

**HOUSING:**  
**DEPARTMENTAL REVENUE STRATEGY**

**2005/06 – 2007/08**

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The overall aim of the Housing Department is:

**A decent home within the reach of every citizen of Leicester.**

## **HOUSING DEPARTMENT**

### **REVENUE BUDGET STRATEGY 2005/06 – 2007/08**

#### **1. INTRODUCTION**

The Housing Department operates two separate accounts:

##### **1.1 The Housing Revenue Account (HRA)**

Local Authorities are required to account separately for the management and maintenance of their housing stock. It must be operated as a ring fenced account with no subsidy to or from the general fund.

##### **1.2 The Housing General Fund (HGF)**

This account covers housing related services financed from the general fund.

The two accounts are treated separately in this Departmental Revenue Strategy.

#### **2. DEPARTMENTAL STRUCTURE**

2.1 The Department operates through four Branches. The Management and Technical Branches are mainly charged to the Housing Revenue Account. The Renewal and Options Branch is charged entirely to the General Fund (GF). The Resources Branch is split between the two (HRA and GF).

2.2 Overall, the Department employs 1620 people. The service is predominantly decentralised, and staff operate from 27 locations across the City. A summary functional organisation chart is shown at Appendix 1 and detailed charts are shown at Appendix 2.

2.3 The Department's budget for the HRA is attached as Appendix 3 and the General Fund as Appendix 4 for Members information.

#### **3. HOUSING REVENUE ACCOUNT**

3.1 The Council manages and maintains c23,800 dwellings. This is financed through rents, housing subsidy and the capital programme. Capital expenditure is on major repairs and improvements including disabled adaptations and environmental works. The majority of the capital expenditure is targeted at meeting the government's 'Decent Homes' standard.

The budget for 2004/05 shows the following breakdown of revenue expenditure:-

	£m
Landlord services	15.1
Repairs & Maintenance	22.1
Capital financing charges (inc. RCCO)	12.1
Negative subsidy	<u>10.0</u>
<b>Total</b>	<b>59.3</b>

### 3.2 Rent Restructuring and Convergence

The Government has decided there is an incoherent rent structure in the social housing sector. To overcome this it has decided that all social landlords will set their rents according to a single formula. It has also decided there are 'unjustifiable differences' between council house rents and those of housing associations. It has therefore decided that council rents will rise faster than housing association rents and faster than inflation. This will continue until 2012.

The impact of rent restructuring is broadly neutral for Leicester as a landlord. It does however take away almost all its powers of discretion. It is left with the power to decide rents within a 5% tolerance around the formula as long as increases and decreases balance each other.

Rents have been set on a property specific basis for the first time from April 2004. Tenants on the whole will be worse off because rent rises will be on average around 1% above inflation in Leicester (the national average is higher at 1.5%). There will however be individual winners and losers within this average because of the impact on different property types. The result of applying the formula is perverse for Leicester as it results in greater percentage increases for the 'hard to let' bedsits and one bedroom flats. Members have done what they can by using the 5% tolerance to reduce the extent of the increase. Tenants are protected to the extent that the maximum annual increase is set at inflation + ½ % + £2. The average rent increase for 2004/05, has been set, by Government, at 3.4%.

Local Authorities are not permitted to keep the 'above inflation element' of the rent increase, as Government takes it away in the form of negative subsidy.

### 3.3 Stock Option Appraisal

The government has set a target for all council housing to be brought up to a defined decent homes standard by 2010. All councils have to carry out an options appraisal that meets the government's requirements by July 2005 to show whether they can deliver this standard. The options to be considered are:

- Continue with the current arrangements
- Set up an Arms Length Management Organisation
- Delivery through the Private Finance Initiative
- Stock transfer to a new or existing registered social landlord

- A mixture of the above.

It is expected that a report on the outcome of the appraisal will be considered by the Housing Management Board, Housing Scrutiny Committee and Cabinet in January 2005.

### 3.4 Prudential Borrowing

Under new capital financing arrangements effective from 2004/05, local authorities are able to raise additional loans to fund capital expenditure where they can demonstrate they are able to meeting the associated annual interest and repayment costs from their future revenue resources. With Leicester's HRA having received a favourable subsidy settlement for 2004/05, members agreed to include an additional £6m of 'prudential borrowing' in the 2004/05 Housing Capital Programme. With another favourable subsidy settlement having been received for 2005/06, members will again have scope for supplementing the Housing Capital Programme with further prudential borrowing. This additional capital funding will increase the speed at which the housing stock is brought up to the 'decent homes standard'.

### 3.5 HRA Performance & Benchmarking

#### Housing Maintenance

The Best Value Inspectorate has awarded Leicester's Maintenance Service three stars. It has also been awarded Beacon Status. It measures performance through a number of indicators including those developed with tenants. These are shown in the section's business plan.

There are three Best Value indicators for the service:

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
i) % of LA homes which were non-decent	new	new	55%	48%
ii) % change in proportion of non-decent LA homes between previous and present years	new	new	n/a	3%
% of responsive repairs during 2002/03 for which the authority both made and kept an appointment.	90.7%	90.3%	91.0%	92%
Energy Efficiency – the local SAP rating of LA owned dwellings	57.5	60	66	67

Appointments: The definition includes only those properties where access is required to people's homes.

Energy Efficiency: The Authority is in the top quartile.

## Housing Management

### Comparison of National & Local Best Value Performance Indicators

The following performance information shows the performance of the service against targets.

- BVPI66a - % Rent Collected (Key & PSA target)

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
Proportion of rent collected	89.25%	94.7%	96.5%	97.5%

In 2001/2002 Leicester City Council was in the bottom quartile of the National Best Value league table for Metropolitan Councils. The performance at that time was severely affected by the Housing Benefit crisis due to IT problems. In 2002/2003 our performance improved to 94% putting the Authority in the mid quartile. A range of improvement measures have been put in place, including the successful installation of an integrated IT package. The Department is working to reach the top quartile by March 2005.

- BVPI74a – Satisfaction of tenants with the overall service (CPA, PSA & KEY target)

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
Satisfaction of tenants with the overall service	59%	No data	69%	78%

The actual figure for 2001/2002 is taken from the Status Survey, last conducted in 2000, which put the Authority in the bottom quartile. An update survey is currently underway and the results are expected in the next couple of months. However, the results of customer satisfaction surveys conducted over the last 12 months as part of the Best Value Service Assessment show that satisfaction is much higher now at over 75%, which could put the Authority in the top quartile. The service has introduced several new initiatives over the last 12 months to increase satisfaction levels.

- No. of days taken to re-let a property (KEY & PSA target)

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
Number of days taken to re-let a property	47.5	49.9	49.1	38

The actual performance for 2001/2002 was 47.5 days putting Leicester in the mid quartile. The actual for 2002/2003 is estimated at 40 days, pending further guidance from the Audit Commission on calculation methods.

During the past 3 years the service has taken a systematic approach to dealing with long-term void properties. This includes the selective demolition

of unpopular and high maintenance dwellings. Properties have been leased to Refugee and Advance Housing Association and dwellings with structural problems are sold on to RSL's or to the private market. A number of initiatives designed to improve performance are listed in the improvement plan. The Department is striving to reach the top quartile by March 2005.

% of rent lost through local Authority dwellings becoming vacant (PSA target)

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
Percentage of rent lost through LA dwellings becoming vacant.	3.11%	2.61%	2.17%	2.10%

The percentage of rent lost through vacant dwellings will reduce further as the number of empty properties reduces and demand generated for all types of stock.

### 3.6 Financial Position of HRA

Following the greatly improved subsidy settlement for 2004/05 (showing an improvement of some £4.5m compared to the previous year), the allocation for 2005/06 shows a further improvement of £2.6m. This will again allow members to supplement the 2005/06 HRA Capital Programme with another tranche of prudential borrowing, in addition to making a direct revenue contribution to capital expenditure. Such enhancements to the capital programme will allow the council to achieve a higher level of HRA capital expenditure and thereby achieve the decent homes standard more quickly, despite the possibility of the Regional Housing Board diverting capital resources away from local authorities.

The 2004/05 budget is shown at Appendix 3 for Members information.

## **HOUSING GENERAL FUND**

### **4. Information on Services:**

#### **4.1 Policy, Management & Support**

These services are carried out on behalf of both the Housing Revenue Account and the General Fund. The costs shown below are the total costs of the services. They are subsequently apportioned to the accounts to which they relate.

##### **4.1.1 Central Establishment Charges**

Outturn 2003/04	£1,475k
Budget 2004/05	£1,393k

These are some of the charges to the Housing Department from the Resources, Access and Diversity Department. The largest charge relates to legal services most of which is subsequently charged on to the HRA. Other charges come from the Job Shop, Telephony, Occupational Health and Payroll. Some other central charges are made direct to service areas and are not included in the figures above.

#### 4.1.2 Housing Directorate

Outturn 2003/04	£511k
Budget 2004/05	£530k

This budget covers the cost of the Corporate Director of Housing, four Service Directors and secretarial support. The four service directors are responsible for:

- Resources (inc Housing Benefits & Council Tax)
- Technical Services (inc DSO)
- Housing Management & Hostels
- Housing Renewal and Options

#### 4.1.3 Policy and Business Section

Outturn 2003/04	£378k
Budget 2004/05	£388k

The main functions of the team include:

- Formulation of the Housing Strategy
- Compilation of information for Best Value Performance Plan, Corporate Plan, CPA Improvement Plan, Performance Indicators.
- Production and management of information on the Councils Housing Stock Condition
- Formulation, implementation and monitoring of equality policy for services in the Department
- Commissioning/undertaking research projects
- Business advice and assistance to service managers including:
  - Best Value
  - Reviews of Organisational Structure, Efficiency of Systems, Methods and Procedures and staffing levels
  - Performance Management (S)
  - Benchmarking (S)
  - Business Planning

#### 4.1.4 Information Technology

Outturn 2003/04	£250k
Budget 2004/05	£538k

Housing IT team promotes the provision of quality services through the application of information technology.

Description of Services:

- Provide advice and technical support to all users of computer systems in the Department.
- Maintain and administer hardware and software assets
- Develop internet and intranet applications for e-government and specialist database applications
- Network and email administration
- Procure and commission hardware and commercial software packages

4.1.5 Financial Planning

Outturn 2003/04     £274k  
Budget 2004/05     £281k

The Financial Planning Section are responsible for interpreting and implementing financial legislation relating to housing, ensuring adherence to financial regulations, setting and monitoring budgets, introducing financial systems, providing financial advice to management, completing year end accounts, making grant claims, meeting subsidy requirements etc. The main customers of the service are council officers, Councillors, tenants and District Audit.

4.1.6 Financial Operations

Outturn 2003/04     £184k  
Budget 2004/05     £187k

The Financial Operations Section is responsible for purchasing, paying accounts, calculating bonus for the 500 manual workers, carrying out stock checks (total value of stock £1.2m), checking DSO claims and processing re-chargeable works.

There is one national performance indicator that applies. The Department has made a significant improvement in performance over the last two years. Targets are set corporately.

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
Percentage of invoices paid within 30 days. Number of invoices processed 35,860 Value of invoices processed £34.8million	84%	88%	87%	92%

The service has internal and external customers. The latter include suppliers and tenants.

4.1.7 Rent Accounts, Right to Buy, and Administration

Outturn 2003/04     £255k  
Budget 2004/05     £311k



The work of this section is mainly charged to the Housing Revenue Account. They are responsible for calculating the rent and maintaining the accounts for the council's 23,800 dwellings including both basic rent and service charges. The section also administers the Right to Buy process, which allows tenants to buy council housing. It also administers the bulk of the Department's post and carries out a variety of administrative functions.

#### 4.1.8 Marketing & Information Unit

Outturn 2003/04	£99k
Budget 2004/05	£164k

The objectives of the team are:

- To promote a positive image of the Housing Department and its services
- To provide comprehensive and accessible information on housing services
- To provide a design and production service for the Department
- To promote effective two-way communication with customers
- To increase public and staff awareness of housing issues nationally and locally

It has both internal and external customers. Internal customers are mainly managers within the department and external customers are mainly council tenants.

#### 4.1.9 Housing Personnel and Payroll

Outturn 2003/04	£448k
Budget 2004/05	£509k

The section provides comprehensive human resource management advice and support. In particular:

- It helps to ensure effective performance management of the workforce in areas of attendance, discipline, capability and fair treatment.
- It provides a comprehensive payroll service.
- It provides recruitment, selection and retention advice and administration. It undertakes the development and implementation of departmental and corporate equality and employment initiatives.

#### 4.1.10 Development and Training Service (Inc Health and safety)

Outturn 2003/04	£268k
Budget 2004/05	£311k

The work of the section involves:

- Provision of a Training and Development Service to the Housing department.
- Provision of Corporate Training and development services
- Provision of the Authority's Apprenticeship scheme
- Provision of Health and Safety
- Management of Blackbird Road Training and Conference Centre

- Administrative and management support for Gas and Water Industry Training Organisation and Gas training/assessment

## 4.2 Private Sector Housing and Development

### 4.2.1 Renewal

Outturn 2003/04	£717k
Budget 2004/05	£807k

Since the Council's private housing renewal strategy was adopted in 1976 the Council has followed a broadly area based strategy concentrating resources in areas of poor housing occupied by low income and vulnerable households. At present there are five 'active' renewal areas.

In these areas means tested Home Improvement Grants are provided to qualifying homeowners to tackle unfitness and to bring houses up to the decent home standard. The Renewal & Grants Service provides these services.

The Public Service Agreement target to make all homes in the social sector decent by 2010 has been extended to include private sector homes. The target for local authorities is to reduce the proportion of vulnerable households who live in non-decent homes.

In 2001 it was estimated that nationally vulnerable households occupied 43% of non-decent private sector homes. The target is to reduce this to 30% by 2010 and to 25% by 2015.

In addition to Home Improvement Grants various environmental improvements are carried out to improve the areas generally.

The citywide Home Maintenance Service provides services across the City through a two-year programme covering each ward in turn. Advice and assistance is provided to homeowners about home improvement and maintenance. In qualifying cases closely targeted modest sized grants are provided to help make the property 'wind & watertight'.

Other services provided include a 'handyperson' service and various home security projects funded from a range of sources including SRB, New Deal and the Home Office. There is also a home accident prevention scheme being undertaken in partnership with Leicestershire Health.

Mandatory Disabled Facilities Grants are provided in conjunction with Social Care & Health. These are means tested grants that the Council has a duty to provide where adaptation works are identified as being necessary and appropriate to assist a disabled occupant. Despite setting a budget well in excess of the support provided by central government demand continues to increase and outstrips what can be funded.

### Comparative Spending Information:

Benchmarking has begun in conjunction with authorities involved in the Urban Renewal Officers Group who are collating information for 2002-03.

### Performance Information:

The Renewal & Grants Service business plan sets out a number of performance measures, which are used to monitor the efficiency of the service. These are reported to Housing Scrutiny Committee. The annual report was presented for information at the Scrutiny Committee meeting held on 21st August 2003.

Probably the main performance indicator is the statutory best value performance indicator, BVPI 62. This indicator recognises all the work in our mainstream activity such as renovation grants and group repair schemes in the renewal areas, providing advice and assistance through the citywide Home Maintenance Service as well as the enforcement work undertaken by the Private Sector Housing Group.

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
BVPI 62. Proportion of unfit private sector dwellings made fit or demolished as a direct result of action by LA.	2.33%	2.40%	2.44%	2.43%

The Renewal Service is subject to a Beacon Status bid this year.

#### 4.2.2 Development

The Housing Development Team:

- Promotes the delivery of new affordable housing
- Liaises and negotiates with private sector partners and developers
- Manages LCC stock redevelopment options and initiatives
- Implements LCC's 'Empty Homes Strategy' and the acquisition of empty properties

The Team helped to secure £6m of new Social Housing Grant allocations for 2003/04 – the largest proportion of grant allocation in the East Midlands region. It is also instrumental in securing other significant levels of new development through the planning process, and through housing input to the local plan.

The Empty Homes Strategy is aimed at bringing empty properties back into use as residential dwellings. The method of calculation has recently changed for the BVPI for this work so direct comparison with other authorities is not yet possible. However, for Members information, Leicester was in the top quartile in 2001/02 when the previous form of the indicator was last used.

	01/02 Actual	02/03 Actual	03/04 Actual	04/05 Target
BVPI 64. Number of private sector dwellings made fit or demolished as a direct result of action by LA.	n/a	113	103	125

#### 4.2.3 Home Energy Team

The overall aim of the Home Energy Strategy is “to enable all households to have access to affordable warmth within a safe and healthy living environment”. This supports the broader aim of the Housing Department to provide “a decent home within the reach of every citizen of Leicester”.

The Home Energy Team provides advice, information and practical services to assist households with the implementation of energy efficiency improvements. The Team consists of a Manager along with a core of support staff promoting “Energy Sense” services and providing a framework to bid for funds, form partnerships and carry out externally funded projects. At any one time there are a number of externally funded projects, each employing staff on short term contracts to carry out survey work and to implement a range of energy efficiency measures.

The team is highly successful in generating substantial external funding. In the current year this will be:

SRB 6	£ 26,000 revenue + £105,000 capital
Sure Start (B' Leys)	£ 27,983 revenue + £8,000 capital (carried over)
Sure Start (H'fields)	£ 26,000 revenue + £23,000 capital
Npower	£ 21,000 revenue + Crisis fund (approx £200,000)
PCTs	£ 13,000 revenue
EEC	£100,000 (approx figure available for measures)
PSA Targets	£ 42,000 (carry over of pump priming monies)
	-----
Income	£ 155,983 (Revenue – potentially available)

Available capital £436,000 approximately

#### **Total external funding £ 591,983**

### 4.3 **Housing Benefits and Local Tax**

Outturn 2003/04	£3,765k
Budget 2004/05	£3,364k

#### 4.3.1 **Housing Benefits**

The apparent reduction in cost is the result of a change in funding rather than a true reduction in cost. The cost of administering Housing Benefit is now partly funded by a direct grant rather than via the Council's overall revenue support grant.

### Description of the Service

Housing and Council Tax Benefit are statutory benefits administered by the authority on behalf of the Department for Work and Pensions (DWP). The authority has little discretion over the rules governing the scheme but has a responsibility to deliver an efficient, accurate and cost-effective service.

### Client Group

The Housing Benefit service provides means tested assistance to rent and Council Tax payers across the City. This covers tenants of all tenure types as well as owner-occupiers on low incomes. The demographic of the client group is dominated by nearly 60% of clients being over pension age. The complexity of the rules governing the scheme mean that it involves the use of lengthy detailed application forms and customers often require help with their completion.

The complexity of the scheme also leads to overpayments of Benefit because customers are often slow to notify us of changes in their circumstances. The resulting overpayments are usually recovered by deductions in the weekly benefit paid and this can then lead to arrears of rent and debt problems for those affected. The section has to maintain a difficult balance between paying the customer the correct benefit on time and preventing fraud and error from entering the system.

Leicester is fully compliant with the Government's Verification Framework. This is a more comprehensive checking of claims and does lengthen the time taken to process applications for benefit. The additional staff required to meet this standard are partly funded by additional subsidy from the Department for Work and Pensions (DWP). This was a requirement from the last BFI report.

Customers have been frustrated by the increased waiting times and this has been further exacerbated by the problems experienced with new IT systems during 2002/03 and 2003/04.

### Activities:

Administer, Pay and Recover Benefit.

Collect the relevant information together with associated documentary evidence to administer the Benefits system and then ensure that regular and accurate payments are put into effect.

### Key Facts and Figures:

	2002/03	2001/02
Average Establishment	134 FTE's	131FTE's
Value of Benefit Payments	£95,220m	£78,294m
Caseload	49,191	47,366

Note1 - The increase in expenditure during 2002/03 was distorted by the clearance of backlog outstanding at the beginning of the financial year.

#### Cost of Claims Administration

Year	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target
Cost of administering claims	£65.03	£70.89	£62.99	£65.00
Weighted caseload	59,039	60,207		

Note1 – The weighting of caseload was only introduced with effect from 2000/01. The target for 2003/04 is to stay within the 2002/03-costs range.

#### Best Value Performance Indicators

Year	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target
Average time to process claims in calendar days	126	141	111	35

Note1 – The predicted outturn for 2003/04 is 78 days against a target level of 70 days. For 2004/05 we are aiming to achieve 45 days and by 2006/07 to have reached the upper quartile target of 36 days.

#### **4.3.2 Local Taxation Section**

The Local Taxation Section bills and collects all sums payable to the Council in respect of Council Tax, National Non Domestic Rates (Business Rates) and residual Poll Tax. For 2003/04 the gross charges to be collected for Council Tax are £61m and for Business Rates £83m. The service covers 118,000 domestic properties and 12,000 commercial properties.

#### Clients

The Local Taxation Service touches the occupiers of all property and the owners of empty property in the City. The Council Tax payers and Business Rate payers often have agents acting on their behalf. This agent could be an accountant or a welfare advice worker.

Because Business Rates are collected on behalf of the Government, returns are submitted four times a year to the Office of the Deputy Prime Minister (ODPM) detailing amounts collected. Each year estimates have to be submitted to the ODPM showing how much NNDR is likely to be collected each year.

Each year a Tax Base Report has to be prepared detailing the number of band D properties there are in the City. This return is used to calculate the Revenue Support Grant payable to the City Council.

All property in the City is either valued or banded by the Valuation Office Agency (VOA), an executive agency of the Inland Revenue. The City Council has a statutory duty to report alteration to property, new property and demolished property to the VOA so that the City Council's tax base is as accurate as possible.

The Housing Benefit Section calculates the Council Tax Benefit payable to those members of the community whose means do not permit full or partial payment of the Council Tax. Council Tax Benefit covers over 20% of the collectable debt.

Unfortunately, not all of our customers pay their Council Tax. As a consequence of this recovery action has to be taken and we appear before the Leicester Magistrates' Court each week to pursue recovery action

Because of the local nature of the Council Tax, customers do contact Councillors for advice. We therefore have a close working relationship with Councillors.

### Activities

Bill, Recover and Collect Local Taxes.

Amend a payer's liability if they leave a property. Amend a payer's liability when they occupy a property. Award or rescind exemptions and discounts as may be applicable to each case.

### Key Facts and Figures

	<b>2001/02</b>	<b>2002/03</b>
Average Establishment	63.7 FTE's	65.9 FTE's
Debit/ Credit Card Payments taken at Welford House (By phone or in Person)		
Number	5,494	13,951
Value	£0.6m	£1.5m
Visitors to the Counter	19,768	21,204
% seen in 15 minutes	88%	91%
Telephone Calls Received	149,687	151,296
% Answered in 3 minutes	55.0%	72.2%
Number of Documents Issued	313,501	350,302

	<b>2001/02</b>	<b>2002/03</b>
Of which Reminders Final Notices	59,724 42,335	70,893 53,863
Summonses Issued	15,608	20,615
Committal Action Taken	1,077 payers	1,271 payers
Complaints	192	191
Justified	104	91

#### Cost of Collection Per Dwelling

Year	<b>2001/02 Actual</b>	<b>2002/03 Actual</b>
Controllable	£17.70	£18.43
Internal Recharges	£2.05	£5.04
Income	-£2.19	-£5.08
Cost per dwelling	£17.56	£18.39

#### Best Value Performance Indicators

These indicators show the percentage of debt due in a year collected in a year. For Council Tax purposes, the due debt is the amount payable after deducting Council Tax Benefit.

The following collection figures have been extracted from the QRC4 form submitted to the Office of the Deputy Prime Minister (ODPM) each year.

Leicester is currently in the bottom quartile.

#### Best Value Performance Indicators

Year	2001/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target
Council Tax	89.0%	92.0%	90.2%	94.0%
Business Rates	96.6%	97.6%	96.4%	98.5%

#### **4.4 Miscellaneous Service Provision**

Outturn 2003/04    £325k  
Budget 2004/05    £526k



A variety of miscellaneous cost centres are included under this heading. The main charge comes from the HRA and relates to services provided on HRA land including the maintenance of environmental areas including lighting and pavements. These charges will continue to increase with Right to Buy sales. The cost of operating and maintaining CCTV cameras and the income from a temporary car park on wasteland are also included.

#### 4.5 **Housing Options Service**

Outturn 2003/04	£1,489k
Budget 2004/05	£1,602k

The Housing Options Service (HOS) provides the following services:

- Housing Advice, Options and information
- Statutory assessment of homelessness
- Maintenance of the Housing Register
- Adapted Housing Matching Service
- Private Landlord & Tenant matters
- Nominations to Registered Social Landlords
- Public reception in New Walk Centre & Bishop Street

The HOS operates under various pieces of legislation. The Housing Act 1996 part VI regulates the allocation of social housing and Part VII places a duty on the local housing authority to secure advice and assistance on homelessness and the prevention of homelessness, free of charge to any person in the district. Furthermore, it places a duty on the local housing authority to secure settled accommodation for any person who is eligible, in priority need and unintentionally homeless.

The Homelessness Act 2002 extended the priority group categories to include 16 and 17 year olds, care leavers aged 18 – 21, and people assessed as vulnerable by the local authority because of their institutionalised background, such as former prisoners.

Preventative work is a key feature of the service's approach to homelessness within the City. As such, the important work undertaken by Housing Options provides people with the opportunity to realise their options, rights and legal entitlements.

The Audit Commission Housing Inspectorate visit in 2002 awarded the HOS 'a good 2 star service, with excellent prospects for improvement'. More recently, the Housing Department has received a beacon status award for its services in 'Tackling Homelessness'.

#### Comparative Spending Information

Leicester is viewed by many customers, and newcomers to the City, as a safe and welcoming City. As a result this has had a direct impact on services within

the City Council. There is relatively high demand for Leicester City Councils housing stock leading to situation whereby demand outstrips supply.

The role adopted by Housing Options is critical in 'gate keeping' access to the housing stock and providing advice and guidance on other housing options.

In order to provide an effective 'gate-keeping' role it is necessary to undertake more comprehensive assessments of need than in many other comparative authorities where there is low demand for social housing.

In addition Central Government agenda is focusing on the prevention of homelessness and encourages authorities to invest in best practice initiatives which Leicester has followed leading to Beacon Status for services to tackle Homelessness. Furthermore Leicester has met the national target for having no families in Bed and Breakfast accommodation well in advance of March 2004.

Through the Major Cities Benchmarking Group, the Group agreed in February 2004 that they would no longer undertake cost comparator exercises but instead examine and adopt Best Practice and compare performance between authorities.

The service has also attracted additional resources from the Homelessness Directorate at ODPM to pilot a Prisoner Links scheme, which has enabled housing options officers to hold weekly surgeries at the local prison. This Service is now in its third year and has achieved positive outcomes for ex offenders who are at risk of rough sleeping and/or re offending.

As a result of NRF funding in 2003/04, the service was able to successfully launch the Leicesterlet Scheme. This is a variation of the rent deposit guarantee scheme that enables potentially homeless families to access the private rented tenancies and the Council will pay the months rent in advance and deposit to the landlord where the applicant cannot afford this payment.

### Performance Information

There are 3 performance indicators that specifically relate to homeless services.

	01/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target
BV 183 Average length of stay of households which include dependent children or a pregnant woman and which are unintentionally homeless and in priority need (days)				
a) Bed & Breakfast	N/a	7	2	2
b) Hostels	N/a	56	77	63

	01/02 Actual	2002/03 Actual	2003/04 Actual	2004/05 Target
LCCHS 9 - the proportion of homelessness applications on which the authority makes a decision and issues written notification within 33 days.	91.77%	96.04%	96.89%	97.00%

### Summary

Increasing choice for homeless applicants is expected to be a fundamental part of the any Council's Homelessness Strategy. The HOS is committed to providing an effective homelessness prevention strategy and implementing successful proactive prevention measures as part of the continued development and improvements to service delivery.

#### 4.6 **Asylum Seekers and Refugees Unit**

In June 2000, the City Council set up the Asylum Seekers and Refugees Unit to manage the Council's implementation of its duties under the Immigration and Asylum Seekers Act 1999.

The aim of the unit is to develop services and policies to enable the acceptance and resettlement of asylum seekers and refugees in the City. The unit also provides a starting point for supporting the needs of refugees and building community capacity initiatives with existing communities and refugee communities, to enable them to become more integrated into the City.

The unit has been one of the forerunners of setting up the asylum seekers and refugees multi-agency forum, which brings together all agencies working with and supporting asylum seekers and refugees in the City, and meets once a month. The unit provides a connection point between the regional, national bodies and the local agencies, and provides resettlement advice to individuals.

The unit has been engaged in community development/capacity building work to enable maximum benefit to refugees and local residents (incorporating economic, social, environmental and community safety initiatives).

#### 4.7 **Hostels & Community Care**

Outturn 2003/04     £(345k)  
Budget 2004/05     £20k

##### 4.7.1 Hostels and Housing Community Care Services

#### Purpose of Service

The Hostels and Housing Community Care Service overall aim is to provide housing related initiatives and interventions to respond to issues surrounding reactive homelessness, prevention and tackling homelessness.

The Service is essential in

- Reducing the number of rough sleepers (both local and central government targets).
- Reducing street drinking and illegal drug use.
- Reducing anti social behaviour to the general public.
- Minimising the inappropriate use of bed and breakfast. (Implications of costs and penalties to the council)

The Service has undergone a Best Value review where it was assessed as Good (2 star with excellent prospects for improvement. It has also been awarded Beacon Status. The Business plan has a number of performance indicators designed to monitor progress toward increased efficiency and effectiveness.

The Section is self-financing through housing benefit payments, supporting people funding and funding from partner bodies. The work of the section has had a high occupancy level. Demand for some services exceeds supply. The under spend for 2003/04 was due to problems recruiting staff.

The extent of service delivery includes.

Direct provision of emergency accommodation and support 365 days a year, 24 hours a day to respond to crisis housing needs.

Semi-Supported housing offers accommodation for vulnerable people, with community care needs who, do not require 24-hour care and support, but still require intensive assistance to enable them to move towards independent living. Semi-Supported housing also provides an alternative to hostels for people who cannot cope with communal living.

The identification, referral and tracking of children in temporary accommodation that are in need, and at risk of harm.

To teach parents coping strategies to care for children whilst in temporary accommodation and more importantly when they move on.

Reducing rough sleeping and tackling daytime street cultures such as begging, ASB and alcohol and substance misuse.

Offer support and assistance to vulnerable people in maintaining a tenancy.

Accessing and supporting Community Care groups through the process of accessing suitable accommodation and packages of care that meets the needs of the client group.

The provision of specialist support for clients with alcohol or substance misuse issues by offering motivational and harmonisation techniques.

To provide support and information with the aim of preventing first time and reoccurring homelessness.

Work in partnership to assess and act upon the needs of single homeless and families that may be vulnerable at risk of losing their accommodation due to presenting housing related support needs.

Whilst the Hostels and Housing Community Care Section provides a variety of services, each team has its own unique distinct purpose and all contribute to the overall common service objective;

“To identify, plan and generate appropriate housing solutions, which enable vulnerable people, Community Care groups and individuals with support needs to access and sustain accommodation”

#### 4.7.2 Planning and Commissioning

Outturn 2003/04	£122,432k
Budget 2004/05	£159,600k

All projects are reliant on grant aid; some are funding through rough sleepers initiative (ODPM) or joint funding through Health/DaAT or Social Services Department. All projects have been classified as category A.

The Planning and Commissioning Section collect data from each funding project on a quarterly basis about performance and compliance of service specification. The equal opportunities/service provision and monitoring is reported to cabinet annually. The financial analysis is reported annually to Housing Directorate.

The project officer from Planning and Commissioning attends at least three management committee meetings and an AGM for each project per year. All projects sign a grant aid contract, which includes the specification of service to be provided and performance expected. All projects adhere to the quality assurance systems and comply with PQASSO requirements.

#### Purpose of Service

Service endeavour to;

Build and sustain community cohesion with the re-provision and re-commissioning of services for homeless people in accordance with the key priorities outlined in the Single Homeless Strategy and the Homeless and Families Action Plan.

Create a range of opportunities for homeless people to achieve positive changes towards achieving stable integration with mainstream society.

#### 4.9 **Tenancy Support**

Outturn 2003/04	£86k
Budget 2004/05	(£260k)

The service commenced in 2002 and expenditure gradually built up over the first year and in accordance with government direction funding was mainly met through Transitional Housing Benefit. The service is now funded entirely through the Supporting People Grant.

### Description of Services

STAR (Supporting Tenants and Residents) is a community based, client centred Housing Related Support service. The team provides a planned programme of Housing Related Support to vulnerable single people, older people and families. The team is split into 6 areas, Beaumont Leys (BLISS), Saffron & Eyres Monsell, Humberstone, New Parks, Braunstone, and Centre.

### Housing Related Support Activities

Support Tasks include:

Help finding other accommodation

Access to local community organisations

Support for older people at risk of being placed in residential care/hospitalisation

Developing social skills/behaviour management

Help in managing finances & benefit claims

Help in establishing personal safety and security

Advice advocacy and liaison

Encouraging community cohesion

### Staffing

The team is made up of:

1 Tenancy Support Manager

6 Team Leaders

30 Tenancy Support Workers\*

1 Administration & Finance Officer

1 Business Systems and Finance Officer

1 Service Development Officer\*

6 Senior Caseworkers

6 Administration Assistants

\* Recruitment for vacant posts is on going for Tenancy Support Workers

\* Service Development Officer funded for one year by Beaumont Leys Sure Start

### Accommodation

All teams have now moved to community bases except the New Parks team, which will move in 2005.

### Number of Clients

The service is funded to work with 493 clients. Demand for the service currently outweighs supply. This means we have a managed waiting list of 50

people across the city. In April 2003 – April 2004 858\* people were supported.

\* Number of cases opened and closed in period

### Reasons for Referrals

Reasons for referrals include: housing, mental health issues, financial issues, housing, tenancy failure, vulnerable elderly, domestic violence, learning difficulties, and harassment.

## 4.10 **Supporting People Funding and Administration**

Outturn 2003/04     £130k

Budget 2004/05     £256k

### Introduction

In April 2003 the council became responsible for managing the new Supporting People Programme (including the SP grant) on behalf of a partnership body (the Commissioning Body) made up of the two Primary Care Trusts, the Probation Service and the Local Authority. The SP grant is ring fenced and has to be used to fund Housing Related Support Services. Leicester City Council (the administering authority) receives and administers the grant under section 93 of the Local Government Act 2000 for the provision of welfare services (Housing Related Support Services) determined by the Secretary of State. The administering authority is accountable to the local Commissioning Body and ODPM for the grant.

In Leicester the final grant for 2004/5 is £16.8m. There are around 60 separate providers and 170 different schemes. Around 7,500 people are supported.

### What are Housing Related Support Services?

Housing Related Support Services are services which help vulnerable people maintain a home in the community e.g. helping someone fill in benefit forms, arrange aids and adaptations to their home, get on with the neighbours.

Providers of these services include Housing Associations, Charitable and voluntary sector, private landlords and the council (Housing and Social Care and Health)

### Administration of the Programme

The Supporting People Team administer the programme on behalf of the partnership and the Council. They are responsible for paying providers on a monthly basis, administering the charging system, managing the contracts with providers, monitoring the schemes and reviewing each scheme every 3 years. They also responsible for writing the SP strategy, planning and developing existing and new services, consulting with service users and gathering needs information. There is 15 staff on the team. Administration costs for the Team are approximately £0.5 million (approximately half of this comes from ODPM as a grant to fund the Team).

## **5. RAISING ADDITIONAL INCOME VIA DISCRETIONARY CHARGING**

A list of discretionary charges is shown at Appendix 10.

The department reviews its charges each year at this time.

For the HRA, rents have to be set according to the formula set by the government. The majority of service charges are eligible for Housing Benefit and are constrained by national limits and caps. For those not eligible for Housing Benefits the government has said that the charge must not be in excess of the cost of provision.

In the Housing General Fund the main charges are:

- hostel charges which are constrained by Housing Benefits and Supporting People grant
- fees for managing renovation grants which are already set to cover the associated costs
- the emergency alarm service where charges are already set to cover costs, excluding capital

There is currently very little scope to increase charges given government constraints as well as the limited ability of many of our clients to pay.

## **6. SPENDING AND RESOURCE ISSUES**

### **GROWTH ITEMS 2005/6**

#### **G1: Empty Homes Strategy £123k**

There are about 4,500 empty private sector homes. Some of these are in poor condition and attract vandalism and other anti-social behaviour. There are also 9,000 people on the council's housing waiting list. The service targets homes that have been empty for over 18 months with the aim of bringing these empty homes back into use. Owners are encouraged to sell, improve or let their properties. Compulsory purchase by the Council is sometimes used as a last resort. An additional 2.5 posts would be used to increase the number of homes brought back into use, by over 600, over a three-year period. The cost shown above covers not only the additional staff but also admin costs and legal, technical and valuation costs.

#### **G2: Housing Benefits Quality Assurance Team £200k**

The Benefit Fraud Inspectorate (BFI) has recently criticised the Council for failing to meet government prescribed performance standards around checking the integrity and security of benefit processes and checking at least 10% of claims prior to a decision notice being sent.

This team is already in existence having been set up through a DWP grant but it is now necessary for the council to take over the funding. The benefits of continuing with the team are:



Improved quality control will lead to better error detection and reduced overpayments. The council does not qualify for subsidy on overpayments and has to meet the cost of any money not recovered.

Reduced errors will lead to a lighter touch audit and savings in audit fees.

Reducing the likelihood of the auditor qualifying the accounts and the potentially substantial loss of subsidy that could result

Reducing the likelihood of future administration penalties from government for not meeting performance standards

Improving the chances of a high BFI annual rating which in turn impacts on the council's CPA rating.

If this growth item is not approved it would be necessary to repay the set up grant to the DWP.

### **G3: RISE & Substance Misuse Team £165k**

Resettlement, Inclusion, Support and Empowerment (RISE) and Substance Misuse are both projects funded through the Supporting People Grant. The original charging mechanism was found to be resulting in 'surpluses' to the projects. This has now been rectified and there will be reduced income from Supporting People. As a consequence the service now has a budget shortfall, which needs to be rectified, otherwise cuts in the service will be required.

### **G4: CCTV Camera Kirby Frith £4.5k**

This proposal relates to a CCTV camera capital bid and covers associated revenue costs including maintenance and monitoring.

## **REDUCTION ITEMS 2005/6**

### **R1: Resettlement Officer (Refugees) £25k**

The Home Office has ended two of their private sector asylum dispersal contracts in the city, so demand for this service has reduced.

### **R2: Council Tax (Increased Summons Charges) £45k**

An increase in charges to people who are issued with a court summons will help to pay for costs incurred by the council.

### **R3: Relocation of Housing Options £85k**

Closing the current Bishop Street premises and bringing together the Options Service onto a single site are expected to bring revenue savings of around £85k per annum through reduced office space and fewer staff. Likely premises have been identified but savings will only be realised when the current occupants move out. There are likely also to be capital implications, which will be considered through the CLABs Group.

#### **R4: Efficiency Savings £60k**

Over the last two years the Council has invested in an integrated IT system for the Housing Department that will reduce the amount of time staff have to spend on inputting data and searching for files. As a result of this it is believed that ongoing efficiency savings should be possible.

#### **R5: Savings in Support Services £33k**

Linked to R4 above, it is believed that savings should be possible on a number of fronts following the introduction of the new integrated IT system. A review will be undertaken during next financial year with a view to making savings in general running costs e.g. mileage, stationery, postage, printing etc and possible support staff.

#### **Supporting People (SP) Programme Funding:**

**R6: Reduced SP Grant from ODPM (£800k)**

**R7 Reduced SP Funding by Leicester City Council £800k**

The SP Programme funds Housing Related Support Services to a variety of vulnerable client groups for the purpose of promoting their independence. Contracts (and Service Level Agreements) are held with various Support Providers for the provision of this support. The overall budget for 2004/05 is £16.8 million, funded entirely by an ODPM specific grant. The vast majority of this funding goes to internal and voluntary sector providers.

The Government has announced a 5% drop in grant for Leicester for 2005/06 to £16m. This is in line with cuts to the national programme. Leicester's resources could be further affected from 2006/07 through the introduction of a new formula for calculating grant. It is not possible to forecast the outcome yet.

The impact on the council's budgets is neutral because Leicester will change the amount it spends in line with the change in grant.

#### **R8: Hostel Occupancy £205k**

It is expected that recent high levels of hostel occupancy will continue and that this will increase the amount of income received by hostels. The great majority of the income is paid through housing benefits.

#### **R9 Renewal Increased Income £100k**

Increased levels of grant, associated with the declaration of new renewal areas, are expected over the next three years. This will in turn increase the level of fees earned by the Department.

**Public Service Agreement: Addressing fuel poverty by improving the condition of housing stock in the private sector.**

The Housing Department could be eligible for a reward grant of up to £300k (half in 05/06 and half in 06/07) for achieving the government's fuel poverty targets. It is proposed that such funding be used, in the first instance, to continue to address energy related initiatives.

**Impact Assessment – Race Relations Amendment Act (2000)**

Under the above act there is a general duty placed upon the Council to promote race equality and budget proposals need to be assessed in this context. The council's overall strategy to achieve race equality and progress to date are described in the covering report to the budget strategy. The Housing Department is a main participant in this overall strategy and has developed its own strategies within this context. In particular the department has produced a Black and Minority Ethnic (BME) Housing Strategy, which complies with the spirit and requirements of the Act. This strategy identifies the housing needs of BME communities in Leicester and sets out how the department and its partners will address these needs.

Where necessary, Equality Impact Assessments have been undertaken, and show no areas of major concern.

**Comments on Budget Proposals**

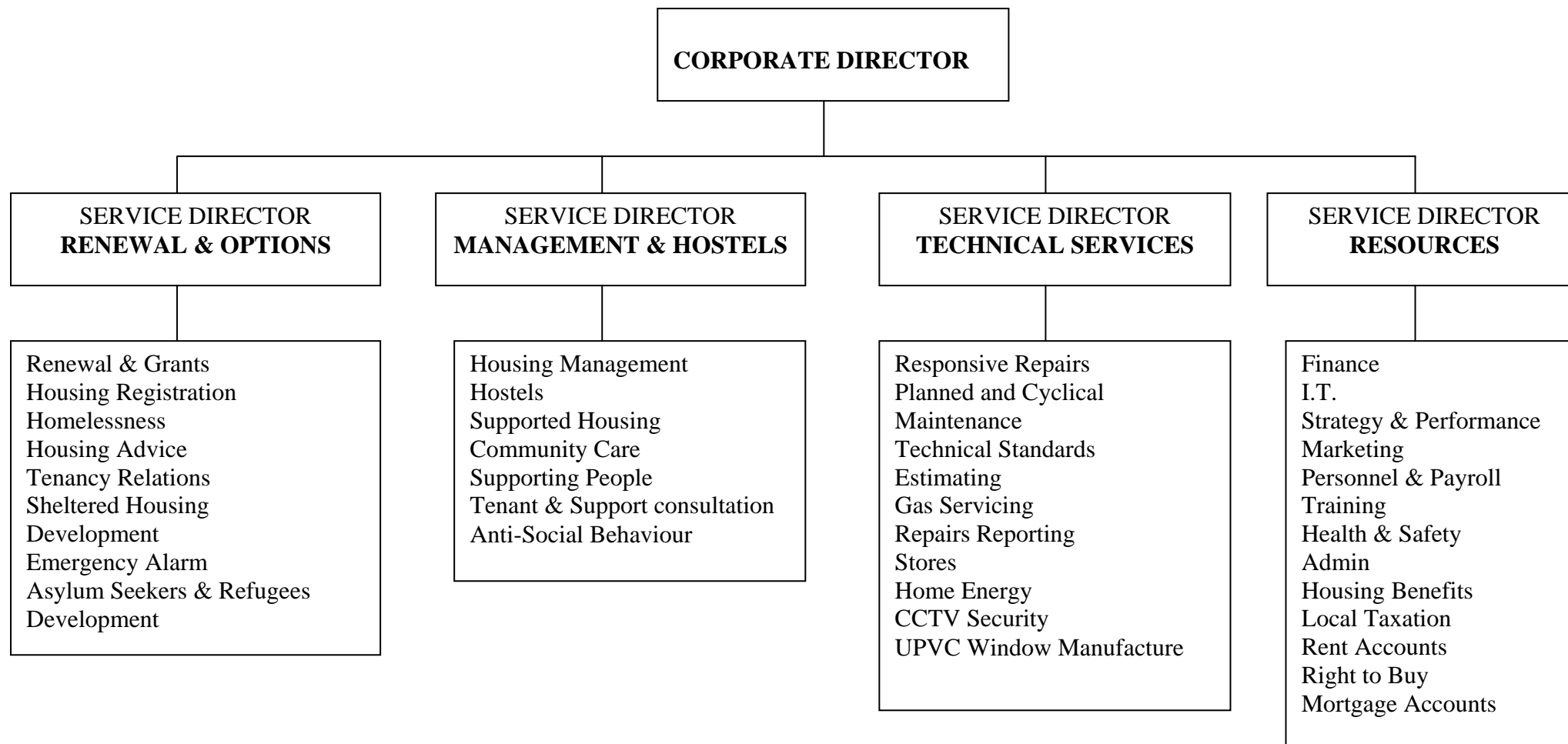
Consultation has taken place with trade unions.

**Earmarked Reserves**

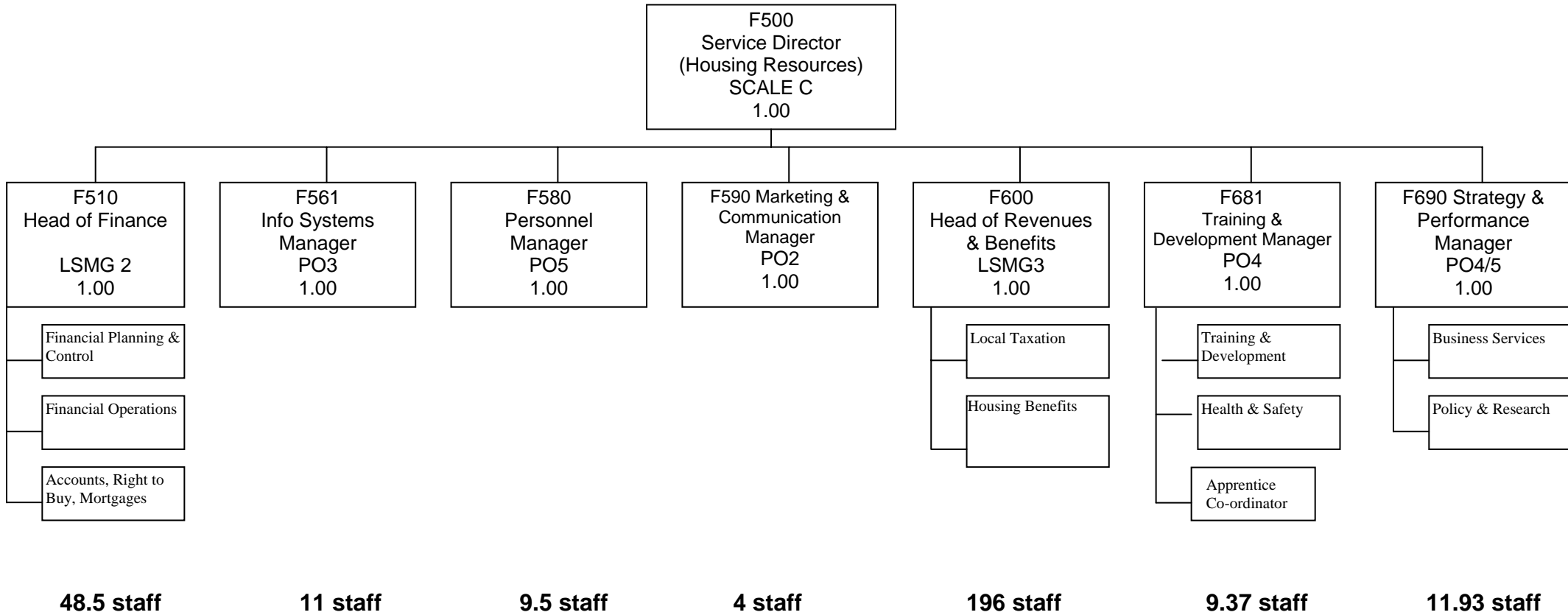
<b>Description</b>	<b>Estimated Balance 1/4/05 £'000</b>	<b>Planned additions and withdrawals 2005/06 £'000</b>	<b>Estimated Closing Balance 31/3/06 £'000</b>
<b>Tenancy Support Building Reserve.</b> Provision of office accommodation for Supporting People service providers. Financed through SP payments.	278	(78)	200
<b>Supporting People Grant.</b> Underspend of grant to be carried forward for future years.	1,400	(500)	900
<b>Nightshelter Reserve</b> Funding for the Multi-Disciplinary Centre	196	(196)	0



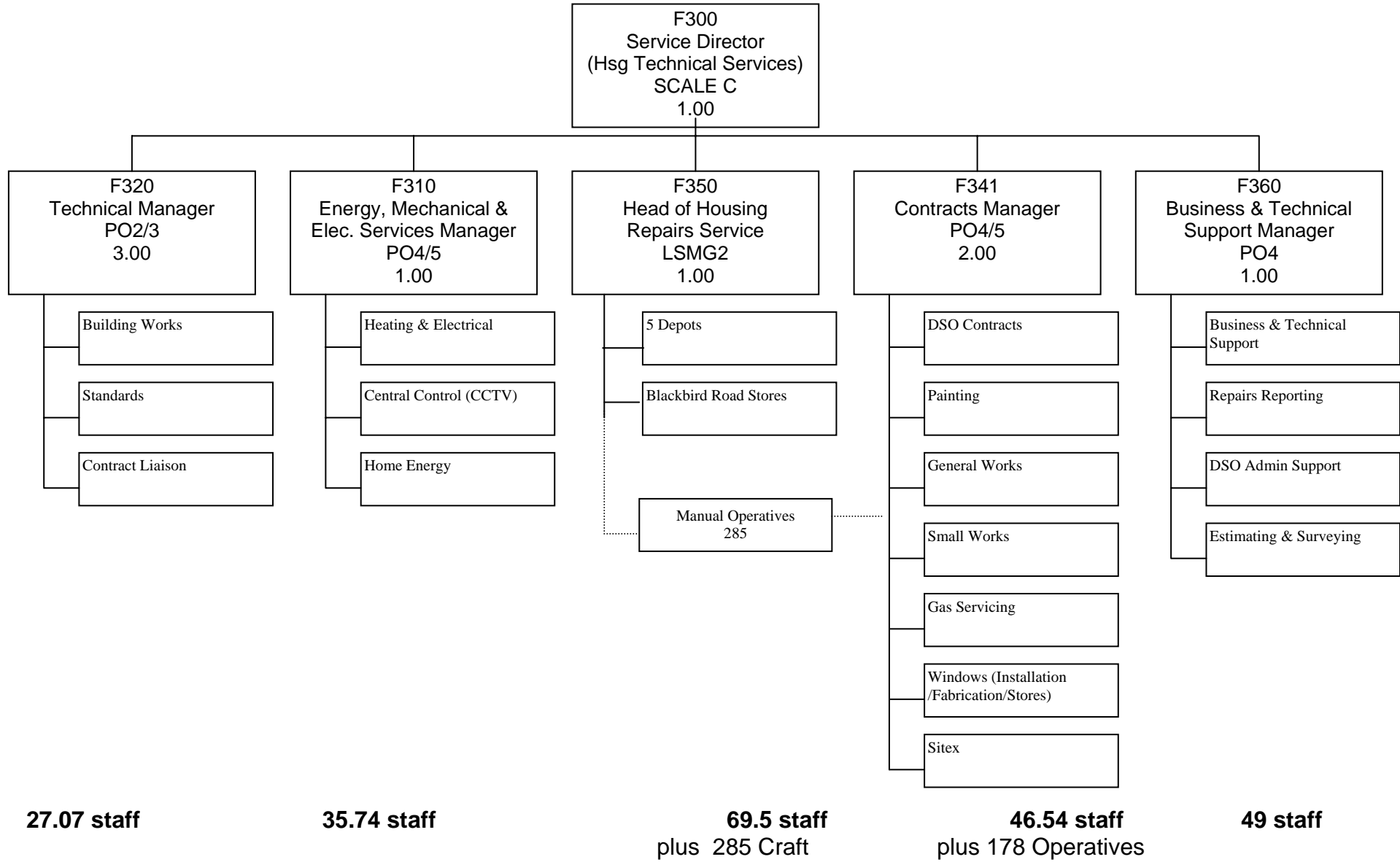
## HOUSING DEPARTMENT FUNCTIONAL ORGANISATION CHART



**ORGANISATION CHART - RESOURCES BRANCH**

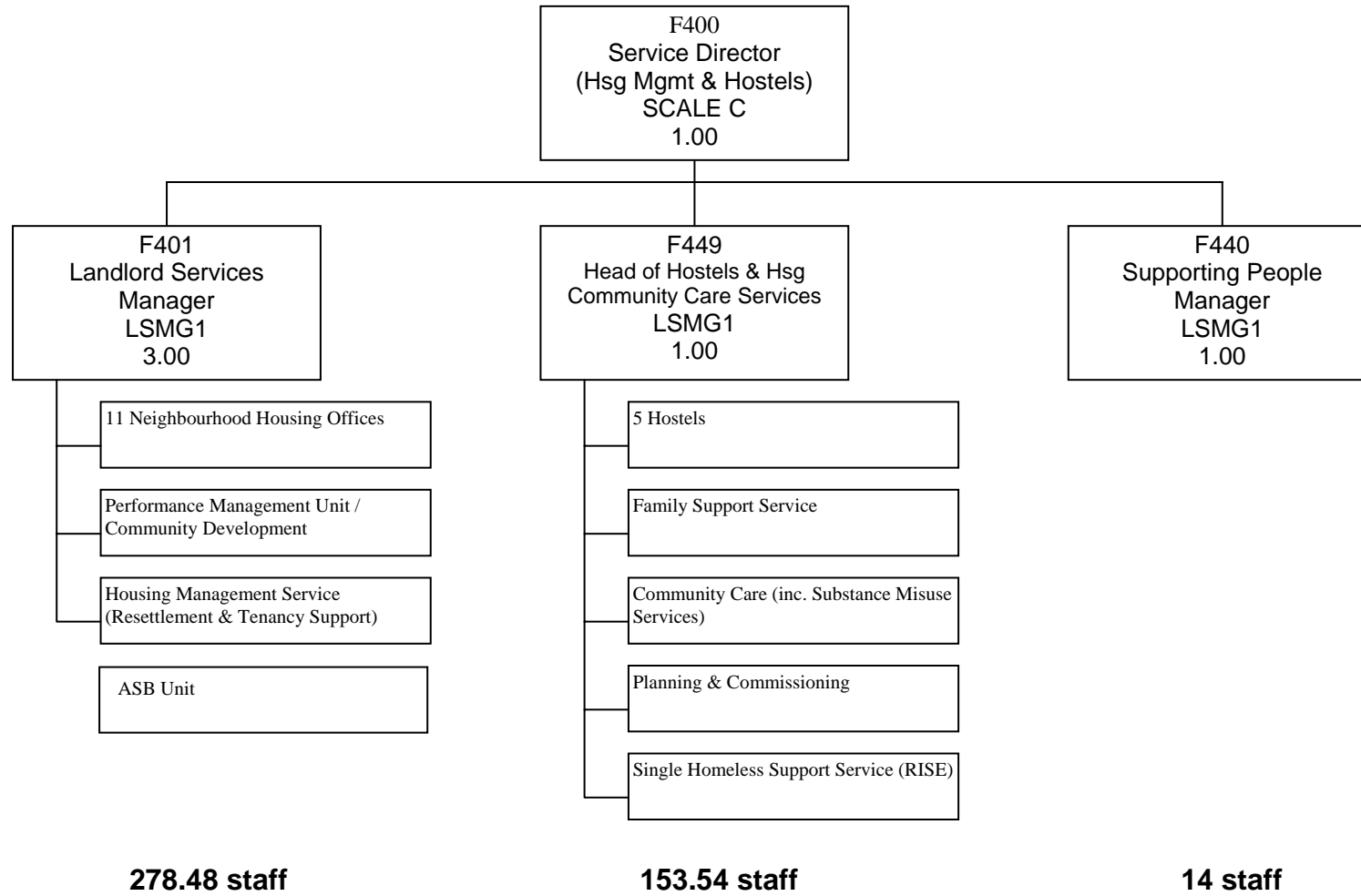


**TECHNICAL SERVICES BRANCH**



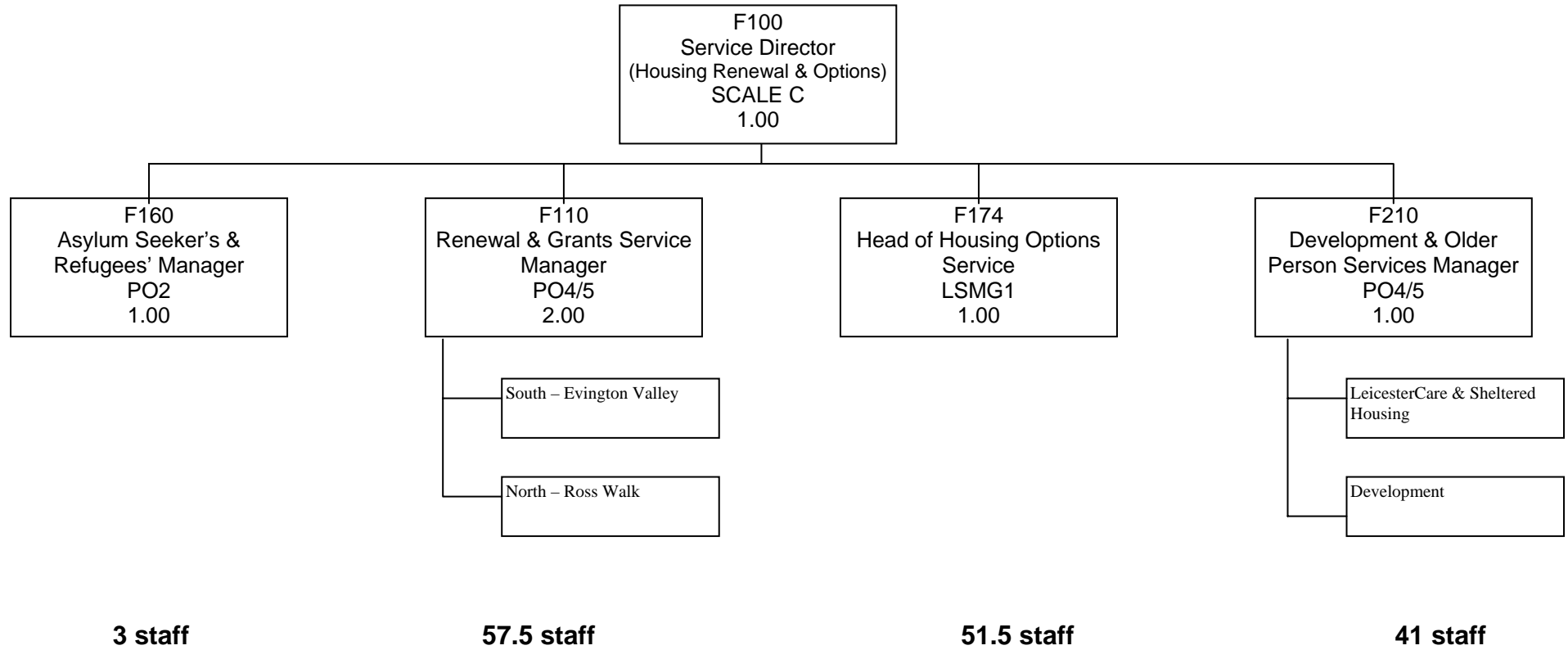
**MANAGEMENT & HOSTELS BRANCH**

**APPENDIX 2 (3)**





**RENEWAL & OPTIONS BRANCH**



**APPENDIX 3****HRA - OUTTURN 2003/04 and BUDGET 2004/05**

	<b>2003/04 Outturn £000s</b>	<b>2004/05 Budget £000s</b>
<b>Income</b>		
Rent – dwellings*	56,392	55,091
Other Income*	2,788	4,570
<b>Total Income</b>	<b>59,180</b>	<b>59,661</b>
<b>Expenditure</b>		
Landlord Services	14,305	14,100
Repairs & Maintenance	19,244	19,300
Capital Financing	14,939	11,106
Capital Financing from Revenue	0	1,000
Payments to Government: Negative Subsidy	10,400	9,966
<b>Total Expenditure</b>	<b>58,888</b>	<b>59,294</b>
<b>Deficit / (Surplus) for Year</b>	<b>(292)</b>	<b>(367)</b>
Working Balance b/fwd	(2,285)	(2,577)
<b>WORKING BALANCES c/fwd</b>	<b>(2,577)</b>	<b>(2,944)</b>

\* Note:

Under formula rents certain service charges (mainly flat services) previously included in dwelling rents are now included in 'other income', explaining the increase in 'other income' and corresponding reduction in dwelling rents between the above years.

**HOUSING GENERAL FUND - OUTTURN 2003/04 and BUDGET 2004/05**

	<b>2003/04 Outturn £000s</b>	<b>2004/05 Budget* £000s</b>
Private Sector Housing & Development	717.0	807.3
Local Taxation and Housing Benefit Administration	3765.0	3,363.8
Miscellaneous Service Provision	325.0	525.7
Hostels & Community Care	(345.0)	19.9
Housing Options	1,489.0	1,601.5
Tenancy Sustainment	86.0	(259.9)
Supporting People Funding and Administration	130.0	256.1
Policy, Management & Support	0.0	21.7
<b>Total Controllable Budgets</b>	<b>6,681.0</b>	<b>6,636.1</b>

\* Post virement

## Appendix 5

### Housing General Fund

#### Revenue Budget 2005/06 to 2007/08 - Spending & Resources Forecast

	2005/06	2006/07	2007/08
	£000	£000	£000
<b>2005/06 Cash Target</b>	<b>6,262.8</b>	<b>6,262.8</b>	<b>6,262.8</b>
G1: Empty Homes Officers	123.0	165.0	165.0
G2: Housing Benefits Quality Assurance	200.0	200.0	200.0
<b>Add Total Service Enhancements</b>	<b>323.0</b>	<b>365.0</b>	<b>365.0</b>
G3: RISE & Substance Misuse Budget Shortfall	165.0	165.0	165.0
G4: CCTV Kirby Frith	4.5	4.5	4.5
<b>Add Total Other</b>	<b>169.5</b>	<b>169.5</b>	<b>169.5</b>
<b>Sub Total – Growth</b>	<b>492.5</b>	<b>534.5</b>	<b>534.5</b>
Less Total Service Reductions	0.0	0.0	0.0
R1: Resettlement Officer (Refugees)	25.0	25.0	25.0
<b>Less Total of Decisions already taken</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>
R2: Council Tax - Increased Summons Charges	45.0	62.0	79.0
R3: Relocation of Housing Options Service	85.0	85.0	85.0
R4: Efficiency Savings	60.0	60.0	60.0
R5: Savings in Support Services	33.0	75.0	75.0
<b>Less Total Efficiency/Restructuring Savings</b>	<b>223.0</b>	<b>282.0</b>	<b>299.0</b>
R6: Reduced Supporting People Grant from ODPM	(800.0)	(800.0)	(800.0)
R7: Reduced Supporting People Spend by LCC	800.0	800.0	800.0
R8: Hostel Occupancy	205.0	205.0	205.0
R9: Renewal Increased Income	100.0	100.0	80.0
<b>Less Total Other</b>	<b>305.0</b>	<b>305.0</b>	<b>285.0</b>
<b>Sub Total - Reductions</b>	<b>553.0</b>	<b>612.0</b>	<b>609.0</b>
<b>TOTAL Reductions less Growth</b>	<b>(60.5)</b>	<b>(77.5)</b>	<b>(74.5)</b>
<b>Planning Total (2005/06 Price Base)</b>	<b>6,202.3</b>	<b>6,185.3</b>	<b>6,188.3</b>
SAVINGS TARGET	60.5	77.5	74.5

**APPENDIX 6**

**Housing Department**

**General Fund - Budget Growth**

	<b>2005/06 £000</b>	<b>2006/07 £000</b>	<b>2007/08 £000</b>
<b><u>Service Enhancements</u></b>			
G1: Empty Homes Strategy	123.0	165.0	165.0
G2: Housing Benefits Quality Assurance	200.0	200.0	200.0
<b>Total Service Enhancements</b>	<b>323.0</b>	<b>365.0</b>	<b>365.0</b>
<b><u>Other</u></b>			
G3: RISE & Substance Misuse Budget Shortfall	165.0	165.0	165.0
G4: CCTV Kirby Frith	4.5	4.5	4.5
<b>Total Other</b>	<b>169.5</b>	<b>169.5</b>	<b>169.5</b>
<b>TOTAL GROWTH</b>	<b>492.5</b>	<b>534.5</b>	<b>534.5</b>

**APPENDIX 7****Housing Department****General Fund - Budget Reductions**

	<b>2005/06 £000</b>	<b>2006/07 £000</b>	<b>2007/08 £000</b>
<b>Decisions Already Taken</b>			
R1: Resettlement Officer (Refugees)	25.0	25.0	25.0
<b>Total Decisions Already Taken</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>
<b>Efficiency/Restructuring Savings</b>			
R2: Council Tax – Increased Summons Charges	45.0	62.0	79.0
R3: Relocation of Housing Options Service	85.0	85.0	85.0
R4: Efficiency Savings	60.0	60.0	60.0
R5: Savings in Support Services	33.0	75.0	75.0
<b>Total Efficiency/Restructuring Savings</b>	<b>223.0</b>	<b>282.0</b>	<b>299.0</b>
<b>Other</b>			
R6: Reduced Supporting People Grant from ODPM	-800.0	-800.0	-800.0
R7: Reduced Supporting People Spend by LCC	800.0	800.0	800.0
R8: Hostel Occupancy	205.0	205.0	205.0
R9: Renewal Increased Income	100.0	100.0	80.0
<b>Total Other</b>	<b>305.0</b>	<b>305.0</b>	<b>285.0</b>
<b>TOTAL REDUCTIONS</b>	<b>553.0</b>	<b>612.0</b>	<b>609.0</b>

**HOUSING DEPARTMENT**  
**GROWTH PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. G1**

**Empty Homes Strategy**

**Details of Proposal:**

To increase resources to the Empty Homes Team.  
There are about 4,500 empty private sector homes. Some of these are in poor condition and attract vandalism and other anti-social behaviour. There are also 9,000 people on the council's housing waiting list. The service targets homes that have been empty for over 18 months with the aim of bringing these empty homes back into use. Owners are encouraged to sell, improve or let. Compulsory purchase by the council is sometimes used as a last resort. This proposal would bring over 600 empty homes back into use within 3 years.

**Type of Growth (delete as appropriate)**

Service Improvement

**Justification for Proposal:**

Empty homes work has shown initial success. Resources now needed to increase input into the public enquiry work.

**Service Implications**

Increase the rate at which empty homes are brought back into use in Leicester.

**Environmental Implications**

Reducing the number of empty homes has a positive impact on the environment.

**Date of earliest implication/date of proposed implication**

April 2005

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount of Growth</b>	<b>123</b>	<b>165</b>	<b>165</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)	4	4	4
Extra post(s) (FTE)	2.5	2.5	2.5

Signature .....

Date: .....

**HOUSING DEPARTMENT**

**GROWTH PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. G2**

**Housing Benefits Quality Assurance**

**Details of Proposal:**

The team will improve quality control and reduce errors including overpayments. This will have a beneficial impact on subsidy and should improve the BFI rating with its knock on impact on the council's CPA rating.

**Type of Growth (delete as appropriate)**

Service Improvement

**Justification for Proposal:**

The Benefits Fraud Inspectorate have criticised the council for failing to meet government prescribed performance standards including not carrying out checks prior to decision notices being sent out. The proposal is expected to be at least self-funding through the reduction of ineligible grant payments resulting from local authority error.

**Service Implications**

There would be an increase in the accuracy of HB Payments to customers.

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

The team is already in place through start up funding from the DWP which end before the next financial year

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount of Growth</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)	189	189	189
Extra post(s) (FTE)	7	7	7

Signature .....

Date: .....



**HOUSING DEPARTMENT**  
**GROWTH PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. G3**

**RISE and SUBSTANCE MISUSE**

**Details of Proposal:**

Resettlement, Inclusion, Support and Empowerment (RISE) and Substance Misuse are both projects funded through the Supporting People Grant. The original charging mechanism was found to be resulting in 'surpluses' to the projects. This has now been rectified and there will be reduced income from Supporting People. As a consequence, the service now has a budget shortfall, which needs to be rectified; otherwise cuts in the service will be required.

**Type of Growth (delete as appropriate)**

Other

**Justification for Proposal:**

Review of charging rates

**Service Implications**

None

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

Current Budget (2004/05)	2005/06 £000's	2006/07 £000's	2007/08 £000's
<b>Amount of Growth</b>	<b>165</b>	<b>165</b>	<b>165</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Extra post(s) (FTE)			

Signature .....

Date: .....

**HOUSING DEPARTMENT**  
**GROWTH PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. G4**

**CCTV CAMERA KIRBY FRITH**

**Details of Proposal:**

This proposal relates to the CCTV camera capital bid and covers associated revenue costs including maintenance and monitoring.

**Type of Growth (delete as appropriate)**

Other

**Justification for Proposal:**

**Service Implications**

Reduction in Crime and ASB

**Environmental Implications**

**Date of earliest implication/date of proposed implication**

Current Budget (2004/05)	2005/06 £000's	2006/07 £000's	2007/08 £000's
Amount of Growth	4.5	4.5	4.5
<b><u>Staffing Implications</u></b>	2005/06	2006/07	2007/08
Current service staffing (FTE)			
Extra post(s) (FTE)			

Signature .....

Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R1**

**RESETTLEMENT OFFICER (REFUGEES)**

**Details of Proposed Reduction:**

The Home Office has ended two of their private sector asylum dispersal contracts in the city, so demand for this service has reduced.

**Type of Reduction (delete as appropriate)**

Service Reduction

**Service Implications**

Demand for resettlement support has fallen with reduction of dispersal to the city.

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount to be saved</b>	25	25	25
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)	4	4	4
Post(s) deleted (FTE)	1	1	1
Current vacancies (FTE)	1	1	1
Individuals at risk (FTE)	0	0	0

Signature .....

Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R2**

**COUNCIL TAX: Increased Summons Charges**

**Details of Proposed Reduction:**

Additional income due to increasing the charges to customers who are issued with a summons.

**Type of Reduction (delete as appropriate)**

Efficiency

**Service Implications**

None

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount to be saved</b>	45	62	79

<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

Signature .....

Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R3**

**RELOCATION OF HOUSING OPTIONS SERVICE**

**Details of Proposed Reduction:**

Closing the current Bishop Street premises and bringing together the Options Service onto a single site are expected to bring revenue savings of around £85k per annum through reduced office space and fewer staff. Likely premises have been identified but savings will only be realised when the current occupants move out. There are likely also to be capital implications, which will be considered through the CLABs Group.

**Type of Reduction (delete as appropriate)**

Decisions already taken/Efficiency/Restructuring/Service Reduction/Other

**Service Implications**

None

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount to be saved</b>	<b>85</b>	<b>85</b>	<b>85</b>

<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)	53	53	53
Post(s) deleted (FTE)	3	3	3
Current vacancies (FTE)	3	3	3
Individuals at risk (FTE)	0	0	0

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Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R4**

**Efficiency Savings.**

**Details of Proposed Reduction:**

Given the large investment in the Department's new IT system, Directorate believe that efficiency savings should be made next financial year.

**Type of Reduction (delete as appropriate)**

Other

**Service Implications**

This reduction should have no impact on service delivery.

**Environmental Implications**

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Reduction Proposed</b>	<b>60</b>	<b>60</b>	<b>60</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

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Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R5**

**Savings in Support Services**

**Details of Proposed Reduction:**

A detailed review will be undertaken identify where new working methods could result in savings in support service costs following changes in practice as a result of the new integrated IT system, e.g. less mileage, use of stationery, postage etc and possibly, less staff.

**Type of Reduction (delete as appropriate)**

Other

**Service Implications**

There are no direct service implications arising from this proposal.

**Environmental Implications**

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount of Saving</b>	<b>33</b>	<b>75</b>	<b>75</b>

<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)	95	95	95
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

Signature .....

Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R6**

**Reduced Supporting People Grant from the Office of the Deputy Prime Minister.**

**Details of Proposed Reduction:**

The government have cut the Supporting People Grant to Leicester by £800k.  
There will need to be an equal reduction in expenditure.

**Type of Reduction (delete as appropriate)**

Other

**Service Implications**

Supporting People Funding benefits some of the most vulnerable people in society.  
The Supporting People Section continues to review Supporting People expenditure to ensure it is value for money and optimally targeted. Savings will have to be found to match the reduction in Grant.

**Environmental Implications**

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount of lost grant</b>	<b>(800)</b>	<b>(800)</b>	<b>(800)</b>

<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

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Date: .....



**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R7**

**Reduced Supporting People Spend**

**Details of Proposed Reduction:**

Supporting People funding is provided for support services to help vulnerable people to live independently in the community.

The council will have £800k less to spend on Supporting People projects as a result of a cut in government grant.

**Type of Reduction (delete as appropriate)**

Other

**Service Implications**

Supporting People Funding benefits some of the most vulnerable people in society.

Services are being reviewed by the Supporting People Section to identify where there will be reductions in services.

Supporting People services are provided by both the council and external organisations. It is unclear which services will be most affected and therefore what staffing implications there may be.

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount to be saved</b>	<b>800</b>	<b>800</b>	<b>800</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

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Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R8**

**Hostel Occupancy**

**Details of Proposed Reduction:**

It is expected that recent high levels of hostel occupancy will continue and that this will increase the amount of income received by hostels. The great majority of the income is paid through housing benefits.

**Type of Reduction (delete as appropriate)**

Decisions already taken/Efficiency/Restructuring/Service Reduction/Other

**Service Implications**

None

**Environmental Implications**

None

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount to be saved</b>	<b>205</b>	<b>205</b>	<b>205</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

Signature .....

Date: .....

**HOUSING DEPARTMENT  
REDUCTION PROPOSAL 2005/06**

**SERVICE AREA**

**Proposal No. R9**

**Renewal Increased Income**

**Details of Proposed Reduction:**

Increased levels of grant, associated with the declaration of new renewal areas, are expected over the next three years. This will in turn increase the level of fees earned by the Department.

Increased levels of grant are expected in 2005/06 and 2006/07. This will in turn increase the level of fees earned by the Department as renewal areas end and new ones commence. Fees levels will start to fall in 07/08

**Type of Reduction (delete as appropriate)**

Decisions already taken/Efficiency/Restructuring/Service Reduction/Other

**Service Implications**

None

**Environmental Implications**

The renewal programme has a major impact on the environment.

**Date of earliest implication/date of proposed implication**

<b>Current Budget (2004/05)</b>	<b>2005/06 £000's</b>	<b>2006/07 £000's</b>	<b>2007/08 £000's</b>
<b>Amount to be saved</b>	<b>100</b>	<b>100</b>	<b>80</b>
<b><u>Staffing Implications</u></b>	<b>2005/06</b>	<b>2006/07</b>	<b>2007/08</b>
Current service staffing (FTE)			
Post(s) deleted (FTE)			
Current vacancies (FTE)			
Individuals at risk (FTE)			

Signature .....

Date: .....

**DISCRETIONARY CHARGES**

**Housing Department Charges**

<b>Housing - HRA</b>	<b>Charges Made?</b>
Various service charges (e.g. provision of fridges)	Y
<b>Housing - General Fund</b>	
Hostel rents	Y
Alarm service	Y
Repairs	Y
Sheltered Accom - use of guest rooms	Y
Replacement of lost keys	Y
Room hire	Y
Provision of training courses	Y

**COMMENTS ON THE 2005/2006 BUDGET PROPOSALS.**

The trade unions have been consulted on the Department's Revenue Strategy and will make any comments they feel appropriate to Members at the meetings of the Housing Scrutiny Committee and Cabinet.