
REPORT TO:	COMMUNITY SERVICES COMMITTEE	AGENDA ITEM: 15
DATE OF MEETING:	12 JULY 2001	CATEGORY: DELEGATED/
REPORT FROM:	HEAD OF COMMUNITY SERVICES	OPEN
MEMBERS' CONTACT POINT:	SANDRA WHILES (ext 5712)	DOC:
SUBJECT:	2001 HOUSING INVESTEMENT PROGRAMME (HIP)	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That Members note the detail of the required content of the 2001 HIP submission
- 1.2 That Members make comment on the detail of work so far
- 1.3 That Members approve the proposals at annexe B for the housing capital programmes for 2002/2203 for submission as part of HIP and subsequent consideration as part of the councils future capital programme under the Single Capital Pot (SCP)
- 1.4 That authority is delegated to the Head of Community Services and the Chief Finance Officer in consultation with the Chair and Vice Chair of the Community Services Committee to finalise the 2001 Housing Investment programme submission

2.0 Purpose of Report

- 2.1 To advise members of details of the 2001 Housing Investment Programme and put in place arrangements to complete and submit the councils submission

3.0 Detail

- 3.1 Following consultation the 30 March 2001 the government has put in place new arrangements for the HIP in the light of the introduction of the Single Capital Pot (SCP) for most capital support for local authorities and the new financial framework for council housing, namely the introduction of the Major Repairs Allowance (MRA) and HRA Business Plans. The final guidance was received at the end of May 2001 and authorities have to submit their HIP by the end of July 2001. The late availability of this guidance delayed the start of detailed work.
- 3.2 There is now an increased focus on local authorities strategic housing role within the context of authorities wider strategic role, particularly in Community Planning
- 3.3 The Housing Policy statement "The Way Forward for Housing" issued in December stressed the importance of authorities strategic housing role. The other key area of

- 4.4 Ninety five per cent of housing resources for 2002/2003, like other elements in the SCP, will be allocated according to need. The intention is that the discretionary element will increase to 20% as the SCP beds down
- 4.5 As part of the current HIP process we have to show our planned Housing Capital expenditure for 2002/2003 and 2003/2004. Annexe B details officer proposals for the HIP submission. These have been drawn up on the basis of assessed need.
- 4.6 Finance staff are currently finalising the calculations of the indicative amount of capital resources that may be available for housing purposes. This information will be available at the meeting
- 4.7 The HIP Housing Capital proposals will then be fed into the corporate discussions on future capital programmes and be appraised in accordance with the council's capital strategy.

5.0 Corporate Implications

- 5.1 We need to make sure that the council's housing work is integral to the Community Strategy and future Local Strategic Partnerships

6.0 Community Implications

- 6.1 Work on housing issues is central to maintain and improving the quality of life for people in South Derbyshire

7.0 Conclusions

- 7.1 Increasingly we are expected to integrate our approach to housing strategy and our landlord functions into wider corporate priorities
- 7.2 The report shows how current changes to the HIP and other planning processes are being dealt with

8.0 Background Papers

- 9.1 Guidance from DETR on HIP
- 9.2 SDDC Capital Strategy

local authority housing activity is the landlord function for those authorities with council housing. The Housing Policy Statement made it clear that the Government considered that it was essential to have clear and separate objectives for its strategic and landlord functions. This is reflected in the separate assessments of authorities performance in their strategic and landlord roles under the new approach.

- 3.3 There has been a shift in the assessment of authorities performance on housing so that this will in future be based around the quality of their Housing Strategy and, where relevant, HRA Business Plans and their effectiveness in delivery
- 3.4 The Council adopted its Housing Strategy in August 1999 to cover the period 2000/2003. As part of last years HIP submission an Annual Update statement was produced.
- 3.5 Officers are drawing up a second Housing Strategy Annual Update Report which takes into account the Housing Policy statement "The Way Forward for Housing" and achievements over the past twelve months. The report considers current and likely future housing problems and needs and identifies priority areas for work. Work so far is shown at annexe A.
- 3.6 A Best Value Review of all of the Council's Housing Services will start in September 2001. This will inform a more fundamental update of the council's Housing Strategy which will be carried out for the HIP in July 2003
- 3.7 Alongside this strategy update we have to submit detailed statistical appendices on a range of housing issues and the Council's HRA Business Plan with accompanying statistics
- 3.8 We submitted our draft HRA Business Plan last year. Officers are currently finalising the Business Plan based on feedback received on the draft.
- 3.8 To help develop our understanding of the range of options open to us for our Landlord function a seminar has been arranged for all members on the 25 July 2001. This will provide information on the range of strategic stock investment options available to us. This work will feed into the Best Value Review and future HRA Business Plans

4.0 Financial Implications

- 4.1 Resources for 2002/2003 to support housing capital investment by local authorities will be allocated in three separate streams: housing ACGs (via basic credit approvals) support for DFGs (via supplementary credit approvals) and the MRA. (revenue grant via the HRA subsidy system)
- 4.2 Housing Capital resources (apart from those for Disabled Facilities Grants and the MRA) for 2002/2003 and subsequent years will be allocated as part of the new SCP which will provide a cross-service allocation for the bulk of central government support for capital expenditure by local authorities.
- 4.3 The allocation of resources in the SCP will continue to be based partly on indices of relative need and partly on a discretionary basis linked to assessments of authorities relative performance. The discretionary element will be a single allocation based on the quality of authorities cross service Capital Investment Strategies, their Asset Management Plans and performance in individual service areas.

Annexe B: Financial Proposals for Housing Capital Programmes For 2002/2203

	2001/2002 budget	2002/2003 Proposed
Housing within the HRA		
Public sector adaptations	250,000	200,000
Kitchen replacement	287,000	215,000
Bathroom improvements to Supported Housing	0	100,000
Window replacement	720,000	260,000
Heating and Insulation programme	930,000	905,000
DPC programme	0	215,000
Timber floor renewal	0	75,000
Covenant repayment	165,000	177,955
Sub total	2,352,000	2,147,955

Housing in the Private Sector		
HRG	400,000	500,000
HRA	129,000	159,000
Energy scheme	120,000	120,000
SRB 2 – Home 2000	75,000	
DFG	257,600	307,600
Sub total	981,600	1,086,600

Total	3,333,600	3,234,555
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