





Brighton & Hove
City Council

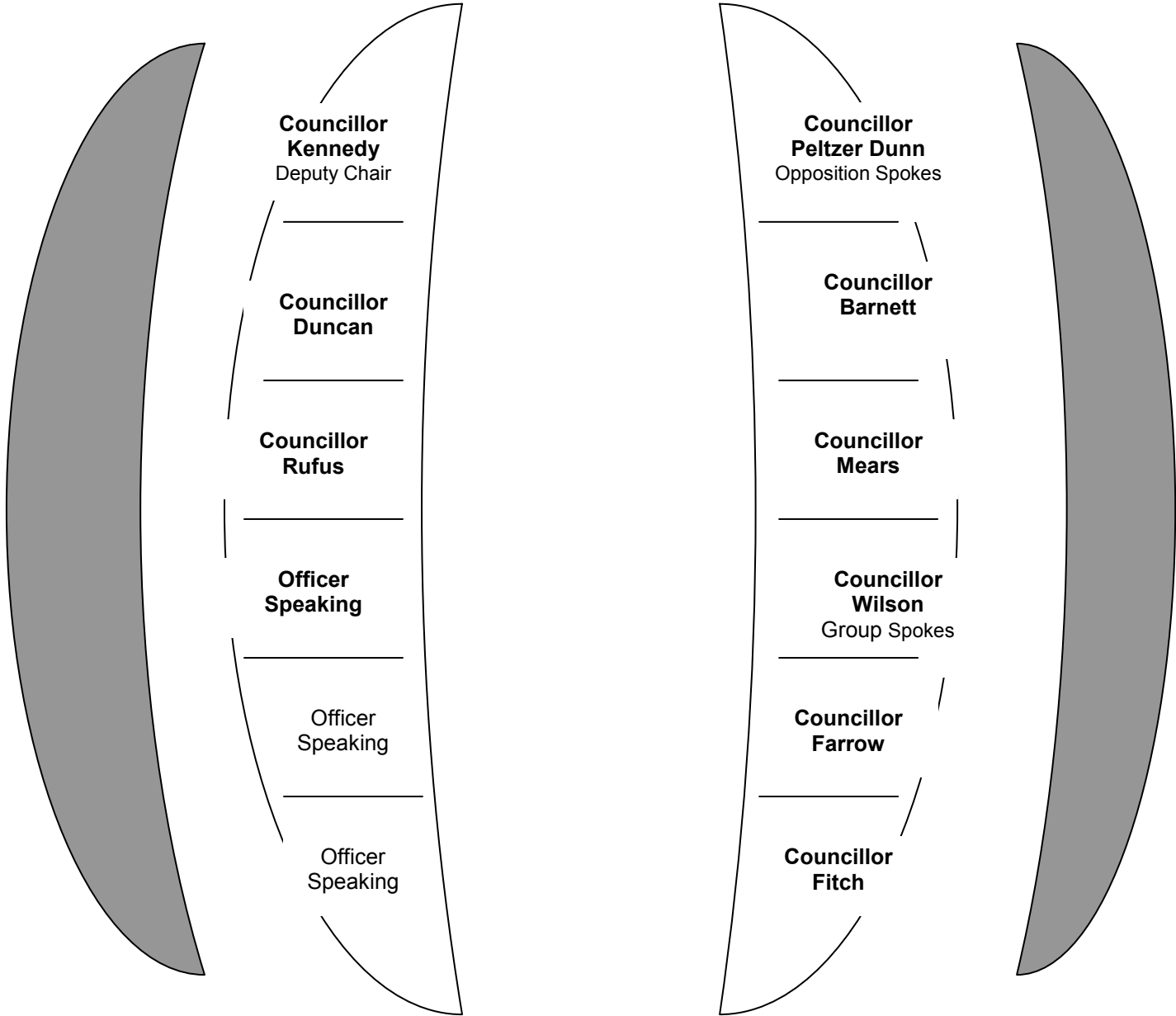
Housing Committee

Title:	Housing Committee
Date:	15 January 2014
Time:	4.00pm
Venue	Council Chamber, Hove Town Hall
Councillors:	Randall (Chair), Kennedy (Deputy Chair), Peltzer Dunn (Opposition Spokesperson), Wilson (Group Spokesperson), Barnett, Duncan, Farrow, Fitch, Mears and Rufus
Contact:	Lisa Johnson Senior Democratic Services Officer 01273 291228 lisa.johnson@brighton-hove.gov.uk

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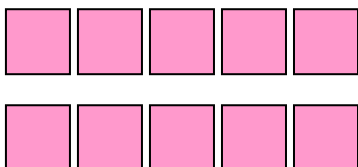
Democratic Services: Housing Committee

Head of Housing	Councillor Randall Chair	Executive Director of Environment, Development and Housing	Lawyer	Democratic Services Officer
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Public Speaker	Public Speaker
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Public Seating



Press

AGENDA

PART ONE

Page

39. PROCEDURAL BUSINESS

(a) Declaration of Substitutes: Where Councillors are unable to attend a meeting, a substitute Member from the same Political Group may attend, speak and vote in their place for that meeting.

(b) Declarations of Interest:

- (a) Disclosable pecuniary interests not registered on the register of interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

(c) Exclusion of Press and Public - To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: *Any item appearing in Part Two of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.*

A list and description of the exempt categories is available for public inspection at Brighton and Hove Town Halls.

40. MINUTES

1 - 10

To consider the minutes of the meeting held on 13 November 2013 (copy attached).

Contact Officer: Lisa Johnson

Tel: 01273 291228

41. CHAIR'S COMMUNICATIONS

HOUSING COMMITTEE

42. CALL OVER

- (a) Items 45 - 49 will be read out at the meeting and Members invited to reserve the items for consideration.
- (b) Those items not reserved will be taken as having been received and the reports' recommendations agreed.

43. PUBLIC INVOLVEMENT

To consider the following matters raised by members of the public:

- (a) **Petitions:** to receive any petitions presented to the full council or at the meeting itself;
- (b) **Written Questions:** to receive any questions submitted by the due date of 12 noon on the 8 January 2014:
- (c) **Deputations:** to receive any deputations submitted by the due date of 12 noon on the 8 January 2014.

44. ISSUES RAISED BY COUNCILLORS

To consider the following matters raised by councillors:

- (a) **Petitions:** to receive any petitions submitted to the full Council or at the meeting itself;
- (b) **Written Questions:** to consider any written questions;
- (c) **Letters:** to consider any letters;
- (d) **Notices of Motion:** to consider any Notices of Motion referred from Council or submitted directly to the Committee.

45. HOUSING REVENUE ACCOUNT BUDGET 2014/15

11 - 44

Contact Officers: *Monica Brooks* *Tel: 01273 292279*
Susie Allen *Tel: 01273 293105*

Ward Affected: *All Wards*

46. HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME 2014-2017

45 - 56

Contact Officer: *Benjamin Ben'Okagbue* *Tel: 01273 293857*

Ward Affected: *All Wards*

47. SUSTAINABLE TENANCIES STRATEGY (WELFARE REFORM)

57 - 128

Contact Officer: *Ododo Dafe* *Tel: 01273 293201*

Ward Affected: *All Wards*

HOUSING COMMITTEE

48. HOMELESSNESS STRATEGY DEVELOPMENT AND CONSULTATION 129 - 156

Contact Officer: James Crane Tel: 292933

Ward Affected: All Wards

49. ROUGH SLEEPING UPDATE 157 - 164

Contact Officer: Jenny Knight Tel: 29-2960

Ward Affected: All Wards

50. ITEMS REFERRED FOR COUNCIL

To consider items to be submitted to the 30 January 2014 Council meeting for information.

In accordance with Procedure Rule 24.3a, the Committee may determine that any item is to be included in its report to Council. In addition, any Group may specify one further item to be included by notifying the Chief Executive no later than 10am on the eighth working day before the Council meeting at which the report is to be made, or if the Committee meeting take place after this deadline, immediately at the conclusion of the Committee meeting.

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fifth working day before the meeting.

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Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

For further details and general enquiries about this meeting contact Lisa Johnson, (01273 291228, email lisa.johnson@brighton-hove.gcsx.gov.uk) or email democratic.services@brighton-hove.gov.uk

Date of Publication - Tuesday, 7 January 2014

BRIGHTON & HOVE CITY COUNCIL

HOUSING COMMITTEE

4.00pm 13 NOVEMBER 2013

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillors Randall (Chair), Kennedy (Deputy Chair), Peltzer Dunn (Opposition Spokesperson), Barnett, Davey Farrow, Fitch, Mears, Morgan

PART ONE

27. PROCEDURAL BUSINESS

27A Declarations of Substitute Members

27.1 Councillor Morgan declared he was substituting for Councillor Wilson

27B Declarations of Interests

27.1 Councillors Randall and Fitch, as board members of Brighton & Hove Seaside Community Homes, each declared a Disclosable pecuniary interest in item 31(b) and said they would leave the Council Chamber during consideration of that item.

27C Exclusion of the Press and Public

27.3 In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I (1) of the said Act.

27.4 **RESOLVED** - That the press and public not be excluded from the meeting.

28. MINUTES

28.1 Councillor Farrow referred to paragraph 15.1 and said he hadn't yet received a copy of the letter which was sent to tenants. The Chair apologised and said a copy would be sent. Councillor Farrow also noted that it had been agreed that a report on those

affected by the changes to Housing Benefit would come to the Committee, and asked when that would be. Officers said that a report would be provided in due course.

28.2 Councillor Peltzer Dunn referred to paragraph 23.5, regarding the lack of progress in redeveloping the site of the former Gala Bingo building in Portland Road, and was pleased to say that building work had now started.

28.3 Councillor Farrow referred to paragraph 21.7 and asked if the Community Safety Team were now able to provide a copy of the protocol. The Chair said it was still being worked on, but when it was completed a copy would be provided.

28.4 Councillor Farrow referred to paragraph 22.1, and asked the Chair what day in November the Rough Sleeper count would be undertaken. The Chair said officers would be able to advise him after the meeting.

28.5 RESOLVED – That the Minutes be agreed as a correct record.

29. CHAIR'S COMMUNICATIONS

29.1 The Chair informed the Committee of the following:

A cross party workshop had been held with members of the Housing and Planning Committees. The workshop had looked at estate regeneration, the development of sites in Preston Road and Manor Road and discussed how the committees could work together in the future. The event had been very successful and more would be held. Councillor Kennedy added that it had been very interesting and it had been useful to get a view of proposed developments from a planning perspective. Councillor Farrow thanked Councillor Kennedy for proposing the idea to hold a workshop. Councillor Peltzer Dunn said he had also found it very useful and thanked those who arranged it.

The Chair said he had attended and spoken at the Better Cities conference in Lisbon, which had been very interesting and useful. He confirmed that the event had been funded by the University of Lisbon.

The Council were looking at a scheme to provide a hostel just for women. For some women who were homeless it was wasn't appropriate for them to have to share hostel accommodation with men, and so alternatives were being looked into.

He would be attending the finals of the Apprentice Scheme in Birmingham, and he was pleased to say that the Mears Group were one of the finalists.

Members of the Committee would be invited to see the final property being developed in Preston Road.

The Chair announced that he had given notice of his intention to resign from the Board of Brighton and Hove Seaside Community Homes. The resignation would take effect from the beginning of December. He had decided to resign due to the conflict of also being Chair of the Housing Committee and the Housing Management Consultative Sub Committee.

30. CALL OVER

30.1 It was agreed that all items would be reserved for discussion.

31 PUBLIC INVOLVEMENT

31a.1 There were no petitions

31b.2 A Written Question was submitted by Ms Y Lambrianides. As the question related to Seaside Homes, both the Chair and Councillor Fitch left the room. The Deputy Chair, Councillor Kennedy, took the Chair for this item. The Chair invited Ms Lambrianides to ask her question.

The Question was:

‘Seaside Homes tenants with new born babies have been told that when the baby reaches one year old, they will be re-allocated two bedroom flats. There are so many people already waiting for two bedroom properties so why should Seaside Homes tenants have that privilege, and what gives the Temporary Accommodation Team (TAT) the right above and beyond Home Moves? Surely a two tier approach to council housing is unfair? So I would like to know how TAT re-allocate them and what kind of bigger accommodations are available for them (i.e. Seaside Homes, BHCC, housing association etc) ? ‘

The Chair provided the following response:

‘Seaside Homes tenants do not enjoy the same security of tenure as Council Tenants. They occupy their properties on an assured short hold basis the same as the private sector. Tenants that are placed into Seaside Homes are placed under a number of duties including homeless legislation and the Council is duty bound to ensure that the accommodation is suitable. Seaside tenants are informed that they may apply for a transfer to alternative temporary accommodation if they are sharing with a child, but this will not be considered until the child is at least one year old. The fact that they are on a waiting list does not guarantee that they will receive a move for a substantial period of time and priority varies on a case by case basis. There are currently in excess of 200 household on the two bedroom list long term temporary accommodation. Seaside Homes Tenants are only able to bid for social housing under the Council’s allocation policy. Homeless households are normally in band C unless they have been assessed as requiring an urgent move on mobility or medial basis. This is the same for all people accommodated in Temporary accommodation and there has always been a different system for this group. If the household is accommodated under a different council duty and the accommodation is suitable to meet their needs they are likely to be in Band D with no identified housing need.’

The Chair asked Ms Lambrianides whether she had a supplementary question, and she confirmed she did and asked the following:

‘Why does the Housing Office have no power over Seaside Tenants? The property still belongs to Brighton & Hove City Council, no matter who they let/sublet it to. When Council Tenants have complaints against Seaside Homes Tenants, the Temporary Accommodation Team has a willingness to use more resources to defend their clients than the Housing Office theirs so we have a situation where Seaside Homes tenants have better representation than Council tenants!! We have no representation. I was told

by Aaron Burns that he is unable to take any measures against the partner of a Seaside Homes client if they do not appear on the tenancy agreement. Action, if any, is through the tenant. How could we protect ourselves from Seaside Tenant's partner, if no support from Council? On top of that Seaside Home tenants can use both resources. How fair is that?'

The Chair was able to provide a response at the meeting and stated:

'Seaside homes are owned by an independent company under a lease from the Council. The management of these properties is carried out by the Temporary Accommodation Housing Management Team. Anti-Social Behaviour (ASB) is treated extremely seriously by the Council. The Temporary Accommodation Team have one ASB officer to cover long term temporary accommodation, which include the current 300 Seaside properties. Council Tenants have access to their own housing management team if they are experiencing ASB and there is a team of ASB officers who deal with this matter. Where there are incidents of ASB that involve Council and non Council tenants these matters will normally be dealt with by the relevant officer liaising to deal with the matter and attempt to resolve the matter. If the matter is not resolved this may lead to tenancy enforcement against the perpetrator of the ASB. In terms of dealing with ASB from household members, the same position applies to any tenant regardless of who the landlord is. The named tenant is responsible for the conduct of any person either living in or visiting the property. Mr Burns is correct that enforcement action can only be taken against the named tenant the same position if a Council Tenant is a sole tenant. Seaside Homes Tenants are managed by a different housing team and should not have access to housing management provided for Council Tenants. This does not mean of course if a seaside homes tenant makes a complaint about Anti Social Behaviour against a council tenant that this would not be looked into. Since the right to buy there are many properties that have been sold and are now let to private tenants who would have the same access rights to have ASB dealt with.'

The Chair advised Ms Lambrianides that a written copy of the responses would be sent to them.

31c.3 There were no Deputations

32. ISSUES RAISED BY COUNCILLORS

32a.1 There were no Petitions

32b.2 There were no Written Questions

32c.3 There were no Letters

32d.4 There were no Notices of Motion

33. PET POLICY

33.1 The Committee considered the report of the Executive Director Environment Development and Housing on the Pet Policy. The report was presented by Ms E Hitchens, Senior Neighbourhood Officer.

- 33.2 Councillor Barnett asked whether officers checked whether tenants had had their dogs chipped. Officers advised that they would, and added that when compulsory micro chipping was introduced, the Dogs Trust would be involved.
- 33.3 Councillor Morgan said that having a pet could be beneficial for some people, and asked if the authority promoted that. Officers advised that there was a leaflet which promoted the keeping of pets but it was important that people had the right pet for them. Councillor Peltzer Dunn said it was important that tenants should understand the implications of having a pet, the cost implications etc.
- 33.4 Councillor Peltzer Dunn said that the current policy did not limit the number of cats or dogs people had, and said it could be very difficult for officers to have to make a decision if someone was felt to have too many. He suggested that the policy should limit tenants to having only one. The Chair asked for legal advice. The solicitor advised that a rigid policy of only one dog per property could be vulnerable to challenge on the basis that the council had unlawfully fettered its discretion. The policy could however properly include a provision that 'Permission will normally be given for only one dog', thereby preserving the council's discretion. The Committee agreed, and directed officers to include appropriate wording in the policy. Councillor Rufus asked what would happen if a tenant moved. The solicitor said consent was given for a tenant to keep a pet in a particular property. If the tenant moved, a new consent would be required.
- 33.5 **RESOLVED** – That subject to the inclusion of a provision normally limiting the number of dogs in any household to one, the Housing Committee agrees to the adoption of the Pet Policy.

34. NOMINATION AGREEMENTS

- 34.1 The Committee considered the report of the Executive Director Environment Development and Housing on Nominations Agreements. The report was presented by Ms S Peckham, Head of Temporary Accommodation & Allocation.
- 34.2 Councillor Mears was concerned that there was a lack of information in the report, and would have liked to have seen a list of the Registered Providers, a timescale for the development of the Temporary Accommodation Framework, and details on the different rates of Housing Benefit which could be applied for. Councillor Farrow said that he would have liked to have seen more detailed information in the report, particularly on the Local Authority's liability to meet any rent lost if a property was empty for longer than the agreed timescale. Councillor Peltzer Dunn echoed his colleague's comments and suggested the item be deferred to the next meeting in order for more information to be provided.
- 34.3 Councillor Fitch asked whether there would be any cost implications if a decision was delayed. Officers said negotiations were taking place with contractors and until the terms could be agreed the Authority would continue to incur costs. Councillor Fitch said

on that basis he would suggest that the report be considered today, if further information could be provided for the next meeting.

- 34.4 The Chair agreed that further information could be provided at the next meeting.
- 34.5 A vote was taken on whether to defer the item to the next meeting of the Housing Committee. It was agreed that the matter would not be deferred and a decision taken today.
- 34.6 RESOLVED** -That Housing Committee resolve that the Executive Director Environment, Development and Housing be authorised to enter into Nomination Agreements with Registered Providers on the basis set out in this report, subject to the approval of the terms of the individual Nomination Agreements by the Executive Director Finance and Resources to confirm value for money.

35. EXTRA CARE HOUSING - BROOKE MEAD UPDATE

- 35.1 The Committee considered the report of Mr G Raw, the Executive Director Environment Development and Housing on Extra Care Housing – Brooke Mead. The report was presented by Mr M Reid, Head of Housing Strategy and Development.
- 35.2 The Chair added that extensive discussions had taken place with Planning on the proposals, and Mr Raw said that he had met with the HCA, and they had been very supportive of the scheme.
- 35.3 Councillor Mears noted that there were no parking spaces in the development, and was concerned that visitors would not be able to park. Councillor Mears thought the costs were high and would have liked a breakdown to have been provided. Officers said that the procurement process was still being undertaken, and more information could be provided at a later date.
- 35.4 Officers advised that underground parking was considered, but the cost would have been £700k and so was not feasible. There was parking in the area which could be used. There would be a loading bay, which could be used if there were visits from doctors etc.
- 35.5 Councillor Barnett thanked officers for the report, but was disappointed that the two bedroom flats had gone. Councillor Mears noted that the number of flats had increased and asked for reassurance that they would not be too small. Officers said architects had tried to maximise the number of units, but each one would be of reasonable size.
- 35.6 Councillor Peltzer Dunn noted that the Financial Implications in the report referred to 44 units, but in the report it says 45 and asked for clarification. Officers advised that there were going to be 44, but recent discussions with Planning had enabled the design to be changed to allow an additional unit which would be a two bedroom flat. The costs would be changing as the matter progressed, but the comments in the report were accurate at this stage. The Accountant confirmed that the cost of £8.3m was correct; there would be

some variation but if there were any significant changes the matter would go back to the Policy & Resources Committee.

35.7 RESOLVED - That Housing Committee –

(1) Delegate authority to the Executive Director Environment Development & Housing to enter into the Care & Support Specialist Housing Fund (2013-18) Funding Agreement with the Homes & Communities Agency, the key elements of which are set out in this report.

(2) Recommend that the Policy & Resources Committee approve a capital programme budget up to a maximum of £8.3 m for the delivery of Brooke Mead extra care scheme to be financed through unsupported borrowing in the Housing Revenue Account, HCA Grant and a contribution from ASC.

(3) Delegate authority to the Executive Director Environment Development & Housing (in consultation with the Executive Director Finance & Resources) to enter into the necessary contracts (including with a development partner as necessary) to secure:

- (i) the demolition of the existing building as previously agreed by Policy and Resources Committee (21 March 2013);
- (ii) the design and build operations required to complete the development of the extra care housing scheme at Brooke Mead as described in this report; and
- (iii) the housing management operation, in respect of the new extra care housing scheme.

36. NEW HOMES FOR NEIGHBOURHOODS - DEVELOPMENT OF NEW HOMES ON HOUSING REVENUE ACCOUNT LAND

36.1 The Committee considered the report of the Executive Director Environment Development and Housing on New Homes for Neighbourhoods – Development of New Homes on Housing Revenue Account Land. The report was presented by Mr S Smith, Estate Regeneration Programme Manager and Mr N Parlett, LSH Financial Consultants

36.2 Councillor Morgan thanked officers for the report and said it was a good example on how sites can be developed, but he said it was important to balance needing housing against losing open spaces.

36.3 Councillor Peltzer Dunn referred to paragraph 3.13, and asked for further clarification on the figures given. Officers suggested it might be useful to have a separate meeting where the financial officers could provide a fuller explanation. Mr N Parlett said he was happy to hold a financial workshop if that would be useful. Councillor Peltzer Dunn thanked officers.

36.4 Councillor Mears said that there were many older people living in the Manor Place locality and it was good to have some accommodation which would allow them to remain in the area.

36.5 RESOLVED –

That Housing Committee Delegates authority to the Executive Director Environment, Development & Housing in consultation with the Executive Director, Finance and Resources to procure and award a contract (or contracts, if appropriate) for demolition works, final feasibility study, design and development of new council housing on the sites of:

- (i) the former Housing Office at Manor Place, Whitehawk, Brighton and
- (ii) 243-245 Preston Road, Brighton and authorises the Head of Legal to complete the required documentation .

37. ACCESS TO HOUSING SERVICES - HOUSING OFFICE ACCOMMODATION STRATEGY

37.1 The Committee considered the report of the Executive Director Environment Development and Housing on Access to Housing Services. The report was presented by Ms H Edgar, Housing Service Operations Manager.

37.2 Councillor Morgan thanked officers for the report and commended officers for the consultation which had taken place for Manor Place, but said he had some concern over the level of engagement undertaken on this matter.

37.3 Councillor Farrow said he would like to know what tenant reps thought about the proposals. He said he was supportive of new homes being built on the site, but at the same time wanted to ensure that proper services were provided for tenants. It had been suggested that some of the Housing Office functions be moved to the nearby library, but with the budget cuts that could be at risk. Councillor Farrow said he wanted proper housing services to be available within the Lewes Road corridor.

37.4 Councillor Fitch said that if the Committee agreed the recommendations it would provide an opportunity for development. Officers should look at both Moulsecoomb Library and Hall, as there could be an opportunity for more homes to be built.

37.5 The Chair agreed that the site could provide a range of opportunities and a housing office could be built within a development. This was a key site which could provide more homes. The Chair advised the Committee that he had received an email from Mr D Murtagh supporting the proposal of building 24 new homes on this site.

37.6 Councillor Mears said she felt it was important to remember that the housing office was for the benefit of tenants.

37.7 Councillor Peltzer Dunn referred to paragraph 5.7, and asked how many tenants paid their rent in cash via Pay Point. Officers said they didn't have the information with them but it could be provided after the meeting.

37.8 RESOLVED –

(1) That Housing Committee approves the Resident Access Strategy set out in sections 4.2 to 4.4 of this report.

(2) That Housing Committee approves the following Changes based on the Resident Access Strategy:

- (i) Closure of the Selsfield Drive Housing Office and relocation of services to the Oxford Street Housing Office by the end of 2013/14
- (ii) Removal of cash desks from the housing offices in 2014/15 once all residents who currently use this facility have been given advice and support to change to other payment methods.

(3) That Housing Committee approves that, once vacated, the Selsfield Drive Housing Office be demolished in order to be redeveloped, subject to planning consent, for new homes under Phase 2 of the New Homes for Neighbourhoods estate regeneration programme.

38. ITEMS REFERRED FOR COUNCIL

38.1 There were no items to be referred to the next Council meeting.

The meeting concluded at 6.00pm

Signed

Chair

Dated this day of

Subject:	Housing Revenue Account Budget 2014/15	
Date of Meeting:	15 January 2014 – Housing Committee 13 February 2014 – Policy & Resources	
Report of:	Executive Director of Finance & Resources Executive Director of Environment, Development and Housing	
Contact Officer:	Name:	Tel: 29-2279
	Monica Brooks and Susie Allen	
	E-mail:	monica.brooks@brighton-hove.gov.uk susie.allen@brighton-hove.gov.uk
Wards Affected	ALL	

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report presents the proposed Budget for 2014/15 as required by the Local Government and Housing Act 1989. Members are required to consider the budget proposals including savings and service pressures as well as changes to rents, fees and charges.
- 1.2 The council's Housing Revenue Account (HRA) contains the income and expenditure relating to the council's social landlord duties, of approximately 11,800 properties and 2,600 leasehold properties. The income and expenditure related to these properties are accounted for separately from the council's other services/activities which form part of the council's General Fund.
- 1.3 In managing the HRA, the budget strategy continues to aim at reducing management overhead costs in order to optimise investment in service delivery to the benefit of our tenants and leaseholders and that reduces inequality, improves homes and sustains local neighbourhoods.
- 1.4 At the time of writing this report the council is awaiting confirmation from the Government of the 2014/15 rent restructuring guidance relating to the target rent convergence date. The government is yet to confirm whether 2014/15 or 2015/16 will be the final year of rent convergence when setting the rents for April 2014. Therefore two sets of budget proposals and rent increases have been prepared based on each of the possible convergence years. Confirmation is due mid-to-late January and the report to Policy & Resources Committee will include the budget and rent proposals based on the confirmed rent convergence date.

2. RECOMMENDATIONS:

- 2.1 That Housing Committee recommend that Policy & Resources Committee:

- (a) Approves and recommends to Council the budget for 2014/15 as shown in Appendix 1 according to the final year of rent convergence to be confirmed by government in its rent restructuring guidance for 2014/15.
 - (b) Approves individual rent increases and decreases in line with rent restructuring principles as determined by the Government and detailed in paragraphs 3.12 to 3.16, and according to the final year of rent convergence to be confirmed by government in its rent restructuring guidance for 2014/15.
 - (c) Approves the changes to fees and charges as detailed in Appendix 2.
 - (d) Approves the new service charges outlined in Appendix 2 including the phased implementation of the new Intensive Housing Management charge.
- 2.2 That Housing Committee agree that officers should begin consultation with tenants on the implementation of new service charges in accordance with the tenancy agreement.

3. HRA BUDGET PROPOSALS 2014/15

Summary

- 3.1 A local authority's HRA must be in balance, and the authority must show in its financial planning that HRA income meets expenditure and that the HRA is consequently viable. The introduction of self financing of the HRA from 1st April 2012 means that the authority needs to ensure sufficient funds are available to meet the future management, repairs and investment needs of the stock. Self financing has given authorities the freedom to plan for the longer term and has given greater emphasis to the 30 year business planning process.
- 3.2 In a continuing drive to ensure value for money within the service, benchmarking of both service quality and cost is used extensively to identify opportunities for better efficiency. Benchmarking against comparator organisations and an analysis of the outcome of the Housing Quality Network value for money review in 2012 identified an efficiency savings target of £1.028m over 2 years to ensure that the service provides value for money. To continue this efficiency drive, the target set for 2014/15 was £0.438 million and this has been met through a reduction in management costs of £0.488 million included in the savings in paragraph 3.10 below.
- 3.3 The HRA Budget 2014/15 aims to balance the priorities of both the council and housing residents within the context of the Corporate Plan 2011-2015, which sets out the council's strategic direction and priorities for the next three years, based around the four council priorities:
- Tackling inequality
 - Creating a more sustainable city
 - Engaging people who live and work in the city
 - Modernising the council

3.4 The HRA revenue strategy focuses upon investment to deliver corporate priorities:

1. Investment to tackle inequality and sustain rental income

- Continued Investment in Prevention. Vulnerable residents of the City are over represented within the council's social housing stock. HRA investment in housing related support and the quality of council housing, promotes social inclusion and prevents negative impacts upon Health, Adult Social Care and Children's Services budgets preventing the need for costly statutory interventions such as homelessness support, corporate parenting, hospital and residential care admissions;
- Investment in housing support for older people. Enhancing our sheltered housing model. Working proactively to enable households to retain their existing accommodation and continue to live independently in their own homes;
- Continued investment in providing specialist support services for vulnerable council housing residents on low incomes including services that promote financial inclusion. This is critical for those households impacted by Welfare Reform ;
- Continued Investment through the EU 'Interreg' grant funding in the 'Learning Cities' project will deliver support to council tenants that enhance the employability of individuals, and so improve their and their family's life chances;
- Continued investment in specialist tenancy management and support services to support vulnerable council housing residents and services which tackle the blight of anti-social behaviour.

2. Creating a more sustainable city

The housing management service is developing a Sustainability Action Plan according to One Planet Living principles:

- Providing energy advice to council tenants from operatives as part of the annual gas check and through other energy advice initiatives;
- Tackling fuel poverty through continued investment in providing modern, energy efficient heating for council housing residents;
- Improving the sustainability and energy efficiency of the housing stock in line with the emerging One Planet Living Sustainable Action Plan for council housing. This will include insulation improvements, over-cladding projects, solar PV and improvements to communal lighting;
- Investing in estate regeneration and building new council homes to high sustainability standards;
- Action to increase asset value, tackle overcrowding, and improve well-being through continuation of the loft conversion / extension programme;
- A strategic programme to tackle damp and condensation to contribute to improving health inequalities.

3. Engaging people who live and work in the city

- Further development of tenant and resident involvement and the new tenant scrutiny panel to ensure that tenants and leaseholders have a stronger voice

in the management of council housing within the framework of current policies and priorities;

- Continuing to maximise the social value arising from investment in the Repairs and Improvement Partnership with Mears, through provision of local jobs, raising the aspirations of young people through apprenticeships, and creating local supply chain opportunities. To date this includes:
 - 65 apprentice and work opportunities provided
 - 95% local employment
 - 28 local businesses employed as subcontractors
 - Partnership with City College to enable 35 construction students to gain experience refurbishing empty homes
 - Estate Development Budget run as a not-for-profit business model
 - Supporting the “Waste House” project in partnership with the University of Brighton and Mears. More than 3,000 people, among them students, apprentices, local builders and school children are involved in building the house, with the ambition to train students and apprentices around emerging sustainable industries.

Budget Variations

- 3.5 The HRA budget for 2014/15 is shown in Appendix 1 with the main budget variations detailed in Table 1 below. Employees’ costs include provision for a 1% pay increase along with any known increments.
- 3.6 The inflationary provision for non-employee costs ranges from zero to 2%, with the exception of some contracts where inflationary increases are agreed within the terms of the contract. All income budgets are zero-based¹ and therefore charges are estimated based on known increases in costs or inflation.
- 3.7 The major works leasehold income budget has increased by £0.609 million to reflect a significant increase in planned major works during 2013/14 to blocks containing leaseholders.
- 3.8 The budget for capital financing costs of £8.564 million has increased by £0.416 million. In order to maximise capacity for future borrowing, this budget includes a set aside of £2 million for the future repayment of debt. The budget also includes the repayment of borrowing of £1.274 million with the remaining costs being interest on the outstanding debt.
- 3.9 The budget variances result in a surplus which will be used to support the capital programme and is shown as ‘revenue contributions to capital schemes’ within the Revenue Budget. Savings proposals, service pressures and changes to rents and fees and charges are detailed in paragraphs 3.10 to 3.20 with an Equalities Impact Assessment of the budget proposals shown in Appendix 3.

¹ A zero-based budget is one that is wholly recalculated each year rather than changing incrementally.

Table 1: Main Budget Variations

Variation	With rent convergence ending 2014/15 £'000	With rent convergence ending 2015/16 £'000
Adjusted Budget 2013/14	(0)	(0)
<i>Increases in Resources:</i>		
Savings Proposals as detailed in paragraph 3.10	(1,303)	(1,303)
Increase in rent for dwellings (net of empty properties)	(1,188)	(888)
Increase in major works income from leaseholders	(609)	(609)
<i>Reductions in Resources:</i>		
Employees pay award and other inflation	405	405
Service Pressures as detailed in paragraph 3.11	870	870
Increase in capital financing costs	416	416
Revenue contribution to capital schemes	1,350	1,050
Other Minor Variances	59	59
Original Budget 2014/15	(0)	(0)

Savings & Service Pressures

3.10 The HRA Budget strategy provides savings of £1.303m for reinvestment in services and the capital programme in 2014/15 by:

- Reducing housing management costs by £0.488m following the redesign of services such as the estates cleaning and neighbourhood response services; reducing the number of service access points around the City and continuing improvements in efficiency;
- Increasing income by £0.485m per annum through the introduction of service charges to tenants for common way electricity, lift servicing and a revision to the TV aerial charge to cover the servicing and maintenance element. This also includes increases to the commercial property portfolio income. Details of the proposed fees and service charges are shown in Appendix 2.
- A net increase in income of £0.260m as a result of a revised charge to tenants in sheltered accommodation for intensive housing management, taking account of a remodelled service and the reduction in supporting people funding of £0.340m. The proposal is to redesign the sheltered service with costs covered by service charges eligible for Housing Benefit making the service more financially secure. The remodelled service will be more aligned to health and social care outcomes and designed to respond to the changing demographics of the older population.
- Reducing maintenance unit costs through service efficiencies in the Repairs and Maintenance partnership contract saving £0.070m.

3.11 The required reinvestment in services is currently estimated at £0.870m with the remaining savings of £0.433m being reinvested in the capital programme. The revenue pressures requiring reinvestment are:

- A review of the Homemove and Housing Options budgets has identified that a greater proportion of time is spent on HRA properties than previously budgeted resulting in a reallocation of costs of £0.132m;
- £0.258m is required for investment in staffing as part of our action to mitigate against the potential negative impacts of Welfare Reform and to reduce financial and social inequality. This includes housing management staff working with families in multiple deprivation and funding for a mutual exchange scheme supporting those under-occupying to move to more suitable and financially sustainable accommodation;
- In response to feedback from sheltered residents and the increasing complexity of needs of some residents, £0.160m is being re-invested in extra staffing for the Sheltered Service;
- An additional £0.030m to provide statutory storage facilities for HRA tenants who abandon their accommodation. This budget requirement results from a number of residents making a bid to take over the current storage space at Robert Lodge for community space;
- Investment of £0.145m for legal, health and safety, and human resources to support the delivery of service redesigns and to meet health and safety legislation within the property and investment service;
- A contribution of £0.145m for grants to community groups working in and around council estates to enhance community cohesion and the lives of our residents by, for example, helping to deliver the council's financial and digital inclusion programmes.

Rents 2014/15

- 3.12 Rents for 2014/15 will continue to be calculated in accordance with the government's current rent restructuring guidelines. Target rents for each property are calculated based on the relative property values, bedroom size and local earnings. The act of moving tenants' current rents to the target rent is called rent convergence. In order to limit increases in current rents to reach target rents, the current guidance specifies a maximum rent increase equivalent to Retail Price Index (RPI) inflation + ½% + £2 per week.
- 3.13 The government has recently published a consultation document covering changes to social housing rent policy which is set to apply from April 2015 onwards. The current basis on which social housing target rents are set will still apply. The main changes to be introduced are that the annual increases with effect from April 2015 will change from RPI + ½% + £2 per week to Consumer Price Index (CPI) + 1%. This change will remove the flexibility of social landlords to increase social rents each year by an additional £2 where rents are below target.
- 3.14 For 2014/15 rents, local authorities must still use the September 2013 RPI of 3.2% plus ½% for setting rent inflationary increases. However the government has not confirmed when setting the rents for 2014/15 whether local authorities should treat 2014/15 or 2015/16 as the final year of convergence for limiting rent increases. This will be announced in January after the rent consultation ends. Therefore, the rent calculation and budgets proposed in this report are based on two assumptions: one which assumes that 2014/15 will be the final year of rent convergence and the other based on the final year being 2015/16. Confirmation will be received from the government in time for the final recommendations to Policy & Resources Committee on 13 February 2014.

- 3.15 Rent convergence in 2014/15 would result in an average rent increase of 5.43% for Brighton & Hove, as the majority of rents are increasing towards target rents. If rent convergence remains in 2015/16 the average increase will be 4.81%. Table 2 below provides details of the average rents and increases.

Table 2: Rent increases

Rent Convergence Year	Average weekly rent increase 2014/15 %	Average weekly rent for 2014/15	Average weekly rent increase for 2014/15	Maximum weekly increase 2014/15	Lowest increase/ (decrease)
Year 2014/15	5.43%	£83.72	£4.31	£7.28	(£1.37)
Year 2015/16	4.81%	£83.23	£3.82	£7.22	£0.57

- 3.16 It should be noted that approximately 70% of tenants are in receipt of housing benefit. The average rents still remain the lowest and the most affordable in the city, and offer our tenants secure accommodation. In 2013/14 rents were 69% lower than the private sector and in 2012/13 15% lower than housing associations in the area.

Fees and Service Charges 2014/15

- 3.17 The government introduced rent restructuring with the aim of creating rents that are fair and affordable. Rents are not calculated to take into account any service charges and only include all charges associated with the occupation of a dwelling, such as maintenance of the building and general housing management services.
- 3.18 Service charges should therefore reflect additional services which may not be provided to every tenant or which may be connected with communal facilities rather than to a particular occupation of a house or flat. Different tenants may receive different types of service reflecting their housing circumstances. Tenants are already paying for a variety of different services such as cleaning services and grounds maintenance, depending on where they live in the City.
- 3.19 Now that the HRA is self financing, it is ever more important to ensure its long term viability. The authority must ensure sufficient funds are available to meet the future management, repairs and investment needs of the stock to keep homes decent and to invest in building new affordable housing.
- 3.20 The proposed fees and charges for 2014/15 are set out in Appendix 2. This year the proposals include new service charges to recover the costs of servicing and maintaining lifts and the costs of communal electricity in blocks of flats. It also includes a new charge for Intensive Housing Management which will replace the Supporting People charge. All service charges are reviewed annually to ensure full cost recovery and also to identify any

service efficiencies which can be offset against inflationary increases, to keep increases to a minimum. New service charges and those that have increased by more than the standard inflation provision are explained in further detail in Appendix 2. In most cases the new charges will be covered by Housing Benefit. The impact of the new service charges on different groups in the community is included in the Equalities Impact Assessment at Appendix 3.

Medium Term Financial Forecast

- 3.21 The introduction of self financing in 2012 has provided additional resources from the retention of all rental income and, through greater control locally, will enable longer term planning to improve the management and maintenance of council homes. Although there are additional resources available in the long term, self financing includes a cap (or limit) on the amount of HRA borrowing for capital investment by each local authority. This limit is currently set at £156.8m for Brighton & Hove and the estimated total borrowing up to 31 March 2017 is £117.4m, providing additional borrowing capacity of £39.4m. The government has recently announced in the Autumn statement that it will increase the funding available for new affordable homes, by increasing local authority Housing Revenue Account borrowing limits nationally by £150 million in 2015-16 and £150 million in 2016-17, allocated on a competitive basis and from the sale of vacant high-value social housing. This funding will support around 10,000 new affordable homes nationally and will form part of the Local Growth Fund, available to local authorities who have a proposal agreed by their Local Enterprise Partnership (LEP). Full details of these proposals have yet to be received by local authorities.
- 3.22 The HRA 30 year Business Plan will be updated in early 2014 to reflect the recent autumn statement announcements, the impact of the proposals from the social rent 2015/16 consultation and the 2014/15 budget proposals. This will enable a review of future opportunities for additional investment in existing housing stock and building new homes and how the housing debt could be structured to accommodate these plans or possibilities. In the meantime, until a debt strategy is developed, the Budget Strategy assumes that all revenue surpluses that are not required for capital investment are set aside for the repayment of debt. This will reduce the interest payments on existing debt and provide greater headroom in the borrowing limit for future development opportunities. A Medium Term Financial Forecast for years 2014/15 to 2016/17 will be included as an appendix to the HRA budget report to Policy & Resources Committee in February once final confirmation of rent convergence is received from government.

Projected HRA Revenue Reserves

- 3.23 Table 3 details the projected revenue reserves for 2014/15 which are estimated at £4.298m as at 31 March 2015. Movements in reserves include a contribution of £1.500 million to fund the 2013/14 capital programme with a further £0.500 million for 2014/15 and an estimated contribution of £0.237 million from the 2013/14 revenue forecast outturn.
- 3.24 The recommended working balance (minimum level of reserves) is £2.800 million. Therefore, after taking this into account, usable revenue reserves are projected at £1.498 million at 31 March 2015, which can be used to support one off items of expenditure.

Table 3: Projected Unearmarked Revenue Reserves at 31 March 2015

	£'000
Reserves at 1 April 2013	6,061
Plus: Forecast contribution from 2013/14 Revenue Outturn at month 7	237
Less: Use of Reserves to fund the capital programme 2013/14	(1,500)
Projected reserves at 31 March 2014	4,798
Less use of reserves to fund the capital programme 2014/15	(500)
Total Projected Balance at 31 March 2015:	4,298
Applied to:	
Working Balance	2,800
Usable revenue reserves	1,498

- 3.25 Estate Development Budget reserves, which are held separately from the HRA general reserves above, are £0.246 million as at 1 April 2013. These reserves relate to committed revenue and capital expenditure for schemes agreed in previous financial years that are not yet completed.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The budget process allows all parties to engage in the scrutiny of budget proposals and put forward viable alternative budget proposals to Budget Council on 27 February 2014. Budget Council has the opportunity to debate both the proposals recommended by Policy & Resources Committee at the same time as any viable alternative proposals.
- 4.2 Rents have been set in accordance with the government's rent restructuring guidance. In previous years, the Housing Subsidy Determination controlled rent setting increases by removing resources from local authorities through non compliance. Although the subsidy system is now abolished, increases in rents above rent convergence will be subject to the rent rebate limitation which sets a limit on the level of rent increases. Any increases above this limit would result in a loss of Housing Benefit Subsidy, which is payable by the HRA.
- 4.3 The government's policy for rent restructuring is to ensure rents are fair and equitable nationally. Although the authority can set rents at a lower level than rent restructuring, this would bring the rents out of line with national policy. The government's self financing valuation agreed at April 2012 is based on using the rent restructuring formula and was set at a level to provide a balanced business plan over the next 30 years. Reducing rental increases away from those levels included in the valuation will affect the 30 year Business Plan and therefore reduce the level of resources available to fund future repairs, maintenance and improvement works. For example a 1% reduction in the rental increase for 2014/15 (saving each tenant an average of £0.79 per week in rent increase) would result in a loss of rental income of approximately £1.5 million over the next three years (£5.7m over 10 years, £24m over 30 years).

- 4.4 This budget proposes new service charges for lift servicing and maintenance, electricity for common ways and mobility scooter storage bays. These are estimated to raise £0.108m, £0.276m and £0.006m respectively per annum for the HRA (at 2014/15 prices). There is also an additional charge proposed to be added to the current TV aerial charge to allow for the on-going servicing and maintenance. This raises a further £0.051m per annum. These charges are only for those tenants that directly benefit from these services. The income from these charges will be used for investment in maintenance and improvements to tenants' homes. Over a ten year period, this amounts to £4.410m excluding inflationary increases.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 At the Citywide Assembly, in November 2012, residents looked at a list of service priorities originally identified at Area Panels and discussed in groups their views about each area. They then identified specific areas of work that they would like to see prioritised. The wider Assembly then voted on each of these areas. Priorities which received the most support from either the assembly or from other tenant feedback included:

- Solar panels for revenue generation and reducing bills
- Review assets to see if any can be sold e.g. offices, garages or land
- Reacting to, and feeding back on, anti-social behaviour
- Increase rents for new homes and those who can afford it
- Lifts to be repaired quicker
- Draught proofing checks for homes
- Faster response when repairs are reported
- Reacting quickly when a vulnerable tenant has not been seen

- 5.2 These tenant priorities have continued to inform the budget setting process for 2014/15. The various tenant groups around the City have been consulted and shared their views on a variety of budget issues, for example:

- Tenants have been consulted through Area Panels and HMCSC on the office accommodation/access to service changes and the agreement to close the 4 remaining cash desks and Selsfield Drive housing office which forms part of the proposed efficiency savings for the budget.
- There has been consultation around the new Brighton & Hove Standard for Decent Homes spend for next year to include more choice on kitchen and bathroom finishes, and tenants have been involved in working up a revised Lettable Standard to achieve better value for money for the capital programme.
- Tenant involvement meant that amendments were made to the capital programme in relation to the loft and extension scheme to ease overcrowding.
- Similarly, the Business and Value for Money Service Improvement Group has identified support for financial inclusion work for tenants as a priority for them.

- 5.3 Further consultation will start immediately after Housing Committee and focus on the implementation of the new service charges and further consideration of how any adverse impact on tenants and leaseholders can be mitigated..
- 5.4 It is proposed that the consultation should take the form of focus groups with affected tenants (particularly those not in receipt of Housing Benefit) and meetings with the Sheltered Housing Action Group and the High Rise Action Group.

6. CONCLUSION

- 6.1 The Local Government and Housing Act 1989 requires each local authority to formulate proposals relating to income from rent and charges, expenditure on repairs, maintenance, supervision and management and any other prescribed matters in respect of the HRA. In formulating these proposals using best estimates and assumptions the Authority must set a balanced account. This budget report provides a breakeven budget and recommends rent increases in line with current government guidance.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The financial implications are contained within the main body of the report.

Finance Officer Consulted: Monica Brooks/Susie Allen *Date:* 11/12/13

Legal Implications:

- 7.2 Section 6 of the report outlines the legal framework for the HRA. The Housing Committee cannot approve the HRA Budget for 2014/15. The council's constitution provides that the Policy & Resources Committee is responsible for formulating budget proposals for approval by full council.

Lawyer Consulted: *Name* Liz Woodley *Date:* 09/12/13

Equalities Implications:

- 7.3 The HRA budget funds services to people with special needs resulting from age, vulnerability or health. To ensure that the equality impact of the budget proposals is fully considered as part of the decision making process, an Equality Impact Assessment screening document for the HRA budget proposals has been prepared and is included in appendix 3 of this report. Full equality impact assessments have been developed on specific areas where required. As part of the council's engagement process, a series of meetings are planned to be held with specific communities of interest in January/February to explore the issues for these groups arising from the council's budget changes.

Sustainability Implications:

- 7.4 The HRA budget will fund a range of measures that will benefit and sustain the local environment. The self-financing settlement will provide a framework within which all local

authorities can sustain their stock in a good condition in the future. This should enable the council to deliver a range of measures that will benefit and sustain the local environment.

Risk and Opportunity Management Implications:

- 7.5 Financial risks have been assessed throughout the development of the council's HRA budget. The introduction of Self Financing means that all the risks inherent in running social housing landlord services will now transfer from the government to the local authority. The key risks which will need to be managed and developed as sensitivities and scenarios within the model may include:
- Inflationary risk where expenditure inflation is greater than income, particularly with rental increases determined by national rent policy;
 - Managing interest rate fluctuations and the debt portfolio;
 - Long term capital and maintenance responsibilities compared with available resources;
 - Balancing regeneration and redevelopment needs with tenants priorities.

Corporate / Citywide Implications:

- 7.6 The Budget seeks to improve the quality of housing and services provided to tenants across the City.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix 1: HRA Forecast Outturn 2013/14 and Budget 2014/15
2. Appendix 2: Fees and Service Charges 2014/15
3. Appendix 3 : Equalities Impact Assessment

Documents in Members' Rooms

None

Background Documents

1. 2014/15 Housing Revenue Account Working Papers

HRA Forecast Outturn 2013/14 and Budget 2014/15

	2013/14 Adjusted Budget	2013/14 Forecast Outturn	2014/15 Original Budget (with rent convergence ending 2014/15)	2014/15 Original Budget (with rent convergence ending 2015/16)
	£'000	£'000	£'000	£'000
EXPENDITURE				
Employees	8,594	8,608	8,838	8,838
Premises - Repairs	11,028	11,032	11,199	11,199
Premises - Other	3,363	3,192	3,413	3,413
Transport	143	142	132	132
Contribution to Bad Debt Provision	288	288	291	291
Supplies & Services	1,770	1,794	1,854	1,854
Third Party Payments	147	144	183	183
Support Services - From Other Departments	2,034	2,126	2,182	2,182
Revenue Contributions to Capital Schemes*	20,774	20,774	22,124	21,824
Capital Financing Costs	8,148	7,917	8,564	8,564
Total Expenditure	56,289	56,017	58,780	58,480
INCOME				
Rents Dwellings *	(49,235)	(49,218)	(50,423)	(50,123)
Rents Car Parking / Garages	(823)	(867)	(876)	(876)
Commercial Rents	(446)	(466)	(506)	(506)
Service Charges	(5,397)	(5,317)	(6,583)	(6,583)
Other Recharges and Interest	(388)	(386)	(392)	(392)
Total Income	(56,289)	(56,254)	(58,780)	(58,480)
TOTAL DEFICIT / (SURPLUS)	0	(237)	(0)	(0)

* Note that the budget proposal with the rent convergence year of 2015/16 results in £0.300 million less rental income with a corresponding reduction in expenditure through the revenue contribution to capital schemes.

Housing Revenue Account Fees and Service Charges Proposals 2014/15

All fees and service charges are reviewed annually to ensure full cost recovery and also to identify any service efficiencies that can be offset against inflationary increases to keep increases to a minimum. The following table lists all of the HRA fees and service charges proposed for 2014/15. New charges, and those charges that are proposed to increase by more than standard inflation, are explained in further detail below the table.

	Number of tenants affected	Estimated Number not eligible for HB	Eligible for HB	Current Average Weekly Charge 2013/14	2014/15 proposed Average increase/ (decrease) %	2014/15 proposed Average Charge	2014/15 Proposed average increase/ (decrease) per week £	Comments
Grounds Maintenance	5,757	1,444	Yes	£0.64	1.0%	£0.65	£0.01	Contractual increase
Communal cleaning	5,482	1471	Yes	£2.78	Nil	£2.78	Nil	Full cost recovery without increasing charges because of reduced staffing costs within this service
Communal heating – gas	1,110	1,110	No	£8.94	2.2%	£9.13	£0.19	See heating paragraphs below
Communal heating - electric	79	79	No	£7.13	17.0%	£8.34	£1.21	See heating paragraphs below
TV Aerials	4,942	1,297	Yes	£0.56	36.0%	£0.76	£0.20	New element to pay for servicing and maintenance. See Paragraphs below
Sheltered Services – common ways	850	112	Yes	£8.44	2.5%	£8.65	£0.21	Contractual increases to aid cost recovery
Sheltered Services-laundry	827	109	Yes	£1.33	Nil	£1.33	nil	No contractual increase
Water	147	147	No	£3.43	5.0%	£3.60	£0.17	Average Increase for recovery of costs.

	Number of tenants affected	Estimated Number not eligible for HB	Eligible for HB	Current Average Weekly Charge 2013/14	2014/15 proposed Average increase/ (decrease) %	2014/15 proposed Average Charge	2014/15 Proposed average increase/ (decrease) per week £	Comments
Video Entry	12	3	Yes	£0.96	Nil	£0.96	nil	No change
Guest rooms	n/a		No	£8.80 per night	Nil	£8.80	nil	No Change
Intensive Housing Management (was Supporting People)	850	73	Yes	£12.85	17.2%	£15.06	£2.21 in 2014/15	Supporting People charge to be replaced by a new Intensive Housing management charge – see paragraphs below
Garages & Car Parking	2,377	N/A	No	£8.27	3.2%	£8.54	£0.27	September RPI
Proposed new service charges								
Electricity – communal ways	5,410	1,467	Yes	n/a	n/a	£1.00	£1.00	See details in paragraphs below
Lift Servicing and maintenance	2,452	571	Yes	n/a	n/a	£0.85	£0.85	See details in paragraphs below
Mobility Scooter Storage			No	n/a	n/a	£4.00	£4.00	See details in paragraphs below

Heating

The heating and hot water service charges for residents with communal gas fired boilers are proposed to increase by an overall average of 2.16% or £0.19 per week from 1 April 2014. Changes to charges vary between the maximum reduction of 14.1% or £1.21 per week to a maximum increase of 15.1% or £1.07 per week. Under the current corporate gas supply contract, the unit price for gas is revised annually in October each year. From October 2013, the unit price for gas has increased by an average of 4% for blocks with communal boilers. However, the latest review of gas consumption shows a reduction in estimated energy consumption in a number of blocks resulting from a mixture of improvements including boiler upgrades and replacements, and the installation of solar panels for hot water. This has

therefore contributed to the overall average increase in service charges of 2.16%. This compares favourably with the recent domestic increases announced in the press of between 10% and 12% and demonstrates the value for money that tenants are receiving from being part of the corporate contract for gas.

Two council blocks (Elwyn Jones Court and Broadfields) are heated by electric heating systems. Service charges for these blocks will be amended from 1st April to reflect the new contract price and the latest estimates of consumption. This will mean an average increase from £7.13 per week to £8.34 – a rise of 17% (£1.21 per week) for these tenants. This is a large increase, however, these tenants received a 16.5% reduction in their heating charges from 1st April 2010 with no increases since. The average charge per week still represents good value for money when compared to the average bills across the South East.

TV Aerials

The current charge for digital TV aerials of £0.56 per week, which is for the installation costs associated with the aerials, is being increased from 1st April 2014 to £0.76 per week to reflect the annual servicing and maintenance costs. This charge is eligible for housing benefit.

Water

147 tenants receive a service charge for water as the council pays the bills for some meters and recharges tenants accordingly. Charges proposed for 2014/15 are being set at an average increase of 5% to an average charge of £3.60 per week. The increase ranges from 0% to a maximum increase of 10% or £0.33 per week. These increases reflect the expenditure for water during the past year as well as estimated inflation from Southern Water for 2014/15.

Intensive Housing Management (replaces Supporting People charge)

The current Supporting People charge of £12.85 per week is being replaced by a new charge for 'Intensive Housing Management' to reflect a proposed redesign of the sheltered service. It should be noted that the current service charge has not been subject to inflationary increases since it was introduced in 2003 and therefore does not reflect the cost of the service. The new charge has been calculated at £19.92 per week but to limit the increase to tenants, the budget proposes that the increase is phased-in over a three-year period. For 2014/15 the proposed charge is £15.06, an increase of £2.21 or 17.2%. The new charge will be eligible for Housing Benefit. It is estimated that 73 tenants that currently pay the £12.85 charge will be affected by this increase. All tenants required to pay this increase will be visited to explain the changes and to ensure that they are claiming all the welfare benefits available to them.

Transitional Protection for Sheltered Tenants

33 tenants in sheltered blocks do not pay the current support charge of £12.85 as they have received transitional protection since the charge was introduced in 2003. This report therefore proposes that this protection be removed gradually over a three-year period. The proposal is that any tenant currently receiving transitional protection should pay one third (£6.64) of the new charge in the first year. Then the remainder of the charge will be phased in over a further 2 years. All tenants receiving transitional protection will be visited to explain the introduction of the charge and to ensure that they are claiming all the welfare benefits available to them.

Electricity for public ways and lifts

This is a new service charge for the electricity associated with the lighting in and around blocks of flats including landing lights, outside lighting of walkways between blocks and electricity for lifts. Leaseholders in blocks of flats already pay for public way electricity in their service charges. It is proposed that those tenants living in blocks of flats that benefit from this communal lighting should also pay for these services. This achieves greater equity as otherwise it means that all tenants, including those in houses, are paying towards these services, which is neither equitable nor correct. The charge varies for each block depending on the consumption of electricity and ranges between £0.09 to £2.75 per week, the average charge being £1.00. This charge affects 5,410 tenants across the city. The majority will not have to pay this charge as it will be covered by their housing benefit. An estimated 1,467 tenants will be eligible to pay this charge.

Lift servicing and maintenance

Similarly, this is a new service charge that aims to ensure that only those tenants with lifts in their blocks pay for lift services along with Leaseholders who already pay these service charges. This service charge recovers the annual costs of servicing each of the 102 lifts in the City as well as any revenue maintenance charges associated with the lift. The proposed charge is £0.85 per week for the 2,452 tenants across the city. The majority (1,881) of tenants will not need to pay this charge as it will be covered by their housing benefit. An estimated 571 will be eligible to pay this charge.

Mobility Scooter Storage

Brighton and Hove city council is working with East Sussex Fire and Rescue Service to keep communal landings as safe as possible. After extensive consultation with members and residents, mobility scooter storage units have been built at a number of blocks round the City. The proposed charge for each store is £4.00 per week, including scooter charging electricity costs.

Electricity usage will be monitored over a six month period and tenants will be notified of any change to the charge as necessary.

Budget Screening Equality Impact Assessment Template 2014/15 – Service-Users

1. Service Area	Housing (Council Housing: Housing Revenue Account)	2. Budget Proposal Ref. <i>(to be completed by Finance)</i>
3. Head of Service	Geoff Raw	
4. Budget Proposal	<p>Briefly and simply explain what budget changes are proposed.</p> <hr/> <p>Approach: The Housing Revenue Account is ring fenced for the management and maintenance of council owned housing stock. Our aim is to reduce our management and preventable maintenance costs to free up money to tackle inequality and improve homes and neighbourhoods</p> <p>Budget Proposal 1. Annual Rent Increase Increases in rent charges are calculated in accordance with the Governments rent restructuring guidelines. Local authorities use the September 2013 Retail Price Index of 3.2% plus 0.5% for setting rent inflationary increases plus £2 where rents are below target rents. The government has yet to confirm when setting the rents for 2014/15 whether local authorities should treat 2014/15 or 2015/16 as the final year of convergence for limiting rent increases. This will be announced in January. Therefore, the rent calculation and budgets proposed in this report are based on two assumptions, one with the final rent convergence year of 2014/15 and the other based on the final year being 2015/16. Confirmation will be received from the government in time for the final recommendations to Policy and Resources Committee on 13th February 2014.</p> <p>For the rent convergence year 2015/16, this results in an average rent increase of 5.43% for Brighton & Hove which is equivalent to an average increase of £4.31 per week, increasing the average rent to £83.72. For the rent convergence year 2014/15, this results in an average rent increase of 4.81% for Brighton & Hove which is equivalent to an average increase of £3.82 per week, increasing the average rent to £83.23.</p> <p>Budget Proposal 2. Service Charges To increase six of our service charges in line with contractual inflationary increases. Four other service charges will remain at 2013/14 levels.</p> <p>Budget Proposal 3. Savings - Estate Regeneration (£32,000) Salaries of staff working on regeneration projects can be charged to the relevant capital projects to reduce</p>	

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		<p>revenue costs.</p> <p>Budget Proposal 4. Savings - Reduction in Housing Management costs (£316,000) Decrease in staffing costs arising from service redesign such as reduced number of housing offices and cash desks.</p> <p>Budget Proposal 5. Savings - Charge common way service charges to those tenants benefiting (£435,000) - (Common way electricity - £276,000; lift maintenance £108,000 and TV aerial maintenance £51,000) Leaseholders pay their share of the costs for their building for common way electricity, lift maintenance and TV aerial maintenance but the tenants' share of the costs are currently being covered by all tenants' rental income rather than being directly paid by those tenants living in the blocks that benefit. The proposal is to charge these services directly to the tenants that receive the services.</p> <p>Budget Proposal 6. Savings - Remodel sheltered housing and charges (£260,000) Sheltered Housing services are currently partially funded through housing related support funding (formerly Supporting People). This funding has been reducing year on year and is coming to an end which risks the viability of the service. The proposal is to redesign the sheltered service with costs covered by service charges eligible for Housing Benefit (HB) making the service more financially secure. The remodelled service will be more aligned to health and social care outcomes and designed to respond to the changing demographics of the older population. Through the review of Sheltered Housing we are also seeking to enhance the service based on feedback from consultation with residents, staff and other stakeholders.</p> <p>Budget Proposal 7. Savings - Redesign of service delivery in the Estates service (£140,000) Review service to match resources with demand with some posts being deleted. Service charging realigned and opportunities for more value for money work explored - subject to consultation.</p> <p>Budget Proposal 8. Savings - Efficiencies in Repairs & Maintenance Partnership Contract (£70,000) To reduce costs of empty property repairs through the use of agreed target pricing with contractor.</p> <p>Budget Proposal 9. Savings - Increase charges within HRA commercial property portfolio (£50,000) Review management arrangements of the commercial property portfolio and ensure property rents are in line</p>	

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		with the market.	
5. Summary of impacts		<p>Highlight the main / most significant potential impacts which will need to be mitigated or avoided</p> <hr/> <p>Budget Proposal 1. Annual Rent Increase This generates income to invest in homes and services for council housing residents. An increase in rents in conjunction with the Government's Welfare Reform Act, changes to housing benefit entitlement from April 2013, such as the under occupancy rules, could lead to financial difficulty for those households affected and those households on a fixed/low income. This may result in loss of income to the Council through rent arrears, and costs associated with the recovery of rent arrears and supporting tenants to downsize to smaller accommodation.</p> <p>Budget Proposal 2. Service Charges Service charges fund services that benefit council housing residents. An increase in service charges will affect those tenants living in specific types of properties i.e. flats and sheltered housing schemes and those households on fixed/low incomes.</p> <p>Budget Proposal 3. Estate Regeneration No impact from these proposals.</p> <p>Budget Proposal 4. Reduction in Housing Management costs Reducing the number of service access points and closing all cash offices may initially make accessing the service more difficult for a small number of tenants, particularly older tenants</p> <p>Budget Proposal 5. Charge common way service charges to those tenants benefiting It is proposed that these services will be charged directly to the tenants that benefit from them:</p> <ul style="list-style-type: none"> Electricity for common way lighting and lifts. This will affect an estimated 5,410 tenants and is eligible for Housing Benefit (HB). Current data suggests 1,467 (28%) tenants who are not eligible for HB will have to pay an average charge of £1.00 per week ranging from £0.09 to £2.75, although 878 tenants will pay less than £1 	

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		<p>per week;</p> <ul style="list-style-type: none"> • Lifts maintenance - to pay for the cost of lift servicing, maintenance and insurance. It will affect 2,452 tenants. The charge is £0.85 per week and will be eligible for HB, so it is estimated that 571 tenants currently not on HB will have to pay this charge; • TV aerial maintenance – for those blocks that had new digital aerials fitted last year. This charge is an additional element that is being added to the TV aerial service charge for aerial service/maintenance. The charge will be eligible for HB and is 20p per tenant per week. Of the 4,942 tenants affected, 3,645 are eligible for HB, so it is estimated that 1,297 will have to pay this charge. <p>Budget Proposal 6. Remodel sheltered housing and charges Potential for increased service charges with an impact on self-funders and those currently receiving transitional protection. The charge is estimated at £19.92 but is being phased-in over a three year period so that the proposed charge for 2014/15 is £15.06. Current figures suggest that 73 self payers, currently paying £12.85, will need to pay the new charge, an increase of £2.21 per week. It is also proposed to phase out transitional protection for approximately 33 tenants who are self funders but currently do not pay this charge at all. The proposal is that these tenants would pay £6.64 per week in 2014/15. Because of the nature of sheltered housing, impacts will be experienced by older and disabled people.</p> <p>Budget Proposal 7. Redesign of service delivery in the Estates service No significant impact for any particular group however changes will be reviewed after 3 months</p> <p>Budget Proposal 8. Efficiencies in Repairs & Maintenance Partnership Contract It is not anticipated that the efficiency savings indentified will affect our residents.</p> <p>Budget Proposal 9. Increase charges within HRA commercial property portfolio No specific impact on any particular group but will affect all HRA commercial tenants in general where their agreement allows for rent increases. The Council must give proper advance written notice of the rent increase however increased rents risk increased arrears which could result in some tenants losing their commercial lease affecting employment opportunities.</p>	

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
<p style="text-align: center;">6. Key actions to reduce negative impacts</p>		<p>What actions are proposed to reduce or avoid potential negative impacts and increase positive impacts?</p> <hr style="border-top: 1px dashed black;"/> <p>Budget Proposal 1. Annual Rent Increase</p> <ul style="list-style-type: none"> • Investment in providing specialist support services for vulnerable residents including the development of services promoting financial inclusion, and piloting the Community Banking Partnership Model. This investment will help to sustain income collection to the HRA. (NB: ‘vulnerability’ in this context may be as a result of a ‘protected characteristics’ under the Equality Act 2010, or may relate to substance misuse, domestic/sexual violence, literacy or finance, for example. It may also change over the period of the tenancy.) • Communication with residents about the forthcoming changes to Housing Benefit (HB) through our website, City Assembly, Homing in, Tenant Associations, Tenant Disability Network and mail shots to affected tenants. • Financial Inclusion Co-ordinators in post to provide targeted case by case support to those households experiencing financial difficulties. • Discretionary Housing Payments fund and other discretionary support options through the Local Authority <p>Budget Proposal 2. Service Charges</p> <ul style="list-style-type: none"> • Four service charges will remain at 2013/14 levels. 6 service charges will be increased by contractual inflationary increases with charges for heating and water also being adjusted for consumption. • Financial Inclusion Co-ordinators in post to provide targeted case by case support to those households experiencing financial difficulties. <p>Budget Proposal 3. Estate Regeneration No impact from these proposals</p> <p>Budget Proposal 4. Reduction in Housing Management costs An EIA will be completed. All customers who use cash desks and Selsfield Drive will be advised of alternative service access points/methods and assisted in setting up new payments.</p> <p>Budget Proposal 5. Charge common way service charges to those tenants benefiting</p>	

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		<ul style="list-style-type: none"> • Future increases will be restricted to contractual obligations • Targeted case by case support to those households experiencing financial difficulties using the Community Banking Partnership model, providing specialist independent money and debt advice, financial literacy training, access to affordable banking products and a possible hardship fund <p>Budget Proposal 6. Remodel sheltered housing and charges An EIA will be completed on the service remodel. The new service charge will be eligible for Housing Benefit (HB) so that anyone receiving HB will not have to pay the charge. Almost 90% of residents in sheltered housing are on HB and so will not experience a financial impact but 73 residents who currently pay £12.85 will experience an increased charge. The newly calculated service charge of £19.92 will be phased-in over a three-year period to avoid large increases. In 2014/15 the proposed charge is £15.06, an increase of £2.21. It should be noted that the current service charge has not increased with inflation since its introduction in 2003. The new charge includes the proposal for additional staffing to enhance the service as part of the service review in line with feedback from residents and other stakeholders. A further 33 tenants who are self funders are currently protected from paying the existing support charge under the Transitional Protection scheme which has been the case since 2003. Transitional Protection will also be phased out to bring parity with other self funding sheltered housing residents. Again this will be phased in over a three-year period. The charge for these tenants in 2014/15 will be £6.64 per week. Meetings will be offered to all sheltered residents impacted by the introduction of the new service charges to offer 1:1 financial and benefits advice.</p> <p>Budget Proposal 7. Redesign of service delivery in the Estates service No significant impact for any particular group however changes will be reviewed after 3 months</p> <p>Budget Proposal 8. Efficiencies in Repairs & Maintenance Partnership Contract</p> <ul style="list-style-type: none"> • It is not anticipated that the efficiency savings identified will affect our residents. <p>Budget Proposal 9. Increase charges within HRA commercial property portfolio Commercial property tenants will be advised to read their lease and seek legal advice. A guide to common commercial lease terms will be developed to support tenants.</p>	

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
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7. Complete all three columns for each group

<p>Age (people of all ages)</p>	<p>Yes</p>	<p>Budget Proposal 1. Annual Rent Increase Reduction in housing benefit (HB) through the Government's welfare reform could potentially affect 804 working age households (7% of all properties). This alongside rent increases could cause financial difficulty. 71% of our tenants are aged between 16 - 64.</p> <p>Budget Proposal 2. Service Charges An increase in service charges could impact upon older residents in sheltered housing (850 tenants) who receive charges for heating, water and common ways.</p>	<p>Budget Proposal 1. Annual Rent Increase</p> <ul style="list-style-type: none"> • Housing Payments for the most vulnerable tenants/those facing exceptional hardship • £0.150m will be maintained into the budget for measures to promote financial inclusion . • Targeted casework for those households affected by the HB changes including promoting the Tenant Incentive Scheme to downsize. • Financial Inclusion Co-ordinators in post to provide targeted case by case support to those households experiencing financial difficulties. • 70% of tenants are on housing benefit <p>Budget Proposal 2. Service Charges</p> <ul style="list-style-type: none"> • Financial Inclusion Co-ordinators in post to provide targeted case by case support to those households experiencing financial difficulties. • Housing Benefit payable on all service charges apart from heating and water charges and nearly 90% of tenants in sheltered accommodation are in
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Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		<p>Budget Proposal 4. Reduction in Housing Management costs Older people are over-represented in the declining numbers who visit offices and cash desks to pay rent</p> <p>Budget Proposal 5. Charge common way service charges to those tenants benefiting An increase in service charges could impact upon older residents in sheltered housing (850 tenants) with lifts. Sheltered tenants have already being paying for common ways through existing service charges.</p> <p>Budget Proposal 6. Remodel sheltered housing and charges Service redesign aimed to make the service more sustainable and better able to meet the needs of older people, particularly an increasing very old age group. Current projections mean that 73 sheltered tenants will need to pay the new charge after HB</p>	<p>receipt of HB</p> <p>Budget Proposal 4. Reduction in Housing Management costs Targeted work with people who use the facilities, to identify alternative service access and payment methods</p> <p>Budget Proposal 5. Charge common way service charges to those tenants benefiting</p> <ul style="list-style-type: none"> • Financial Inclusion Co-ordinators in post to provide targeted case by case support to those households experiencing financial difficulties. • Housing Benefit payable on all service charges apart from heating and water charges and nearly 90% of tenants in sheltered accommodation are in receipt of HB <p>Budget Proposal 6. Remodel sheltered housing and charges</p> <ul style="list-style-type: none"> • An EIA will be completed on the service remodel • Housing Benefit payable on all service charges apart from heating and water charges and nearly 90% of tenants in sheltered accommodation are in receipt of HB

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
			<ul style="list-style-type: none"> • The new service charge is being phased-in over 3 years. Current payers (73 tenants) will see an increase of £2.21 from 1/3/2014. • One to one financial and benefit advice meetings will be offered to all affected sheltered tenants
<p>Disability (a person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities)</p>	<p>Yes</p>	<p>Budget Proposal 1. Annual Rent Increase Rent increases will affect those on a fixed or low income who are not in receipt of full HB. Tenants may also be affected by changes in the Government's welfare reform and changes to DLA and ESA which may cause financial difficulty</p>	<p>Budget Proposal 1. Annual Rent Increase</p> <ul style="list-style-type: none"> • £0.070m continues to be included in the budget to ensure access to Discretionary housing payments for the most vulnerable tenants/those facing exceptional hardship • £0.150m will be maintained into the budget for measures to promote financial inclusion • Targeted casework for those households affected by the HB changes including promoting the Tenant Incentive Scheme to downsize.

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		<p>Budget Proposal 4. Reduction in Housing Management costs People with a mobility or learning disability may find it more difficult to change service access and payment methods.</p> <p>Budget Proposal 5. Charge common way service charges to those tenants benefiting Increased service charges will affect those on a fixed or low income who are not in receipt of HB. Tenants with disabilities may also be affected by Welfare Reform changes to DLA and ESA which may cause them financial difficulty.</p>	<ul style="list-style-type: none"> • Financial Inclusion Co-ordinators in post to provide targeted case by case support to those households experiencing financial difficulties. • Full EIA on rents and service charges increases due to be completed • 71% of tenants are on housing benefit <p>Budget Proposal 4. Reduction in Housing Management costs An EIA will be completed. Targeted work with people to help access services differently, setting up payments by, for example, direct debit.</p> <p>Budget Proposal 5. Charge common way service charges to those tenants benefiting</p> <ul style="list-style-type: none"> • Housing Benefit payable on all service charges apart from heating and water charges (70% of all tenants are on Housing Benefit) • To provide information on the changes to the Fed and Tenant Disability Network how tenants can access support and advice. <p>Budget Proposal 6. Remodel sheltered</p>

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		<p>Budget Proposal 6. Remodel sheltered housing and charges Service redesign aimed to make the service more sustainable and better able to support older and disabled people with higher support needs. Current projections mean that 73 sheltered tenants will need to pay the new charge after HB</p>	<p>housing and charges</p> <ul style="list-style-type: none"> • An EIA will be completed on the service remodel • Housing Benefit payable on all service charges apart from heating and water charges and nearly 90% of tenants in sheltered accommodation are in receipt of HB • The new service charge is being phased-in over 3 years. Current payers (73 tenants) will see an increase of £2.21 from 1st April 2014. • One to one financial and benefit advice meetings will be offered to all affected sheltered tenants

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
<p>Ethnicity/Race (this includes ethnic or national origins, colour or nationality, including refugees and migrants; and Gypsies and Travellers)</p>	<p>Yes</p>	<p>Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting</p> <ul style="list-style-type: none"> • Potential for those for whom English isn't a first language not to understand information on changes to their service charges • Isolated members of ethnic groups may be less easily able to learn about changes and may find it more difficult to access support • For some tenants where English is not their first language completing forms/applications can be a barrier <p>Budget Proposal 4. Reduction in Housing Management costs Budget Proposal 6. Remodel sheltered housing and charges No disproportionate impact on this group</p>	<p>Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting</p> <ul style="list-style-type: none"> • Housing Benefit payable on all service charges apart from heating and water charges (70% of tenants are on Housing Benefit) • Translation and interpreting services are available for all tenants • Communicating these changes as early as possible will allow households time to prepare. <p>Budget Proposal 4. Reduction in Housing Management costs Budget Proposal 6. Remodel sheltered housing and charges No specific action</p>

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
Gender (both men and women are covered under the Act)	No	Budget Proposal 1. Annual rent increase Increased rents and/or reduction in housing benefit through the Government's welfare reform changes can affect those on fixed/low incomes. 804 households have been identified as potentially affected by the under occupancy rules. Of these a higher number (59%) of female sole tenants are affected compared to 25% male and 16% joint tenants.	Budget proposal 1. Annual rent increase Ensure support is provided to under-occupying households to downsize, apply for Discretionary Housing Payment, or increase incomes through for example employment of money advice.
Gender reassignment (a transsexual person is someone who proposes to, starts or has completed a process to change his or her gender. A person does <u>not</u> need to be under medical supervision to be protected)	Yes	Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting <ul style="list-style-type: none"> • No disproportionate impact on this group, however transgender people may experience poverty due to discrimination in employment or lack of economic support from family and friends and may face financial difficulties through increased rents and service charges • Our data indicates that we have 21 transgender tenants of which 90% of them are in receipt of housing benefit 	Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting <ul style="list-style-type: none"> • Housing Benefit payable on all service charges apart from heating and water charges (70% of tenants are on Housing Benefit) • Trans Equality Scrutiny Panel may make specific suggestions for how to improve housing services to transgender residents

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
Religion or Belief (any religion with a clear structure and belief system. Belief means any religious or philosophical belief. The Act also covers lack of religion or belief)	No	No disproportionate impact on this group	No specific actions
Sexual Orientation (the Act protects bisexual, gay, heterosexual and lesbian people)	No	No disproportionate impact on this group	No specific actions
Child Poverty (Children and young people in families living on less than 60% of national median income before housing costs. In B&H around 22% of all children.)	Yes	Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting <ul style="list-style-type: none"> • Those households on fixed/low incomes may be affected by rent/service charge increases • Two thirds of households in social housing experience multiple disadvantage • In Brighton & Hove 10,235 children are living in poverty or 20% of all children (2010 figures, Brighton & Hove Local Information Service) • The Brighton and Hove Child Poverty Commissioning Strategy identifies welfare reform as a key imminent pressure on 	Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting <ul style="list-style-type: none"> • Housing Benefit payable on all service charges apart from heating and water charges (70% of tenants are on Housing Benefit) Work is being done to identify households affected by Welfare Reform changes to determine if there is a disproportionate impact on any group or geographical area and target support accordingly.

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
		family income and health	
Other groups relevant to this proposal (These groups will be specific and relevant to the service, including but not only: Carers, people experiencing domestic or sexual violence, looked after children, homeless people)	Yes	Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting <ul style="list-style-type: none"> • Families experiencing domestic/financial abuse from partners may be more negatively impacted by increases in service charges and reduction in income due to the pressure on the household • Issues such as caring responsibilities, families experiencing divorce/separation, substance misuse, being ex armed forces or an ex offender can also have a significant impact on income and other aspects of financial exclusion 	Budget Proposal 1 & 5. Rent increases and Charge common way service charges to those tenants benefiting <ul style="list-style-type: none"> • Housing Benefit payable on all service charges apart from heating and water charges (70% of tenants are on Housing Benefit) • Work is being done to identify households affected by Welfare Reform changes to determine if there is a disproportionate impact on any group or geographical area and target support accordingly.

Different Groups to be included in assessment	Possible positive or negative impact on group/s? YES/NO	Describe potential impact (positive effects and negative impacts or potential barriers)	Action/s (including details of a full EIA to be completed if required/relevant) <u>Note</u> : Actions should be directly related to the potential impacts identified.
<p>8. Cumulative impacts (proposed changes elsewhere which might worsen impacts identified above)</p>	<p>Are any cumulative impacts identified across your service area from proposals in other departments OR from other service areas? Please explain what these might be</p> <hr style="border-top: 1px dashed black;"/> <p>We have not been advised of any impacts arising from proposals from other departments or services areas except for:</p> <ul style="list-style-type: none"> • Housing (Strategic General Fund Functions) EIA - identified £472k of savings from Homemove and Housing Related Support costs being recharged. The proposals in this EIA address the savings required. 		

Subject:	Housing Revenue Account Capital Programme 2014-2017
Date of Meeting:	15 January 2014 – Housing Committee 13 February 2014 – Policy & Resources Committee
Report of:	Executive Director of Environment, Development & Housing Executive Director of Finance & Resources
Contact Officer:	Benjamin Ben'Okagbue - Head of Property & Investment
Name:	Tel: 29-3857
E-mail:	benjamin.ben'okagbue@brighton-hove.gov.uk
Wards affected:	All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report seeks approval for the 2014/15 capital programme and provides a provisional capital programme for the following two years, 2015/16 & 2016/17, for the Housing Revenue Account (HRA). The report takes into consideration the latest resources available and commissioning investment priorities.
- 1.2 The council's Housing Revenue Account (HRA) relates to the council's social landlord duties in respect of approximately 11,800 properties and 2,600 leasehold properties.

2. RECOMMENDATIONS:

- 2.1 That the Housing Committee recommend that Policy & Resources approves and recommends to Council of the HRA capital programme budget of £28.876 million and financing for 2014/15 as set out in paragraph 4.1 and comments upon the proposals.

3. STRATEGIC CONTEXT

- 3.1 The 2014 - 2017 provisional HRA Capital Programme aims to balance the priorities of both the City Council and our residents to achieve a good quality, sustainable, and fit for purpose housing stock which delivers against emerging housing commissioning investment priorities as identified in the housing commissioning framework. The Capital Programme is developed within the context of the Corporate Plan, which sets out the council's strategic direction and priorities, based around the four council priorities:
 - Tackling inequality
 - Creating a more sustainable city

- Engaging people who live and work in the city
- Modernising the council

3.2 The capital strategy will focus on meeting the overarching housing strategy and corporate plan priorities through investment in building new homes, and improving the quality and sustainability of the existing housing stock. The HRA capital strategy aims to ensure that every pound invested reaches beyond the housing service and contributes to regeneration, tackling inequality, creating training and employment opportunities and improving sustainability. In supporting these priorities the capital programme will focus on:

1) Tackling Inequality

The Capital budget strategy focuses upon:

- § Investment in building new affordable homes on HRA land and specific garage sites. The development of new housing also has a strong economic multiplier impact on the local economy (estimated at £3.51 of economic output for every £1 of public investment) creating jobs and supply chain business opportunities
- § Continuing the improvement in the quality of existing council homes by achieving the Brighton & Hove Standard (Decent Homes Standard) across the housing stock by the end of 2013. Research by Nottingham Trent University has estimated that every £1 spent on Decent Homes improvements creates £1.46 in local spend through orders to trades people and suppliers in the area
- § Increased investment in adaptations to enable council tenants to live independently in their homes. Adaptations to housing are aligned with Adult Social Care's focus on prevention and re-ablement, which minimises delayed discharges of care and avoidable admissions to hospital and reduces the pressure on health and social care budgets.
- § Action to increase asset values, tackle over-crowding, and improve health and well-being through the continuation of the loft conversion and home extension programme.
- § Tackling health inequalities through an ongoing strategic programme to prevent damp and reduce condensation in homes.

2) Creating a more sustainable city

- The capital programme will focus on improving the sustainability and energy efficiency of the housing stock by reducing waste and delivering more affordable warmth:
- Tackling fuel poverty through continued investment in providing modern, energy efficient heating for council housing residents.
- Improving the sustainability and energy efficiency of the housing stock in line with the emerging One Planet Living Sustainable Action Plan for council housing. This would include insulation improvements, cladding projects, solar thermal and photovoltaic (PV) and improvements to communal lighting.
- Investing in estate regeneration to make best use of our existing assets and building new council homes to high sustainability standards.

3) Engaging people who live and work in the city

- The budget strategy continues to provide £0.540m for the tenant-led estate development budget. This budget is operated using a not-for-profit model to maximise social value.
- The lift replacement programme was accelerated and investment increased as a direct response to consultation in 2012/13. Consultation this year has also informed our discretionary capital spend.

4) Modernising the Council

- The proposed HRA Capital Programme is anticipated to contribute significantly towards providing modern and sustainable services, with works under the following main headings:

Improving Housing Quality
Brighton & Hove Standard Works
Sustainability & Carbon Reduction
Tackling Inequality
Building New Council Homes

The proposed expenditure is detailed below.

4 FUNDING THE 2014/15 CAPITAL PROGRAMME

- 4.1 The 3 year programme is funded from a variety of sources including revenue surpluses, general reserves, borrowing, capital receipts from leasing properties to Seaside Community Homes and Right to Buy sales and grants. The proposed programme for 2014/15 and the funding arrangements are outlined below. This programme does not include any re-profiling identified from the 2014/15 targeted budget monitoring.

	Budget 2014/15 £'000
EXPENDITURE	
Improving Housing Quality	7,839
Brighton & Hove Standard Works	4,675
Sustainability & Carbon Reduction	7,447
Tackling Inequality	3,915
Building New Council Homes	5,000
Total Programme	28,876
FUNDING	
Revenue Contribution to Capital	21,824
Borrowing	1,200
HRA reserves	1,333
Capital Receipts (incl BHSCH, net RTB receipts)	3,189
HCA Grant (Brooke Mead)	1,200
Other Grants	130
Total Funding	28,876
Projected Capital Reserves at 31 March 2015	(2,400)

- 4.2 The majority of the capital programme is funded from the from rental income (after meeting revenue costs) of £21.824 million, supported by borrowing of £1.200 million for which the capital financing costs are included in the revenue budget.
- 4.3 The programme includes grant funding from the Homes and Communities Agency (HCA) of £1.200 million towards the development of Brooke Mead extra care housing (a further £1.200 million will be available in 2015/16 for Brooke Mead) . In addition, the funding includes £0.130 million from the national sustainability scheme, run by utility companies, called the Community Energy Saving Programme (CESP). The funding is generated from work that brings about carbon use reductions in the housing stock.
- 4.4 The programme assumes that there will be capital receipts available during 2014/15 from the leasing of properties to Brighton & Hove Seaside Community Homes. Investment will be used to maintain our homes to the Brighton & Hove Standard and potentially fund other strategic housing priorities.
- 4.5 In June 2012, the council signed an agreement to retain any net additional 'right to buy' (RTB) receipts for investement in new affordable homes. The 2014/15 budget includes the use of £0.600 million retained RTB receipts towards building new homes. The balance of retained RTB receipts will be held in reserves until 2015/16 and then used to offset against the costs of building new council homes programmed in that year. Capital reserves at 31 March 2015 are projected at £2.400 million which reflects the estimated retained RTB receipts.

5. CAPITAL PROGRAMME 2014-2017

- 5.1 The investment programme for 2014/15 is £28.876 million and is detailed in Appendix 1, along with the provisional programme for the following two years.
- 5.2 The 3 year Capital Investment Plans provide the council with the certainty to plan, build and let accommodation to meet both general and specialist housing needs across the city. This 3 year plan takes its lead largely from that consulted on and agreed last year. It is critical to delivering our Housing Strategy objectives and outcomes. During 2014/15 we will be reviewing the Housing Strategy and identifying opportunities for new and future investment, respecting existing capital programme commitments.
- 5.3 Consultation with our tenants, leaseholders and investment stakeholders will continue to inform the shape of the Housing Strategy and its implementation through improvement programmes and investment in individual schemes. The programme will also be published on the council's website. Resident engagement and consultation on the implementation of the agreed plans will be supported through existing arrangements with our delivery partners including Mears.

a.) Improving Housing Quality

- 5.4 Health & safety works remain the key basic requirement for ensuring the wellbeing of all residents, visitors and those working on housing assets. This area of works includes door entry systems, close circuit television (CCTV), water tanks, lifts, ventilation shafts, dry risers, fire alarms, asbestos management, roofing, lighting, structural building work, preventative damp work, cyclical maintenance and decorations programme.
- 5.5 The 3 year programme includes substantial investment in lift replacements and modernisation, including considerable improvements to energy performance. This budget was increased to

reflect tenants' support to accelerate where practical the lift replacement programme. The increased funding reflected in this programme is enabling the new lifts to be installed across the city within 7 years, rather than the original plan to complete programme within 10 years. Over the next year, replacement and upgrading will focus on installing new lifts at Hereford Court, Theobald House, Thornsedale, Philip Court, Sanders House, Nettleton Court and beginning the 2-year programme at Leach Court, subject to any leasehold requirements, where they apply. Energy performance on the new lifts is improved by both more efficient motors, and controls, such as low energy 'standby' modes when not in use.

- 5.6 Fire Safety and Asbestos management budgets throughout the period reflect the need to retain good levels of risk management in these key areas. In many cases, such as the door replacement programme, highly secure and fire compliant doors are being fitted, which also reduce drafts and improve energy efficiency for residents.
- 5.7 The Minor Capital works budget includes a provision for programmed works identified by residents where their homes and buildings require large or complex repairs, also a sum for surveys and preparatory works.
- 5.8 The budget includes a specific programme for tackling condensation and mould growth. This essential work deals with a potential health hazard, and work to prevent effects of condensation and damp have been integrated into the cyclical area-based investment programmes. Fire Safety and Asbestos management budgets throughout the 3-year period reflect the need to support our good track record of risk reduction in these key areas. Other budgets for ensuring water safety and the security of residents, for example through modern, well maintained door entry systems, make up our ongoing planned investment in safety and security in this area.

b.) Brighton & Hove Standard Works

- 5.9 The capital programme reflects the ongoing need to maintain dwellings at the Brighton Homes Standard (which incorporates and expands on the requirements of the Decent Homes standard). Works to improve homes including ensuring that internal elements such as kitchens, bathrooms, central heating systems and rewiring homes, as well as external elements such as doors and windows, all meet the benchmark standards. Additionally, basic health and wellbeing requirements are assessed, and the required safety levels met. Although, with decency on target to be achieved by December 2013, with an associated reduction in some capital budgets, significant investment will still be required to ensure that sustainable standards agreed with residents are maintained to help prevent and treat those properties falling out of the standard, and for further investment in areas that provide comfort and security and improve energy efficiency. For example upgrading insulation and installing high efficiency boilers.
- 5.10 A large scale electrical wiring programme to upgrade and improve communal lighting and controls, is now well underway, with provisional programmes published on the website.

c.) Sustainability & Carbon Reduction

- 5.11 Tackling inequality and creating a more sustainable city are key priorities in the Council's Corporate Plan aligned to One Planet Living commitments. The Council is committed to improving the energy efficiency of the City's housing, reducing the cost of living at a time when energy prices continue to rise. The aim is to help households to access affordable energy efficiency measures, in particular people on low incomes. This will assist in tackling fuel poverty and contribute to reducing the City's carbon dioxide (CO₂) emissions. In addition, the Council is committed to contributing to the development of the One Planet approach to ensure Brighton & Hove will improve energy security, become more resilient to shortages and price increases in energy and other resources and take opportunities for growth in environmental sector jobs.

- 5.12 The Council has a strong track record of significant investment to increase the energy efficiency of the City's council housing stock. The Housing Investment Capital Programme 2013-2016 (approved by February 2013 Policy & Resources Committee) included a budget of £1.555 million for the installation of Solar Photovoltaic Arrays (Solar PV), estimated to achieve over 240 installations. The investment programme for 2014 -2017 continues to provide for the annual installation of Solar PV and we are committed to updating our business modelling to inform a review of proposals for installing Solar PV to the all the potential council (HRA) assets.
- 5.13 One of the key strategic priorities outlined in the City-wide Housing Strategy 2009-14 is to improve housing quality; to make sure that residents are able to live in decent homes suitable to their needs. Our strategic goals under this priority include, reducing fuel poverty, minimising CO2 emissions and improving tenants' homes, ensuring they are of high quality and well maintained.
- 5.14 Brighton & Hove faces a number of challenges in increasing the energy efficiency of its housing stock:
- Homes contribute the most significant source of carbon dioxide in the City at 42% of Brighton & Hove's measured carbon footprint, or 514,000 tonnes per year, compared to 31% nationally;
 - Domestic emissions in the City (including Council homes) account for around 57% of the city's total emissions from buildings;
 - Fuel poverty was estimated to be 12.2% in 2011 in Brighton & Hove, higher than the South East average;
 - The Joint Strategic Needs Assessment identifies the relationship between poor housing and poor health outcomes, in particular fuel poverty and poor thermal comfort. Director of Public Health Annual Report has identified good quality housing as important for building wellbeing and resilience and housing in the City as an area representing a particular vulnerability.
- 5.15 Where considering the energy efficiency of the city's housing stock there are also wider national energy challenges that need to be reflected, including:
- Rising energy costs - prices expected to double by 2030;
 - Rising energy demand - expected to double by 2050 due to electrification of transport and population growth;
 - De-carbonisation - 5% renewable energy within 8 years, 30% by 2030; 80% all energy 'de-carbonised' by 2050;
 - Energy security - UK has only 14 days power reserves compared to France and Germany with >80 days, a 5% drop in imports could lead to 'sustained blackouts within weeks'.
- 5.16 Identifying funding and investment opportunities for home energy efficiency improvements to maintain the high standards of the previous programmes is a challenge we must face. With less central government funding available we are looking to access alternative funding streams to finance energy efficiency programmes, these include:
- The 'Green Deal' and Energy Company Obligation;
 - Feed In Tariffs – (Feed-in Tariffs (FITs) that became available in Great Britain on 1st April 2010. Under this scheme energy suppliers have to make regular payments to householders and communities who generate their own electricity from renewable or low carbon sources such as solar electricity panels (PV) or wind turbines).
- 5.17 As at the end of December 2012 the average SAP rating (using rdSAP09) across the council housing stock was 61.9.
- 5.18 Against the background of rising fuel costs, it is imperative that we reduce energy wastage by ensuring homes have modern heating systems and are well insulated to minimise the number

of households suffering from fuel poverty. £9.3 million is included over the next three years to replace and upgrade a number of the communally heated systems alongside individual domestic replacements and improvements. Where practicable, renewable energy is being incorporated within these projects, for example, in 2013/14 the 2 sheltered schemes received a communal solar hot water system along with new high efficiency boilers. It is intended to undertake more of these types of project, subject to feasibility surveys that are now being undertaken.

- 5.19 Insulated over cladding provides an additional protective layer to our buildings this has a number of benefits including energy efficiency. The programme also includes survey and installation of cavity wall insulation and loft insulation top ups to 270mm, where construction types and location allow it. In addition it is proposed to fund the completion of ongoing major projects at Essex Place and Phase 2 of the improvements at the Bristol Estate.

d.) Tackling Inequality

- 5.20 The capital programme has been proposed with the inclusion of the following discretionary items of spend:

Estate Development Budget (EDB)

- 5.21 The Estate Development Budget is included at £0.540 million per annum. Working collectively with our residents and Mears, officers wish to explore ways of returning even greater value for money and levels of customer satisfaction. EDB bids will be integrated into larger planned programmes of works, where it makes sense to do so, in order to achieve greater economies of scale and therefore get more for EDB money.

Improving adaptability and accessibility

- 5.22 The housing adaptations budget was increased last year by £0.300 million per annum to £1.150 million to reflect the growing need for minor, sensory and major housing adaptations as a result of an ageing population, applicants with disabilities particularly children living longer with more complex needs and to help residents continue to access and live comfortably in their own home rather than in residential care settings. In addition the budget helps ensure we make the best use of other capital investment programmes e.g Decent Homes and below the Conversion & Extension project, to joint work & co-fund the relevant works where there is a disability need. These projects are delivered by working together with Occupational Therapy professionals, The budget proposals for 2014/15 to 2016/17 are to continue at the same level of funding at £1.150 million per annum.

Conversion and Extension of Existing Dwellings

- 5.23 The 3 year capital programme includes a budget of £4.3 million over the next 3 years for loft conversions and extensions to help alleviate overcrowding and to facilitate any required adaptation works, in some of our family homes. These projects have already helped to reduce the number of overcrowded families, and provide good quality family homes that meet the specific needs of vulnerable residents. We have identified many overcrowded families whose homes would benefit from adaptations, special needs or lifetime homes requirements that are integrated with the investment works where possible. These projects help local families to be in a position to plan for the future by being based in a suitable location for the long-term. This budget will provide up to 20 extensions per annum, depending on the size and complexity of each project. Additionally, this budget will assist with current plans, some of which are at an early stage, to undertake a limited number of property conversions. These conversions would help provide some additional modern units to help deliver strategic priorities. This may include additional general needs, sheltered, or specialist accommodation as necessary on a case-by-case basis.

Fencing

- 5.24 This budget provides for a strategic approach to improving boundary fencing across the city. Fencing has been identified by residents as an area where greater resources should be allocated based on safety and security needs and a policy is being developed with partners and residents to reflect this.

Cycling Facilities

- 5.25 This proposed budget supports sustainable lifestyles by allowing communities to identify and install improved cycling infrastructure, such as secure, dry storage facilities and lighting.

e.) Building new council housing

- 5.26 The Housing Investment 2012-2020: Strategy & Implementation Plan report approved by Housing Committee on 26 September 2012 outlined proposals for future redevelopment and new build opportunities on HRA land. This included developing the final feasibility, design and build of 29 new housing units on garage and car parking sites. A contract was awarded to the Guinness Partnership in November 2013 for the delivery of four of these sites (estimated 27 units which will be handed back to the council for management) and a strategy is under development for the delivery of new housing on the remaining sites. The current capital programme includes funding for the development of these schemes, with a £1.000 million provision for building costs during 2014/15 and a further £3.900 million in the provisional 2015/16 programme.
- 5.27 Following Housing Committee approval on 13 November, Policy & Resources approved a budget up to a maximum of £8.3 million for the development of extra care housing at Brooke Mead. The costs are indicative at this stage with estimated expenditure profiled as £3.0 million in 2014/15 and £5.3 million in 2016/17. The development costs modelled, (based on 44/45 units) are indicative at the time of writing this report and therefore if there are any significant variations to the proposed capital scheme and funding these would be reported back to Policy & Resources committee in accordance with council's standard financial procedures.
- 5.28 The programme includes £1.0 million estimate for the commencement of the development on the infill sites Manor Place (17 units) and Preston Road (4 units), with a further £2.3 million over the following 2 years. Housing Committee on 13 November gave approval for delegated authority to the Executive Director of Environment, Housing & Development in consultation with the Director of Finance and Resources to award the contract following completion of procurement of delivery partner/s for the development of new housing at the sites above.

6. CONSULTATION

- 6.1 Both the Asset Management Panel (AMP) and Repairs and Maintenance Monitoring Group (RMMG) have successfully and effectively worked with BHCC staff and Mears to ensure that there is a thorough and transparent management of the programmes, and improvements to them. Both RMMG and AMP are represented on the Core Group, and are also to have representatives on the Partnership (operational) group and technical forum groups. All these groups will continue to work closely with BHCC and Mears as a partnership to ensure that contract expectations and requirements are met, and exceeded where possible.
- 6.2 The information on the strategy and commitments of the 3-year capital programme for the period 2012-2015 was presented to residents in early 2012, and details circulated widely, including being available on our website. The 2014-2017 3-year plan seeks to build on these solid

foundations and deliver the long-term commitments that were made in these programmes, in a transparent manner, whilst reflecting any new priorities that have emerged in consultation with residents, such as speeding up the lift replacement programme. As more details emerge, further details will be reported as appropriate, to allow further discussion of the investment strategy and programme.

- 6.3 All leaseholders have been, or will be, consulted about individual contracts carried out as part of the programme in full compliance with the Commonhold and Leasehold Reform Act 2002.
- 6.4 It is important to note that every project cannot be foreseen within our planning strategy and where ad-hoc projects are needed to be carried out this will be done through existing and new processes and procedures that incorporate effective communication and engagement with all residents in the properties concerned, regardless of their individual tenure. All appropriate resident groups are to be fully included in this consultation.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 Financial Implications are included in the main body of the report

Finance Officer Consulted: Susie Allen Date: 9th December 2013

Legal Implications

- 7.2 In its role as landlord, the Council has statutory and contractual obligations to maintain the structure of and installations in its housing stock. The proposals contained within this report will assist the Council in fulfilling those obligations. All contracts over £50,000 must be under seal and comply with the Council's Contract Standing Orders and Financial Regulations, and with EU legislation, where relevant. The Council must take the Human Rights Act into account when making decisions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in the report.

Lawyer Consulted: Liz Woodley Date: 09/12/13

Equalities Implications:

- 7.3 All projects carried out include full consideration of various equality issues and specifically the implications of the Equality Act.

Sustainability Implications:

- 7.4 This programme supports the One Planet Council targets and Sustainable Action Plan. Housing is a key contributor to the Carbon Emissions reductions commitments and will help to reduce the number of residents affected by fuel poverty and rising energy costs.

Project briefs are issued on all projects and require due consideration of sustainability issues, including energy conservation and procurement of materials from managed and sustainable sources.

Crime & Disorder Implications:

- 7.5 All contracts are entered into with a requirement for site security. Specific projects, directly address security and prevention of crime and anti-social behaviour.

Risk & Opportunity Management Implications:

- 7.6 The prime risks associated with this report are those associated with major construction projects. Full account of risk is taken through compliance, in all works, with the Construction Design & Management Regulations, which amongst other measures, require preparation of project specific Health & Safety Plans.

Corporate / Citywide Implications:

- 7.7 The Housing Capital Programme reaches to all parts of the city. It seeks to provide substantial improvement to the Council's housing stock and improve quality of residents' lives in their homes. The implementation of the proposed programme will take account of all relevant best practice guidelines and be developed to provide ever improving performance targets.

8. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 8.1 No alternative options were considered.

9. REASONS FOR REPORT RECOMMENDATIONS

- 9.1 The Local Government and Housing Act 1989 requires each Local Authority to formulate proposals relating to capital expenditure in respect of the HRA. The council's constitution and financial regulations require that capital budgets are approved through the Committee system.

SUPPORTING DOCUMENTATION

Appendices:

1. HRA Capital Programme for 2014-17

Documents in Members' Rooms

None

Background Documents

1. Draft Asset Management Strategy 2013

HRA Capital Programme 2014 – 17

EXPENDITURE	Budget 2014/15	Provisional Budget 2015/16	Provisional Budget 2016/17
	£'000	£'000	£'000
Improving Housing Quality			
Door Entry Systems & CCTV	251	247	249
Water Tanks, Ventilation & Fire Alarms	292	288	290
Lifts	2,349	2,215	2,230
Fire Safety & Asbestos Management	465	467	424
Minor Capital Works	349	345	341
Roofing	1,453	1,344	1,353
Condensation & Damp Works	465	351	330
Structural works	471	631	930
Cyclical Decorations	1,744	1,636	1,765
Brighton & Hove Standard Works			
Dwelling Doors	430	409	390
Kitchens & bathrooms	1,628	1,636	1,647
Rewiring - Domestic/ Communal	1,105	1,052	941
Windows	1,512	1,402	1,353
Sustainability & Carbon Reduction			
Solar PV Citywide project	514	721	520
Domestic/Communal Heating Improvements	2,468	3,606	3,475
Insulation improvements (incl overcladding)	4,465	5,234	4,272
Tackling Inequality			
Estate Development Budget	540	540	540
Disabled Aids & Adaptations	1,150	1,150	1,150
Conversions & Extensions	2,035	1,402	1,412
Fencing	58	58	58
Cycling Facilities	52	52	52
Housing ICT Budget	80	100	100
Stock	23,876	24,886	23,822
Building New Council Homes			
New Build - Garage sites	1,000	3,900	0
Brookemead extra care	3,000	5,300	0
Infill sites	1,000	1,300	1,000
Total Building New Council Homes	5,000	10,500	1,000
Total Programme	28,876	35,386	24,822

Subject:	Sustainable Tenancies Strategy (welfare reform)		
Date of Meeting:	15 January 2014		
Report of:	Executive Director Environment, Development & Housing		
Contact Officer:	Name:	Ododo Dafe	Tel: 293201
	Email:	ododo.dafe@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE**1. SUMMARY AND POLICY CONTEXT:**

- 1.1 This report shares with Housing Committee the draft Sustainable Tenancies Strategy which outlines work being undertaken in response to welfare reform. The strategy was presented at Housing Management Consultative Sub Committee on 20 October 2013.
- 1.2 The Welfare Reform Act 2012 introduced a wide range of reforms to the welfare benefits which represent the most radical changes in the benefits system since it was formed. The reforms are intended to:
 - § make work pay
 - § simplify the benefits system
 - § reduce public spending on welfare

The changes require focussed attention in order to mitigate potentially unintended consequences, and to protect the income stream to the Housing Revenue Account.

2. RECOMMENDATIONS:

- 2.1 That the Housing Committee endorse the draft strategy.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The council has established a Welfare Reform Board, and has already carried out an array of actions in preparation for the implementation of the reforms, and to mitigate some of their impacts. This strategy draws together work specifically undertaken and planned within Housing. It sets out the context and detail of the reforms, and incorporates issues around financial, economic and digital inclusion.

- 3.2 The anticipated outcome from the strategy is to facilitate the provision of suitable, tailored and timely support to tenants in order that they can sustain their tenancies and minimise the personal, council and wider societal costs of failed tenancies. The strategy illustrates that this presents a real challenge in terms of the numbers of people impacted, the range of issues that need to be considered, and the potential consequences on the Housing Revenue Account (HRA) Budget. It is difficult to determine the exact longer term impacts of the individual changes on all potentially affected households, and therefore more difficult to gauge the cumulative impacts they will have. Most of the changes have been implemented, but the major change, Universal Credit, which replaces many existing benefits and arguably poses the largest risk to the HRA, is expected have a phased introduction from April 2014 up to 2017.
- 3.3 The changes need to be seen in the context of savings to the national welfare budget of £18 billion by 2014/15, as identified by the coalition government.
- 3.4 The strategy, which can be found at Appendix 1 of this report, demonstrates the understanding of the issues involved and the clarity of purpose being taken to address them.
- 3.5 The potential impacts on Housing include:-
- § The inevitable increase in rent arrears as a result of reduced incomes
 - § Increased homelessness in the city
 - § Increased costs of rent collection and costs of supporting tenants
 - § Reduced revenue to invest in housing and regeneration programmes
- 3.6 Wider impacts include the increasing demand and financial pressures made on other services in the city, eg welfare advice, children's services and adult social care services, as a result of increasing numbers of people facing hardship.
- 3.7 An plan highlighting current and planned actions to support tenancy sustainment has been prepared for review by Housing Committee, and can be found at Appendix 2 of this report.

4. COMMUNITY ENGAGEMENT AND CONSULTATION

- 4.1 The themes covered in the strategy have been discussed at various meetings with residents in order to prepare for the implementation of the changes that have already taken place. For example the theme for last year's City Assembly was financial inclusion, and presentations on benefit changes as well as the work of our Inclusion Team were given.
- 4.2 As part of our preparatory work, additional money advice support for council tenants was procured from the local voluntary sector organisation Money Advice and Community Services (MACS). The new service was promoted widely through Homing In, the council's website, a range of front-line staff, and through personal contacts with tenants. The success of the scheme and further promotion was communicated to all tenants through our Annual Report to tenants sent earlier this year.

- 4.3 Specifically, a summary of the strategy, along with a presentation of its contents and the issues it raises, was given at each Area Panel in September this year. This was followed with the draft strategy being taken to Housing Management Consultative Committee on 20 October 2013.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The Sustainable Tenancies Strategy and appendices illustrate the potential impact of Welfare Reform to council tenants' benefit income and the potential impact this could have on the Housing Revenue Account budget. The summary table in Appendix 1 highlights the cumulative effect on the reduction of benefits currently received by our council tenants and highlights this as a potential risk through the reduction of income to the HRA through non payment of rents.
- 5.2 The HRA revenue budget 2013/14, approved by Policy and Resources Committee in February 2013, included an amount of £0.150 million to implement a range of measures to support financial inclusion through the development of a range of specialist money and debt advice services to support households in financial difficulty. In addition to this an amount of £0.070 million was set aside to set up a discretionary hardship fund for council tenants, which is administered through the Revenues and Benefits Service.
- 5.3 The HRA has a provision for doubtful (potentially uncollectable) debt, which is £1.015 million as at the 1st April 2013 and is based on setting aside 20% provision for current tenant arrears and 95% provision for former tenant arrears. In the 2013/14 HRA revenue budget an amount of £0.208 million is set aside as the annual contribution to the doubtful debt provision. This budget provision budget is regularly monitored as part of financial budget management of the HRA.
- 5.4 As mentioned above some of the additional costs resulting from Welfare Reform changes are already provided for in the current years HRA revenue budget. The potential future financial implications identified in this report have been considered as part of the 2014/15 HRA budget setting proposals, which include £0.258 million investment in staffing as part of our action to mitigate against potential negative impacts of welfare reform and reduce financial and social inequality.

Finance Officer Consulted: Susie Allen

03/01/14

Legal Implications:

- 5.3 The council's standard secure tenancy agreement requires a tenant to "pay your rent and other charges on or before the date they are due". A court can make an order for possession of council property where it is satisfied that "rent lawfully due from the tenant has not been paid or an obligation of the tenancy has been broken or not performed" and that it is reasonable to make the order. The steps already taken to sustain tenancies, and actions going forward, will help avoid

court action. The measures outlined are compatible with Article 8 of the European Convention on Human Rights – the Right to respect for private and family life. No individuals Human Rights Act rights are adversely affected by the report's recommendation.

Lawyer Consulted: Liz Woodley

03/01/13

Equalities Implications:

- 5.4 The government has prepared an Equalities and Human Rights Impact Assessment for each of the welfare reform policy changes. They are available from this link: <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/welfare-reform-act-2012/impact-assessments-and-equality/>.

The council's financial inclusion equalities impact assessment identifies the impact of issues such as welfare reform, rising food and fuels costs, reduced incomes on residents on low incomes. The 'Equalities considerations' section of the Sustainable Tenancies strategy illustrates that there are very few groups of tenants who will not be affected by the changes - except for tenants over pensionable age in most cases.

Sustainability Implications:

- 5.5 The strategy aims to ensure tenants are resilient, and are in most cases themselves able to acquire the skills, knowledge and support that they make appropriate decisions and choices in relation to their finances and their home. This will include for example decisions around fuel suppliers, banking services, food, affordable credit, budgeting, prioritising debt (where it exists), and generally maximising their incomes in order to sustain their tenancies. The 'Decent Homes' programme and other Housing initiatives to ensure the thermal comfort of tenants' homes will have contributed to reducing fuel poverty, which may a particular issue faced by tenants in the private rented sector.

Some of the implications of the Housing Benefit reduction due to under occupation are that tenants need to move home, sometimes to different areas – and there is the potential for this to have negative impacts on community cohesion and sustainable communities.

Crime & Disorder Implications:

- 5.6 The ability to sustain tenants in affordable accommodation, and to maximise their incomes has the potential to reduce crime in the city.

Risk and Opportunity Management Implications:

- 5.7 A risk register in relation to welfare reform is established as part of the Housing Business Plan, and will be maintained by the Leadership Team.

Corporate / Citywide Implications:

- 5.8 Mitigating the impacts of welfare reform is a key priority for the council, and there is significant work underway to support residents – particularly those impacted by the Benefit Cap where securing paid employment is critical to most of them.

SUPPORTING DOCUMENTATION

Appendices:

1. Sustainable Tenancies Strategy 2013 – 2015
2. Action plan for sustainable tenancies

Documents in Members' Rooms

1. None

Background Documents

Draft

Sustainable Tenancies Strategy

**Strategy responding to welfare
reform and incorporating financial,
digital and economic inclusion**

2013 - 2015

Title	Sustainable Tenancy Strategy
Department	Housing
Version	First draft - Ododo-June 2013 First internal comms version - July 2013
Version control	The version number will be maintained on the document. Any printed versions may not necessarily be up to date. Once adopted the latest version will be maintained on Sharepoint and the council's website
Electronic file location	Insert Sharepoint link Insert website link
Related Housing strategies	Rent income and arrears Customer Access Investment Strategy
Related council strategies	Financial Inclusion 2013 – 2016 Equality and Inclusion Policy 2012 - 2015
Date adopted	
Dissemination	Intranet Colleague email with link Councillor email (summary and link) Housing Manager Meeting presentation and feedback Area Panels Relevant committees Announcement in Housing Update Announcement in Homing In Twitter Facebook

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Executive summary

The Welfare Reform Act 2012 has brought about the biggest changes to the welfare benefits system since it was first created. The act aims to:-

- § create a fairer benefits system
- § streamline processes
- § reduce national public spending over the next five years
- § make work pay.

Councils are crucial in the behaviour change the government seeks.

Our Sustainable Tenancy Strategy will help minimise tenancy breakdown, and support tenants to cushion the impacts of potentially reduced household incomes.

The main outcomes we expect to achieve are:-

- § To increase tenants' confidence in managing personal finance, through a range of support activities
- § To avoid tenants accruing debt, through initiatives such as increasing mutual exchanges
- § To protect our revenue stream to enable investment in homes.

The welfare reforms commenced in April 2012 with the main changes being:-

- § Housing Benefit reduction where there is under occupation
- § Council Tax Benefit localisation
- § changes to benefits to people with disabilities
- § Benefit cap
- § Universal Credit.

They have already led to many challenges for residents and for the council.

The reduction in household incomes has already resulted in higher rent arrears which could ultimately lead to more evictions, and a rise in homelessness in the city. As well as this, our preventative and supportive work means there is an increasing pull on already stretched resources.

Some of the most impacted people are also known to be living in the most deprived areas of the city, to be long-term unemployed, have low education attainment and have health issues. As a result we have to respond more dynamically, stretching to non-traditional housing related support.

We aim to rise to the challenges presented by welfare reform and sustain tenancies wherever possible - and this will be through a mix of measures that support financial, digital and economic inclusion.

Ensuring tenants are financially included is one of the vital elements to sustainable tenancies. It goes far beyond being able to access financial products

and services. A range of research data gathered by the Financial Inclusion Centre demonstrates that social housing tenants are more likely than other residents to be impacted by financial exclusion. Our work in Housing fits with the council's Financial Inclusion Strategy for 2013 to 2016.

Research suggests that many people on low incomes prefer to manage on a cash basis as this gives them a better sense of control over their finances. In this way they can avoid the inflexibility and punitive bank charges relating to eg failed direct debits. Tenants are being supported in making the best decisions for them through the work of our Inclusion Team, our independent contract with a local money advice service, and through council wide work on a community banking partnership in the city.

It is widely recognised that digital exclusion significantly hinders people in different of ways - eg in obtaining employment, having access to cheaper goods and services, and developing and maintaining social contacts. Supporting tenants to be digitally included requires intensive work, especially when accounting for issues such as numeracy and literacy difficulties. Tenants are being encouraged to visit libraries where there has been an increase in public access computers, and there is support to use them.

Measures we have already taken to support tenants through welfare reform changes include:-

- § communications, visits and contact with impacted residents in council and temporary accommodation
- § encouraging tenants to downsize through the transfer scheme or by mutual exchange
- § giving information and advice around eg take in lodgers maximising incomes, applying for Discretionary Housing Payments
- § staff training
- § employment support through our new Inclusion Team .

As well as the individual impacts for tenants affected by the welfare reforms, the Housing Revenue Account (HRA) will potentially be directly or indirectly affected by each of them. The reduction in Housing Benefit for under occupying tenants alone could result in a loss to the HRA of almost £700k in the first year, with the Benefit Cap resulting in a loss of around £66k . The total potential loss, without accounting for the impacts of Universal Credit, is estimated to be in excess of £1.8 million.

A range of ongoing actions to support tenants to sustain their tenancies are already in place. As the cumulative impacts of the welfare benefit changes become clearer, further actions are being developed to respond to the specific needs of impacted tenants.

Introduction and context

The Welfare Reform Act 2012 represents the most radical reform of the welfare system since its inception. The government intends that the reforms will:-

- make income, out of work, housing and disability related benefits fairer and more streamlined, and help reduce administrative costs
- reduce UK public spending on welfare benefits by £18 billion over the next five years (plus a further £3.75 billion announced in the 2012 Autumn statement)
- create the right incentives to get more people into work by ensuring that work is always more financially rewarding than claiming welfare benefits.

Brighton & Hove City Council is working to ensure that tenants are supported through these government changes, and has created this Tenancy Sustainment Strategy to capture our work to focus on sustaining tenancies.

What is sometimes referred to as the 'perfect storm' has been brewing for a number of years now and include:-

- Unemployment and under employment
- The condition of the local and national economy
- Public spending cuts – including cuts in legal aid services and funding to the voluntary sector
- Higher living costs – rents, fuel, food
- The welfare reform changes to benefits
- Limited access to affordable banking services.

The ingredients of the 'perfect storm' has generally led to an increase in demand for public services at a time of decreasing resources; and one of the coping strategies for individuals has been an increase in debt, particularly debt taken on with very high interest rates. While we continue to do everything we can to keep evictions to an absolute minimum, the other consequences of debt can be the threat of eviction, tenancy abandonment and relationship breakdown.

Purpose

This strategy sets out our aims, initiatives and actions to maintain sustainable tenancies in response to welfare reform.

It will help us minimise the personal, social and financial costs of tenancy breakdown and help build resilience against the challenges that the changes present. Significant impacts for the city are the reduction in household incomes, the way that rent related benefits will be paid direct to tenants with the introduction of Universal Credit, and the personal support some tenants will need around money management and online benefit claims.

The strategy is aimed at staff, Council Members and tenant representatives in pursuit of maintaining tenancies and communities in which people thrive.

Council context

This strategy responds to the council's priorities as set out in the Council's Corporate Plan:

- Tackling inequality
- Creating a more sustainable city
- Engaging people who live and work in the city
- Modernising the council

The work being undertaken in respect of this strategy is in accordance with the council's overall approach to managing the changes brought about by welfare reform, and in line with the council's core values of:

Respect by working with residents and being mindful of their specific situation

Collaboration by working effectively with others to ensure tenants have access to the services and support they need

Efficiency by eg seeking to maximise tenant incomes, avoid duplication and ensure resources are used effectively

Openness by communicating effectively and ensuring tenants are aware of the support and advice available to them

Creativity by considering a range of ways of mitigating against the impacts of welfare reform

Customer focus by working with residents and increasing our use of customer profiling to ensure we deliver targeted and tailor made approaches.

Outcomes expected from this strategy

The main outcomes we want to achieve through this strategy are to have:-

1. Increased tenants' access to and confidence in managing financial information and products
2. Maximised household incomes through a range of activities including benefits advice, employment and learning support, fuel switching
3. Reduced uncontrollable and unmanageable personal debt
4. Protected our revenue stream to enable investment in homes
5. Increased access to transactional bank accounts and suitable financial products
6. Increased access to and confidence in using the internet and online services
7. Reduced the number of tenants accessing high interest and unaffordable credit
8. Increased the number of residents moving by mutual exchange

9. Remained agile in the use of our staff and other resources to enable us to be flexible and respond accordingly to the changing environment and to tenants' changing needs
10. Continued to sustain tenancies.

Timetable of main welfare reforms

April 2012	Employment and Support Allowance (ESA)
April 2013	Council Tax Support - localised council tax reduction scheme, and abolition of Council Tax Benefit
April 2013	Housing Benefit reduction from under occupation in social housing
April 2013	Discretionary Housing Payments (DHP)
June 2013	Personal Independent Payments (PIP) - new claims
August 2013	Benefit cap
April 2014	Universal Credit - initially only new claims

Residents will also be impacted by increased **non-dependant deductions** - although this is not a change resulting from the Welfare Reform Act 2012.

Most of the reforms apply only to people of working age.

Main impacts of the changes

As well as the lower incomes and increase in levels of poverty within the city, the organisational impacts on the council include:-

- Inevitable increase in rent arrears
- Increase in resources to collect rent
- Increased cost of rent collection charges - more people paying and from various sources (rather than around 70% of rent income coming from HB)
- Increase in resources to support residents in a range of traditionally non-housing issues – eg in setting up bank accounts, seeking work, improving financial and digital capabilities
- Potential impact on other services offered to tenants – especially if resources are diverted to manage the impacts of welfare reform

- Potential impact on Housing’s investment and regeneration programmes
- Potential increase in homelessness
- Increased workload for many teams eg Housing Options, Homelessness, Homemove, Customer Service, Sheltered
- Potential increase in tenancy fraud

The financial risks to the Housing Revenue Account (HRA) are explored in more detail in Appendix 1.

Financial inclusion

Increasing financial inclusion is an important factor in sustaining tenancies.

The definition of financial inclusion the council has adopted is:-

“Having enough resources to meet basic needs adequately and to be able to make choices over a prolonged period to maintain physical and mental well-being and participate in community life.”

This definition reflects how financial inclusion is broader than simply having access to financial products and services, and encompasses considerations to mitigate a range of issues residents are facing.

Good progress was made towards promoting financial inclusion for our residents through a number of services and initiatives detailed in the Housing Management Financial Inclusion Strategy and Action Plan 2009 - 2012, including:

- Working with local specialist advice providers to refer tenants for money and debt advice
- Introduction of eBenefits, an on-line claims system which prevents rent arrears by reducing the time it takes to process claims to two days.
- Piloting the Housing Pre-action Advice Scheme in 2009/10, a project managed in partnership with Brighton County Court and BHT (Brighton Housing Trust) which aims to avoid possession action and prevent evictions and homelessness.
- Carrying out a Financial Health Check for all new tenants, covering advice and information on bank accounts, welfare benefits, affordable credit and savings; low-cost insurance; low-cost furniture; and energy efficiency.

A committee report initially taken to Housing Management Consultative Sub Committee on 19 March 2012 outlined further work to increase financial inclusion by adopting a Community Banking Partnership model. In summary the model proposed a seamless service to tenants which integrate the **ABCDE** of financial inclusion ie:

Advice - specialist advice casework to assist tenants to deal with problems related to debt, money and fuel poverty

Banking - access to basic banking, bill and debt repayment services

Credit - access to affordable loans

Deposits - access to savings facilities and incentives to save

Education - improving financial capability and budgeting skills, increased awareness of the dangers of loan sharks and illegal money lending, payday loans and loans with extortionate interest rates. This includes tenant training to become peer to peer money mentors.

With the very close linkages between the work we've been doing on financial inclusion and our current work to sustain tenancies, this strategy supercedes our previous Financial Inclusion Strategy and incorporates any ongoing actions.

In addition, Housing is working with colleagues across the council to achieve the actions in the council-wide Financial Inclusion Strategy for 2013 to 2016 which sets out **ABCDE** of financial inclusion, and now includes **F**, to address fuel and food poverty.

A range of research data gathered by the Financial Inclusion Centre demonstrates that social housing tenants are more likely than other residents to be impacted by financial exclusion:

- Of the poorest 10% of households in the UK, over half live in social rented housing
- 61% of social households have no-one working within the household, compared to 35% nationally
- Social housing residents earn on average half as much as private renters with a median annual income of £10,900
- 81% have no savings account
- 91% have no insurance cover
- According to Citizen's Advice, the proportion of social rented residents amongst their debt service users is twice as high as in the general population
- Lower income households are more likely to be exposed to unfair practices in the sub-prime lending sector - 20% of people in social housing have used doorstep lenders, and 94% are making poor financial product choices.

There is also a body of research evidence that makes the link between debt and mental health and wellbeing. For example, the Royal College of Psychiatry asserts that debt can cause and be caused by mental health problems, and estimates that one in four people with a mental problem is also in debt; and that one in two adults in debt also have a mental health problem. Debt prevention or management is an important aspect of supporting tenancy sustainment.

Transactional bank accounts and direct debit payments

A report published by Social Finance titled 'A new approach to banking; extending the use of jam jar accounts' provides national research information on a variety of issues relating to transactional bank accounts, the 'unbanked' and the 'under-banked'. Some of the national statistics it revealed includes:-

- 1.54 million UK residents do not have access to a transactional bank account
- 0.95 million have a basic bank account but choose to manage their money in cash
- 6.6 million pay more than £100 a year in banking fees
- 9 million are missing out on the benefits that transactional banking offers.

With the advent of Universal Credit, the general trend is that housing organisations are focussing on direct debit as the preferred method of rent payment in order to minimise rent arrears. The benefits for organisations are clear - it is the most cost effective payment method, and once set up, tenants do not have to remember to pay rent, nor do they have to go anywhere or do anything for it to happen.

There are also clear benefits of having transactional bank accounts for tenants:-

1. Affords better access to more keenly priced utilities
2. Enables internet shopping and the discounts that this can offer
3. Widens access to financial products and services
4. Reduces the 'poverty premium' which is assessed as being approximately £1,200 a year
5. Saves time, and in some cases money, travelling somewhere to pay bills
6. Offers psychological benefits in terms of peace of mind from not having to worry about falling into arrears
7. Removes the practical and sometimes psychological barrier to finding employment.

However, it is also useful to appreciate the reasons people on low incomes with bank accounts prefer to manage their finances on a cash basis. They are that it:-

1. Enables them to have control of their finances
2. Gives control over timing of payments – eg to fit in with variable dates when household monies come in, particularly where benefits are paid 4 weekly rather than on a set day every month
3. Avoids high and punitive penalty charges for missed direct debits or unauthorised overdrafts – which can represent a significant percentage of a households weekly disposable income
4. Offers transparency – "you know where you are"
5. Works well for people on variable incomes (eg irregular shift workers, casual labour)

6. Offers flexibility where direct debit arrangements do not
7. Responds to the mistrust of banks
8. Provides a workable alternative where people have experienced previous problems with banks

Locally, the above reasons for not considering direct debit payments were echoed by the Manor Place study respondents who do have transactional bank accounts but prefer not to use them because:-

- Their wages/benefits are paid into their accounts on variable pay dates
- They pay their rent when they collect their pension
- Benefit is paid 4 weekly, whereas direct debits go out monthly so they are not aligned
- They need to avoid bank charges

A Social Finance survey found that of the 1.5 million people in the UK who are 'unbanked':-

- 89% are on means tested benefits
- 79% are in households with no working adult and live in social housing
- There are high levels of single parents, disability, literacy and numeracy difficulties
- There are low levels of internet access
- However 84% do have a mobile phone.

The reason for including this information in this paper is that careful balancing will be required of our need to collect rent income in the most cost effective ways against the needs of some of our most vulnerable tenants. The majority will certainly be required to have a transactional account into which their benefit is paid in the future - but if we're to support them, we will need to be mindful of the pitfalls that this might present for tenants on very low incomes. A sensitive approach will be required from us.

Work currently being undertaken regarding transactional bank accounts

As part of the council's Financial Inclusion Strategy, the council is in dialogue with the East Sussex Credit Union – looking at the role it can play within our Community Banking Partnership in response to the banking offer, credit offer (affordable source of credit), deposits (encouraging residents to build up savings for 'lumpy' expenditure, and savings against which they can potentially borrow should the need arise).

The council is also in dialogue with the high street banks to see what they can offer locally - especially as many are talking about pulling their basic bank account offer and charging for use of other banks' cash machines. Both of these

measures will disproportionately impact on low income residents, especially our tenants who already have very limited access to cash machines.

Through our Financial Inclusion Officer, our Rent Accounting Team and the money advice contract we have with MACS, tenants can receive support for setting up transactional bank accounts. Information and advice is also offered on direct debit payments, and we are looking to offer such payments on any day of the month – as this will alleviate some of the concerns around the day on which payments are taken from bank accounts.

Levels of deprivation in the city

- 22,000 households (1 in every 5) in the city have someone with a support need
- There are high levels of mental health, physical disability, drug use
- 68% of the city's areas are in the most deprived 50% of England
- 12% of the city's areas are in the bottom 10% of deprivation
- Only 0.6% of the city is in the top 10% of England
- 23% of children are in poverty (9,488), and this increases to
 - 52% in East Brighton
 - 46% in Moulsecoomb & Bevendean

In addition, the demand for housing is high in the city with around 17,000 registered on the Homemove allocation scheme. Within the council's housing stock of almost 12,000 properties, less than 500 (or 4%) became empty during the last financial year.

Brighton & Hove's five most deprived Lower Super Output Areas (LSOAs)

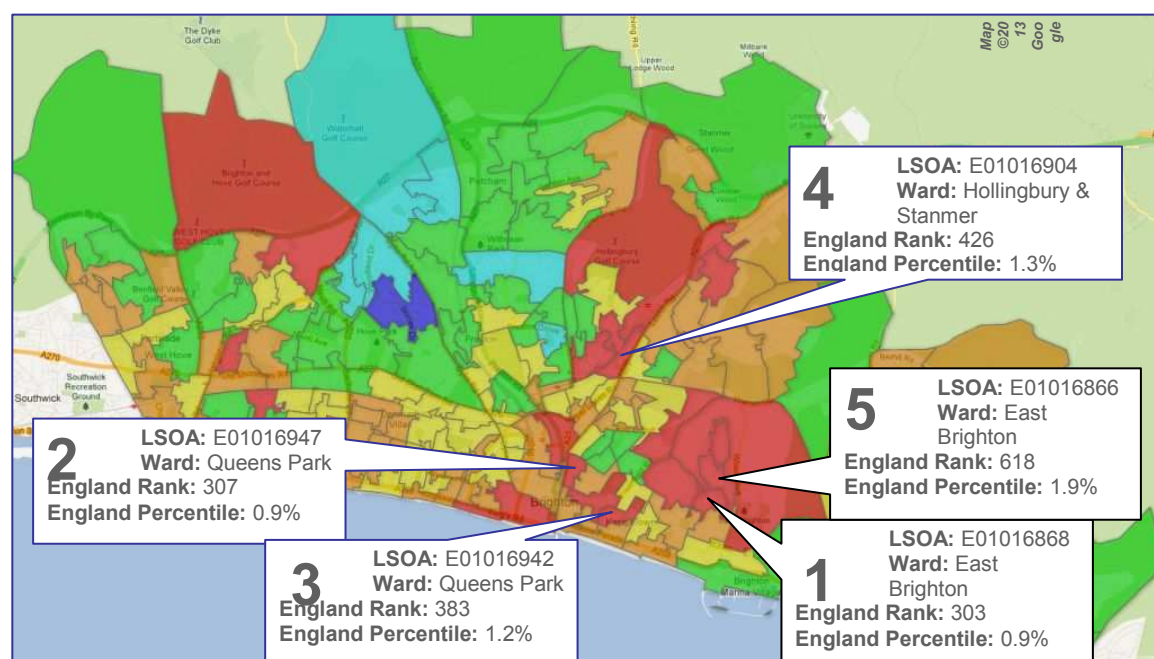
The table and map below show that the five most deprived areas in the city are also those where there are high numbers of council housing.

The ranks and percentiles are out of 32,482 LSOAs in England, where rank 1 is the most deprived, and rank 32,482 is the least deprived.

There are 164 LSOAs in Brighton & Hove, each representing an average of 760 homes, or 1,500 people, or 700 households.

Table 1 Ranking of the five most deprived lower super output areas in Brighton & Hove

	LSOA	Ward	Index of multiple deprivation rank	England Percentile
1	E01016868 South Whitehawk and Manor Hill area	East Brighton	303	0.9%
2	E01016947 Lower Albion Hill	Queens Park	307	0.9%
3	E01016942 Eastern Road area, Kemp Town	Queens Park	383	1.2%
4	E01016904 Saunders Park and SE Hollingdean	Hollingbury & Stanmer	426	1.3%
5	E01016866 Central Whitehawk	East Brighton	618	1.9%



Specific indices of deprivation

The table below looks at a few specific indicators of deprivation for our 5 most deprived super output areas, and ranks their position amongst Brighton and Hove's 164 lower super output areas. 1 is most deprived.

Table 2 Deprivation indicators for the most deprived lower super output areas in Brighton & Hove

	LSOA	Income poverty	Employment poverty	Child poverty	Health deprivation and disability	Estimate % living in fuel poverty
1	E01016868 South Whitehawk and Manor Hill area	1	3	4	4	13.5%
2	E01016947 Lower Albion Hill	6	2	15	20	13.8%
3	E01016942 Eastern Road area, Kemp Town	3	1	19	2	9.5%
4	E01016904 Saunders Park and SE Hollingdean	4	7	2	5	13.4%
5	E01016866 Central Whitehawk	5	9	6	6	10.0%

Research studies suggest that the following are characteristics of people living in the most deprived areas of the country. They are likely to:-

- Be long-term unemployed or in low paid jobs – likely to be seasonal, of a transient nature and/or in the service industry
- Have low education attainment, or have poor access to education
- Have health issues – eg low birth weight babies; coronary, pulmonary or mental health conditions
- Be a victim of crime or a young offender.

The maps above show that the areas of highest deprivation in the city are also those where council housing is concentrated.

Welfare reform changes in more detail

Aspects of the welfare changes will have a significant impact on our residents' household incomes and therefore their ability to pay their rent to sustain their tenancies. Some of the financial consequences on our business are difficult to quantify because they will not be known for some time.

1. Housing benefit reduction – social rented size criteria (also referred to as the 'under occupation charge')

Government objective: To support the overall reduction of welfare costs, to ensure best use is made of social housing stock, and to bring housing benefit into line with regulations in the private rented sector.

This reform became effective from April 2013, and reduces HB payments (and later the housing cost element of Universal Credit) for working age households who under occupy their homes by 14% for one bedroom, and by 25% for two bedrooms or more.

All households where the tenant or partner is over state retirement age under Housing Benefit rules are exempt.

One bedroom is allowed for each of the following:

- a couple
- a person who is not a child (aged 16 and over)
- two children of the same sex
- two children who are under 10
- any other child, (other than a foster child or child whose main home is elsewhere).
- a carer (or group of carers) providing overnight care

An additional bedroom is also allowed for:

- an overnight carer who doesn't normally live in the household
- approved foster carer who either have a foster child/children living with them or are waiting for a child/children to be placed with them
- children are unable to share a bedroom because of severe disabilities – individual circumstances will need to be assessed
- adult child or children who are away from home serving as a member of the Armed Forces, and who intend to return to the home.

Factors that are not taken into account are:

- the size of bedrooms
- separated parents with shared custody – only the main carer or parent in receipt of child benefit will be allocated a bedroom for the child
- couples using the 'spare' room due to illness of one partner
- disabled people living in an adapted property that has additional bedrooms.

Our baseline data prior to the change being introduced showed we had almost 950 people of working age under-occupying council accommodation. This represents a total reduction of almost £700k in Housing Benefit for the tenants affected.

Table 3 Size criteria – impact from HB reduction

Under-occupation level	No. of households	Average wkly HB reduction per household	Estimated overall weekly HB reduction	Estimated overall annual HB reduction potential loss to HRA
1 bedroom	809	£12.12	£9,805	£520k
2+ bedrooms	140	£23.72	£3,321	£176k
Total	949	£13.83	£13,128	£696k

Source: Revenues & Benefits (April 2013)

As at the end of September 2013, the number of under occupying households impacted by the changes had reduced to approximately 750.

Tenants' options

- Transfer to a smaller property
- Mutual exchange
- Increase work hours if in work
- Seek employment if not in work
- Consider the possibility of non-dependant to make a higher contribution to household costs
- Take in a lodger
- Apply for additional help through the Discretionary Housing Payment (DHP) Fund
- Maximise income through eg ensuring all benefit entitlement is being claimed (eg Disability Living Allowance), and getting better gas, electricity, landline phones, mobile phone, and broadband deals.

Transfers

There is a shortage of appropriately sized accommodation for tenants wanting to move through transfers. During the last financial year 160 tenants moved by way of transfer, and by the end of September this year 129 have moved. Of this year's figure, 35 were impacted by the under occupation reduction in Housing Benefit and have downsized.

Table 4 Council house lets and transfers

	All council lets	...of which were transferring tenants	% of all lets to transferring tenants	No. let to impacted under occupiers (ie working age)	% of tenant transfers to impacted under occupiers
2012/13 year total	454	160	35%	17	11%
April - Sept 2013 6 month total	305	129	42%	35	27%
April - Sept 2013 monthly average	51	22	-	6	-

Source: Locata

From the table above, it can be seen that in the first five months of this year, the number and proportion of council properties let to impacted under occupiers had significantly increased. Although the number of under occupiers at the end of August has decreased, based on the March figure of 949, and assuming that a pattern of approximately 6 properties per month are let to impacted under occupiers, it can be projected that it would take just over 14 years to move all under occupiers through transfers alone.

Mutual exchanges

Mutual exchanges provide a good alternative to transfers for tenants wanting to move home.

Tenants advertise their properties in a variety of ways, but mainly online. Our webpage www.brighton-hove.gov.uk/mutual-exchange gives details of the scheme and online sites for tenants. There are also measures being adopted to offer more support to tenants who are not online, and to take a more proactive approach to matching potential mutual exchange applicants.

Table 5 Mutual exchanges

2013/14	Applied in					Total	Projected
	April	May	Jun	Jul	Aug		
Applications received in that month that went on to exchange	17	27	26	25	15	110	281
... of which, applications that were under occupiers	6 (35%)	7 (26%)	4 (15%)	8 (32%)	4 (27%)	29 (26%)	70 (25%)

Source: Tenancy Team spreadsheet

It is anticipated that the number of tenants moving through mutual exchange will increase as we increase our tailored approach to providing assistance to tenants – particularly those without access to the internet. There are significant numbers of overcrowded households to help achieve this. However, there are far fewer overcrowded tenants in a one bedroom flat needing a two bedroom, as there are over occupying tenants in a two bedroom flat needing a one bedroom property. This is further illustrated in Appendix 3.

Lodgers

For a sub-tenant or lodger (no meals are provided) – the first £20.00 of the rent charged is ignored then all the rest is treated as income. A separate £20.00 is disregarded for each boarder/lodger.

This changes when Universal Credit is introduced. The tenant will be considered as under-occupying and their entitlement to the housing cost element of their benefit will be reduced by the 14% or 25%, however all their rental income will be disregarded when assessing entitlement to the housing cost element of Universal Credit.

Discretionary Housing Payments

Discretionary Housing Payments (DHP), administered by the Revenues & Benefits Service, is a fund allocated each year by the government. The allocation for the council for 2013/14 is £1.01 million, and represents less than 10% of the estimated £12 million total shortfall between housing benefits to and rents due from residents of the city.

Vulnerable people in exceptional circumstances can apply for DHP for extra help with their housing costs. Most commonly this means topping up their housing benefit where the amount they receive is less than their rent. Historically this has been most commonly used for people renting in the private sector because their housing benefit was more likely to be restricted to an amount lower than their rent. From April 2013, the introduction of the under-occupation reduction in housing benefit has seen an increase in demand for DHP from council and housing association tenants who are applying for assistance with eg the shortfall in their rent or removal costs.

For reasons mentioned in the two paragraphs above, a Housing Revenue Account (HRA) sum of £70k has been set aside on a one off basis to minimise the risk of evictions and enable tenancies to be sustained. This sum of money represents only around 10% of the projected shortfall in housing benefit in 2013/14 to council tenants who are under occupying. The decision was agreed at Housing Committee on 8 May 2013.

The additional funding will be administered by the council's Revenues and Benefits Service using current DHP guidance, and decisions on applications will remain discretionary and made on a case-by-case basis looking at health, appropriateness of accommodation, age of children, indebtedness, risk of homelessness, duration of support need, sustainability of tenancy, and other indices of vulnerability.

The Revenues and Benefits Service monitor the expenditure and report back to Housing on a regular basis detailing amounts paid to council tenants and cases where a DHP has been refused. This will enable us to be proactive in contacting tenants who will potentially fall into arrears.

As at end August 2013, approximately £33k has been awarded to 107 council tenants, with approximately £24k being awarded to 73 households for reasons directly relating to the under occupation charge.

Research finding: under occupation impacts on disabled under occupiers

Housing magazine, 24dash.com reported in July 2013 on research commissioned by the National Housing Federation, and conducted by the Charity Papworth Trust.

The report revealed that of under occupying disabled tenants refused Discretionary Housing Payments:

- 90% are cutting back on food or bills
- 37% are cutting back on specialist mobility transport
- 27% are cutting back on medical expenses such as medication, therapies and monitoring health conditions.

In addition, data collected from 24 local authorities shows that three in ten (29%) disabled people hit by the charges have been refused DHPs so far.

Arrears impacts arising from under occupation at the end of September 2013

753 tenants under occupying, of which 578 (77%) are in arrears

Average rent arrears for all under occupiers is approximately £160

Arrears attributable to under occupying tenants increased from £84k to £120k - an increase of £36k or almost 43%.

By comparison, arrears for all tenants increased by 20% in the same period.

By the end of this financial year, it is projected that the arrears of under occupying households will reach around £197k. This is more than double the base amount of £84k before the HB changes.

Of the 578 tenants in arrears, 359 (62%) did not have arrears before the changes came into effect in April.

People of pensionable age who are under occupying

While the government's current proposals relating to under occupation do not include people over pensionable age, it has indicated that this will be reviewed, with their possible inclusion after 2015. In the event of this happening, a review of potential impacts has been undertaken.

In addition, when Universal Credit is introduced, both the tenant and partner must be above the state retirement age in order to be exempt from the reduction in the housing cost element.

The number of under occupiers at or over pensionable age is currently 1,201.

Table 6 Under occupying households at or over pensionable age

Excess bedrooms	Number of households (whether on HB or not)
1	1,370
2	601
3	27
4	3
Total	2,001 (51% of all pensioner households)
% of all council households	17%

Source: OHMS

Table 7 Tenants at or over pensionable age

Pensioner households under occupying	2,001
Pensioner households not under occupying or overcrowded	1,802
Pensioner households overcrowded by 1 or more bedrooms	102
Total pensioner households	3,905
... of which are pensioner only households	2,936
... of which are pensioners living with people of working age and/or children	969
Pensioner households claiming HB	3,327
Estimated annual HB claimed	£1.2m

Sources: OHMS, Revenues & Benefits

2. Council Tax Benefit localisation

Government objective: To reduce government funding to local councils for council tax from 100% to 90% - while maintaining the benefit paid to claimants of pensionable age at 100%.

This change, introduced in April 2013 see all working age residents who previously received 100% council tax benefit now having responsibility for making a payment towards their council tax.

The maximum extra any claimant will have to pay in the first year will be £3pw, with the average contribution at approximately £1.70 per week. Those in severe hardship may be eligible for discretionary support, but there is a limited budget.

The council has an obligation to do all it can to collect council tax for the provision of local services, and has already needed to send notices of non-payment to residents who have defaulted on their payments. This can result in an additional charge if the bill is unpaid.

Table 8 Council Tax impacts

Welfare reform change	Impact on tenant	No. tenants potentially affected	Indirect potential impact on HRA
Council Tax Benefit to be abolished and replaced by Council Tax Reduction Scheme	All working-age households will now need to pay something towards their council tax, even if they received 100% benefit prior to April 2013. The maximum extra payable will be around £3pw. Pensioners are exempt from changes.	5,000	Indirect impact of tenants' reduced incomes by £780,000 (£3 x 5,000 x 52 weeks)

The Housing Income Management Team started piloting a new service with Council Tax and the Housing Benefit Recovery Team in February 2013, targeting those tenants under-occupying by 2 or more bedrooms who already have a housing or council tax debt. The idea is to provide one point of contact in order to create a sustainable agreement to cover all the debts, referring to money advice where appropriate. The DWP's Debt Management service has agreed, that where tenants fall into 4 weeks full rent arrears due to the reduction in benefit, we can apply for deductions from other benefits of 'rent' plus arrears, currently £3.55 per week.

This pilot has been successful, and is now being rolled out to all arrears cases.

Discretionary Fund for Council Tax Reduction

Council Tax Benefit was abolished from April 2013 and replaced with a local Council Tax Reduction scheme, for which the council has created a discretionary

fund. This allows vulnerable people in exceptional circumstances to be assisted with extra help towards their council.

3. Benefit cap

Government objective: To ensure households on benefit do not receive more than the national average wage, and to increase the incentive for people on out-of-work benefits to enter the labour market.

This part of the reform will limit the total amount of household benefits for out of work working age households to a maximum of £350 a week for single people and £500 a week for couples and families.

The cap was initially trialled in four London boroughs. Implementation began in Brighton and Hove on 12 August 2013, and all currently affected households have had personal visits or contact about the changes.

Until Universal Credit is rolled out, the reductions in people's benefit will be taken directly from Housing Benefit (HB). The impact of the cap on individual HB claims ranges from a cut of less than a pound to the loss of their entire housing benefit. If the cap takes all of the household's HB, 50p will be left in payment to enable eligibility for Discretionary Housing Payment applications.

NB: If a claimant or partner is eligible for Working Tax Credit (including underlying entitlement) then the household is exempt from the cap. They will also be exempt if a claimant, partner or dependent child is in receipt of:

Disability Living Allowance	Attendance Allowance	Personal Independence Payment	Industrial Injuries Benefit
Employment Support Allowance (support component)	Armed Forces Compensation Scheme Payments (AFCS)	Armed Forces Independence Payment (AFIP)	War Pensions Scheme Payments (WPS)

The number of BHCC tenants impacted by this is 19 (July 2013), and the reduction in their housing benefit ranges from £5.44 to £102.99 per week. The average weekly HB reduction is £58 and represents an average annual household reduction of £3,016.

The number of residents in temporary accommodation impacted by the Benefit Cap is 107 (July 2013), and the reduction in their housing benefit ranges from £1.50 to £280.32 per week. 29% of these households lose £100 or more of their weekly housing benefit. The average weekly loss for all temporary accommodation cases is almost £82 and represents an annual HB reduction for each household of around over £4,250.

There will be a constant fluctuation of the numbers of households affected, as households fall in and out of the Benefit Cap levels.

Observations from our benefit cap cases

Council tenants

All potentially impacted households initially identified by the DWP were contacted by letter with a follow up phone call and were offered a home visit or office interview. The majority were seen at their home by a Money Advice Worker and a Housing Benefit Officer to discuss the changes face to face. During these Benefit Cap meetings a financial health check was carried out (including benefit entitlement check, budgeting/financial assessment, housing needs assessment, assistance with finding work offered) as well as a cap questionnaire.

Some of the DWP reported cases were not actually affected by the cap because they are in receipt of Disability Living Allowance or Employment Support Allowance.

The majority affected are single mothers (62.5%) - most of whom are eligible for the free child care scheme to assist them when looking for and obtaining work. Seven referrals were made for this scheme.

Three households were open to children's services and were jointly seen with their social worker or family support worker.

Many of those who had the lowest shortfall said they would struggle under the cap and accepted money advice referral. Some of the larger families were already budgeting well due to the size of family making this necessary. However this tended to be couples rather than single parents.

A small number were assisted with registering with Homemove and applying for the Transfer Incentive Scheme, as they were also under-occupying.

Results of cap questionnaire:

- 87.5% households said they planned to meet the shortfall
- 43.75% planned to find work/increase hours (*18.75% took up referral to the Inclusion Team)
- 75% had a bank account

Temporary accommodation residents

Of the 107 households affected by the cap, 38 are new cases that are being contacted; 50 have been contacted and given support and advice about their options; and 29 are households from whom we have not had a response from our contacts to date.

Several of the households contacted are seeking work or looking to increase work hours, and some may transpire to be exempt if they are eligible for Disability Living Allowance or Employment Support Allowance.

NB: For all residents, the numbers affected by the cap will fluctuate week by week.

4. Benefits to people with disabilities

The changes outlined below potentially reduce disabled tenants' household incomes from between £4 to an estimated £28pw. However, the true impacts of the possibility of fewer tenants being eligible for the new Personal Independence Payments will need to be monitored over time.

Employment Support Allowance (ESA) was introduced in October 2008 to replace Incapacity Benefit (IB)– with claimants being phased onto it between 2010 and 2014. Stricter criteria are applied, and people not eligible for it might be eligible for Job Seekers Allowance (JSA) instead.

However current IB levels for a single person over 25 range from £74.88 to £99.15 depending on the length of their claim, whereas the JSA level is £71. This results in a possible loss of benefit of around £4 to £28 per week.

The Department for Work and Pension's own analysis revealed that after appeals process have been accounted for, 53% of previous IB claimants were found not to be eligible for ESA and deemed to be fit for work – with the consequential loss of the figures mentioned in the paragraph above.

Personal Independence Payments

This new benefit replaced Disability Living Allowance (DLA) for working age claimants from June 2013, and applies to working age people. The new payments are targeted at those whose disabilities impact upon their ability to carry out day to day activities independently, and will see most claimants being invited for an assessment on their ability to carry out a range of tasks before being awarded. Existing DLA claimants will not be automatically transferred and will be invited to make a claim for PIP – which must be done within a prescribed time.

DLA has a 'day' and a 'night' element paid at different rates, but PIP is assessed over the whole day. PIP has two parts - 'Daily Living' and 'Mobility'; and each part has two rates – 'Standard' and 'Enhanced'. Claimants who receive the 'Daily Living' part are entitled to apply for Carer's Allowance'.

DLA is awarded for a minimum of 2 years up to an indefinite period, whereas PIP can be awarded for less than two years up to a maximum of 10 years. Disabled children under 16 years and people aged 65 and over on 8 April 2013 will continue to receive DLA if they have an existing claim.

Table 9 DLA to PIP impacts

Welfare reform change	Date from	Impact on tenant	No. tenants potentially affected	Potential impact on HRA
DLA becoming PIP	Impact on DLA recipients from June 2013	Changed rules regarding the awarding of benefits to people with disabilities.	Approx 1,000	@ £4pw £208k to @ £28pw £1,456k

5. Universal Credit

Government objective: To simplify the current system of benefits to make it easier for claimants and more cost effective to administer.

This change introduces a single integrated benefit payment, replacing out of work and in work benefits for working age households. It will include the housing costs element, and in most cases will be paid by **direct monthly payments** in arrears to the account of one member of the household.

People over pensionable age will receive a housing credit as part of their pension credit, but there are no firm dates for this as yet.

The dates for migration to Universal Credit are not yet clear, although it might be:-

- October 2013 for new unemployed claimants in a further 6 pilot areas
- April 2014 through to 2017 as yet unspecified rollout for remaining existing claimants

For all claimants, benefit entitlement will be means tested, based on the income and circumstances of all members of the household, rather than an individual claimant. They will also need to have a bank account into which payments will be made.

The government expects 80% of claims to be made online, but acknowledges that this will present difficulties for many claimants and is therefore implementing a program of digital inclusion assistance to support this.

In recognition of the challenges some claimants might face by receiving all their monthly benefit entitlement (including housing costs) in one lump sum and needing to budget over a month period, the government has agreed to some flexibilities around payments. They include:-

- Some households being paid at more frequent than monthly intervals, eg 2 weekly for a period of time to give claimants an opportunity to develop different budgeting skills
- Direct payments to landlords where a claimant is vulnerable - the DWP estimate this might apply to 10% of claimants
- Payments made to landlords and the balance apportioned between claimant partners in cases of eg domestic or financial abuse.

Table 10 Housing Benefit (HB) payments to Housing Revenue Account

		No. of h'holds	% of all h'holds	Average weekly HB	Yearly HB expenditure £m	% of £50.7m rent roll
Working age	Full HB	3,015	26%	£79	£12.6m	-
	Partial HB	2,040	17%	£62	£6.7m	-
	Total on HB	5,055	43%	£72	£19.3	38%
Pension age	Full HB	1,888	16%	£81	£8.1m	-
	Partial HB	1,439	12%	£67	£5.1m	-
	Total on HB	3,327	28%	£75	£13.2m	26%
Total all households on HB	-	8,382	71%	£73	£32.5m	64%
Working age - not on HB	-	2,840	-	-	-	-
Pension age - not on HB	-	578	-	-	-	-
Total all households not on HB	-	3,418	29%	-	-	-
All households	-	11,800	100%	-	-	-

Source: Revenues & Benefits

Risks from Universal Credit - impact on HRA

It is difficult to precisely predict the behaviour of tenants will adopt when Universal Credit is introduced. Around 2,000 of working age households in receipt of HB already make partial rent payments to us. Our concern centres more on the 3,000 households that will be responsible for making payments directly to us the first time – although a small proportion will be exempt on the grounds of vulnerability.

The BBC published findings in March this year of the government's direct payments demonstration projects <http://www.bbc.co.uk/news/uk-21756567> which have experienced increases in arrears from 11% to 50%.

Using the above percentages, the table below shows that the introduction of Universal Credit could see our arrears increase from between £71k and £322k.

Table 11 Arrears risk from Universal Credit

Current tenant arrears as at April 2013	Percentage increase	Estimated additional arrears from direct payments	Total arrears
£644k	11%	£71k	£715k
£644k	50%	£322k	£966k

Source: OHMS (arrears figures as at April 2013)

NB: Former tenant arrears figure (baseline £532k) will also fluctuate as new debt is added, and income recovered is removed.

Other financial impacts

- Universal Credit will be paid monthly in arrears - so we will experience an increase in debt of almost £2.8 million (full and partial HB) in the first month.
- £19.3 million annual HB currently paid directly to us in respect of working age tenants will need to be received from them.
- Increased administrative costs/management costs.
- Risk of non-payment from those who will be new to making rent payments, and who will need to travel to do it if they're not suitably banked.
- Tenants likely to be used to budgeting weekly or fortnightly; with different benefits/wages paid at different times, and thereby effectively doing 'jam-jar' budgeting. With one monthly household Universal Credit benefit payment, tenants will have to manage much larger sums of money over a longer period of time than they currently do, and are therefore likely to need support to develop new monthly budgeting skills.

Redirecting payments to landlords in arrears cases

The DWP can also make payments directly to the landlord where the tenant falls into arrears. It is expected that this will be at the eight week arrears level. Research carried out amongst social sector tenants by **Policis** on behalf of the National Federation of Housing found that two thirds of respondents thought they would be likely to manage under the new regime, but a third thought they would get into difficulties. They feared they would be unable to prioritise rent within their budgets and around half of them are already struggling to afford food, shoes and clothing. If the pattern is similar in Brighton and Hove, it might be reasonable to predict around a third of people falling into arrears or having higher arrears.

Increases to non-dependant deduction

This is not a change introduced by the welfare reform agenda, but is mentioned here because of the changes it will potentially have on tenants and their incomes.

A non-dependant is someone who normally lives with a tenant claiming Housing Benefit such as an adult son, daughter, relative or friend. It doesn't include joint tenants or boarders.

From 2010 there has been an annual increase in the rates charged of about 20% per year, and this is expected up to April 2014. The rates are currently in six income bands from £11.45pw (non-working or earning up to £124) up to £73.85pw (where the non-dependant earns £394 or more per week).

There are several exemptions - where either the claimant or the non dependent receives Attendance Allowance or higher rates of DLA; or where the non dependent receives pension credit, or is a lone parent with a child under 5, or is a carer, or is a prisoner.

Table 12 Non-dependant charges

Welfare reform change	Date from	Impact on tenant	No. tenants affected	Potential impact on HRA
Non-dependant charge	Current	Reduced Housing Benefit	401	£45k - £290k

Assessing the impact of increased non dependant charges

The 2012/13 rates within the six bands ranging from £11.45 to £73.85 increased in April 2013 to £13.60 to £87.75.

If all tenants with a non-dependant have their Housing Benefit reduced by the minimum amount, they would need to find an additional £2.15pw, which represents an annual loss of money to the HRA of £45k when multiplied by the 401 tenants.

However, if the Housing Benefit reduction was at the highest rate, this would represent a weekly loss of £3.90, totalling a loss to the HRA of £290k.

Regardless of whether the non-dependant pays the money to the tenant, the tenant is responsible for making up any difference between the amount of Housing Benefit they are eligible for and their gross rent.

The introduction of Universal Credit will see a flat rate non-dependant charge of around £15 per week for all non dependants aged 21 and over.

Digital inclusion

Housing providers are increasingly being tasked with supporting the government's drive to get more people online as a means of developing the economy and enabling people to better informed, obtain employment, have access to cheaper goods and services, and develop or maintain social contacts.

'Digital by default'

The government anticipates that the majority of claims for Universal Credit will be made online – and mentions a level of 80%. It also expects the majority of claimants to manage their incomes more formally through transactional bank accounts, rather than simply Post Office Card Accounts.

This will pose significant challenges for tenants who do not have a computer and have never used one, as well as those who do have access to computers but do not have the confidence, skills or predisposition to carry out financial matters online.

The inability of tenants to make their applications for benefits in the prescribed manner or in a timely way will affect their benefit entitlement, and ultimately impact our income stream.

Data from the Office of National Statistics (ONS) Internet Access Quarterly update for January to March 2013 shows that age, disability and income are key factors as to whether an individual has used the internet. In particular, the following groups have never been on line:-

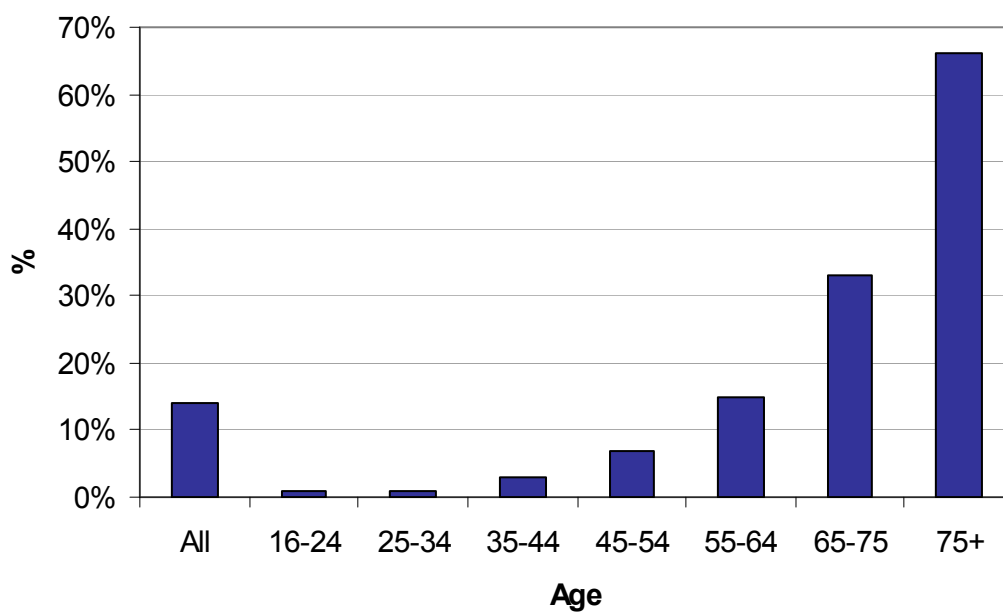
- 14% of UK adults
- 33% of people age 65 – 74 (compared to 1% age 16 – 34)
- 66% of people age 75 or over
- 5% of people over 16 in paid employment earning less than £200 gross per week (compared to 0% earning £1,000 or more)
- 32% of people with a disability* (compared to 9% who have no disability)

* Refers to those who self-assess that they have a disability in line with the Disability Discrimination Act (DDA) definition of disability

The ONS data also shows that Brighton & Hove compares well against national and regional averages, with the lowest percentage of people who have never used the internet at 4%, compared to 14% nationally and 11% for the South East. This also compares well against Southampton at 10%, Portsmouth at 16% and East Sussex at 16% of people who have never used the internet.

Tables 11a and 11b Use of internet

Never used the internet by age



Never used the internet by income



Source: Office for National Statistics (ONS) national data

While the geographical comparison above is somewhat encouraging, it however remains that people amongst the most digitally excluded (ie those who are older, living with a disability or living on low incomes) are also prevalent among social housing tenants. And importantly, these people are missing out on the social, financial, educational and employment opportunities that internet access affords - hence the link between digital inclusion and other aspects of inclusion, and the pivotal role that digital skills and access can play in addressing these issues as well as contributing to overall wellbeing.

For example, research by Race Online ('Digital by Default' 2012) found that:

- You are 25% more likely to find work online
- You are likely to earn up to 10% more with digital skills than without
- 4.1m offline adults in social housing could save £530 million every year by paying bills and doing shopping online - that's an average of £129 per person.

We will need a range of ways in supporting tenants in making their claims, especially when we factor in those with numeracy and literacy difficulties. In addition, our general offer to support tenants in becoming digitally included will need a tailored, 'hand-holding' approach to meet specific needs rather than simply the provision of generic computer training.

The main way we can support tenants with no access to the internet is through the council's libraries. The library service is a UK online centre and can offer free access to all online services, and can also help people to use the internet.

The computers within libraries already conform to the relevant legislation for public access PCs and are able to monitor who is accessing specific sites. There is a programme of work underway to increase the number of computers available to the public from council offices that meet legislative requirements, and it is hoped to complete this work before Universal Credit comes into force for new claims in April 2014.

Housing staff are encouraging residents to join the library service, and helping them to do so online whenever they are in touch with our main frontline services. We will also be running specific 'getting online' courses for tenants who we know are not currently using online services, and are therefore missing out on key financial savings.

Equalities considerations

The full impacts of the welfare reforms are yet to be realised, however it is recognised nationally that the groups most impacted are:-

- Large families – benefit cap
- People with disabilities – who are likely to face significant reductions in their total household incomes
- Single parents
- BME households – often larger families; certain groups where there are cultural implications for children sharing bedrooms

The Ipsos Mori study found that the following groups were most likely to be impacted. People in/with:-

- Low paid work
- Precarious jobs
- Part time work
- Literacy difficulties
- No access to computer
- English as a second language or language difficulties

We also need to consider people who are:-

- Unemployed and under-employed
- Retired under retirement age with disabilities
- In arrears, with other council debts, or with other debts
- Foster carers
- Transgender residents – face multiple disadvantage

Within BHCC, we have a relatively small number of council tenant households impacted by the benefit cap, however they face significant reductions in their income.

Of the initial 949 under occupying households, 316 (39%) live in the east of the city – Whitehawk and Moulsecomb. These areas have high numbers of family size accommodation and the chances of moving to smaller accommodation within the area are limited. These areas of the city are also very high on the index of multiple deprivation.

While one of the stated aims of welfare reform is to move people into employment and off welfare altogether, some of our tenants are amongst those who are furthest away from the job market. We already know that the city has a high proportion of students, with many remaining in the city following their study, who will often compete more favourably against local people lacking in qualifications or job market experience in eg the service industries. With limited vacancies, this issue is even more acute.

So, overall, at a time when the economy is unstable and employment opportunities are limited, the welfare reform changes may further marginalise the most impoverished and deprived groups within the city – ie BME groups, single parents, people with disabilities, and young people.

Mitigating actions taken by Housing

What we've done so far

We have established which tenants will be impacted by this aspect of the reform, and sent a letter regarding the change to all of them. In addition some existing officers (Neighbourhood Officers and Housing Service Advisors) along with three newly appointed officers, have been trained to carry out a programme of home visits to ensure tenants have understood the changes, are aware of their options, and have the opportunity to get additional advice.

1. Created a profile of tenants affected by the reduction in Housing Benefit, affected by the cap in benefits, and potentially impacted by Personal Independent Payments
2. Written to all tenants known to be under occupying or affected by the benefit cap
3. Included comprehensive information for tenants affected by the changes on our website – which is constantly updated as new information comes in
4. Recruited and trained three specialist visiting staff who have carried out visits to every household affected by the under-occupation change to Housing Benefit. They have ensured tenants are aware of the changes, of how much they will have to pay from April, and of the options available to them (listed at www.brighton-hove.gov.uk/hbchanges) - as well as giving advice on:-
 - how to pay
 - how to contact if they get into arrears or are already in arrears
 - how to contact the local and independent money advice service – MACS
 - the impact of other welfare reform changes, focussing on the Council Tax Reduction (which will affect all of these tenants), and the changes to Disability Living Allowance, (for disabled tenants)
 - claiming Discretionary Housing Payments for those in particular hardship - but advising tenants that this is a limited fund which will have increasing demands because of all welfare reform changes and that there is no guarantee of assistance.
5. Visited all council tenants initially known to be affected by the benefit cap to offer detailed and person-specific advice and support, and to consider their eligibility for DLA (later PIP) or Attendance Allowance. This work is constantly under review as the numbers of impacted households can change on a weekly basis.
6. Credit Control Officers have developed a programme of visits to temporary accommodation tenants known to be impacted by the benefit cap to advise of housing options, work and learning support, and welfare benefit matters

7. Attended various tenant's association meetings and given presentations at the last two City Assemblies
8. Published articles in the last three editions of our Homing In magazine which is sent to every council tenant in the city
9. Established a new Inclusion Team within Housing including two Work and Learning Officers and a Financial Inclusion Officer, which is helping people to: manage their budgets; get online; overcome any barriers they may face to learning, up-skilling and seeking work; find work; and access learning, skills and training
10. Recruited a Money Advice Worker to help tenants to maximise their incomes and access the support and advice they need
11. Set up a dedicated money service through MACS (the Money and Advice Counselling Service) to help tenants experiencing financial hardship. In the first nine months of the contract (as at end of June) 377 tenants have been referred, and MACS has achieved financial outcomes for those seen of just over £350,000. The financial benefit includes unclaimed or additional annual benefit payments (£260k), compensation or other payments (£27K), debt write off (47k), debt renegotiation (£9k) and charitable payments (£3k).
The government estimates that nationally around £20 billion worth of means tested benefit and tax credits went unclaimed last year.
12. Embarked on a programme of staff training led by the BHCC Welfare Rights Team – over 50 staff have so far attended
13. During this financial year, we have so far supported 29 applicants to move using the Tenants' Incentive Scheme. The total for 2012/13 was 46 releasing a total of 72 bedrooms; and for 2011/12 it was 56, releasing a total of 118 bedrooms.
14. Recruited two dedicated Mutual Exchange Officers to better support tenants to move through this method by eg taking a proactive approach to identifying potential exchange partners, and to manage the increasing number of applications.
15. Held a mutual exchange event to which all under occupying tenants and those seeking larger accommodation were invited, and where they could view details of prospective properties, meet with other tenants, and receive advice from staff from a range of associated service areas – eg repairs, money advice, rent arrears, tenancy management, housing benefit etc.
16. Regarding PIP, we have talked with the Tenants with Disabilities Network and asked them to help keep their members informed, and to act as advocates at medicals for other tenants. They will need more training from Welfare Rights Team.
17. Instigated council-wide discussions with high street banks, building societies and the Credit Union regarding increasing access to fully transactional basic bank accounts

18. Contributed £22.5k of emergency funding to support Brighton Housing Trust and the Citizens' Advice Bureau for help to council tenants around maximising benefits, applying for benefits, household budgeting, making money go further etc.
19. All housing staff are promoting our Customer Online System (COS) for those with access to the internet so that they can keep a track on their rent and other housing other accounts, to prevent them getting into debt. For those tenants who do not have internet access we are promoting the Council Connect facility at libraries, and referring them to our Housing Inclusion Team for help to get online.
20. Working on a range of early interventions to prevent or minimise arrears – eg information provision to new tenants from our Rehousing Team, work and learning advice especially targeted at households likely to be losing significant sums through welfare reform.
21. Implemented the new policy decision taken at Housing Committee on 8 May 2013 regarding tenants in arrears as a direct result of under-occupation. The committee agreed:-
 - “That for a transitional period until 1st April 2014, where
 - (i) all other avenues have been explored
 - (ii) transfer is the only option but there are no suitable properties to transfer to
 - (iii) where it is possible to clearly identify that arrears are solely due to the under-occupancy penalty
 officers will use all means other than evictions and bailiffs to recover rent due.”

Additional actions of the Council to mitigate the impacts of welfare reform include:

1. Communications – eg regular website updates and visits to some impacted households.
2. Collaborative multi departmental and multi agency working to adopt strategies to support impacted residents – eg with Job Centre Plus.
3. Additional funding for two years for the council's own Welfare Rights Service as agreed at Budget Council
4. In addition to the money advice contract commissioned for by Housing for council tenants, a council contract has been commissioned for households in all sectors who will be affected by the introduction of Council Tax Reduction. This support is to be delivered as a coordinated approach by Money Advice and Community Support (MACS) to the value of £180,000.
5. Creating a Community Banking Partnership to deliver banking, savings and advice with other organisations in the city (including banks) to ensure a consistent approach and to support people with their finances.

6. Commissioning organisations to help people make the most of their money by going online (digital inclusion).
7. Created a Council Tax Reduction Discretionary Fund (£300,000 for 2013/14)
8. Has a local Discretionary Social Fund (£630,000 for 2013/14) and Discretionary Housing Payments budget (£1 million for 2013/14) administered by a single team.
9. Set aside a further £300,000 to top up any of these discretionary budgets under particular pressure.
10. Undertaking work to understand the cumulative impacts of the welfare reform changes on individuals, and on the city and its services.

Actions going forward

There is a range of ongoing and planned future actions to mitigate the impacts of welfare reform, which can be summarised under the following headings:-

Supporting tenants – work, learning, minimising debt and income maximisation

- New tenants and those in arrears to have detailed income and expenditure assessments
- Advice and communications on taking in lodgers
- Support sheltered residents under 65 with transition from DLA to PIP
- Maximise access to, and provide support for, setting up bank accounts
- Direct Debit campaign and support on mutual exchanges
- Increase access to welfare advice
- Digital inclusion – IT access and training
- Promote household contents insurance

Tenant communications

- Maximise use of communications methods and targeted messages
- Encouraging take-up of benefit entitlement
- Community based group briefing sessions
- Promoting the customer online system (COS)

Policy and process

- Proactive mutual exchange support and matching service
- Pre-tenancy sign up work
- Customer profiling to know our tenants better

Use of information technology

- Support for public access computers
- More customer profiling and analysis of impacted groups
- Automated arrears and rent due date text alerts
- Investigate developing a housing rents smartphone app
- Support for mobile working on estates
- Website updates

Data analysis

- Preparation for Universal Credit for new claimants from Oct 2013
- Analyse payment methods and costs
- Consider varied payment frequencies

Staff matters

- Resources for eg money management, budgeting advice, a tenant peer mentoring programme, supporting new tenancies
- Increased staff resources to proactively support mutual exchanges
- Refocus the work of the Resident Involvement Team
- Ongoing staff training

Appendix 1

Summary of potential financial impacts to council tenants and the Housing Revenue Account resulting from welfare reform

Change	Impact on tenant	Approx no. tenants potentially affected	Estimated benefit reductions
Under - Occupancy April 2013	Average £12.12 1bed £23.72 2bed+	949	£696k
Benefit cap August 2013	NB: higher impacts in future years as rents are likely to rise by more than benefits will	19	£60k
Non-dependent deductions April increase	Reduced Housing Benefit. Assuming the total of the previous year's lower amount is paid	401	£45k - £290k
Council Tax Benefit abolished April 2013 - new Council Tax Reduction Scheme in place	Maximum additional contribution capped at £3pw for first year. Reduction in tenants' disposable income	5,000	£780k
Disability Living Allowance for adults changing to Personal Independence Payment (PIP) June 2013	Potential loss or reduction in benefit - £4 - £28 per week reduction in tenants' disposable income. (The Government's budget reduction target is 20%).	1,000	£208k - £1,456k
Universal credit April 2014 -new claim Existing claims transferred up to 2017	Direct payments of all benefits to tenants monthly in arrears. Pilot projects saw arrears increase by up to 50%	5,100	-
Total potential reduction in benefit (excluding Universal Credit)			£1.8m - £3.3m
The impact of Universal Credit is difficult to quantify, but annual Housing Benefit paid to HRA for working age households is approximately £19.3 m. An 8% rent collection shortfall as a result of Universal Credit could add an extra £4.1m to this figure.			

Potential impact on income collection

Key points

- If our collection rate reduces to the average in the DWP direct payment demonstration projects of 92%, the 8% shortfall would represent £4.1m.
- A minimum of 10% of the HB lost as a result of under-occupation may remain unpaid.
- The 6 demonstration projects pilots assess that 20 – 30% of tenants will struggle to pay their under-occupation charge.

From the studies and analysis so far undertaken, there is a range of views on the impact of the welfare reform changes on rent arrears and therefore on revenue to the HRA.

Some factors clearly remain unknown – eg which tenants and how many of them will indeed manage to pay their rent, which and how many will struggle and fall into arrears, and the level of our ability to support people to manage their budgets effectively, or our ability to recover rent arrears.

Potential impact on rent arrears

Feedback from the Department for Work and Pension's six direct payment demonstration projects indicate an average rent collection rate of 92% - with the six areas varying from 88% to 97% collection. These figures need to be treated with some caution as each housing organisation within the pilot effectively selected tenants for involvement. So not all tenants were included – and those who were excluded might have been those who were vulnerable, already in financial difficulty or arrears, or those without transactional bank accounts.

Housemark, in its May 2013 Welfare reform club benchmarking report, has assessed that even if housing organisations performed at the level of the best demonstration project sample (ie 97% collection rate), it would put them at the bottom 10% of the 237 benchmarked organisations. In addition, the report estimates that if all organisations performed to the DWP average of 92% collection rate (ie a drop of 7 percentage points on average national performance), then the social housing sector will lose £1.4 billion of rental income a year, or £27 million a week.

The pilot undertaken by London & Quadrant Housing Association which has 66,000 homes found that arrears doubled – however there were no mitigating interventions.

An Ipsos Mori baseline survey reported that amongst the housing associations surveyed, 84% expected to see an increase in their arrears. The average increase anticipated was 51%, with 15% of associations expecting their arrears to at least double.

Currently, we achieve a collection rate of 98.49% of the £50.7m of rent due for the year, which is our rent debit for the year (£50.1m) plus our arrears carried forward (£644k as at 1 April).

As of September 2013, the shortfall in our collectable rent (ie the 1.63%) represented around £826k arrears. However if our collection rate was to reduce to the average rate of 92% experienced by the DWP direct payment demonstration projects, the 8% shortfall would represent £4.1million (based on 8% of our collectable rent of £50.7million).

Additionally, we are not yet sure of the level of arrears at which the housing cost element of UC payments can switch back to being paid directly to the landlord – although eight weeks is often mentioned.

Additional costs for the HRA relating to income management

Potential extra costs need to be considered for example :-

- Hardship funds
- Communications
- Additional staff to carry out welfare reform visits
- Transaction and banking costs associated with the increased numbers paying rent (eg Paypoint) - and possibly new transaction methods (eg Credit Union charges/costs). Housemark estimate additional transaction costs of £48 per unit per year – for us totalling almost £47k factoring in everyone impacted by under-occupation (however some of those are paying already – partial HB recipients)

Interesting to note that from the **Manor Place closure review** one year on – 17 of the 21 residents spoken to have a transactional bank account, of which 2 switched to direct debit, 2 would consider it, 1 wasn't sure, but 12 would not consider it. So time needs to be factored in for talking through with and supporting tenants to adopt more cost effective payment methods.

- Additional debt prevention/advice/rent recovery/arrears staff - we'd need to do some analysis factoring in preparation for Universal Credit
- Supporting staff – information, advice, financial inclusion, digital inclusion, economic inclusion, money management/budgeting skills (our Inclusion Team)
- Financial support for independent welfare advice (MACS, CAB, BHT)
- IT costs
- Legal and court costs (although it will be counter intuitive or counter productive to increase tenants' debt by adding court costs)

The Ipsos Mori baseline survey found that housing associations with 10,000+ properties expected to spend an average of an additional £200,000 to prepare for welfare reform, and that this figure was likely to nearly double in 2014.

Cash flow

Payment of HB is currently in advance, yet Universal Credit will be paid a month in arrears. This will reduce our monthly cash flow by around £2.8m (HB receipts for working age households).

Other impacts

1. A reduced HRA balance will impact on our ability to invest in building more homes, and potentially investment in our properties generally.
2. Potential increase in tenancy fraud eg if people sublet or 'sell' their keys and decide to move
3. Increased homelessness - this might not necessarily be significant numbers from social housing because of the provision for payments to be made directly to landlords after possibly 8 weeks arrears. However the cumulative impacts of welfare reform might increase eg relationship breakdown and private sector evictions.

Provision for council tenants debt

The HRA has a provision for doubtful (potentially uncollectable) debt, which is £1.015 million as at the 1st April 2013 and is based on setting aside 20% provision for current tenant arrears and 95% provision for former tenant arrears. In the 2013/14 HRA revenue budget an amount of £0.208 million is set aside as the annual contribution to the doubtful debt provision. This budget provision budget is regularly monitored as part of financial budget management of the HRA.

Appendix 2

Profile of under-occupying tenants - as at April 2013

	1 bed	2 bed+	Total
	809	140	949
Average weekly HB reduction	£12.12	£23.72	£13.83
Annual lost HB to HRA	£520k	£177k	£696k
Total rent debit for these properties	£3.7m	£704k	£4.4m
No. soon to become pensioner	4	4	8
Bedroom need if wanting to transfer			
Require 1bed	486	123	609
Require 2bed	285	14	299
Require 3bed	29	3	32
Require 4bed	9	0	9
Total	809	140	949
Location			
Central	155 (19%)	13 (9%)	168 (18%)
East	316 (39%)	63 (45%)	379 (40%)
North	190 (24%)	22 (16%)	212 (22%)
West	148 (18%)	42 (30%)	190 (20%)
Household			
Vulnerability HB claimants with a vulnerability alert code	118	13	131
Disability Person in household receiving DLA, Severe Disability Allowance and/or Attendance Allowance	336	52	388
With children	159	10	169
...of which, child with disability At least one child receives DLA (care component or mobility component)	27	0	27
1 child	73	4	77
2 or more children	86	6	92

	1 bed	2 bed+	Total
Arrears/debt			
No. with any arrears	233	44	277
...of which are over £100	125	22	147
...of which are over £300	62	15	77
...of which are over £500	34	7	41

Source: Revenues & Benefits

Size criteria – household profile

Under-occupation level	No. of h'holds	With children in h'hold	H'hold member on a disability related benefit	With current rent arrears	With arrears of £500+
1 bedroom	809	159	336	233	34
2+ bedrooms	140	10	52	44	7
Total	949	169	388	277	41

Source: Revenues and Benefits (April 2013)

Appendix 3

Stock, rent, relets, and potential need for council tenants

Bedroom size	Approx average rent 1.4.13	Stock number	No. relet during 2012/13	No. potentially needed for under occupiers	No. potentially needed for those over crowded	Number needed by all on housing register
Bedsit	£61	724	58	-	-	-
1	£70	3588	188	609	-	9,524
2	£80	4550	150	299	184	4,355
3	£93	2693	65	32	274	1,735
4	£99	221	2	9	180	201
5	£115	44	1	0	55	18
6	£108	2	0	0	14	1
	£79	11,822	464	949	707	15,834 (total on register 17,218)

Sources: OHMS (col. 2-4), Revenues & Benefits (col. 5-6), Locata (col. 7)

Bedroom size in, bedroom size 'needed'

(ie according to welfare reform changes, and not accounting for disability etc)

Currently in	Need 7bed	Need 6bed	Need 5bed	Need 4bed	Need 3bed	Need 2bed	Need 1bed
6	0	N/A	0	0	0	0	0
5	2	2	N/A	9	3	2	1
4	0	6	16	N/A	29	12	4
3	0	5	38	150	N/A	285	118
2	0	1	1	29	268	N/A	486
1	0	0	0	1	6	184	N/A
Under-occ Total 949	0	0	0	9	32	299	609
Overcrowded	2	14	55	180	274	184	N/A

Source: Revenues & Benefits

From the table above it can be seen that there are many instances where overcrowded households needing one extra bedroom outnumber those who are under occupying by one bedroom. This means that if we were able to put people

in touch with each other, the households impacted by the under occupation reduction in Housing Benefit would potentially have several swap options to choose from.

This reverses however when we look at under occupiers currently in a 2bed property, where there is a big mismatch in numbers and they triple those who are overcrowded and need two bedrooms.

Just over 600 households 'need' to downsize to 1bed accommodation, 486 of which are currently occupying a 2bed property. If all under occupiers currently in 2bed properties successfully carried out a mutual exchange with the 184 overcrowded households in a 1bed property who need a 2bed property, there would still be a shortfall of around 300 1bed properties for under occupiers. In the last year to April, we had less than 200 1bed flats become vacant, and there are over 9,000 households on the housing register awaiting 1bed properties. This, coupled with the impact of a percentage of empty properties being prioritised for households who are 'working or making a social contribution', means that there will be a considerable number of tenants who will have a slim chance of moving to a 1bed property in the coming year.

Appendix 4

Some citywide welfare reform impacts - all tenures

Council Tax

17,000 people in Brighton & Hove (across all tenures) have to pay more council tax than they did in 2012, of which 10,000 previously did not make any contribution. The minimum they are required to pay is around £1.20 and the maximum is around £3.

Discretionary Housing Payments

Within the city, residents across all tenures will lose around £12m in total in housing benefit payments. While Discretionary Housing Payments will make up some of the shortfall for some people, the total amount given by the Government is a subsidy of around £1.017 million which is less than one tenth of the total benefit lost in to the city's residents.

Benefit cap

Headline figures as at September 2013

Tenancy type	Number of cases
Private rented	85
Housing association	5
Council tenants	11
Temp accommodation	93
Total	194

Appendix 5

Feedback from work of the Housing Inclusion Team

Learning & Participation Service (2 full time equivalents)

Operational from October 2012.

Focus is to engage and progress tenants into learning, training, education and employment.

Funding is through the Interreg Learning Cities until Sept 2014.

Referrals come from in-house teams, self referrals, external teams and agencies.

Most referrals are from the Tenancy Sustainment Team.

October to March 2013

68 referrals

14% non-engagement (10 cases)

64% progressing into courses, training, volunteering or employment

April - June 2013

43 new referrals

20% non engagement (9 cases)

18 into courses/training

3 into volunteering

3 into employment

3 being helped with job search/cv writing.

Barriers to work

Mental and physical health issues

Lack of confidence/motivation

Lack of skills/qualifications - major barrier is access to funding for college courses as there is no provision for 24 years plus - only student loans available

Progression opportunities - difficult to get work placements, volunteering opportunities, into college without funding, childcare/carer costs

Lack of money for equipment, books etc or job search eg clothes for interview, specialist clothing eg H&S, haircuts, dental appointments

Employment opportunities - "Brighton factor" - competing with graduates for entry level employment; zero hour contracts; low hours available - benefits trap

What are we doing about barriers

Mental health/physical health - tend to be less work ready and require longer term intervention with the team.

Set achievable goals, build confidence and motivation, use work focused coaching techniques, link into services eg libraries, adult learning providers Community Hubs eg Bridge, Portslade Adult Learning, Whitehawk Inn,

Hangleton and Knoll, Friends Centre, Brighton Unemployed Families centre, the Fed etc

Get them into activities and courses. Work proactively with other services to ensure support needs are met and identify ways to overcome physical barriers.

Referrals to employment support programmes such as the Progress to Work; Work Programme Providers eg Avanta, Maximus, RBLI, JCP

College Fees: Funding course fees through the Tenant Training budget

Equipment/resources: set up a small funding pot to pay for one off expenses related to employment or college.

Case Study

Miss X. TSO referral, mental health issues, depression/anxiety - had not been out of the house for 6 months.

Working with the Learning & Participation worker initially on confidence and motivation. Initially met at home but progressed to meeting up in community settings. Found out interested in photography - got her onto a short photography course and then encouraged her to go out on her own to take photographs. Set up a work shadowing opportunity via the press office - went out with the photographer to cover shoots. Signed up for photography course at college, and volunteered to take photos at community events. Started to get offers of paid work but didn't have all the equipment she needed - we purchased a flash gun for her through the small funding pot - currently doing paid assignments for 3 local schools and covering a number of community events over the summer. Has offered to cover resident events such as city assembly for us.

Welfare Reform

Need to become more proactive and start targeting households affected by Welfare Reform.

Target groups should include

- ESA WRAG /JSA cases where entitlement to benefits has ended or is due to end (time limited claims)
- Benefit cap cases - cap doesn't apply if one adult is working 24 hrs plus or is registered self employed
- DLA/PIP claimants who want to work

Financial Inclusion

MACS contract performance information as at end of May:

No. of referrals 304

Rejected: 26 (non eligible)

Current caseload 168

Financial outcomes for tenants: £365,500

Referrals have doubled since April 2013 - main reason for referrals: arrears and benefit issues.

MACS is prioritising all cases marked as urgent from the Financial Inclusion Team and Housing Income Management Team. All court action cases are referred to MACS automatically.

Financial Inclusion Team (1.2 full time equivalents)

Referrals to this team have doubled since April. The main source of referrals is from the Welfare Reform Visiting Officers; and other sources include in-house teams, external teams and agencies citywide.

Areas of work

Referrals to MACS - 221

(Triaging, questionnaires, updating computer systems, budgeting advice and support etc)

Referrals to food banks (approx 5 per month) and delivering food parcels to housebound tenants

Telephone advice and support

Home visits

Energy comparisons and energy advice packs

Moving home advice packs

Budgeting, money management

Training provided since January

- Energy Efficiency 55 staff and 10 residents
- Loan shark advocacy - 30 staff 5, residents
- Although no take up for group money matters sessions

Work in progress

Setting up and delivering Money Mentors programme

One Planet Energy Pilots – working with Property & Investment Team and others

Food Partnership - growing projects and food poverty awareness training

Need to prioritise

Early intervention with arrears cases

Supporting and promoting access to banking and affordable credit

Support with benefit applications and appeals

Access and support to be online

Building financial capability

DRAFT Sustainable Tenancies Strategy action plan

Version 1.8 – December update

Introduction

This action plan is currently in draft form, and will be informed by feedback from colleagues and from ongoing work with residents as the impacts of welfare reform unfold in a cumulative way. The plan will be constantly reviewed and kept up to date as new actions emerge, changes are needed, and as work is completed.

Risks and challenges

- § Buy in from all teams
- § Culture change amongst staff - more difficult conversations with tenants and residents versus or as well as more supportive approaches with them
- § Management of media interest and public criticism of our approaches
- § Knowing our customers better and using the information we know about them
- § Communications - the need for more targeted approaches, person specific rather than broad brush, and internal comms
- § Reaching and communication with private rented sector tenants
- § Data capture and monitoring - building a suite of useful and informative data needs.

Format

This action plan possibly works okay as it is, but we might want one that is summary points by team, by date, by specific welfare reform change or by customer journey - eg starting with pre-tenancy work (eg even with Homemove applicants) and ending with evictions. This could be manipulated once the action plan is in Excel format to suit specific needs.

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Policy, procedure or process changes	2
Project management and data analysis	4
Structural or staffing issues	6
Information and communications technology and OHMS (Housing IT system)	7
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Staff communications and training	12
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Councillor communications	15

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	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
Policy, procedure or process changes									
1.1	<p>TIS Amended in May to include under occs</p> <p>Need to promote more</p>	<p>1.) No claims rating 2.) Average assessment Team</p> <p>Support tenants needing to downsize</p>	Social Sector Size Criteria (SSSC)	Sue Baker Mark Richardson	<p>Visiting Officers</p> <p>HIMT</p> <p>Re-Housing</p> <p>Customer Service</p>	H	M	All done by March 2014	<p>Are they bidding?</p> <p>Promote mutual exchange with support as the quicker option.</p> <p>As at Nov 2013, 37 households have moved through TIS</p>
1.2	<p>Discretionary Housing Payments Eg for removal costs (where we can't cover with TIS)</p>	<p>Maximise DHP to tenants. Support those tenants who, for whatever reason, will not be moving, or need help with downsizing.</p>	All	Lynn Yule	<p>HIMT</p> <p>Visiting Officers</p> <p>Rehousing</p> <p>CSA</p>	H	E		<p>Removal costs will be paid direct to removal companies.</p>
1.3	<p>Allocations Policy Ensure now matches the HB size criteria rules</p>	<p>Ensure we're not knowingly allowing tenants to over-occupy except in exceptional circumstances</p>	SSSC	Verity					<p>This will require Legal input re previous Allocs Policy in light of legislative changes to HB</p>

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
1.4	Bedroom policy Agree new policy	Caution not to inadvertently increase bedroom sizes and therefore rent liability	SSSC	Miriam Gee	Property & Investment	H	D	Completed	Completed, agreed at LT on 13.6.13
1.5	Arrears policy and associated work. Ensure congruence with political decisions and amend letters	To link with Corporate Debt policy currently under review	SSSC	Lynn		H	E	Completed	Scrutiny panel Completed
1.6	*Promote customer online service Communications to all tenants	Ensure tenants can use automated payment systems		Janet Dowdell	Laura T				NB: Resolve system deficiencies
1.7	Mutual exchange Review policy, and devise a matching service	To see that it meets needs of people downsizing Support arrears minimisation Better use of housing stock	SSSC	Helen O'Connell	Graham Peter (P & I) HIMT	H	M	May 2014	Progressing
1.8	Pre-tenancy work and support for new tenants Eg detailed income and	Ensure rehousing targets does not contribute to financial exclusion – eg use of payday loans to pay	All	Ododo Sylvia	Peter Huntbach Homemove Rehousing TSOs	H	D	Vital/key	Some landlords purposely increasing target turnaround times

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	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
	expenditure assessments, group sign ups or presentations	for setting up home costs			Income Management Narinder Sheltered Housing Temp Accom.				to carry out group sign ups with plenty of information.
1.9	Use and occupation accounts Resolve them	Minimise council debt	N/A	Helen O'Connell Lynn Yule	Graham Davies TOs	H	M	End January	£15k - £18k rent arrears
1.10	Work collaboratively with partners to address health and wellbeing impacts	To ensure a wider holistic approach to social deprivation		Narinder/ Ododo	Peter H HIMT				The strategy highlights links between deprivation and health. Refer to JSNA impacts.
1.11									
Project management and data analysis									
2.1	Re-energise Housing welfare reform Project Group	To drive the work.	All	Ododo	Lynn Emma	H	E	Complete	Monthly/6 weekly meetings

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
2.2	Update and analyse used rent payment methods and costs including review current and potential methods	Base decisions on knowledge	All	Corp banking	Debbie Sargent Helen Julie	H	M		
2.3	Evaluate learning from Chartered Institute of Housing sustaining tenancies programme and share information	Get the most from working with 12 other organisations	All	Ododo	Lynn Emma	H	E		
2.4	Analyse cap cases .	Preparation, supportive interventions	Cap	Sue Baker Claire Armstrong		H	E	May 13	
2.5	Analyse and renew MACS contract	Understand progress; extend the contract for the second year	All	Emma		H	E	June 13	£80k in budget for Oct 2013-Oct 2014
2.6	Customer Profiling Eg financial circumstances, ability to budget, tenants at risk	To better understand tenants, and help ensure they are ready for Universal Credit	All Esp U.C	Tom Matthews	Homemove Locata Re-housing Housing IS	H	M		OHMS now amended to record if people have access to bank accounts and the internet.

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
2.7	Keep track of cumulative and multiple impacts	Better understanding, inform future needs analysis.	All	Project Officer					Keep in mind both council wide and government work on this too
2.8	Preparation for Universal Credit for new claimants from April 2015	Ensure tenants are ready for the changes	UC	Performance & Improvement Team	Department of Work & Pensions	M	D	Deferred to April 2015	
Structural or staffing issues									
3.1	Appoint a project lead	Own and drive this action plan Achieve better coordination of tasks	All	Laura	LT	H	E	Jan 2014	
3.2	Review of HIMT processes and structure	Ensure streamlined and cost effective processes	All	Ododo	HIMT Other services	H	D	After April 2014	
3.3	Service redesign – eg possibly separating enforcement from support	More streamlined approaches, more clarity, avoid duplication	All	Ododo	Emma Lynn	M	D	Aug 2014	
3.4	More staff working on money management, budgeting and	More tenants likely to need one-to-one support – which is time intensive	All	Emma		H	M	Aug 2014	To inform service redesign

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
	debt								
3.5	Increased staff resources to support mutual exchanges	Increasing applications. Proactive 'matching' service	Under occ	Graham Davies		M	E		Increased staff resources in place until April 2014. Currently ongoing project work to match tenants.
3.6									
3.7									
3.8	Refocus work of Resident Involvement Team	Need departmental financial, digital, economic inclusion champions and need residents on board. Need a cost effective, outcome focussed service offer – eg tenant mentoring programmes etc	All	Becky	RIT Emma Ododo All teams	H	D	City-wide Sept 2014	Resident groups trained to eg: accompany lone residents to ATOS interviews, share computer skills, support CV writing, set up growing projects
ICT and OHMS (housing computer system)									
4.1	Updates to and new OHMS arrears reports Eg - Under	Better use of IT to support arrears tracking of impacted cases, monitoring, reporting, targets etc	All	Lynn Tom	Housing IT	H	E	Completed	Ongoing decisions for future report needs **Completed**

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
	occupiers - DLA to PIP cases - Benefit cap cases								
4.2	Support for public access computers	Support 'digital by default'	UC	Emma	Libraries	H	D		
4.3	Customer profiling and analysis	Know our tenants much better (See 2.6 above)	All UC	Di /Laura	Tom Matthews Housing IT	H	M	In place by March 2014	
4.4	Procure Northgate 'Arrears Express'	To help make arrears chasing more efficient	General			M	M	Pilot complete in June 2013	Outcome: Not helpful
4.5	Use technology to better support income management eg texting arrears alerts and automated rent due date alerts	Some organisations report good results, lower cost, increased productivity. Cost, ease, younger tenants apparently especially receptive to this method of communication.	All	Housing IS Dan Snowdon Project Officer	Lynn	M	D		89% of adults own/use mobile phones (nationally, but may be lower in areas of high deprivation). Dan to set up mass text alerts.
4.6	Develop	For viewing rent	All	Project	Lynn	M	D		

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
	housing rents app	account, making payment, online diary reminders for rent due dates		Officer	Peter H Housing Information Systems				
4.7	Citrix receivers on Smartphones or tablets for visiting officers rather than laptops	Increase the work officers can do with tenants in their home, and avoid double data entry. Demonstrations for tenants - eg using online budgeting aids.	General	Project Officer	Housing IS	M	E		Eg. GreenSquare Group
Supporting tenants - minimising debt and income maximisation									
5.1	Detailed income and expenditure assessment	Tenants have reviewed budget and are aware of priority payments	All UC	Lorraine Lynn	Emma	M	E		Consider doing a tenant-wide financial inclusion survey
5.2	Prepare advice and communications regarding taking in lodgers and update website	Increase awareness and provide useful information	Under occ	Laura	Perf & Imp Team	H	E	Feb 2014	
5.3	Support sheltered residents under 65 with transition from DLA to PIP	Seek to maximise tenants' incomes	PIP	Peter Huntbach	Emma Gilbert	H	M/E		Consider that where tenants are supported, ATOS assessment visits are more likely to

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
									be successful.
5.4	Meet with colleagues in Children's Services	Consider, share information and plan for known impacts	All	Lynn		M	E		
5.5	support tenants with setting up bank accounts	Ensure tenants have access to relevant products for banking	UC	Ododo	Emma	H	D	Update from Emma re last meeting	Action within corporate Financial Inclusion strategy
5.6	Better promote Credit Union	Support access to affordable credit and savings	All	Emma	HIMT Customer Service	H	E		Action within corporate FI strategy
5.7	Direct Debit/ Standing Order campaign	Cost effective payment method	All	Lynn	HSA Rent Acc HIMT	H	E		Paperless Any day of the week
5.8	Mutual exchange event	Promote speedy moves for under occupiers and over-crowded tenants	Under occ	Andrew Crossey	Ododo	H	D	Complete	Need to replicate with RSLs?
5.9	Contribute to council wide digital inclusion work	Governments' 'Digital by default'	UC	Emma		H	M		
5.10	Increase access to welfare advice	Ensure wider access and take-up, track progress and access		Emma	FI Team				
5.11	Prepare action plan for cash desk closures	Inform accommodation strategy	General	Hilary		H	D	Jan 2014	In progress

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
5.12	Promote household contents insurance	Might seem counter intuitive, but for tenants to consider impacts if not covered.	General	Lynn	NOs HSAs	L	E		
5.13	Promote TIS and exchanges to those over pensionable age	Potential changes in 2015 that will impact them	General	Mark Richardson	Peter H	L	M		
Supporting tenants – work & learning									
6.1	Evaluate current impacts/outputs of work and learning activities	Understand progress; possibly re-frame resources	All	Emma		H	M	June feedback to LT	What incentives and interventions, barriers, publicity, targets, outcomes etc
6.2	Arrange Housing apprentices		All	Satti		H M		Complete	
6.3	Mears' apprenticeships – from council tenancies	Support work amongst tenant households	All	Benjamin	James Cryer	H	E		Info re numbers?
6.4	Work placements	For impacted tenants to gain work experience and receive CV/interview support	All Cap	Emma Satti		H	E		

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
Support and communications to private rented sector tenants									
7.1		This section needs to be worked up with actionable considerations - eg Cap cases, Credit Union accounts to save for deposits		Louise Lowery	Deborah Grafham				
7.2									
7.3									
Staff communications									
124 8.1	Share completed strategy and action plan with managers -F2F session	Information dissemination and for managers buy-in and to share in teams		Ododo	Service managers	H	E	July 2013	Complete
8.2	Meet with visiting officers	Progress update, increase learning, bring together what we know so far, evaluate next steps, clarify any changes needed.		Ododo	Lynn, Emma	H	E	June 2013	Completed Extremely useful
8.3	Meet with staff who have personal contacts with tenants	Increase understanding, share info, understand tenant concerns, ensure consistent info.		Managers	Emma Lynn	M	E	June 2013 And ongoing	

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	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
8.4	Identify office WR champions	'Go to' person		Project Officer	Managers				
8.5	Ensure Mears operatives know where to refer tenants to	They have contact with tenants in their own homes		Ododo	James Cryer	M	E	Complete	James confirms all okay – May 2013
8.6	Sharepoint updates	Access information		Project Officer					
8.7	Housing Update updates	Keep all staff up to date Potentially more easily accessible than Sharepoint		Project Officer	Laura Turner	M	E	Ongoing	
8.8	WR agenda item for team meetings	Manager to share and gather information			All managers	M	E	Future meetings	Example sheet produced
Staff training									
9.1	More training for all front line staff –	Topics eg:- 1. The changes 2. Impacts on tenants - ££ and eg stress, mental health, children... 3. Understanding impacts on HRA, services – eg mutual exchange, voids, arrears, advice provision 4. Sign-posting services - where and		Project Officer					More examples... 9. Making use of our website 10. Accessing info and updates from Sharepoint 11. Recognising indicators of financial exclusion 12. Supporting tenants to get online

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	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
		how 5. DHP applications 6. Transactional bank accounts – sensitivity, understanding 7. Updating OHMS, capturing info 8. Safeguarding issues - UC							13. Debt advice - specific staff Benefits advice - specific staff
9.2	Potential communications training for HIMT and other frontline staff	Non-judgemental communications. Update skills in assertiveness and negotiation, removing barriers and engendering support and encouragement.		Lynn	Ododo	L	M		This is likely to be tied in with the review or CIH 6 month consultancy work on sustaining tenancies
Tenant communications									
10.1	Eg You Tube video clip	Easy access to information, simple messages and with consideration of literacy skills		Ododo	Adrian Ashwell	H	D		Fit with corporate messages – council tax etc
10.2	Review HSA FAQ scripts, update website	Ensure consistent information		Project Officer	Janet Dowdell Annie Heath	H	E	June 2013	More to be done as changes occur
10.3	Promote benefits calculator – website, Homing	Increase tenant knowledge			Becky				

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
	In, word of mouth, TRAs								
10.4	Personalised MACS article in Homing In – residents' experiences of using the service	To encourage others to self refer before crisis		Emma		H	E	Complete	
10.5	Promote the customer online system (COS)	Ensure tenants can use automated payment systems		Janet					1,023 signed up (Nov 2012)
10.6	Homing In	Eg money matters and promoting the work of other teams eg, Illegal money lending team, Trading Standards, Revs & bens	All	Ododo Emma	HIMT Visiting officers			Ongoing	Possible 'Your money' page
Councillor communications									
11.1	Sustainable Tenancy Strategy to Area Panels and HMCSC - along with detailed information regarding arrears management	Increase information and awareness.		Ododo	Lynn	H	E	Complete	

	Action	Purpose	Specific welfare reform	Lead person	With whom	Priority High, medium or low	Ease Difficult, moderate or easy	Target	Costs/notes
11.2	Paper and stats to all councillors – eg NFH briefing for councillor surgeries	Ensure councillors are up to date and armed with info		Project Officer Ododo	Valerie	H	E		Various briefings have been sent – The last one was on 01/11/13 and circulated to the housing leadership team and Bill Randall. More will be needed.
11.3	Prepare information as needed for councillors	Localised information where/if possible		Project Officer	Tom Matthews	L	M		

This action plan will be reviewed at Housing Welfare Reform Project Group meetings with updated versions stored on Sharepoint

Subject:	Homelessness Strategy Development and Consultation		
Date of Meeting:	15 th January 2014		
Report of:	Geoff Raw Executive Director Environment Development & Housing		
Contact Officer:	Name:	James Crane	Tel: 29-3316
	Email:	James.crane@brighton-hove.gcsx.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The Council is required under the Homelessness Act 2002 to have in place a homelessness strategy and the strategy must be based on a review of all forms of homelessness within their area.
- 1.2 The Council considers that homelessness has a significant impact on many local authority and other statutory services such as Adult Social Care and Children's Services, Mental Health, Substance Misuse, Probation, Police and Public Health in addition the strategy is being supported by a partnership of local providers in the voluntary and private sectors.
- 1.3 The Homelessness Strategy is a sub strategy of the Housing Strategy and there are a number of other strategies that have been developed to deal with particular issues of importance in Homelessness area including Single Homelessness & Rough Sleeping, Youth Homelessness and Temporary Accommodation Strategies. It is intended as part of the Homelessness Strategy Development to incorporate these sub strategies into an over arching Homelessness Strategy 2014 – 2019.

2. RECOMMENDATIONS:

- 2.1 That the Committee note the contents of the Homelessness Review 2008 – 2013
- 2.2 To endorse the approach to producing a homelessness strategy 2014 – 2019 incorporating all related sub strategies contained in paragraph 1.3.
- 2.3 That the Committee notes proposed Community Engagement Strategy being used to develop the new Homelessness Strategy 2014 – 2019

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Homelessness Act 2002 provides that the Council must have in place a Homelessness Strategy, based on a review of all forms of Homelessness in its district. The Housing Act 1996 s182 informs Councils that they must have due regard to guidance issued by the Secretary of State in exercising if any functions relating to Homelessness. The current Code of Guidance, The Homelessness Code of Guidance for Local Authorities, was issued in July 2006 and remains in force.
- 3.2 Both the Local Housing and Social Services authorities must have due regard to the Homelessness Strategy in the exercise of their functions; Homelessness Act 2002 section 1 (5) & (6).
- 3.3 The Code of Guidance gives general advice on what the Government considers should be included when the Council reviews homelessness in its area. This includes levels of homelessness, activities which are carried out in the district which contribute to
- a) Prevention of homelessness
 - b) Securing accommodation for those that are homeless
 - c) Providing support for those that are homeless, who may become homeless or to support those that have been homeless to prevent repeat homelessness.
- 3.4 A Review has been completed using data from 2007 to 2012 and a number of documents have been produced
- a) Homelessness Review 2007 -2012
 - b) Housing and Support for young people aged 16 – 25
 - c) Rough Sleeper and Single Homeless Needs Assessment 2012
- Copies of these documents can be found in the member's room.
- 3.5 The Code of Guidance also gives advice that in order to develop a homeless strategy the Council must consult such public or other local authorities, voluntary organisations or others that the Council consider appropriate before adopting the strategy. It goes on to state that in order for a strategy to be effective it will need to involve every organisation and partnership whose activities contribute or could contribute in some way to achieving its objectives.
- 3.6 The advice continues that it is also important to consult with service users and homeless people themselves, along with ethnic minority and faith based groups and addressing those that may face a disproportionate effect of becoming homeless in the area. For Brighton & Hove therefore it will be important that we consult with our Lesbian, Gay, Bisexual and Transgender community.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 This is the third strategy that has been produced since the introduction of the Homelessness Act 2002 and each of these strategies has used detailed data on the trends of homelessness in a number of key areas. It is considered that continuing to use evidence based data is the best way to formulate this strategy and it also complies with guidance in the Homelessness Code of Guidance 2006.

- 4.2 The Council has well developed mechanisms to consult with local residents, customers, voluntary & private sector organisation in order to achieve feedback for the development of this strategy. Additional thought will be given to engage with those parts of the communities that are traditionally do not respond to consultations with officer setting up specifically targeted events with the trans community and Gypsy and Travellers.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Council is now in the consultation phase in developing this strategy. This was launched at the Homelessness Strategy Consultation Event held at Hove Town Hall on the 2nd December 2013. This event attracted 170 delegates from a number of statutory, voluntary and private sector organisations where homelessness has a significant impact for them and their customers. Work is currently under way to produce a conference report with early indication of what we are learning from the consultation.
- 5.2 This report has attached the Community Engagement Strategy which will be used to consult organisations and individuals across the City and includes the use of the consultation portal to ask a range of questions on the Council's Vision, Objectives and Guiding Principles and to consult on how we will deliver these aims in the City over the next five years.
- 5.3 The Council will also utilise the Housing Register to reach people that are currently in Housing need directly and look to gain valuable feed back from people in temporary accommodation and in the City's Hostels.
- 5.4 There will be a number of events that will aim to reach out across the city to faith, BME, LGBT and traditionally hard to reach groups to ensure that people feel that they have had an opportunity to voice their opinion on the strategy and its development.
- 5.5 The consultation period will last for three months and the information will be compiled into a consultation report that will inform the development of the new homelessness strategy. We will also take on board the feedback and recommendations of the cross party Overview and Scrutiny panels on Homelessness and Transgender in relation to housing.

6. CONCLUSION

- 6.1 The next five year period is without a doubt going to be challenging. The full effects of Welfare reform coupled with the anticipated rise in rents and house prices in the City will give rise to greater numbers of residents that are priced out of the housing market in the City
- 6.2 With a decrease in resources generally available to the Council it will be important to continue to develop a city wide partnership approach to homelessness in the City that includes the ability to resource activities from alternative sources. In order to do this it is vital that customers, voluntary and private sector are consulted in the development of the strategy and that can sign up to the partnership to steer this strategy forward in difficult financial times.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The financial information for the Homelessness Review is embedded in the Homelessness Review 2008 – 2012 document in the members rooms

7.2 The development of the Homelessness Strategy for 2014 – 2019 will be managed within existing resources

Finance Officer Consulted: Name Neil J Smith

Date: 09/12/13

Legal Implications:

7.2 The legal framework for a homelessness review and strategy are set out in the main body of the report.

7.3 It is noted that the report recommends, among other things, that there be a single overarching Homelessness Strategy for 2014-2019 that incorporates all the current existing homelessness sub strategies. This is permitted by the Homelessness Code of Guidance for Local Authorities 2006 as it specifies at paragraph 1.2 that it is open to local authorities to produce either separate housing and homelessness strategies or combine these in a single document where it is consistent to do so.

Lawyer Consulted:

Name Amma Boateng

Date: 09/12/13

Equalities Implications:

7.4 Homeless people are amongst the most excluded groups in the City. Tackling Homelessness goes beyond meeting the individuals' housing needs. Loss of the home has an impact on health, education, social care and other support needs.

7.5 The population of the City is growing, and predicted to grow further with rising birth rates, and people moving into the area. There has been a notable increase in BME and LGBT communities in particular.

7.6 The equality duty was created by s149 Equality Act 2010 and replaces the race, disability and gender equality duties. The duty came into force in April 2011 and covers age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. To comply with this duty an equality impact assessment will be carried out on all of the groups classified as having protected characteristics in the development of this strategy.

Sustainability Implications:

7.7 None

Any Other Significant Implications:

7.8 None

SUPPORTING DOCUMENTATION

Appendices:

1. Community Engagement Plan

Documents in Members' Rooms

1. Homelessness Review 2008 – 2012
2. Housing and Support for young people aged 16 – 25
3. Rough Sleeper and Single Homeless Needs Assessment 2012

Background Documents

Crime & Disorder Implications:

1.1 The Crime and Disorder Act (s17) obliges the Council to consider the implications of Crime and Disorder in the discharge of any of its functions. The Council is a partner in the Safe in the City Partnership Board and has key working relationships in a number of areas including Domestic Violence, Suicide Prevention and Reducing Drug related Deaths.

1.2 There are also links to rough sleeping, street drinking & begging, anti social behaviour that need to be considered, this includes protecting members of the street community from crime as well.

1.3 The Council also has a partnership role in reducing re-offending in the City and is a partner on the Reducing Re-offending Board. There are a number of project that look to assist offenders on release from prison and multi agency public protection arrangements exists between Housing, Police & Probation to ensure public safety from high risk offenders.

Risk and Opportunity Management Implications:

1.2 None

Public Health Implications:

1.3 There is well established evidence that homelessness can have a detrimental effect on people's mental and physical wellbeing. It is also known that the health outcomes for rough sleepers and insecurely housed people are significantly poorer than the general population as a whole.

1.4 To ensure that we have a better understanding of the needs of rough sleepers and hostel residents a health audit has taken place to indentify what heath needs are reported by this group. The aim of the audit is to also influence commissioners of health services to meet indentified need and look at any emerging gaps. 302 surveys have so far been returned, which represents a 40% sample of rough sleepers and hostel residents. The results are being analysed by Public Health and will be used in the Development of this strategy.

Corporate / Citywide Implications:

1.4 None

Community & Stakeholder Engagement Plan:

Development of the Homelessness Strategy 2013

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1. About this Plan

This plan outlines how we intend to engage with the city's communities and stakeholders to ensure their views help shape the development of the Brighton & Hove Homelessness Strategy 2014 – 2019.

The strategy is being developed in 2 key stages. The first stage will involve reviewing all forms of homelessness in the area and this will form the basis for consulting with customers, residents and partner agencies. This consultation will last for three months, although it is recognised that to effectively engage some stakeholders our consultation is likely to occur throughout the development process:

- Stage 1: Homelessness Review & Community and Stakeholder Engagement Plan - December 2013
- Stage 2: Consultation Report and Draft Strategy March 2014

2. Who are our stakeholders?

Our engagement needs to be appropriate and sensitive to the needs of our different stakeholders:

- **The Wider Community**

The Council has an obligation to ensure that there is community cohesion within its area. This is to ensure that communities and different groups get on well together. Allocation of social housing is often a cause of discontent within communities often as a result of misconception and misinformation surrounding social housing. Affordable housing can become an issue at any time for any member of the community as ill health, unemployment and the contraction of the welfare state over the next few years will see previously unseen groups of residents in potential housing difficulties.

- **Existing Social Housing Tenants – Council and other Registered Social Landlord’s Tenants**

There are 12,500 Council Tenants and 6,300 Registered Social Landlord tenancies in the City. Although a high proportion of Social Housing Tenants will not face the prospect of homelessness, some undoubtedly will. Those facing homelessness will do so because of rent arrears, anti social behaviours or a living in a property that is no longer suitable to meet their needs. Continued changes in the area of welfare reform may also impact tenants that under occupy or are caught in the welfare cap. It is important that the views of all social renting tenants are heard during this consultation.

- **Gypsy and Travellers on transit and permanent sites & in Social Rented Housing**

The Council provides a transit site for gypsy and travellers passing through the City and is developing a permanent site for gypsy and travelling communities that need to cease travelling for health, education or other reasons. It is important that gypsy and travellers are consulted on the Homeless Strategy Development. One of the key areas of concern for this community is the availability of permanent traveller sites across the country and therefore the inability to be able to settle if required. There are also issues for the travelling community with offer of “bricks and mortar” as a solution to their housing issues.

- **The Voluntary & Community Sector** – Organisations that provide advice and advocacy services and support to the homeless, those in housing needs and to the wider community are key stakeholders as they have a wealth of knowledge and experience in this area.
- **Service Users** – People currently using services relating to Homelessness, Housing Needs provided by the Council and its contracted partners.
- **Partners** – Other service providers providing services relating to tenants and people in housing need.
- **Politicians** – Members of Parliament and elected Councillors representing the city’s residents.
- **Staff** – People employed by the Council and its contracted partners who provide services relating to existing and future tenants.

See Appendices for details of our main stakeholders.

3. Joining-up our Plan

The Community & Stakeholder Engagement Plan is supported by 3 pieces of work:

1. Homelessness Communications Plan

Lead: BHCC Communications Team

The Communications Strategy is designed to co-ordinate our media relations around three key issues:

- Development of the Strategy
- Community Engagement
- Supporting Consultation

2. Community Engagement Framework

Lead: BHCC Communities & Equality Team

The Communities & Equality Team will support community engagement around the strategy development. Many people are involved within their communities in advice or advocacy projects and most of these groups can help in the development of the Homelessness Strategy. Engagement with diverse groups will help in understanding the needs of differing groups across the City and informing the final Strategy.

3. Community & Voluntary Sector Involvement

The City has a large community & voluntary sector that provide services to the city's residents. Housing and homelessness issues are often quoted as one of the major issues that are dealt with in the City with increasing issues of affordability and people seeking settled housing solutions for themselves and or their families. Engagement with the sector is seen as vital in terms of this engagement strategy especially

with groups that can be hard to reach or are unable to access the internet.

Links to other Strategies, Plans or Policies

The Homelessness Strategy will also be a key document for the development of other Strategies and Policies of the Council and its partners in the Social Housing Sector. These include The Tenancy Strategy, The Gypsy and Travellers Strategy, Allocation of Social Housing Policy and Extra Care Housing Strategy.

4. Stage 1: Homelessness Review & Community and Stakeholder Engagement Plan

The Homelessness Act 2002 requires local authorities to carry out a review of homelessness and homelessness services in their area, and to formulate and publish a homelessness strategy based on this review.

The Local Authority is required to keep the strategy under review and to consult with other local or public authorities and voluntary organisations before adopting or modifying the strategy. The Act also requires Local Authorities to renew their homelessness strategy every 5 years. The strategy cannot be amended without prior consultation with the relevant stakeholders. The Council has to have regard to statutory guidance issued by the Secretary of State (Homeless Code of Guidance 2006) when carrying out activities under Housing Act 1996 and Homelessness Act 2002.

This Community and Stakeholder Engagement Plan is therefore considered important and sets out who and how we will consult in the development of the Homelessness Strategy.

The consultation will be via a range of mechanisms:

- **Homelessness Strategy Consultation Event**

The Council has conducted a review of all forms of homelessness in the area and has produced a number of documents as a result.

1. Homeless Review 2008 to 2012
2. Housing and Support for young people aged 16 – 25
3. Rough Sleeper and Single Homeless Needs Assessment

To test if we have correctly analysed and reached the correct conclusions on the extent of homelessness and the things that are driving homelessness in the City, we now wish to consult on the review and also to look at the vision, objectives and guiding principles for the new strategy.

The Consultation period will start with a consultation event in early December, where we will aim to invite organisations who work in this area to engage in the development of the new strategy.

A Conference report will be produced with the results of this event to help in the development of the strategy.

- **Brighton & Hove City Council Consultation Portal**

The Consultation Paper will be posted on the Brighton & Hove City Council's Consultation Portal for the duration of the consultation period. This will enable everyone the opportunity to read the Homelessness Review and make comments by responding questions on each of the identified issues. (December 2013)

- **Brighton and Hove City Council Housing Register**

The Council operates an open Housing Register for people seeking access to Social Housing in the City. This register contains approximately 17,000 applications. The Council uses the register to consult with applicants and tenants wishing to transfer to alternative social housing tenancy when formulating changes to its allocation policy. A sample of around 10% of applicants and 10% of transferring tenants will be contacted and invited to respond to the consultation.

- **Brighton and Hove Council and Registered Social Landlord Tenants**

The City Council provides accommodation for 12,500 council tenants and 6,300 other social tenants. Although existing tenants are less likely to be affected by homelessness the issues can affect households when there is a relationship breakdown or family members are looking to start a household of their own. It is important therefore to consider the views of existing tenants and the views of Tenants and Residents Associations. In addition to this the Council has a Housing Management Consultative Sub Committee, comprising representatives from across the City who are consulted by the Council's discharging of its housing management function.

- **Registered Social Landlords**

Likewise there are a number of registered social landlords providing 6,300 tenancies in the city. It is a key requirement that we consult with registered social landlords as a stakeholder, as they provide solutions to permanent housing in our area and wish them to take account of this strategy when formulating their long term plans to increase their housing stock.

- **Community and Voluntary Sector Representatives**

Organisations representing the homeless, those in housing need, Gypsy & Travellers, disability, BME, trans, sexuality and gender will have the opportunity to comment on the strategy. They will be invited to respond to the draft strategy and will also be invited to publish details of the draft strategy and the consultation on their websites to encourage wider participation from all the communities.

We recognise that the consultation portal approach may not be appropriate for some groups so we are looking at more appropriate means of engaging them with individual meeting

with officer to ensure their views are incorporated into this process.

At the close of the consultation on the Strategy the responses will be collated. The responses will be reviewed and used to help shape the Homelessness Strategy.

- **Partnerships and Working Groups**

The Council has a number of well developed working groups that were established as a mechanism to progress the homelessness agenda in the city. These are:

Day and Street Services Working Group

Integrated Support Pathway Working Group

Work and Learning Working Groups

Homeless Prevention Working Group

Youth Homelessness Working Group

These groups contain the majority of organisations that make up the partnerships working within the area of homelessness. There is a great deal of expertise in these groups who have good local and national knowledge and who also have access to service user groups who will be vital to consult with.

In addition there are a number of other partnership working groups who can help inform the development of this strategy. These include:

Strategic Housing Partnership

Reducing Re-offending Board

LGBT Domestic Violence and Abuse Working Group

The Safe in the City Partnership Board

Domestic Violence Forum

Advice Services Network

The consultation will need to key into these groups which will again, inform the development of the Strategy.

- **Private Sector Landlords**

The Private Rented Sector has an important role to play in providing accommodation in the City. Two out of every seven homes are now provided in this sector, which has increased in size by 37% in the past decade. Affordability will be a major factor in tenants ability to pay for their housing. With the migration from Housing Benefit to Universal Credit over the next five years and a continued rise in the numbers of private tenants that are claiming welfare support reaching over 40% of households in the sector it will be vital that Private Landlords are consulted in how they can continue to provide accommodation to those in need across the City.

5. Stage 2: Consultation Report and Draft Strategy

Consultation on the Statutory Homelessness Review & Development of the Draft Homelessness Strategy 2014 is expected to begin in December 2013 and run for 12 weeks ending in February 2014.

What is the aim of the Consultation?

The aim of the consultation is to present the Homelessness Review along with needs assessments for young people's housing and support needs and a needs assessment for rough sleeping and single homelessness.

There are considerable challenges to formulating a strategy for some of the most vulnerable people in the city at a time of austerity and a challenging financial environment.

We need to ensure that we have the correct vision and aims for the strategy so that we can align service delivery to those aims and also enable our partners to use the final strategy to identify gaps in service provision and to use the document to bring in any additional financial or other resources to the City that will help us meet our strategic aims.

We recognise that the consultation portal approach may not be appropriate for some groups so we are looking at more appropriate means of engaging them with individual meetings to ensure that these groups are heard.

To launch the consultation phase the Council will be holding a one day event with key note speakers and a range of workshops in key areas of homelessness. These include rough sleeping, mental health, domestic violence and for the first time military veterans.

A conference report will be produced on what we have learnt from our partners at this event. At the close of the consultation, responses will also be collated into a final report and used to help shape the Draft Homelessness Strategy.

6. Ongoing Engagement

We recognise that website consultation and defined timetable is not an appropriate format to engage some stakeholders so we are looking at alternative mechanisms.

We recognise that engagement with tenants and those in Housing Need is sometimes difficult to achieve. To support us in this, we want to work with Community & Voluntary Sector groups that have experience in housing issues and community engagements to work with both the Tenants and the wider community to ensure people across the city are consulted on their views. Special attention will be given to groups representing BME, Disability, Older People and LGBT communities in the consultation phase to ensure that their views are sought.

This work is in the process of being scoped in partnership with the Communities & Equality Team however, we hope to be able to provide a range of options which may include:

- **Members Sessions**
Sessions to raise Member awareness and help them provide the opportunity to respond on behalf of their constituents if requested.
- **Staff & Partner Sessions**
Sessions to raise awareness and help them provide the opportunity to respond.

We are happy to receive feedback if there are other areas of Engagement to develop this strategy, that are required. Please contact James Crane, Service Improvement Manager at James.crane@brighton-hove.gcsx.gov.uk or housing.strategy@brighton-hove.gov.uk

Appendix 1: Staff & Partner Organisations

Brighton & Hove City Council

- Leader of the Council
- Chair of Housing and Housing Committee
- Lead Members
- Strategic Director for Place
- Traveller Liaison Team
- Housing Strategy Team
- Commissioning Team (Supporting People)
- Housing & Social Inclusion
- Communities & Equality Team
- Legal Services
- Communications Team
- Adult Social Care
- Children and Families Services
- Community Development Workers

- **Sussex Police**

Health

- Public Health - Brighton & Hove City Council and NHS Brighton and Hove. CCG
- Sussex Partnership NHS Foundation Trust
- Health Visitor - Sussex Community NHS Trust
- Specialist Midwife, Substance Misuse, Homeless and Travellers – Brighton & Sussex University Hospitals NHS

Partnerships

- Partnership Community Safety Team
- Southern Landlords Association

- Registered Social Landlord Forum

Education and Children & Families Service

City Leadership & Scrutiny

- Local Strategic Partnership
- Public Service Board

Appendix 2: Community Stakeholders

- Advice Services Network
- Friends, Families and Travellers
- Brighton & Hove Community and Voluntary Sector Forum
- Stronger Communities Partnership (linked to CVSF)
- Brighton & Hove Environment Action Group
- Sussex University
- University of Brighton
- Private Sector Landlords
- Brighton & Hove Business Forum Ltd
- Shelter
- Local Press

Appendix 3 Registered Social Landlords in Brighton and Hove

A2 Dominion Spelthorne House, Thames Street, Staines, TW18 4TA info@a2dominion.co.uk
Abbeyfield Brighton & Hove Society Ltd 19 Aymer Road Hove, BN3 4GB
Affinity Sutton Group Maple House 157-159 Masons Hill Bromley Kent, BR2 9HY
AmicusHorizon Ltd PO Box 322 Sittingbourne Kent, ME9 8PQ contactus@amicushorizon.org.uk
Anchor Retirement Housing Milestone Place 100 Bolton Road Bradford, BD1 4DH
Brighton & Hove Almshouse Charity Lanes End House c/o Woolley Bevis & Diplock LLP 15 Prince Albert Street Brighton, BN1 1HY
Brighton & Hove Jewish H.A. Ltd 61 Furze Croft Furze Hill Hove, BN3 1PD
Brighton Lions Housing Society Ltd Lions Gate 95 Rowan Avenue, Hove, BN3 7JZ
Sussex Central YMCA Sussex Central YMCA, Reed House, 47 Church Road, Hove, BN3 2BE email: reed.house@sussexcentralymca.org.uk
Carr-Gomm (Sanctuary)
Chisel Ltd 188a Brockley Rd London, SE4 2RN email cto@chisel.org.uk
Hanover Housing Association Hanover House 1 Bridge Close Staines, TW18 4TB

Email general.enquiries@hanover.org.uk
Home Group 3 Cantelupe Mews Cantelupe Road East Grinstead, RH19 3BG
Hyde Group 113-119 Davigdor Road Hove, BN3 1RE Email: info@hydemarket.co.uk
Moat Sevenoaks District Council Offices, Argyle Road, Sevenoaks, TN13 1ZW Email: customer@moat.co.uk
Orbit South 1-3 The Oaks Little Ridge Avenue St Leonards on Sea, TN37 7UW
Pilgrim Homes 35-36 Egremont Place, Brighton, BN2 0GB
Places for People 3rd Floor, Ivy House, 3 Ivy Terrace, Eastbourne, BN21 4QU Email: contactcentre@placesforpeople.co.uk
Porthove Housing Association Ltd c/o Austin Rees Ltd 135-137 Dyke Road Hove, BN3 1TJ Email: Contact.Porthove.Housing.Association.Ltd .
Raglan Housing Association Ground Floor, Imperial Buildings 68 Victoria Road Horley RH6 7PZ Email: hsc@raglan.org
Rotary Club of Hove Housing Society 135 Dyke Road Hove, BN3 1TJ
Sanctuary Housing Association 45 Church Road Hove, BN3 2BE Email: contactus@sanctuary-housing.co.uk
Saxon Weald Saxon Weald House 38-42 Worthing Road Horsham, RH12 1DT Email: info@saxonweald.com
Southdown Housing Association 18 Preston Park Avenue Brighton East Sussex BN1 6HL Email: info@southdownhousing.org
Southern Housing Group

2nd Floor, Cornelius House, 178-180 Church Road, Hove, BN3 2D
Sussex Housing and Care Ronald Simson House, 24 Sutton Avenue, Seaford, BN25 4LG
Sussex Overseas Housing Society Limited Bishop Hannington Church Office Nevill Avenue Hove, BN3 7NH
Teachers' Housing Association Rugby Chambers, 2 Rugby Road, London, WC1N 3QN email: enquiries@teachershousing.org.uk
Guinness South 3rd Floor, Beluah Court, Albert Road, Horley, RH6 7HP Email: gs.mail@guinness.org.uk
Two Piers Housing Co-operative Limited 14 Oriental Place Brighton BN1 2LJ
Worthing Homes Limited Davison House North Street Worthing, BN11 1ER

e: housing.strategy@brighton-hove.gov.uk
w: www.brighton-hove.gov.uk/housingstrategy

Subject:	Rough Sleeping Update		
Date of Meeting:	Housing Committee 16/01/13		
Report of:	Director of Environment, Development & Housing		
Contact Officer:	Name:	Jenny Knight	Tel: 292960
	Email:	Jenny.knight@brighton-hove.gov.uk	
Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The purpose of this report is to provide an update on the current numbers of rough sleepers in Brighton & Hove and on changes in local provision to respond to increasing pressures on services. The report will also provide details of progress to date on new pilot services that the council has commissioned to target street drinkers and entrenched rough sleepers.

2. RECOMMENDATIONS:

- 2.1 This report is for information only and there are no recommendations arising from this report.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Rough Sleeper Street Count

The annual rough sleeper street count took place in the early hours of the morning on 28th November 2013. The count is verified by Homeless Link* (*national homeless organisation representing and supporting organisations working with homeless people in the UK) to ensure that national methodology to capture rough sleeper numbers is accurately applied. Following the street count and verification, 50 individuals were counted and verified as sleeping on the streets of Brighton & Hove. This is an increase of 16% on last years count which found 43 individuals rough sleeping in the city in November 2012.

The breakdown of the 50 rough sleepers are as follows:

Gender:
Female – 7
Male – 43

Local Connection:
• 3 (6%) Unknown

- 19 (38%) – Local Connection to Brighton & Hove
- 27 (54%) – No Local Connection (of which 6 individuals had Local Connections to areas in Sussex)
- 1 (2%) - A10 national

It is important to note that 11 of the individuals found rough sleeping were actually accommodated but for various reasons chose to sleep out. This is compared to 4 individuals in 2012. 8 of the 11 individuals were accommodated in Band 2 hostels and 1 in emergency placement accommodation. The other two had accommodation outside of the city. The reasons for sleeping out were varied but the main reason for those in hostel accommodation was to be with a partner. This particular issue has been examined with hostel providers, who will often accommodate couples in the same hostel to prevent them sleeping out. However it is clear from examining the names of those found on the count that it is not possible to accommodate these individuals together due to risk and safeguarding issues. There are also a number of other reasons why ex- rough sleepers may choose to sleep out. This client group can be very challenging and it takes time for an entrenched rough sleeper to settle in hostel accommodation. Providers also use temporary exclusions to manage behaviour and to prevent permanent exclusions onto the streets, this means that an individual may be excluded from the hostel for one night following a serious incident. The individuals found sleeping out on the night of the street count represent just 3% of the hostel population and providers are working closely with them to prevent them sleeping out in the future.

Of those with no local connection 6 of the 27 (22%) had local connections to local authorities in Sussex. Some parts of Sussex have limited or no services for rough sleepers. We are working with Sussex authorities to set up services for rough sleepers (where they currently do not exist) and to develop a relocation protocol for those individuals who gravitate to Brighton. This will enable us to more swiftly relocate people into Sussex authorities where they have a local connection.

3.2 Severe Weather Emergency Provision (SWEP):

At the time of writing this report (early December 2013) SWEP has not yet been activated. However there are four shelters in place and staff are on standby should the temperature be predicted to fall below 0 degrees for three consecutive nights in line with the policy for this provision. We will also be making use of Emergency Placement or Temporary Accommodation. Due to the high numbers of rough sleepers currently being seen within the city we have additional provision arranged via two extra shelter venues which can be brought into use if required. We have allocated additional funding for this provision during the financial year 2013-14 to ensure we can provide accommodation to rough sleepers in the freezing weather.

3.3 Single Homeless & Rough Sleeper Needs Assessment:

The Single Homeless & Rough Sleeper Needs Assessment was completed in July 2013 and the full document is available on the BHLIS website. These are some of the headline findings from the needs assessment.

Numbers:

- The number of rough sleepers worked with by the rough sleepers team has increased with a 59% increase between 2011/12 and 2012/13.
- The average number of people accommodated each night under the severe weather protocol was 26 in 2011/12 and 40 in 2012/13 with the highest number accommodated on one night at 36 in 2011/12 and 58 in 2012/13.
- As of April 2013 there were 60 homeless individuals awaiting hostel accommodation either in emergency placement accommodation, sofa surfing or on the streets. Approximately 67 vacancies arise in hostel accommodation per quarter.

Needs:

Rough Sleepers often have multiple needs with alcohol misuse being a particular issue within the city.

- Between 2010/11 and 2011/12 the percentage of service users in hostels with alcohol use and mental health issues increased by 9% with those with drug issues and physical health issues showing a slight increase. In recent years the rough sleepers team has seen the percentage of clients with mental health needs increase but those with substance misuse needs fall slightly.
- 72% of rough sleepers reported a need around alcohol use and 46% of hostel residents.
- 47% of rough sleepers and 39% of hostel residents reported needs around drug use.
- 40% of rough sleepers and 35% of hostel residents reported needs around mental health, with 12% of hostel residents displaying self neglect which was problematic to them maintaining their tenancy.
- 21% of rough sleepers worked with by the Rough Sleepers Team and 11% of hostel residents had a physical health issue.

Departures from Accommodation Services:

- 53% of those leaving Band 2 accommodation in 2011/12 moved to greater independence an increase of 3% on the previous year. 89% of those exiting Band 3 accommodation moved on to greater independence.
- 15% of departures from Band 2 in 2011/12 were evictions. Of the 95 individuals evicted the reason for eviction was violent behaviour in over half of cases.
- 60% of those evicted had alcohol issues, 48% drug issues and 41% offending behaviour (many had more than one).

- 8% of service users are 'stuck' in band 2, over half of these are older people and many have alcohol dependency and physical or mental health issues.

The needs assessment is currently being consulted on as part of both the Housing Related Support Commissioning Strategy and the Homelessness Strategy. The needs assessment along with feedback from service users, providers and partners will be brought together to inform commissioning recommendations for the future shape of the services within the integrated support pathway.

3.4 Homeless Link Health Needs Audit:

As part of our work to understand the needs of rough sleepers and single homeless individuals we have been working closely with Public Health colleagues to undertake the Homeless Link Health Needs Audit. This is a health questionnaire devised by Homeless Link and adapted for Brighton & Hove.

In August 2013 the survey was undertaken with 302 individuals within the integrated support pathway, it focused on access to healthcare, health behaviours, physical & mental health, substance misuse and immunisations.

At the time of writing this report the findings and the recommendations from the health audit are still being developed however some preliminary findings are included below:

- 92% of those questioned were registered with a GP but only 38% with a dentist.
- There was a considerably higher use of A&E, hospital inpatient and hospital outpatient services than in the general population.
- 73% were smokers compared with 23% of the general population
- 36% of individuals were eating less than 2 meals per day
- 84% reported at least one physical health issue
- 85% reported at least one mental health issue, 53% had a diagnosed mental health issue.
- 40% were currently taking drugs or recovering from a drug problem
- 26% were drinking alcohol four or more times per week.

We are working with Public Health colleagues to integrate health care services for homeless people and rough sleepers in line with proposals agreed by the Health & Wellbeing Board earlier this year.

3.5 Update on Current Provision:

At present a number of new innovations are being trialled in the city with partner agencies to tackle the numbers of rough sleepers. These are as follows:

Emergency Assessment Centre:

This is a pilot scheme bringing together a number of agencies to provide a 'one stop shop' for rough sleepers who are entrenched or hard to reach. The scheme set up by CRI, BHT and Sussex Police is supported by Housing.

The Emergency Assessment Centre (EAC) provides those in need with access to specialist workers from mental health, medical, substance misuse, accommodation and support teams. It has operated on four nights since launching in October 2013 and has to date has provided assistance to 53 individuals. For example during the first EAC eleven individuals were seen by a GP and two individuals were hospitalised with potentially life threatening conditions, 7 individuals were seen by mental health services with one subsequently being sectioned. On the 6th December 2013 this innovative scheme was awarded a Best Partnership award by Sussex Police.

Complex Cases Pilot:

Housing Commissioning in conjunction with CRI is piloting an accommodation scheme for entrenched rough sleepers who have been unable to manage in hostel accommodation. This scheme which commenced in September 2013 will house 8 individuals and provide them with intensive support to maintain their tenancy and address their support needs. It is too early for any firm conclusions to be drawn from this pilot, however it is being monitored closely by Housing Commissioning to assess whether this is the solution we need for those individuals with multiple needs that are excluded from accommodation.

Street Drinking:

A pilot programme to assess the street drinking situation in Brighton & Hove and look at innovative practice to support individuals has been in place since July 2013. The post managed by Equinox and funded by Housing Commissioning carries a caseload of high profile street drinkers as well as co-ordinating data collection on the street drinking population. A multi agency count of street drinkers took place over one week in July 2013 and found 93 individuals street drinking. Of these, 32 are high profile regular street drinkers, 26 had a lower street presence and 35 were only seen on the count. The highest number seen on a single day was 40.

Homeless Transitions Funding:

With the support of Housing Commissioning two services were awarded Homeless Transitions Funding in November 2013. The first was Equinox which has been awarded one years funding for three hostel link workers who will work with alcohol users within three hostels in the city. This work will link in with Equinox's current work to tackle street drinking and assist individuals to access treatment services and maintain their accommodation. The project is due to commence at the beginning of January following the recruitment of staff. The second organisation to be awarded funding was Stonewall who will be working in

a number of areas across the country including Brighton & Hove to support staff in homeless services to work with LGBT service users.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 This report is for information only

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Service user feedback is being gathered as part of the Single Homeless and Rough Sleeper Needs Assessment Consultation and the Housing Related Support Commissioning Strategy Consultation. This includes the use of the consultation portal, service providers gathering feedback questionnaires from service users and a hostel service user consultation currently being lead by the MIND Service User Involvement Worker and the peer mentoring service. The feedback gathered will be utilised to develop recommendations for the future of rough sleeping and accommodation services for single homeless people in Brighton & Hove.

5.2 Feedback has also been sought from providers and partner agencies through the consultation portal.

6. CONCLUSION

6.1 This report is for information only.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 There are no direct financial implications arising from this report. The costs associated with managing Rough Sleepers are met from existing resources.

Finance Officer Consulted: Neil Smith

Date: 13/12/13

Legal Implications:

7.2 As the report is only for note there are no legal implications.

Lawyer Consulted: Simon Court

Date: 12.12.13

Equalities Implications:

7.3 This report is for information only so there are no equalities implications arising from it.

However as demonstrated by the information contained in this report rough sleepers often have multiple needs such as learning disabilities, mental health, physical disabilities and substance misuse issues.

Sustainability Implications:

- 7.4 This report is for information only, there are no sustainability implications.

Any Other Significant Implications:

- 7.5.1 This report is for information only however there are implications from the increase in rough sleeping on crime and disorder within the city. Rough Sleepers are vulnerable to violence, abuse and injury while living on the streets. There are also crime and disorder implications for members of the public and implications for tourism and local business with increased numbers of often substance affected individuals residing on the streets.
- 7.5.2 Rough Sleepers have higher health needs than the general population in terms of physical health, mental health and substance misuse therefore putting increased pressure on health services.

SUPPORTING DOCUMENTATION

Appendices:

1. There are no appendices attached.

Background Documents

1. Single Homeless & Rough Sleeper Needs Assessment can be found on <http://www.bhlis.org/>

