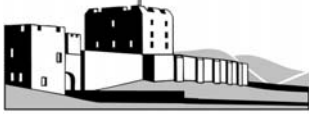


**CARLISLE
CITY COUNCIL**



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COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE

Committee Report

Public

Date of Meeting: 31st August 2006

Title: HOUSING CAPITAL PROGRAMME PROGRESS REPORT

Report of: DIRECTOR OF DEVELOPMENT

Report reference: DS 70/06

Summary:

This report presents Members of the Community Overview and Scrutiny Committee with an update on the Housing Strategy Capital Programme and the projects being undertaken. It also seeks approval for the release of the capital funds allocated for the financial year 2006/07 to the Housing Strategy Programme.

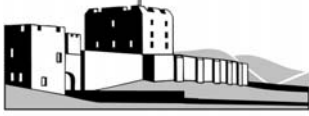
Recommendations:

That the attached report that went to the Executive on the 29/8/06 be considered and commented upon.

Contact Officer: Simon Taylor

Ext: 7327

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None
Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None



REPORT TO EXECUTIVE

PORTFOLIO AREA: SUSTAINABLE COMMUNITIES

Date of Meeting: 29th August 2006

Public Yes

Key Decision: Yes Recorded in Forward Plan: Yes/No

Inside Policy Framework

Title: HOUSING CAPITAL PROGRAMME PROGRESS REPORT
Report of: DIRECTOR OF DEVELOPMENT SERVICES
Report reference: DS. 58/06

Summary:

This report provides an update on the Housing Strategy Capital Programme and the projects being undertaken. It also seeks approval for the release of the capital funds allocated for the financial year 2006/07 to the Housing Strategy Programme..

Recommendations:

It is recommended that;

1. The time-scales of projects within the capital programme be approved together with any required re-profiling of the capital budget within the strategy lifespan.
2. Approval be given for the capital funds totalling £1,250,000 allocated for the financial year 2006/07 to the Housing Strategy programme to be released.
3. Future reporting of progress on the projects be in line with the updated Action Plan.

Catherine Elliot

Director of Development Services

Contact Officer: Simon Taylor

Ext: 7327

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None
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1. BACKGROUND INFORMATION

1.1 The Housing Strategy was approved by Full Council in March 2005 and capital budgets were made allocated for the delivery of the strategy Action Plan over a five year period 2005-2010.

1.2 Report (EPS 16/05) was presented to the Executive on 13 June 2005 requesting the release of the allocated funds within the capital programme for 2005/06 to be spent on the following areas;

Area of Spend	2005/06 £	2006/07 £	2007/08 £	2008/09 £	2009/10 £	Total £
Area Based Renewal	750,000	750,000	750,000	750,000	Nil	3,000,000
Disabled Adaptations	300,000	300,000	300,000	300,000	300,000	1,500,000
Empty Homes	100,000	100,000	100,000	100,000	Nil	400,000
Housing Provision	100,000	100,000	100,000	100,000	Nil	400,000
Total	1,250,000	1,250,000	1,250,000	1,250,000	300,000	5,300,000

Table 1 – Breakdown of Housing Strategy Capital Programme

1.3 The majority part of the programme covered years 1-4 of the lifespan of the strategy with £1,250,000 being spent per annum as broken down in section 1.2. Year 5 was allocated £300,000 to fund Disabled Adaptations from the tenants of Carlisle Housing Association (CHA). The annual capital commitment projected for each year was therefore £1,250,000 with a final £300,000 being programmed for 2009/10 only. Release of the requisite funds for each year is however dependent upon a report being presented to the Executive requesting approval of the allocated budget.

2. IMPLEMENTATION ISSUES AND REVISED CAPITAL SPEND

2.1 In 2005 a number of issues meant that there were difficulties starting the planning process and developing the projects within the capital programme to start spending from 1 April 2005. These issues included;

- Ongoing recovery of the flooding emergency aftermath for a 9 month period
- A special grant of £1.5 million to be spent on Housing projects to help with flood recovery received from the ODPM in April 2005 for the Housing Service

to take forward – currently the service is still responsible for the expenditure of £300,000 remaining

- Increasing capacity and re-structure of housing delayed until March 2006
- Ongoing build up of approved private sector grants delayed due to a shortage of builders and the flood recovery works to properties with a current budget value of £1,629,000
- Introduction of major new housing legislation governing Private Sector Housing (Housing Act 2004 – Housing Health and Safety Rating System and licensing of Houses in Multiple Occupation)

2.2 In late 2005 a re-profiling exercise was done in relation to the capital programme in which spend of the majority of the capital budget could be moved from years 1-4 to years 2-5 within the programme. This would enable the planning and lead in times for projects to be met. This exercise produced the following revised spending profile for the Housing Strategy programme.

Area of Spend	2005/06 £	2006/07 £	2007/08 £	2008/09 £	2009/10 £	Total £
Area Based Renewal	5,000	1,495,000	750,000	750,000	Nil	3,000,000
Disabled Adaptations	284,900	315,100	300,000	300,000	300,000	1,500,000
Empty Homes	Nil	200,000	100,000	100,000	Nil	400,000
Housing Provision	100,000	100,000	100,000	100,000	Nil	400,000
Total	389,900	2,110,100	1,250,000	1,250,000	300,000	5,300,000

2.3 The resulting carry forward requests were reported to the Executive in June (Report FS15/06) and subsequently approved by Council in July 2006.

3. PROGRESS TO DATE

3.1 Disabled Adaptations – Year one applications from CHA tenants have been dealt with and last years budget was fully committed. There is a delay between the monies getting committed for grant applications and work being done. This delay is due mainly to the shortage of builders to carry out the work. The knock on effect is that the funding cannot be spent until the works have been done. Currently up to £40,000 from this year's budget (£15,100 from 2005/06 allocation) has been approved and committed.

3.2 Area Based Renewal – Under this heading two main projects are being worked on: Decent Homes (Thermal Comfort) and Group Repair. Currently two years worth of allocated funding for Decent Homes is within the current years budget. It is intended to reprofile the budget allocation from 05/06 to financial year 09/10 and this can be done at year end. The former project concentrates on the delivery of works to properties that will improve their insulation and thermal comfort for the benefit of vulnerable households. This work is being carried out through the Energy Efficiency Advice Centre. It required a planning and lead in period of between 3-6 months starting in late May this year. In the first 5 weeks of the project £50,000 of work has been undertaken with the invoices due to be processed in the next few weeks. As such, it is intended for the project to continue to the end March 2008 using funding from years 2 and 3 of the programme.

Group Repair is the second project and it has a planning and lead in time is 9 months. It is anticipated that this will be an ongoing process with a number of phases to the end of March 2010. The project is starting as an initial pilot with the first two phases in Denton Holme ideally in October 2006. As a number of the works include re-roofing a number of properties however it may be early spring 2007 before the works are completed.

3.3 Empty Homes – Currently two years worth of allocated funding for Empty Homes is within the current years budget. It is intended to reprofile the budget allocation from 05/06 to financial year 09/10 and this can be done at year end. Work has started in identifying and contacting on an ongoing basis all known owners of empty properties in the City. Preliminary discussions have taken place with 3 Housing Associations with a view to them acting as managing agents for bringing empty properties back into use where the owner does not want to be involved in the letting of the properties. We are also looking at empty property grants for the bringing back into use of empty property.

3.4 Housing Provision –Through phase one of the Homelessness and Hostels Action Plan funding from this pot has been used to bring 19 empty CHA properties back into use and ring fenced for the nomination of accepted homeless households from the City Council. This project continues as does work on the provision of affordable housing. As part of a matched funded scheme with the Regional Housing Board 8 units of housing are to be developed in Burgh by Sands with £45,000 committed and matched against an investment of up to £450,000.

4. CONSULTATION

4.1 Consultation to date

Internal consultation relating to the Housing Strategy Capital Programme has been held with senior management and the finance department together with the Portfolio Holder.

4.2 Consultation Proposed

Following the Executive meeting, this report will be presented to Community Overview and Scrutiny on 31 August 2006. Any comments made will be reported to the Executive on 25 September 2006 prior to being forwarded to full Council.

5. RECOMMENDATIONS

5.1 It is recommended that;

- The time-scales of projects within the capital programme be approved together with any required re-profiling of the capital budget within the strategy lifespan.
- Approval be given for the capital funds totalling £1,250,000 allocated for the financial year 2006/07 to the Housing Strategy programme be released.
- Future reporting of progress on the projects be in line with the updated Action Plan.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The recommendations will allow for the re-profiling of the Housing Strategy Capital Programme to account for the implementation issues identified in section 2 together with the planning and lead in for project working which will deliver the targets of the Housing Strategy.

7. IMPLICATIONS

- Staffing/Resources – Significant impact on the work for the staff within the Housing Services section. Operational workloads and the delivery of the Housing Strategy work programme continue to offer challenges through delivery within current resources with priorities being established. This needs to be kept under continual review.
- Financial – The report proposes a reprofiling of the Housing Strategy Capital Programme but it is still anticipated that the programme as a whole will be completed in 2009/10 as originally envisaged and this report seeks approval for

the release of the 2006/07 funding contained in the capital programme. Other financial comments have been incorporated within the body of the report.

- Legal – Nil
- Corporate –The Housing Strategy is a corporate document as is delivery of the targets within it.
- Risk Management – There is risk in not taking account of the implementation issues identified in section 2 together with not looking to the re-profiling of the budgets and the project timescales.
- Equality Issues – There may be issues if projects are not delivered.
- Environmental – There may be issues on the built environment if projects are not delivered.
- Crime and Disorder –
- Impact on Customers – There may be issues if projects are not delivered.