



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR HOUSING

TOPIC – LANDLORD SERVICES DIVISION BUSINESS PLAN 2010/11 ONWARDS

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to be made by an individual member of Cabinet.

In accordance with the Procedure Rules, the Corporate Director (Governance), the Chief Executive and the Head of Finance are consulted together with Chairman and Vice Chairman of the Principal Scrutiny Committee and all Members of the relevant Scrutiny Panel (individual Ward Members are consulted separately where appropriate). In addition, all Members are notified.

Five or more of these consulted Members can require that the matter be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Committee Administrator by 5.00pm on Wednesday 5 May 2010.

Contact Officer:

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Committee Administrator:

Nancy Graham, Tel: 01962 848 235, Email: ngraham@winchester.gov.uk

SUMMARY

Approval is sought to the detailed Business Plan for this Division. The Business Plan sets out the key actions that the Division will undertake over the coming five year period, with SMART (Specific, Measurable, Agreed, Resourced and Timed) targets (both through actions and performance indicators) by which progress will be measured and monitored. The Plan also

gives additional information about the role of the Division, the resources allocated to it (in terms of both staff and budgets) and the key risks that are being addressed through its work.

Key actions to be undertaken in this Division are:

- HRA Reform - To update financial projections for the future management of Landlord Services in light of announcements from the Government review of Housing Finance
- Asset Management – continue to improve properties in line with the Decent Homes standard, improving energy efficiency, ensure aerial systems at all communal housing schemes are upgraded to latest digital standards.
- Procurement - To review options for the long term procurement of all responsive and planned maintenance contracts beyond 2011.
- National Standards - To ensure all Landlord Services comply with new TSA National Standards for Social Housing and to agree new local standards with tenants
- Respect - To procure specialist Assessment and Mediation services funded on a “case by case” basis and to review and revise where appropriate all Housing Management policies and procedures in light of the standard

The Head of Division is satisfied that the actions put forward in this Business Plan will work towards the Council’s objectives, as set out in the Sustainable Community Strategy 2009-14 and Corporate Business Plan or otherwise ensure that the Council meets the statutory obligations put on it by central Government. Other than where indicated, these actions can be achieved within the resources available. Plans are in place, or will be developed, to ensure that targets shown for key performance indicators can be achieved in the timescales shown

PROPOSED DECISION

That the Business Plan for the Landlord Services Division be approved as attached at Appendix A.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Business Plans form an important part of the Council’s performance management process as they set out the key actions for the coming year. The Business Plan put forward for adoption sets out the actions that will best help the Council achieve the outcomes as set out in the Sustainable Community Strategy and meet its statutory obligations within the resources available to it.

The Social Issues Scrutiny Panel has been consulted on the Business Plan and raised the following issues:

None.

**FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED
FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER
DECISION NOTICE**

N/A

**DECLARATION OF INTERESTS BY THE DECISION MAKER OR A
MEMBER OR OFFICER CONSULTED**

None.

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

N/A

Approved by: (signature)

Date of Decision

Councillor Coates - Portfolio Holder for Housing

**Winchester City Council
Housing Revenue Account
Business Plan 2004-34**

2010/11 Update

**WINCHESTER CITY COUNCIL
HOUSING REVENUE ACCOUNT BUSINESS PLAN – 2004 -2034
2010/11 Update**

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Accessibility

This document can be viewed on www.winchester.gov.uk
 The Plan can also be made available to you in a variety of formats including - Braille, large print or tape or audio compact disk and in languages other than English.
 For further information please contact – Denise Sturgess on 01962 848523 or email housing@winchester.gov.uk

1 **Background to the Service**

1.1 The Landlord Services Division is responsible for providing a management and maintenance service to over 5000 council properties throughout the Winchester District. The housing stock is mainly traditional built low-rise houses. The Council has always sought to deliver a high quality housing service and over the years has continued to achieve the investment needs of its housing stock. In addition to general needs housing tenancies, the City Council also provide in excess of 900 supported tenancies for older persons and over 40 “extra care” tenancies.

1.1.1 **Profile of Tenants** – Over 50% of all City Council tenants are over 55. 9% have some form of disability. The proportion of Black and Minority Ethnic residents is very low, although there is growing eastern European community. The Council is committed to ensuring equal access to services for all and have completed initial impact assessments for all Landlord Services. A summary of the profile of tenants is included as Appendix D.

1.2 **The Housing Revenue Account (HRA)** - The HRA is a ring fenced operating account that funds all services provided directly to City Council tenants. The Council recovers in excess of £22 million per annum through housing rents and other charges. However, £9 million of this income is immediately recovered by Government through the Housing Subsidy system. The remainder of the income supports the provision of general management services, a range of special services to specific tenants (for which direct service charges are raised) and a comprehensive maintenance programme aimed at achieving and maintaining the Decent Homes Standard.

1.3 **The Housing Revenue Account (HRA) Business Plan 2004-34** - The HRA Business Plan 2004-34 was “signed off” by the Government Office for the South East (GOSE) as fit for purpose in July 2004. The Council has updated this plan on an annual basis. The current update contained in this document demonstrates that the Council is not able to maintain existing service levels beyond 2012. However, Government proposals to replace the existing funding system look positive for Winchester and decisions on future service levels have been deferred pending the outcome of these proposals (see 1.6 below).

1.4 **Housing Stock** - The area of Winchester City Council extends over 250 square miles and now has a population approaching 112,500. There are nearly 45,000 dwellings in the district, of which 5,084 are owned by the Council. There are also 323 “Right to Buy” leasehold flats which we continue to manage.

Bedsits	98
1 Bed properties	1601
2 Bed properties	1682
3 Bed Properties	1646
4 Bed Properties	57
Right to Buy Leaseholds	323

These figures include just over 900 units of accommodation in sheltered housing schemes for elderly persons. Further background statistics relating to the service can be found in the [2009/10 Annual Report](#).

- 1.5 **Tenant Involvement in Identifying Priorities** - Tenants have a very well established tenant representation structure. Seeking customer views and involving them in identifying service priorities is a critical element of any service planning process. TACT, the tenants representative group, work very closely with members and Landlord Services staff and have played a major role in shaping current services, both through effective scrutiny and challenge and through regular consultation and involvement. Tenants generally have also contributed towards the planning process through the tenant wide aspiration survey completed in 2004 and the more recent status survey completed in 2009. This survey highlighted that the majority who responded felt that little or no improvement was needed to service delivery. The key areas identified as most important to tenants were Repairs and Maintenance, the overall quality of homes and providing good Value for Money. The priorities identified in section 5 of this report take account of these views.
- 1.6 **Housing Options** - The current business plan is not fundable beyond 2012, as detailed in section 7. The Housing Options process in 2005 concluded that retention was the best option for the Council, pending a further review in 2008. That review highlighted that the funding issue had worsened since the 2005 review as a result of inflationary increases not being matched by funding, increased boiler obsolescence, increased demand for disabled adaptations and an inability to meet demand for kitchen and bathroom replacements. To maintain existing services in the short term, the Council has adopted a number of measures pending the outcome of the Government's proposals for HRA reform, including:
- Suspending non essential elements of the repairs programme, such as the 5 year cyclical maintenance programme (except where repairs are essential), the internal redecoration programme
 - Selling up to 10 properties annually to generate additional capital receipts to fund repairs and new social housing
 - Deferring the replacement of kitchens and bathrooms that are older than the 20 and 30 year limits set by the Decent Homes programme (this in itself will not result in those properties being classed as non decent).

A review of options available to address the latest position has been deferred pending the outcome of the latest Government announcements, which may well result in significant additional resources (latest proposal suggests 10% additional revenue plus 75% additional capital receipts).

A detailed analysis of the sensitivity of the proposals, including what happens if they do not proceed, is currently being completed and will be reported to the Council's Cabinet in June 2010. The outcome of this exercise will inform the update of this Business Plan planned for the final quarter of 2010/11. This work forms a key part of the Priorities detailed in section 5 of this Plan.

2. Links between Community Strategy priorities and services

2.1 Council Strategic Priorities - At its meeting on 7 January 2009, the City Council agreed the Winchester District Sustainable Community Strategy for 2009-2014 and its own Corporate Business Plan for 2009/10. The Community Strategy includes the priorities to achieve ‘Safe and Strong Communities’, ‘Health and Wellbeing for residents’ and for an ‘Inclusive Society’. The Council’s Corporate Business Plan includes one additional outcome which the Council seeks for itself and which is not relevant to the wider shared Sustainable Community Strategy. This desired outcome is to be *an efficient and effective council*. Part of this is a drive for greater efficiency which relates to all Council services. Priorities in this Plan take full account of these strategic priorities and links are highlighted in section 5. The table below gives a brief summary of how the range of Landlord Services link directly to the Community Strategy:

Table 2.1

Strategic priority	Divisional responsibility
Health and Well Being	Achieving and maintaining the Decent Homes Standard is a key contributor to this corporate strategy commitment. The City Council achieved 100% compliance with this target by March 2010.
Safe and Strong Communities	<p>The Landlord Services division plays an integral role in the Community Safety Partnership through its Community Relations Officer, participating in inter-departmental and inter-agency planning meetings on anti-social behaviour and community safety. An information guide and a leaflet on anti social behaviour have also been produced and distributed to all tenants.</p> <p>The Landlord Services division have facilitated the “Jigsaw” focus group to assist minority groups to improve access to housing services</p> <p>The Supported Housing service works with a number of tenants to ensure they receive the support they need to remain in their home</p>

<p>High Quality Environment</p>	<p>Landlord Services have direct responsibilities for the management and maintenance of housing land, estates and communal areas. This includes grounds maintenance, maintaining access to communal areas, general maintenance and aesthetic improvements to estates and working with other divisions to ensure the effective provision of environmental services to tenants</p> <p>Significant energy efficiency improvements have been made to the Housing stock in the last twenty years. Most properties are double glazed and the Council is in the top quartile for energy efficiency of the stock compared to other authorities.</p> <p>However, current budget pressures mean that further investment in energy efficiency and carbon management has to be limited to achieving the Decent Homes standard.</p>
<p>Inclusive Society</p>	<p>The Council is the largest single provider of “affordable housing” in the district, with over 5,000 units of social housing.</p> <p>Over £750k is invested each year on adaptations to stock to allow residents to remain in their own home. The Supported Housing service provide direct support to over 1,000 vulnerable tenants to assist them in sustaining their tenancy.</p>
<p>An Efficient and Effective Council</p>	<p>Landlord Services have published clear service standards to all customers and report annually on performance against these standards. The service has been successfully assessed as compliant with the Customer Service Excellence standard and achieves tenant satisfaction rates well within the top 25% of council landlords nationally.</p> <p>The cost of housing management is below average for councils nationally and is the second lowest for Hampshire authorities. More detailed benchmarking and value for money assessments will be completed in the next year. Plans are also in place to introduce electronic document management in the coming months.</p> <p>Landlord Services relies on partnerships with other housing providers, the voluntary sector and the Police and other Council divisions to support the effective delivery of services to tenants.</p>

3 Summary of Progress in 2009/10

- 3.1 In the last year, there has been significant progress against the targets set out in the 2009/10 Business Plan update. Key achievements have included:
- 3.2 Key achievements in the last year have included:
- 3.2.1 Decent Homes progress – At the start of the year, only 15 properties were assessed as not complying with the Decent Homes Standard. All of these have now been addressed and all stock meets the Standard. This 100% compliance was achieved several months ahead of the Government deadline.
- 3.2.2 Sheltered Housing/Extra Care – The Council's Sheltered Housing service has been reorganised to ensure that residents at all schemes receive a consistent level of service. Whilst the role of scheme managers has changed, the sense of security enjoyed by residents from having a dedicated manager has been retained. The service has been assessed as being of a high standard by the Hampshire County Council Supporting People team. In addition, the Council's Extra Care Housing was assessed as "Good" by the Care Quality Commission.
- 3.2.3 Tenants Handbook – The Tenants Handbook was revamped and sent to all tenants.
- 3.2.4 Performance – The Council has continued to maintain strong performance in the key areas of Landlord Services, with Rent Arrears at less than 1% and tenant satisfaction at 85%. All homes now meet the Decent Homes standard and the energy efficiency of the housing stock is well within the top 25% of Council landlords nationally with a SAP rating of 75.
- 3.2.5 Respect – Landlord Services are now fully compliant with the Respect standard and have developed very effective working relationships with other agencies and particularly the police.
- 3.2.6 Tenants Compact – The Tenants Compact has been updated and the revised agreement has now been launched with the aim of improving tenant involvement in Landlord Services.
- 3.2.7 Equalities - Impact assessments for all key Landlord Services have been completed, along with a comprehensive equalities awareness training programme for Landlord staff.
- 3.2.8 Customer Service Excellence – The Division was assessed as being compliant with the Government's Customer Services Excellence standard in 2009. A follow up visit early in 2010 confirmed that high standards had been maintained throughout the year.
- 3.2.9 Repairs and Renewals Programme – The core programme has been delivered funded by over £7m of revenue and capital resources. However, the planned supplementary programme of up to £1m could not be completed due to the slow market conditions and no market sales being completed.
- 3.2.10 Government Review of Housing Finance – The Council has made significant representations to Government arguing for greater local control and retention of rents. This has included forming part of the large lobby group coordinated

by Waverley Council, direct representations to the Housing Minister by the Portfolio Holder for Housing, officer representations to the Department for Communities and Local Government and also personal representations to the House of Commons Housing Group. The Chair of TACT has been elected to the Board of the Defend Council housing Group and remains very active in the lobbying of Government by this group.

4 Delivering Decent Homes

4.1 Background Information

4.1.1 The nature and extent of the programme to achieve Decent Homes Standard by 2010 and over a 30-year planning period, 2004 – 2034, was determined by the 2003/04 Stock Condition Survey. The Survey was carried out by consultant surveyors David Adamson and Partners. As part of the Housing Options Appraisal, the Options Appraisal Panel, comprising Elected Members and tenants (with the advice of TPAS and Officers), determined the drivers for the definition of the “Winchester Decent Homes Plus Standard” was:

- Meet the basic Decent Homes Standard by 2010
- Maintain current levels of service
- Continue to give priority to providing showers and other aids and adaptations (subject to assessment)
- Work with other organisations to improve safety and parking on estates

4.1.2 In addition and relative to Decent Homes, information gathered via a tenant survey of their opinions and aspirations about their homes and the environment in which they live was also utilised to inform the balance of the proposed Major Repairs, Renewals and Maintenance Strategy.

4.1.3 The Definition and Guidance for implementing Decent Homes from the ODPM was published in 2004 and included updates following the PSA Plus Review.

4.1.4 The Stock Condition Survey as previously reported (HO 28 and HO 56 refers) determined that the inclusive Housing Works Investment Plan for the investment planning period 2004-2013 would require annual investment totalling £7.0m pa (at 2004 base prices). This level of investment was deemed necessary to meet the Decent Homes Standard by 2010, and reflected previous maintenance management policies and levels of investment since the Council’s initial Stock Condition Survey in 1988.

4.1.5 The Housing Works Investment profile to achieve Decent Homes by 2010 and for a 30-year planning period was shown in the Executive Summary Survey Report (HO 56, Appendix A refers).

4.1.6 In considering the period 2005 to 2010, by which time the Government requires Decent Homes Compliance, the Council was advised of the need to carry out specific works as part of a £7.0m pa programme. To achieve and maintain “decency” per se by 2010 was estimated to cost £1.7m. The Council had total funding of £6.6m pa available in 2005/06 and 2006/07 and needed to find savings of £400,000 pa to balance the budget and programme overall.

4.1.7 Savings were identified, considered and approved in four elemental parts of the programme:

	£
(i) Responsive Repairs	100,000
(ii) Void Reinstatement Costs at re-letting stage	145,000
(iii) Garages and Open Spaces Contingency	110,000
(iv) Contingent Major Repairs (transferred to HRA balances)	50,000
	<hr/>
	<u>£405,000</u>

4.1.8 As these savings were against base budget they are in effect year on year savings over the period 2005 – 2010.

4.1.9 Having regard to subsequent annual programmes and the investment requirements defined by the Stock Condition Survey, approved identified savings were based on the following criteria: -

- (i) Minimises the detrimental effect to property condition
- (ii) Maximises tenants' aspirations
- (iii) Offsets any contingent risks where appropriate
- (iv) Ensure decent homes compliance by 2010
- (v) Balance the programme to maximise impact of investment
- (vi) Has regard to relevant published guidance from DCLG.
- (vii) The stated objectives of the Housing Best Value Review 2003
- (viii) Does not compromise Health & Safety Standards
- (ix) Does not compromise Security

4.1.10 A similar base budget funded from the HRA, MRA and Council's Capital Programme totalling £6.766m was planned for 2007/08. Additional funding by means of limited house sales was planned from April 2007, with the intention of raising up to approximately £1.0m p.a. to supplement the Major Repairs Renewals and Maintenance Programme (CAB 1378 refers). *

4.1.11 As at February 2008, 8 properties were sold since the policy was introduced and £1.094m was generated from sales to underpin the 2007/08 Repairs and Renewals Programme.

4.1.12 However the slower than anticipated income from house sales meant that a revised profile of commitment expenditure was necessary from November

2007, as at that time approximately £350,000 had been generated through sales.

- 4.1.13 In effect this resulted in a slowing down of procurement throughout 2007/08 as commitment towards projects could only be made when cash from sales had been realised.
- 4.1.14 As at February 2009 5 properties remained committed for sale since April 2008. Of the £1m planned to be generated from sales to underpin the 2008/09 Repairs & Renewals Programme no property sales were completed. In summary therefore house sales have generated £1.094m considerably less and approximately 50% of the £2m anticipated in the period 1/4/07 – 31/3/09, with a further £600,00 probable if all properties referred for sale actually sold in 2009/10.
- 4.1.15 As at February 2010 the balance of the asset sales fund is £763,000 and can now be committed to support the programme under the existing policy. A further 3 properties are currently being marketed that would generate a further £325,000 towards the repairs and renewals programme when sold and in addition the sale of the Willis Waye garage site should generate a further £150,000.

4.2 **Affordable Major Repairs, Renewals and Maintenance Strategy 2005 – 2010**

- 4.2.1 It has previously been reported (CAB 1231 Delivering Decent Homes – The HRA Business Plan 2006-2007, Cabinet 22nd March 2006), section 6, “Emerging Issues” that a number of property related matters would require additional funding over future years.
- 4.2.2 The Council’s approval of the Capital Programme 2006/07 to 2011/12 (CAB 1378 refers) gave an opportunity to begin to address these emerging issues, in a strategic manner, by means of a Supplementary Repairs and Renewals Programme. The proposed elements of the original and supplementary programmes are shown in Appendix A of this report.
- 4.2.3 With house sales not generating funds to support the programme in any timely or reliable way it was not considered possible or prudent to pre-plan for any planned expenditure from this source in 2009/10. It was proposed instead that any funding raised via sales should be used to underpin elements of the programme as shown in Appendix C as and when any sales occurred. In reality and for planning purposes this has become 2010/11.
- 4.2.4 Further as previously set out in report Housing Revenue Account Budget and Rent Setting 2010/2011 (CAB 1958 refers), additional funding/efficiencies have been generated to support the major repairs renewals and maintenance programme from 2010/11.
- 4.2.5 The totality of funding included in the Proposed Major Repairs, Renewals and Maintenance Programme 2010/11, shown in section 4.2.13 of this report.
- 4.2.6 Subject to budget outturn from 1 April 2010, the total sources of funding towards the proposed programme are as follows: -

HRA Revenue	£3.793m (including £300,000 for Disabled Adaptations)
MRA (Government Grant)	£3.679m
WCC (Capital Programme)	£0.200m (for sewage treatment works)
WCC (Rev to Capital)	£0.300m (digital switchover works)
MRA Reserve	£0.550m (excluding £500,000 retained reserve)
Asset Sales	£0.763m (total at Mar 2010)
<u>Total budget for asset planning purposes</u>	<u>£9.285m</u> (including £245,000 towards staff salaries)

Additional Potential Supplementary Sum available if all properties referred to date sell £ 0.325m

- 4.2.7 It should be noted that from 1/4/07 it has been necessary to charge the time of Planned Maintenance Staff spent on major works projects direct to the Capital Programme. This has been necessary to return the HRA into a sustainable position and restore a working balance (CAB 1369 refers).
- 4.2.8 A summary description of the elemental components of the Major Repairs, Renewals and Maintenance Programme is given in Appendix A of this report. This includes details of the deferment and realigning of certain programmes from within the Major Repairs and Renewals Base Programme from 1 April 2009 to match funding likely to be available from 2009/10.
- 4.2.9 A similar summary description of the elemental components of the Supplementary Major Repairs and Renewals programme is given in section 4.2.13 of this report.
- 4.2.10 During the period 2007/08 3 specific strategic reviews were undertaken to inform the sustainability of the Council's Asset Management Plan for Housing and ultimately the HRA Business Plan.
- 4.2.11 These were: -
- (i) Update of the Council Home Condition Survey carried out in 2003 – primarily to update the Investment Forecast 2008/09 – 2037/38, and particularly 2009 -13, the next 5 year planning period.
 - (ii) Gas Fired Heating Systems in the Council's Housing Stock.
 - (iii) The effect of the Disability Discrimination Act 1995 (DDA) towards publicly accessible areas of HRA property.
- 4.2.12 The findings and financial implications of these 3 reviews is summarised in section 4.9 of this report. Further the findings and impact of such were reported to the Housing Options Steering Group in July 2008, Social Issues

Review Panel on 10 November 2008 (SO77 refers) and Cabinet on 10 December 2008 (CAB 1769 refers).

- 4.2.13 The balance of the existing programme 2009/10 has evolved and reflects the impact of previous investment, the age profile and “technical” requirements of the stock, tenant’s aspirations whilst endeavouring to minimise any risk to the Council in its capacity as Landlord. Further taking into account the savings and efficiencies previously identified in para. 4.2.4, the emerging issues as previously reported and the potential size of the budget overall as set out in para. 3.2.6, the balance of the proposed programme across the principal elements for 2010/11 is as follows:

Proposed Major Repairs, Renewals and Maintenance Programme 2010/11

The content and balance of the proposed programme for 2010/11 is as follows:

Major Repairs, Renewals and Maintenance Programme 2010/11

MAJOR REPAIRS, RENEWALS & MAINTENANCE PROGRAMME 2010/11								
Budget Expenditure Type					Programme Commitments from 2009/10* & Retained Reserve		NOTES	
Base & Supplementary Programmes								
Ref	Work Element	REV	MRA	WCC CAP	HRA Rev to Cap	* MRA Reserve	Asset Sales Fund	
	Term Maintenance Programme	£3.793m	£3.679m	£200,000	300,000	1,050,000	763,000	Funding Sources
1	Responsive day to day repairs under £300 in value. Other "catch-up" works over £300 in value.	900,000	100,000					
	Voids Maintenance							
2	Change of tenancy costs	470,000						
3	Term Responsive	300,000						
4	Planned Maintenance		120,000					
5	Decorating Vouchers	40,000						
	Cyclic Maintenance							
6	External Repair & Painting	300,000						
7	OAP Internal Redecorations	0						Programme deferred from April 2009
8	Heating Appliance Service Contract	765,000						
9	E&M Service Contracts	120,000						
10	Electrical Testing & follow up works	150,000						
	Major Repairs & Renewals Programme							
11	Kitchen & Bathroom Renewals Consequent to Voids if necessary		*200,000 400,000			320,000		B/F from 2009/10 identified backlog of refurbishment works. Earmarked fund for replacement works (see note below.)
12	Window & Door Replacement (Prov Sum)		250,000					
13	External Envelope works to maintain DHS	270,000	249,000					
14	Garage Repairs & Misc Estate Works	143,000						
15	Asbestos Removal		150,000					
16	Internal Work to maintain DHS		150,000					
17	Heating Systems Replacement & associated works		1,000,000					Funding from base programme commenced in 2009/10
18	Lift Refurbishment		25,000					
19	Communal TV Aerial Replacement (Digital Switchover)				300,000			Funding for work established in 2009
20	Disabled Adaptations Work	300,000	445,000					Funding from base programme commenced in 2009/10
21	Upgrading of Sewage Treatment Works			200,000				
22	Consultancy Support Costs		75,000					
23	Planned Maintenance Staff Costs (greater part)		245,000					
24	Forder Court Upgrade		100,000					
25	Fire Risk Ass – Emerging Works		125,000					
26	Danemark Ct Heating Modifications	35,000						
27	Woolford CI Structural Repairs (Roofs)		45,000			35,000		Works identified in 2009
	Budget Carried Forward	3,793,000	3,679,000	200,000	300,000	355,000		

MAJOR REPAIRS, RENEWALS & MAINTENANCE PROGRAMME 2010/11						Programme Commitments from 2009/10* & Retained Reserve		NOTES
Budget Expenditure Type								
Ref	Work Element	REV	MRA	WCC CAP	HRA Rev to Cap	MRA Reserve	Asset Sales Fund	
28	Victoria House Replacement Doors/Windows etc						*200,000	Earmarked fund for replacement works
29	Test & Meon Houses Replacement Windows & Doors						113,000	Earmarked fund for replacement works
30	Winnall Flats Replacement Roofs to 3 blocks					125,000	250,000	Earmarked fund for replacement works
31	Winnall Flats & Richard Moss Hse Lift Refurbishment					20,000	200,000	Earmarked fund for major refurbishment (Prov Sum)
32	Project Fees					50,000		Earmarked fund for Project Fees
33	Retained MRA Reserve					500,000		Reserve to cater for and work arising not included in the programme eg heating systems, kitchens, external works etc.
Total Budget/Earmarked Reserves		3,793,000	3,679,000	200,000	300,000	1,050,000	763,000	
								NOTE: Kitchen & Bathroom Renewals
Total budget for Asset Management Planning Purposes = £9.285m								There are 540 properties with kitchens & bathrooms older than 30 and 40 years respectively. A proactive regime of inspection should commence to check compliance with Decent Homes Standard. If all properties required replacements the potential liability would total £3.0m.

4.3 Decent Homes Compliance (Update 1st February 2010)

4.3.1 Background Information

The stock condition survey carried out in 2003 estimated that of the 5,232 properties owned by the Council at that time, 3646 dwellings (70%) were compliant and 1586 dwellings (30%) failed by at least one matter of the standard and were by definition Non-Decent. Combined element failure within the Standard was uncommon with the majority of non-decent dwellings failing on only one element.

4.3.2 The pattern of Decent Homes defect classification in property numbers in 2003/04 was as follows:

Unfit	26
Disrepair	274
Amenities	65
Energy Only	1221
No Defects	<u>3646</u>
	<u>5232</u>

4.3.3 Full details of progress towards achieving Decent Homes Standard over the period 2003-2009 has been shown in previous Business Plan updates.

4.3.4 **Decent Homes Defect Classification 1st February 2010 (Current Position)**

Classification	No	Comments
Unfit	0	There are no known properties within this classification
Disrepair	0	Disrepair as identified by Stock Condition Survey was completed by 31/03/08. Any newly arising external repair issues will be dealt with as part of the 5 yearly external repairs and painting programme or on demand.
Amenities	0	All properties have now been surveyed and work ordered for those where work was necessary and practically possible.
Energy	0	It is considered that no homes are deficient in this classification as defined by DHS.

4.3.5 As identified by the Stock Condition Survey, to achieve and maintain decency by 2010, together with other works identified within the programme, has required specific works to be carried out incrementally throughout the stock. The following indicative elemental programme demonstrates how progressively the Decent Homes Standard has been achieved.

Criteria	March 2005	March 2006	March 2007	March 2008	March 2009	March 2010
Unfit	15	7	1	-		-
Disrepair	200	142	100	-		-
Amenities	61	59	54	23	15	-
Energy	632	542	305	-	-	-
Total Non Decent	908 (17.5%)	750 (14.5%)	460 (9%)	23 (0.5%)	15 (0.3%)	0 (0%)

4.4.6 Allowing for the remaining properties achieving decency in 2009/10 a revised estimate of properties owned by the Council on 1st February 2010 (5057 excluding leasehold properties) that were by definition non-decent was 0 properties and by implication 5057 properties met Decent Homes Standards.

4.4.7 Therefore it can be seen that Decent Homes Compliance will be achieved by 31st March 2010, and within the defined Government target of 31st December 2010.

4.5 **Proposed Repairs Strategy to Maintain Decent Homes Compliance for the Period 2009/2013**

4.5.1 Report CAB 1378, Capital Programme 2006/07 – 2011/12 approved the Housing Revenue Account Capital Growth Bid of £1.0m per annum in principle for the next five years, on the basis and funded by limited house sales (up to 10 houses) per year over a corresponding 5 year period.

4.5.2 The purpose of generating a further receipt of up to £1.0m annually was to meet a number of emerging stock related issues as previously identified (CAB 1231 section 6 refers) that would require additional investment to ensure that the Council's Decent Homes Plus Standard could be maintained beyond anticipated compliance by March 2010.

- 4.5.3 The key areas in which investment is required to form a Supplementary Capital Major Repairs and Renewals Programme, distinct and separate from the base Major Repairs, Renewals and Maintenance Programme are set out in Appendix B of this report, and contain both a summary description of the reason and purpose of each works element proposed (including project fees).
- 4.5.4 The total expenditure generated by sales in 2007/08 allowed for works identified in the year 2007/08 to be carried out as shown in Appendix C of this report. However as money could not be committed towards works until sales were complete works have in effect been completed over the 2 year period 2007/09.
- 4.5.5 With funding in place for 2010/11 (due to some sales having completed, other efficiency gains and prudent use of the MRA Reserve) a supplementary programme is defined and proposed in section 3.2.10 of this report. This will enable funds of approximately £1.8m for specific schemes to be earmarked, including kitchen and bathrooms replacements, roof replacements, digital aerial upgrades and lift refurbishments to its medium rise blocks of flats.
- 4.5.6 These works will contribute to maintaining the stated Winchester Decent Homes Plus Standard, and now that funding is secure, works can be planned and carried out in a strategic manner.
- 4.5.7 Timing of works will obviously depend on planning, procurement, liaison and management of the works as projects. It is likely that a supplementary programme of approximately £1.8m commencing in April 2010 will take two years to practically complete.

4.7 **Asset Management – Strategic Reviews (2008)**

- 4.7.1 As previously stated (para. 4.5.2 refers), 3 specific strategic reviews have been undertaken to inform the ongoing sustainability of the Council's Asset Management Plan for Housing and the HRA Business Plan. These were:
- Update of the Council House Condition Survey carried out in 2003 – primarily to update the investment forecast 2008/09 – 2037/38, and particularly the next 5 year planning period 2009-13.
 - Review of the replacement needs of Gas Fired Heating Appliances and associated heating systems upgrading throughout the Council's Housing Stock.
 - The effect of the Disability Discrimination Act 1995 (DDA) towards publicly accessible areas of HRA property.

4.7.2 The results and impact of all 3 reviews are known and have informed the Housing Options Appraisal Process. A brief summary of each review is as follows:

(i) **Stock Condition Survey Update 2008 and Heating Systems Review – Interim Findings**

The stock survey was carried out in 2003 by consultant surveyors David Adamson & Partners to determine the nature and extent of the Council's Housing Asset Management Plan to achieve Decent Homes Standard by 2010 and over a 30-year planning period 2004 – 2034. Following a Housing Options Appraisal carried out by the Council in 2004 a "Winchester Decent Homes Plus Standard" was determined.

A desk-top review of progress 2004 – 2008 and investment needs for the period 2009 – 2038, and in particular the next 5 year planning period 2009 – 2013 carried out by David Adamson & Partners and Officers concluded: -

- **Decent Homes Compliance**

That property management and investment actions have been successful, and that Decent Homes Standard will be met as planned within the Government target time of 2010.

- **Catch –Up Repairs**

That property management and investment actions have been successful in maintaining "Catch-Up" type repairs at similar levels to that identified by the Survey in 2003 (estimated at 4.87m at current costs). However with investment levels falling below that required this position is not considered sustainable.

- **Major Repairs**

The property management and investment actions have been successful in addressing the majority of the originally programmed works identified throughout the housing stock. However kitchen and bathroom replacement profiles were dependant on an extended life cycle reflecting their condition when assessed as good in 2003. It is now becoming apparent some 6 years since the survey, that as kitchen and bathroom facilities become older the potential for greater numbers of replacement on demand will occur. This has been particularly noticeable in properties becoming vacant (voids) since April 2007, and has resulted in approximately 80 kitchens requiring replacement annually since as opposed to approx 25 during a corresponding period in previous years. Such expenditure is

“on demand” as Council policy is to re-let properties within tightly defined timescales, and in accordance with Government targets. Relative to demand within occupied properties for kitchen and bathroom replacements a backlog of approximately 50 kitchens/bathrooms is anticipated at 31st March 2010 at an estimated replacement cost of £275,000. It is proposed that works to the value of £520,000 will be possible to fund the backlog and further refurbishment towards the oldest age profile kitchens and bathrooms. Further kitchens identified for replacement as they occur throughout 2010 will be placed on a waiting list and will rely on income from house sales to be realised or deferred until next years programme 2011/12 before any further work can proceed.

As previously reported, the effect of increasing obsolescence in gas fired central heating systems (as confirmed by the 2008 Strategic Review) will result in greater numbers of heating appliances and systems being required. To meet increasing demand and minimise risk (of breakdown with no spares available) a replacement programme averaging 480 units per year at a cost of approximately £1.3m p.a. over the next 4 years will be required.

The existing base programme was increased to provide £1.0m pa from 2009/10 by deferring other less high priority work. This will result in a shortfall of approximately £300,000 pa against identified need over the next 4 year period, a situation that is not considered sustainable. However an MRA reserve of £500,000 is proposed and acts as a contingency to mitigate risk and provide for ad-hoc boiler replacements as and when they might occur within the next 4 year planning period.

- **Recurrent Works**

The property management and investment actions have been successful in addressing the majority of ongoing (cyclical) works necessary over the 5 year planning period. Works have included external repair and re-decoration contracts, gas appliance service contract, OAP Internal re-decorations and various other electrical and mechanical service contracts. Further disabled adaptation works and associated funding have increased to meet ever increasing demand over the planning period (2004/09). From April 2009 a base budget of £745,000 was established to meet newly arising need.

(ii) **Review of the effect of Disability Discrimination Act 1995 (DDA) on Publicly Accessible Areas of HRA Property.**

The extent towards which the implications of DDA apply to Housing Property is where members of the public are invited to attend specific events within Sheltered Housing Schemes. An Officer review has concluded that only communal lounges would require works to ensure DDA compliance. However the usage of such areas for publicly attended events is minimal and there is little justification for major investment (estimated at £300k).

It was proposed that the results of this review would be consulted upon with both Tenants and Elected Members later in 2008 with an agreed proposed policy being published by 31st December 2008. These issues are currently being considered as part of a wider review into sheltered housing by the Supported Housing Informal Working Group who will make recommendations in due course. In the meantime no specific funding for any DDA works has been made.

4.8 Programme Issues & Shortfalls

- 4.8.1 **Base Budget & Inflation** - Because the budget available in 2004 at the start of the 2004 – 34 Asset Management Plan was insufficient to meet the identified overall programme needs, compromises were required from the outset (para. 4.1.7 refers). Further, in subsequent years construction related inflation has been significantly greater than that applied to the Major Repairs and Renewals budget overall, in order to maintain the HRA and its working balance at sustainable levels.
- 4.8.2 This has resulted in programme budgets being “managed” or suppressed over time to balance as far as possible year on year demands whilst also working towards longer-term strategic objectives and in particular meeting Decent Homes Standard by 2010. At a practical level a kitchen or external door being repaired as opposed to being replaced and/or a minimalist repairs policy being applied in general, may suffice to “get by” in the short term, will inevitably re-occur on demand, unplanned and potentially un-budgeted for at a future unknown time.
- 4.8.3 Whilst it is accepted that some management or suppression of demand is inevitable to balance budgets in the short-term it cannot continue over a prolonged period if the Council is to have a proper and sustainable medium to long term asset management plan. Therefore it was considered prudent to make appropriate strategic adjustments/corrections prior to the next 5 year planning period 2009/13, and include for an appropriate base budget based on asset needs, and the full predicted effect of construction related inflation.

4.8.4 An “interim” budget plan for the period 2008/09 was proposed in section 5.3 of the 2008/09 Business Plan update. However the budget of £9.75m was not fundable in full and none of the £1m from property sales to supplement the 2008/09 programme materialised. The work anticipated can therefore only be deferred to appropriate waiting lists and/or not proactively commenced as no corresponding reliable funding source has been identified at this time.

4.9 Indicative Budget Proposals 2009 - 2013 inclusive.

4.9.1 As previously reported within the 2008/09 Business Plan Update, from 2009 – 2013, the second 5 year planning period of the Asset Management Plan 2004 – 2034 a revised Asset Management Plan should reflect the identified programme needs and budget at actual cost, and take account of the full effect of construction related inflation over the initial five year term.

4.9.2 Based on strategic information from the 2008 Stock Condition Survey update by David Adamson & Partners, and the Heating Systems Review by White Young Green together with adjustment for construction related inflation, an indicative main base budget of £9.76m (excluding staff costs) was required from 2009/10, and subject to annual inflation for the remainder of the 5 year planning period 2010 – 2013 inclusive. This sum was subsequently adjusted downwards by £380,000 pa for revised heating upgrade costs and upwards by £100,000 pa for Digital upgrade works, £200,000 pa for disabled adaptation works and £120,000 pa for extra/over works to void properties, all of which were included in the base budget for 2009/10. Making allowances for these adjustments a budget of £9.8m (excluding staff costs) is therefore required to ensure that the objectives of the Winchester Decent Homes Plus Standard can continue.

4.9.3 The difference between the works budget available for 2009/10 (£7.099m minimum excluding income from house sales and £8.099m maximum allowing £1m income from house sales) and the actual budget requirement for 2009/10 (9.800m) is £2.701m (28%) at worst and £1.701m (17%) at best p.a. The shortfall in funding “at worst” can be summarised as follows: -

	SHORTFALL ON BASE PROGRAMME	£ p.a.
1	<u>Stock Condition Survey 2008 Update</u> Works identified within original survey updated to reflect current unit cost of works and/or construction related inflation.	926,000
2	<u>Gas Fired Central Heating Systems Review</u> Newly arising need as a result of the recent strategic review based on gas boiler obsolescence.	900,000
3	<u>OAP Internal Redecoration Programme</u> From 1/04/2009 it is proposed to suspend the discretionary OAP Internal Redecoration Programme until further notice.	175,000

4	<u>Kitchen & Bathroom Replacements</u> Extent of shortfall of planned programme works as originally envisaged in Winchester Decent Homes Plus Standard	500,000
5	<u>PVCu Window Replacement Programme</u> The original programme needs to be accelerated to include approx. 300 properties for window replacement over the 5 year planning period (to reflect current repair condition).	100,000
6	<u>Digital Switchover</u> Newly arising need as a result of Government plans announced in 2006.	100,000
	Total	<u>£2,701,000</u>

4.9.4 Appendix C to this report shows the previously approved Indicative Supplementary Capital Programme and priority towards spending and the effect of funding generated by sales (as at February 2010 approximately £1.3m of £3.0m anticipated in the works planning period, and a further £713,000 raised that can be committed from April 2010).

4.9.5 Further, because of the economic climate that evolved in 2008 it was not considered prudent to rely on house sales to supplement the base Major Repairs & Improvement Programme. Therefore the only alternative was to rebalance the existing programme to enable the highest priority works to be included in the base programme detailed in line with the financial resources definitely available in 2009/10.

4.9.6 A summary of works proposed to be omitted from the existing programme and deferred until further notice in order to rebalance the proposed programme from 2009/10 was as follows: -

- Inflation - No general and/or construction related inflation to be applied across the programme. Rather the increase in budget has been utilised to underpin the higher priority works within the base programme.
- External Repairs & Repainting Programme - As defined in Appendix A – Ref. 6 it is proposed that following the survey of approximately 1100 properties that make up the 2009/10 and subsequent years programme any repairs necessary will be carried out with painting only towards these repairs and other identified defective areas to a total value of £300,000. Therefore if a property that was repainted 5 years ago remains in reasonable condition it is proposed to carry out no further works at this time. By carrying out any essential repairs this will retain properties in a wind and weathertight condition and ensure that properties do not fail the Decent Homes Standard under the

Disrepair Classification. This revised policy will provide up to £270,000 pa that can be utilised for higher priority works.

- OAP Internal Redecoration Programme - As defined in Appendix A – ref. 7, the programme of works to approximately 350 properties annually was suspended from April 2009 until further notice. The revised policy will provide up to £175,000 pa that can be utilised for higher priority works.
- Kitchen & Bathroom Replacement Programme - As defined in Appendix A – ref. 11 and Appendix B – ref 1, from April 2009 it became necessary to defer approximately 25% (£200,000) of base programme works until further notice pending supplementary funding is achieved through sales. This in reality resulted in only £200,000 of work being planned in 2009/10 and £500,000 pa of planned replacements anticipated being deferred. The remaining £400,000 included in the programme will be utilised to replace kitchens and bathrooms in disrepair when properties become void or on demand. It is anticipated at year end 31/03/10 approximately 50 kitchens and/or bathrooms referred for replacement during 2008/10 will remain on a waiting list for replacement. Under the “spirit” of Decent Homes Standard such works could be interpreted as failures under the Amenity category.
- Gas Fired Heating Replacements Programme - As defined in Appendix A – Ref 18, and Appendix B –Ref 3 refers a new base budget of £1m pa was established. However, as previously reported in the 2008/09 Business Plan Update, and at Social Issues Scrutiny Panel in November 2008 (SO77 refers) an investment need of £1.4m pa (subsequently amended to £1.3m pa) over the 5year period 2009-2013 has been identified. Therefore with £1m being available a shortfall of £300,000 pa will remain.
- Digital Switchover Programme - As defined in Appendix B – Ref 5, it was proposed to provide £100,000 to start work in 2009/10 in order to meet the 2012 Switchover deadline. It is estimated the total cost of work necessary to all properties with communal television aerials will be approximately £300,000. Funding for these works has now been found from efficiencies within the HRA Revenue Account and £300,000 has been included in the 2010/11 budget.
- Disabled Adaptation programme - As defined in Appendix A – Ref 21 and Appendix B – Ref 4 a revised base budget of £745,000 was established from April 2009 and is proposed to continue into 2010/11.

4.9.7 The total deferments from the existing Major Repairs and Improvements Programme in elements (i) – (iv) inclusive was

£645,000. These “savings” re-balanced the programme and provided essential increases to establish a revised base budget for 2009/10.

4.10 Summary Issues of Concern – Asset Management Plan 2009-2013 (updated February 2010)

4.10.1 The fundamental problem with maintaining the Winchester Decent Homes Plus Standard as agreed in 2004 over the next (2009/2013) 5 year planning period is a significant lack of funding as defined in section 4.9.2 of this report.

4.10.2 The Council will manage to achieve the Governments Decent Homes Standard by April 2010 as planned. However with funding shortfalls from the outset, together with newly arising and emerging needs to maintain the standard over the next 5-year planning period 2009/13 and towards a 30-year Business basis as originally planned (2004/2034), more funding is required for the following reasons and with the resulting consequences: -

	Reason	Consequence
(i)	Programme underfunded by £400,000 pa from outset in 2004/05	Over the last 6 year period 2004/08, £2.4m of identified investment has not been possible primarily towards responsive maintenance, voids reinstatement and garage repairs.
(ii)	Budget not being updated annually by Construction Related Inflation to cover costs from the outset in 2004/05.	This has resulted in the cost base of the Asset Management Plan not incrementally being increased year on year by inflation and/or unit cost of repairs and replacements. An increase of approximately £1m pa would be required on the 2010/11 base budget to make good the shortfall that has accumulated since 2004/05. Taken over the 6-year planning period and calculated on a cumulative basis this has resulted in a total of approximately £3m of investment being lost across the programme as a whole.
(iii)	Strategic Review of Gas Fired Heating Systems. Increasing	From 2009/10 for a 5 year period approximately 480 boilers annually

	obsolescence in gas fired central heating systems will result in greater numbers of gas boilers requiring replacement to minimise the risk of failure.	will need to be replaced at a cost of £1.3m pa. After omitting and deferring works from the base programme a £300,000 per annum shortfall will remain.
(iv)	<p>Increasing number of kitchens and bathrooms requiring replacement “on demand” as part of void property reinstatement works. Original replacement programme was structured over the full 30 year Business Plan, but proving unsustainable.</p> <p>Owing to funding becoming available via sales in 2009/10 and prudent management of the MRA Reserve it is proposed to commit £520,000 for planned replacements in 2010/11. A further £400,000 is available for kitchen and bathroom works as and when they occur in void properties as part of base budget.</p>	From 2009/10 Replacement Programme was cut to a total of £600,000 pa as opposed to the £1.1m pa as originally planned. This resulted in planned replacement works of approximately £0.5m pa not being assessed and carried out proactively.
(v)	Government announcement in 2006 of the regional timetable to switch from analogue to digital transmission for Meridian in 2012.	That the Council’s 61 Communal aerials receiving systems in sheltered accommodation and flats across the district will need to be upgraded over a 2 year period at a total estimated cost of £300,000. Funding for this work has been approved from HRA efficiencies and is included in base budget for 2010/11.
(vi)	Disabled Adaptations. Government Policy to retain OAPs and disabled persons within general needs housing wherever possible without any additional funding.	Demand for adaptations works as assessed by Occupational Therapists continues to grow. It is considered that a budget of approximately £750,000 pa is required to meet demand. The Council has incrementally increased this budget in effect at the expense of other works.
(vii)	NOTE – The David Adamson Survey update carried out in 2008	This proposed major repairs and improvements strategy would cost

	<p>made recommendation that ageing kitchens and bathrooms would be best replaced over a 5 year period 2009/2013 to bring up to a maximum of 20 and 30 year age respective age profiles. This work would be carried out proactively and in a strategic manner.</p>	<p>approximately £13.4m to implement over the 5 year planning period at an annual cost of £2.6m in addition to the £1.1m pa originally planned. This inclusive repairs strategy would require a total budget of approximately £12m per annum over the next 5 year planning period (excluding catch-up repairs of approximately £1m).</p>
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**5 Key Housing Revenue Account Priorities
Key Service Priorities 2009 – 2010**

A) Significant Areas of Work and Projects for 2010/11

Link to Sustainable Community Strategy Priorities	What will we do	Planned Start Date	Milestones	Milestones Due Date	Action Due Date	Expected Outcome	Who's Accountable
Inclusive Society – People have access to housing that meets their needs	HRA Reform - To update financial projections for the future management of Landlord Services in light of announcements from the Government review of Housing Finance	Apr 10	Report Offer and its implications to Cabinet/TACT Update 30 year financial projections once reform “offer” is known Briefing to Housing Options Steering Group Respond to Government with Council view on way forward	Apr 10 May 10 June 10 Jun 10	Mar 11	A sustainable landlord service	Head of Landlord Services
	Decent Homes - To deliver targets and priorities as set out in the Major Repairs and Renewals Strategy	Apr 10	Agree and implement action plan to prepare for Self Financing Key milestones to be determined	Mar 11	Mar 11	100% Decent Homes Compliance	Head of Property and Contracts
	Energy Efficiency - To contribute towards the Council's Carbon reduction commitments and ensure the energy efficiency of the	Apr 10	Key milestones to be determined but to include investing over £1m in boiler improvements and insulation works		Mar 11	Mar 11	Increase in current SAP Rating

Link to Sustainable Community Strategy Priorities	What will we do	Planned Start Date	Milestones	Milestones Due Date	Action Due Date	Expected Outcome	Who's Accountable
	housing stock is in the top 25% of all local authority landlords						
	Digital Switchover - To ensure aerial systems at all communal housing schemes are upgraded to latest digital standards	Apr 10	Cabinet report on proposals	Apr 10	Mar 11	All communal aerial systems upgraded for digital reception	Head of Property and Contracts
Tender Award			Jul 10				
	Procurement - To review options for the long term procurement of all responsive and planned maintenance contracts beyond 2011.	Apr 10	Works Commence	Oct 10	Mar 11	Existing Responsive Repairs and Voids contract retendered	Head of Property and Contracts
Works Complete			Mar 11				
	Asset Management - To review and update existing stock condition data and determine the most effective method of maintaining an up to date and accurate database for all stock	Apr 10	Tenant Consultation on options for including in specification	May 10	Dec 10	Clear up to date and auditable information on all housing assets	Head of Property and Contracts
Tender Process			Oct 10				
	Asset Management - To review and determine future priorities for all general	Apr 10	Cabinet Report re Tender Award	Dec10	Oct 10	Clear management strategy for all property types.	Head of Landlord Services
Key milestones to be determined			Jul 10				
			Complete "portfolio review" exercise for all properties to determine future investment	Jul 10			

Link to Sustainable Community Strategy Priorities	What will we do	Planned Start Date	Milestones	Milestones Due Date	Action Due Date	Expected Outcome	Who's Accountable
	needs and supported housing stock		Prepare "asset plan" for all sheltered housing schemes	Oct 10			
			Identify opportunities to create additional dwellings from communal facilities, under utilised assets etc	Oct 10			
	Sheltered Housing - Extending and improving provision of community facilities (internet access, guest rooms, shops and other services to dedicated supported housing schemes	Apr 10	Report on progress to Sheltered Housing IMOWG in June 10. Key milestones to be determined in light of asset management review above	Jun 10	Mar 11	Improved facilities at core sheltered schemes	Housing Services Manager
	Under - Occupation - Implementing an Incentives programme aimed at encouraging those under-occupying family homes and in need of support to relocate to more appropriate accommodation	Apr 10	Evaluate "good practice" options in light of available resources and report to Sheltered Housing IMOWG. Develop and seek approval for a range of measures to address under occupation Implement and promote revised approach	Jun 10 Oct 10 Dec10	Mar 11	at least 10 under occupied homes vacated	Housing Services Manager
	National Standards - To ensure all Landlord Services	Apr 10	Self assessment of existing services in light of new standards	Jun 10	Mar 11	Compliance with key standards and national	Head of Landlord

Link to Sustainable Community Strategy Priorities	What will we do	Planned Start Date	Milestones	Milestones Due Date	Action Due Date	Expected Outcome	Who's Accountable	
Inclusive Society - People are active in their communities	<p>comply with new TSA National Standards for Social Housing and to agree new local standards with tenants</p> <p>Tenant Satisfaction - To complete the bi-annual test of tenant satisfaction in line with the Status guidance and to determine actions to address issues of concern</p> <p>Resident Involvement - To promote wider resident involvement in service delivery through "tenant led" estate management in all housing areas</p>	Jun 10	Tenant consultation on potential supplementary local standards	Dec 10	Mar 11	good practice	Services	
			Approval of local standards to be effective from Apr 11	Mar 11				
			Survey commissioned, prepared and posted to all tenants	Oct 10				
		Apr 10	Analysis of results and preparation of action plan to address key issues	Jan 11		Mar 11	Increased satisfaction and clear action plan on priorities for tenants	Head of Landlord Services
			Findings reported to Social Issues and published to tenants in "On the House"	Mar 11				
			Estate walkabouts in all Housing Management areas	Oct 10				
Apr 10	<p>Tenant involvement in prioritising area Estate Mgt budgets</p> <p>Local compacts agreed with all tenant and resident associations</p>	Mar 11	Mar 11	Greater resident involvement and services that take account of customer expectation	Tenancy Services Manager			
		Jun 10						
		Apr 10					Apr 10	Oct 10
Apr 10	Oct 10							
Apr 10	Apr 10	Oct 10		All procedures updated	Tenancy			
Apr 10	Oct 10							
Apr 10	Key milestones to be determined		Oct 10					

Link to Sustainable Community Strategy Priorities	What will we do	Planned Start Date	Milestones	Milestones Due Date	Action Due Date	Expected Outcome	Who's Accountable
levels of anti-social behaviour throughout the District	revise where appropriate all Housing Management policies and procedures in light of the standard						Services Manager
Investing in information technology	Housing Systems - To procure and implement a fully supported Housing Management system	Apr 10	Business Case approved	Apr 10	Dec 10	Fully upgraded system implemented	Housing Systems Manager
			Implementation timetable agreed	May 10			
			Upgrade/testing complete	Nov 10			
			Training programme completed	Dec10			

6 The HRA Budget 2010/11

- 6.1 The City Council approved an average rent increase of 1.09% for 2010/11 (0.9% rent reduction + provision for moving to target rents by 2013). The HRA budget for the year is projected to achieve year end surplus of £120,000. Working balances at March 2011 are projected at £1,303,439 (plus a further £94,929 included within the Council's Self Insurance Fund).
- 6.2 Long term projections demonstrate that the current service is not sustainable under the existing subsidy regime. The City Council has suspended work on the review of Housing Options pending the outcome of the Government's Self Financing proposals. Further information on the long term projections under the current subsidy regime are detailed in section 6 of this document.
- 6.3 A summary of the HRA for 2010/11 is provided in the tables below:

Housing Revenue Account Budget 2010/11 Subjective Summary

	Actual 08-09 £	Original 09-10 £	Revised 09-10 £	Budget 10-11 £
Employees	3,201,570	3,507,933	3,423,414	3,411,063
Premises	4,836,069	4,820,834	4,820,834	5,236,769
Transport	215,496	191,790	211,178	248,950
Supplies & services	607,694	373,522	447,522	359,522
Third party payments	44,119	41,000	41,000	41,000
Transfer payments	8,428,670	9,093,007	8,488,007	8,947,981
Capital financing costs	48,291,261	4,347,460	4,353,453	4,284,362
External income	- 22,871,465	- 23,365,035	- 23,061,630	- 23,404,130
Management overheads	1,853,679	1,847,614	1,540,430	1,556,378
Recharges to services	- 530,399	- 541,420	- 295,760	- 295,760
Transfers	- 44,175,990	- 489,462	- 266,135	- 266,135
	- 99,296	- 172,757	- 297,687	120,000

HRA Working Balance

Opening Balance	-	1,125,752	-	1,423,439
Add Projected Deficit/(Surplus)	-	297,687		120,000
Projected Balance at Year End	-	1,423,439	-	1,303,439

HRA Insurance Reserve

Opening Balance	-	45,279	-	45,279
Revenue Contribution	-	49,650	-	49,650
Projected Balance at Year End	-	94,929	-	94,929

Balance Carried Forward Total HRA Reserves	-	1,518,368	-	1,398,368
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Housing Revenue Account Budget 2010/11

	Actual 08-9	Original 09-10	Revised 09-10	Budget 10-11
	£	£	£	£
Housing Management - General				
Hra General	1,263,474	1,133,312	1,260,767	1,389,389
Removals Incentive Scheme	4,000	6,000	6,000	6,000
Tenants Information	145,772	159,195	147,167	123,444
Vacant Dwellings	32,788	32,000	33,684	33,684
Joint Housing Register	206,373	194,142	173,221	173,221
Estate Management	859,396	783,594	767,670	741,736
Rent Accounting	197,699	200,145	211,472	204,758
	2,709,501	2,508,388	2,599,981	2,657,232
Housing Management - Special				
Sheltered Housing	752,268	1,036,372	1,033,550	1,199,540
Communal Services	107,389	91,986	3,086	28,320
Homelessness	3,720	31,333	21,330	49,805
Estate Maintenance	210,268	304,714	310,197	310,197
Disabled Adaptations	360,849	361,095	358,727	362,354
Sewage works	207,837	161,612	161,726	161,726
Central Control	438,817	398,485	417,828	175,538
	2,081,148	2,385,597	2,306,443	2,287,480
Housing Repairs				
Repairs - administration	908,151	1,041,787	931,783	875,236
Repairs - works	3,536,703	3,430,350	3,430,350	3,793,465
	4,444,854	4,472,137	4,362,133	4,668,701
Capital Financing				
Capital Financing	3,885,475	3,849,024	4,055,659	3,987,516
	3,885,475	3,849,024	4,055,659	3,987,516
Rents & Other Income				
Dwelling Rents	-19,437,438	-20,550,000	-20,140,000	-20,359,000
Garage Rents	-767,492	-750,000	-792,000	-792,000
Sheltered Charges	-357,712	-360,000	-400,000	-500,000
Supporting People	-686,387	-675,560	-605,560	-605,560
Other Income	-239,706	-195,000	-222,000	-237,000
	-21,488,735	-22,530,560	-22,159,560	-22,493,560
Housing Subsidy				
HRA Subsidy	8,428,670	9,093,007	8,488,007	8,947,981
	8,428,670	9,093,007	8,488,007	8,947,981
Transfers				
Transfer re Pension Reserve	96,847	0	0	0
Transfer re Insurance Reserv	-257,056	49,650	49,650	49,650
	-160,210	49,650	49,650	49,650
Net Deficit/(Surplus)	-99,296	-172,757	-297,687	120,000

7 Analysis of Future Funding

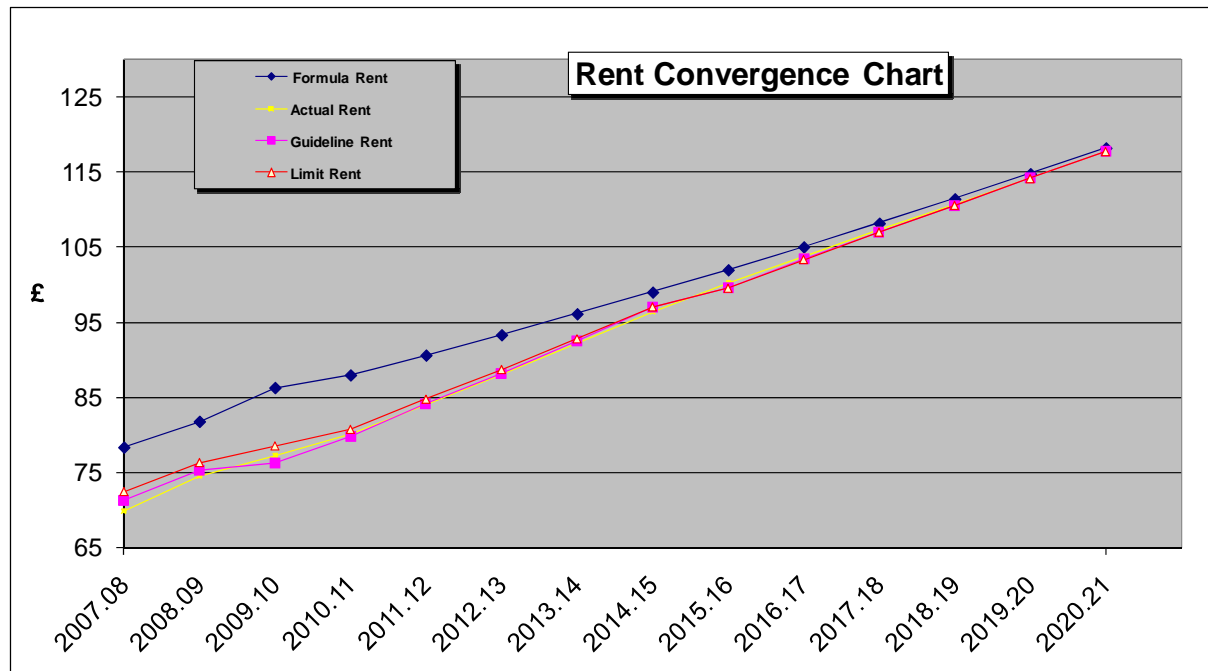
7.1 Introduction

- 7.1.1 In this Section we examine expenditure and income projections in the Housing Revenue Account, the Housing Capital Programme and the available sources of financing for the capital programme.
- 7.1.2 As a basis for this review we have produced an HRA Business Plan financial model taking into account the Council's stock condition data, the 2009/10 HRA budgets and the final 2009/10 HRA Subsidy Determination. We consider the key assumptions below.

7.2 Rents

- 7.2.1 Rent projections have been prepared based upon the latest guidance for rent restructuring contained within the 2009/10 HRA Subsidy Determination. Subject to constraints on rent increases the rent modelling assumes that convergence will occur by 2014-15. In reality, this assumption is dependant on government policy and assumptions and is revised on annual basis.
- 7.2.2 The government's social housing rent policy has placed a number of constraints on the rate at which actual rents can be increased. These constraints include a limit on increases of RPI + 0.5% + £2 along with a cap on the actual rents for each dwelling size which can be charged. Additionally, in 2006/07 and 2007/08 there was an overall limit on the average rent increase of 5%. For many local authorities, this has meant that guideline rents (which through the subsidy system represent a cost to the HRA) have increased by more than actual rents. In 2006/07 and 2007/08 the CLG paid a Rental Constraint Allowance to compensate local authorities who lost out as a result of rental constraints. This was replaced from 2008/09 with an adjustment to guideline rents. However, the adjustment is applied one year in arrears so the benefit relating to 2008/09 is reflected in the subsidy settlement in 2009/10. Using our rent model we have produced projections for actual dwelling rents and guideline rents for 30 years. The caps and limits adjustment to guideline rents in 2009/10, based on constraints to Winchester's rent in 2009/10 is estimated to be a reduction of £1.27 per dwelling per week or approximately £337k in total.
- 7.2.3 The figure below shows the projected convergence of Winchester's formula, actual, guideline and limit rents:

Table 7.1 - Winchester Rent Restructuring Projections



7.2.4 The average rent of £77.28 per week on a 52 week basis for 2009/10 is expected to increase in line with rent restructuring guidance, giving an average real increase of 2.24% per annum until the target year for convergence of 2014-15. However, not all properties will have converged by 2014-15 due to the limits applied to real increases, and so real increases of 0.88% are applied from 2015-16 to 2021-22, and thereafter they are assumed to be 0.5% above inflation.

7.3 Assumptions

7.3.1 General Assumptions

- (i) Start year is assumed to be 2009-10.
- (ii) Total stock at start of year is 5,103.
- (iii) Average rent is assumed to be £77.28 on a 52 week basis, with future rents following the rent restructuring formulae assuming convergence by 2014-15 subject to the limits.
- (iv) Voids and bad debts are assumed to be 2.1% per annum.
- (v) Other income includes the following:
 - Garage income £750k
 - Shop income £195k
 - Service charges £360k
 - Supporting People £676k
- (vi) RTB sales in 2008-09 are assumed to be 3 freehold and 3 leasehold. All future years are freehold sales are assumed to be 3 and leasehold sales 3 per annum.
- (vii) HRA Subsidy is based on the 2009-10 determination.

- (viii) The Council's HRA capital financing costs are calculated in accordance with the Item 8 determination, requiring a charge to the HRA for interest on outstanding debt.
- (ix) The capital programme is assumed to be financed solely from the major repairs allowance.

7.3.2 Management and Maintenance Costs & Subsidy Allowances

- (i) Winchester's actual management and maintenance costs have been projected based on the 2009/10 HRA estimates. We have applied the following assumptions to the management and maintenance elements respectively:
- (ii) General Management (£3.6m in 2009-10 including repairs admin)
- (iii) 75% of management costs are fixed.
- (iv) Inflation on management costs runs at RPI + 0.5% throughout the plan.

7.3.3 Special Management (£2.4m in 2009-10)

- (i) 100% of management costs are fixed.
- (ii) Inflation on management costs runs at RPI + 0.5% throughout the plan.

7.3.4 Maintenance (see Capital Programme below)

- (i) Maintenance costs are 100% variable.
- (ii) Inflation on maintenance costs runs at RPI+1% for years 2-6 and thereafter at RPI only.

7.3.5 Our projections for management and maintenance subsidy allowances are based on the formulaic subsidy calculation contained in the final Subsidy Determination for 2009/10. The determination includes target and actual allowances for management and maintenance expenditure.

7.3.6 In 2009/10 Winchester's maintenance allowance is £980.93 per dwelling. The management allowance is £477.98 per dwelling. Future increases are assumed at RPI only.

7.4 Capital Programme

7.4.1 Stock condition costs are as shown within the updated Adamson's survey and updated for 2009-10 prices. The option we have modelled for the updated analysis is based on scenario 1 of the original report. A summary of scenario 1 is shown below:

- (i) Survey as provided by Adamsons
- (ii) Includes accelerating the kitchen and bathroom replacement programme to achieve a 20 and 30 year lifespan respectively by the end of the planning period 2009-2013
- (iii) Also addresses works associated with "catch-up" repairs over a similar period
- (iv) Works total £251m over 30 years

7.4.2 A sensitivity was applied to the revised HRA Business Plan and assumes that on-going revenue maintenance is as per the 2009-10 HRA budget and not as assumed within the stock condition survey.

7.5 Capital Funding

7.6.1 HRA capital expenditure can be funded from the usable proportion of RTB receipts, borrowing, the Major Repairs Allowance (MRA), and direct revenue funding. Winchester's current policy is to fund the capital programme from MRA only.

7.6.2 Winchester's Major Repairs Allowance is £675.24 per dwelling in 2009/10 and we have assumed it will increase in future years in line with GDP being the inflation factor used by CLG for subsidy allowances. The MRA can only be used to fund capital expenditure, and if unused in one year, is carried forward in a "Major Repairs Reserve" to future years. Our model assumes that the MRA will be utilised to its maximum extent each year.

7.6.3 Direct Revenue Funding, also sometimes known as "Revenue Contributions to Capital Outlay" describes the situation where a Council uses revenue monies to pay for Capital expenditure. Our modelling automatically assumes that where revenue monies are available, and capital resources are inadequate, revenue financing will be utilised.

7.6 Summary of Results

7.6.1 The table below summarises the stock retention revenue and capital positions for the revised position compared with the original scenario 1 position:

	CAPITAL ACCOUNT		REVENUE ACCOUNT		
	Shortfall Against Required Investment		Year Account Goes Negative	Cumulative (deficit) / surplus	
	Year 5	Year 30		Year 5	Year 30
	2013/14	2038/39	YEAR	2013/14	2038/39
	£m	£m		£m	£m
Original Base HRA BP - Scenario 1	40.1	46.2	2 2009/10	(4.581)	(124.291)
Revised HRA BP	40.2	47.8	2 2010/11	(4.783)	(117.065)
Sensitivity 1 – Revenue repairs as within the 2009-10 HRA Budget	39.6	47.1	6 2014/15	0.147	(42.163)

7.6.2 Updating the assumptions that input into the HRA Business Plan has not materially changed the outputs from the financial model. The capital deficit to

year 5 is £40.2m (originally £40.1m) and by year 30 the deficit rises to £47.8m (originally £47.1m). This would be expected as the revised Business Plan has used the same SCS assumptions as within the original analysis. The slight change in the overall deficit by year 30 can be attributed to the following:

- (i) Change in the level of MRA
- (ii) Reduction in the assumed number of RTB's (SCS costs assumed to be 100% variable)

- 7.6.3 The revenue comparison between the original and revised Business Plans shows no material difference. In both options the revenue balances are negative by year 2.
- 7.6.4 Sensitivity analysis highlights that reducing revenue maintenance costs to match the current 2009-10 HRA budget only postpones the move towards negative balances by 4 years. Although it is not shown by the financial analysis, the reduced maintenance expenditure would probably precipitate a further requirement for programmed expenditure over and above the current SCS assumptions due to the reduced maintenance programme.
- 7.6.5 In summary, the Business Plan highlights an unviable HRA alongside a capital programme that is substantially underfunded. Detailed year on year funding projections are shown in tables 7.2 and 7.3 below:

**Table 7.2: Winchester City Council
Business Plan
Operating Account – 2008 to 2038**

Winchester City Council Business Plan Operating Account (expressed in money terms)																										
		YEAR END BALANCE BELOW MINIMUM					CAPITAL NOT FULLY FUNDED																			
		Income					Expenditure																			
Year	Year	Net rent Income	Other income	Misc Income	HRA Subsidy Receivable	Total Income	Managt.	Depreciation	Maint.	Other Revenue spend	HRA Cost of Rent Rebates	Misc expenses	HRA Subsidy Payable	Total expenses	Capital Charges	Net Operating (Expenditure)	Provision for repayment of external loans	Transfer from / (to) MRR	RCCO	Surplus (Deficit) for the Year	Surplus (Deficit) b/fwd	Interest	Surplus (Deficit) c/fwd			
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000			
1	2009.10	20,071	2,002	0	0	22,073	(5,957)	(3,983)	(4,497)	0	0	0	(8,488)	(22,924)	(428)	(1,280)	0	539	0	(741)	1,161	32	452 *			
2	2010.11	20,788	2,032	0	0	22,820	(6,075)	(3,540)	(4,604)	0	0	0	(8,851)	(23,070)	(719)	(970)	0	0	0	(970)	452	(1)	(519) *			
3	2011.12	21,769	2,083	0	0	23,852	(6,257)	(3,624)	(4,760)	0	0	0	(9,663)	(24,303)	(716)	(1,167)	0	0	0	(1,167)	(519)	(44)	(1,730) *			
4	2012.13	22,782	2,135	0	0	24,917	(6,444)	(3,710)	(4,920)	0	0	0	(10,666)	(25,740)	(496)	(1,320)	(0)	0	0	(1,320)	(1,730)	(96)	(3,146) *			
5	2013.14	23,827	2,188	0	0	26,016	(6,636)	(3,799)	(5,087)	0	0	0	(11,479)	(27,001)	(497)	(1,482)	0	0	0	(1,482)	(3,146)	(155)	(4,783) *			
6	2014.15	24,907	2,243	0	0	27,150	(6,834)	(3,889)	(5,208)	0	0	0	(12,331)	(28,262)	(498)	(1,610)	0	0	0	(1,610)	(4,783)	(224)	(6,617) *			
7	2015.16	25,838	2,299	0	0	28,137	(7,039)	(3,981)	(5,332)	0	(88)	0	(12,649)	(29,089)	(499)	(1,451)	0	0	0	(1,451)	(6,617)	(294)	(8,361) *			
8	2016.17	26,730	2,357	0	0	29,087	(7,249)	(4,076)	(5,458)	0	(57)	0	(13,308)	(30,148)	(501)	(1,562)	(0)	0	0	(1,562)	(8,361)	(366)	(10,289) *			
9	2017.18	27,598	2,415	0	0	30,014	(7,465)	(4,173)	(5,588)	0	(38)	0	(13,909)	(31,174)	(502)	(1,662)	(0)	0	0	(1,662)	(10,289)	(445)	(12,396) *			
10	2018.19	28,460	2,476	0	0	30,936	(7,688)	(4,272)	(5,721)	0	(26)	0	(14,481)	(32,188)	(503)	(1,756)	(0)	0	0	(1,756)	(12,396)	(531)	(14,683) *			
11	2019.20	29,325	2,538	0	0	31,863	(7,918)	(4,374)	(5,857)	0	(19)	0	(15,044)	(33,211)	(504)	(1,853)	(0)	0	0	(1,853)	(14,683)	(624)	(17,160) *			
12	2020.21	30,198	2,601	0	0	32,799	(8,155)	(4,478)	(5,996)	0	(11)	0	(15,605)	(34,245)	(506)	(1,951)	(0)	0	0	(1,951)	(17,160)	(725)	(19,837) *			
13	2021.22	31,161	2,666	0	0	33,827	(8,398)	(4,584)	(6,139)	0	0	0	(16,255)	(35,376)	(507)	(2,056)	0	0	0	(2,056)	(19,837)	(835)	(22,727) *			
14	2022.23	32,058	2,733	0	0	34,791	(8,649)	(4,693)	(6,285)	0	0	0	(16,808)	(36,435)	(509)	(2,153)	(0)	0	0	(2,153)	(22,727)	(952)	(25,833) *			
15	2023.24	32,980	2,801	0	0	35,781	(8,907)	(4,805)	(6,434)	0	0	0	(17,378)	(37,525)	(510)	(2,254)	0	0	0	(2,254)	(25,833)	(1,078)	(29,165) *			
16	2024.25	33,929	2,871	0	0	36,800	(9,173)	(4,919)	(6,587)	0	0	0	(17,967)	(38,647)	(512)	(2,359)	(0)	0	0	(2,359)	(29,165)	(1,214)	(32,737) *			
17	2025.26	34,905	2,943	0	0	37,848	(9,447)	(5,036)	(6,744)	0	0	0	(18,574)	(39,802)	(513)	(2,467)	(0)	0	0	(2,467)	(32,737)	(1,359)	(36,564) *			
18	2026.27	35,909	3,017	0	0	38,925	(9,730)	(5,156)	(6,904)	0	0	0	(19,201)	(40,991)	(515)	(2,580)	0	0	0	(2,580)	(36,564)	(1,514)	(40,658) *			
19	2027.28	36,942	3,092	0	0	40,034	(10,020)	(5,279)	(7,068)	0	0	0	(19,848)	(42,215)	(516)	(2,697)	(0)	0	0	(2,697)	(40,658)	(1,680)	(45,036) *			
20	2028.29	38,004	3,169	0	0	41,173	(10,320)	(5,404)	(7,236)	0	0	0	(20,515)	(43,475)	(518)	(2,819)	0	0	0	(2,819)	(45,036)	(1,858)	(49,713) *			
21	2029.30	39,097	3,249	0	0	42,346	(10,628)	(5,532)	(7,408)	0	0	0	(21,203)	(44,772)	(520)	(2,946)	0	0	0	(2,946)	(49,713)	(2,047)	(54,706) *			
22	2030.31	40,222	3,330	0	0	43,551	(10,945)	(5,664)	(7,584)	0	0	0	(21,913)	(46,107)	(521)	(3,077)	0	0	0	(3,077)	(54,706)	(2,250)	(60,032) *			
23	2031.32	41,378	3,413	0	0	44,791	(11,272)	(5,799)	(7,765)	0	0	0	(22,645)	(47,481)	(523)	(3,213)	0	0	0	(3,213)	(60,032)	(2,466)	(65,711) *			
24	2032.33	42,568	3,498	0	0	46,066	(11,609)	(5,936)	(7,949)	0	0	0	(23,401)	(48,896)	(525)	(3,354)	(0)	0	0	(3,354)	(65,711)	(2,696)	(71,761) *			
25	2033.34	43,792	3,586	0	0	47,378	(11,956)	(6,077)	(8,138)	0	0	0	(24,181)	(50,352)	(527)	(3,501)	0	0	0	(3,501)	(71,761)	(2,940)	(78,202) *			
26	2034.35	45,051	3,675	0	0	48,727	(12,313)	(6,222)	(8,331)	0	0	0	(24,985)	(51,851)	(529)	(3,653)	(0)	0	0	(3,653)	(78,202)	(3,201)	(85,056) *			
27	2035.36	46,347	3,767	0	0	50,114	(12,681)	(6,370)	(8,529)	0	0	0	(25,814)	(53,394)	(531)	(3,811)	(0)	0	0	(3,811)	(85,056)	(3,478)	(92,346) *			
28	2036.37	47,679	3,861	0	0	51,540	(13,060)	(6,521)	(8,732)	0	0	0	(26,670)	(54,983)	(533)	(3,975)	(0)	0	0	(3,975)	(92,346)	(3,773)	(100,094) *			
29	2037.38	49,050	3,958	0	0	53,008	(13,450)	(6,676)	(8,939)	0	0	0	(27,553)	(56,618)	(535)	(4,145)	0	0	0	(4,145)	(100,094)	(4,087)	(108,325) *			
30	2038.39	50,460	4,057	0	0	54,517	(13,852)	(6,835)	(9,152)	0	0	0	(28,463)	(58,301)	(537)	(4,321)	0	0	0	(4,321)	(108,325)	(4,419)	(117,065) *			

Table 7.3: Winchester City Council Business Plan Major Repairs and Improvements Financing

(expressed in money terms) INSUFFICIENT CAPITAL RESOURCES - REDUCE 'EXPENDITURE' OR INCREASE FINANCING UNTIL 'SHORTFALL' IS ZERO FOR ALL YEARS

		Expenditure							Financing					Shortfall £,000	
Year	Year	Catch up Repairs £,000	Planned Maint £,000	Improve- ments £,000	Disabled Adaptations £,000	Exceptional Extensive £,000	Other £,000	Total Expenditure £,000	Borrowing £,000	RTB Receipts £,000	Other £,000	MRR £,000	RCCO £,000		Total Financing £,000
1	2009.10	1,185	9,786	28	0	0	0	10,998	0	0	0	3,444	0	3,444	7,555
2	2010.11	1,213	10,019	29	0	0	0	11,261	0	0	0	3,540	0	3,540	7,721
3	2011.12	1,254	10,358	30	0	0	0	11,642	0	0	0	3,624	0	3,624	8,018
4	2012.13	1,296	10,709	31	0	0	0	12,036	0	0	0	3,710	0	3,710	8,325
5	2013.14	1,340	11,071	32	0	0	0	12,443	0	0	0	3,799	0	3,799	8,644
6	2014.15	0	4,404	0	0	0	0	4,404	0	0	0	3,889	0	3,889	515
7	2015.16	0	4,509	0	0	0	0	4,509	0	0	0	3,981	0	3,981	528
8	2016.17	0	4,617	0	0	0	0	4,617	0	0	0	4,076	0	4,076	541
9	2017.18	0	4,728	0	0	0	0	4,728	0	0	0	4,173	0	4,173	555
10	2018.19	0	4,841	0	0	0	0	4,841	0	0	0	4,272	0	4,272	568
11	2019.20	0	4,359	0	0	0	0	4,359	0	0	0	4,359	0	4,359	0
12	2020.21	0	4,463	0	0	0	0	4,463	0	0	0	4,463	0	4,463	0
13	2021.22	0	4,570	0	0	0	0	4,570	0	0	0	4,570	0	4,570	0
14	2022.23	0	4,679	0	0	0	0	4,679	0	0	0	4,679	0	4,679	0
15	2023.24	0	4,791	0	0	0	0	4,791	0	0	0	4,791	0	4,791	0
16	2024.25	0	6,123	0	0	0	0	6,123	0	0	0	5,000	0	5,000	1,124
17	2025.26	0	6,269	0	0	0	0	6,269	0	0	0	5,038	0	5,038	1,231
18	2026.27	0	6,419	0	0	0	0	6,419	0	0	0	5,156	0	5,156	1,263
19	2027.28	0	6,571	0	0	0	0	6,571	0	0	0	5,279	0	5,279	1,293
20	2028.29	0	6,728	0	0	0	0	6,728	0	0	0	5,404	0	5,404	1,324
21	2029.30	0	7,963	0	0	0	0	7,963	0	0	0	5,532	0	5,532	2,431
22	2030.31	0	8,153	0	0	0	0	8,153	0	0	0	5,664	0	5,664	2,489
23	2031.32	0	8,347	0	0	0	0	8,347	0	0	0	5,799	0	5,799	2,548
24	2032.33	0	8,546	0	0	0	0	8,546	0	0	0	5,936	0	5,936	2,609
25	2033.34	0	8,749	0	0	0	0	8,749	0	0	0	6,077	0	6,077	2,672
26	2034.35	0	3,770	0	0	0	0	3,770	0	0	0	3,770	0	3,770	0
27	2035.36	0	3,860	0	0	0	0	3,860	0	0	0	3,860	0	3,860	0
28	2036.37	0	3,952	0	0	0	0	3,952	0	0	0	3,952	0	3,952	0
29	2037.38	0	4,046	0	0	0	0	4,046	0	0	0	4,046	0	4,046	0
30	2038.39	0	4,143	0	0	0	0	4,143	0	0	0	4,143	0	4,143	0

Input Year Number up to which you require Summary Totals i.e. input 10 for a cumulative total from years 1 to 10

30	6,288	191,544	149	0	0	0	197,981	0	0	0	0	136,027	0	136,027	0	47,780
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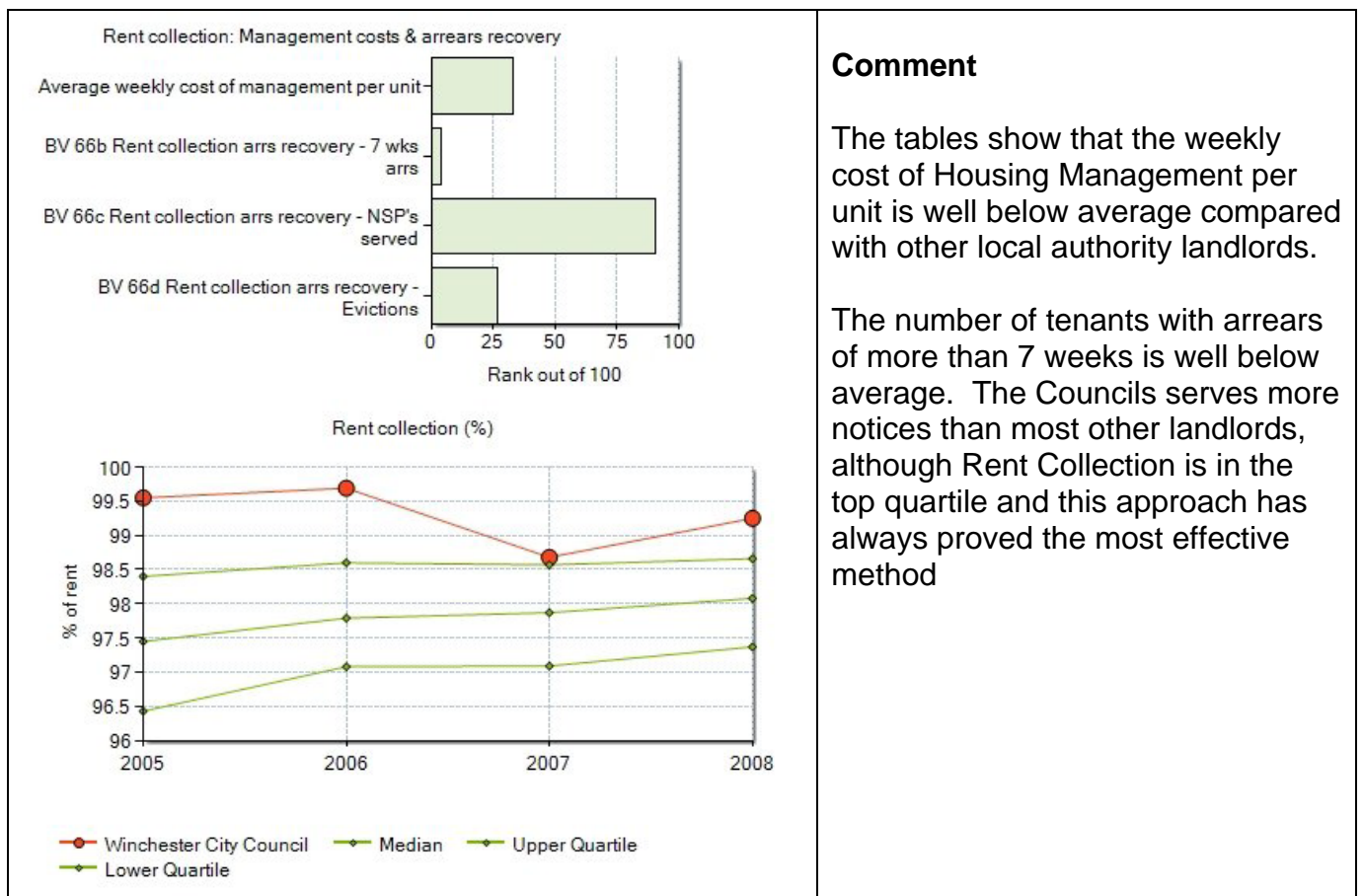
8 Ensuring Value for Money

- 8.1 The City Council is committed to ensuring that services achieve value for money for tenants. A Value for Money strategy is currently under development with a view to consulting tenants on proposals in the summer of 2010.
- 8.2 The City Council has also recently completed a very detailed benchmarking exercise with Housemark and will be analysing and reporting the results through the Social Issues Scrutiny Panel in July 2010.
- 8.3 Detailed below is the Value for Money analysis completed in 2009, based on Audit Commission data and on Housemark data in relation to the Tenant Satisfaction results.

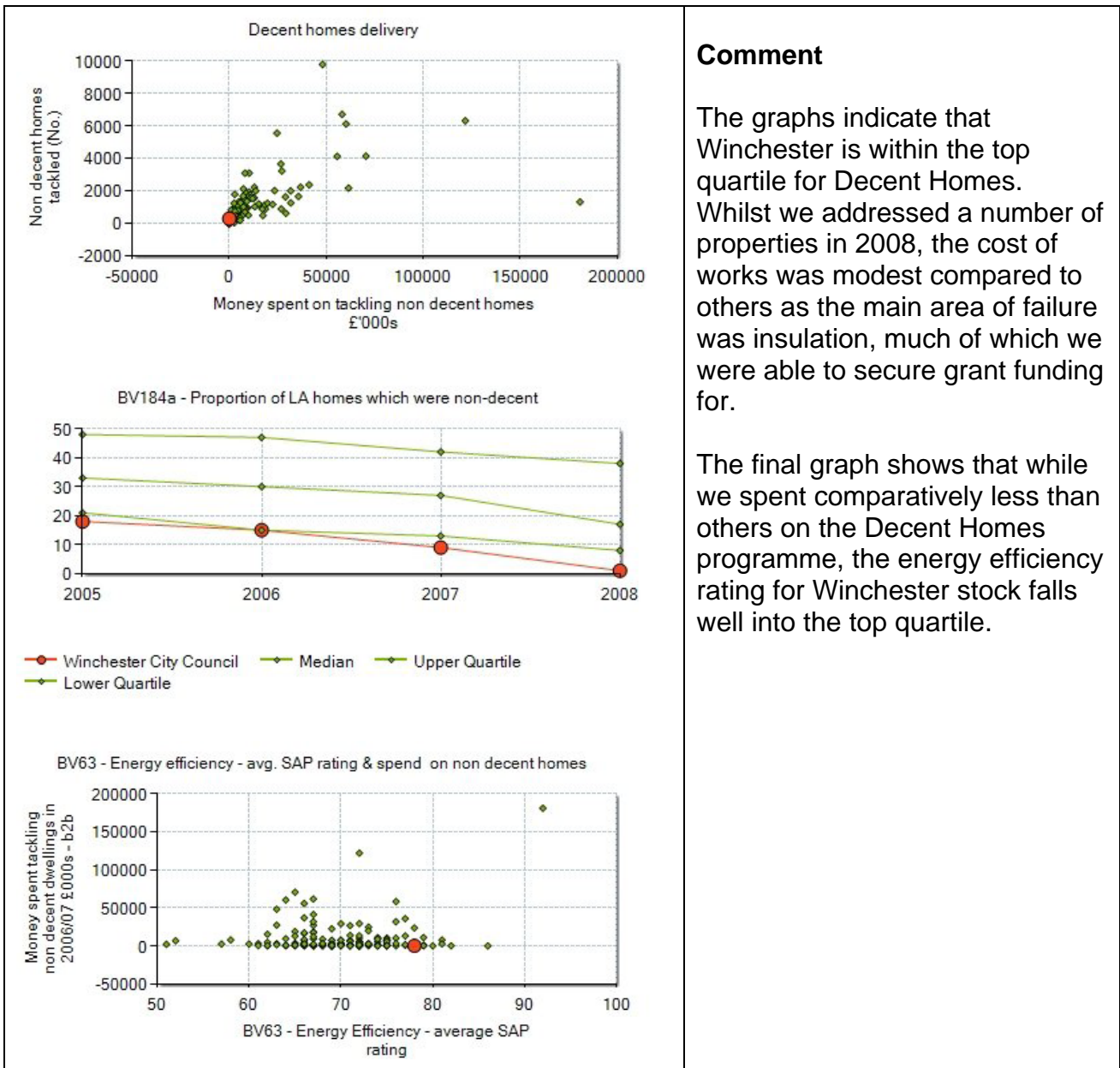
8.4 Benchmarking Data from the Audit Commission using the VFM Tool

The tables and graphs below have been published by the Audit Commission and provide valuable value for money comparisons against other council landlords. The comparisons in these tables are against all local authorities who still own stock rather than “nearest neighbours”, as so few of them still retain stock. All councils have to operate within the limits of the subsidy system and maintain ring fenced housing revenue accounts so comparisons with all councils is therefore relevant for this service.

8.5 Rent Collection



8.6 Decent Homes

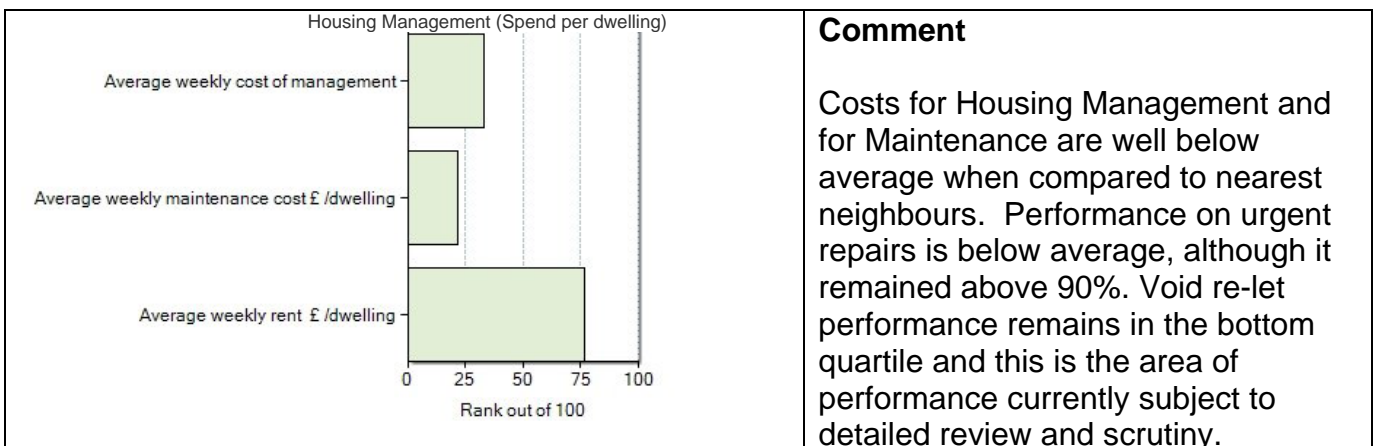


Comment

The graphs indicate that Winchester is within the top quartile for Decent Homes. Whilst we addressed a number of properties in 2008, the cost of works was modest compared to others as the main area of failure was insulation, much of which we were able to secure grant funding for.

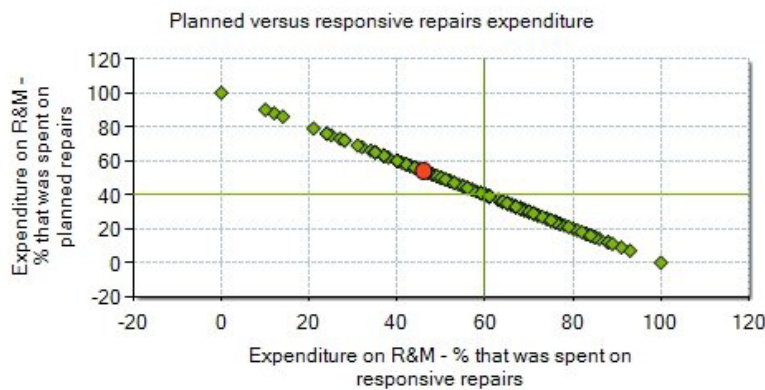
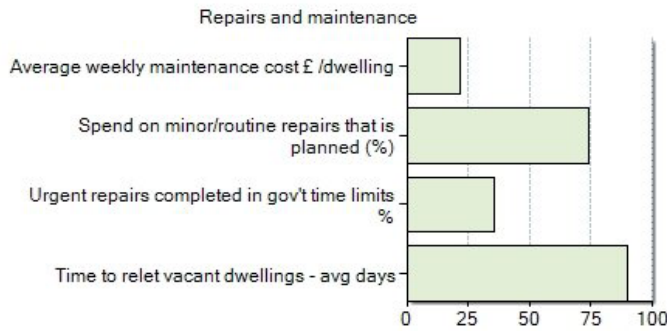
The final graph shows that while we spent comparatively less than others on the Decent Homes programme, the energy efficiency rating for Winchester stock falls well into the top quartile.

8.7 Housing Management and Repairs



Comment

Costs for Housing Management and for Maintenance are well below average when compared to nearest neighbours. Performance on urgent repairs is below average, although it remained above 90%. Void re-let performance remains in the bottom quartile and this is the area of performance currently subject to detailed review and scrutiny.



8.8 **Benchmarking Data from HouseMark**

The tables and graphs below have been published by Housemark (the Chartered Institute of Housing Benchmarking division) using the results from our Status Survey and comparing them against other council landlords and housing associations.

8.9 **Customer Satisfaction with the overall Housing Service provided by Winchester City Council**

% Respondents very or fairly satisfied with the services /overall service provided by their HA/Landlord			% respondents very or fairly dissatisfied with the services /overall service provided by their HA / landlord		
	Apr-Mar			Apr-Mar	
	Score	Rank		Score	Rank
Upper quartile	83.07		Upper quartile	9.00	
Club median	79.00		Club median	11.00	
Lower quartile	74.00		Lower quartile	14.00	
Number in sample	158		Number in sample	158	
Your result	85.70	28	Your result	5.50	9

9. Landlord Services Performance Indicators

Code	Description	Managed By	Frequently data gathered	2007/08	2008/09	2009/10		2010/11	2011/12
				Actual	Actual	Estimate	Target	Target	Target
NI 158 BV184a	% non-decent council homes	C Broomfield	Annually	0.5%	0.5%	0%	0%	0%	0%
NI 160 BV74a	Tenant's satisfaction with Landlord Services	<u>R Botham</u>	Bi-Annually	84%	85.7%	85.7%	85%	86%	86%
BV63	Energy Efficiency of Housing Stock	C Broomfield	Annually	77.78	78	78	79	80	82
BV66a	Rent and Arrears - % of Rent Roll Collected	A Crosskey	Annually	99.25%	98.92%	99%	99.60%	99%	99%
BV66b	Rent and Arrears: % of Tenants in Arrears	A Crosskey	Quarterly	1.92%	1.86%	1.8%	1.50%	1.5%	1.5%
BV66c	Rent and Arrears: % of Arrears Cases Where Notice Served	A Crosskey	Annually	47.31%	64.47%	35%	40%	40%	40%
BV66d	Rent and Arrears: % of Arrears Cases Resulting in Eviction	A Crosskey	Annually	Not reported	0.12%	0.05%	0.05%	0.03%	0.03%
LPI0270	Serco Responsive repairs - % of jobs completed within target	C Broomfield	Monthly	97.28%	93%	96%	98%	98%	98%
LPI0271	Serco Responsive repairs - % of appointments made and kept	C Broomfield	Monthly	Not reported	99%	98%	98%	98%	98%
LPI0278	Gas servicing - The % of homes with current gas servicing certificate	C Broomfield	Monthly	Not reported	99.7%	99%	100%	100%	100%
LPI0314	Rent & charges lost through vacant dwellings (%)	A Crosskey	Monthly	1.6%	2.15%	2.04%	2%	1.75%	1.75%
LPI0372	Total number of tenancies/ licencees owing over 13 weeks rent	A Crosskey	Monthly	Not reported	58	45	No target	40	40
LPI0378	Value of former tenant arrears	A Crosskey	Monthly	£221,000	£237,556	£200,000	£200,000	175,000	160,000
LPI0335	Average re-let time - General Needs	A Crosskey	Monthly	53.24 days	32.61	31.4	25	25	25

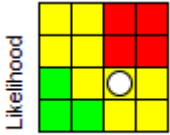
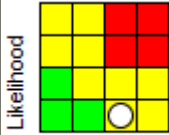

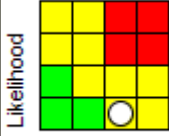

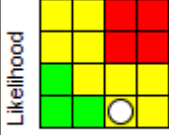

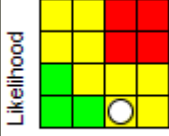
LPI0336	Average re-let time – Supported Housing	A Crosskey	Monthly	(combined figure)	59.43	50.6	40	40	35
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10. Landlord Services – Schedule of Operational Risks

Report Type: Risks Report

Generated on: 22 February 2010

Risk Number	Short Name	Risk Ownership	Cause	Consequence	Current Risk Matrix	Target Risk Matrix	Linked Strategic Risk
OP0009	Not maintaining the Decent Homes Standard	Richard Botham	Lack of Funding, Tenant Priorities, Lack of Clear Plans	(1) Government Intervention, (2) Forced Solution, (3) Bad publicity			SR0009; SR0016
OP0008	Sensitivity of HRA funding	Richard Botham	Rent re-structuring, Subsidy Rule Changes, Right to Buys, increasing corporate costs etc	(1) Insufficient funds to meet service needs and Decent Homes Plus Standard, (2) Tenant dissatisfaction, (3) Members challenge, (4) Challenge to delivery of service (5) transfer of service (6) huge impact on other council services			SR0009
OP0010	Adequacy of Utilities checks	Richard Botham	Servicing gas fired appliances in council homes is conducted by an outside contractor, Unable to gain access to homes, Failure to comply with regulations / negligent	(1) Tenants at risk (2) Fatality (3) Council sued (4) Officers libel (5) HSE involved (6) Massive fine (7) Lack of confidence for other tenants (8) Negative publicity			SR0009

Risk Number	Short Name	Risk Ownership	Cause	Consequence	Current Risk Matrix	Target Risk Matrix	Linked Strategic Risk
OP0011	Communal housing	Richard Botham	Loss of utilities, storm/flood, building failure	Urgent evacuation/re-homing of residents. Urgent requirement for maintenance/repairs. Major unplanned impact on resources			SR0002
OP0012	Loss of a major contractor (SERCO or other Housing contractor)	Richard Botham	Receivership/business failure. Very poor performance	No response to urgent responsive repairs or gas servicing. Failure to meet statutory targets			SR0009
OP0013	Failure of Central Control staff	Richard Botham	Ill Health of late night operator	(1) 2000 Vulnerable people, (2) Death of person, (3) Political implications, (4) Adverse publicity, (5) Legal Liability, (6) Business Loss, (7) Loss of Trust/Reputation			SR0010
OP0014	Failure of Central Control technology	Richard Botham	Technological breakdown (Computer, telephone lines, lifeline system)	(1) 2000 Vulnerable people, (2) Death of person, (3) Political implications, (4) Adverse publicity, (5) Legal Liability, (6) Business Loss, (7) Loss of Trust/Reputation			SR0002; SR0009

11. Workforce Planning

KEY EXTERNAL DRIVERS	KEY INTERNAL DRIVERS
<ul style="list-style-type: none"> • HRA funding review • Anti Social Behaviour Act and Respect Agenda • Decent Homes standard • Availability of capital funding • Decreasing demand for sheltered housing and temporary accommodation • Tendering of care and support services 	<ul style="list-style-type: none"> • Council Budget • Flexible working arrangements • Age profile of staff • Turnover of staff/recruitment difficulties • Pay and conditions for care and support staff
WORKFORCE IMPLICATIONS	
<ul style="list-style-type: none"> • Council budget – managing vacancies where they arise could lead to a reduction in service, requiring re-prioritisation of workloads. • Turnover of Staff/Recruitment difficulties – continue development of existing staff, and ensure best possible recruitment package available, including flexible working arrangements. • Age profile - succession planning to be carried out to minimise impact of staff leaving. • Shared services review - participate in partnership working with other authorities to secure discounted rates for work • Continue to use outsourced framework agreements to deal with peaks in workload demand. • High Unit cost for care and support staff 	

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Summary Description of Elemental Components of Major Repairs, Renewals & Maintenance Programmes and their Management/Purpose (See Section 3.2.10) (Including Deferred Works from 1 April 2009)

REF	ELEMENT	SUMMARY DESCRIPTION
1	Term Maintenance Works Programme	Generally day to day repair works carried out on demand by tenant request and/or property inspection. Works included are to all HRA property related assets. Majority of works carried out by Principal Term Contractor, Serco under 10-year Term Maintenance Contract based on National Housing Federation Schedule of Rates (NHF SOR) by appointment and utilising customer care return cards to assess tenant feedback on performance. For contract administration purposes, Serco are linked to the Repair Module of the Council's Housing Management System, Orchard.
2-5.	Void Property Maintenance Works.	<p>Property becoming vacant because previous tenancy has ended. Following inspection of its condition (including video recording) work is defined (some mandatory) to restore properties to a "minimum void standard" within a pre-determined time scale. Where appropriate recharges are raised with previous tenants based on the condition of the property when the tenancy ended. In some cases voids are classified "long term void" owing to the condition of the property (and the time needed to restore) or because they are hard to let.</p> <p>Decorating Vouchers are allocated by the Voids Surveyor to ingoing tenants where deemed necessary to assist with the cost of redecoration. On completion of restoration works to the Council's "minimum voids standard" properties are then available for re-letting.</p> <p>In December 2006, the Council determined Serco's void works contract, because of ongoing performance issues, and awarded 4^{1/4} year contracts to other contractors, utilising similar NHF Schedules of Rates.</p>

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6.	<p>Cyclic Maintenance Works Programme: External Repair & Painting Programme.</p> <p>(From 1 April 2009 the painting element of the programme is proposed to be cash limited. Repairs will be undertaken on a needs basis.)</p>	<p>Works carried out on a 5-year cycle to repair and paint external parts of building fabric (approx. 1100 properties annually). Each property is inspected by WCC Surveyor to define repairs required. Surveys also define other planned works programmes such as window and door replacement, and other structural repairs carried out as part of the major repairs and renewals programmes and to enable Decent Homes Compliance (Disrepair Category). From 1 April 08 contracts for repair and painting works are carried out by 2 specialist contractors as part of a 5 year Partnering Framework Agreement.. All tenants are consulted both pre and post works, and are given the opportunity to comment on performance. Works are wherever possible carried out between April and October.</p>
7.	<p>OAP Internal Redecoration Programme.</p> <p>(From 1st April 2009 programme is proposed to be suspended)</p>	<p>Discretionary programme. Work carried out on a 5-year cycle (approx. 350 properties annually) to enable persons of pensionable age to have 1 room of their choice redecorated. Tenants are consulted on choices involving finishes and colour schemes. Contracts for redecoration works are carried out by 2 specialist contractors as part of a 5 year Partnering Framework Agreement. Tenants have the opportunity to comment on performance both during and on completion of works. Works are mostly carried out between October and April.</p>
8.	<p>Heating Appliance Service Contract.</p>	<p>Cyclic (annual) and Responsive 5 Year Term Maintenance Contract to service and repair annually all heating appliances fired by gas and solid fuel (totals approx. 4,300 homes), including smoke and carbon monoxide detectors. Further to attend on demand to system malfunction or failure. Works carried out by Term Contract (up to 5 years) by Specialist Contractor based on NHF Schedule of Rates. Term Contract also incorporates framework agreement for upgrading of heating systems as part of planned maintenance programme. For contract administration purposes contractors are linked to the Repair module of the Council's Housing Management System, Orchard. As part of the contract the contractor supplies facility management (unique to heating appliances) to the Council for sustainability and programming purposes. Tenants have the opportunity to comment on all works during and on completion.</p>

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9.	Electrical & Mechanical Service Contracts (various).	Service contracts at appropriate intervals carried out to lifts, emergency lighting, fire alarms, water treatment, telecommunications etc. as normally required by Regulation and/or to manufacturer's instructions. From 1 st April 08 the majority of works are carried out by specialist contractors As part of 5 year service contracts. All contractors utilised are from the Council's Select List.
10.	Electrical Testing	Works carried out on a 10-year cycle to test the integrity of electrical installations in properties. Following testing, remedial works are carried out as necessary or as part of future planned maintenance programmes. From 1 st April 08 works are carried out by specialist contractor as part of a 5 year Service Contract.
11.	Kitchen & Bathroom Renewals (From 1 April 2009 approximately 50% of the planned replacement programme was deferred)	On-going rolling programme to replace ageing kitchens and bathrooms. Renewal programmes structured so that Decent Homes will be achieved in full across the 20 and 30 year planning period respectively. Each property is inspected by a Customer Liaison Officer and Surveyor to agree extent of works and new design layout with tenant. Tenant exercises choice of finishes to worktops. Flooring etc. Modernisation where appropriate will include upgrade works to electrics and heating systems. Contracts for modernisation works are procured via appropriate contracts and to Standing Orders, utilising Contractors from the Select List. Tenants have the opportunity to comment on contractor's performance both during and after completion of works.
12.	Window and External Door Replacement Programme	The Council embarked on a PVCu window replacement programme in the mid 1980's. Approx 95% of stock has doubled glazed PVCu or timber double glazed windows. The remaining windows will be assessed for replacement as part of the 5-year cyclic repairs and painting programme on a repairing needs basis. For the period 2009 – 13 it will be necessary to replace windows to approx. 300 properties with PVCu windows. From April 2005 external doors have also been assessed for replacement on a repairing needs basis utilising UPVc where appropriate, as part of the same 5 year cycle. Contracts for the supply and fitting of approved type of windows and doors will be via appropriate contractors from the Council's Select List. Tenants are consulted pre and post installation works and given the opportunity to comment on contractors performance.

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<p>13</p> <p>16</p>	<p>External works to achieve and maintain Decent Homes Standard.</p> <p>Internal Works as above</p>	<p>These are works identified by the Condition Survey that will need to be completed by 2010. The current position (February 2010) regarding properties Not Decent is shown in section 3.3.4 of this report and totals 0 properties. The strategy to complete works incrementally over the five year period 2005-2010 is shown in section 3.3 of this report. In summary: -</p> <ul style="list-style-type: none"> • Unfit Properties –As at 31/03/09 all works were completed. • Amenity Failure – e.g. kitchen layout, these properties have been dealt with incrementally over the 5-year planning period (2005/10). Further proactive planned works will be dependant on adequate funding. • Disrepair Failure – These properties are being externally repaired as part of the repair and painting programme, incrementally over the 5-year planning period. This approach will continue as part of the ongoing works programme. • A budget for maintaining Decency has been allowed over the 5-year planning period (2005/10), and this money will be expended on external repairs as identified by the 5-year cyclic repairs and painting programme surveys. This approach will continue as part of the ongoing works programme. • Energy Defects – As at 31/03/08 all Energy Efficiency Works as defined by Decent Homes Standard were completed. <p>All aforementioned works form part of planned maintenance programmes under appropriate contracts and carried out by contractors from the Council's Select List. Tenants will be consulted pre and post works and given the opportunity to comment on contractors performance.</p>
<p>Non-Budget Item</p>	<p>Disability Discrimination Act (DDA) works.</p>	<p>A survey has been carried out to assess the implications of DDA to the communal parts e.g. common rooms of sheltered accommodation and general accessibility. Following the strategic assessment of the future use of sheltered accommodation work to assess the need for DDA works was carried out in 2007, together and in conjunction with ongoing assessment and works carried out associated with disabled adaptations. A policy for the most efficient use of communal areas was agreed by 31/12/08.</p>

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14.	Garage Repairs and Miscellaneous Estate Works.	Works carried out as necessary on a minimalist basis to the structure of garages to maintain to a basic state of repair, and to miscellaneous areas of estates where a maintenance liability exists, e.g. fencing, walls etc. Repairs and redecorations to garages are usually carried out as part of the 5-year cycle of external repairs and painting on a block by block basis.
15.	Asbestos Removal.	As part of its planned maintenance programme the Council has a duty to manage the presence of asbestos where it exists within the housing stock. Where planned maintenance works require the testing and/or removal of asbestos products, this budget underpins the costs associated with its removal and disposal.
17.	Heating Systems Replacement and associated works. (From 1 April 2009 base budget was increased to £1m pa against an identified need of £1.3m pa).	Rolling programme to upgrade obsolete and/or defective heating appliances within the housing stock. The replacement and upgrade programme is the product of correlation between the heating appliance service contract and information from industry relating to system and parts obsolescence. Systems replacement or upgrading are carried out either as part of the heating appliance service contract (framework agreement) or as a separate planned maintenance contract by contractors from the Council's Select List. Where heating systems are upgraded the criteria is to current Building Regulation Standards (insulation, controls, etc.) and condensing or high efficiency boilers where appropriate. Tenants are consulted pre and post installation works and given the opportunity to comment on contractor performance.
18.	Passenger Lift Refurbishment.	Refurbishment identified by age of equipment, obsolescence, condition etc. All passenger lifts are upgraded depending on usage and a minimum service of bi-monthly/operational hours by specialist contractors. Refurbishment is therefore dependant on lift engineer reports and Zurich, the Council's Insurers who carry out further health & safety examinations on a 6 monthly basis. Stairlifts (approx. 100) in residential properties are serviced annually by a specialist contractor and are inspected annually by Zurich.

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19.	<p>Communal TV Aerial Replacement</p> <p>(From 1 April 2010 it is proposed to provide base budget funding of £300,000 to enable digital upgrade works to be carried out.</p>	<p>61 Systems in sheltered accommodation and flats across the district. Eight sheltered schemes have been upgraded and renewed to an Interactive Receiver System (IRS). The remainder will need to be renewed to digital standard (e.g. analogue, digital and sky channels), prior to digital only reception service being available.</p>
20.	<p>Disabled Adaptation Works</p> <p>(From 1 April 2009 base budget was increased to £745,000.)</p>	<p>Works carried out to adapt resident's homes to enable elderly and disabled persons to remain in their homes. Two schemes operate in parallel: -</p> <ul style="list-style-type: none"> • Fast Track Service – works of simple nature e.g. grab rails, ramps, lowering thresholds etc. carried out on request. • Major Adaptations – works in excess of £500 carried out following a request and medical assessment of needs by an Occupational Therapist (OT). Works range from level access showers, stairlifts, to extensions, and are carried out by schedule of rates or detailed design based specifications. Tenant's needs are assessed in accordance with the priority system relating to "Fair Access to Care". These needs are identified into 2 categories: "Critical" and "Substantial". Tenants are then placed on a prioritised waiting list in accordance to these categories and in date order. Range of works from specialist contractors on the Council's Select List. Tenants and referring OT are consulted on an individual basis pre and post works and are given the opportunity to comment on contractor performance.
21.	<p>Upgrading of Sewage Treatment Works.</p>	<p>The Council owns 53 sewage treatment works largely in rural, isolated locations across the District. These works are maintained and upgraded by the Access and Infrastructure Division acting in a management agent's capacity. A rolling programme of works is carried out to enable the plant and equipment to perform to statutory standards. Long-term Council policy is towards the adoption of these works (where possible) by Southern Water Services.</p>
22.	<p>Consultancy Support Costs.</p>	<p>Specialist surveys, reports, advice etc required to enable programme overall to be delivered. (E.g. structural engineering surveys).</p>

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23.	Planned Maintenance Staff Costs (part).	Proportion of planned maintenance staff costs charged to MRA to enable the HRA working balance to be restored to acceptable level (CAB 1369 refers).
24	Forder Court , Winchester (Defined refurbishment works)	This former hotel converted into flats requires repairs/ replacements to external windows, doors and masonry, tanking work to basement room and improvement works to communal areas.
25	Fire Risk Assessment (Emerging Issues).	As part of the regulatory Reform (Fire Safety) Order 2005 the Council has undertaken surveys of its common areas of flats and maisonettes. The fire risk assessments where necessary may require follow up works to either design out and/or better manage potential risk. A provisional sum has been included in the 2010/11 base budget to enable appropriate follow up works as necessary to commence.
26	Danemark Court, Winchester	The distribution heating system at this sheltered scheme is proving problematic in its operational efficiency. A fundamental assessment of the existing system design and installation together with remedial and enhancement works is proposed.
27	Woolford Close, Winchester (Structural Roof Repairs)	Structural defects have become apparent to a number of roofs, and following structural assessment, strengthening works will be required.

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SUPPLEMENTARY MAJOR REPAIRS & RENEWALS PROGRAMME (Commencing April 2007)		
REF	ELEMENT	SUMMARY DESCRIPTION
	<u>Decent Homes Works</u>	
1.	Kitchen & Bathroom Renewals	<p>Ongoing programme to replace kitchens and bathrooms over a 20 and 30 year planning period respectively. (See Appendix A item 11 for background details).</p> <p>It was proposed that the supplementary programme will both underpin and start works to address the backlog of kitchens and bathrooms (Approximately 50 properties) that currently exist (estimated at 31/03/09).</p> <p>This backlog represents properties where kitchens and/or bathrooms are beyond economic repair and those catered for in the current programme. In their condition they would “in spirit” effectively fail the Decent Homes Standard within the Amenity Criteria. Once works are complete then the properties will meet Decent Homes Standards within the respective criteria.</p> <p>Further there are 540 properties with kitchens and bathrooms older than 30 and 40 years respectively. A proactive regime of inspection should commence to check compliance with Decent Homes Standard. If all properties required upgrading/renewal the potential liability could be £3.0m.</p>
2.	Replacement Garages	<p>The Council currently owns 1867 garages throughout the district of which approximately 600 are constructed of pre-cast concrete. Although garages are maintained to a basic minimum standard, there is no provision in the existing programme for replacement.</p> <p>Two sites were identified where re-construction of 22 garages was needed for health and safety reasons, and where the site offered no re-development potential. The rebuilding of these garages was completed in the 2007/08 programme.</p>

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<p>3.</p>	<p>Heating System Upgrading/Replacement</p>	<p>The HRA Business Plan 2006/07 Update (CAB 1231), section 6.7 Emerging Issues refers) identified that the Council would need to review its heating systems replacement programme to identify future serviceability and longevity.</p> <p>A study was undertaken by Mechanical & Electrical Consultants to assess the most risk adverse replacement programme and ultimately determine the sustainability of the existing upgrade programme. This study concluded that to meet increasing demand with no spares available, a replacement programme averaging 480 units per year at a cost of £1.4m pa over the next 5 years would be required.</p> <p>From April 2009 base budget was increased to £1m against an identified need of £1.3m pa over the next 4 year period (2010 – 2013). With no appreciable house sales anticipated in 2009/10 and with no other sources of funding available a re-balancing of the base programme was approved.</p>
<p>4.</p>	<p>Disabled Adaptation Works</p>	<p>The HRA Business Plan 2006/07 Update (CAB 1231 section 6.6 Emerging Issues refers) identified that a backlog of disabled adaptations works had been accumulating since 2005.</p> <p>A backlog of work totalling approx. £300,000 existed at year end 31st March 2007. The work required comprised over 70 jobs to different properties including the installation of 50 level access showers, 7 stairlifts and other works concerned with accessibility against a demand driven budget of £400,000 p.a.</p> <p>Funds were incrementally committed throughout 2007/08 towards the caseload backlog as they have become available through house sales, resulting in the backlog being completed by December 2007. In 2008/09 adaptations were prioritised against a budget of £550,000 (£400,000 from base budget and £150,000 from projected house sales). Approximately 112 changes to bathing arrangements (level access and over-bath showers), installation of 25 stairlifts, and other works concerned with accessibility were carried out. At end March 2009 a backlog of work totalling £200,000 existed.</p> <p>A base budget of £745,000 was established for 2009/10 that was nor reliant on house sales. It is estimated that at year end a backlog of approximately £150,000 will exist. A base budget of £745,000 is proposed for 2010/11.</p>

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5.	Digital Switchover	<p>The HRA Business Plan 2006/07 Update (CAB 1231 section 6.8 Emerging Issues refers) stated that in February 2006 the Government announced the regional timetable for the switch from analogue to digital transmission. The implication of the switchover is that the Council's 61 Communal aerial receiving systems in sheltered accommodation and flats across the district will need to be upgraded. The timetable for switchover to Meridian is 2012 and plans will need to be implemented to achieve this. The estimated cost of upgrading is approximately £300,000 and will probably take 12 months to complete. It was proposed to commit £100,000 towards this project in 2009/10, with further funds being committed in 2010/11 and 2011/12, from house sales allowing works to be carried out on site in the period 2009-2011. In the absence of sales to support this strategy, funding from HRA efficiencies has been approved from April 2010.</p>
6.	Project Fees	<p>To procure and carry out the proposed Supplementary Major Repairs and Renewals Programme, with an estimated value of £1.0m over 5 years will need additional resources to those existing. An indicative sum of £100,000 was included within the programme for project procurement, management and associated purposes. The objective is therefore to supplement the existing Property Services Client Team with sufficient and appropriate support to enable the project works to be efficiently and cost effectively procured and completed on site when finance becomes available.</p> <p>With the funding from house sales unpredictable support needs will be assessed on an "as and when necessary" basis</p> <p>This will be in conjunction with existing Client Side staff to determine the Best Value approach towards whom and how to commission these support services. A sum of £50,000 is proposed within the programme for project procurement, management and associated issues.</p>

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	<u>Non Decent Homes Works</u>	
7.	Loft Conversions	<p>Provisional allowance was originally made within the indicative programme (commencing 2008/09) to develop a small programme of loft conversions where appropriate that would allow growing families to remain in their existing homes.</p> <p>However higher priority works to enable Decent Homes Standard to be maintained over the period 2008/11 would mean that an additional funding resource would need to be identified to fund these works.</p>
8.	Supplementary Energy Efficiency Works	<p>Provisional allowance was originally made within the indicative programme (commencing 2008/09) to replace solid fuel heating systems/appliances with more energy efficient types where possible and subject to tenant demand.</p> <p>However higher priority works to enable Decent Homes Standard to be maintained over the period 2008/11 would mean that an additional funding resource would need to be identified to fund these works.</p>

INDICATIVE SUPPLEMENTARY CAPITAL MAJOR REPAIRS & RENEWALS PROGRAMME & INVESTMENT PROFILE (FEBRUARY 2010 UPDATE)						
	2007/08	2008/09	2009/2010	2010/11	2011/12	COMMENTS
<u>DECENT HOMES WORKS</u>						
Disabled Adaptations	300 ✓	150 ✓				From April 2009 funding switched to base budget
Heating Systems Upgrade	419 ✓	400 x				From April 2009 funding switched to base budget.
Digital Switchover	-	100 x	100 x		-	Funding not achieved. Funding from HRA efficiencies approved from April 2010.
Garage Replacement	50 ✓	-	50 x	-	50	Works completed as planned in 2007/08 but no further funding available.
Kitchens & Bathrooms	300 ✓	250 x	350 *	150 *	850	Deferred to 2010/11 as part of larger programme.
Door & Window Replacement				313 *		Funding achieved from sales during 2009/10.
Re-roofing Works				250 *		Funding achieved from sales during 2009/10.
Lift Refurbishment Works				200 *		Funding achieved from sales during 2009/10.
<u>NON DECENT HOMES WORKS</u>						
Loft Conversions	-	-	-	-	-	See comment in Appendix B ref. No 7.
Supplementary Energy Efficiency Works	-	-	-	-	-	See comment in Appendix B ref. No 8.
Project Fees & Associated Costs	25 ✓	100 x	100 x		100	Estimated costs of Consultancy and Staff Support costs. (Funding from MRA Reserve proposed from 2010/11.)
TOTAL SUPPLEMENTARY CAPITAL PROGRAMME	1,094 ✓	1,000 x	350	1,000	1,000	

✓ = Funding Achieved and spent

x = Funding not achieved

* = Funding Achieved

Tenant Profile

Summary

- Winchester district has an aging population
- A significant user group is customers with disabilities
- The proportion of BME residents within the district is small, although there is a growing eastern European community, although this was Polish recently there has been an increase in Romanian and Albanian workers to the area.

Current Tenants

- All figures percentage of known

Gender – General needs

Known	100%
Male	39%
Female	61%
Gap	0%

Orchard – 07.05.09

Response rate	56.9%
Male	42.7%
Female	57%
Main respondent only	

General TSS Respondents 08

Gender – Sheltered

Known	100%
Male	38%
Female	62%
Gap	0%

Orchard – 07.05.09

Response rate	68.1%
Male	35.5%
Female	64.5%
Main respondent only	

Sheltered TSS Respondents 08

Gender – General Needs & Sheltered

Known	100%
Male	38.5%
Female	61.5%
Gap	0%

Orchard – 07.05.09

Age – General needs only

Known	75%
16-24	3.29%
25-34	10.28%
35-44	14.01%
45-54	10.20%
55-64	8.72%
65-74	12.19%
75+	18.02 %
Gap	23.29%

Source - Orchard – 07.05.09

Response rate	56.9%
16-34	19.1%
35-59	45.4%
60-75	18.9%
75+	16.6%

General TSS Respondents 08

Age – Sheltered only

Known	
16-24	0.29%
25-34	0.59%
35-44	2.44%
45-54	4.88%
55-64	11.61%
65-74	24.78%
75+	55.41 %
Number of Tenants	1025

Source - Orchard – 07.05.09

Response rate	68.1%
16-24	0%
25-34	0.2%
35-44	0%
45-54	0%
55-64	0.6%
65-74	8.8%
75 – 84	25.2 %
85+	22.7%

Sheltered TSS Respondents 08

Age – General Needs & Sheltered

Known	
16-24	4.22%
25-34	13.49%
35-44	18.23%
45-54	13.30%
55-64	11.47%
65-74	15.81%
75+	23.48 %
Number of Tenants	4812

Source - Orchard – 24.06.09 (includes joint tenants)

Disability – General Needs

Please note Orchard results have not yet been validated, number of cases where status is known needs confirmation.

Known	%
Disabled (557 tenants) (as a percentage of tenants where status is known – 6294 tenants)	8.85%
	91.15

Source - Orchard – 07.05.09 (All tenants)
08 (Main respondent only)

Response rate	56.9%
Disabled with long standing illness or disability which does limit activities	39.4%
No long standing illness or disability plus long standing illness or disability which does NOT limit activities	59.5%

General TSS Respondents

Disability – Sheltered

Known	%
Disabled (as a percentage of tenancies where status is known – 1109 tenants)	5.59%
	94.41%

Source - Orchard – 07.05.09

Impairment – General Needs

Impairment	As a % of disabled tenants (557)	As a % of all tenants where status is known (6294)
Hearing	52 - 9%	4.2%
Visual	23 - 4%	1.7%
Learning	38 - 7%	3.4%
Physical	133 - 24%	10.8%
Long Term Illness	255 - 46%	21.2%
Mental Health Condition	141 - 25%	11.7%
Other disability	116 - 21%	9.7%

Orchard – 23.04.09

Details listed under other, long term illness etc and how this impacts on service delivery will be covered in the Disability Report (HEACESP action point – 3.5).

Ethnicity – General needs only

Known (3466 tenants)	%
White British	97%
White Irish	0.5%
White Other	0.9%
Non White BME	1.8%

Source - Orchard – 07.05.09
respondent only)

Response rate	56.9%
White British	95.3%
White Irish	3.5%
White Other	0.7%
Non White BME	0.5%

General TSS 08 (main

Ethnicity – Sheltered only

Known (688 tenants)	%
White British	98%
White Irish	0.4%
White Other	1.3%
Non White BME	0.1%

Source - Orchard – 07.05.09
Respondent only)

Response rate	68.1%
White British	97.6%
White Irish	1.2%
White Other	1.2%
Non White BME	0%

Sheltered TSS 08 (main

Ethnicity – General Needs & Sheltered

Known (3775 tenants)	%
White British	96.5%
White Irish	0.6%
White Other	1.3%
Non White BME	1.6%

Source - Orchard – 24.06.09

Religion - General needs only?

Known	969
Christian	77%
None	17%
Declined to provide	3%
Any other Religion	2%
Muslim	0.2%
Buddhist	0.2%
Jewish	0
Sikh	0.1%
Hindu	0

Source- Orchard 07.05.09

Response rate	57%
Christian	67.2%
None	25.9%
Preferred not to say	4%
Any other religion	1.7%
Muslim	0.4%
Buddhist	0.3%
Jewish	0.3%
Sikh	0
Hindu	0.2%

Source-General TSS Nov 08

Religion – Sheltered

Response rate	68.1%
Christian	87.1%
None	5.3%
Preferred not to say	3.3%
Any other religion	3.7%
Muslim	0.4%
Buddhist	0
Jewish	0.2%
Sikh	0
Hindu	0

Source-General TSS respondents

Nov 08

Sexuality – General Needs only

Response Rate	57%
Heterosexual	83.3%
Gay Man	0.2%
Gay Woman	0.2%
Bi-sexual	1.2%
Other	2.4%
Preferred not to say	12.7%

Source – General TSS respondents – Nov 08

Sexuality – Sheltered

Response Rate	68.1%
Heterosexual	73.3%
Gay Man	0
Gay Woman	0
Bi-sexual	1.8%
Other	4.2%
Preferred not to say	20.7%

Source – Sheltered TSS respondents Nov 08

Customer Involvement

The profile of customer involved in influencing the service and determining services priorities through all the opportunities available are as follows:-

Race

Period	Non – White BME	White British	White Irish	White Other	Ethnicity Unknown
As at 19 June 08	2%	97.5%	0	0.5%	1%
As at 8 th July 09	2.3%	96%	0	1.4%	4.7%

Gender

Period	Male	Female	Unknown
As at 19 June 2008	37%	63%	
As at 8 th July 2009	39%	61%	2 cases

Age

Period	Under 16	16 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75+	Age Unknown
As at 19 June 08	0	1.6%	7.8%	12.5%	14.1%	20.3%	23.4%	19.3%	0
As at 8 th July 09	0	3%	10%	14%	14%	19%	22%	18%	2%

Disability

Period	No Long standing Illness or Disability	Long standing Illness or Disability which DOES NOT limit activities	Of those who have a long standing Illness or Disability the percentage for which this DOES limit activities	Disability Status Unknown
As of 19.06.08	56%	33%	62%	11%
As at 08.07.09	64%	31%	69%	17%