION BOARD
WAS HELD ON 23 JANUARY 2007**

The Mayor (Councillor Mrs Cully) (ex-officio) (P); Chairman of the Policy and Organisation Board (Councillor Cully) (P); Councillors Burgess, Carter (P), Chegwyn, Gill (P), Hook (P), Langdon (P), Smith (P), Taylor (P) and Wright (P) .

It was reported that, in accordance with Standing Orders, Councillors Philpott and Ms Ballard had been nominated to replace Councillors Burgess and Chegwyn respectively for this meeting.

31. APOLOGIES

Apologies for inability to attend the meeting were submitted on behalf of Councillors Burgess and Chegwyn.

32. ELECTION OF VICE-CHAIRMAN

RESOLVED: That Councillor Wright be appointed as Vice-Chairman of the Policy and Organisation Board for the remainder of the Municipal Year 2006/07.

33. DECLARATIONS OF INTEREST

There were no declarations of interest.

34. MINUTES

RESOLVED: That the Minutes of the Board meeting held on 8 November 2006 be approved and signed by the Chairman as a true and correct record.

PART II

35. THE GOSPORT BOROUGH COUNCIL DISABILITY EQUALITY SCHEME

Consideration was given to a report of the Chief Executive, which sought Members' support for the Gosport Borough Council Disability Equality Scheme produced in response to the duties placed on the Council by the Disability Discrimination Act 2005.

Members were advised that Disability Equality Awareness training had been identified as a key action and would be compulsory for all staff. Members would be invited to attend training sessions.

Members proposed that amendments should be made to Section 11 of the Scheme headed "Monitoring the Action Plan and the Scheme as a Whole" to reflect that progress reports would be submitted annually to the Council's Overview and Scrutiny Committee rather than the Policy and Organisation Board. Members were supportive of the Action Plan being reviewed annually and of the Scheme being revised in 2010.

RESOLVED: That the Gosport Borough Council Disability Equality Scheme be approved subject to the following amendments to Section 11 of the Scheme headed "Monitoring the Action Plan and the Scheme as a Whole":

- a) Bullet point 2 to read: Progress reports will be taken quarterly to the DES Reference Group, the Corporate Equality and Diversity Group and the Council's Management Team and annually to the Council's Overview and Scrutiny Committee; and
- b) Bullet point 3 to be split and read:
 - The Action Plan will be reviewed annually; and
 - The Scheme will be revised in 2010.

36. CHILDREN, YOUNG PEOPLE AND VULNERABLE PEOPLE POLICIES

Consideration was given to a report of the Leisure and Cultural Services Manager, which sought the Board's approval for proposed policies in respect of Children and Young People, and the Protection of Children and Vulnerable Persons.

RESOLVED: That approval be given to:

- a) the Children and Young People's Policy; and
- b) the Children and Vulnerable Persons' Protection Policy

37. RAMPARTS INVESTIGATION AND ASSESSMENT – PRIDDY'S HARD HERITAGE AREA

Consideration was given to a report of the Chief Executive, which informed the Board of the results of the invitation to specialist Environmental and Engineering Consultants to tender for work to undertake a detailed ground investigation and report on the contaminants in the Rampart areas and moat on the Priddy's Hard Heritage Area and recommend remedial measures.

The report also sought approval of the appointment of the consultancy providing the most economically advantageous tender to undertake the investigation and report.

RESOLVED: That:

- a) the Chief Executive be instructed to agree the programme of works with the lowest tender and agree the payment profile for the works as they proceed; and
- b) Bureau Veritas Land and Water Quality, 91-95 Winchester Road, Chandlers Ford, SO53 2GG be appointed to undertake the Rampart Investigation and Assessment in the sum of £51,102 plus VAT.

38. LOCAL GOVERNMENT WHITE PAPER – STRONG & PROSPEROUS COMMUNITIES

Consideration was given to a report of the Chief Executive, which advised Members of the Government White Paper setting out the future challenges for Local Government and the main messages contained therein.

Members were advised that the Government Office for the South East had confirmed that only one local authority in the South East had applied for unitary status and that no further applications were expected.

RESOLVED: That the report of the Chief Executive be noted.

39. RELATE PORTSMOUTH & DISTRICT

The Policy and Organisation Board, at its meeting on 18 January 2006, had agreed a further year's funding of Relate, Portsmouth and District up to a maximum of £7,000 with a review of funding requirements being reported back to the Board.

Consideration was given to a report of the Financial Services Manager detailing the funding requirements already identified by Relate and subsequently paid by the Council in respect of the current year and the request by Relate for funding in 2007/08.

A request had been received from Relate for the Council to consider the continuation of their existing funding for a further year to enable the organisation to continue providing the current level of service to Gosport residents.

Members were advised that the third quarter return from Relate indicated a shortfall of £4,342 but that only £2,035 of the Council grant of £7,000 for this year remained, £4,965 having already been paid to Relate.

Members acknowledged the fact that the number of sessions with clients had steadily increased and that the current year's grant of £7,000 did not cover the shortfall but were concerned that the funding provided to Relate by Gosport Borough Council was relatively high compared to that of some other local authorities in the area.

Members agreed that a grant of £5,000 be made available to Relate on an annual basis.

RESOLVED: That a grant of £5,000 be made available to Relate for the financial year 2007/08 and thereafter on an annual basis.

40. VICTIM SUPPORT HAMPSHIRE & ISLE OF WIGHT

Policy and Organisation Board
23 January 2007

Consideration was given to a report of the Financial Services Manager, which advised Members that the Policy and Resources Committee had agreed ongoing funding for Gosport Victim Support with effect from 1 April 1999 to support the employment of an administrative assistant in the Gosport Office. This office had been closed due to the difficulty of providing cover during periods of leave and sickness. This post was now covered within the Portsmouth District Office although the organisation had stated this had not affected the service offered to Gosport residents.

A request had been received from Victim Support Hampshire and Isle of Wight for the Council to consider continuing funding the service for the current year and for 2007/08, to enable the continuation of the current level of service to Gosport residents.

Members were advised that, during the financial year ending 31 March 2006, Victim Support Hampshire and Isle of Wight had received the following grants from local authorities:

	£
Hampshire Police Authority	28,000
Hampshire County Council	14,281
East Hampshire District Council	6,653
Basingstoke and Deane Borough Council	20,808
Eastleigh Borough Council	288
Havant Borough Council	1,000
Test Valley Borough Council	9,000
Winchester City Council	2,000
Portsmouth City Council	none
New Forest District Council	none

Grants received included a number from town and parish councils.

Members expressed concern that, although the Gosport office had been closed, grant aid was still being sought from the Borough Council. It was also felt that the financial position of some of the local authorities in Hampshire was stronger than in Gosport and therefore Gosport Borough Council should not contribute to the extent that it had in the past.

The Board proposed that grant aid of £3,000 be made available to Victim Support Hampshire and Isle of Wight for each of the financial years 2006/07 and 2007/08.

RESOLVED: That grant aid of £3,000 be made available to Victim Support Hampshire and Isle of Wight for each of the financial year 2006/07 and 2007/08.

The meeting commenced at 6.00 p.m. and concluded at 7.00 p.m.

CHAIRMAN

A MEETING OF THE POLICY AND ORGANISATION BOARD

WAS HELD ON 30 JANUARY 2007

The Mayor (Councillor Mrs Cully) (ex-officio); Chairman of the Policy and Organisation Board (Councillor Cully) (P); Councillors Burgess (P), Carter (P), Chegwyn (P), Gill (P), Hook (P), Langdon (P), Smith, Taylor (P) and Wright (P) .

It was reported that, in accordance with Standing Orders, Councillor Ms Ballard had been nominated to attend this meeting in place of Councillor Smith.

41. APOLOGIES

Apologies for inability to attend the meeting were submitted on behalf of the Mayor and Councillor Smith.

42. DECLARATIONS OF INTEREST

There were no declarations of interest.

PART I

43. TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS 2007/08

Consideration was given to a report of the Financial Services Manager (a copy of which is affixed in the Minute Book as Appendix A), which covered the operation of the Council's prudential indicators and its treasury function activities for the forthcoming year.

The Board was requested to approve the report and refer it to Council for formal approval, including the prudential indicators and limits within the report, and specific provisions with immediate effect.

RECOMMENDED: That the Financial Services Manager's report be approved, including the prudential indicators and limits within the report, and the following specific provisions with immediate effect:

- a) the new Investment Strategy;
- b) the use of R P Martins as an Authorised Money Broker;
- c) investment counterparties to include UK and Irish Clearing Banks & their wholly-owned subsidiaries and UK Building Societies, subject to Moody's credit ratings of at least P1 (short-term) and A3 (long-term); and
- d) investment exposure of no more than £4M with any one institution other than the Council's bank (consolidated total including wholly-owned subsidiaries).

44. COUNCIL BUDGET 2007/08

Consideration was given to a report of the Deputy Chief Executive and Borough Treasurer (a copy of which is affixed in the Minute Book as Appendix B), which outlined the financial situation of the Council's General Fund in the current year and, after consideration of the main factors affecting the outlook for 2007/08 including Exchequer support and Reserve levels, recommended a budget level for that year.

The proposed budget consolidated the requirements of the Policy and Organisation Board plus the Community and Environment and Housing (General Fund) Boards as cross referenced.

The revised 2006/07 budget totalled £11,739,310, the same as the original. This had been achieved by making use of a substantial supplementary estimate from reserves.

Members were advised that the final Exchequer Grant figure for 2007/08 of £7,110,143 was £244,088 higher than that for the current year.

The 2007/08 budget totalled £12,302,210 and this represented an increase of £562,900(4.8%) over the 2006/07 budget.

Provision had been made in the 2007/08 budget to continue restoring reserves. General Fund Working Balance would be increased by £20,000 to £860,000 during 2007/8 and Revenue Financing Reserve would increase by £42,000 to £331,650.

The Council's capital programme for the 6 years to 2011/12 amounted to over £37M and would require the use of capital receipts and borrowing totalling in excess of £12M.

The report advised Members that the proposed 2007/08 budget of £12,302,210 was considered both balanced and robust, producing an increase of 4% in Gosport's share of the Council Tax. The outlook for 2008/9 and beyond was further upward pressure on budgets, in excess of general inflation.

RECOMMENDED: That Council approve a revised 2006/2007 budget totalling £11,739,310 and a budget for 2007/2008 totalling £12,302,210 (including a net contribution to reserves of £46,760).

PART II

45. BOARD BUDGET 2007/08

The Board received a report of the Financial Services Manager, which considered the Board's revised 2006/07 and 2007/08 budgets, including the Board's fees and charges for 2007/08 and capital programme, and recommended their inclusion in the Council's overall budget proposals.

RESOLVED: That the Financial Services Manager's report be accepted and forwarded without debate for consideration under Minute No. 44 above.

Policy and Organisation Board
30 January 2007

The meeting commenced at 6.00 p.m. and concluded at 6.02 p.m.

CHAIRMAN

AGENDA NO. 6

GOSPORT BOROUGH COUNCIL

REFERENCE

**TO: POLICY AND ORGANISATION BOARD –
14 MARCH 2007**

**FROM: CIVIC AND COMMEMORATIVE EVENTS SUB- BOARD –
12 FEBRUARY 2007**

TITLE: SYD ASHBY: FREEDOM OF THE BOROUGH

AUTHOR: CORPORATE SERVICES MANAGER

Attached is a copy of the report that was considered by the Civic and Commemorative Events Sub- Board on the 12 February 2007 (Appendix 'B'), together with the Minute extract and Board Resolution (Appendix 'A').

RECOMMENDATION:

That a recommendation be made to the Policy and Organisation Board that, in recognition of Mr Ashby's eminent services to the people and Borough of Gosport over many years, he be awarded the Freedom of the Borough.

APPENDIX 'A'

EXTRACT FROM THE MINUTES OF THE CIVIC AND COMMEMORATIVE EVENTS SUB- BOARD MEETING 12 FEBRUARY 2007

The Mayor (ex-officio) (P); Councillors Allen (P), Carr (P), Carter (P), Cully (P), Dickson (P), Edgar (P), Farr and Gill (P).

It was reported that, in accordance with Standing Orders, Councillor Davis had been nominated to attend this meeting in place of Councillor Farr.

Minute No.

34. SYD ASHBY: FREEDOM OF THE BOROUGH

Consideration was given to a report of the Corporate Services Manager requesting the Sub-Board to consider a request to grant the Freedom of the Borough to Mr Syd Ashby.

RESOLVED: That a recommendation be made to the Policy and Organisation Board that, in recognition of Mr Ashby's eminent services to the people and Borough of Gosport over many years, he be awarded the Freedom of the Borough.

APPENDIX B

Board/Committee:	CIVIC AND COMMEMORATIVE BOARD
Date of Meeting:	12 FEBRUARY 2007
Title:	MR SYD ASHBY – FREEDOM OF THE BOROUGH
Author:	CORPORATE SERVICES MANAGER
Status:	FOR RECOMMENDATION TO POLICY AND ORGANISATION BOARD AND COUNCIL

Purpose

To consider a request to grant the Freedom of the Borough to Mr Syd Ashby.

Recommendation

The sub-board recommends to Policy and Organisation Board that in recognition of Mr Ashby's eminent services to the people and Borough of Gosport over many years, he is awarded the Freedom of the Borough.

1. Background

- 1.1 In accordance with the Council's Constitution (Part 3, Schedule 9, Annex 1) it is within the Terms of Reference of Policy and Organisation Board to make recommendations to Policy and Organisation Board on the granting of the award of Freedom of the Borough.

2. Proposal for the Award of the Freedom Honour

- 2.1 The Mayor has kindly provided the following statement in support of the proposal:

During my term as Mayor I have been approached by numerous people to recommend Syd Ashby for the highest honour that Gosport can give which is the Freedom of the Borough.

Syd is known to so many people in Gosport for his voluntary work for charities and other organisations. He was the President of the Gosport Chamber of trade on three occasions and worked in the High Street for 53 years. He was a founder member of the Gosporters set up with the aim to raise money in support of the Mayor's chosen charities that he still continues to do today.

Syd was a founder member of the God's Port Charity Housing Society, the Northcott House Complex that was built after the Second World War as Gosport's War Memorial to those who had lost their lives. Syd can often be seen collecting for charity and he has been

collecting for Cancer Research UK for over 60 years now. Syd is a Gosport man and proud to be, he will celebrate his ninetieth birthday in April this year.

I have no hesitation in supporting the people's wishes and would ask that he is recommended for this wonderful honour.

3. Risk Assessment

3.1 There are no business risks associated with this proposal.

4. Financial Implications

4.1 There are no significant costs associated with this proposal.

5. Conclusion

5.1 Mr Syd Ashby has worked tirelessly for the people of the Borough of Gosport over the years and it is appropriate that the Board consider the proposal the he be awarded the Freedom of the Borough.

Financial Services comments:	There are no significant costs associated with this proposal.
Legal Services comments:	This item will need to be considered by Policy and Organisation Board and if they approve the recommendation referred to an extraordinary meeting of Full Council.
Service Improvement Plan implications:	There are no Service Plan implications.
Corporate Plan:	There are no Corporate Plan issues.
Risk Assessment:	There is no business risks associated with this proposal.
Background papers:	None.
Appendices/Enclosures:	None.
Report author/ Lead Officer:	Ken Lucking, Corporate Services Manager

GOSPORT BOROUGH COUNCIL

REFERENCE

**TO: POLICY AND ORGANISATION BOARD –
14 MARCH 2007**

**FROM: CIVIC AND COMMEMORATIVE EVENTS SUB- BOARD –
12 FEBRUARY 2007**

TITLE: APPOINTMENT OF HONORARY ALDERMAN

AUTHOR: BOROUGH SOLICITOR

Attached is a copy of the report that was considered by the Civic and Commemorative Events Sub- Board on the 12 February 2007 (Appendix 'B'), together with the Minute extract and Board Resolution (Appendix 'A').

RECOMMENDATION:

That a recommendation be made to the Policy and Organisation Board that former Councillor and Mayor, Aleck Hayward, be appointed an Honorary Alderman.

EXTRACT FROM THE MINUTES OF THE
CIVIC AND COMMEMORATIVE EVENTS SUB- BOARD MEETING
12 FEBRUARY 2007

The Mayor (ex-officio) (P); Councillors Allen (P), Carr (P), Carter (P), Cully (P), Dickson (P), Edgar (P), Farr and Gill (P).

It was reported that, in accordance with Standing Orders, Councillor Davis had been nominated to attend this meeting in place of Councillor Farr.

Minute No.

35. APPOINTMENT OF HONORARY ALDERMAN

By reason of special circumstances, the Chairman determined that this item be considered at this meeting notwithstanding the fact that the item had not been available for public inspection in accordance with the provisions of Section 100B(4)(a) of the Local Government (Access to Information) Act 1985.

The special circumstances were created by the requirement to allow time for the request to go through the necessary processes prior to consideration by an extraordinary meeting of the Council on 4 April 2007.

Consideration was given to a report of the Borough Solicitor requesting the Sub-Board to consider a request that former Councillor and Mayor, Aleck Hayward, be appointed an Honorary Alderman.

RESOLVED: That a recommendation be made to the Policy and Organisation Board that former Councillor and Mayor, Aleck Hayward, be appointed an Honorary Alderman.

APPENDIX B

Report to:	CIVIC AND COMMEMORATIVE EVENTS SUB-BOARD
Date of meeting:	12 FEBRUARY 2007
Title:	APPOINTMENT OF HONORARY ALDERMAN
Author:	BOROUGH SOLICITOR
Status:	FOR RECOMMENDATION TO POLICY AND ORGANISATION BOARD AND FULL COUNCIL

Purpose

To consider a request that former Councillor and Mayor Aleck Hayward be appointed an Honorary Alderman.

Recommendation

The Sub-Board recommends to Policy and Organisation Board that former Councillor and Mayor Aleck Hayward be appointed an Honorary Alderman.

1.0 Report

- 1.1 Councillor Hook has requested that the Council consider appointing former Councillor and Mayor Aleck Hayward as an Honorary Alderman.
- 1.2 The Council has the power to make such appointments on persons who have in the opinion of the Council rendered eminent services to the Council as past members of the Council. The appointment is made at an extraordinary Council meeting called for the purpose of considering the appointment. This meeting is proposed to be called for the 4 April 2007.
- 1.3 Former Councillor Hayward was a conservative councillor for the former Rowner Ward from 1979 to 1986 and from 1987 to 1995. From 1996 to 2006 he represented the Anglesey Ward. In 1999/2000 he was Deputy Mayor and became Mayor for the Municipal year 2000/2001.
- 1.4 He was chairman and vice chairman of a number of the Council's committees and boards during this period.

2.0 Risk Assessment

None for the purposes of this report other than financial implications

3.0 Financial Implications

Finance will need to be allocated for an illuminated scroll, Rexine Case, Annotation in the Roll of Honorary Alderman, Hat and Robe. It is anticipated that the above will cost in the region of £1300.

Financial implications:	The estimated cost of £1,300 will be met by virement from the Members and Election expenses budget.
Legal implications:	Contained in the report.
Service Improvement Plan implications:	None
Corporate Plan	N/A
Risk Assessment	See Section 2
Background papers:	Nil
Appendices/Enclosures:	None
Report author/Lead Officer:	Linda Edwards

AGENDA ITEM NO. 8

Board/Committee:	Policy and Organisation Board
Date of Meeting:	14 March 2007
Title:	Local Area Agreement Priority G – Use Material Resources More Efficiently
Author:	Environmental Services Manager
Status:	FOR RECOMMENDATION TO POLICY AND ORGANISATION BOARD

Purpose

This paper outlines what the Council needs to do to deliver those priority actions required towards the successful delivery of Local Area Agreement priority G 'Use Material Resources More Efficiently'

Recommendation

1. The Council formally sign up to the ambitions listed in the report,
2. Specific actions are developed in order to deliver our ambitions for the corporate approach to material resources.
3. Measure outputs and outcomes and report back to the LAA lead on Priority G.

1 Background

- 1.1 The Local Area Agreement is a 3 year agreement between partners in Hampshire and the Government to improve lives and conditions in Hampshire Communities. The Agreement focuses the attention of partners on 8 priority outcomes drawn from the Hampshire Community Strategy and the 11 District Community Strategies.
- 1.2 The LAA runs from April 06 – March 09. It is an opportunity to strengthen partnership working to deliver real improvement against these priorities. It is also an important means to work with the Government to achieve greater flexibility around funding and to remove barriers to delivery.

2 Report

2.1 Using Material Resources more Efficiently

Key priority G of the LAA is to 'use material resources more efficiently'

- to reduce construction waste by substitution of recovered material in new build development and major refurbishment;
- Increase recycling in the non municipal sector

2.2 As part of the Project Integra partnership, the Council has a statutory role as a Waste Collection Authority. The material resources approach, however, covers the whole range of Council services, and not just the statutory waste function.

2.3 It includes planning, procurement, premises management, environmental services economic development etc. We are in the position to use all our key services and duties to impact upon the whole range of materials, and so provide leadership amongst our community across the whole material resources agenda.

2.4 This will meet a number of our community strategy priorities, however by working in partnership with the rest of the Public Sector, on common issues; it will provide a critical mass which will enable things to happen which on our own would not have been possible.

2.5 For example in terms of planning policy, discussion with the building and construction industry suggests that policies on sustainability need to be consistent across each council for developers to be able to apply them successfully.

2.6 Delivering the Local Area Agreement

Each District, and the County Council, has identified a corporate lead at officer level for material resources, and they are meeting on a regular basis to work together on this priority.

The Environmental Services Manager is taking an overview on how the Council is delivering on this particular priority across all of our business units. When drawn together across the Council, and with the other Councils he provides leadership, and the delivery of measurable outcomes, across the whole material resources agenda.

2.7 A joint signing of our ambitions is planned for the Spring of 2007

2.8 What are the implications for us?

The key point about the MR approach is that it requires all sectors to start to do things differently. In local government terms, material resources becomes a corporate issue requiring integrated action across a range of different services in all local authorities.

2.9 Specifically our ambitions are to;

1. Develop a planning policy in our Local Development Framework, which ensures that all new built development and major refurbishments are built to a common Hampshire wide sustainability specification, including the requirement to use recycled material in construction.
2. Use our major capital build programmes as examples of good practice for sustainable building, and the use of recycled materials.
3. Deliver increased diversion of waste from landfill, whilst minimising cost to the environment and taxpayer, through the Partner Implementation Programmes within the Project Integra Joint Municipal Waste Management Strategy.
4. Ensure recycling services are available at our major Council owned sites.
5. Identify where the corporate procurement of large amounts of materials occurs and work to specify alternatives to increase the proportion of recycled material used.
6. Provide community leadership on this agenda, by influencing partners, contractors, service providers, and commercial tenants, to deliver on this agenda.

And to monitor and ensure progress by

7. Identifying a senior corporate lead responsible for the delivery of the priority area for this target
8. Communicating progress and outcomes to Officers, Members and the wider community.
9. Implementing the above within the period of the LAA i.e. by 2009 and reporting on progress every six months, through the LAA performance reporting process.

2.10 **Monitoring and reporting**

The LAA Executive and Board meet regularly to review progress on this issue, and the other LAA priorities. We need to be able to feed back information on actual outcomes that we have achieved, and to continue working with Hampshire County Council who are leading on this issue, so that they are able to report back to the LAA executive in time for their 6 monthly reporting cycle.

- 2.11 The report has no implications regarding the Council's responsibility to take into account section 17 of the Crime and Disorder Act.
- 2.12 The successful implementation of measures to meet our ambitions above is fully consistent with the following sustainability objectives:
- Ensure the minimum use of energy and other natural resources
 - Avoid creating waste

3 Risk Assessment

- 3.1 The Government has indicated that the Local Government funding will increasingly be dependent on the successful delivery of Local Area Agreements. Failure to deliver in respect of the Local Area Agreement could have an adverse effect on the Council's overall grant. Sustainability is key issue for the forthcoming CPA inspections and is specifically referred in the recent Government White Paper. Failure to deliver appropriate actions covered in this report could have an adverse effect on the Council's CPA rating.
- 3.2 Once the action plan has been developed relevant actions will be placed in each Unit's Service Improvement Plan. These will be monitored through the Performance Management Framework. Any slippage in delivering the Action Plan will therefore be identified at an early stage.

4.0 Financial Considerations

There are no financial considerations in signing up the agreement. There will be financial considerations in the resulting action plan but these are impossible to quantify at present. The introduction of recycling within the town hall offices will however result in savings of up to £4000 per annum on refuse disposal costs in a full year.

4 Conclusion

- 4.1 The White Paper on Local Government places increasing emphasis on Local Area Agreements as a way of delivering what our communities want and the Council should therefore sign up to the ambitions outlined in this report.

Financial Services comments:	As per body of the report
Legal Services comments:	As per body of the report
Service Improvement Plan implications:	Once the action plan is agreed there will be SIP implications for a number of units
Corporate Plan:	This is entirely consistent with the mission statement to deliver a sustainable future for the Borough
Risk Assessment:	As per the body of the report
Background papers:	None
Appendices/Enclosures:	None
Report author/ Lead Officer:	D Jago

GOSPORT BOROUGH COUNCIL

REFERENCE

**TO: POLICY AND ORGANISATION BOARD –
14 MARCH 2007**

FROM: HOUSING BOARD – 7 MARCH 2007

TITLE: HOUSING RENEWAL POLICY 2007/08

AUTHOR: HOUSING SERVICES MANAGER

Attached is a copy of the report that was considered by the Civic and Housing Board on the 7 March 2007 (Appendix 'B'), together with the Minute extract and Board Resolution (Appendix 'A').

RECOMMENDATION:

To follow.

APPENDIX 'A'

EXTRACT FROM THE MINUTES OF THE
HOUSING BOARD MEETING
7 MARCH 2007

Minute No.

To follow.

APPENDIX B

Board/Committee:	Housing Board
Date of Meeting:	7 March 2007
Title:	Housing Renewal Policy 2007-2008
Author:	Housing Services Manager/TC
Status:	For Recommendation to Policy & Organisation Board

Purpose

A formally adopted Housing Renewal Policy is required in order to implement changes to the home improvement grant system.

Recommendation

1. That the Board approves the new draft Housing Renewal Policy for 2007/2008
2. That the Board recommends to the Policy and Organisation Board (Meeting on 14.3.07) that the Housing Renewal Policy be formally adopted.

1 Background

- 1.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 replaced the existing grant regime with a more flexible system for providing assistance to applicants. All Local Housing Authorities were required to have arrangements in place, including a formal Housing Renewal Policy, by 18 July 2003. The Council put in place a Housing Renewal Policy in April 2003.
- 1.2 The Regulatory Reform Order 2002 also requires that the Authority review the Housing Renewal Policy at intervals of not more than twelve months. The Housing Renewal Policy was last approved by Members at the Housing Board Meeting on 8th March 2006, and subsequently endorsed by the Policy and Organisation Board Meeting also of March 2006.
- 1.3 A draft Housing Renewal Policy 2007-08 (soft copy) is attached (see Appendix A), and upon approval of this Board will be referred to the Policy and Organisation Board Meeting on 14th March 2007. Due to the length of this document (68 pages) the Chairman requested that an appendix be provided outlining the major changes in the Housing Renewal Policy 2007-08 over the previous (2006-07) Housing Renewal Policy (see Appendix B). A hard copy of the draft Policy is available in the Members Room.

- 1.4 The draft Housing Renewal Policy for 2007-08 proposes that in the forthcoming financial year assistance should remain essentially in line with the previous Policy. It is again primarily based on a broad package of grant-based assistance. It will be targeting specified low income groups for vital, small scale repairs; assisting in the conversion of empty shops, offices and commercial properties and or under-occupied properties into flats for rent; and low cost energy efficiency improvements to assist DFG (Disabled Facilities Grant) applicants and tenants in the private sector. This will be backed up by appropriate advice and, where necessary, enforcement action. The document largely mirrors the structure, rules and conditions of the grant programme under the preceding system.

2 Report

- 2.1 **The range and type of assistance to be made available** – the Housing Capital Programme, approved on 7th February 2007, will fully fund the grant proposals set out in the draft Policy (Section 8);
- 2.2 **Targeting of grant assistance** – the draft Policy suggests that this remains unchanged, i.e. targeting assistance to older and disabled people on low incomes living in poor condition properties, cost effective energy efficiency improvement grants and promoting the conversion of empty shops, offices and commercial properties and under occupied homes into flats for rent;
- 2.3 **Applicant eligibility** – the proposal will continue to limit eligibility to owner-occupiers, landlords and private tenants;
- 2.4 **Grant limits** – proposed limits are set out in paragraph 10.18 of the draft Policy;
- 2.5 **Time limits** – the previous grant regime required that all grant approvals remained valid for a minimum of twelve months. This is sometimes unnecessary, especially for smaller schemes, and makes programme management more unpredictable. The proposal in paragraph 10.23 is for the time limit on an approval to be set according to the nature of the work; approval deadlines can be extended if necessary, thereby retaining flexibility;

- 2.6 **Repayment conditions** – the draft Policy sets out a number of conditions that would require repayment of any discretionary grant, namely:–

Issue	Proposal	Reference in Draft Policy
Disposal of the property within 5 years of grant payment	Grant repayable in full plus compound interest	10.31
Rented property not let or made available for letting for 5 years after payment	Grant repayable in full plus compound interest except – <ul style="list-style-type: none"> • All Handyperson Scheme works (due to value), and • Any other case subject to approval by Housing Services Manager 	10.31 & 10.32
Failure to provide information on grant condition compliance within 21 days	Grant repayable in full plus interest	10.33
Successful insurance claim	Repay all grant paid in respect of such works, or the value of the insurance payment if lower; no interest	10.35

It is proposed that these conditions will remain in force for a period of five years (as at present, where applicable).

- 2.7 **Appeal arrangements** – Section 11 of the draft Policy sets out the arrangements for appeals against individual decisions on the level of assistance offered, namely that these should initially be assessed by the Housing Services Manager in consultation with the Housing Board Chairman.
- 2.8 **Key service standards** – there are currently no service standards approved for the home improvement grant service; proposals are set out in Appendix A of the draft Policy.
- 2.9 The enforcement policy set out in Section 12 is in accordance with the Council's approved enforcement policy and the provisions of the Enforcement Concordat.

3 Development of Existing Policy

- 3.1 The introduction of a new Low Cost Energy Efficiency Improvement Grant in Gosport for DFG applicants.

3.2 It has been recognised, through the last Private Sector House Condition Survey, and the English House Condition Survey that there are many households in the private sector, many non-vulnerable, who have difficulty in heating their homes due to the lack of adequate insulation and inefficient heating appliances. In order to assist a portion of this sector it is proposed to offer the owners of privately owned properties who have received a DFG, Low Cost Energy Efficiency Improvement Grants. That is, a grant of 50% (up to a maximum of £2,000 per property) towards the cost of installing gas central heating and loft and cavity wall insulation. These grants would be available to owner-occupiers who have in the past or present received a DFG where:

- No member of the renting household is in receipt of an income related benefit.

A member of the renting household is in receipt of an income-related benefit but fails to qualify for the Government Warmfront Scheme.

3.3 The objective of this grant is to help registered disabled owner-occupiers to keep warm and save money on their heating bills, as well as reducing the amount of carbon dioxide produced when fossil fuels are burned; also, to increase the quality of the owner-occupied sector housing stock. Work here would complement both the Energy Efficiency and Fuel Poverty Strategies.

3.4 **Crime and Disorder Act 1998, Section 17**

Under the provisions of the Crime and Disorder Act 1998, Section 17; it is the duty of all local authorities to consider the crime and disorder implications of their actions in the exercise of their various functions. With regards to this Report, there are two items that could reasonably be deemed as aiding in the prevention of crime and disorder in the Borough. These two grant aided proposals are: -

- Handyperson Scheme: This provides elderly and registered disabled residents (not in employment and in receipt of a pension) with the opportunity of using a reliable workman (employed by a non-profit making charity, Southern Focus Trust) to undertake minor works of repair or maintenance at a reduced cost to themselves, as the service is subsidised by the local authority. The Handyperson may carry out works such as providing improved security locks, door chains etc. These works will, hopefully, lessen the chances of that home being targeted by intruders as well as reducing this fear for the occupant. See 8.5 in the Housing Renewal Policy 2007-08.

- Discretionary Conversion Grants: These small grants often provide the impetus to private landlords to convert empty commercial properties (shops, offices etc) into self-contained units of accommodation for renting in the private sector. Frequently an empty shop or public house can attract unwarranted damage by vandals. The conversion of these properties into self-contained units removes this criminal temptation, as well as providing much needed accommodation. See 8.3 in the Housing Renewal Policy 2007-08.

4 Progress Update on South Coast Money Line (SCML)

- 4.1 In March 2004 the Housing Board approved the Council's participation in a consortium of local authorities to set up a pilot regional resource to provide low cost home repair/maintenance loans to applicants seeking to repair or improve their homes up to the Decent Homes Standard. These would be loans made to homeowners whose financial circumstances would not allow them access to mainstream financial institutions. The Scheme, named 'Southern Home Loans Partnership' made its first loans in 2006. It is proposed to carry over the funding agreed at the March 2006 Housing Board to finance the project in 2007-2008 from savings made in the current (2006-07) Grants Budget*.
- 4.2 It is therefore requested that Housing Board approve a budget allocation for this project for 2007-2008 as detailed in Table 4.3 below. Members should note:
 - a) The annual 'membership fee', is the amount required from all consortium members to meet ongoing costs. This will be payable for up to seven years, in gradually decreasing amounts. After seven years it is anticipated the scheme should be self-sustaining and this fee would no longer be payable.
 - b) That a loan provision of £30,000 be made to cover any loans that may be offered exclusively to Gosport Borough residents during 2007-2008. **No monies forwarded by the Borough Council may be used by residents in any other area except those residing in Gosport Borough itself.** This £30,000 can be made from savings in the current (2006-07) Grants Budget and so would not impact on the proposed allocation for 2007-08.

- 4.3 The total allocation set aside for 2007-2008 is therefore £45,000 (see table below).

Funds	Amount
The annual 'membership fee' approved from Housing Board of March 2004	£15,000
Savings identified in the 2006-2007 Grants Budget for the loan	£30,000
Total Funding	£45,000

*Note: Some parts of the discretionary grant budget are essentially in place to act as a 'safety net' to quickly assist the most vulnerable low-income homeowners. This budget must be made available so that it may be used for 'deserving' cases. The current and previous budget savings (identified in the table above) were able to be made because no residents contacting GBC fitted the criteria for GBC grants.

- 4.4 The loan provisions identified in 4.3 above are from savings identified in the 2006-2007 Grants Budget. It should be noted that the allocation of £30,000 to cover loan applications is "recyclable" in that any monies 'come back' to be re-lent to other residents in the future.

There will be no impact on the 2007-2008 Grant Budget from this allocation.

5 Capital Spending Proposal 2007- 08

- 5.1 The approved capital programme elements of this Policy are as follows:

Housing Renewal	£ 97,000
Regional Housing Board	£ 60,000
Disabled Facilities Grants (DFG's)	<u>£222,000</u>
Total	<u>£379,000</u>

Housing Renewal usually covers all proposed discretionary grant expenditure (£157,000 in this case). However, the Borough Council has received funding from the Regional Housing Board of £60,000 to help towards achieving the Decent Homes Standard (Public Service Agreement) target. On this basis the Council could, subject to any changes in the course of the financial year, claim subsidy of up to 60% of the value of Disabled Facilities Grants (DFG's) paid; this would be a maximum of £133,000 (hence the Borough Council's contribution to DFG's would be a maximum of £89,000) making the net cost to the Borough Council £186,000.

5.2 Private Sector House Condition Survey: The Government advice recommends that surveys be repeated at intervals of not more than five years. The Government Office for the South East has indicated that failure to obtain reliable data will adversely affect the assessment of the Council's overall housing performance. Independent surveyors undertook this work on behalf of the Borough Council and the results have assisted in formulating this Housing Renewal Policy.

5.3 The spending proposals for 2007-08 are therefore as follows:–

Disabled Facilities Grants	£222,000
Conversion Grants	£ 45,000
Home Repair Assistance – priority repairs and adaptations	£ 45,000
Handyperson Service	£ 10,000
Low Cost Energy Efficiency Improvement Grants	£ 57,000
Total	£379,000
ODPM subsidy on Disabled Facilities Grants (60%)	£133,000
Regional Housing Board	£ 60,000
Net Cost to Gosport Borough Council	£186,000

Details of the proposed grants can be found in Section 8 of the draft Policy.

6 Conclusion

- 6.1 The 2007-08 Housing Renewal Policy will enable the Private Sector Housing Team to perform the key functions of their roles.
- 6.2 Approving the additions to the Housing Renewal Policy will help Gosport Borough Council to meet Government objectives. The Government has made it clear that it acknowledges the importance of private sector housing and its effect on the health of the nation, and who should take responsibility for repairs in that sector:

“Poor quality housing can have an impact on the health of the occupants and on the quality of life in an area. The Government's view is that it is primarily the responsibility of homeowners to maintain their own property.” [*Introduction, paragraph 2; Housing Renewal Guidance (Consultative Document), June 2002*]

The Government has also stressed that local authorities have a key role in steering homeowners on the road to self-reliance and away from a grant dependency culture. However, the Government has also

stressed that it would consider that an authority was failing in its duty as a housing enabler and in its responsibility to consider the condition of the local private sector stock if it did not make some provision for assistance:

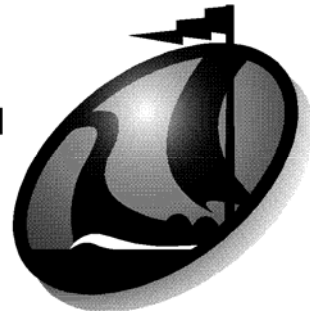
“A blanket ‘no assistance policy’, whether for grants, loans or both, would therefore be unacceptable.” *[paragraph 4.3, Housing Renewal Guidance (Consultative Document), June 2002]*

Financial Services comments:	<p>The net cost to the Council included in the capital budget for 2007/08 is £186,000 - £84,000 for Disabled Facilities Grants & £102,000 for Housing Renewal.</p> <p>The proposed cost to the Council included in this report for 2007/08 is also £186,000 - £89,000 for Disabled Facilities Grants & £97,000 for Housing Renewal.</p>
Legal Services comments:	
Service Improvement Plan implications:	The implementation and monitoring of the Housing Renewal Policy will be part of the Housing Service Improvement Plan for 2007-08.
Corporate Plan:	The Strategic Priority of Prosperity includes the provision of decent housing.
Risk Assessment:	<p>Risk assessments have been carried out for separate elements of the Housing Renewal Policy:</p> <p>South Coast Money Line – Medium likelihood/Medium Severity. Risk Status: Medium.</p>
Background papers:	<p>The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (S.I. 1860).</p> <p>Housing Renewal Guidance (Consultative Document) June 2002 (DCLG)</p> <p>Gosport Private Sector House Condition Survey 2004/05</p> <p>Housing Renewal Policy 2006-07</p> <p>Housing Renewal Policy 2007-08</p>

Appendices/Enclosures:	
	Appendix 'A'; Housing Renewal Policy 2007-08.
	Appendix 'B'; Major changes in the Housing Renewal Policy 2007-08 over the previous (2006-07) Housing Renewal Policy.
Report author/ Lead Officer:	Trevor Charlesworth Principal EHO / Oona Hickson Head of Strategy & Enabling.

GOSPORT

BOROUGH COUNCIL



APPENDIX A

Private Sector Housing Renewal Policy 2007/8

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1.0 **INTRODUCTION**

- 1.1 The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 came into force on 18 July 2002. This repealed most of the prescriptive legislation governing the previous housing assistance regime and replaced it with new wide-ranging powers whereby local housing authorities (LA's) could provide assistance for housing renewal significantly based on local needs and achievement of local and regional strategic objectives.
- 1.2 The increased flexibility permits the possibility of new and innovative approaches to housing renewal based upon locally perceived needs, though this also means it will require regular review together with the overall Housing Strategy.
- 1.3 The first Private Sector Housing Renewal Policy was approved by Members and became effective from 1st April 2003. Following Government direction, in Article 3 of the 2002 Order, public notice of the adoption of this first Policy was given in two newspapers and full copies were made available for residents to inspect in the main library, Citizens Advice Bureau and at the Town Hall. A copy was also made available on the website. This Gosport Borough Council Private Sector Housing Renewal Policy is effective from 1 April 2007 and replaces the one made 12 months earlier. It is being adopted for the purposes of Article 3 of the 2002 Order. The Policy will be posted on the Gosport Borough Council website (customers will be able to make comments on the Policy on line), and a hard copy (paper) summary will be available (free of charge) upon request. The Policy is subject to regular review, usually at annual intervals, but also when significant changes occur, such as to the type of assistance available.
- 1.4 This Policy document limits itself to consideration of works of repair, improvement or adaptation, etc., rather than enabling housing provision in the first place which will be considered through the Housing Strategy.

- 1.5 Relevant Extracts from Housing Renewal Guidance (Consultative Document), June 2002
- “Poor quality housing can have an impact on the health of the occupants and on the quality of life in an area. The Government’s view is that it is primarily the responsibility of homeowners to maintain their own property. But it recognizes that some owners, particularly the elderly and most vulnerable, do not have the necessary resources to repair or improve their homes. Local authorities therefore have an important role to play in providing assistance in these cases.” [*Introduction, paragraph 2*]

“The Government accepts that loans will not be suitable for all those in need of assistance and the Order is not intended to bring about the wholesale replacement of grants with loans. The Government would also consider that an authority was failing in its duty as a housing enabler and in its responsibility to consider the condition of the local private sector stock if it did not make some provision for assistance. ***A blanket ‘no assistance policy’, whether for grants, loans or both, would therefore be unacceptable.***” [*Paragraph 4.3*]

- 1.6 It is in this context that the Borough Council has produced this Private Sector Housing Renewal Policy

2.0 **THE LOCAL CONTEXT**

- 2.1 The Borough of Gosport is part of the internationally famous maritime recreational area of the Solent with its prime location on the South Coast of England.
- 2.2 With a population of 76,415, (2001 Census) and set on a peninsula of only 2,750 hectares (27.5 square kilometres), it is one of the most densely populated urban areas in the south.

- 2.3 Despite its crowded nature, the Borough boasts over 27 kilometres of beaches, inlets and marinas around Portsmouth Harbour and the Solent. The Alver Valley, which extends to 243 hectares, provides a green gap between Gosport town and Lee-on-the-Solent, providing the community with an invaluable rural recreational resource. The inlets and coastal waters are of national and international nature conservation significance and reach far into the urban fabric, whilst the Alver Valley has elements of ancient woodlands and rare reed beds along the River Alver.
- 2.4 The built heritage of the Borough is both rich and unique, primarily a product of the Borough's long association with the Royal Navy and the defence of Portsmouth Harbour. Many of the waterfront naval and military establishments are of national historic importance.
- 2.5 The rural origins of Rowner Village, the Georgian splendour of Anglesey and the medieval street patterns of Alverstoke Village are still in evidence. The historic gardens, memorials and ancient open spaces, footpaths and street patterns are reflected in the Borough's 14 Conservation Areas.
- 2.6 The Borough is justifiably proud of the quality of its physical and historic landscape – a quality that few, if any, other military towns can equal. But the Borough is also proud of its present, and recent achievements include the construction of the 5 kilometres long Millennium Promenade which has opened up coastal areas closed to public access for hundreds of years. Along with this have come spectacular waterfront housing developments, the restoration of prominent historic buildings and the opportunity to create further improvements and to provide community facilities.
- 2.7 Running hand in hand with these have been the construction of modern marinas and new industrial estates.
- 2.8 Aside from the history, the new developments and the plans for the future the Borough have their share of challenges. Land use and employment

have been dominated by the MOD (Ministry of Defence), but as its influence declines, it brings both concerns and new opportunities.

- 2.9 The review of the MOD in Gosport is continuing to release new land for regeneration and development, but the legacy of the defence industry leaves problems in its wake.
- 2.10 It has been estimated that at one stage over two thirds of the local economy was dependent on the MOD, but as demands have declined, many local people have been forced to seek work outside the Borough. With only one single carriageway access road (A32), no train line, no LRT (Light Rapid Transport System) and only a pedestrian ferry access to Portsmouth, daily commuting from Gosport brings major congestion problems.
- 2.11 There are isolated pockets of social deprivation and low educational achievement that should be addressed. In the Borough as a whole 'retired' household now make up just over half of the total. In some areas of the Borough there are a significant number of single parent families, and state benefits support many people, 22% of households are classed as 'vulnerable'; that is, in receipt of at least one of the principal means tested or disability related benefits. See Appendix 2 for a detailed definition.
- 2.12 To meet these challenges and to give Gosport a more sustainable future, more jobs, more community facilities and transport improvements are needed to serve the peninsula, whilst more resources must become available to help those most in need.
- 2.13 The Borough must continue to protect and enhance its built and natural environment. At the same time there is a responsibility to maximise the benefits of its development potential, provide modern facilities and increase opportunities for the whole community.

- 2.14 A survey of the condition of private sector housing using a sample of randomly selected stratified properties was last undertaken in 2004, and the Report produced in early 2005. Some of the key findings, extended for the total private sector stock are summarised as follows:

Table : Key facts from Private Sector Stock Condition Survey 2004-05

Population of the Borough/District (2001 Census)	76,415
Total number of houses private sector dwellings, including registered social landlord stock but excluding MOD	30,828
Total number of owner occupied dwellings (2004 HIP return)	28,489
Rate of unfitness	1.5% (462 dwellings)
Cost of repairing unfit houses	£1.75 m
Number of homes not achieving the Decent Homes Standard	2,838 (9%)
Number of vulnerable households	6,936 (22%)
Number of vulnerable households in Decent Homes	2,299 (67%)
Percentage of households occupied by: 50 – 65 yr olds	28%
Retired persons	51%
Percentage of unfitness in the private rented sector (includes Registered Social Landlord dwellings but not GBC or MOD)	2.55%
Average SAP rating	56%
Percentage of dwellings with inadequate loft insulation	50%
Percentage of private sector vacant dwellings	1%

- 2.15 More recent regional research has been undertaken by CURS (Centre for Urban and Regional Studies) based at the University of Birmingham. CURS was commissioned by the Regional Housing Board of the South-east region in December 2005 to undertake a study into the location, nature and extent of poor housing conditions in the private sector in order to inform decisions on resource allocations in the future. The report was published in May 2006. One of the key elements of the Report revealed that in the south east region as a whole, 75% of properties that failed the DHS were on thermal comfort considerations. 89% of dwellings failing on the grounds of thermal comfort did so for reasons of poor insulation. 61% of dwellings failed the DHS on thermal comfort alone.

3.0 POLICY IMPLEMENTATION PLAN

- 3.1 The Borough's first Private Sector Housing Renewal Policy became operational on 12 March 2003, following approval by the Policy and Organisation Board (endorsing the Approval of the Housing Board Meeting on 5 March 2003) Meeting on that date. It is subject, as a minimum, to annual review through the overall Housing Strategy processes; whilst regular review of the Council Corporate Plan and Best Value Performance Plan will also influence possible future developments. The current Private Sector Housing Renewal Policy was approved by the Housing Board meeting on 8 March 2006, and affirmed by the Policy & Organisation Board Meeting on 15 March 2006.
- 3.2 Performance within this Policy will be reported in line with corporate reporting of national and local Performance Indicators to Council Management Team and the Housing Board.
- 3.3 This will remain in force for a maximum of one year prior to major review. Intermediate amendment should only be necessary in case of significant change to policy items. Minor changes will be made by the Housing Services Manager in consultation with the Housing Board Chairman where such changes make no significant difference to service provision, for example there is no change to grant assistance offered but there is a name change, etc. Where amendments produce significant changes to service provision those amendments will require the approval of the Housing Board and Policy and Organisation Board before the revised policy can take effect.
- 3.4 The Private Sector Housing Renewal Policy will be amended to reflect the changing needs of the local community and/or homes. Such information will be conveyed to the Council by various means including stock condition and housing needs surveys.

- 3.5 There may be 'external' factors which prompt major review earlier than anticipated, such as:
- Changes to capital spending plans.
 - Acute changes to local circumstances.
 - National policy/legislative changes.
 - Local strategic partnership influences.
- 3.6 In implementing its own Policy, the Council will make reference to all relevant national legislation and guidance currently in place or introduced during the life of this document. The guidance issued for Housing Renewal will be of particular relevance especially where it deals with Fitness Enforcement/Decent Home Standard, Neighbourhood Renewal Assessment and re-affirms conditions, such as in relation to Mandatory Disabled Facilities Grants.
- 3.7 The Housing Act 2004 changed the methodology for assessing housing when it abolished the Fitness Standard and replaced it with the Housing Health and Safety Rating System (HHSRS) See Appendix 3. With regards to the Decent Home Standard (DHS), the definition of what is a decent home has been updated to reflect this fact (see Appendix 4 for a detailed definition). A national licensing scheme for Houses in Multiple Occupation (that are three storeys or more and occupied by five or more separate households) was introduced at the same time. Other key national policies, including the application of the Decent Homes Standard for the private rented sector have also now taken effect. Such legislative changes affect the underlying processes, but do not in themselves create significant change in the Policy.

4.0 **MEETING KEY STRATEGIC AND SERVICE-RELATED AIMS AND OBJECTIVES**

4.1 The Council has a strategic role and responsibility to promote the economic, social and environmental well-being of the Borough and implement the Government's initiatives to modernise local government for the benefit of the local community.

4.2 Gosport Borough Council's Mission Statement is: -
To work with the community to improve everyone's quality of life, establishing a sustainable future for the Borough.

4.3 The Council has identified a number of challenges that face the Borough in the next few years and in response to these and in order to achieve its mission, the Council will need to:

- Continue to regenerate the Borough, facilitate a robust local economy and tackle social exclusion and deprivation;
- Respond to the increasing pressures on the local environment and the need to improve access to the Gosport peninsula;
- Utilise the Waterfront and ex-MOD land for the benefit of the local community;
- Deliver best value, quality services which meet the needs of the community;
- Make efficient use of limited resources and identify and develop new sources of income.

4.4 **Service Delivery Values:** to help achieve its mission, the Council provides a wide range of services -

- Statutory services (which have to be delivered by law);
- Discretionary services (which have been established over a period of time in response to customer needs); and
- Support services that help the Council operate.

- 4.5 Provision of all of these services is underpinned by certain values:
- Customer care – seeking to provide the quality and level of customer care that customers expect;
 - Consultation – listening to the community with the aim of improving services and meeting community needs;
 - Community Leadership – providing a focus for community leadership;
 - Partnership – working with other service providers and the community to share expertise, increase co-ordination, and access funding to achieve improved service delivery;
 - Sustainability – ensuring a better quality of life for everyone now and for future generations;
 - Best Value – ensuring the provision of efficient, effective, quality services;
 - Equal Opportunities – ensuring fair and equal treatment for all and recognizing the value of diversity;
 - Democratic arrangements – ensuring openness, integrity and accountability in the Council's operations;
 - Investing in staff – using best employment practices to recruit, retain and develop staff;
 - Financial management – ensuring financial accountability, effective use of assets and the maximisation of income streams;
 - Risk management – identifying, evaluating and managing risk to secure the Council's assets and to assist in continued corporate well-being.

4.6 Strategic Priorities: although it is important to deliver all of the Council's services to a high standard, it is also necessary to identify which areas of delivery or focus have a particularly high priority. These are the Council's Strategic Priorities that are supported by a mixture of short, medium and long-term projects or actions that will assist with their delivery. These priorities are reviewed and refreshed annually:

- 'Safer communities' – to improve community safety and reduce crime (and the fear of crime) in the Borough. The Council will be a proactive

member of the Gosport Community Safety Partnership. It will also take steps where possible to ensure that its service delivery positively contributes towards this aim, for example through the provision of youth shelters and Gosport High Street improvements;

- ‘Clean, green environment’ – to increase the cleanliness standards and levels of waste recycling and to reduce pollution. The Council will keep the Borough clean by promoting higher environmental standards, encouraging more sustainable activity, improving cleansing and introducing new recycling schemes;
- ‘Active and healthy lifestyle’ – to provide leisure facilities to enable the community to stay fit and healthy. The Council will improve sports facilities, redevelop Holbrook in the medium term, develop the Alver Valley and protect and enhance other parks and open spaces;
- ‘Neighbourhood renewal’ – to regenerate neighbourhoods and ensure that good quality housing is available. The Council will work towards the Rowner Village Development Plan and future regeneration of areas such as Camden and Leesland as part of its long-term priorities. The Council will also ensure that its own housing stock is maintained;
- ‘Council assets’ – to maximise the potential of the Council’s assets in a balanced way. The Council will make best use of development areas such as Priddy’s Hard and the Waterfront Bus Station as part of its longer-term priorities.

4.7 Community Strategy: Gosport Borough Council is a member of the Gosport Partnership. This unique partnership of local organisations, businesses, agencies and community groups has been formed to work towards improving the quality of life in Gosport. To support this aim, the partnership has developed a Community Strategy, and all Members have agreed to work towards delivering the priorities identified by the community that are detailed therein.

4.8 The Community Strategy is focused around eight community priorities: Health and Well Being; Community Safety; Transport; Economy and Employment; Education and Training; Environment; Housing; and Leisure, Recreation, Culture and Tourism. The goals associated with each of these community priorities align closely to the Borough Council's Strategic Priorities.

4.9 The Council will work in partnership to support each community priority. It should be recognised that the key service providers for Health, Transport and Education are the Health Authority and Hampshire County Council respectively.

4.10 There are a number of other supporting Plans that have private sector housing links, e.g.

- Corporate Plan
- Service Improvement Plan

4.11 Relevant extracts are set out below:

Plan/Plan	Aim/Objective Of Relevance To This Policy
Community Strategy Partnership Document 2003 - 2- 6	<p>Relevant goals include:–</p> <p><u>Health & Social Well Being</u>: To improve the health and well being of all Gosport residents; tackling health inequalities, promoting independence and preventative programmes, and modernising local health and social care services - healthy people require less specialized housing.</p> <p><u>Community Safety</u>: To create a climate for Gosport in which the community feels safe, with the common aim of raising awareness, reducing crime, encouraging ownership by the local community, thereby providing reassurance and improved community safety – improving home security.</p> <p><u>Environment</u>: To conserve and enhance the natural and built environment of Gosport, creating a clean, healthy and</p>

	<p>attractive place in which to live and work – housing provision, fuel poverty and contaminated land.</p> <p><u>Housing</u>: To provide adequate and appropriate homes to suit the means and hopes of the Gosport community – securing investment in the ageing housing stock.</p> <p>See also relevant entries in “Delivering Community Priorities – Community Strategy Action Plan 2004-2005”</p>
Corporate Plan	<p><u>Objectives:-</u></p> <ul style="list-style-type: none"> ○ Continuous assessment of housing needs and the development of appropriate responses to meet them. ○ The efficient use of the existing housing stock and buildings to maximize resources. ○ The provision of affordable housing to meet local and special social and economic needs. ○ Sustainability by balancing housing growth with employment and regeneration. ○ The provision of advice services to prevent homelessness and provide information on a range of housing options. ○ Energy efficiency improvements to the dwellings in the Borough. ○ Adequate social and physical infrastructure to support existing and any proposed housing areas.
Housing Services Plan	<p><u>Examples:-</u></p> <ul style="list-style-type: none"> • Undertake, via consultants, a comprehensive survey of private sector stock conditions • Send Landlord Packs to all known local landlords and managing agents, providing info on gas safety, condensation minimisation and energy efficiency.

Housing Strategy	<u>Example:-</u> <ul style="list-style-type: none"> • Improve the physical standard of housing in the Private Sector and continue to direct any additional funding at schemes that promote regeneration and sustainability.
Energy Conservation Strategy	<u>Examples:-</u> <ul style="list-style-type: none"> • Improve the energy efficiency of the residential accommodation in the Gosport area by 30% over a 15 year period from a baseline at 1st April 1996. • Increase the promotion of all appropriate grants and co-ordinate the range of energy efficiency advice available to all housing sectors.
Empty Homes Strategy	<u>Example:-</u> <ul style="list-style-type: none"> • Develop initiatives and target resources towards encouraging regeneration.
Gosport Crime and Disorder Strategy 2002-2005	<p>Section 8 – Delivery of the Strategic Priorities</p> <p>8.6 – <u>Burglary</u></p> <p>To develop more activity between agencies to reduce the incidence of domestic (household) burglary, especially looking at target hardening (i.e. locks, alarms and gates etc) and awareness raising.</p>

4.12 In addition the South East Regional Housing Statement 2002-2005 includes the following key regional priorities:

- Priority 4 To meet the needs of those who require supported housing;
- Priority 6 To improve the quality and suitability of the housing stock;
- Priority 7 To promote regeneration & neighbourhood renewal;
- Priority 9 To support crime reduction through housing provision.

This Statement specifically focuses on Decent Homes, Private Sector Renewal, energy efficiency and fuel poverty.

4.13 The Council recognises that pockets of deprivation exist in certain wards with individual properties being in substantial disrepair. In line with the rest of the country, the Borough has an ageing population. In Great Britain the number of over 65's will increase by two million by 2015, and the number of over 75's by 40% by 2022. However, in Gosport the increase is at a much higher pace than the national average. Recent research by the South East Regional Public Health Group (part of the Government Office for the South East, November 2005) has deduced that, after Milton Keynes, Gosport has the highest projected increase in the number of persons aged over 65 in the South East and Thames Valley. This rise will obviously lead to increasing demands from this age group to be able to remain independent in their own homes whilst local, national and international issues mean we must try and reduce fuel poverty and global warming. It is on these key foundations that this Private Sector Housing Renewal Policy is constructed.

4.14 In addition the Borough Council must meet key national priorities: Circular 05/2003 refers to the extension to the PSA 7 (Public Service Agreement) target, which aims to increase the proportion of vulnerable households in the private sector living in decent homes. A home meets the decency standard if it:

- meets the current statutory minimum standard for housing;
- is in a reasonable state of repair;
- has reasonably modern facilities and services; and
- provides a reasonable degree of thermal comfort

See Appendix 4 for a detailed definition.

Specifically, compliance with this target requires the proportion of 'vulnerable' households, defined as those in receipt of at least one of the principal means tested or disability related benefits (see Appendix 2 for a detailed definition) living in Decent Homes (from a 2001 baseline of 57%) to reach the following levels:

63% by 2005

70% by 2010

75% by 2020

The Government's commitment to achieving the Decent Homes target for private sector housing has been confirmed in the Office of the Deputy Prime Minister's (ODPM's) Five Year Plan 'Sustainable Communities: Homes for All'.

The provision of an adequate supply of decent homes is hence a key element of the Government's Sustainable Communities Plan.

4.15 The key conclusions of the Stern Review on the Economics of Climate Change, published in October 2006, were welcomed by the Government. Those of main relevance in this Policy focus on the serious threat that climate change makes and the demands for an urgent response. The domestic energy consumption and hence carbon emissions account for over a quarter of the UK total. So this is an obvious area that the Government believes local authorities must target for improvements especially as these improvements may be achieved in a relatively cost-efficient fashion. The reasons for this are as follows: -

- The cost of insulating a loft is minimal.
- The cost of cavity wall insulation is minimal.
- The re-payment time (in reduced bills) for both of the above is minimal.
- Generous Government Grants exist to help many vulnerable households (over 60, registered disabled, or with a child and in receipt of an income related benefit).
- Generous discounts are available to all householders for loft and cavity wall insulation from the main utility companies.

4.16 By encouraging local authorities to target domestic energy efficiency the Government hopes to achieve the following: -

- Help to reduce the large number of people that die from the effects of cold in the winter (excess winter mortality*).
- Help to moderate the effects of global warming.
- Help to reduce the amount of energy used in heating and lighting so reducing the risk of a household suffering fuel poverty. Using the Government's definition, the latest figures suggest that in 2004 there

were two million households in the UK in fuel poverty, and that one and a half million of those were vulnerable.

* Excess winter mortality is defined as the increase in number of deaths that occur during the winter when compared with levels for the non-winter period. The increase in the winter mortality over the last 10 years in the UK has been about 35,000 per annum. According to National Energy Action, the number has varied between 27,000 in 1997-98 and 54,000 in 1999-2000. The colder the winter, the more deaths.

5.0 **RESOURCING THE PRIVATE SECTOR HOUSING RENEWAL POLICY**

- 5.1 The provision of operational services resulting from this Private Sector Housing Renewal Policy will be undertaken through the Private Sector Housing Team, part of Housing Strategy and Enabling within the Housing Services Business Unit.
- 5.2 Revenue expenditure is primarily aimed at the payment of salaries. Support is provided to the Home Improvement Agency provided through Southern Focus Trust Community Support Services (formerly Care & Repair).
- 5.3 The capital funding of assistance for approved works or other measures substantially comes from the Council's own resources although the Government reimburses 60% of all expenditure on Mandatory Disabled Facilities Grants below an allocation of specified capital grant from the Department of Communities and Local Government (DCLG, formerly ODPM). The allocation of capital funds for private sector housing renewal depends on the prevailing priorities within the wider capital programme. These include Local Authority Supported Housing Grant to Housing Associations and direct spend on its own stock.

5.4 Capital allocated for all grants and loans, including Mandatory Disabled Facilities Grants for 2007/8 totals £426,000. This amount equates to contributions of £186,000 from the Borough Council (a reduction of £60,000 on previous years), £60,000 from the Regional Housing Board (to be used towards achieving the Private Sector Decent Homes Standard target) and £180,000 from the DCLG.

5.5 The Council recognises the needs and benefits of supporting the private housing sector in a targeted and effective manner and will continue to do so.

6.0 **TYPES OF ASSISTANCE AVAILABLE**

6.1 Under Article 3 of The Regulatory Reform Order Etc. Order 2002 the Borough Council has the power to render assistance, directly or indirectly, to any resident in a number of ways: -

- to acquire living accommodation (whether within or outside their area);
- to adapt or improve living accommodation (whether by alteration, conversion or enlargement, by the installation of any thing or injection of any substance, or otherwise);
- to repair living accommodation;
- to demolish buildings comprising or including living accommodation;
- where buildings comprising or including living accommodation have been demolished, to construct buildings that comprise or include replacement living accommodation.

It is the intention of this Policy to discharge these powers by providing assistance in the form of education and encouragement, direct financial assistance and enforcement.

Education and Encouragement

- 6.2 The Council's officers will, except where statute requires otherwise or there is an imminent risk to health or safety, attempt to resolve all problems through education, mediation, negotiation and awareness raising. The objective will be to enable property owners to fulfil their responsibilities in an environment of understanding that meets their needs and promotes the benefits of such action.
- 6.3 In addition, the Council will undertake specific targeted education campaigns in order to achieve certain objectives, such as to improve understanding of the need to maintain the home, energy conservation measures, etc.
- 6.4 The Regulatory Reform Order enables local authorities to provide assistance in the form of advice, either directly or through a third party. The provision of advice and encouragement may or may not also involve financial assistance.

Direct Financial Assistance

- 6.5 The Regulatory Reform Order enables local authorities to provide financial assistance in the form of a grant, or a loan, either directly or through a third party.

GRANTS

The Council must provide Mandatory Disabled Facilities Grants (DFG's) when it has been assessed (usually by an Occupational Therapist) that the works entailed will meet the needs of a registered or registerable disabled person towards:–

- Facilitating access by the disabled occupant to, from and within the property;
- Making the property safe for the disabled occupant;
- Providing suitable and accessible living, sleeping, bathing and cooking facilities;
- Providing suitable heating;

- Altering as required the heating, lighting and electrical systems/fittings.

6.7 In addition, the Council will offer the following discretionary grants to individual applicants or to selected organisations, subject to terms and conditions:

6.7.1 **Handyperson Scheme:** To promote the concept of personal responsibility for the maintenance of one's own property, even for older people, the registered disabled and the less well off. This Scheme provides a reliable reduced cost service for items of repair or maintenance such as replacing a tap washer, installing security measures, clearing eaves gutters etc. that would be difficult for older people to undertake themselves, matters that, if not attended to can quickly lead to larger problems of disrepair and the gradual deterioration of a person's property.

6.7.2 **Home Repair Assistance Grants:** For vital repairs or minor adaptations: Applicants must:–

- Be home owners and over 60 years of age, or
- Have a child under the age of 5, or
- Be registered disabled

AND should be in receipt of –

- Income Support
- Income-Based Jobseekers Allowance or
- Council Tax Benefit.

Council or housing association tenants are NOT eligible.

The grants cover repairs and/or adaptations (averaging at about £1,000) that, if not carried out, could directly affect the occupant's health, safety and welfare, such as:-

- Repair or replacement (when not economically viable) of hot water cylinder or boiler or main living room heater;

- Severe water penetration;
- Rewiring in cases where the existing electrical circuit is judged to be dangerous by a NICEIC (National Inspection Council for Electrical Installation Contracting) approved electrician;
- An emergency adaptation for a person who is registered disabled (i.e. to prevent “bed-blocking”).

6.7.3 **Conversion Grants:** Paid to private landlords for the conversion of empty shops, offices or commercial buildings, or under-occupied properties, into smaller self-contained units for subsequent renting.

6.7.4 **Low Cost Energy Efficiency Improvement Grants:** A grant of 50% (up to a maximum of £2,000 per property) towards gas central heating and loft and cavity wall insulation (if applicable). Available to landlords of privately rented properties and to any person who has received a DFG where:

- No member of the rented household is in receipt of an income related benefit;
- A member of the rented household is in receipt of an income related benefit but fails to qualify for the Government Warmfront Scheme.

6.8 **Loans, Equity Release etc.**

The Council will not directly provide any loan or arrange any equity release or other funding. Due to there being a dire shortage of suitable products from mainstream High Street lenders; the Borough Council, in conjunction with a consortium of other neighbouring local authorities (five in all, including Brighton, Chichester, Eastleigh and Portsmouth) commissioned a feasibility study on a range of potential secured and unsecured loans through South Coast Money Line (SCML) [formerly Portsmouth Area Regeneration Trust (PART)]. The Report recommended that a pilot scheme be introduced and to that end Members agreed in the Housing Renewal Policy 2004/5 to fund initial set-up costs and loan funding each year. The Scheme, named ‘Southern Home Loans Partnership’ made its first loans in 2006. Again, this Scheme follows the Government’s belief

that the primary responsibility to repair one's home rests with the owner but, unlike the Handyperson Scheme, this loan scheme will be for larger scale repair works by owner-occupiers who find it very difficult to access funding from mainstream financial institutions. Loans will be made available to owner-occupiers, who own the freehold of their property, to bring their homes up to the Decent Homes Standard. No monies forwarded by the Borough Council may be used by residents in any other area except those residing in Gosport Borough itself. Loans will not be offered to leaseholders of properties whose freeholder is a Registered Social Landlord (RSL), as RSL's provide many ways in which payments can be made for key repairs. Neither will loans be offered to home owners who would qualify for a loan from a main High Street lender. A key task for the SCML will be to identify sources of loan funds, other than direct from the commissioning local authorities. In time, with the repayment of loans, and hence re-cycling of the original funds provided, it is hoped that the Scheme will become more and more self-financing.

6.9 **Level of Assistance**

The Government is insistent that local authorities must make some provision for assistance, even though a suitable range of financial products may become available through private lenders. The Council will therefore continue to offer a range of direct grant assistance. Some applicants for Disabled Facilities Grants will, following a test of financial resources, be expected to make appropriate contributions towards the costs of improvement, adaptation, etc. These applicants may have to arrange loans, etc., to cover their share of the cost of the works. Other applicants, such as landlords applying for Conversion Grants, will be offered a fixed sum as an incentive. Home Repair Assistance Grants will only be awarded for specific, high priority works for applicants on very low incomes. Where direct grant funding is not available or is insufficient to cover project costs, or where the applicant intends to carry out further works which are not the subject of a qualifying application, applicants will be directed to seek assistance from an Independent Financial Advisor or SCML.

- 6.10 The Council will monitor the availability of appropriate private sector funding products and will actively seek to ensure that such products are made available locally. However, the Council will not offer financial advice to individual applicants.

Promotion and Encouragement

- 6.11 The Council would consider supporting any third party that met the approval of the Council, such as an energy management company, who can, at no cost to the Council, promote and co-ordinate Insulation Schemes in the Borough that will benefit local residents.

Enforcement

Enforcement action will not normally be the first response to minor contraventions of legislation. Following Government guidance, enforcement action usually only follows when the “softer skills” of mediation, negotiation and even listening have failed to achieve the desired result. This follows Central Government’s determination to attack the housing shortage in the private rented sector by persuading landlords of the benefits of entering this business. When enforcement does occur, it will be undertaken in accordance with the Enforcement Policy detailed in Section 12. The need for immediate formal enforcement may be brought about by various factors such as the severity of a problem, imminent risk, previous history, confidence in a landlord, public interest, etc

7.0 ACCESSING DISCRETIONARY GRANT AID

- 7.1 The Council’s Policy on assistance takes into account the responsibilities of owners to maintain their own properties but also considers their ability so to do and the vulnerability of different groups as well as other criteria in determining eligibility, terms and conditions. It also takes into account the local need for private rented accommodation. Those people who are able to qualify for assistance will be given every opportunity to access the

process through the full dissemination of information at Council points of contact, and those of partner organisations.

- 7.2 A hard copy (paper) summary of the Council's Policy will be made available on request, free of charge, from the Town Hall. A full copy of this Policy will also be posted on the website. Customers will also be able to make comments on the Policy on line. A soft copy of this Policy will be offered to all potentially interested organisations, e.g. Southern Focus Trust (SFT) Community Support Services (formerly Care & Repair), Citizens Advice Bureau etc.
- 7.3 Access may thus be via existing points of contact within the Council, its partner organisations or other interested parties or by written, telephone or electronic enquiry.
- 7.4 The first stage in the process comes when a potential applicant makes initial contact and enquires about possible assistance for repair, improvement, adaptation, conversion or insulation. In appropriate cases the enquiry will be passed to SFT Community Support Services who can assist with administration, selection of contractors, supervision of works, etc. In the event of a person not wishing to use the services of SFT, verbal assistance and all relevant forms can be provided. However, in order to retain the independence of Council employees in these instances, no assistance may be given with form filling or in finding suitable contractors. In the event of assistance being likely towards a flat conversion project, the enquirer will be expected to make a substantial financial contribution, and then rent the property out in the private sector. If assistance is likely towards gas central heating and insulation measures, the enquiry will be passed to SFT Community Support Services, acting as the Council's agent. Where no financial assistance can be provided, the enquirer may be advised to obtain independent financial assistance for loans, equity release or other funding that may be available from commercial lenders.

- 7.5 If the Council believes grant funding may be available, the next stage will be the completion of the application formalities including appropriate certificates and agreement with terms and conditions etc, as well as the required number of estimates/quotes. The Council may approve a grant based on the lowest estimate of a minimum of two requested. The level of any Home Repair Assistance Grant approved, or Low Cost Energy Efficiency Grants, will be the total cost of agreed works. In the case of a Conversion Grant, the level will be restricted to not more than 50% of all reasonable costs of the total cost of the project up to a maximum of £5,000 per resultant self-contained unit. Low Cost Energy Efficiency Grants will be restricted to a maximum of 50% of all reasonable costs up to a maximum of £2,000 grant aid.
- 7.6 It should be noted that enquiries/applications from private sector landlords would only be entertained for either the conversion of empty shops, offices or commercial properties, or under-occupied properties, or gas central heating and insulation measures. In both cases the properties would have to be used for renting in the private sector for a minimum of five years. No financial assistance will be paid towards the cost of repairing tenanted dwellings, nor for works to provide means of escape in case of fire or basic amenities or in HMO's (houses in multiple occupation); these needs will be remedied by recourse to enforcement action if appropriate (see Section 12).
- 7.7 The result of the second stage of the process will be conveyed to applicants in writing, as stated in Article 3 (5) of the 2002 Order.
- 7.8 The amount of information required of applicants will be commensurate with the Council being satisfied that all necessary audit checks have been complied with. Some applicants may be required to provide more information than others for the same type and level of grant. The same standard form will be used by all applicants for the same classification of grant regardless of the value of works.

8.0 **GRANT DETAILS**

Mandatory Disabled Facilities Grants

- 8.1 The Council will award Mandatory Disabled Facilities Grants (DFG) according to the prevailing legislation and Government guidance that determines, amongst other things, the type of work that can be funded, the maximum contribution that may be made, and the test of financial resources that must be applied. It is a statutory requirement that all applicants must make their initial approach to Hampshire County Council Adult Services Occupational Therapy Unit and, where appropriate, will be urged to pursue their application via SFT Community Support Services.

Discretionary Disabled Facilities Grants

- 8.2 The Council will not normally consider applications for Discretionary Disabled Facilities Grants. Where applicants have a contribution to make according to the outcome of the test of financial resources they may provide written evidence to the Council from an independent third party financial advisor of their inability to raise sufficient funds to cover their own contribution. In such circumstances the applicant will be recommended to approach SCML. If the applicant refuses to do this and so requests, a confidential report on the application will be presented to the Housing Board and Members will decide what level, if any, of additional funding will be awarded.

Discretionary Conversion Grants

- 8.3 The Council will consider applications for Discretionary Conversion Grants from private sector landlords for the conversion of suitable properties (that is; for the conversion of empty shops, offices or commercial buildings, or under-occupied properties, into smaller self-contained units for subsequent renting) into self-contained units of accommodation, subject to specified terms and conditions. To qualify, the resultant units must be rented, or

available to rent, for a period of not less than five years from the Certified Date of Completion. The maximum level of assistance will be £5,000 per unit created; the Council will consider the cost of all proposed work in the light of the eligibility of work and reasonableness of costed items on estimates/quotations. It shall be a condition of this grant that if the relevant property is disposed of within 5 years of receiving grant aid, then the grant plus interest at compound rate must be repaid to the Borough Council.

Discretionary Home Repair Assistance Grants for repair/adaptation

- 8.4 The Council will consider applications for discretionary Home Repair Assistance Grants for repairs and/or adaptations where both the applicants and the proposed works comply with 6.7.2 above. The method of means testing for this type of assistance shall be a simple transference method whereby applicants will qualify if they already receive a means tested benefit listed in 6.7.2. It shall be a condition of this grant that if the relevant property is disposed of within 5 years of receiving grant aid, then the grant plus interest at compound rate must be repaid to the Borough Council.

Handyperson Scheme

- 8.5 The Handyperson Scheme provides elderly and registered disabled residents with the opportunity of using a reliable workman to undertake minor works of repair or maintenance at a reduced cost to themselves, as the service is subsidised by the local authority. The recent Gosport Private Sector House Condition Survey revealed that 51% of local households contain retired people, one of the highest concentrations in the United Kingdom. Surveys have also shown that older homeowners have a real fear of employing 'unknown' workmen, and have difficulty in finding trustworthy contractors to undertake small-scale works in the first place. Small-scale home repairs and other works can, if not attended to promptly, turn into large-scale problems for the householder. For instance, blocked eaves-gutters can often lead to damp penetration which can also lead to dry rot; a slipped gully can lead to the same thing but also rainwater washing away the foundations and major structural disrepair in that corner of a property. A Government consultation paper has recently been

released which looks at the role of Home Improvement Agencies (HIAs). It stresses their value and the need for them to expand their roles and their coverage across the entire country. The Gosport Handyperson Scheme is funded for two days per week, which when added with the half day per week contribution from Social Services means that a Handyperson is available to the older and registered disabled residents of Gosport for half of each week. The Scheme is available to all residents who are over the age of 60 (not in employment and in receipt of a pension), or who are registered disabled (in receipt of Disabled Living Allowance). This is aimed primarily at promoting self-reliance and responsibility for the repair and maintenance of one's own home, another key point of Government intention. The works that the Handyperson may undertake cover such items as changing a tap washer, installing new or additional locks and bolts, door viewers, clearing eaves-gutters of leaves etc.

Low Cost Energy Efficiency Improvement Grants

- 8.6 These offer a grant of 50% (up to a maximum of £2,000 per property) towards the cost of installing gas central heating and loft and cavity wall insulation in privately rented properties, or owner-occupier properties who have received a DFG, where no member of the renting household is in receipt of an income related benefit, or a member of the renting household is in receipt of an income-related benefit but fails to qualify for the Government's Warmfront Scheme. Any private sector tenant who is in receipt of qualifying benefits and is either over the age of 60, is registered disabled or has a child will qualify for a Government Warmfront Grant for the same measures. The reason for including Private Sector Landlords in this Scheme is that the Government has noted (2006 Pre-Budget Report) that a particular market failure exists in the private rented sector because cost savings from investing in energy efficiency are difficult for landlords to recover in increased rent. The objective is multi-fold: First of all to help residents (especially vulnerable ones) to keep warm and save money on their heating bills ("affordable warmth"), as well as reducing the amount of carbon dioxide produced when fossil fuels are burned (households account for over one quarter of UK energy consumption and carbon emissions);

secondly, to help to reduce the number of households (especially vulnerable households) living in non-Decent Homes; thirdly, to tie in with The Stern Review, which stressed the need to ensure that emissions reductions are delivered in the most cost-effective way and; finally, to increase the comfort of persons who are registered disabled and the quality of the privately rented sector stock by increasing the SAP (Standard Assessment Procedure) rating of these properties. It has been estimated by the DCLG that in 2005-06 that 30,000 older people in England and Wales died of preventable, cold-related illnesses. So work here would complement both the Energy Efficiency and Fuel Poverty Strategies.

Change of name of a welfare benefit

- 8.7 Certain benefits, such as Income Support, may change or be amended by statute. The Housing Services Manager has the discretion to continue to award grant aid in cases where the nature of the recipient's benefit remains substantially unchanged.

9.0 PRIORITISATION OF APPLICATIONS FOR ASSISTANCE

- 9.1 First priority will be given to applicants for Mandatory DFG.
- 9.2 Second priority will be given to those grant applicants whose health, safety and welfare would be compromised if essential works are not carried out quickly.

9.3 Third priority will be given to assistance towards the cost of installing low cost energy efficiency improvements in the homes of owner-occupiers receiving or who have received a DFG and private sector landlords who are renting their accommodation.

9.4 The Council operates to a fixed budget. When this budget runs out no further grants will be paid.

10.0 **TERMS AND CONDITIONS**

10.1 These terms and conditions form part of the Council's Private Sector Housing Renewal Policy and will be applicable to all elements of it, except where otherwise stated. In so much as the terms and conditions applicable to Mandatory DFG are set by statute determined by the Government, these terms and conditions are not applicable to these grants although some may be the same as those which are applicable to such grants, details of which are separately available.

10.2 The terms, conditions and eligibility criteria for discretionary grants detailed within this policy will be set down in writing for all grant applicants, as stated in Article 3(5) of the 2002 Order. In addition, all applicants will be required to sign a relevant application form to indicate that they accept the Borough Council's terms of grant assistance, and consent to the actual works being carried out at their home.

10.3 In making an application for assistance, applicants are agreeing to all the terms and conditions as detailed by the Council.

10.4 **Information provided** to the Council by applicants as part of the application process will be checked thoroughly and may be shared with other departments of the Council and other organisations involved in any aspect of handling public funds, upon the discretion of the Head of Audit, to

prevent and detect fraud or in investigation of other possible criminal activities.

- 10.5 Applications or enquiries will only be accepted on the **prescribed forms** of the Council.
- 10.6 Applicants must be 18 years of age or older at the date of application and in the case of joint applications, one must be over 18 at the date of application.
- 10.7 Applicants for assistance will be required to sign a declaration as to the accuracy of information provided and that of supporting paperwork, such as wage slips and accounts, etc. The Council will determine the level of assistance, if any, of Mandatory DFG as set out in the prevailing Housing Renewal Grants Regulations. The Council will routinely carry out cross-checks on information provided and paragraph 10.4 above will apply to all such information.
- 10.8 No application will be accepted for works required to reinstate any dwelling designated as defective under Section 528 or 559 of the Housing Act 1985, although applications for other types of work to defective dwellings will be considered, such as for a DFG.
- 10.9 All applications for assistance, excluding those for Home Repair Assistance Grants, must be accompanied by an Owner Occupation Certificate or a Tenant's Certificate or a Certificate Of Intended Letting, which states that the applicant has, or proposes to acquire, a qualifying interest in the property which is the subject to the application; or, that he will rent out the property for a minimum of five years. In addition the following separate requirements will apply:-
 - 10.9.1 *Owner Occupation Certificate:* in the case of an application for a DFG, the applicant must confirm that he/she intends that the property will be the only or main residence of the disabled occupant throughout the condition period

or such shorter period as his/her health and other relevant circumstances may permit.

- 10.9.2 *Intended Letting Certificate*: that throughout a period of five years from the completion date the property will be let or available for letting as a residence, not a holiday home, to a person(s) not related or connected with the owner of the dwelling for which assistance is being received.
- 10.9.3 **Proof of title** shall also be required to enable property ownership to be confirmed, and **consent of any mortgagee** will be needed.
- 10.10 **The applicant employs the builder or contractor** to undertake agreed works and the Council have no contractual liabilities in that relationship as their role is only to administer the grant/loan process.
- 10.11 The applicant is ultimately responsible for ensuring the quality of the completed works. This responsibility can be transferred to an agent of the applicant, such as an architect or a Home Improvement Agency, such as SFT Community Support Services.
- 10.12 If an applicant submits an **estimate/quote from a member of their family** who then carries out the agreed works the grant will be paid on the basis of the cost of materials only and no allowance will be paid towards labour.
- 10.13 Upon the conclusion of a Discretionary Conversion Grant, it will be expected that the property will be **left in a statutorily fit condition** (or free from any Category 1 or 2 hazard identified through the Housing Health and Safety Rating System); any exception to this will require the authority of the Housing Services Manager.
- 10.14 **Tenants**: Grant applications from private sector tenants and housing association tenants will only be accepted for a DFG. Assistance for private sector, Council and housing association tenants will be accepted for the Handyperson Scheme. A Tenant's Certificate stating that the

applicant is a qualifying tenant of the dwelling and that she/he intends to live in the dwelling as their only or main residence must accompany applications from qualifying tenants. A tenant's DFG application must also be supported by written permission from the landlord agreeing to the proposed adaptation. In all circumstances, other than the Handyperson Scheme, work to a property will require the **owner's written authority** and the knowledge of any mortgagee.

- 10.15 An application for a DFG will only be considered complete and then processed when it is accompanied by an **Occupational Therapist's Report** recommending the necessary works. It is expected that such a report will be provided at the commencement of the enquiry/application process.
- 10.16 An application for assistance towards **works that have already been completed** will not be accepted. However, in the case of DFG's, where it is adjudged that the needs of the applicant are critical, but for some reason (such as lack of funds) a DFG cannot be approved immediately, then applicants will be permitted to commence the relevant works following the issue of written authorisation from the Council.
- 10.17 The details of **means testing** referred to in individual grant description shall apply to all applications made for DFG except in cases where the grant is for a child.
- 10.18 The amount of **grant payable**, for each application, shall be the actual cost of undertaking the eligible works (including any associated fees) less any contribution required from the applicant, up to the prevailing limits as listed below. For Mandatory DFG the limit is absolute, based on Government legislation; for other grants the limit is determined locally.

Mandatory Disabled Facilities Grant	£25,000
Discretionary Disabled Facilities Grant	Determined by

	Housing Board
Discretionary Conversion Grant	50% up to a maximum of £5,000 per unit
Handyperson Scheme	£250
Home Repair Assistance Grants for essential repair or minor adaptation	£5,000
Low Cost Energy Efficiency Improvement Grant	50% up to a maximum of £2,000

- 10.19 Funding will only be increased beyond the sum originally approved, up to the maximum set out in 10.18, in the event of:-
- Unforeseen work being required to allow completion of eligible works, or
 - Associated works needed to protect the health and safety of occupiers, or
 - Evidenced increases in costs to the contractor from their suppliers, etc.

A formal **Revised Approval** will be required before any additional payment is made.

- 10.20 All **payments** shall be conditional upon receipt of an acceptable invoice and made direct to the appropriate contractor following agreement with the applicant that works to the appropriate stage have been satisfactorily completed. In any dispute between the applicant and contractor, which is not resolved in a reasonable time period, the grant, or part thereof, may be paid to the applicant at the discretion of the Council.

- 10.21 The Council will include the cost of **Preliminary or Ancillary Services Fees and Charges** within the calculation of assistance and each submission of fees will be individually considered for reasonableness. Payment towards any such fees is conditional on a grant being approved and the specified works being completed in full and the Council will not be held responsible for any fees incurred before or after approval.

- 10.22 The Council will consider requests for **Interim Payments** such that no interim payment will be more than 90% of the cost of completed work and in aggregate no more than 90% of the total approved amount before final completion.
- 10.23 The Council will determine in each approval document the **time period allowed for works** to be completed, which will not normally exceed 12 months and may be significantly shorter for small items of work.
- 10.24 The grant **works must be carried out** by one of the contractors whose estimates/quotes were submitted as part of the application process, the grant having been calculated using the lowest priced estimate/quote. Exceptions to this rule will only be made in special circumstances, such as the original contractor being unavailable to carry out the work.
- 10.25 **The number of estimates/quotes** accompanying an application for assistance for a DFG shall be at least two. The exception shall be in cases where the adaptation or aid required is so specialised that only one manufacturer can supply it. In the case of a Home Repair Assistance Grant or Low Cost Energy Efficiency Improvement Grant the minimum requirement will be one estimate/quote. No separate estimate/quote will be required in the case of Handyperson Scheme; costs shall be determined according to a standard schedule of rates agreed with the contractor, SFT. The Council reserves the right to ask for more estimates/quotes if it is not satisfied with that/those already submitted.
- 10.26 In any case where **financial circumstances** at the time of application are later confirmed differently to those submitted by the applicant(s) such as would lead to reduced assistance or denial of assistance, the original approval will be amended/cancelled and the Council is entitled to demand repayment together with compound interest from the date on which any payment was made until the date of full repayment, at such reasonable rate as the Council may determine to recover any over payment. In such

circumstances, the local authority may choose to cancel the whole approval or demand repayment of all monies paid, plus compound interest, despite the fact that a reduced level of assistance would have been approved, where it is felt the degree of error in the applicant completing the original means test forms is such to suggest a deliberate attempt to deceive.

- 10.27 Where an **applicant's circumstances change**, or are confirmed as different from originally stated, after the application has been approved, such that approval would no longer be given, the grant approval will be cancelled and no payments made, or no further payments made where interim payments have already been paid, except in exceptional circumstances when the Housing Services Manager may give authority to provide further funding so as to conclude work at a suitable and appropriate stage. Where payments have been made, the local authority may demand repayment together with compound interest from the date on which payment was made until the date of full repayment, at such reasonable rate as the Council may determine.
- 10.28 In certain circumstances where the Council believe that applicants may have attempted to **deliberately defraud** the Council, details will be passed to the Head of Audit who may recommend that the file be passed to the Police for investigation.
- 10.29 In the case of assistance for **works to common parts** (as some part or the whole works of a DFG) an individual applicant must obtain permission for the works to be undertaken by the Freeholder, unless there is evidence to the contrary, such as deeds or tenancy agreements, which prove otherwise.
- 10.30 In the case of a **Conversion Grant**, or a **Low Cost Energy Efficiency Improvement Grant** (made to a landlord) for which part or complete payment has been made, and where the applicant **disposes of the property**, or ceases to make it available for letting as the case may be,

before the conclusion of a five-year period following the date of final payment then he/she shall repay to the Council on demand the full amount of assistance paid plus compound interest at a reasonable rate determined by the Council. The compound interest part of this equation may be waived in exceptional circumstances, such as the ill-health of the original applicant being unable to continue his business.

10.31 In the case of a **Home Repairs Assistance Grant**, or a **Low Cost Energy Efficiency Improvement Grant** (made to an owner-occupier who has received a DFG) for which part or complete payment has been made, and where the applicant **disposes of the property**, or does not use the property as their sole or main dwelling as the case may be, before the conclusion of a five-year period following the date of final payment then he/she shall repay to the Council on demand the full amount of assistance paid plus compound interest at a reasonable rate determined by the Council. The compound interest part of this equation may be waived in exceptional circumstances, such as the ill-health of the original applicant forcing them to move properties.

10.32 The condition requiring repayment of assistance in the event of sale, etc, within the five full years after final payment is made shall not apply to the following:

- Handyperson Scheme
- Disabled Facilities Grants (DFG)
- Exceptional circumstances at the discretion of the Housing Services Manager.

Repayment shall not be made in the instance of discretionary grant aid for the Handyperson Scheme because their low cost value, i.e. less than £250, would make recovery uneconomic and in any event the measures undertaken have improved the housing stock as a whole. No repayment may be demanded, by law, from the recipient of a DFG if they choose to sell their property, even if this occurs months after the completion of a grant. An example of an exceptional circumstance that may be considered

by the Housing Services Manager is the applicant having to move into a nursing or residential home.

- 10.33 If a property is disposed of within five years and the grant recipient feels they have a case for repayment to be foregone, representations will be considered by the Housing Services Manager, who will determine whether to waive repayment or not, or to recover the grant in total or in part. Bearing in mind Article 3(4), the Housing Services Manager shall have regard to the ability of the person concerned to make that repayment in full or part.
- 10.34 In the five-year period following final payment of grant, the applicant shall, upon written request from the Council, reply in writing within 21 days of the date of the request stating how he/she is **complying with any of the terms and conditions** of the grant. Failure to comply with this requirement will be deemed a failure of grant conditions requiring total repayment of grant plus compound interest at a reasonable rate determined by the Council.
- 10.35 The conditions relating to **repayment of grant** apply equally to whichever certificate were signed for a five-year period from the date of final payment of grant.
- 10.36 In the event of a grant recipient pursuing a **successful insurance claim**, action for legal damages, etc, which covers the cost of works for which grant was previously paid, the applicant will on demand repay the total value of grant paid relating to such works or the value of the insurance payment/legal damages if lower.
- 10.37 The Council will **not undertake works on behalf of applicants**, except where works may be due in default of an owner's, tenant's, etc, failure to comply with a statutory notice.

- 10.38 The Council or their agents will hold final authority to determine what works are included on **grant schedules** although it may be acceptable for owners, tenants or their agents, etc, to draw up initial schedules of work which may be reduced or added to by the Council in terms of work qualifying for possible assistance.
- 10.39 The **payment** of a grant will only be considered after any applicant's contribution has been accounted for in the value of invoices submitted.
- 10.40 The responsibility to gain all **necessary approvals for works** to be undertaken with assistance rests with the applicant or their agent; such approvals may be Planning Permission or Building Regulation Approval or any of the matters raised within the terms and conditions of grant assistance.
- 10.41 Grant assistance will only be approved for the benefit of applicants who are able to provide evidence of a **valid National Insurance Number**.
- 10.42 The **discretionary grants** the Council awards are all subject to levels of available funding in each financial year and as such the Council reserves the right to defer consideration or approval of applications for periods of time of its own choosing in order to properly manage its finances.
- 10.43 In considering applications for the benefit of people with disabilities, the Council may choose not to grant aid adaptations for which Hampshire County Council are responsible under the **Chronically Sick and Disabled Persons Act 1970**.
- 10.44 The Council may specify in grant approvals involving the installation of specialised equipment for the benefit of people with disabilities that the **equipment is to be returned** to the Council if it is no longer needed or the property is sold. The grant recipient, or a representative, shall notify the Council as soon as the equipment is no longer needed and the Council or their agent may choose to remove it for re-use elsewhere, making good

any damage caused by its removal. This principle shall apply even where the original grant was approved with a contribution from the applicant.

- 10.45 The Council **may refer enquiries** for assistance to the externally managed Warm Front Scheme or to the Home Improvement Agency if appropriate.
- 10.46 The Council may from time to time utilise **special funding** from Central Government or other sources aimed at specific works to target issues of local and national concern in accordance with any special conditions, such as the replacement of inefficient boilers. Any special terms and conditions applicable to such initiatives will be appended to the Private Sector Housing Renewal Policy, as they will not significantly alter the Council's primary approach.
- 10.47 The Council does not require applicants who are able to raise their own funding through equity release or similar schemes to raise **funds in excess of the cost of agreed works** where they do not wish to do so, as a result of any minimum funding values imposed by potential lenders.
- 10.48 The Council may determine not to consider applications from persons, organisations, etc, where there is a possible **alternative source of funding** for maintaining properties, such as the NHS

11.0 APPLICATIONS OUTSIDE POLICY

- 11.1 Article 4 of the 2002 Order makes it plain that the Borough Council cannot provide assistance unless the power is exercised in accordance with the Policy.

12.0 PRIVATE SECTOR HOUSING ENFORCEMENT POLICY

Introduction

- 12.1 This policy is an integral element of the Private Sector Housing Renewal Policy and although the Council will do all it can to educate, inform and encourage property owners to undertake their responsibilities, firm enforcement action to protect the health and safety of tenants, occupiers and others will sometimes be essential. The initiation of formal enforcement action will only occur when other measures have failed to produce the necessary response, or where there is an urgent need for action or controlling legislation requires such.
- 12.2 In addition, the Council fully adopts the principles of the Central and Local Government Concordat on Good Enforcement. By adopting the Concordat we commit ourselves to the following policies and procedures, which contribute to best value and will provide information to show that we are observing them.
- 12.3 This Enforcement Policy sets out the general principles and approach which the Council will follow when considering enforcement action in the field of private sector housing, dealing with unfitness, disrepair, insecure premises, and statutory nuisances.

Purpose and method of enforcement

- 12.4 The primary objective is to ensure a fair, reasonable and consistent approach to enforcement in accordance with all appropriate guidelines and legislation.
- 12.5 Enforcement is distinct from civil claims for compensation and it is not undertaken in all circumstances where civil claims may be pursued, nor to assist such claims.

- 12.6 The Council has a range of tools at its disposal in seeking to secure compliance with the law and to ensure a proportionate response to criminal offences. Council officers may offer information and advice, verbally and in writing, which may include warnings that the law is not being complied with and, where appropriate, notices may be served, cautions issued and prosecutions taken.

Principles of enforcement

- 12.7 The Council must seek to ensure compliance with the law but will carry out this duty in an appropriate manner according to the following principles:
- Proportionality: any action that we take will relate to the seriousness of the risk to the health, safety and welfare of any individual or the environment and to the seriousness of any breach of the law;
 - Consistency: we will try to ensure that our officers act in a similar way when faced with similar circumstances. We will also work with other authorities to ensure that this principle is applied at a local and national level;
 - Transparency: the Council will try to help people to understand what the law requires of them and make clear what needs to be done, and not done, to comply. We will also make clear what people should do if they are not happy about any action we have taken or are proposing to take;
 - Targeting: our enforcement efforts will be directed against those whose activities pose the most serious risks or those who have a history of non-compliance.
- 12.8 The Council will undertake appropriate quality checks to ensure that its officers are following these principles. Specific internal guidance will be adopted where there is insufficient national guidance.

Decision Making

- 12.9 The decision to take formal enforcement action is made by the Borough Council through its Boards or Officers in accordance with the scheme of delegation to Boards and officers contained in the Constitution.

- 12.10 Decisions about whether to prosecute or offer a formal caution are made by the service manager concerned in consultation with the Borough Solicitor in accordance with the principles set out in this policy and the Council's Constitution.

Minor breaches of legislation

- 12.11 Where a minor breach of the law has occurred we will try to deal informally with the matter and will therefore advise the person responsible what needs to be done to comply. When requested, written confirmation will be given and this will identify those matters that are legal requirements and those which are recommendations for good practice. No further action will normally be taken by the Council when the person responsible is prepared to put things right. The person/business written to will always be advised who to contact should they not understand or disagree with the requirements.

Serious breaches of legislation

- 12.12 The Council prefers to secure compliance with legislation by a process of education and encouragement and will enforce such requirements in writing. It will sometimes be necessary for more formal action to be taken. This may involve the service of a Statutory Notice that states what must be done and gives a date for completion.

Breaches of licence conditions

- 12.13 Minor breaches of licence conditions will usually be dealt with informally, at least on the first occasion. As licence conditions are imposed in order to control activities that would otherwise cause harm, serious breaches will tend to result in prosecution/formal caution and/or revocation of the licence.

Practical application of the Policy

- 12.14 The Council will strive to ensure that enforcement decisions are always fair and consistent. In coming to any decision we will consider the seriousness of the offence, relevant past history, our confidence in person or business, the consequences of non-compliance, such as the risk to public health, and the likely effectiveness of enforcement options.
- 12.15 Where regular inspections are made of business premises, the frequency of these will be based on risk to the public and employees arising from the activities at those premises. Risk will be determined in accordance with national Codes of Practice and guidance.

Enforcement options

- 12.16 Upon consideration of all available evidence the enforcement officer has a number of options :
- 8.6.1.1.1.1 To take no action
 - 8.6.1.1.1.2 Informal action/advice
 - 8.6.1.1.1.3 Service of Statutory Notice
 - 8.6.1.1.1.4 Issue of a Formal Caution
 - 8.6.1.1.1.5 Prosecution
 - 8.6.1.1.1.6 Works in Default

These courses of action are not necessarily mutually exclusive and an act of enforcement could involve a number of these options.

To take no action

- 12.17 Upon investigation, if no breaches of legislation are identified then this is the only applicable option.

Informal action/advice

- 12.18 Includes offering of verbal or written advice, verbal warnings and written requests for action. Advice will be clearly stated and confirmed in writing, if requested or required, and will explain why remedial work is necessary over what timescale and what a legal requirement is and what is not.

Informal action is appropriate when:

- The matter is not serious enough to warrant formal action;
- Previous history suggest informal action will achieve compliance;
- Confidence in the owner, landlord etc is high;
- Generally standards are high;
- The consequences of non-compliance do not present a significant risk;
- The matter concerned is not a strict breach of law but the advice is good practice.

12.19 An investigating officer may determine that even where some of the above criteria are not met, initially informal action may be more effective than a formal approach.

Service of statutory notices

12.20 The use of statutory notices will be linked to criteria including risk, except where local authorities are required to serve notice by controlling legislation upon identification of certain matters, such as Statutory Nuisances and the Environmental Protection Act 1990.

Service of Statutory Notice is appropriate when:

- There are significant contraventions of legislation;
- Owners, landlords etc have shown reluctance to comply with legislation;
- There is a lack of confidence in a successful outcome from an informal approach;
- There is a serious risk to health and/or safety;
- The consequences of non-compliance present a significant risk;
- There are multiple breaches of legislation;
- No remedial action has been taken after an informal approach;
- Generally standards are not good;
- Confidence in the owner/landlord etc, is low;
- There is a statutory duty to serve.

- 12.21 Notices must only be served where there is proof that an offence has been or will be committed such that the evidence available would be admissible as evidence in a Court of law.
- 12.22 The limits specified in the notice must be realistic and where possible all requirements of the notice should be agreed with the recipient in advance. In arriving at limits and requirements for a notice the officer must give due consideration to the likely cost of works, extent of works, availability of equipment and/or expertise required in order to ensure a realistic outcome.
- 12.23 All statutory notices served must set out rights of appeal and clearly state that failure to comply may result in court proceedings or work being carried out in default, if appropriate, at the owners/landlords expense.
- 12.24 The Council may be required for certain notices to undertake a process of advance disclosure of their intention to act which the Council may also choose to utilise on a voluntary basis if considered appropriate.

Formal Caution

- 12.25 As part of investigations, any alleged guilty party will be interviewed in accordance with PACE. A Formal Caution is an alternative to prosecution which is designed to deal quickly with less serious offences, avoid unnecessary Court appearances and reduce the likelihood of re-offending. When we are satisfied that an offence has been committed, and that the public interest would be best served by using this alternative, the offender may be given the option of accepting a Formal Caution. The implications of a Formal Caution will be clearly explained to the recipient in all cases before they are asked to sign.
- 12.26 The investigating officer must complete a 'prosecution' file before the Formal Caution is offered to the alleged guilty party.

12.27 The alleged guilty party must be given sufficient information to understand the significance of a Formal Caution.

12.28 In the event of the offer of a Formal Caution being refused, the Council will pursue the offence through a prosecution, except in exceptional circumstances as authorised by the appropriate officer.

Prosecution

12.29 The Council prefers to deal with contraventions of the law in other ways, but on occasion it will be necessary for businesses and individuals to be prosecuted.

12.30 Then considering prosecution, we will consider all available information and wherever possible discuss matters with the person or business responsible to ensure that a fair, consistent and objective decision is made. We will consider the 'Crown Prosecution Service Guide – The Code for Crown Prosecutors', and in particular look at the following:

- The seriousness of the offence;
- Previous history and the willingness to prevent a repetition;
- Any explanation given;
- The public benefit.

12.31 If the evidential criteria are met then the public interest criteria in support of prosecution will be considered:

- A conviction is likely to result in a significant penalty;
- There has been a blatant disregard for the law, including where the economic advantages of breaking the law are substantial and the law-abiding are placed at a disadvantage to those who disregard it;
- When there appears to have been reckless disregard for the health and safety of occupier or others;
- Where there have been repeated breaches of legal requirements in a property or several properties in the same ownership and it appears the

owner/landlord is neither willing nor structured to deal adequately with these;

- Where, as a result of a substantial legal contravention, there has been a serious accident or a case of ill health;
- Where there are persistent poor standards;
- The requirements and recommendations previously given have not been taken and the owner/landlord has failed to correct a serious risk having been given reasonable opportunity;
- A statutory notice has been served and the time allowed for works to be undertaken expired, without an appeal being raised;
- A Formal Caution has been offered and refused, or where a Formal Caution has previously been accepted for a similar offence.

12.32 It is also necessary to consider public interest criteria against prosecution:

- The court is likely to impose a very small fine or nominal penalty;
- The offence was committed as a result of a genuine mistake or misunderstanding (balanced against the seriousness of an offence);
- Loss or harm suffered can be considered minor and was the result of a single incident, particularly if caused by misjudgement;
- There has been a long delay between the offence occurring and the date of the trial, unless:
 - The offence is serious;
 - The delay has been caused in part by the defendant;
 - The offence has only recently come to light, or
 - The complexity of the offence has meant that there has been a long investigation;
- A prosecution is likely to have a very bad effect on the physical or mental health of the tenant/victim (bearing in mind the seriousness of the offence);
- The defendant is elderly or is, or was at the time of the offence, suffering from significant mental or physical ill health, unless the offence is serious or there is a real possibility it may be repeated;

- The defendant has put right the defects, loss or harm that was caused (defendants will not avoid prosecution simply because they can pay compensation);
- A willingness of the defendant to prevent a recurrence of the problem;
- Information may enter the public domain that the Council or other public bodies may at least consider inappropriate;
- If it would be a more efficient use of public funds to simply proceed to carrying out works in default (bearing in mind the seriousness of the offence).

12.33 The decision on public interest is not simply an arithmetic calculation of pros and cons but involves officers deciding how important each factor is in the circumstances of individual cases and reaching an overall conclusion.

12.34 In reaching any decision to prosecute, this does not necessarily preclude the act of serving a notice or carrying out works in default as well, dependant on any specific direction associated with particular pieces of legislation.

Appeals/Right To Be Heard

12.35 Most legislation gives rights of appeal against enforcement action to either the Courts or Tribunals and these rights will be clearly explained when any such action is taken. This appeals procedure may be time-consuming, costly and complicated. The Council has an informal appeals procedure that people can use prior to service of notices or other enforcement action. Rights of appeal can therefore be divided into informal and formal rights.

Informal appeal

12.36 If a business or individual is unhappy with any proposed action they should discuss the matter with the Officer concerned in the first instance. If still unhappy, the Officer will provide the name of a Senior Officer within the Council who will be available to review the decision. At this time there will be an opportunity for the individual or business to make representations as to why the proposed course of action is unnecessary or unreasonable.

Formal appeal

- 12.37 Once legal action, such as the service of a statutory notice or a decision to prosecute, has been taken, it is no longer possible to use the informal appeals procedure. Any appeal against the action taken will therefore need to be made to the relevant Court or Tribunal. Information outlining rights of appeal will be given to the recipient of each notice served. Recipients of notices etc will also be advised to take independent legal advice.
- 12.38 It should be noted that the formal right of appeal to the Court or Tribunal is unaffected by the informal process. Most formal appeals have to be lodged within a specific time.

Works in default

- 12.39 The use of this power will initially be determined by the legislation under which a statutory notice was served and whether it allows for work to be carried out in default.
- 12.40 Works in default will generally be carried out when:
- The person served with a notice fails to comply with its requirements;
 - There has been no appeal against the notice, or an appeal has been quashed;
 - It is considered more appropriate/effective than prosecution or a successful prosecution has been taken and the problem remains;
 - The problem may be so serious as to require quick remediation through work in default at the same time as prosecution;
 - The recipient of the notice has requested such and given an undertaking to pay, in writing.
- 12.41 In determining whether to carry out works in default the following criteria will be considered:
- The seriousness of the defect and the urgency of the need to remedy the situation;

- The ability of the Council to reclaim the cost of undertaking the works, plus an administration charge, should the recipient of the notice appeal the costs;
- The comments of the recipient of the notice.

12.42 In commissioning any works so as to carry out works in default the councils' normal rules governing financial matters will be adhered to which includes provision for the possible ordering of works in emergency situations.

12.43 In all cases where controlling legislation allows, the Council will seek to recover costs incurred plus a reasonable charge for administration and interest where payment is delayed or through later recovery of a charge put on a property.

General matters

12.44 In cases of Formal Caution or prosecution, appropriate reference shall be made to the Borough Solicitor as part of the decision-making process.

12.45 The decision-making process undertaken through this policy will be carried out in line with the Council's Constitution giving authority to Members and officers for varying functions.

12.46 In carrying out this enforcement policy, any of the Council's duly authorised officers may use any of their powers, including power to enter premises to investigate particular offences, and in other circumstances. In appropriate cases an investigating officer may apply to the Court for a warrant to enter using reasonable force if necessary.

12.47 The Council will ensure all officers carrying out enforcement duties are suitably trained to do so and are subject to additional training as and when necessary for new legislation, etc.

- 12.48 The Council may make a charge for undertaking enforcement action when controlling legislation allows.

13.0 COMPLAINTS POLICY

- 13.1 Any customer who is dissatisfied with the service provided will initially be asked to contact the officer who has been dealing with their case and give them the opportunity to alter the services or to or explain the decision/outcome.

- 13.2 If after contact with the officer dealing with the case a customer is still dissatisfied and wishes to explore the matter further they will be asked to contact the Head of Housing Strategy and Enabling who will provide a full written response within 10 working days of becoming aware of the matter. In the event of all enquiries not being complete to enable a full response within 10 working days, an interim response will be made within 3 working days indicating when a full response may be expected.

- 13.3 In the event that a customer is still dissatisfied, the Council has a formal complaints procedure and a leaflet is available upon request. This is a three-stage process as set out below:
- *Step 1:* If the customer is still unhappy they should contact the Housing Services Manager;
 - *Step 2:* The Housing Services Manager can resolve most complaints. However, if the customer still feels that their complaint has not been dealt with satisfactorily, or they would like to discuss it further, they can contact the Borough Solicitor who will carry out an independent review or arrange for one to be carried out.
 - *Step 3:* If the customer remains dissatisfied, their complaint can go before a panel of elected Councillors. They should request this through the Chief Executive or Borough Solicitor.

At this stage of the procedure the customer will receive a letter explaining the decision that has been made in relation to their complaint and the

reason for it. Letters sent after Steps 1 and 2 will explain what can be done. If the customer still feels aggrieved they can ask the Local Government Ombudsman to investigate their complaint.

14.0 DEFINITIONS WITHIN THIS POLICY

“Administration Charge”	Will be imposed by the Council to cover the cost (plus VAT) of its officers organising works in default of an owner, e.g. after a statutory notice has not been complied with or when a responsible person requests the Council to organise works.
“Agreed Works”	Are those works appearing on a schedule produced or authorised by the Council
“Charge on a Property”	Is where the local authority legally places a debt on the record of a house and recovers the debt, plus interest, upon its sale if not settled beforehand.
“Common Parts”	In relation to a building, includes the structure and exterior of the building and common facilities provided, whether in the building or elsewhere, for persons who include the occupiers of one or more flats in the building.
“Consent of Mortgagee”	Is given by the building society, bank, etc., with whom the applicant has their mortgage in the case of freeholders and leaseholders.
“Conversion Application”	Means an application in respect of works to provide one or

	more dwellings by the conversion of a house or other building, or for the provision of a House in Multiple Occupation by the conversion of a house or other building.
“Date of final payment of grant”	Is the date of the final cheque from the Council that completes payment of the grant assistance.
“Decent Home Standard” See Appendix 4 for a more detailed definition.	A Decent Home is defined as meeting four criteria: <ul style="list-style-type: none"> • It meets the current statutory minimum standard for housing. • It is in a reasonable state of repair. • It has reasonably modern facilities and services. • It provides a reasonable degree of thermal comfort.
“Equity Release”	Is a means by which elderly persons can raise money against the value of their home where the difference between any outstanding mortgage/loan and its current market value is significant, also applicable where there is no outstanding mortgage/loan. The method of repayment can vary but generally the value of the loan, with or without interest, is repaid upon sale of the property.
“Household Income”	Means the amount of money the financial markets will consider available from a household to fund a loan, but will not include income from children, etc., residing in the home, but purely from owner(s) and any spouse or partner living in the property.
“House in Multiple Occupation”	And references to the owner of or person managing such a house shall have the same meaning as in Parts 2 and 7 of the Housing Act 2004 or any successor statutory definition.
“Housing Health and Safety Rating System” (HHSRS) See Appendix 3 for a more detailed definition.	A system of assessment of dwellings to determine the nature and severity of risks to the health and safety of the occupants; implemented on 6 April 2006.

“Mandatory Disabled Facilities Grant”	Is defined as per in the Housing Grants Construction and Regeneration Act 1996, as amended, or as in any successor statutory definition.
“Means Tested Benefit’s”	Is any income-based benefit received by an applicant, as defined and listed in a separate information sheet.
“Member of the family”	Includes spouses, persons who live together as husband and wife, parents, grandparents, children, grandchildren, brothers, sisters, uncles, aunts, nephews and nieces. It also includes same sex couples for discretionary grant aid only.
“Person with a disability/people with disabilities”	She/he is registered as a person with a disability or, in the opinion of the Social Services Authority is registerable as a person with a disability. This definition recognises the fact that the majority of people will not be on a register.
“Persons not related or connected with the owner of a dwelling”	Means not being a member of the owner’s family in accordance with the definition of ‘Member of the family’.
“Preliminary or Ancillary Services, Fees and Charges”	<p>Which may be included in a grant/loan application are:</p> <p>Technical and structural surveys;</p> <p>Designing and preparing plans and drawings and preparing schedules of works;</p> <p>Obtaining estimates and valuations;</p> <p>Applications for building regulations approval and planning permission;</p> <p>Supervision of works;</p> <p>Disconnection and reconnection of electricity, gas, water and drainage utilities made necessary by the works (but no charges arising out of non-payment of bills);</p> <p>Advice on contracts and on financing the cost of works.</p> <p>Including such services given by or through home</p>

improvement agencies.

“Proof of Title”

Is completed by a Solicitor or Building Society on an applicant's behalf in the case of freeholders or leaseholders to confirm ownership.

“Reasonable Repair”

Means the Council shall have due regard to the age and character of a dwelling and the locality in which it is situated, but not its state of internal decoration, when considering its condition.

SAP Rating
(Standard Assessment
Procedure)

The SAP is the Government's recommended system for the energy rating of dwellings. The SAP is used for:

- Calculating the SAP rating, on a scale from 1 to 100, based on the annual energy costs for space and water heating. The higher the figure the more energy efficient is the property.
- Calculating the Carbon Index, on a scale of 0.0 to 10.0, based on the annual CO2 emissions associated with space and water heating.

SAP ratings allow comparisons of energy efficiency to be made, and can show the likely effect of improvements to a dwelling in terms of energy use.

NB ‘Super Efficient’ homes may be specially constructed using the latest technology that actually generate more energy (by wind turbines and ground source heat pumps etc) than they use. Surplus energy being ‘sold’ back to the energy utility company. These properties are measured out of 120. It is believed that no such properties exist in the Borough of Gosport.

“Statutory Notice”

Is a notice requiring owners/responsible persons to carry out work or some other action with regard to their property. The

notice is served using the power of a national law and failure to comply may result in prosecution through the courts or works being carried out at the responsible person's expense.

“Substantial Disrepair”

Means repairs to a single property, being required to put it in reasonable repair that will cost over £1,000.

“Tenant”

Means a person occupying property on an assured short term letting basis

“Vulnerable Household”

See Appendix 2 for a more detailed definition.

A household where at least one member is in receipt of at least one of the principal means tested or disability related benefits

“Works in Default”

Means works that the Council organise and possibly carry out as a result of the recipient of a statutory notice failing to comply with its requirements within a reasonable period of time.

“Working Days”

Means days excluding Saturday and Sundays and Bank Holidays.

APPENDIX 1

KEY SERVICE STANDARDS 2004/5

ACTIVITY	TARGET
Respond to urgent service requests, such as no hot water in private tenanted home of member of vulnerable group (vis-à-vis aged >60, family with child <5, or Registered Disabled), or severe water penetration in private tenanted home, or complete electrical failure in private tenanted home, or in Houses in Multiple Occupation where the gas/electric/water are cut off.	100% within 1 working day
The proportion of unfit private sector dwellings made fit or demolished as a direct result of action by the local authority	4 % pa
Respond to all requests for private sector housing service	95% within 5 working days 100% within 10 working days
Inspect premises for priority grant aid upon receipt of request, or request the Home Improvement Agency to take on the request	90% within 10 working days 100% within 20 working days
Determine all valid and fully made housing renewal grant applications	95% within 30 working days 100% within 60 working days
Authorise payment of grant monies following the satisfactory completion and inspection of the work and submission of all documentation	100% within 10 working days

APPENDIX 2

Definition of a Vulnerable Household

Vulnerable households have been defined for the purposes of the Decent Homes Standard as a whole as those in which at least one household member is in receipt of at least one of the principal means tested or disability related benefits. These being:

- Income Support.
- Housing Benefit.
- Council Tax Benefit.
- Disabled Persons Tax Credit.
- Income Based Job Seekers Allowance.
- Working Families Tax Credit.
- Attendance Allowance.
- Disability Living Allowance.
- Industrial Injuries Disablement Benefit.
- War Disablement Pension.
- Child Tax Credit.
- Working Tax Credit.
- Pension Credit.

The definition of qualifying benefits used to define 'vulnerable' will be subject to change, for instance; the last three qualifying benefits (above) have been introduced since 2001 and they have different qualifying thresholds.

APPENDIX 3

Housing Health and Safety Rating System – the 29 categories of housing hazard and the most vulnerable age groups, as defined by the ODPM

- 1. Damp and mould growth**
Health threat from dust mites, mould or fungal growths caused by dampness and/or high humidity.
Most vulnerable: 14 years or less
- 2. Excess cold**
Health threat from sub-optimal indoor temperatures.
Most vulnerable: 65 years plus
- 3. Excess heat**
Health threat caused by excessively high indoor temperatures.
Most vulnerable: 65 years plus
- 4. Asbestos and manufactured mineral fibres**
Health threat from inhalation of microscopic fibres.
Most vulnerable: no specific group
- 5. Biocides**
Hazards resulting from contact with chemicals used to treat timber and mould growth.
Most vulnerable: no specific group
- 6. Carbon monoxide and fuel combustion products.**
Hazards resulting from excess levels.
Most vulnerable: CO, 65 years plus. NO₂, SO₂ and smoke, no specific group.
- 7. Lead**
Hazards resulting from ingestion.
Most vulnerable: under 3 years
- 8. Radiation**
Principally health threat from exposure to Radon and its sister gases.
Most vulnerable: all persons aged between 60 and 64 years who have had a lifetime exposure to radon.
- 9. Uncombusted gas**
Threat of asphyxiation from escaping fuel gas.
Most vulnerable: no specific group
- 10. Volatile organic compounds**
Health threat from exposure to harmful gasses released from fabrics and paints etc at room temperature.
Most vulnerable: no specific group

- 11. Crowding and space**
Health hazards linked to lack of space for sleeping and normal household life.
Most vulnerable: no specific group
- 12. Entry by intruders**
Psychological and actual threat to health and safety from inadequate security against unauthorised entry.
Most vulnerable: no specific group
- 13. Lighting**
Threats to mental and physical health from poor lighting.
Most vulnerable: no specific group
- 14. Noise**
Threats to mental and physical health from excessive noise
Most vulnerable: no specific group
- 15. Domestic hygiene, pests and refuse**
Health hazards due to poor design, construction and disposal of household waste.
Most vulnerable: no specific group
- 16. Food safety**
Threats of infection from unhygienic conditions
Most vulnerable: no specific group
- 17. Personal hygiene, sanitation and drainage**
Threats of infection and to mental health from unhygienic conditions.
Most vulnerable: under 5 years
- 18. Water supply for domestic purposes**
Health threats from polluted water.
Most vulnerable: no specific group
- 19. Falls associated with baths etc**
Includes injury from falls associated with showers.
Most vulnerable: 60 years plus
- 20. Falls on the level**
Includes injury from trip steps, thresholds and ramps where the change in level is less than 300mm.
Most vulnerable: 60 years plus
- 21. Falls associated with stairs and steps**
Includes injury from stairs and steps where the change in level is greater than 300mm.
Most vulnerable: 60 years plus

- 22. Falls between levels**
Includes injury from falls from windows, balconies and landings.
Most vulnerable: under 5 years
- 23. Electrical hazards**
Hazards from electric shock and electricity burns.
Most vulnerable: under 5 years
- 24. Fire**
Threats to health from uncontrolled fires including the effects of smoke.
Most vulnerable: 60 years plus
- 25. Hot surfaces and materials**
Includes burns and scolds from non-hot water based liquids.
Most vulnerable: under 5 years
- 26. Collision and entrapment**
Injury from trapping body parts in architectural features, such as windows (**most vulnerable:** under 5 years); and, striking (colliding with) objects that are architectural features such as low ceilings, door openings (**most vulnerable:** 16 years plus).
- 27. Explosions**
Injury caused from the blast of an explosion.
Most vulnerable: no specific group
- 28. Ergonomics**
Strains caused by poor design and layout.
Most vulnerable: 60 years plus
- 29. Structural collapse and falling elements**
Injury from falling objects due to structural failure, inadequate fixings and disrepair.
Most vulnerable: no specific group

APPENDIX 4

THE DETAILED DEFINITION OF A DECENT HOME

1. This section gives detailed definitions of each of the four criteria that make up the decent home standard (DHS).

Criterion A: It meets the current statutory minimum standard for housing

2. The Housing Health and Safety Rating System (HHSRS), which assesses health and safety hazards in the home and designates them Category 1 or 2 according to their severity, is the statutory minimum standard for housing. A Category 1 hazard triggers a duty on an authority to take appropriate enforcement action and also triggers action in the context of decent homes.

Criterion B: It is in a reasonable state of repair

3. A dwelling satisfies this criterion unless:
 - One or more key building components are old *and*, because of their condition need replacing or major repair; or
 - Two or more other building components are old *and*, because of their condition need replacing or major repair.

A building component can only fail to satisfy this criterion by being old and requiring replacing or repair. A component cannot fail this criterion based on age alone.

Building Components

4. Building components are the structural parts of a dwelling (e.g. wall structure, roof structure), other external elements (e.g. roof covering, chimneys) and internal services and amenities (e.g. kitchens, heating systems). Key building components are those that, if in poor condition, could have an immediate impact on the integrity of the building and cause further deterioration in other components. They are the external components plus internal components that have potential safety implications and include:
 - external walls;
 - roof structure and covering;
 - windows/doors;
 - chimneys;
 - central heating boilers;
 - gas fires;
 - storage heaters; and
 - electrics.

5. Lifts are not considered to be a key component unless the lift or the lift shafts have a direct effect upon the integrity of the building.
6. If any of these components are old and need replacing, or require immediate major repair, then the dwelling is not in a reasonable state of repair and remedial action is required.
7. Other building components are those that have a less immediate impact on the integrity of the dwelling. Their combined effect is therefore considered, with a dwelling not in a reasonable state of repair if two or more are old and need replacing or require immediate major repair.

Old and in Poor Condition

8. A component is defined as 'old' if it is older than its expected or standard lifetime.
9. Components are in poor condition if they need major work, either full replacement or major repair.
10. One or more key components, or two or more other components, must be both old and in poor condition to render the dwelling non-decent on grounds of disrepair. Components that are old but in good condition or in poor condition but not old would not, in themselves, cause the dwelling to fail the standard.
11. A building component that requires replacing before it reaches its expected lifetime has failed early. Under the terms of the definition, this early failure does not render the dwelling non-decent.
12. The disrepair criterion is set in such a way that it helps plan future investment needs. Owners are more likely to be able to predict component failure after the component has reached a certain age than predicting early failures.
13. Where the disrepair is of a component affecting a block of flats the flats that are classed as non-decent are those directly affected by the disrepair.

Criterion C: It has reasonably modern facilities and services

14. A dwelling is considered not to meet this criterion if it lacks three or more of the following facilities:
 - a kitchen which is 20 years old or less;
 - a kitchen with adequate space and layout;
 - a bathroom which is 30 years old or less;
 - an appropriately located bathroom and WC;
 - adequate noise insulation; and
 - adequate size and layout of common entrance areas for blocks of flats.
15. The ages used to define the 'modern' kitchen and bathroom are less than those for the disrepair criterion. This is to take account of the modernity of kitchens and bathrooms, as well as their functionality and condition.

16. These standards are used to calculate the national standard and have been measured in the English House Condition Survey (EHCS) for many years. For example, in the EHCS:
- a kitchen failing on adequate space and layout would be one that was too small to contain all the required items (sink, cupboards cooker space, worktops etc) appropriate to the size of the dwelling;
 - an inappropriately located bathroom and WC is one where the main bathroom or WC is located in a bedroom or accessed through a bedroom (unless the bedroom is not used or the dwelling is for a single person). A dwelling would also fail if the main WC is external or located on a different floor to the nearest wash hand basin, or if a WC without a wash hand basin opens on to a kitchen in an inappropriate area, for example next to the food preparation area;
 - inadequate insulation from external airborne noise would be where there are problems with, for example, traffic (rail, road and aeroplanes) or factory noise. Landlords should ensure reasonable insulation from these problems through installation of appropriate acoustic glazing in line with the current Building Regulations; and
 - inadequate size and layout of common entrance areas for blocks of flats would be one with insufficient room to manoeuvre easily for example where there are narrow access ways with awkward corners and turnings, steep staircases, inadequate landings, absence of handrails, low headroom etc.
17. Owners may work to different detailed standards than those set out above. In some instances there may be factors that may make the improvements required to meet the decent homes standards challenging, or impossible, factors such as physical or planning restrictions. Where such limiting factors occur the property should be assessed to determine the most satisfactory course of action in consultation with the relevant body or agency so as to determine the best solution. The outcome may determine that some improvements may be possible even if all are not. A dwelling would not fail this criterion, where it is impossible to make the required improvements to components for planning reasons.

Criteria D: It provides a reasonable degree of thermal comfort

18. The revised definition requires a dwelling to have both:
- efficient heating; and
 - effective insulation.
19. Efficient heating is defined as any gas or oil programmable central heating or electric storage heaters or programmable LPG/solid fuel central heating or similarly efficient heating systems that are developed in the future. Heating sources that provide less energy efficient options fail the decent home standard. Programmable heating is where the timing and the temperature of the heating can be controlled by the occupants.

20. Because of the differences in efficiency between gas/oil heating systems and the other heating systems listed, the level of insulation that is appropriate also differs:

- For dwellings with gas/oil programmable heating, cavity wall insulation (if there are cavity walls that can be insulated effectively) or at least 50mm loft insulation (if there is loft space) is an effective package of insulation; and
- For dwellings heated by electric storage heaters/LPG/programmable solid fuel central heating a higher specification of insulation is required: at least 200mm of loft insulation (if there is a loft) and cavity wall insulation (if there are cavity walls that can be insulated effectively).

21. Loft insulation thickness of 50mm is a minimum designed to trigger action on the worst housing. Where insulation is being fitted, owners should take the opportunity to improve the energy efficiency and install insulation to a much greater depth.

(Source: A Decent Home – The definition and guidance for implementation, ODPM, Feb 2004)

APPENDIX 5

CONTACT DETAILS

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APPENDIX B TO HOUSING SERVICES MANAGER'S REPORT

Major changes in the Housing Renewal Policy 2007-08

Introduction:

This Appendix is a précis of the major changes over the previous (2006-07) Housing Renewal Policy.

Some changes have been made necessary due to the new Housing Act 2004; elements of which, despite the date of the Act, did not pass into statute law until July 2006.

Other changes have been necessitated by the publication of new research. However, I have also included more definitions, in the light of Members questions in the Housing Board Meeting on 8th March 2006.

Main Changes:

2.15 alludes to recent research by CURS (Centre for Urban and Regional Studies, at Birmingham University), May 2006, concerning poor housing conditions in the private sector in South-east England.

3.7 notes the introduction of the Licensing Scheme for many of the larger HMO's (Houses in Multiple Occupation), and the abolition of the Fitness Standard and its replacement with the new Housing Health & Safety Rating System, as well as the Decent Homes Standard. Through-out the Policy, the expression 'Fitness Standard' has thus been replaced by 'Decent Home Standard'.

In order to assist Members with these changes I have included more definitions in **14.0: "Definitions within this Policy"** [i.e. SAP (Standard Assessment Procedure) - the Government's recommended system for the energy rating of dwellings] and the following new appendices: -

Appendix 2 – Definition of a Vulnerable Household.

Appendix 3 – Housing Health & Safety Rating System - the 29 categories of housing hazard and the most vulnerable age groups, as defined by the ODP (Office of the Deputy Prime Minister).

Appendix 4 – Detailed Definition of the Decent Home Standard.

4.14 refers to the extension of the PSA7 (Public Service Agreement) target, which aims to increase the proportion of vulnerable households in the private sector living in decent homes.

4.15 & 4.16 outlines the key conclusions of the Stern Review 'Economics of Climate Change' (October 2006); in particular, focusing on domestic energy consumption (and hence carbon emissions) which accounts for over a quarter of the UK total.

7.7.4 & 8.6 refers to the extension of the Low Cost Energy Efficiency Improvement Grants to recipients of Disabled Facilities Grants (where no member of the household would qualify for a Warmfront Grant). This is also mentioned in 3.2 of the Board Report proper.

GOSPORT BOROUGH COUNCIL

REPORT TO THE:	POLICY & ORGANISATION BOARD
MEETING DATE:	14 MARCH 2007
TITLE:	MEDIUM TERM FINANCIAL STRATEGY AND CAPITAL STRATEGY
AUTHOR:	BOROUGH TREASURER
STATUS:	FOR DECISION

PURPOSE OF REPORT

To consider the updated Medium Term Financial and Capital Strategies.

RECOMMENDATIONS

It is recommended that:-

1. the Medium Term Financial Strategy and Capital Strategy be approved;
2. the Board consider whether the policy of annual council tax increases being restricted to no more than 4% should be changed in the light of forecasts contained in the Medium Term Financial Strategy; and,
3. the Board decide how it will address the budget crisis forecast for the years 2008/9 to 2010/11.

1.0 BACKGROUND

- 1.1 The Council approved its first formal Medium Term Financial Strategy in 2006 and has not reviewed its Capital Strategy for several years. Following the recent completion of the budget cycle for 2007/8, it is timely to review these strategies prior to consideration of a budget strategy for 2008/9 by this Board in June.

2.0 REPORT

- 2.1 Budget preparation will commence in July and will incorporate requirements resulting from Council priorities identified from Capital Strategies, Community Strategy, Corporate Plan and Best Value action plans.

- 2.2 There is a statutory requirement to produce a robust balanced budget with formal consideration of reserve levels. Revised Medium Term Financial and Capital Strategies are attached as Appendices 1 and 2 respectively
- 2.3 Projections contained in the Medium Term Financial Strategy indicate that substantial increases will be required in the Council's General Fund budget over the next 3 years based on the projected costs of providing current services plus other known commitments. The forecasts assume that Government grant increases by 2% per annum in cash terms.
- 2.4 To achieve 4% council tax increases and comply with Council policy, a reduction of 10% (£1.3M) in the base General Fund budget is required over the next 3 years. This must be achieved by a combination of increasing income and reducing expenditure on services, including achieving efficiencies. The Council does not have sufficient reserves to meet the forecast budget increases for any sustained period of time.
- 2.5 The Board should consider whether the policy of council tax increases of no more than 4% continues to be appropriate. (The policy was agreed in 2004. Retail Price Index has recently exceeded 4%).
- 2.6 The recently introduced Service Efficiency Review process may highlight areas where economies can be achieved but services provided in excess of statutory requirements or the normal level for district councils should also be examined. (These are services where Gosport currently chooses to provide a high service level and where the subsidy from the local taxpayers may not be sustainable in the longer term).
- 2.7 Difficult decisions will have to be taken but failure will bring the risks of capping and intervention. It is likely that the Government will continue to view Council Tax rises in excess of 5% as excessive for the purposes of capping.
- 2.8 There is also need to better consider and prioritise capital projects within the Capital Programme in future, particularly considering affordability and impact on local tax levels. The Capital Strategy indicates the considerations that are necessary in order to achieve this.
- 2.9 The Capital Strategy also sets out a framework for monitoring the progress of ongoing schemes in addition to establishing a process of post implementation review of completed Projects. This review will assess each project's success in terms of adhering to the budget, whether the targeted completion date has been achieved and whether the anticipated outputs and outcomes (as stated on the Capital Scheme Proposal Form) have been delivered.

3.0 CONCLUSION

- 3.1 Both the Medium Term Financial Strategy and Capital Strategy are key documents affecting the financial future of the Council. The Board need to consider these and the potential impact on future council tax policy.

SUPPORTING INFORMATION

Financial Implications:	See Report
Legal Implications:	As the report sets out the Council has to set robust and balanced budgets and to undertake its functions effectively, efficiently and economically
Service Improvement Plan implications:	None
Corporate Plan:	-
Risk Assessment:	High Risk of capping/intervention see 2.7
Background Papers:	None
Background papers:	See Council Budget 2006/7 Report
Appendices/Enclosures:	1. Medium Term Financial Strategy 2. Capital Strategy
Report Author/Lead Officer	Peter Wilson

GOSPORT BOROUGH COUNCIL

MEDIUM TERM FINANCIAL STRATEGY

2007/08-2011/12

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GOSPORT BOROUGH COUNCIL

MEDIUM TERM FINANCIAL STRATEGY 2007/08-2011/12

1.0 INTRODUCTION AND OBJECTIVES

1.1 Introduction

The purpose of the Medium Term Financial Strategy (MTFS) is to provide the overall framework for the financial investment in services from 2007-2012. Updated and reviewed at least annually, the MTFS helps to ensure that the Council's financial resources are targeted to achieve the strategic priorities and values contained within the Council's Corporate Plan.

The MTFS also provides a link to other financially related strategies including the Capital Strategy, Asset Management Plan, Treasury Management Strategy and Workforce Development Strategy.

1.2 The Council's Mission

The MTFS will provide a key role in helping achieve the Council's mission of *'To work with our community to improve everyone's quality of life and deliver a sustainable future for the Borough.'* by helping achieve an efficient, effective and robust financial framework which will enable the Council to focus resources on its stated priorities.

1.3 Objectives of the Strategy

The main objectives of the Medium Term Financial Strategy are:-

To help ensure that the Council's financial resources are sufficient to achieve its stated objectives within the Corporate Plan including strategic priorities and core values;

To seek to minimise net debt and maximise income in order to provide investment in economic and efficient services within Council Tax increases of no more than 4% per annum;

To ensure that the Council maintains a realistic level of General Reserves to both meet unforeseen events and help reduce vulnerability to significant fluctuations in Council Tax levels;

To provide both a link and framework to other financially related strategies;

To provide a single document to communicate the financial aims and objectives to staff and stakeholders alike;

Projection of resource requirements over a 5 year period;

2.0 REVENUE

General Fund Base Budget 2007/08

2.1 The current year's budget is divided into the following services:

Gosport Borough Services	Gross Expenditure £'000	Gross Income £'000	Net Budget £'000
Environmental Health Services	2,038	321	1,717
Parks and Leisure Activities	3,126	548	2,578
Housing Services	16,701	15,840	861
Council Housing	10,413	10,326	87
Refuse Collection	1,399	51	1,348
Town Planning and Development	3,062	1,013	2,049
Transportation	1,875	596	1,279
Other Services and Expenses	7,459	5,036	2,423
Sub-Total	46,073	33,731	12,342
Transfer from Balances	(40)		(40)
TOTAL	46,033	33,731	12,302

2.2 The net budget for 2007/08 represented a 4% (or £7.33 for a Band D property) Council Tax increase over 2006/07. This can be seen from the following table:-

Gosport-Percentage Council tax increase for 2007/08

Council's additional budget needs	7.5%
Government Grant variation	-3.4%
Transfer to reserves	0.4%
	<u>4.5%</u>
Less Council Tax Collection Fund Surplus	-0.5%
	<u>4.0%</u>

2.3 Revenue Budget Projections 2008/09-2011/12

A forecast of the revenue budget for the next four years is shown below and takes into account any significant variations in income and expenditure that are presently known or anticipated. It must be recognised that this projection is subject to considerable variation for a number of reasons such as changes in demand for Council services, new or amended Central Government legislation (including the Government Grant Settlement) and the external economic environment in which the Council has to operate. It is however, still essential that this analysis is undertaken and updated as necessary in order that any potential budget problems or opportunities are quickly identified and the appropriate action undertaken.

PROJECTED GENERAL FUND BUDGET FOR THE YEARS TO 2011/12

	(£'000)			
	2008/9	2009/10	2010/11	2011/12
A 2007/8 Base Budget	12,302	12,302	12,302	12,302
B Revenue Increases				
Private Housing Condition Survey			60	
Local Elections	70		70	
Insurance Premiums		100	100	100
Contract re-tendering		350	350	350
Other	7	26	21	28
	77	476	601	478
C Additional Financing Charges *	245	441	556	619
D (A+B+C)	12,624	13,219	13,459	13,399
E Less Revenue Decreases				
Planning Grant	-125	-125	-125	-125
Business Growth Grant			-52	-52
New Revenue Streams	50	100	150	150
	-75	-25	-27	-27
F PROJECTED BUDGET TOTALS (D-E)	12,699	13,244	13,486	13,426
INFLATION	450	900	1350	1800
PROJECTED BUDGET TOTALS INCLUDING INFLATION	13,149	14,144	14,836	15,226
BUDGET INCREASE (%)	6.9	7.6	4.9	2.6
POTENTIAL COUNCIL TAX INCREASE (%)	13.7	13.6	7.3	2.5

*Arising from the Capital Programme

- 2.4 Service efficiency reviews of all Council services are undertaken on a rolling 3 year programme in order to identify economies that will moderate the forecast Council Tax increases with a view to maintaining the Council policy of increases of no more than 4% p.a.

General Fund Working Balance

- 2.5 A key objective of the Strategy is:-

'To ensure that the Council maintains a realistic level of General Reserves to both meet unforeseen events and help stabilise annual fluctuations in Council Tax Levels'

- 2.6 In order to help achieve a minimum prudent target level of 7% has been set for the General Fund Working Balance. It is anticipated that when the working balance reaches £1M the need for further increases will be reviewed.
- 2.7 Gosport's working balance remains in the lower quartile compared to other local authorities. This is considered appropriate as the Council is conscious that the balance represents local taxpayers' funds set-aside and not directly contributing to service provision.

2.8 Revenue Financing Reserve

The Revenue Financing Reserve (RFR) is a provision available for general use, although it is particularly targeted at:-

- reducing exposure to risk by helping to underwrite uninsurable risks and by saving premiums where self insurance is undertaken;
- helping to ensure that variations in annual maintenance requirements can be adequately financed
- helping achieve efficiencies by providing funding for spend to save initiatives.

- 2.9 It is considered that maintaining a viable RFR is an essential element for improved management of the Council's finances. In order to achieve this the approved Council policy is that the RFR will receive General Fund Contributions from year end savings, a base budget contribution and Council Tax Collection Fund surpluses (all subject to the working balance first being maintained at the target 7% level).

3. HOUSING REVENUE ACCOUNT

Housing Revenue Account (HRA)

- 3.1 The HRA comprises expenditure and income relating to council houses and the provision of services to tenants. This includes management and the repair and maintenance of stock and the rent and income from other sources such as housing subsidy.

- 3.2 The determination of future expenditure patterns relies upon the following key elements:
- Repair and maintenance needs of the stock
 - Meeting the decent homes standard
 - Aspirations of the tenants
 - Rent convergence
 - The resources available
- 3.3 The historical needs of the stock have been addressed within the HRA (30 year) Business Plan, as have the aspirations of the tenants in the development of the capital programme. The Council has also sought to maximise what it is able to spend efficiently each year, within its current resources. The Capital programme has been adjusted accordingly to reflect the need to meet the Decent Homes Standard and the aspirations of the tenants whilst ensuring that best value is gained from consultation with the tenants and with our partnering contractors.
- 3.4 Forecasts show that after considering rent convergence and the amendments to the Capital Finance regime, including pooling of receipts and the loss of the supported borrowing, the Decent Homes Standard can be achieved by 2010 in accordance with Government requirements.

HRA Business Planning

- 3.5 The HRA Business Plan was signed off by the Government's Regional Office in September 2003 and was deemed as 'fit for purpose'. The Business plan was compiled alongside the Housing strategy but with a clear recognition of the difference between the two documents. There is a requirement for a new plan to be produced this year and work has already started on this. The Regional Office have also required regular updates on this Authority's progress on a number of tasks associated with the plan, the key one being progress towards the governments Decent Homes standard by 2010. Business Plan statistical returns continue to be submitted to the government offices annually.

HRA Rent Restructuring

- 3.6 A review of the rent restructuring policy was undertaken by Central Government in 2004/05 and this affected three key areas:
- Bedroom weightings-allowing target rents to increase for larger properties
 - The abolition of the downward limit-allowing rents to reduce to target in one go
 - Change to RSL values and average rents as a basis for target rent calculations.
- 3.7 The continuation of the Government policy of rent restructuring means that target rents have increased significantly and actual rents have had to increase by an average of £2.86 or 4.9% for 2007/08 increasing the average rent to £60.30 per property over 48 weeks. It is likely that rents will have to increase by similar levels in future years.
- 3.8 Under the rent restructuring arrangements, increases for individual properties are capped at inflation plus half a percent plus £2 per week. In Gosport the majority of properties will reach their target rents and achieve convergence by 2012 as required.

Housing Revenue Account Subsidy

- 3.9 The Housing Revenue Account Subsidy is an assessment of the entitlement to government support for council housing based on calculations derived from a 'notional 'housing revenue account'. In broad terms the government takes what it believes an authority needs to spend, and deducts from this the income they believe an authority should raise. The difference being the subsidy entitlement. This authority's notional income is greater than its notional expenditure, meaning it makes a payment in respect of negative subsidy to the Government. This is offset by the Major Repairs Allowance, a government grant that is paid to authorities to spend on capital improvements. For Gosport this approximately equates to the negative subsidy figure.
- 3.10 The government announced in the 2006/07 subsidy determination that the subsidy regime would progress towards 3 year intervals instead of the annual settlements that currently take place. The intention is to bring the subsidy determinations in line with the three year spending reviews. This should allow for greater certainty of the value of future entitlements and aid short term business planning as formulae should remain the same within this timeframe.

Housing Revenue Account working balance

- 3.11 The HRA working balance is a reserve of the Housing Revenue Account and is “ring fenced” for this purpose.
- 3.12 Balances have been restored to prudent levels with a balance of £991,000 as at 31st March 2006. This equates to an equivalent of £302 per property and is just slightly higher than the authority’s target of £250 per property, with a minimum acceptable balance being set at £200 per property. The balance is currently estimated to reduce to £901,000 as at 31st March 2007 and £814,000 as at 31 March 2008.

Performance

- 3.13 The Authority produces and publishes information on its performance in an annual Best Value Performance Plan. The data contained within the plan is in line with the guidance provided by the Government.
- 3.14 Performance data is collected annually between 1st April and 31st March. A large percentage of these indicators are also collected on the “Housemark” website which enables Gosport to monitor its performance during the year against other service providers within the South East. The figures given for Housing Service performance data are actual (un-audited) figures for 31st March 2006.

4.0 CAPITAL

Capital Priorities and Selection Process

- 4.1 In order to ensure that the Council’s Capital expenditure is targeted at achieving the Council’s Priorities capital projects must be evaluated and prioritised before they are recommended for inclusion in the Draft Capital Programme which is considered by Members as part of the budget process.
- 4.2 In order to achieve this every proposed scheme is assessed using the Council’s *Capital Scheme Proposal Form* which covers a number of key areas of information including examining how the scheme will contribute to the Council’s Strategic Priorities and the outputs/outcomes that will be achieved. The form also requires other important information to be detailed including that relating to the cost (both capital and associated revenue implications), funding, programming and risk associated with the project.
- 4.3 The projects are then considered by the Council’s Management Team with particular attention to the contribution to the priorities detailed within the Corporate Plan and associated Corporate Action Statement. The Team then make recommendations to Members on the Schemes to consider and pursue as part of the Council’s Capital Programme.

Prudential Framework /Impact on Revenue Account

- 4.4 The Local Government Act 2003 introduced major changes to the capital funding regime with effect from 1 April 2004. The previous system of controlling Councils capital expenditure by limiting borrowing through the use of credit approvals was replaced by a more flexible system based on affordability.
- 4.5 The new prudential capital finance system (Prudential Framework) allows the Council to make its own borrowing decisions using agreed professional principles as set out in the Prudential Code to ensure that any new borrowing is affordable and prudent.
- 4.6 The main advantages of the increased freedom to borrow under the Prudential Framework are:-
- (i) The ability to bring forward capital schemes that would not otherwise have been possible to fund in the short to medium term under the previous capital financing regime.
 - (ii) Spend-to-Save Schemes where the cost of the borrowing associated with the capital expenditure on a Scheme can be wholly or partly met by revenue savings arising as a result of the project being carried out.
 - (iii) The ability to raise funding up to 3 years in advance when market conditions are favourable.
- 4.7 The expenditure possible under (i) will be limited by the ability of the Council to afford the revenue consequences of the borrowing undertaken. In any event the anticipated low levels of supported borrowing, capital grants and other capital funding resources together with the national pooling of Housing Capital Receipts has resulted in an increase in the need to borrow to finance Capital Expenditure. The anticipated increase in financing charges can be seen within the projected General Fund Budget (paragraph 2.3).

Capital Programme 2007/08- 2011/12

4.8 Projected Expenditure

Capital Programme 2007/08 - 2011/12	2007/08 £,000	2008/09 £,000	2009/10 £,000	2010/11 £,000	2011/12 £,000
Housing (HRA)	4,606	3,976	2,356	2,174	2,174
Housing (General Fund)	1,152	702	702	702	702
Community & Environment	4,389	1,498	917	207	47
Policy & Organisation	1,022	1,231	654	359	388
Total Capital Programme	11,169	7,407	4,629	3,442	3,311
Supported Capital Expenditure	6	6	6	6	6
Major Repairs Allowance - HRA	2,163	2,163	2,163	2,163	2,163
Specific Capital Grants - GF	186	186	186	186	186
Revenue Contributions - HRA	400	400	187	5	5
Developer Contributions for Leisure Facilities - GF	40				
Developer Contributions for Social Housing - GF	330	330	330	330	330
Other Grants and Contributions - GF	4,141	1,318	688		
Earmarked Capital Receipts - GF & HRA	280	170			
General Capital Receipts -GF	465				
Local Resources - Prudential Borrowing - GF	1,271	1,427	1,069	752	621
Local Resources - Prudential Borrowing - HRA	1,887	1,407			
Total Capital Funding	11,169	7,407	4,629	3,442	3,311

- 4.9 It can be seen that the single largest area of capital expenditure relates to HRA and largely consists of the expenditure on improvements to the Housing Stock with the initial objective of achieving the Decent Homes Standard.

5.0 TREASURY MANAGEMENT

- 5.1 Treasury management activities are defined as the management of the Council's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks. Activities are strictly regulated by statutory requirements and the CIPFA code of practice. It is an important part of the overall financial management of the Council's affairs.
- 5.2 The Treasury Management Strategy is considered by Policy and Organisation Board who then recommend formal adoption by the Council. The annual strategy outlines the expected Treasury activity for the forthcoming 3 years with a further report after the year end to report on actual activity for the year. The Treasury Management Strategy 2007/8-2009/10 was approved by Council on 7th February 2007.

The Strategy covers

- the current Treasury position;
- expected movement in interest rates;
- borrowing and debt strategy;
- investment Strategy (in compliance with the ODPM guidance); and,
- Treasury Performance Indicators

5.3 Treasury Position

The Council had a net investment of £0.477 million at 31st March 2006.

The money market fund (Global Treasury Funds plc) and Corporate Deposit Account continue to be used to maximise returns on sums that do not warrant by size or need being invested as short or long term investments.

The authority to respond to different interest rates throughout the financial year is delegated to the Borough Treasurer. In his absence the Council's response to short-term fluctuations is jointly agreed between any two of the Financial Services Manager, the Head of Accountancy and the Group Accountant

Approved methods of raising finance are:-

- All long-term loans (in excess of 365 days) to be raised through the PWLB, Bond Issue or Loan Receipt (1989 Housing Act).
- All short term loans (less than 365 days) to be raised through dealings on the London Money Markets using
 - o Tradition UK Limited
 - o ICAP
 - o R P Martins
 - o Other brokers at the discretion of the Borough Treasurer.
 - o Directly via the Council's bank

During 2006/07 the Council has been in a net investment position and this expected to continue during 2007/08.

▪ Expected Movement in Interest Rates

Interest Rate uncertainty is set to persist in the year ahead. The threat of higher inflation is considered a real danger for the UK economy in the near term, not least the possibility that the increase in RPI to over 4% could translate to a buoyant pay round. Whether or not this transpires will remain an open question but regardless of this Monetary Policy Committee will almost certainly err on the side of caution when it comes to setting policy.

The Monetary Policy Committee announced the long-awaited increase in base rates following its August meeting rising from 4.5% to 4.75%. This was followed by further increases in November and January, when Interest Rates rose to the current 5.25% rate. Long-term interest rates are expected to follow an erratic course but are likely to remain under modest upward pressure until the financial markets are convinced that the US interest rate cycle has peaked and the next move in dollar rates is in a downward direction.

▪ **Borrowing and Debt Strategy 2007/08 – 2009/10**

The growing uncertainty over future interest rates increases the risks associated with treasury activity. As a result, the Council will take a cautious approach to its treasury strategy.

Long-term fixed interest rates are expected to rise modestly and peak at 5.5 or 5.75%. The Borough Treasurer, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely that longer term fixed rates will be considered if borrowing levels remain relatively low and rates ease, although the likelihood is that mainly short term money will be used in 2007/8.

Capital programme funding estimates indicate that the Council will need to borrow additionally for capital purposes in 2007/08 and beyond, as projections indicate that usable Capital receipts are likely to reduce considerably

▪ **Investment Strategy 2007/08**

The main principle governing the Council's investment criteria is the security and liquidity of its investments, although the yield or return on the investment will be a consideration, subject to adequate security and liquidity.

After this main principle the Council will ensure:

- o It has sufficient liquidity in its investments. For this purpose it will adopt procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.
- o It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections below.

In the normal course of the council's cash flow operations it is expected that both specified and non specified investments will be utilised for the control of liquidity as both categories allow for short term investments. The Council will maintain the majority of its investments in specified investments.

The use of longer term instruments (greater than one year from inception to repayment) will fall in the non-specified investment category. These instruments will only be used where the council's liquidity requirements are safeguarded. This will also be limited by the investment prudential indicator below.

The approved organisations for investment have been reviewed and agreed as follows:

- UK and Irish Clearing Banks and their wholly-owned subsidiaries*
- UK Building Societies *
- Other Local Authorities
- The Bank of England
- Money Market funds and deposit accounts as operated by the Council's bank

* subject to a minimum credit rating of P1 Short Term, A3 Long Term and a maximum of £4 million (increased from £3 million) with any single borrower other than the Council's bank.

In view of the rates available, current levels of capital receipts/deposits and the planned slow-down in the proposed capital programme, a further three £1M investments have recently been placed for 3, 4 & 5 years respectively. This will prolong the benefit that is being gained from current high interest rates and fits in well with the rest of the portfolio. This decision anticipates the remaining receipts/deposits due from Priddy's Hard phase 1 due shortly.

Unless Priddy's Hard phase 2 produces a change in the situation, it is now very unlikely that the Council will be in a position to justify any further investments of over 364 days until after 31 March 2008. Accordingly, investments during 2007/8 will be short term (specified), aimed at maintaining liquidity of funds.

In order to limit interest rate exposure all investments are to be fixed rate transactions; the Borough Treasurer is provided with a networked report enabling him to assess performance. The Borough Treasurer, under delegated powers, will undertake the most appropriate form of investments depending on the prevailing interest rates at the time, taking into account the relevant risks

▪ **Treasury Management Prudential Indicators and Limits on Activity**

There are four treasury prudential indicators. The purpose of these prudential indicators is to contain the activity of the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decisions impacting negatively on the Council's overall financial position. However if these are set to be too restrictive they will impair the opportunities to reduce costs. The indicators are:

- Upper limits on variable rate exposure – This indicator identifies a maximum limit for variable interest rates based upon the debt position net of investments. This indicator is now quoted as an absolute value to aid treasury management.
- Upper limits on fixed rate exposure – Similar to the previous indicator this covers a maximum limit on fixed interest rates. This indicator is also now quoted as an absolute value to aid treasury management
- Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are specified as upper and lower limits.
- Total principal funds invested for greater than 364 days – These limits are set to reduce the need for early sale of an investment, and are based on the availability of investments after each year-end. The indicator has been reached in the current financial year and will be exceeded by year end. It has therefore been increased for both 2006/7 and future years.

The Council has approved the following prudential indicators:

	2006/07		2007/08		2008/09	
	Upper		Upper		Upper	
	£'000	£'000	£'000	£'000	£'000	£'000

Limits on activity	Investments	Borrowing	Investments	Borrowing	Investments	Borrowing
Limits on fixed interest rates	(15,000.0)	11,896.0	(13,000.0)	15,059.0	(9,000.0)	17,899.0
Limits on variable interest rates	(8,000.0)	0.0	(8,000.0)	0.0	(8,000.0)	0.0

Maturity Structure of fixed borrowing	(Lower)	(Upper)	(Lower)	(Upper)	(Lower)	(Upper)
Under 12 months	0%	30%	0%	30%	0%	30%
12 months to 2 years	0%	0%	0%	0%	0%	0%
2 years to 5 years	0%	0%	0%	0%	0%	0%
5 years to 10 years	0%	30%	0%	30%	0%	30%
10 years and above	0%	100%	0%	100%	0%	100%

Maximum percentage of principal sums invested for over 364 days	70% (revised from 50%)	80%	90%
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6.0 BUDGET STRATEGY AND PROCESS

- 6.1 The Council's Corporate Plan 2005-2008 was approved by Full Council in October 2005. The Council's Strategic Priorities are categorised under four main headings namely, People, Places, Prosperity and the Pursuit of Excellence (contained within the Corporate Plan).

The Corporate Action Statements (contained within the Corporate plan) underpin the delivery of the Corporate Priorities. Any budgetary implications arising from the actions outlined in Service Improvement Plans are included within the Council's initial Draft Budget. Depending on the resource constraints affecting the Council these are either ultimately approved or if this is not possible the unit SIP is amended to reflect this.

There is a statutory requirement to produce a robust balanced budget with formal consideration of reserve levels.

Budget preparation will commence in July and will incorporate requirements resulting from Council priorities identified from Capital Strategies, Community Strategy, Corporate Plan and Best Value action plans.

- 6.2 Budget preparation commences annually in July and culminates in recommendations to Boards and Council the following January/February.
- 6.3 The Council's Budget Book for 2006/7 indicated that action needed to be taken to reduce forecast Council Tax increases in 2007/8 and beyond that are in excess of the Council's current policy of no more than 4%. As part of the budget preparation the Council will be attempting to exceed its Efficiency Review target for 2007/8 of £330,000 (at least half of which should be "cashable"). A rolling programme of service efficiency reviews has been started with a view to examining all areas of the Council's business over a 3-year period.
- 6.4 Budget preparation is "zero-based" where appropriate and new bids are minimised. Maintenance proposals are provided for according to the latest Asset Management Planning requirements.
- 6.5 Prudent inflation parameters are used in the build up of the initial budgets.
(It should be noted that many areas of the Council's expenditure e.g. contracts, are subject to inflationary pressures that can substantially exceed general inflation.)
- 6.6 One-off sources of income will not be used to fund ongoing base expenditure requirements.

- 6.7 There is a need to consider and prioritise capital projects within the Capital Programme and consider affordability, including impact on local tax levels as part of the Budget Process.
- 6.8 Once the Council's budget is set and the precepting authorities' requirements known Council set Council Tax levels for the forthcoming year. This has to be done by 11 March.
- 6.9 In the interest of sustainability, the Council will not generally budget to use one-off or short-term revenue grants on expenditure that is properly part of its base budget requirements.

7.0 RISK MANAGEMENT AND INSURANCE

7.1 Risk Management

- 7.1.1 The Council recognises the importance of an effective risk management process covering all aspects of the significant business risks that the authority faces. Although much has already been achieved, further development of the risk management process remains a key priority of the Council and significant resource has been earmarked for this purpose.
- 7.1.2 The Council has an agreed Risk Management Strategy in place. All capital schemes must be risk assessed as part of the approval process. In addition a risk register is in operation that assesses financial risks as part of its overall framework. Finally, a corporate risk management group meets bi-monthly to discuss key risk issues that influence the Council's day to day business and to further develop and critically review the risk management process.
- 7.1.3 The Budget report to Council and the Budget Book highlights the principal areas of risk with an assessment of likelihood and impact on the budget.

7.2 Insurance

- 7.2.1 The Council has a range of insurance policies which help safeguard against many of the higher financial risk areas particularly relating to property and public liability insurance. The general insurance market has seen marked increases in premiums in recent years and this together with a poor recent claims history has led to the cost of this Council's insurance portfolio increasing significantly.
- 7.2.2 The Risk Management Group monitors recent claims to ascertain any patterns and seek appropriate preventative measures. In addition the Revenue Financing Reserve is being increased partly to allow for a greater level of self insurance enabling premium savings to be achieved.



Gosport Borough Council

Capital Strategy

2007

CAPITAL STRATEGY

1.0 INTRODUCTION

- 1.1 The main purpose of the Capital Strategy is to outline how the Council decides what Capital Projects are supported and the process that is undertaken to make sure that these are in line with the Council's priorities and objectives.
- 1.2 The funding options and constraints relating to the funding of the programme are explored for the Capital Programme 2007-12.

2.0 FINANCIAL AND ASSET INFORMATION

Revenue Budget

The Council's gross revenue budget 2006/07 totals £45.93 Million, which after deducting gross income of £34.19 Million results in a net revenue budget of £11.74 million

Assets

The Authority's asset base is dominated by its housing stock, which numbered 3,278 properties on 31 March 2006 with an estimated value of over £146 Million representing 76.3% of the total asset value of £192 Million.

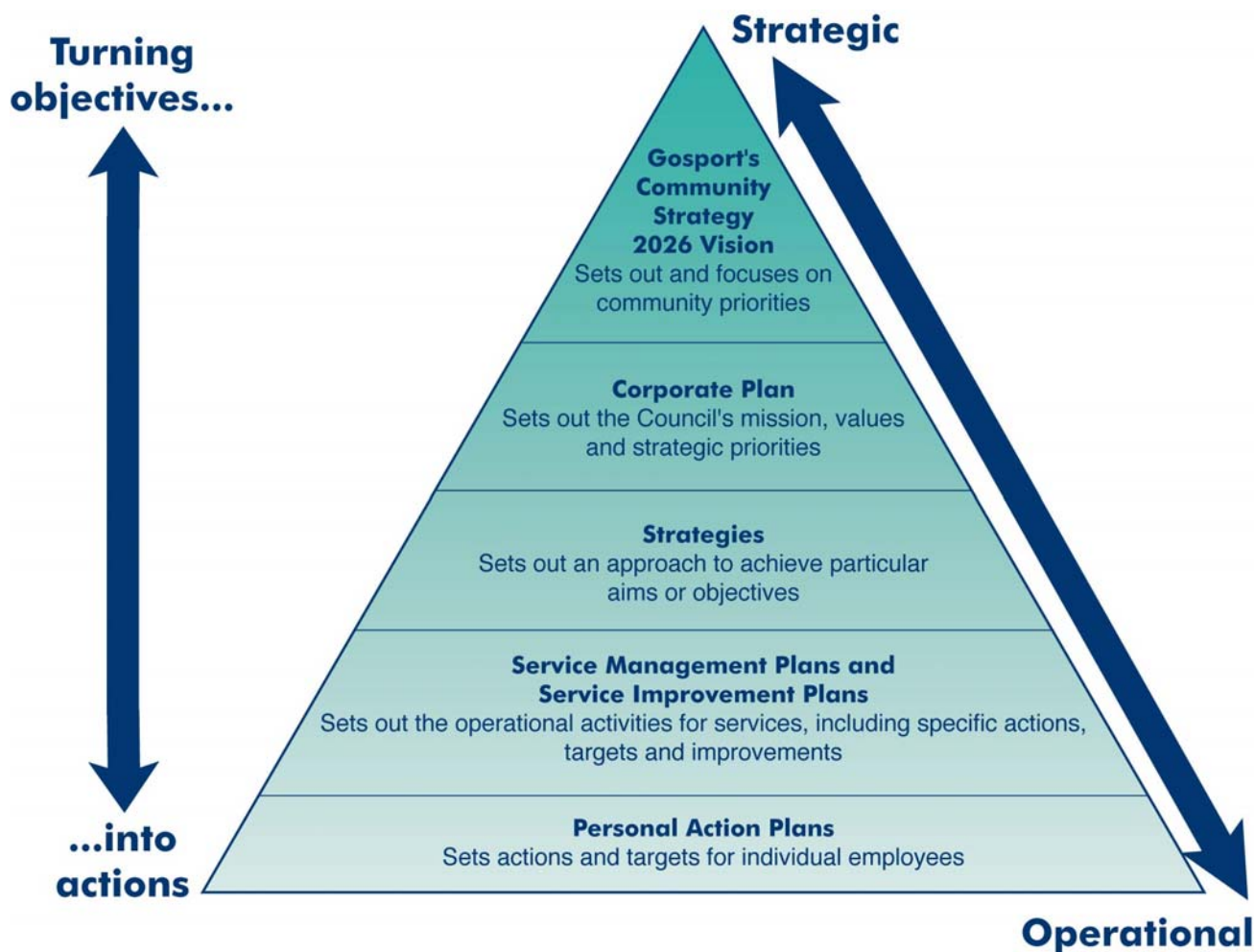
Table One:

	£	%
	Millions	
Council Assets 2006		
Council Dwellings	146.5	76.3
Other Land and Buildings	11.1	5.8
Vehicles Plant and Equipment	1.7	0.9
Infrastructure	12.5	6.5
Community Assets	3.1	1.6
Non Operational assets	16.7	8.7
Intangible Assets	0.3	0.2
Total	191.9	

- 2.1 The relatively high proportion of Infrastructure Assets (£12.5M) is primarily due to the coastal nature of the Authority and is comprised of sea defence features such as sea walls and pontoons. The Community Assets (£3.1M) include land set aside for recreation and leisure purposes (including the 27 designated parks within the Borough) although the artefacts at Priddy's Hard Museum (£1.6M) is the largest item in valuation terms.
- 2.2 The relatively low number of operational properties is both the result of the small size of the Authority and the transfer by lease of both the Holbrook Leisure Centre and the Council's Wilmott Lane Depot (both listed as non operational properties) to private sector service providers following externalisation. The main assets remaining in this category are Council garages, car parks and the Town Hall.
- 2.3 The number of non-operational investment properties is also relatively low compared to many Authorities. This can be partially attributed to the Council having had a policy in recent years of actively seeking disposal opportunities to assist with the funding of the Capital Programme. The main assets within this category include Holbrook Recreation Centre, the Bus station and Ferry Terminal, Huhtamaki Factory (land) and Wilmott Lane Depot

3.0 THE COUNCIL'S OBJECTIVES

- 3.1 The diagram below shows how the Council's objectives are identified and incorporated within the strategies and plans of the Council to ensure that the limited resources available are targeted to the areas considered most important.



- 3.2 The Local Strategic Partnership is comprised of the Gosport's major organisations, agencies and stakeholders who have together identified the community's priorities and detailed them in Gosport's Community Strategy 2026 Vision. Each partner is then expected to take these agreed priorities and objectives into account ensuring they feed into their own organisation's plans and strategies.
- 3.3 The Corporate Plan 2005/08 which is reviewed annually was approved by the Borough Council in October 2005 and is the key document for setting out the Council's objectives detailing the Council's Mission, values and strategic priorities many arising from the Community Strategy/2026 Vision.

The Council's mission is:

'To work with our community to improve everyone's quality of life and deliver a sustainable future for the Borough'.

A number of Core Values are also identified under the headings of Participation, Performance, Partnership, People and Political Processes to help the Council to meet its aspiration to be recognised as an open and responsive organisation, regarded as excellent and at the centre of the community.

The Corporate Plan also lists the Council's Strategic Priorities under the four main headings of:

People
Places
Prosperity
Pursuit of Excellence

People, Places and Prosperity are the cornerstones of Gosport's 2026 Vision whilst Pursuit of Excellence embraces the core values.

The Council's Strategic Priorities are a combination of the priorities of local people, national priorities set by Central Government and the challenges arising from Gosport's changing social, economic and environmental context.

- 3.4 As shown in the diagram the principal purpose of the various Strategies of the Council are to help set out a framework to assist the achievement of the objectives and strategic priorities of the Council. The Capital Strategy seeks to ensure that the Council's limited Capital Resources are best used to achieve this objective.

4.0 THE SELECTION AND PRIORITISATION OF CAPITAL PROJECTS

- 4.1 In order to ensure that the Council's Capital expenditure is targeted at achieving the Council's Priorities capital projects must be evaluated and prioritised before they are recommended for inclusion in the Draft Capital Programme which is considered by Members as part of the budget process.
- 4.2 In order to achieve this proposed schemes are assessed using the Council's *Capital Scheme Proposal Form* (Appendix A) which covers a number of key areas of information including examining how the scheme will contribute to the Council's Strategic Priorities, core values, partnership priorities and the outputs/outcomes that will be achieved. The form also requires other important information to be detailed including that relating to the cost (both capital and associated revenue implications), funding, programming and the risk associated with the project.
- 4.3 The projects are then considered by the Council's Management Team with particular attention on their contribution to the priorities detailed within the Corporate Plan and associated Corporate Action Statement. The Team then make recommendations to Members on the schemes to consider and pursue as part of the Council's Capital Programme.

5.0 FINANCING THE CAPITAL PROGRAMME

- 5.1 The Local Government Act 2003 introduced major changes to the capital funding regime with effect from 1 April 2004. The previous system of controlling Councils capital expenditure by limiting borrowing through the use of credit approvals was replaced by a more flexible system based on affordability.
- 5.2 The new prudential capital finance system (Prudential Framework) allows the Council to make its own borrowing decisions using agreed professional principles (as set out in the Prudential Code which has been developed by the Chartered Institute of Public Finance and Accountancy CIPFA) to ensure that any new borrowing is affordable and prudent.
- 5.3 The main advantages of the increased freedom to borrow under the Prudential Framework are: -
- (i) The ability to bring forward capital schemes that would not otherwise have been possible to fund in the short to medium term under the previous capital financing regime.

- (ii) Spend-to-Save Schemes where the cost of the borrowing associated with the capital expenditure on a Scheme can be wholly or partly met by revenue savings arising as a result of the project being carried out.
- (iii) The ability to raise funding up to 3 years in advance when market conditions are favourable.

5.4 The capital expenditure possible through the prudential framework will be limited by the ability of the Council to afford the revenue consequences of the borrowing undertaken placing an increasing reliance on other sources of Capital Funding. These include:

5.5 Internal Funding

Usable Capital Receipts-Receipts arising from the disposal of Council Land, buildings and other assets.

Whilst 100% of the receipts arising from the disposal of General Fund Assets can usually be used to fund capital projects a proportion of those arising from Housing Land (except in certain circumstances) and Council Houses have to be paid into a Central Government Pool which is then reallocated. As a result only 50% of the receipts arising from Housing Land and 25% of those arising from the sale of Council Property are available to directly fund capital projects. Nevertheless this has been an important source of Capital Funding over recent years although it has reduced substantially as Council House stock numbers have decreased.

Revenue Contributions to Capital-

Revenue funding of capital projects represents another funding option although due to revenue budget pressures it has generally not been possible to fund such contributions from the General Fund. Such contributions from the Housing Revenue Account (ring fenced for Housing Capital Expenditure) have played an important funding role in supporting the Housing Stock Improvement Programme and the requirement to reach the decent homes standard by 2010.

5.6 External Funding

Some of the principle sources of external funding are:-

Major Repairs Allowance (MRA)

The MRA is part of the Housing Subsidy and is designed to reflect the capital cost of keeping the stock in its current condition. MRA can be used for capital expenditure on any Housing Revenue Account (HRA) asset but this expenditure should be guided by the HRA Business Plan.

Specified Capital Grants

Government grants given towards certain capital expenditure items such as Disabled Facilities Grants.

Developer Contributions for Leisure Community and Open Space Facilities

Sums paid by a developer in accordance with a specified formula to facilitate new or upgraded leisure facilities.

Developers Contributions for Social Housing

Sums paid by a developer in accordance with a specified formula to be used for the provision of Social or Affordable Housing.

Other Grants and Partnership Contributions

All other external grants and contributions including lottery funding, football foundation funding, SRB, non specific developer contributions and organisation contributions

6.0 THE CAPITAL PROGRAMME 2007/08-2011/12

A summary of the Council's Capital Programme and proposed funding for the next 3-5 years is set out in Table Three below. More detailed breakdowns of the programme and financing arrangements are available in the Council's Budget Book.

Capital Programme 2007/08- 2011/12

	2007/08 £,000	2008/09 £,000	2009/10 £,000	2010/11 £,000	2011/12 £,000
Housing (HRA)	4,606	3,976	2,356	2,174	2,174
Housing (General Fund)	1,152	702	702	702	702
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Supported Capital Expenditure	6	6	6	6	6
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Specific Capital Grants - GF	186	186	186	186	186
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Developer Contributions for Leisure Facilities - GF	40				
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Other Grants and Contributions - GF	4,141	1,318	688		
Earmarked Capital Receipts - GF & HRA	280	170			
General Capital Receipts -GF	465				
Local Resources - Prudential Borrowing - GF	1,271	1,427	1,069	752	621
Local Resources - Prudential Borrowing - HRA	1,887	1,407			
Total Capital Funding	11,169	7,407	4,629	3,442	3,311

The Detailed Capital Programme is included in The Council's Budget 2007-2008.

7.0 CAPITAL PROGRAMME AND PROJECT MONITORING

- 7.1 Once approved it is important the Capital Programme is delivered and a robust monitoring process is in operation. The Capital Programme is closely monitored and any variation is included in the Budget Monitor (produced four times each year) which is either distributed to Policy and Organisation Board Members or where required (such as when a virement or supplementary estimate is needed) is taken to the Board for decision.
- 7.2 In addition to the above process a specific project group for larger projects is established to progress and monitor the progress of the scheme. Although the Capital Programme currently does not include any large schemes of this nature this approach has worked well in the past as evidenced by the successful delivery of Gosport's elements of the Millennium Project. The project

team would also report back regularly to Council Management Team and if issues arise requiring political decision to the appropriate Council Board. The Corporate methodology to Project

Management is currently being reviewed by the Project Management Working Group who are looking to further promote and integrate such an approach into the culture of the organisation.

8.0 POST IMPLEMENTATION REVIEW

- 8.1 The lead officer for each Capital Project will notify the Head Of Accountancy when the project is completed and a Post Implementation Review form is to be supplied. These forms will then be considered by Council Management Team.
- 8.2 The form provides details on how successfully the project has been delivered specifically in relation to the following:-
- (1) Timing-was the project started/completed by the anticipated dates?
 - (2) Cost-was the Scheme completed in accordance with the allocated budget?
 - (3) Objectives-did the scheme achieve the anticipated outputs/outcomes?

9.0 PARTNERSHIP WORKING

- 9.1 Working in partnership with other organisations from both the private and public sector is an important way of ensuring the limited Capital Resources available are used efficiently to help maximise their contribution towards achieving the Corporate Objectives and Priorities. Partnership working may range from key overarching Partnerships such as those arising from the Local Strategic Partnership, preferred partners in specific Service areas such as the Key Housing Association Partners or 'one off' schemes where the organisation's and the Council's priorities coincide.
- 9.2 The Capital Scheme Proposal Form specifically requests information on how the scheme will develop partnership working, financial and non financial input from other partners and asks how the scheme will contribute to the partners' strategies and priorities. This information is taken into account in the appraisal and prioritisation of the proposed scheme

10.0 MEDIUM TERM FINANCIAL STRATEGY

- 10.1 The Medium Term Financial Strategy provides an overall framework for the financial investment in services for a five year period. It therefore is closely linked with the Capital Strategy and shows the affect the Debt Charges arising from the Capital Programme have on the overall revenue budget and associated Council Tax levels.
- 10.2 It is important therefore that any significant alterations in the Capital Strategy are promptly fed into The Medium Term Financial Strategy to help fully understand the impact of such changes on the Council's Finances as a whole.

11.0 ASSET MANAGEMENT PLAN

- 11.1 The Council's Asset Management Plan helps develop a process to achieve efficient effective and economical management of its assets. The linkages to the Capital Strategy and Programme are strong with capital expenditure on Council Assets being a significant element of the Programme particularly relating to the Council's Housing Stock.

- 11.2 It is important that the Council's property assets are maintained as they play a vital role in the delivery of the Council's Statutory Services and the delivery of its Corporate Priorities. The Asset Management Plan informs the Council on the improvement and maintenance requirement of the Council Assets with the larger schemes being included in the Capital Programme.

12.0 HOUSING BUSINESS PLAN

- 12.1 The Housing Business Plan is a long term plan for managing the authority's housing Assets and financing the necessary investments. It is a key element in ensuring the effective long term management and maintenance of the Council Housing Stock and should enable the Authority to operate in a more businesslike manner.
- 12.2 The Plan should be consistent with the Authorities wider corporate objectives and Housing Strategy and will inform on the level of Capital Expenditure required on the Housing stock necessary to achieve the Decent Homes and energy efficiency targets.

13.0 REVIEW OF THE CAPITAL STRATEGY

- 13.1 It is important that the Capital Strategy is regularly reviewed to take into account any changes in legislation, capital expenditure requirements, funding position or process improvements. Any significant changes will be considered by Council Management Team and submitted to Policy and Organisation Board for consideration and approval.

Gosport Borough Council - Capital Scheme Proposal Form

The purpose of this form is to collect together in a consistent way, key information that will help Council Management Team assess and priorities capital schemes in order to make recommendations to Members on which schemes to consider and pursue as part of the Council's Capital Programmed. The information will also be used to help monitor the scheme and evaluate it on completion. A form should be completed for all new capital schemes with expenditure totaling £10,000 or more.

The form should be read in conjunction with the Council's Capital Strategy and completed in compliance with its objectives.

Note: A scheme can only be started with specific Management Team and Board approval.

Nominated Lead Officer:

.....

Section and Service Unit:

.....

1 Scheme Description

Location :		
Description of scheme:		
Proposal for consideration:		
Is this a partnership proposal	YES/NO	If yes please indicate partners in section 10

2 Meeting Strategic Priorities and/or Objectives

Please describe how the proposed scheme will contribute to meeting one or more of the Council's strategic priorities, service delivery values and/or service improvement plan action.

Does the proposed scheme comply with the Council's Sustainable Development Policy?
YES / NO

3. Developing Partnership Working

How will the scheme help develop partnership working and contribute to the Gosport Partnership LSP?

4 Outputs / Outcomes

Please state the outputs / outcomes / benefits of the scheme. These will be used to help evaluate the benefits of the scheme over others and to measure the success of the scheme.

5 Scheme Cost (including fees)

Type of Expenditure	Estimate £	Notes	Date of estimate
Total Cost			

6 Sources of Internal (GBC) and External (including EU) Funding

Source	Amount £	Funding availability confirmed	Type of involvement	Terms of funding
External Source / Programme				
		YES / NO		
		YES / NO		
		YES / NO		
Total External funding				
Gosport Borough Council funding				
Total Funding		Percentage of funding from GBC:		

7 Scheme Payments Profile (including fees)

	Start Year £ (give date)	2 nd year £	3 rd year £	4 th year £	5 th year £	Beyond £ (state number of years)	%
GBC							
External							

8 Other Resource Requirements

Are there any other resource requirements?

Type of resource	How will it be provided

9 On-going Revenue Implications (if any)

Date of Estimate :

Item	Start Year £ (give date)£	2 nd year £	3 rd year£	Yearly Cost £
Expenditure / Savings - please list:				
Financing Charge*				
Total Expenditure				

Income - Please list:				
Total Income				
Net Revenue Cost / (Saving)				

* this will normally comprise of an interest and depreciation element although the depreciation applied will depend on the nature of the asset. Please contact the Accountancy section who will provide assistance with the calculation of this figure.

10 Other Partner's Involvement in Project

Organisation	Type of Involvement	Non-Financial Commitment

How does the proposed scheme contribute to our partners' priorities and strategies (please state which strategies):

11 Community Consultation

Please outline any consultation that has been undertaken and provide evidence of the communities' support for the scheme, if appropriate.

12 ALTERNATIVE APPROACHES

What alternative methods of provision/outcome have been considered*

What were they?

How were they evaluated

What were the results

If no alternative methods of provision have been considered please state the reasons why.

13 VAT implications*

Has guidance been obtained from the Accountancy Section regarding any VAT implications that the proposed scheme may have*? YES/NO

* It is important that advice is taken from the Accountancy Section of any VAT implications that the scheme may have. This can affect the decisions relating to the procurement route taken and other related factors so officers are advised to seek guidance at an early stage.

14 Risk Assessment and Supporting Information

Please attach a risk assessment of the scheme

Please confirm the extent of any feasibility work carried out to date, including “market research”, appraisals or other assessments.

What the consequences of (a) not doing (b) Deferring- the scheme?

Have any Health and Safety Assessments been undertaken
YES / NO

IF yes

By who.....

.....
Please give details:

Please note that larger schemes may require a more detailed option appraisal exercise with appropriate risk and sensitivity analysis. (Please consult the accountancy section if you require assistance).

15 Financial Regulations and Contract Standing Orders

What form of contract will be used?

What selection process will be used?

16 Timing

If the scheme is approved please give approximate dates for the following:

Anticipated scheme start date	
Anticipated completion date	
Anticipated review date for the scheme	

Please list any other key milestones if appropriate

Completed By (Budget Manager)

Name:

Signed

Date

Approved by Director/Service Unit Manager

Name:

Signed

Date