

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

5 January 2009

Report of the Director of Health and Housing

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 HOUSING ASSISTANCE

Summary

This report updates Members on how the North and West Kent Private Sector Renewal Partnership has performed since April 2008 and specifically what Tonbridge & Malling Borough Council has achieved. The report outlines how the partnership has been operating and details some specific actions we, as lead authority, intend to implement to protect future funding for the group. Also covered are the outcomes of a recent meeting with GOSE and an indication of how the programme will operate in 2009/10.

1.1 Background

- 1.1.1 Members are aware of the North and West Kent Private Sector Renewal Partnership bid for Regional Housing Board (RHB) funding for 2008/11. The bid was led by Tonbridge & Malling and comprised of eight local authorities in Kent, namely Tonbridge & Malling Borough Council, Ashford Borough Council, Dartford Borough Council, Gravesham Borough Council, Maidstone Borough Council, Medway Council, Sevenoaks District Council and Tunbridge Wells Borough Council.
- 1.1.2 The Allocation for the group was confirmed for 2008/09 as £2,438,000 with indicative funding given for 2009/10 and 2010/11. If the indicative amounts were to be confirmed the partnership would receive a total of £9,768,000 over the three year period.
- 1.1.3 Tonbridge & Malling was confirmed as receiving an allocation of £405,551 for 2008/09 with indicative amounts for the remaining two years giving a total of £1,624,868 over the three year period.
- 1.1.4 Clear guidance was provided by the Regional Housing Board (RHB) on what improvements in private sector housing they would want to see targeted. The North and West Kent partnership, followed this guidance carefully and the programme that has been developed focuses on delivering decent homes and

improving energy efficiency, including use of renewables. As required by the RHB, loan products are being considered and most grants offered are now repayable, introducing the concept of recycling back into the Council's Capital Plan.

1.2 North and West Kent Private Sector Renewal Partnership Monitoring Return April to September 2008

- 1.2.1 The partnership was required to submit a set monitoring return to GOSE to report on the first six months activities. The report was submitted in October 2008.
- 1.2.2 Overall in the first six months of the programme the partnership reported a total spend on completed jobs of £635,400 with a further £118,095 spend on incomplete jobs. In total, the partnership has delivered 361 measures and made 169 homes decent.
- 1.2.3 I am pleased to report that Tonbridge & Malling had the largest spend out of the eight local authorities at £214,000. In Tonbridge and Malling so far 112 measures have been delivered and 46 homes made decent. Works have included heating and insulation, rewiring and repairs/replacement of roofs and windows.

1.3 Partnership working and future direction

- 1.3.1 It has been extremely challenging for Tonbridge & Malling to lead this partnership of eight local authorities. However we have reported to GOSE that it is a successful partnership with cross-authority meetings on a monthly basis. In addition sub-groups have been set up to progress specific tasks, for example Maidstone Borough Council and Gravesham Borough Council have led on the procurement of the energy efficiency programme for the partnership for 2009/10 and 2010/11.
- 1.3.2 It is clear that partners have been at different stages in respect of housing assistance policies and procedures. Tonbridge & Malling was in a position to move forward as soon as the funding was confirmed as Members had previously agreed adoption of a new policy. Other partners who offered no discretionary housing assistance prior to this funding had to progress new housing assistance policies and get procedures in place to deliver the assistance. This has taken time and is reflected in the spend levels of partners so far.
- 1.3.3 As lead authority we are under an obligation to ensure allocated funds are spent in a timely fashion. GOSE has made it plain that underspending by any one partner in any financial year could result in an overall reduction in the total allocation received by the partnership. The expectation is that such underspends would be re allocated to other local authorities within the partnership. If that reallocation process does not use up the underspend it is likely that allocations to the partnership in years two and three will be reduced accordingly. Hence performance by all the partners is key to the level of future allocations. Only one partner, Medway Council appears to be likely to underspend their 2008/09

allocation. I have written seeking clarification of their anticipated level of underspend and requested repayment of that amount to enable it to be redistributed across the rest of the partnership.

- 1.3.4 In order to better control the spend of the partnership for the remaining two years of the programme we, as lead authority, are proposing to retain a proportion of the allocation and release further funding as and when required. This will prevent the need to recover funding from under-spending authorities which is difficult after an allocation has been paid. A proposal for how this will operate is currently being drafted by my officers and partners will be consulted

1.4 Outcome from meeting with GOSE

- 1.4.1 In October 2008 GOSE set up a series of meetings with lead authorities on the private sector renewal programme. After a presentation on how the partnership has performed in 2008/09 and what the future looks like, members of the RHB interviewed my officers to establish how well the partnership was working, what the challenges were in delivering the programme and establish a firmer position on likely spend in the current year and in the future.
- 1.4.2 A report prepared by the South East England Regional Housing Board following the meetings, indicated that they saw the North and West Kent partnership as well-organised with strong management and clear plans for tackling housing conditions through a broad programme. It notes that strong performers are assisting less experienced partner authorities and joint procurement, currently under development and on target for launch in March 2009, will further improve targeting and delivery.
- 1.4.3 The Board has recommended an uplift to the partnership's allocation for 2009/10 of £177,000. This will result in a total allocation for the partnership for 2009/10 of £4million. I envisage Tonbridge & Malling will receive £665,386 of this allocation. The partnership has done extremely well to receive this recommended uplift as only three other partnerships from the original nine have received uplifts. Two of the partnerships have had reduced allocations in excess of £2million.
- 1.4.4 When the Board considered the total spend and committed funding of each of the partnerships I am pleased to report that our partnership was judged the second highest performing.

1.5 Legal Implications Legal Implications

- 1.5.1 None arising from this report.

1.6 Financial and Value for Money Considerations

- 1.6.1 The new policy introduces the recycling of funds back into the Council's capital resources which will boost future capital funding for housing improvements.

- 1.6.2 The new policy includes amendment to the eligibility criteria to passport 'vulnerable' households through the financial assessment. This may mean that applicants who previously had a contribution to make towards the necessary works will now have nothing to pay. Any additional costs ongoing from this change will be met 100 per cent by the resources secured from the RHB.

1.7 Risk Assessment

- 1.7.1 The policy that this funding supports aims to assist the Council in meeting the Decent Homes targets in the private sector and promoting improvements in energy efficiency of homes including renewable energy. The robustness of the plans to achieve this will be subject to external assessment from the RHB and Government Office for the South East (GOSE).
- 1.7.2 A full risk assessment of failure to provide housing assistance to private sector homeowners is detailed in the Housing Services Risk Register.

1.8 Conclusions

- 1.8.1 The North and West Kent partnership is being led successfully by Tonbridge & Malling Borough Council. The RHB have recognised this by recommending an uplift to the allocation for 2009/10. Within the partnership, Tonbridge & Malling Borough Council are the highest performing in terms of spend. As lead authority, we need to ensure we take steps to control the allocation of funding in 2009/10 to protect our allocation and maximise future allocations

1.9 Recommendations

- 1.9.1 That **CABINET** be **RECOMMENDED** to
- 1.9.2 **NOTE** the success of the North and West Kent Private Sector Renewal Partnership and within this the performance of Tonbridge & Malling Borough Council
- 1.9.3 **ENDORSE** the proposed measures in paragraphs 1.3.3 and 1.3.4 of this report that Tonbridge & Malling Borough Council intend to take as lead authority to protect and maximise current and future allocations from the Regional Housing Board.

The Director of Health and Housing confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

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Nil

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Director of Health and Housing