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23 September 2011

S U M M O N S

MEETING: Community Board
DATE: 3 October 2011
TIME: At the conclusion of the Extraordinary Council meeting but not before 6.00pm
PLACE: Council Chamber, Town Hall, Gosport
Democratic Services contact: Carly Grainger

LINDA EDWARDS
BOROUGH SOLICITOR

MEMBERS OF THE BOARD

The Mayor (Councillor Carter CR) (ex-officio)
Chairman of the Policy and Organisation Board (Councillor Hook) (ex – officio)

Councillor Burgess (Chairman)
Councillor Kimber (Vice – Chairman)

Councillor Mrs Bailey	Councillor Henshaw
Councillor Carter C K	Councillor Hylands
Councillor Mrs Cully	Councillor Mrs Hook
Councillor Edgar	Councillor Jessop
Councillor Mrs Forder	Councillor Murphy

FIRE PRECAUTIONS

(To be read from the Chair if members of the public are present)

In the event of the fire alarm sounding, please leave the room immediately. Proceed downstairs by way of the main stairs or as directed by GBC staff, follow any of the emergency exit signs. People with disability or mobility issues please identify yourself to GBC staff who will assist in your evacuation of the building.

IMPORTANT NOTICE:

- If you are in a wheelchair or have difficulty in walking and require access to the Committee Room on the First Floor of the Town Hall for this meeting, assistance can be provided by Town Hall staff on request

If you require any of the services detailed above please ring the Direct Line for the Democratic Services Officer listed on the Summons (first page).

NOTE:

- i. Councillors are requested to note that, if any Councillor who is not a Member of the Board wishes to speak at the Board meeting, then the Borough Solicitor is required to receive not less than 24 hours prior notice in writing or electronically and such notice shall indicate the agenda item or items on which the member wishes to speak.
- ii. Please note that mobile phones should be switched off for the duration of the meeting.

AGENDA

RECOMMENDED
MINUTE FORMAT

1. APOLOGIES FOR NON-ATTENDANCE

2. MINUTES OF THE MEETING OF THE COMMUNITY BOARD
HELD ON 13TH MAY 2011

3. DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter, any personal or personal and prejudicial interest in any item(s) being considered at this meeting.

4. DEPUTATIONS – STANDING ORDER 3.5

(NOTE: The Board is required to receive a deputation(s) on a matter which is before the meeting of the Board provided that notice of the intended deputation and its object shall have been received by the Borough Solicitor by 12 noon on Thursday, 29 September 2011. The total time for deputations in favour and against a proposal shall not exceed 10 minutes).

5. PUBLIC QUESTIONS – STANDING ORDER 3.6

(NOTE: The Board is required to allow a total of 15 minutes for questions from Members of the public on matters within the terms of reference of the Board provided that notice of such Question(s) shall have been submitted to the Borough Solicitor by 12 noon on Thursday, 29 September 2011).

6. COASTAL PARTNERSHIP

PART II

To advise Community Board on how the Coastal Partnership is progressing and to seek Board approval for the agreement. To update Community Board on the River Hamble to Portchester Coastal Flooding and Erosion Risk Management Strategy. To update Community Board on the Coastal Communities Adapting to Change (CCATCH) project.

Kim Carron
X5372

7. EXTENSION OF DECORATION PARTNERING
ARRANGEMENT

PART II

To seek approval to extend the existing partnering arrangements for the delivery of external and communal decoration programme for council housing, inclusive of any associated remedial and repairs work.

Charles Harman
X5287

Community Board
3 October 2011

8. ANY OTHER ITEMS
-which the Chairman determines should be considered, by reason of special circumstances, as a matter of urgency.

AGENDA ITEM NO. 6

Board/Committee:	Community Board
Date of Meeting:	3 October 2011
Title:	Coastal Partnership
Author:	Housing Services Manager
Status:	FOR DECISION

Purpose

- (a) To advise Community Board on how the Coastal Partnership is progressing and to seek Board approval for the agreement
- (b) To update Community Board on the River Hamble to Portchester Coastal Flooding and Erosion Risk Management Strategy.
- (c) To update Community Board on the Coastal Communities Adapting to Change (CCATCH) project.

Recommendations

- (a) That Community Board agrees that the Housing Services Manager in consultation with the Chair of the Community Board and the Borough Solicitor progress the Coastal Partnership Agreement and that the Borough Solicitor signs the final agreement on behalf of the Council.
- (b) That Community Board agrees that Havant Borough Council act as the lead authority for the Partnership
- (c) That Community Board agree that the Partnership moves towards a single employer with Havant Borough Council being the employer of all new posts, including those that become vacant where Portsmouth City Council or Fareham Borough Council is the existing employer.
- (d) Community Board note that Havant Borough Council will recruit to the additional 2 posts once the Partnership Agreement is signed by all 4 authorities
- (e) The Community Board notes progress on the River Hamble to Portchester Coastal Flooding and Erosion Risk Management Strategy
- (f) The Community Board notes this Council's contribution to the Coastal Communities Adapting to Change project.

Coastal Partnership Agreement

1.0 Background

- 1.1 In July 2008, Havant Borough Council and Portsmouth City Council agreed to a shared Coastal Defence Management Service. There was a Partnership Agreement signed to this effect. Whilst both authorities contributed to the Coastal Defence Partnership Manager post, staff were employed by both authorities. Discussions have been held in the past around a single employer route but it had proved difficult to reach agreement on this approach.
- 1.2 In September 2009, Gosport entered into a Service Level Agreement with the Partnership. In effect, the Partnership provided the staff and other resources to Gosport and this is paid for via the Service Level Agreement.
- 1.3 In June 2011, Fareham Borough Council resolved to join the Partnership. This then presented an opportunity to consider the arrangements within the Partnership and resolve some of the governance arrangements and to review the existing agreements. In particular, it seems sensible to have one new Partnership Agreement to which all 4 authorities are signed up. This, in turn, would provide an opportunity to re-draft the Partnership Agreement to ensure that, where there have been challenges/different approaches, these can be avoided in the future.
- 1.4 A draft Partnership Agreement was circulated to the 4 partner authorities for comment on 6 July, 2011. The Agreement was also considered by the Coastal Partnership Client Management Board on 15 July, 2011.
- 1.5 This meeting of the Coastal Partnership Client Management Board concluded that it was happy to support a lead authority approach and for Havant Borough Council to be the lead authority, and to move towards a single employer route.

2.0 New Partnership Agreement

- 2.1 The Client Managers (nominated Officers from each authority) for the Partnership agreed the vision for the partnership as being:
- “To provide an effective and efficient coastal flood and erosion risk management service across partnering authorities, through co-ownership of objectives and an equitable fee structure.”***
- 2.2 A new Partnership Agreement goes some way to ensuring that this vision can be delivered.

- 2.3 A new Partnership Agreement has been drawn up by Legal Services in Havant Borough Council and has been considered by Gosport's Legal Services.
- 2.4 The purpose of the new agreement is as follows:
- To ensure that the roles/responsibilities of each authority are clearly defined
 - That, for the avoidance of doubt, there has to be one lead authority that is the budget holder and the host authority
 - That the benefits and risks of the Partnership are apportioned amongst the partners based on the level of contribution made
 - That, to avoid instances of staff vacancies not being filled, Havant BC will be the authority responsible for employing staff on behalf of the partnership. This will include all new posts, but also posts which become vacant where the employing authority is currently Portsmouth CC and Fareham BC
 - To strengthen the governance arrangements to ensure that the Client Board is providing clear direction and can ensure that the necessary resources are in place to deliver the work programme.
- 2.5 Based on the Partnership Agreement there would be a new staffing structure that will ensure that the work programme/priorities of the Partnership can be delivered. The work programme reflects the funding that has been secured from the Environment Agency (EA). Based on this programme, the resource needs (and apportionment of costs) is as follows:
- Havant Borough Council – 32%
Portsmouth City Council - 40%
Gosport Borough Council – 14%
Fareham Borough Council – 14%.
- 2.6 To date, the Partnership has progressed numerous initiatives and the following are considered key achievements:
- Contributed to the development of the North Solent Shoreline Management Plan which is now adopted by the Client Authorities,
 - Led on the finalisation of the Portsea Island Coastal Strategy which is now adopted by Portsmouth City Council,
 - Drafted and presented the business cases to secure funding for the development of capital schemes at Southsea and North Portsea which may lead to £1million grant in aid over 3 years,
 - Implemented £2M of Beach Management at Eastoke, Hayling Island,

- Secured funding and developing proposals for coastal defence works at Eastoke Point, Hayling Island,
- **Secured funding and drafted the business case to consider the development of a Strategy along the Gosport and Fareham coastlines,**
- Contributed to the Strategic Regional Monitoring Programme through undertaking topographic and hydro graphic surveys.
- Developed a consistent repeatable approach to inspecting and reporting the condition of coastal assets.

3.0 The River Hamble To Portchester Coastal Flood And Erosion Risk Management Strategy (Hamble to Portchester CFERM)

3.1 The River Hamble to Portchester CFERM covers the Fareham and Gosport coastlines. It aims to reduce the risks to people, the developed and natural environment from flooding and coastal erosion. It will do this through the development and implementation of a sustainable strategy that encourages provision of technically, economically and environmentally sound defence measures.

3.2 A business case for this strategy (Reference FRM7) was submitted to the EA in November, 2010. Following due process, confirmation was received from the EA in August 2011 that it was approved (see Appendix 1) This means that over £640k has been awarded by the EA to the Partnership in order to develop a comprehensive strategy.

4.0 CCATCH

4.1 CCATCH is an acronym to describe the Coastal Communities Adapting to Change Group which represents Hampshire County Council's (HCC) role in the CC2150 project.

The aim of CCATCH is to help Local Authorities plan to adapt to climate change (NI188). It helps Local Authorities to meet level three of NI 188 by enabling them to produce a Climate Change Adaptation Plan.

CCATCH will also be able to help EA and Local Authorities progress their Shoreline Management Plans and Coastal Defence Strategies.

4.2 Hampshire County Council (HCC) is one of a group of partners funded by the EU Interreg project. Interreg is a programme of three strands of European Community Initiative Funding. This partnership includes England (HCC and Kent), Belgium, Netherlands and France with the EA taking the lead.

4.3 CCATCH Solent covers the Solent area up to the year 2150 and The

aim of the CCATCH Solent element of the project is to bring together the different concerns and priorities of Hampshire's Coastal Communities into a shared understanding of coastal change which will be the basis for agreeing a joint vision for future adaptation in a changing climate.

4.4 The objectives of the project are to:

- Engage the local community
- Explore hazards and risks
- Provide educational and interpretational opportunities to build understanding in the local community
- Raise awareness of long term sea level rises with politicians.

4.5 The project timetable runs between 2011 and 2013.

4.6 In Gosport, the area that has initially been identified as the focus for this project is the Forton area.

4.7 The resources for delivering this project will come from the Coastal Partnership team. A small amount of Gosport Officer time will also contribute to the project, and planning and housing staff will record any time spent on the project (as will the Coastal Partnership team) to enable CCATCH to claim funding to provide additional days to the project. The funding would come from the EU.

5.0 Resource Implications for the Coastal Partnership

5.1 A recruitment process is already underway for two Coastal Engineer posts. In order to deliver the programme, two further posts need to be recruited; one further Coastal Engineer and one more Senior Coastal Project Engineer. The costs include the recruitment of 4 new members of staff.

6.0 Financial Considerations for the Coastal Partnership

6.1 The cost to Gosport Borough Council equates to £67k per year. It is expected that this figure will be reduced by grant income over the remainder of the year. The figure is expected to be the same for next financial year, 2012/13.

7.0 Risk Analysis for the Coastal Partnership

7.1 One of the partners could decide to leave the partnership. Under the new Agreement, 24 months notice is required. This allows time to plan for the implications of such an action.

7.2 That key members of staff decide to leave. The Coastal Partnership Manager has raised concerns about the lack of resources, clarity over roles/responsibilities and the time taken for the decision making process. The Partnership Agreement should resolve most of these issues. However, it is also necessary to ensure that key staff are paid appropriately to reflect the scale and complexity of the Partnership.

7.3 All costs associated with recruitment/redundancy are also apportioned across the Partnership.

8.0 Conclusion

8.1 The Coastal Partnership is held up as best practice by the EA. Over £1.2M has been secured for projects over the next 4 years and it is anticipated a further £1.5M will be forthcoming. The potential for further significant capital investment within the Partnership is high.

8.2 Working in the Partnership has resulted in cost savings for all of the authorities mainly on staffing. It also means the skills and expertise can be developed and shared without the need to use expensive consultants.

8.3 CCATCH enhances the work of the Coastal Partnership and overall this project will promote good practice among other EU communities, as well as supporting local developments along our coastline in Gosport.

Financial Services comments:	None received
Legal Services comments:	The Council can enter into this proposed Agreement.
Service Improvement Plan implications:	N/A
Corporate Plan:	N/A
Section 17 Crime & Disorder Act 1998	None
Risk Assessment:	See 7.0
Background papers:	None
Appendices/Enclosures:	Appendix 1
Report author/ Lead Officer:	Kim Carron

Lyll Cairns
Havant, Portsmouth and Gosport Coastal
Partnership
Southmoor Depot
2 Penner Road
Havant
Hampshire
PO9 1QH

Our ref: AG/JOF/CPW2041

Your ref:

Date: 26 July 2011

Dear Lyll

**THE FLOOD & WATER MANAGEMENT ACT 2010
APPROVAL OF STRATEGY**

**Gosport Borough Council - River Hamble to Portchester Coastal Flood & Erosion
Risk Management Strategy**

I refer to Caroline Timlett's email of 12 May 2011 and the associated FCRM 7 form signed on 21 June 2011 as application for grant towards the cost of this Strategy, estimated to be £670,000. I hereby confirm approval of the application in the submitted sum, subject to the usual terms and conditions.

You have agreed to follow the spending profile identified within the current MTP as set out in the table below. You have also indicated that should additional monies become available, you would be keen to accelerate the works to deliver this preliminary study in a more efficient way.

Scheme	2011/12	2012/13	2013/14	2014/15	2015/16
Hamble to Portchester	£100,000	£180,000	£170,000	£170,000	£50,000

Please pay particular attention to the requirement published in the Grant Memorandum 2011, whereby the following conditions must be satisfied:-

1. the study must be completed;
2. it must identify problems and reach conclusions;
3. the results of the study must be made available to the Environment Agency.

I will be pleased to receive copies of the study output documents and Project Closure form FCRM 8 when your authority accept the study is complete.

Environment Agency

Guildbourne House, Chatsworth Road, Worthing, West Sussex BN11 1LD.
Customer services line: 08708 506 506 - Email: enquiries@environment-agency.gov.uk
Area Flood & Coastal Risk Manager Direct Tel: 01903 703859 Fax: 01903 214298
www.environment-agency.gov.uk



Please note that you should send an interim grant claim form FCRM 3 to the Head of FCRM Finance in Exeter. Final account form FCRM 5, once audited as required, must be sent to the Head of FCRM Finance within 24 months of the study completion date.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A Gilham', written in a cursive style.

Andrew Gilham
Area Flood & Coastal Risk Manager
Solent & South Downs

AGENDA ITEM NO. 7

Board/Committee:	Community Board
Date of Meeting:	3 rd October 2011
Title:	Extension of Decoration Partnering Arrangement
Author:	Housing Services Manager/CH
Status:	FOR DECISION

Purpose

To seek approval to extend the existing partnering arrangements for the delivery of external and communal decoration programme for council housing, inclusive of any associated remedial and repairs work.

Recommendation

That the Board:

- a) Approve the extension of the current partnering arrangement with Richardson Decorating Contractors Ltd for decoration and associated Repairs, to run until midnight 31st March 2014.
- b) Waive contract procedure rules as per Part 4 Schedule 13 (3.1) for the reasons detailed in 4.5 below.

1.0 Background

- 1.1 Housing Committee in March 2000 approved the letting of contracts through a partnering approach.
- 1.2 In January 2007 Housing Board approved the entering into a 5 year partnering arrangement for redecoration of the council housing stock. That arrangement was with Richardson Decorating Contractors Ltd to complete external and communal decoration including any associated repairs within its council stock.
- 1.3 The Housing Service completes the cycle of decoration in a seven year period. The arrangement involves the preparation, priming, undercoat and top coat to the external surfaces of dwellings that have existing painted or rendered surfaces and wood/metal work. This includes any repairs or replacement of materials and is a 7 year cyclical programme with a value in the region of £250,000 per annum.
- 1.4 Members should also note that consultation with leaseholders (276) took place in October 2006 in line with the Service Charges (Consultation Requirements) (England) Regulations 2003. There were no formal responses to the leaseholder consultation exercise.

2.0 Report

Decoration and Repairs within the Borough of Gosport (Partnering

Arrangement)

- 2.1 The partnering contract arrangement with Richardson Decorating Contractors Ltd is silent on the issue of an extension on the original 5 year term granted. The current contract is due to end in January 2012, after the completion of the 2011-12 programme. There is no stated option for a two year extension within the current arrangement. This is an exception within the Housing Service's repair and maintenance contracts. The overarching repair and maintenance contract with Connaught was agreed for 5 years with an option to extend for a further 2 years and the Heating and Electrical contract with Kinetics (formerly 1st Saxon Clemay) was likewise issued for 5 years with an option to extend for a further 2 years. The current partnering contract with Kier is for 10 years with an option to extend for a further 5 years.
- 2.2 There is an option to transfer the work for 2012-13 onwards to the current main repair and maintenance contractor, Kier, as there is a provision within that contract to have these decorating works included. It is however only the first year of the Kier arrangement with a need to 'bed in' work processes on their existing contractual commitments.
- 2.3 The Council has now established a 7 year programme of decoration works. It has been working closely with Richardson Decorating Contractors Ltd in developing this programme. It would be counter-intuitive to close a 7 year programme after only 5 years and transfer it to another provider, unless there was cause for concern over delivery and this is not the case (see 2.6 to 2.9 below)
- 2.4 In addition, were the Council to embark on a fresh arrangement at this stage, many of the financial advantages that are continuing to accrue through the current arrangement could be lost. Performance and monitoring arrangements with Richardson Decorating Contractors Ltd are now well established and contributing to an enhanced service for residents.
- 2.5 The success of the existing arrangement with Richardson Decorating Contractors Ltd can be quantified in two key elements; resident satisfaction and value for money.

Resident Satisfaction

- 2.6 The level of satisfaction expressed by tenants has been high over the 5 years of the arrangement. The latest figures available, 2011-12 and based on 307 returns, recorded an 87% satisfaction rating. This is consistent with past satisfaction ratings achieved by Richardson Decorating Contractors Ltd, and they continually out-performed other planned and responsive repairs contractors and sub-contractors. This level of satisfaction can be favourably compared to the annual 'status' survey results, last undertaken in 2008, that shows an 'average' satisfaction rating with the repairs service generally of 82%.
- 2.7 High satisfaction is attributed to the fact Richardson Decorating Ltd have

focussed on the detail of individual customer care, borne out by a 98% satisfaction level recorded for the question “*was the contractor helpful & polite?*”, and a 97% level for “*was your home left clean and tidy?*”. They have in addition worked with officers to develop choice by providing a wide range of colour options for residents to choose from prior to the commencement of works.

- 2.8 On-site inspection reports from the former Housing Forum have consistently endorsed the satisfaction levels recorded for Richardson Decorating Contractors Ltd in the carrying out of their work.

Value for Money

- 2.9 The average cost per property of decorating has increased by 7.7% over the past 4 years. Over the same period property maintenance cost inflation has increased in the region of 12% according to ONS figures (for generalised housing maintenance).

year	No of properties	Average cost per property	+/- year on year
2007 - 2008	354	£361.70	+6.40% +2.85% -1.50%
2008 - 2009	373	£386.51	
2009 - 2010	388	£397.88	
2010 - 2011	373	£392.01	

3.0 Audit & Risk Assessment

- 3.1 The Organisation of Joint European Union (OJEU) financial guidance places an obligation to advertise works contracts valued over £3.92m across the EU. The contract value of the extension of this partnering arrangement (with an estimated value for 2010-14 between £500,000 and £600,000) falls considerably outside the jurisdiction of the OJEU regulations.
- 3.2 A full financial evaluation of Richardson Decorating Contractors Ltd was carried out in the autumn 2007 as part of the contractor assessment process for the Council’s partnering contracts works programmes. This revealed no areas of concern. The last [abbreviated] accounts submitted to Company House are for the year ending 31.12.10. These show an increase in working capital and tangible net worth. The latest credit check scores the company as average risk.
- 3.3 Open book accounting will continue to be adopted throughout the terms of this arrangement to ensure all risks are shared and any key concerns are quickly communicated and resolved with a minimum impact on service delivery. Over the time of this arrangement the partnership risks associated with both of these schemes will be recorded and managed from an on-line risk register.
- 3.4 In order to award a contract of this value to the partnering contractor without re-tendering the works, this Board is required to waive contract procedure rules the authority for which is given in Part 4 Schedule 13 (3.1).

3.5 The assessed risk to the Council of extending this contract is considered Low.

4.0 **Conclusion**

4.1 Given the progress made by Richardson Decorating Contractors Ltd during the first 5 of the partnering arrangements, it is seen as beneficial for the Council to extend the original arrangement for a further 2 years, until 31st March 2014. This extension period will provide a further opportunity to deliver better value for money, as good professional working relationships have been developed with Richardson Decorating Contractors Ltd.

4.2 As a consequence of the decoration works that Richardson Decorating Contractors Ltd have provided has regularly recorded high levels of customer satisfaction with the quality of their work and attitude of their staff.

4.3 An open book assessment has determined that the costs of this service have increased by 7-8% throughout the five year contract period despite building inflation 12+% over the same period. Past experience has suggested that costs may be relatively similar under a partnering arrangement but the quality of work and customer satisfaction rates are likely to be higher when a partnering approach is adopted. This partnering arrangement suggests that both satisfaction is higher and costs lower.

4.4 The Council has the power to extend the contract, as proposed, and remain within existing procurement guidelines if it exercises a waiver as outlined under Part 4 Schedule 13 (3.1).

4.5 The reason for extending this arrangement are therefore;

- High recorded resident satisfaction with work to date
- Value for money achieved over the first five years of the arrangement
- The option of an extension of 2 years would, in any event, have been taken up had it, as is normal practise, been included in the original contract
- The risks associated with extending the contract are assessed as Low

Financial Services comments:	Included within the body of the report (3.3 & 4.3 refer)
Legal Services comments:	The Contract Extension can be authorised so long as The Contract Procedure Rules are waived in accordance with Part 4, Schedule 13, Paragraph 3.1. If approved, the Exemption and the reasons for it must be recorded in accordance with Paragraph 3.4 of the same part of the Contract Procedure Rules. It is therefore important for such reasons to

	be given by the Board.
Service Improvement Plan implications:	None
Corporate Plan:	The maintaining of the Council housing stock is a strategic priority for 'Prosperity'.
Section 17 Crime & Disorder Act 1998:	None
Risk Assessment:	Risk assessed as Low
Background papers:	Housing Board Report; " <i>Partnering arrangements for painting and decorating; heating and electrical installations</i> " (January 2007)
Appendices/Enclosures:	None
Report author/ Lead Officer:	Charles Harman

AGENDA ITEM NO. 8

Board/Committee:	Community Board
Date of Meeting:	3 rd October 2011
Title:	Proposal for Agnew Family Centre
Author:	Housing Services Manager/KC
Status:	FOR DECISION

Purpose

To advise members of a proposal to change the use of Agnew House to Agnew Family Centre

Recommendation

That the Board:

- a) Agrees the proposed change of use of Agnew House sheltered scheme to Agnew Family Centre which will support families during the early stages of homelessness.
- b) Notes that the Housing Services Manager will report to a future Community Board on the proposals for the redevelopment of the area currently occupied by the St Vincent Road bungalows and the vacated blocks known as Barclay House and the surrounding land at Trinity Green.

1.0 Background

Best Value Review of Sheltered Housing

- 1.1 In January 2007, the Housing Board approved the recommendations in the report 'Best Value Sheltered Housing Review' one of which was that Officers should work with the Council's sheltered housing partners to deliver detailed redevelopment plans for presentation to a future meeting of the Housing Board for Rogers House, The Leisure and Agnew House sheltered schemes.
- 1.2 Following this, the Housing Services Manager presented further reports to the Board for the redevelopment of The Leisure into an extra care scheme, which was delivered this year and is known as Juniper Court.
- 1.3 The other scheme that has progressed is the Rogers House scheme and the new development of sheltered housing will be known as Bartlett Court and will be delivered in early 2012.

Barclay House, Trinity Green

- 1.4 On 4th November 2009, the Housing Board considered a report from the Housing Services Manager proposing the redevelopment of the Trinity Green site which housed two blocks of hostel accommodation.

- 1.5 An indicative scheme, including timetable and financial information, was presented. It was explained that the proposals would be subject to planning approval and the ability to secure funding for the scheme from the Homes and Communities Agency (HCA) which was the successor to the Housing Corporation.
- 1.6 Members raised concerns over the total amount of development proposed on the site.
- 1.7 Members requested that officers look in more detail at the proposals and at other sites within the Borough, with a view to relocating the homeless hostel and enabling affordable housing development to a more appropriate site.
- 1.8 The Board agreed that the Housing Services, Manager, should continue to work on detailed proposals including financial, management, development and tenure issues for the redevelopment of a homeless hostel.

Current Financial Climate

- 1.9 Members are well aware of the financial constraints being placed on Council's across the country
- 1.10 The Housing Services Manager has been presenting regular reports to this Council's Management Team to highlight concerns over increased bed and breakfast expenditure, due to an increase in homeless applications.
- 1.11 Further proposed changes to Housing Benefit, if they go ahead, will mean that tenants will receive the rental element of their Housing Benefit direct. It is expected that this may mean increased arrears for all landlords, as well as increased homelessness through rent arrears. These changes are due to be brought in early 2012.
- 1.12 Earlier this year, our Housing Association partners (now known as Registered Providers (RP's)) were required to submit 4 year bids for developments in the Borough to the Homes and Communities Agency (HCA).
- 1.13 The HCA held events across the country to explain that the budget for grant aid for housing development had been cut by 50% and that no grant would be put into any schemes that did not produce the new affordable rent model. This model is a new financial model meaning that tenants would pay 80% of market rent excluding services charges, rather than a much lesser social rent. RP's who did not adopt this model could not seek grant.
- 1.14 The programme was oversubscribed by about 50%. The bids outweighing available grant for the next 4 years.

2.0 Report

Barclay House

- 2.1 Any Member, who has had occasion to visit Barclay House, will be well aware of the poor standard of accommodation.
- 2.2 The Housing Services Manager has received several reports on Barclay House to ascertain how the accommodation could be improved and its life enhanced. Independent consultants have produced a report which makes it clear that substantial investment is required to both blocks. However, whilst this would improve the standard of the buildings components, no amount of investment can change this building into one that offers a good layout and provides the basic private facilities for each family i.e. bathrooms.
- 2.3 This Council should be offering families suffering with the shock of losing their homes a placement in somewhere that is of a good standard and that provides for their needs. Currently all this Council can offer is below standard temporary accommodation with shared bathrooms and WC's.

Agnew House

- 2.4 Agnew House was recently vacated and is currently closed. The bungalows adjacent to Agnew House have been surveyed and the conclusion is that the amount of investment needed to bring these properties up to an acceptable standard is such that redevelopment is the only viable option.
- 2.5 In view of this the Housing Services Manager took a decision to leave any bungalows that have become vacant and not to reallocate them. At the moment 8 of the 12 bungalows still have tenants in them.
- 2.6 The Housing Services Manager has visited the scheme 3 times in the last 18 months, most recently to advise bungalow tenants of the proposals in this report.
- 2.7 As explained earlier, there is no opportunity for our RP's to bid for funding for at least 4 years. This means that Agnew House will lay vacant for at least this period of time and there is no guarantee that there would be funding when the new grant programme is released in 2015/16.
- 2.8 The Housing Services Manager appointed a firm of Chartered Surveyors to look at what possibilities Agnew House could offer in the form of move on accommodation for the increasing number of families being made homeless.
- 2.9 They have produced a report and scheme designs. The report shows that 55 units of accommodation could be provided on the three floors and that the building would have 30 years of life following a complete internal refurbishment.

- 2.10 Each 1 or 2 bedroom unit would have its own WC and bathroom facilities, with only the necessity to share a kitchen between small groups of households. Some shared facilities means that a less secure tenancy is given to families. This means that if the Council needs to recover the unit then it is easier to regain possession through the Courts. This is essential for this type of family move on accommodation.
- 2.11 The overall cost of the works would be in the region of £850,000 excluding VAT.
- 2.12 The Housing Services Manager requested that the Chartered Surveyors review their plans to include the provision of solar panels on the roof (as this will need replacement). The cost of these panels would be met as part of the refurbishment, providing free electricity to families and communal areas, while generating an income for the Council from the grid for surplus energy created from the panels.
- 2.13 The use of Agnew House for this type of accommodation will require planning permission and if the Board agrees the proposal, a planning application will be made. If planning permission is granted then the Housing Services Manager would appoint Architects to work with the local community to develop plans for alternative housing on the adjacent St Vincent Bungalow sites. These plans would be brought back to a future meeting of the Community Board for consideration.

3.0 Financial Implications

- 3.1 A report will be brought to a Community Board meeting in the near future which will cover the refinancing needed to 'buy' this Council's way out of the current Housing Subsidy System (now a Government requirement to participate in this financial transaction).
- 3.2 This transaction will mean that a level of debt, known as a debt cap, will be imposed on this Council's Housing Revenue Account and it will only be possible to borrow additional funds once the level of debt existing at any particular time, does not exceed the debt cap imposed at the start of next financial year.
- 3.3 However, the Housing Services Manager has explored the possibility of this Council borrowing money during the remainder of this financial year to fund the refurbishment of Agnew House so that it can be used as a Family Centre. The DCLG has stated that it is possible to borrow additional funds in this financial year to undertake this type of investment and that the overall debt cap would be increased to cover this borrowing.
- 3.4 The funding would need to be spent in this financial year. Although it is unlikely that the refurbishment would be complete by the end of this financial year, it is anticipated that 90% of the funding would be spent by that time providing works commence as soon as possible.

- 3.5 The HRA Business Plan would need to take account of any additional funding needed to finish the project in 2012. The Business Plan is under development at this time, so can take account of any need for additional borrowing should the proposals in this report be approved.
- 3.6 The budget for bed and breakfast for 2011/12 is £10,000. As at 21st September the spend is £86,800 and is projected to rise at year end to around £160,000. Without additional family centre accommodation it will be difficult to control this expenditure which falls in full on the General Fund.
- 3.7 The Rented Accommodation in the Private Sector scheme will, once it has reached its optimum level, provide more accommodation to enable this Council to discharge its homeless duties. However, there is a dire need for assessment accommodation (where the family is placed in temporary housing while their homelessness is investigated by Officers of the Council).
- 3.8 Barclay House cannot provide the number of units needed (currently providing 23 units) and an increase is needed in the number of family units to cater for the increased numbers of households presenting as homeless.

4.0 Risk Assessment

- 4.1 These proposals present a number of risks:
- (a) Risk of the budget for the refurbishment being exceeded. The appointment of Chartered Surveyors to oversee the project in liaison with a working group of Council Officers should minimise this risk.
 - (b) The risk of the scheme going over timescale. Again the appointment of Chartered Surveyors will minimise this risk. In addition, our repairs partner Kier, would be providing the workforce (it is anticipated that there will be dedicated refurbishment teams) so this would minimise this risk.
 - (c) Risk that if this project is not approved and does not gain planning approval then this Council will be faced with increased financial risk to the General Fund. This risk is high. The only other option available to the Council is bed and breakfast and the RAPS scheme. The number of RAPS properties that can be achieved in the private rented sector is reducing and these properties are used for mid to longer term housing. They are not suitable as temporary assessment accommodation like that proposed at Agnew Family Centre.

5.0 Conclusion

- 5.1 The proposals contained within this report provide additional units of accommodation to meet increasing demand in a Family Centre with a standard of accommodation which meets the needs of families at one of the most stressful times in their lives.

Financial Services comments:	Additional demand in respect to homelessness expenditure was highlighted as a risk area for the 2011-12 budgets. The proposals included within the report will help reduce the impact of this increased demand on the Council's revenue budget.
Legal Services comments:	The Council has a statutory duty to secure the provision of accommodation for people who are homeless pending determination of an application for assistance and this proposal would assist in discharging this duty.
Service Improvement Plan implications:	HSG/HSM/014 and PR4/001
Corporate Plan:	As above, Corporate Plan reference PR4/001– Improve provision for homeless customers in the Borough through improved reception and assessment facilities
Section 17 Crime & Disorder Act 1998:	N/a
Risk Assessment:	Low
Background papers:	None
Appendices/Enclosures:	None
Report author/ Lead Officer:	Kim Carron