



ASHFORD
BOROUGH COUNCIL



Housing Services Quarterly Performance Report

September 2009

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1. EXECUTIVE HIGHLIGHTS

*** Shared Services Vehicle (SSV) update (Owner Tracey Kerly 01233 330607)**

Following the Executive report in July further work has progressed with the preparation of a business case for the Autumn report. The work streams by the 151 Officers are meeting weekly and the governance work is progressing with the assistance of legal consultants. Tenants engagement and communications through each councils newsletter is being coordinated, and the review groups discussing the operational areas from each housing service are engaged with tenant groups to develop service improvement plans. It is expected that the report will come forward according to the timetable and the Executive will be able to make the decision whether to proceed.

*** Affordable Housing Update**

John Healy MP, The Minister for Housing and Planning announced during July as part of the Government KickStart Funding Programme that £9.5m had been awarded to two Ashford projects (subject to due diligence) at Victoria Road (£8.5m) and Ashford Barracks Repton Park (£1m).

To help stimulate the re-start of development at both Park Farm East and Ashford Barracks - Repton Park, agreement has been reached with both Persimmons and Taylor Wimpey to consider the terms of the existing S106's on these sites which restricted the level of grant funding that could be obtained by RSL's purchasing units from these developers. The hope being that a flexible approach will enable more realistic values for the purchase of properties being offered to developers during the current downturn.

*** New build in the Housing Revenue Account (HRA)**

Ashford has been successful in bidding for £1.7m of grant funding from the Homes & Communities Agency (HCA) for 25 units of new social rented accommodation. The delivery of 25 units at Hunter Close, Gerlach House, Breadlands Road, Blake Court and Towers View will help to keep the momentum of new homes during the slowdown in the market.

*** Reform of council housing finance - CLG Consultation Paper (Owner Bob Smart 01233 330434)**

The review of council housing finance (HRA subsidy system) was announced in December 2007 and launched by ministers in March 2008. The associated consultation paper was finally issued on 21 July 2009 by the Communities & Local Government (CLG) with the consultation period ending on 27 October 2009. The current plan is that the Government will publish a summary of responses and its own response in early 2010. A list of the 17 consultation questions is included as an appendix to this report for information. The current HRA finance system is a redistribution system into which Ashford is a net contributor, and will pay back to CLG/Treasury over £7m during this financial year - around 35% of rent collected from tenants. Of the current 205 stock holding authorities, 153 are net contributors with the remaining 52 being net receivers from the central pot, which for last year was in surplus to the Treasury by approximately £200m. The consultation paper is focused purely on "...proposing a devolved self-financing alternative to the current system..." with an implied threat from the minister that "The challenge now is whether local government is ready to work with me...., or whether it will be necessary to use primary legislation to implement these changes." The proposal is to implement changes from the 2012/13 financial year. The key financial points to note are:

1. The redistribution (or buy out from the current system) of the identified £18 billion of historic/notional housing debt, which is currently held centrally to all stock holding authorities,
2. A change in the treatment of Capital Receipts that will ensure the end of current pooling and the full return of Right to Buy (RTB) receipts to the landlord function.
3. The issue of future rent levels and whether a national rent formula or local rent formula/agreement would be introduced are not set out or explored in the paper.
4. Other than the historic/notional housing debt there is a surprising lack of financial information included in the consultation paper by which stock holding authorities can calculate the impact of the redistribution of housing debt. Stock holding authorities are effectively being asked to support in principle a massive redistribution of central notional housing debt without currently being able to calculate the financial impact or indeed the terms of any redistribution.
5. What are the resulting freedoms and flexibilities for Local Government post buy out?

Ashford's response to the consultation paper will be issued to the October Executive for agreement.

*** Communal Fire Safety (Owner Chris Tillin 01233 330483)**

The well publicised recent fire at a high rise block of flats in Camberwell has prompted a national focus on fire safety issues relating to blocks of flats. Like many other landlords, Ashford Borough Council has reviewed the fire risks in its blocks of flats and has identified issues that need to be addressed and these revolve around housekeeping, dwellings doors and communal lighting.

The communal areas form escape routes in the event of an emergency and must be kept free from any obstruction. As a responsible landlord we have implemented a strict policy of keeping all such areas free from obstruction. Items left in communal areas will be removed without notice and culprits may face charges and action against their tenancy.

Entrance doors to flats play a big part in isolating them from common areas and keeping them safe. Having surveyed the blocks some residents have replaced their flat doors with non-compliant doors and residents with such doors will be instructed to replace doors with fire resisting doors. Any resident unsure about the compliance of their flat entrance should contact the Council for advice.

In addition to enforcing the housekeeping policy, the Council has identified that some of the larger blocks would benefit from improvements to communal lighting and the fitting of emergency lights. Work is already underway to implement such improvements.

A clean up day was held in South Ashford on 24 August which was well attended by tenants and their children and all estate teams have been out with black sacks and litter pickers with the fire service and police in attendance.

*** Housing Support through the Recession**

There have been a number of initiatives launched and in the pipeline to assist customers with coping with the economic recession, these include:

- Sending comprehensive advice to all tenants on how to deal positively with the effects of the recession
- Promoting advice on benefits and ensuring that housing officers are ensuring that the relevant claims for Housing Benefit are pursued.
- Establishing a repossession and eviction preventative fund (funded by CLG)

We are also currently pursuing an application with the Dept of Work and Pension on future job funding to support 18-24 year olds to access a 6 month work placements.

Additionally through the Enhanced Trailblazer project assistance is being provided to customers seeking housing options to access employment, education and training opportunities, and also via the Stanhope Regeneration project through the learning and skills academy supporting the local community in accessing employment in construction work.

*** Public Sector Disabled Adaptations (Owner Richard Robinson 01233 330405)**

The HRA budget for this financial year is £200,000, and though a reduction over previous year was necessary to support the budget pressures for this year. Over the last 3 years over £1m has been spent to provide disabled adaptations to tenants and the pressure continues to grow.

We rely on independent Occupational Therapist's assessments of tenants needs and deliver as many of these within the budget. Specific items of work can range from low cost grab rails or lever taps up to expensive flush floor showers costing on average £4,500 each. Currently more than 50 tenants are requesting flush floor showers and it is very much a case of managing tenant expectations, encouraging people to move if that is a more appropriate option, and trying to ensure value for money by establishing specific (tendered) contracts for this work.

Tough decisions are having to be made in terms of where to spend the available budget and are based on the circumstances of each individual case - in effect we are having to manage demand as best we can.

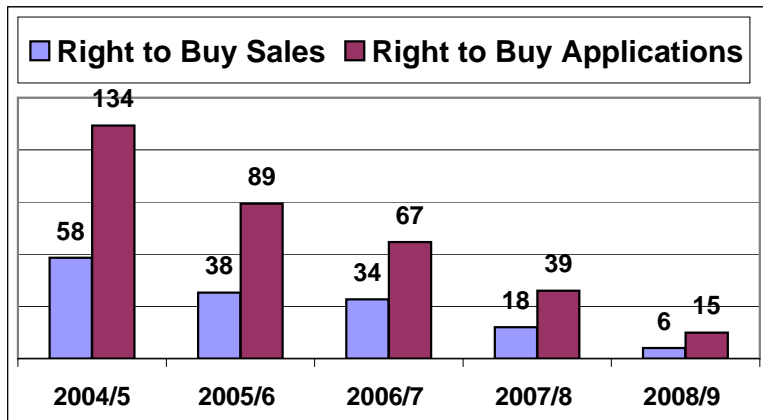
*** Bybrook regeneration update (Owner Giles Holloway 01233 330427)**

As reported in March 2009, all work will be completed by the end of this calendar year. The cladding work is now expected to be completed slightly earlier, by the end of September, with new entrance features completed during October to November. Final landscaping will be completed during the October to November period.

2. RIGHT TO BUY (RTB) UPDATE (Owner Sue Major 01233 330531)

* The upswing in Right to Buy applications reported last quarter continues with 16 applications to the end of August 2009 compared to 15 for the whole of the last financial year.

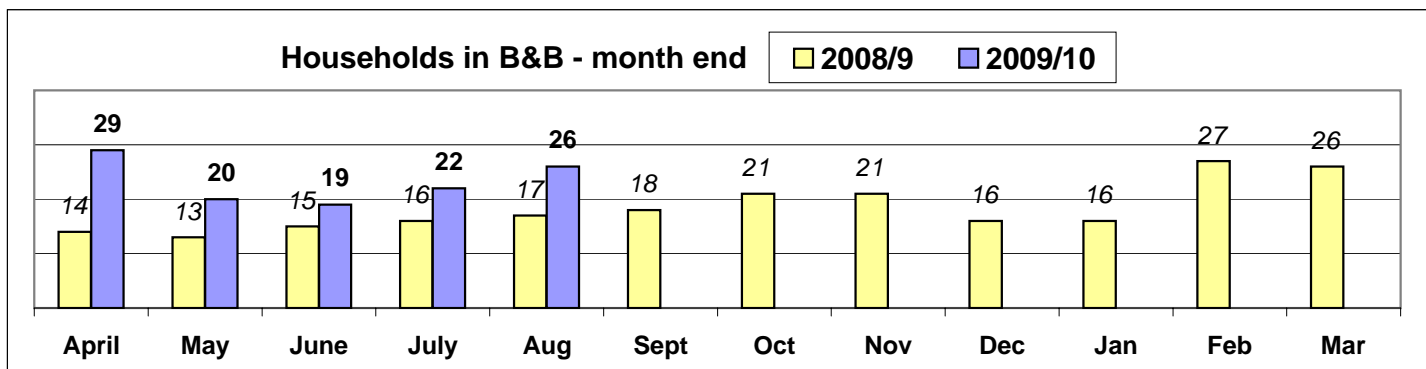
* To the end of August 3 Right to Buy properties were sold with the potential for another couple shortly. Properties sold have all received the maximum discount of £38,000 each.



3. TEMPORARY ACCOMMODATION UPDATE (Owner Sharon Williams 01233 330803)

* At the end of August 2009 the numbers of Households in B&B stood at 26. The figures to date are higher than last year and highlight the continuing pressure in this area. In the current economic climate it continues to be very difficult to forecast ahead with any certainty, though an increase in the number of PSL properties to date and planned to come on stream this year should help to ensure that some of the growing pressure is contained.

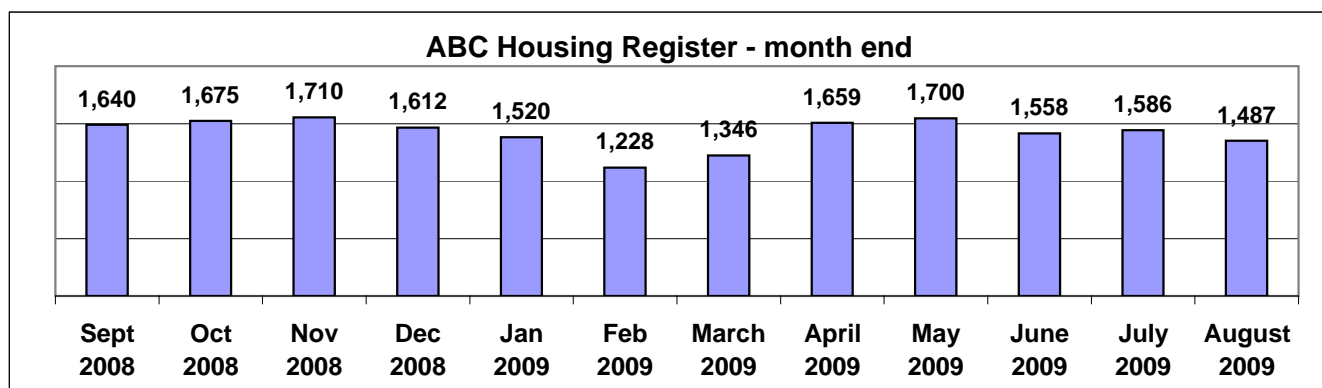
* One of the key factors behind the increase in B&B numbers is the increase in Homelessness applications and associated acceptances which are showing a large increase over last year. In the first quarter - April to June 2009 there were 79 applications and 54 acceptances, compared with 177 and 125 respectively for the whole of the 2008/9 financial year.



* Number of Private Sector Leasing (PSL) properties at the end of August was 57, an increase of 13 (30%) over the year end figure at March 2009 of 44. It is currently forecast that the number of available PSL properties will further increase to 62 by October 2009.

4. HOUSING REGISTER NUMBERS (Owner Sharon Williams 01233 330803)

* Housing Register numbers at the end of August 2009 remained stable at 1,487. Waiting list time for successful council housing applicants remains unchanged from year end at 15 months.

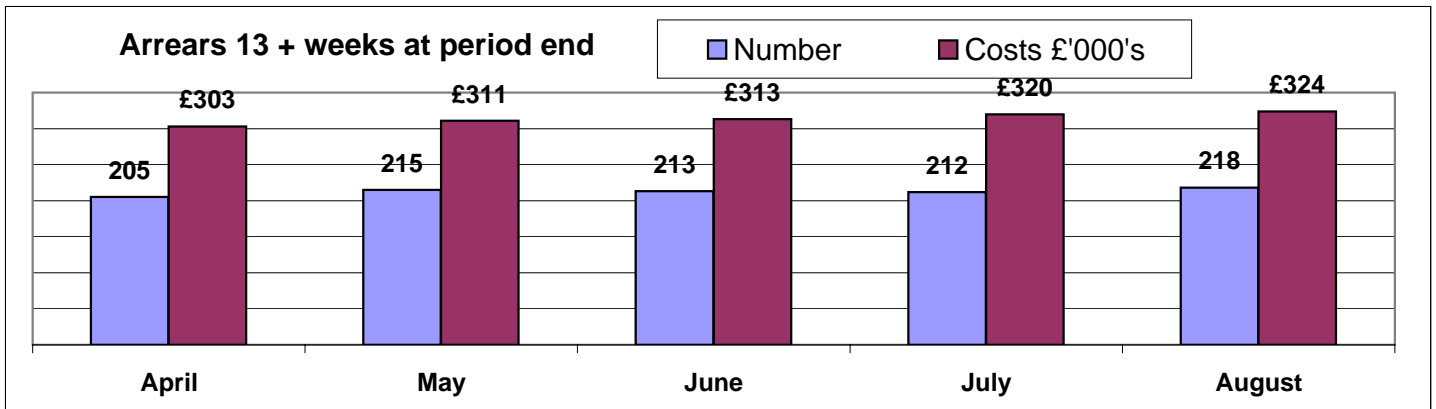
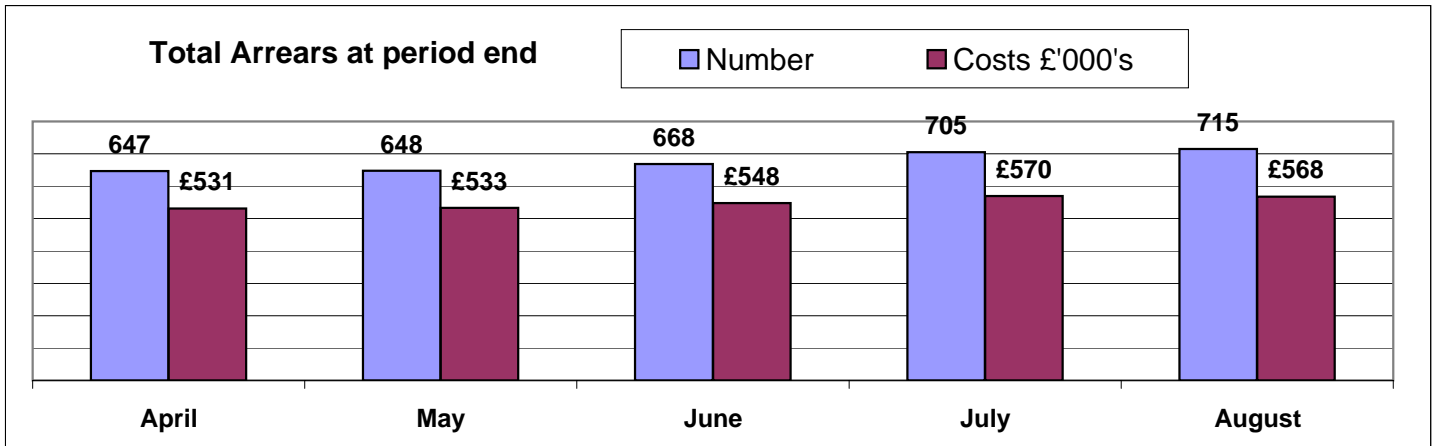
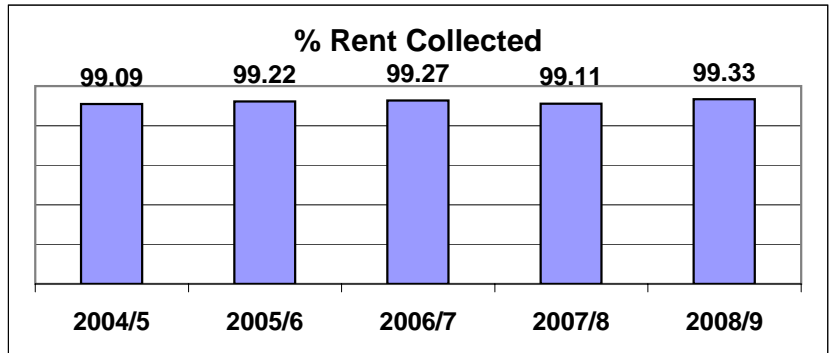


5. HRA RENT COLLECTION & ARREARS LEVELS (Owner Rebecca Wilcox 01233 330233)

* Total rent and charges collected from all HRA properties including Stanhope in Quarter 1 2009/10 was 99.2%. Provisional number to the end of August 2009 was 99%.

* The agreed reduction in the rent increase for 2009/10 for tenants was implemented from 20 July 2009.

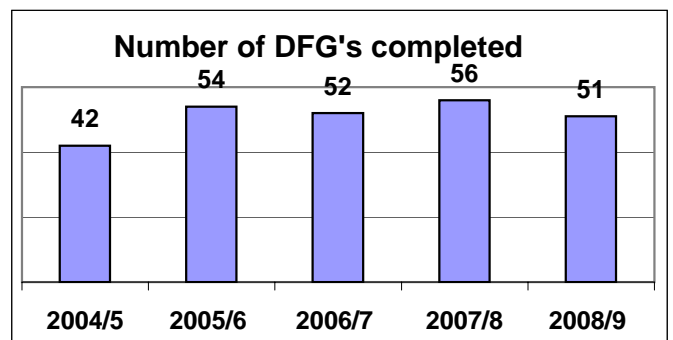
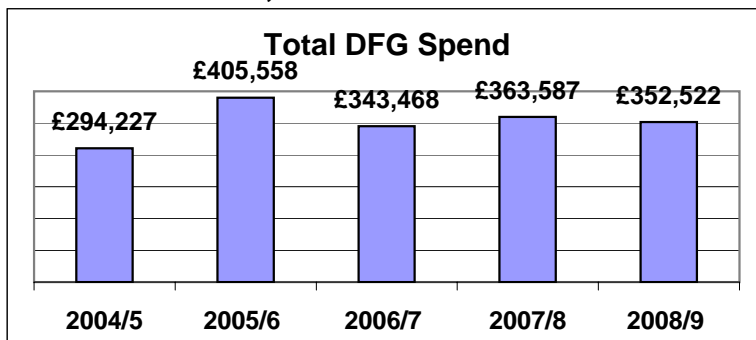
* To the end of August 2009 arrears have shown a gradual increase during the year, though the average arrears has marginally reduced by around 4% to £794 from £823 at the end of March 2009. The increase in both the numbers and cost are across all arrears periods. The monthly position for total arrears and 13+ weeks this financial year are highlighted below:



6. MANDATORY DISABLED FACILITIES GRANTS (DFG) (Owner Sharon Williams 01233 330803)

* To the end of August 2009 25 DFG jobs had been completed at a total cost of £151,691. The total amount of committed spend (completions and approvals) now stands at £321,000.

* There are sufficient jobs completed/nearing completion in the pipeline to ensure a full programme of spend in the financial year up to the agreed capital budget of £450,000, which includes a £306,000 allocation from CLG.

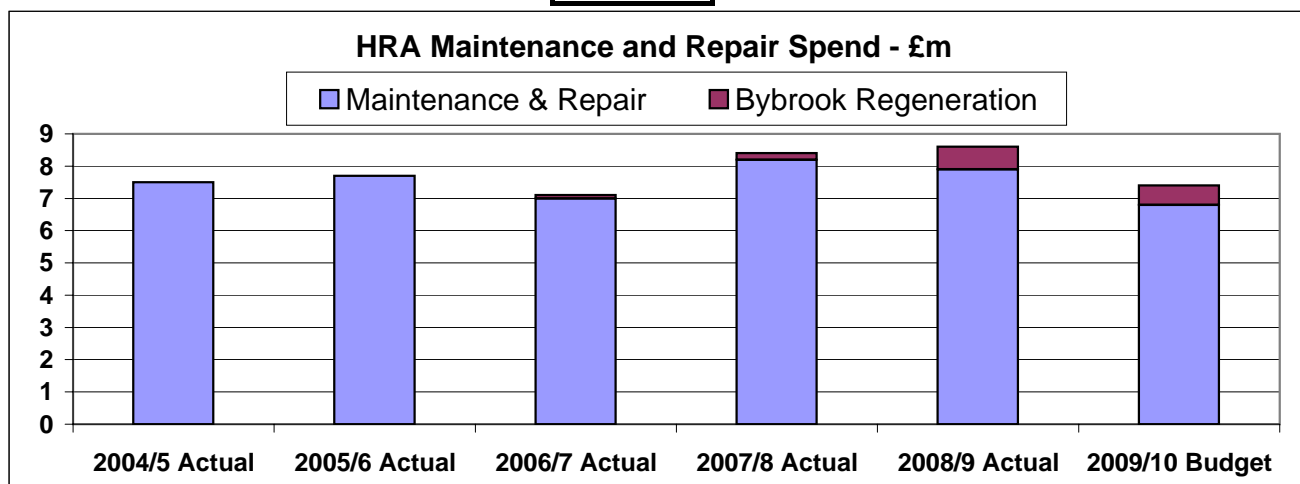


7. HRA MAINTENANCE & REPAIR SPEND 2008/9 (Owners Chris Tillin 01233 330483 - Planned Programmes and John Young 01233 330865 - Repairs)

* Maintenance and Repair spend, including regeneration work at Bybrook was £8.6m in 2008/9. Higher repair costs reported last year as a cost pressure were contained during the year and outturned £200k lower than in 2007/8. Bybrook regeneration work will be completed in 2009.

* The annual summary analysis by key categories is highlighted below and includes prior year numbers for comparative purposes and notes:

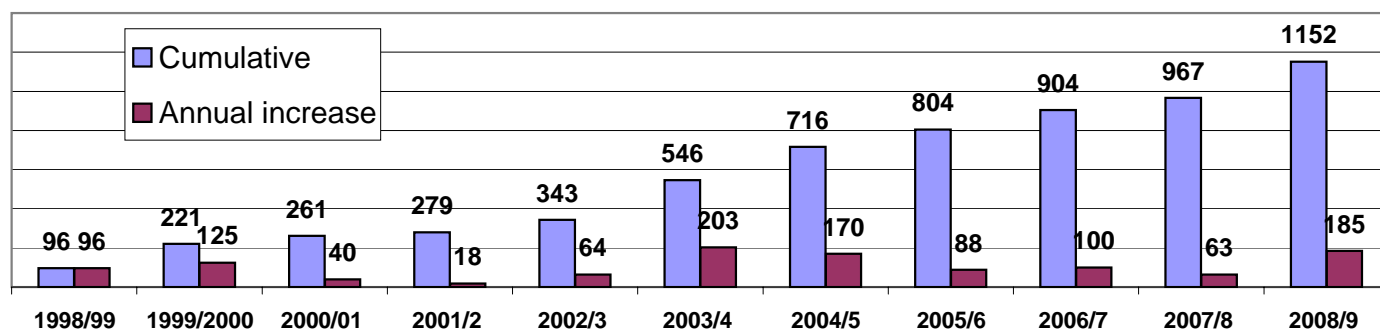
	2008/9	2007/8	Notes
	Spend	Spend	
	£000's	£000's	
1. Planned maintenance:			
Decent Homes			
Kitchens	1381	1277	211 New Kitchens fitted in 2008/9
Heating	1130	1166	Boiler replacement + upgrades
Bathrooms	844	755	199 New Bathrooms fitted in 2008/9
Rewiring	498	218	Electrical rewiring
Roofing work	147	629	Roof maintenance + replacement
Water mains	139	108	Water mains replacement + drains
Walls and Guttering	155	281	External structural work
sub total	4294	4434	
2. Other Planned Programmes			
Heating maintenance	828	781	Annual servicing of heating boilers
Adaptations	294	323	Disabled adaptations for tenants
Area Planning	159	157	Local improvement plans
OAP Decoration	99	103	Senior citizens redecoration
Sewage treatment	46		
Soundproofing	43	81	
Sheltered works	41		Remodelling work
Other items	169	192	Lifts, asbestos, testing, doors etc
sub total	1679	1637	
3. Repairs			
Jobbing	1185	1456	Responsive property repairs
Voids	485	435	Empty property repairs
Decoration to Voids	109	129	Empty property redecoration
Garages	41	56	Garage site repairs
Other items	69	36	Includes windows and vouchers
sub total	1889	2112	
4. Bybrook Regeneration Programme	728	184	Work to be completed in 2009
Total Spend	8590	8367	



8. AFFORDABLE HOUSING IN ASHFORD

- * To the end of August 2009 42 Affordable properties have been delivered to date this financial year, including 24 for rent. Figures also include the delivery of 6 rural properties at Stone, where a successful Rural Housing open day was held on 7 September.
- * KickStart funding and other programmes have been highlighted in the Executive Highlights.

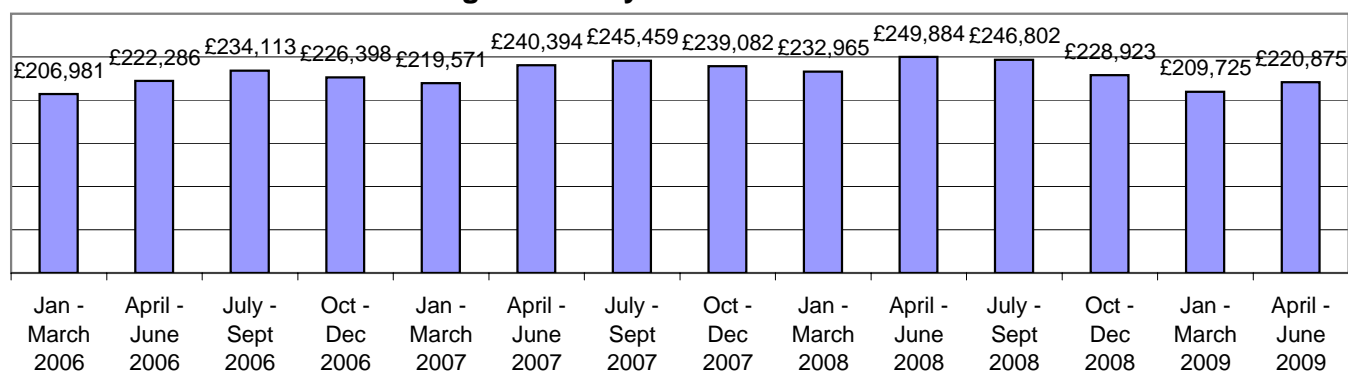
Growth in Affordable Homes in Ashford



9. HOUSE PRICES IN ASHFORD (Owner Bob Smart 01233 330434)

- * Average house sales prices in Ashford sourced from the Land Registry rose by 5.3% or £11,150 in the last quarter April to June 2009 increasing the average sale price to £220,875. The rise is encouraging though effected by seasonal factors as house prices traditionally rise in the first quarter of the new financial year. Sale volumes continue at a lower level than in previous years.

Average Quarterly House Prices - Ashford



- * Average house sales prices, sales and percentage movement across Kent sourced from the Land Registry for the quarter April - June 2009 are summarised below. They highlight an annual reduction across Kent of 12% with the last quarter up by around 4%.

	Sales in quarter	Average	% increase/- decrease quarter	annual
Sevenoaks	312	£333,729	11.0	-5.9
Tunbridge Wells	283	£266,970	-0.4	-15.2
Tonbridge & Malling	313	£253,837	12.6	-11.1
Ashford	303	£220,875	5.3	-11.6
Maidstone	430	£200,017	-2.5	-12.7
Canterbury	459	£194,021	0.8	-15.8
Gravesham	209	£192,790	18.3	-4.5
Shepway	306	£180,977	-3.1	-15.6
Dartford	202	£180,755	-7.3	-15.1
Dover	289	£176,441	7.4	-6.3
Swale	358	£167,251	3.4	-16.2
Thanet	380	£164,263	6.4	-12.8
Medway	617	£150,938	-2.8	-15.7

* Average house sales prices in Ashford by property types are:

Detached	£353,984
Semi-detached	£179,797
Terraced	£148,769
Flat/Maisonette	£108,527

Annex A:

List of consultation questions

Core and non-core services

1. We propose that the HRA ring fence should continue and, if anything, be strengthened. Do you agree with the principles for the operation of the ring fence set out in paragraph 3.28?
2. Are there any particular ambiguities or detailed concerns about the consequences?

Standards and funding

3. We propose funding the ongoing maintenance of lifts and common parts in addition to the Decent Homes Standard. Are there any particular issues about committing this additional funding for lifts and common parts, in particular around funding any backlog through capital grant and the ongoing maintenance through the HRA system (as reformed)?
4. Is this the right direction of travel on standards and do you think the funding mechanisms will work or can you recommend other mechanisms that would be neutral to Government expenditure?

Leaseholders

5. We propose allowing local authorities to set up sinking funds for works to leaseholders' stock and amending HRA rules to permit this. Will there be any barriers to local authorities taking this up voluntarily, or would we need to place an obligation on local authority landlords?

Debt

6. We propose calculating opening debt in accordance with the principles set out in paragraphs 4.22- 4.25. What circumstances could lead to this level of debt not being supportable from the landlord business at the national level?

7. Are there particular circumstances that could affect this conclusion about the broad level of debt at the district level?
8. We identified premia for repayment and market debt as issues that would need to be potentially adjusted for in opening debt. How would these technical issues need to be reflected in the opening debt? Are there any others? Are there other ways that these issues could be addressed?
9. We propose that a mechanism similar to the Item 8 determination that allows interest for service borrowing to be paid from the HRA to the general fund should continue to be the mechanism for supporting interest payments. Are there any technical issues with this?
10. Do you agree the principles over debt levels associated with implementing the original business plan and their link to borrowing?
11. In addition to the spending associated with the original business plan, what uncommitted income might be generated and how might councils want to use this?

Capital receipts

12. We have set out our general approach to capital receipts. The intention is to enable asset management and replacement of stock lost through Right to Buy. Are there any risks in leaving this resource with landlords (rather than pooling some of it as at present)?
13. Should there be any particular policy about the balance of investment brought about by capital receipts between new supply and existing stock?
14. Are there concerns about central Government giving up receipts which it currently pools to allow their allocation to the areas of greatest need?

Equality impact assessment

15. Would any of our proposed changes have a disproportionate effect on particular groups of people in terms of their gender or gender identity, race, disability, age, sexual orientation, religion or (non-political) belief and human rights?
16. What would be the direction (positive or negative) and scale of these effects and what evidence is there to support this assessment?
17. What would be necessary to assemble the evidence required?