

HOUSING STRATEGY DEVELOPMENT WORKING PANEL

17th April 2001

PRESENT:-

Labour Group

Councillor Southern (Chair), Councillor Brooks (Vice-Chair) and Councillors Carroll, Southerd and Wilkins.

Conservative Group

Councillors Douglas and Mrs. Robbins (substitute for Councillor Mrs. Wheeler).

APOLOGIES

Apologies for absence from the Meeting were received from Councillor Mrs. Wheeler (Conservative Group) and Mr. M. Ebbutt (TACT).

HD/22. **MINUTES**

The Minutes of the Meeting held on 9th January 2001 were noted.

HD/23. **2001 HOUSING INVESTMENT PROGRAMME**

Members were advised that the Single Capital Pot (SCP) would be introduced in 2002/03. This, together with the introduction of the new financial framework for housing (including the Major Repair Allowance) and Housing Revenue Account (HRA)(Business Plans) had led the Department of the Environment, Transport and the Regions to review the process for the 2001 Housing Investment Programme (HIP) round and the tasks involved.

As a result of the review, it had been decided that HIP and the ongoing exchanges between authorities and Government Offices should focus on strategic issues and the quality and effectiveness of housing strategies and, where relevant, their HRA Business Plans.

The intention was that the new approach would have a more strategic focus. The key elements of the new approach were outlined as follows:-

- The emphasis would be on whether an authority, in consultation with all residents, had
 - Accurately assessed housing needs across all tenures
 - Established clear priorities
 - Identified effective and efficient strategies
 - Brought these together in clear action plans, the progress of which can be monitored through appropriate performance indicators and outcome measures
- The process would centre on authority's Housing Strategy and HRA Business Plan.

- The allocation of resources would continue to be based partly on indices of relative need and partly on assessments of authorities' relative performance made by GOs. However, the housing Annual Capital Guideline would, from now on, be allocated as part of the SCP, which would cover the bulk of resources to support capital expenditure by authorities in a single cross-service allocation.
- The MRA and Resources to support Disabled Facilities Grants (DFGs) would continue to be allocated separately.

Members were advised that the latest Housing Strategy and HRA Business Plans would need to be submitted by 30th July 2001. Government offices would carry out an assessment of housing strategies and HRA business plans during the summer to influence the overall SCP assessments. SCP allocations and Housing Annual Capital Guidelines (ACG) allocations would be announced during December, as in previous years.

Members suggested informing tenants of the Major Repair Allowance. The proposed changes to the HIP process were noted.

HD/24. **RENT SETTING**

Members were advised that the policy statement 'Quality and Choice': A Decent Home for All – The Way Forward for Housing' proposed that rent setting in the social housing sector should be brought onto a common system based upon relative property values and local earnings levels. A guide had been produced underpinning this statement and giving background information on the implications of the proposals for tenants and landlords.

The Government's objectives for social rent setting were outlined as follows:-

- social rents should remain affordable in the long-term
- social rents should be fairer and less confusing for tenants
- there should be a closer link between rents and the qualities which tenants value in properties
- unjustifiable differences between the rents set by local authorities and by RSL's should be removed

Rents would be calculated using the formula outlined in the guidance. It was noted that the intention was that restructuring should begin in 2002/03 and be completed over a ten year period with no tenant during this period being subject to a rent change of more than £2 per week above the normal increase for inflation.

Members were advised that the Housing Services Manager was meeting with software suppliers in order to identify whether new software would be required to implement such rent changes. The Housing Services Manager indicated that he did not see a problem with gradually increasing rents over the next 5-6 years. Councillor Carroll expressed concern regarding people on low incomes living in rural villages suffering rent increases and the subsequent pressure this would have on the housing benefit system.

Members noted the Government's proposals for rent calculations and its introduction.

R. SOUTHERN

CHAIR

The Meeting terminated at 6.00 p.m.

