

# Public Document Pack



COMMITTEE: **JOINT HOUSING BOARD**

VENUE: **Council Chamber, Mid Suffolk District Council Offices, High Street, Needham Market**

DATE: **Monday, 19 June 2017 at 2.15 pm**  
(refreshments available from 1.30 pm)

## Members

### **Babergh District Council:**

Ms J Jenkins  
Mr T Bavington  
Ms J Osborne

### **Mid Suffolk District Council:**

Mrs L M Mayes  
Mr N Gowrley  
Ms S Mansel

### **Tenants:**

Mr M Berry  
Mr R Chapman  
Ms M Hilton  
Mr S Phillips  
Mr J Taylor  
Mr K Wykes

## REVISED A G E N D A

---

ITEM	BUSINESS	PAGES
------	----------	-------

---

### PART I

- 1 **Apologies for absence**
- 2 **To receive any declarations of pecuniary or non pecuniary interests**
- 3 **JHB/17/1 - To confirm the Minutes of the meeting held on 24 April 2017** 1 - 6
- 4 **JHB/17/2 - Council Housing Anti-Social Behaviour Policy** 7 - 46  
(Gavin Fisk, Corporate Manager - Income and Tenant Services)
- 5 **JHB/17/3 - Update on Tenant Scrutiny Report on Void Management** 47 - 50  
(Sue Lister – Housing Options Manager)
- 6 **Fixed Term (flexible) Tenancies - Verbal Report**  
(Sue Lister – Housing Options Manager)

ITEM	BUSINESS	PAGES
7	<b>JHB/17/4 - Update on BMBS Business Plan and Implementation Progress</b>  (Justin Wright-Newton – Corporate Manager BMBS)	51 - 52
8	<b>JHB/17/5 - Joint Housing Board Forward Work Plan</b>  (Ann Hunter – Development and Involvement Officer (Housing))	53 - 54
9	<b>MOS/17/4 and BOS/17/4 - The Housing Revenue Account 30 Year Business and Financial Plan Update 2017</b>	55 - 130
10	<b>Any other business relating to Joint Housing Board</b>	

#### **DATE AND TIME OF NEXT MEETING**

Please note that the next meeting is scheduled for 17 July 2017 commencing at 14:15 (at Babergh District Council).

# Agenda Item 3

## MID SUFFOLK DISTRICT COUNCIL

Minutes of the Meeting of the **JOINT HOUSING BOARD** held at the Council Chamber, Council Offices, Corks Lane, Hadleigh on Monday, 24 April 2017

### PRESENT:

#### Councillors:

#### Mid Suffolk

#### Babergh

Nick Gowrley  
Lesley Mayes  
Sarah Mansel

Tony Bavington  
Jennie Jenkins  
Jan Osborne (Chairman)

#### Tenant Representative:

Steve Phillips  
Keith Wykes  
James Taylor

Michael Berry  
Roger Chapman  
Maria Hilton

#### In Attendance:

Suzy Williams – The Rental Exchange  
Gavin Fisk – Corporate Manager – Income and Tenant Services  
Anne Bennet – Corporate Manager – Development (Housing and Investment Activity)  
Victoria Freer – Improvement and Involvement Officer  
Ann Hunter - Improvement and Involvement Officer  
Krissy Dillon – Governance Support Officer  
Henriette Holloway - Governance Support Officer  
Kevin Jones – Interim Strategic Director

#### 9 APOLOGIES FOR ABSENCE

There were no apologies received.

#### 10 TO RECEIVE ANY DECLARATIONS OF PECUNIARY OR NON PECUNIARY INTERESTS

There were no declarations of interests.

#### 11 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 20 MARCH 2017

Board Members noted that the Equality Impact Assessment had been included as requested by Councillor Bavington.

#### RESOLUTION

*The Minutes of the meeting held on 20 March 2017 were confirmed as a correct record subject to the following amendment:*

*Page 5, first paragraph, last line: views of Roger Chapman only and not necessarily the other Members of the Board.*

#### 12 JHB/17/17 - CUSTOMER PROFILING/ INSIGHT/ SEGMENTATION/ TENANT AND

## **LANDLORD RELATIONSHIP**

Gavin Fisk, Corporate Manager Income and Tenant Services, introduced the report and explained that the purpose of the report was to provide the Board with an overview of an upcoming project that would explore the Councils approach to Customer Profiling/Insight and Segmentation and the relationship between Tenant and Landlord. This would enable an improved and targeted approach to services provided to tenants. In response to questions from Members it was clarified that the collected information would be used for intelligent profiling only. The examples of segmented information given in paragraph 10.17 were intended only as an illustration of how layers of intelligence could be used to identify persons with similar circumstances. Staff experience and knowledge would also be used to tailor the profiling process along with involvement from the tenants, which would be required to take this project forward and improve support and services provided to tenants by the Councils.

By 11 votes to 1

## **RESOLUTION**

*The report was noted.*

### **13 JHB/18/17 - RENTAL EXCHANGE - FOLLOW ON FROM MARCH 2017 MEETING**

Gavin Fisk, Corporate Manager – Income and Tenant Services, introduced Suzy Williams, the representative from Rental Exchange. She presented the Rental Exchange scheme to Board Members and provided an explanation of how the scheme could be beneficial to tenants, who may otherwise find it difficult to obtain a credit score. The presentations covered various issues including:

- Electronic proof of ID-digital authentication, which required two forms of identification, which tenants might find difficult to obtain
- Data Protection
- The Fair Processing Notice to tenants

She explained that Experian supported the 'opt-out' option, which was recommended by the ISO and was the most cost effective for both Experian and the Councils, and advised the Board that Experian would not be able to provide support or training for an 'opt-in' scheme due to the administrative implications, but could provide the Councils with the material for training and tenant information.

In response to Members' questions Gavin Fisk, Corporate Manager – Income and Tenant Services, explained that two articles had been included in the Tenants Newsletter to inform tenants about the proposed Rental Exchange scheme, but that there had been no response to these.

Suzy Williams explained that the experience of other organisations, which all had opted for the 'opt-out' scheme, was that 1 to 2% of tenant had opted out by receipt of the Fair Processing Notice. She confirmed that the data collected by the Scheme would not be sold on to other organisations.

Gavin Fisk, Corporate Manager – Income and Tenant Services, informed Members that the notice period for opting out of the Rental Exchange scheme could be altered, but he felt that eight weeks would be appropriate. He reminded Members that tenants could opt out at any time during the scheme and Suzy Williams confirmed that the credit record would be deleted as a result of this.

Councillor Sarah Mansel, said she felt this was a good scheme for tenants and that the Committee should consider that all the Councils listed on pages 25 to 27 had gone through the same considerations as this Committee and had decided for the 'opt-out' Rental Exchange Scheme.

Some Members felt that the scheme needed further consideration and should be presented to the Tenant Forum.

Kevin Jones, Interim Strategic Director, said the proposal was a good scheme, which would help tenants as a whole and was unlikely to be implemented if the proposal was changed to an 'opt-in' Scheme. Gavin Fisk, Corporate Manager – Income and Tenant Services, further explained that the proposal had already been to Committee once and due to financial implications, time constraints and the move to Endeavour House, the proposal could be considered again sometime in the future but a definite date for this could not be provided at this time.

Councillors Tony Bavington and Tenant Representative Michael Berry proposed and seconded a motion of deferral respectively.

By 8 votes to 4

## **RESOLUTION**

*The project was deferred.*

### **14 JHB/19/17 - UPDATE ON HOUSING REVENUE ACCOUNT DEVELOPMENT AND INVESTMENT ACTIVITY**

Anne Bennet, Corporate Manager Development (Housing and Regeneration) gave Members an update on activity in relation to Housing Revenue Account development and investment. She pointed Members' attention to the Disposal table on pages 44 to 45 i and to the Spend 2016/2017 on page 45.

Members asked the Officer to provide a list detailing New Council Houses and the number of bedrooms in each, the Officer advised that this would be provided outside the meeting.

Councillor Tony Bavington asked when more housing schemes would come forward for approval Anne Bennet, Corporate Manager Development (Housing and Regeneration) informed the Board that this would happen in July.

By a unanimous vote.

## **RESOLUTION**

*The contents of this report is noted*

### **15 JHB/20/17 - JOINT HOUSING BOARD FORWARD WORK PLAN**

Victoria Freer, Improvement and Involvement Officer, presented the Forward Plan and advised the Board that the Mid Suffolk Annual Council was to take place on the same day as the next Joint Housing Board Meeting and as such suggested that the May meeting be cancelled and the agenda items move to the June Meeting which would take place at Mid Suffolk District Council.

By an numinous vote

## **RESOLUTION**

*The Forward Plan be noted.*

### **16 ANY OTHER BUSINESS RELATING TO JOINT HOUSING BOARD**

Councillor Jan Osborne ask the Board to join her in expressing her thanks to Krissy Dillon and Victoria Freer for their support and help with the Joint Housing Board Committee and wished both all the best for their maternity leave.

### **17 RESOLUTION TO EXCLUDE THE PUBLIC (WHICH TERM INCLUDES THE PRESS)**

#### **RESOLVED**

**That pursuant to Part 1 of Schedule 12A of the Local Government Act 1972, the public be excluded from the meeting for the business specified below on the grounds that if the public were present during this item, it is likely that there would be the disclosure to them of exempt information as indicated against the item.**

**The Committee was also satisfied that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.**

### **18 JHB/19/17 - UPDATE ON HOUSING REVENUE ACCOUNT DEVELOPMENT AND INVESTMENT ACTIVITY**

The Minute relating to the above mentioned item is excluded from the public record. A summary of the Minute made by the Proper Officer in accordance with sub-section 2 of Section 100(c) of the Local Government Act 1972 is set out below.

Anne Bennet, Corporate Manger – Development – Housing and Regeneration, introduced the report and responded to questions raised by Members.

By a unanimous vote

**RESOLUTION**

The report was noted.

The business of the meeting conclude at 15:55.

.....  
Chairman

This page is intentionally left blank



# Agenda Item 4

JHB/17/02BABERGH DISTRICT COUNCIL and MIDSUFFOLK DISTRICT COUNCIL

<b>From: Gavin Fisk, Corporate Manager – Income and Tenant Services</b>	<b>Report Number: JHB/17/2</b>
<b>To: Joint Housing Board</b>	<b>Date of meeting: 19 June 2017</b>

## COUNCIL HOUSING ANTI-SOCIAL BEHAVIOUR POLICY

### 1. Purpose of Report

- 1.1 The purpose of this report is outline a newly devised Council Housing Anti-Social Behaviour Policy and to seek the approval of the Joint Housing Board for its implementation. The basic principles of the new policy are to support the Councils' Strategic Plan, to be flexible enough to adapt to changes in the future and to be clearly understood by complainants, alleged perpetrators and partner agencies.

### 2. Recommendations

- 2.1 To agree implementation of the policy and any associated procedures, some of which are yet to be developed.

### 3. Financial Implications

- 3.1 This project is being undertaken using existing resources within the Tenant Services Team. It is intended the outcomes will in the long-term, enable savings as a direct result of more efficient working practices through a more proactive and targeted approach to anti-social and nuisance behaviour.

### 4. Legal Implications

- 4.1 The policy aims to work in line with any relevant legislation which is contained within the policy document.

### 5. Risk Management

- 5.1 This report is most closely linked with the Council's Corporate / Significant Business Risk No. Key risks are set out below:

<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation Measures</b>
4 (b) Failure to manage our housing assets effectively			It is intended this policy will allow us better to manage our assets by means of targeting our limited resources at those that need our support and assistance to resolve anti-social behaviour in our communities

## **6. Consultations**

- 6.1 A consultation event was carried out on 25 April 2017 at Mid Suffolk District Council's offices led by three Community Housing Officers. The main principles of the policy were presented via PowerPoint followed by a workshop session. 25 individuals consisting of internal departments and external agencies attended the event.
- 6.2 A formal consultation on the draft policy document took place between 2<sup>nd</sup> May 2017 and 12<sup>th</sup> May 2017. Feedback forms were issued to both internal and external partners. A total of 10 responses were received.
- 6.3 Valuable feedback was received from internal departments and external agencies which has helped us to further develop and improve the draft policy.
- 6.4 All the responses to the consultation have been collated into a document; responses were formed to each comment made, and appropriate changes were subsequently made to the policy.
- 6.5 Once the policy has been approved, we will distribute a copy of the final policy document to each individual that responded to the consultation, along with a copy of the consultation responses.

## **7. Equality Analysis**

- 7.1 The policy intends to work alongside the principles of the Equality Act 2010.

## **8. Shared Service / Partnership Implications**

- 8.1 None.

## **9. Links to Joint Strategic Plan**

- 9.1 Priority 3 - 'Strong and Healthy Communities':

\*create self-sufficient communities.

\*working in partnership to deliver community led projects to prevent & reduce ASB.

## **10. Key Information**

- 10.1 A review of the Council Housing Anti-Social Behaviour Policy began in January 2017. A small working group was set up involving three Community Housing Officers. Extensive research was carried out, including researching the approach of other housing providers, the Chartered Institute of Housing – ASB Charter for Housing, government & legal briefing papers, previous policies and procedures and the Councils' Strategic Plan.
- 10.2 Following a number of working group sessions over the following months, a draft policy document was created in April.
- 10.3 The policy aims to reduce the reliance of customers on us to resolve their problems with their neighbours, to encourage more tolerance and willingness to resolve problems in the community.

We aim to focus resources where support is needed the most. The policy aims to make it clear where we will not become involved in complaints.

- 10.4 Within the policy we have introduced new set stages of case management, the purpose of which is to enable a clear structure that can be easily visible and understood by all involved. A new 'risk assessment' will be developed to prioritise complaints and allocate a response time.
- 10.5 As a landlord we have a responsibility to be clear with complainants that as a landlord we are not responsible for the entire actions of our tenants and to provide clear expectations of what we can and cannot do. For instances of alleged nuisance we will decide if we will take action against a tenant. We will make it clear that anyone affected by a nuisance has the right to take their own legal action independent of the Councils.
- 10.6 We will ensure tenants are communicated with at key points of their tenancy to ensure they understand their responsibilities in terms of anti-social behaviour.
- 10.7 The policy contains details about activity that will be monitored, however we need to ensure there is a place for Community Housing Officers to record these figures every month for the financial year April – March, starting April 2018.
- 10.8 The policy will be reviewed every three years unless amendments are required prompted by change in legislation, guidelines or monitoring reveals that a change in policy is required sooner. Any policy review that is carried out which significantly changes our approach to managing anti-social behaviour will be brought back to the board for consideration.

## **11. Appendices**

(a) Council Housing Anti-Social Behaviour Policy 2017

(b) Consultation responses

## **12. Background Documents**

12.1 None.

Authorship:  
Gavin Fisk  
Income & Tenant Services Corporate  
Manager

Tel. 01449 724969  
Email: [gavin.fisk@babberghmidsuffolk.gov.uk](mailto:gavin.fisk@babberghmidsuffolk.gov.uk)

This page is intentionally left blank



**Council Housing  
Anti-Social Behaviour Policy  
2017 - 2020**

DRAFT

## Contents

Section	Name of section	Page
1.0	Introduction	3
2.0	Aims	3
3.0	Objectives	3
4.0	What is anti-social behaviour?	4
4.1	<i>Legal definition of anti-social behaviour</i>	4
4.2	<i>What does the term anti-social behaviour mean?</i>	4
4.3	<i>Complaints that Tenant Services will not lead on</i>	5
4.4	<i>What is not considered to be anti-social behaviour</i>	5
5.0	Legislation	5
6.0	Tenant responsibilities	6
7.0	Stages of Case Management	7
7.1	Stage 1: Resolving the situation within the Community	7
7.2	Stage 2: Reporting anti-social behaviour	7
7.2.1	<i>Assessing a complaint and response times</i>	8
7.3	Stage 3: Investigating anti-social behaviour	9
7.3.1	<i>Formal enforcement and legal action</i>	10
7.4	Stage 4: Closing a case	11
8.0	Supporting victims, witnesses and perpetrators	11
9.0	Home safety	11
10.0	Anti-social behaviour case review (community trigger)	12
11.0	Civil action	12
12.0	Information sharing and confidentiality	12
13.0	Use of technology	13
14.0	Monitoring and policy review	13
15.0	Making a complaint about the service	13
16.0	Other relevant documents	14
17.0	Associated procedures	14
18.0	Contact us	14
19.0	Glossary of terms	14

## 1.0 Introduction

The main purpose of this policy is to set out Babergh and Mid Suffolk District Councils' (BMSDC) approach to managing anti-social and nuisance behaviour by Council tenants.

We believe that everyone has a right to live in a safe environment that allows them to enjoy their home and community. Anti-social behaviour (ASB) can be a destructive force within communities and the lives of significant number of people within our communities can be blighted by the behaviour of an unreasonable minority making other people's life unbearable. Anti-social behaviour can also damage the sustainability of communities and adversely affect our ability to let our properties.

Anti-social behaviour is taken very seriously by the Councils and will not be tolerated by tenants, members of their family, including children, or visitors to their home. We expect our tenants to show consideration and toleration for their neighbours and the wider community.

In order to provide a quality housing service and to ensure Babergh and Mid Suffolk are safe places to live, we recognise that we must be effective in tackling ASB and addressing the problems it creates. We will focus on preventative measures to reduce the incidence of ASB or early intervention measures where incidents have occurred to avoid escalation. We will look to provide support to those perpetrators who are willing to change their behaviour and although we will seek to resolve complaints of ASB informally, we will take formal or legal enforcement action including seeking eviction when necessary.

We maintain that any complaints of ASB remain an allegation until proven or legally tested. We will always take a measured, reasonable and proportionate approach to enforcement based on the available evidence.

We recognise we cannot tackle ASB amongst our tenants without the support and assistance of other internal departments and external agencies, therefore we will continue to place importance on, and enhance our working relationships with our partners.

We will deliver our commitments to managing ASB and nuisance by following our policy and procedures.

## 2.0 Aims

The main aims (what we want to achieve) of this policy are:

- To send a strong message to our tenants that ASB will not be tolerated;
- To reduce both the incidence and fear of ASB through prevention;
- To introduce early intervention to avoid ASB escalating;
- To make Babergh and Mid Suffolk safer places to live, work and visit;
- To encourage residents to take responsibility for their own lives and communities, and to resolve their own problems in a reasonable manner;
- To encourage tolerance of, and respect for, others in the community;
- To make it easy for people to report ASB;
- To be clear about how we will manage ASB cases and be transparent about our decision making processes;
- To provide clear expectations to complainants and perpetrators.

## 3.0 Objectives

The main objectives (what we will do to achieve our aims) of this policy are:

- Effectively communicate and publicise our approach to managing ASB;
- Where there are proven breaches of tenancy we will actively enforce the terms of the tenancy agreement through formal enforcement and legal action;
- To prevent ASB through the use of Introductory Tenancies;
- Proactively work to identify our most vulnerable tenants and provide appropriate support to prevent ASB;

- Actively work in partnership with other departments and external agencies to provide a joined up efficient approach;
- Provide people with the tools to effectively manage ASB and neighbour disputes;
- To risk assess and prioritise every new complaint that is made;
- Provide advice, support and regular updates to complainants, victims and witnesses in accordance with the Data Protection Act 1998;
- Ensure value for money is embedded in our work by actively monitoring our costs and performance and that we understand how we are performing in delivering our ASB service.

## 4.0 What is anti-social behaviour?

### 4.1 Legal definition

The Government defines ASB in the Crime and Disorder Act 1998 as:

*“Acting in a manner that caused or was likely to cause harassment, alarm or distress to one or more persons not of the same household as (the defendant)”.*

The Anti-Social Behaviour, Police and Crime Act 2014 defines ASB as:

- Conduct that has caused, or is likely to cause, harassment, alarm or distress to any person,*
- Conduct capable of causing nuisance or annoyance to a person in relation to that person’s occupation of residential premises, or,*
- Conduct capable of causing housing-related nuisance or annoyance to any person.*

### 4.2 What does the term anti-social behaviour mean?

Anti-social behaviour is a term which covers a disparate range of conduct from tensions between neighbours to violent and intimidatory behaviour. Anti-social behaviour covers a wide range of unacceptable activity that causes an annoyance or disturbance to an individual, to their community or to their environment. This could be an action by someone that leaves a person feeling alarmed, harassed or distressed. If a problem becomes persistent and disputes happen frequently then this is defined as ASB.

We describe anti-social behaviour as, but not limited to:

- Abandoned vehicles, parking illegally or inconsiderately on land within a tenancy boundary and driving or parking on public land (including grass verges) so as to cause a nuisance;
- Animal, pet and pest related nuisance;
- Arguing, shouting & swearing;
- Damage to property including graffiti;
- Deliberate acts so as to antagonise or cause harassment alarm or distress to another person (this could include acts not normally considered to be anti-social behaviour);
- Domestic abuse and violence - we use the government’s current definition of domestic abuse, which is: *‘any incident or pattern of incidents of controlling, coercive, threatening behaviour, violence or abuse between those aged 16 or over who are, or have been, intimate partners or family members regardless of gender or sexuality. The abuse can encompass, but is not limited to psychological, physical, sexual, financial, and emotional;’*<sup>1</sup> Driving or parking on public land belonging to the Council;
- Drunkenness;
- Dumping rubbish and fly tipping;
- Harassment and intimidation;
- Hate crime - *crimes committed against someone because of their disability, gender-identity, race, religion or belief, or sexual orientation are hate crimes and should be reported to the Police. Hate crimes can include: threatening behaviour, assault, robbery, damage to property, inciting others to commit hate crimes and harassment;*
- Illegal or immoral activity on conviction including but not limited to: assault, criminal damage, prostitution, kerb crawling, drug and substance misuse;;

<sup>1</sup> <https://www.gov.uk/guidance/domestic-violence-and-abuse>



- Inconsiderate or incorrect disposal of household waste including leaving refuse outside of the property on other day than the day of collection;
- Making false or malicious complaints about the behaviour of another tenant;
- Neighbour disputes;
- Noise - *The Environmental Protection department has powers to act against residents who cause nuisance to neighbours and it is believed to be deliberately anti-social. Proven cases of statutory noise nuisance, including where a noise abatement notice is served will be dealt with as a breach of tenancy. Types of noise which may be seen as a nuisance is described as but not limited to: animal noise i.e. cockerels and barking dogs, drilling, loud music, and the use of musical instruments;*
- Threatening behaviour, verbal abuse and violence;
- Untidy and overgrown gardens.

#### 4.4 Complaints that Tenant Services will not lead on include:

- CCTV / security camera related nuisance;
- Complaints about tenants of another housing provider, a private tenant or owner occupier;
- Domestic abuse and violence;
- Environmental issues such as abandoned cars, bonfires and fly tipping.
- Harassment and intimidation;
- Hate crime;
- Highways related matters including parking illegally or inconsiderately on land outside of a tenancy boundary;
- Illegal or immoral activity;
- Hoax calls to emergency services;
- Noise complaints;
- Threatening behaviour, verbal abuse and violence;

#### 4.3 What is not considered to be Anti-Social Behaviour?

Behaviour which results from different lifestyles or which would not generally be considered unreasonable is not ASB. It is important that we are realistic when advising complainants what we can and cannot do in relation to a complaint of ASB or neighbour nuisance. We will not treat as ASB matters relating to residents going about their normal everyday activities, unless this constitutes a breach of their tenancy.

Below are examples of issues which may upset or disturb people and which cannot be dealt with as ASB are:

- Babies crying;
- Children playing (including balls games);
- Cooking smells;
- Doors and drawers being shut;
- Dishwashers, hoovers, tumble dryers, washing machines and or other household appliances;
- Footfalls (people walking on floors or upstairs);
- Flushing toilets and running water;
- Lights switches being turned on and off;
- Loud talking or laughing;
- One-off or isolated incidents e.g. a party or an argument or altercation;
- People carrying out DIY jobs.

#### 5.0 Legislation

The following summarises the legislation that impacts upon our management of ASB and neighbour nuisance.

- The Anti-Social Behaviour Act 2003 – places a duty on social landlords to publish ASB policies and procedures. The Act also gives us powers to apply for a demotion order (demoted tenancies);

- The Anti-Social Behaviour, Crime & Policing Act 2014 introduced new powers which aim to enable the police, local councils, social landlords and other agencies to better tackle ASB, and enable victims and communities to feel safe in their own homes and neighbourhoods;
- Data Protection Act 1998 - we recognise that we have a duty to protect any individual's identity and have an obligation to protect personal information under the Data Protection Act 1998. We understand that data must be obtained and processed fairly and lawfully, and that we must not keep information longer than is necessary;
- The Environmental Protection Act 1990 is relevant to ASB in circumstances where the local authority environmental protection department consider that a noise amounts to a statutory noise nuisance where an Abatement notice is served. It also refers to other potential such as bonfires, accumulations of refuse and security floodlights;
- The Housing Act 1985 provides a sanction for perpetrators of nuisance and ASB where they are tenants or other persons who are affecting those lawfully in the area. Eviction for ASB can be achieved under Schedule 2 of the Act;
- The Housing Act 1996 amends the Housing Act 1985 and gives social landlords more powers against ASB by strengthening ground for possession;
- The Housing Act 2004 – ASB powers are strengthened and extended around possession proceedings in relation to mutual exchange the right to buy. It also provides the ability to extend introductory tenancies;
- The Housing (Homeless Persons) Act 1977, Housing Act 1996, and the Homelessness Act 2002, placed statutory duties on local housing authorities to ensure that advice and assistance to households who are homeless or threatened with homelessness is available free of charge. All households that apply for assistance under the Housing and Homelessness Acts are referred to as 'decisions'. The Councils are required to consider housing needs within its area, including the needs of homeless households, to whom local authorities have a statutory duty to provide assistance;
- The Human Rights Act 1998 brought much of the European Convention on Human Rights to the UK. We must act consistently with convention rights – we must be mindful that action we take to tackle ASB must comply with obligations placed on the local authorities;
- The Regulation of Investigatory Powers Act 2000 (RIPA) is a piece of legislation and a procedural framework to regulate the way investigatory powers are used by organisations such as the Councils. RIPA is in place to protect the public. The Human Rights Act gives powers and a qualified right to interfere in people's private lives however the RIPA framework if adhered to ensures organisations that might want to use covert surveillance techniques to investigate people to comply with the Human Rights Act.
- Equalities Act 2010 legally protects people from discrimination in the workplace and in wider society. It replaced previous anti-discrimination laws with a single act making the law easier to understand and strengthening protection in some situations.

## **6.0 Tenant responsibilities**

We will provide every tenant with a Tenancy Agreement setting out their responsibilities in terms of ASB. Information about tenant's responsibilities will be reinforced at key stages of their tenancy:

- As part of communication as a result of a complaint;
- Customer contact / housing officer visits;
- In the Tenancy Agreement;
- In Tenant's newsletters;
- New tenancy sign ups (in person or digital);
- On our website.

## **7.0 Stages of case management**

### **7.1 Stage 1 - Resolving the situation within the community**

Before reporting ASB or nuisance behaviour to the Councils, and only if it is safe to do so, we will always recommend a person tries to talk to their neighbour who is causing the problem in the first instance because they may not realise they are causing a nuisance. This can often resolve problems straight away.

If the problem is about noise, there are noise template letters available on our website: <http://www.midsuffolk.gov.uk/environment/noise-and-disturbance/noise-nuisance/noise-template-letters/> or <http://www.babergh.gov.uk/environment/noise-and-disturbance/noise-nuisance/noise-template-letters/>. These letters enable individuals to express clearly to the person creating a noise problem exactly what the issue is, the effect it is having and what they would like the person to do about it. These letters can be used in their current format or as a guide to writing a new letter. We always recommend a person keeps a copy of any letters they send to a neighbour.

### **7.2 Stage 2 - Reporting anti-social behaviour**

If an individual feels they are not able to approach their neighbour, or if all attempts to solve the problem amicably have been exhausted and the complaint constitutes a persistent nuisance, that individual can report a problem to us which will be allocated to, and managed by a Housing Officer.

We operate a consistent recording system for complaints. Our preferred option is to log all incidents on our 'anti-social behaviour reporting form' which is available on our website <http://www.midsuffolk.gov.uk/housing/nuisance-and-anti-social-behaviour/> or <http://www.babergh.gov.uk/housing/nuisance-and-anti-social-behaviour/>. We will however also accept complaints in writing to the Council's headquarters, by email, in person or by telephone.

#### **Anonymous complaints**

Our policy is not to accept anonymous complaints, however, in exceptional circumstances, where the reported nuisance is extreme, can be evidenced, and is deemed to be having a significant effect on others in the community, we will investigate as appropriate.

#### **Making a complaint on behalf of another person**

If someone is making a complaint on behalf of another person, we will require that person's authorisation to proceed with investigating the complaint.

#### **When a complaint is not accepted**

If a complaint does not constitute ASB or falls outside of our remit as a landlord, a Housing Officer will notify the complainant to outline the reason(s) why we will not progress the complaint either by telephone, in writing, or in person. Housing Officers will sign post the complainant to other services or agencies, where required, who may be able to assist or to other sources of information which may be of help to them. If a complainant disagrees with a decision not to accept a complaint they can appeal and ask for an independent officer to review their original complaint.

#### **Making a complaint about a tenant of another housing provider, a private tenant or owner occupier**

If a complaint is about ASB coming from a tenant of another housing provider, a private tenant or owner occupier, a person can report this to the Community Safety Partnership (CSP) online at <http://www.midsuffolk.gov.uk/communities/community-safety/anti-social-behaviour-asb/> or <http://www.babergh.gov.uk/communities/community-safety/anti-social-behaviour-asb/>. A person can also report an issue to the Police which (see below) which will be allocated to the local Safer Neighbourhood team. Appropriate support will be signposted via the Community Safety Partnership.

#### **Reporting a criminal or police related matter**

If an individual wishes to report a criminal or Police related matter they should contact Suffolk Constabulary. There are a number of ways to get in touch with Suffolk Constabulary depending on the

urgency and type of request. Issues can be reported online through Suffolk Constabulary <https://www.suffolk.police.uk/contact-us/report-something> or an individual can call the non-emergency number 101. An individual should always call 999 when life is threatened, if people are injured, if there is a crime in progress or an immediate police response is necessary.

### **Reporting domestic abuse or violence**

Victims of domestic abuse or violence can report this to us using any of our methods of contact, or by contacting Suffolk Constabulary online at <https://www.suffolk.police.uk/contact-us/report-something> or by calling their non-emergency number 101. If a person feels in immediate danger as a result of domestic abuse they should dial 999 straight away and wait in a safe place for the Police to arrive.

We will work with the Police and partner agencies to help victims of domestic abuse and violence. The Police have more information online at <https://www.suffolk.police.uk/advice/assault-abuse-threats/domestic-abuse>. Victims of domestic abuse or violence can also call the 24 hour National Domestic Violence Helpline Number (Freephone) 0808 2000247.

Suffolk County Council has help and advice on their website: <https://www.suffolk.gov.uk/community-and-safety/crime-and-public-safety/domestic-abuse-help-and-advice/>.

### **Reporting hate crime**

Hate crimes must be reported to the Police online at <https://www.suffolk.police.uk/about-us/our-policies/hate-crime>. Hate crimes can also be reported anonymously through Crime Stoppers at <https://crimestoppers-uk.org/give-information/how-to-give-information/>. We will work with the Police and other organisations as appropriate to prevent and tackle hate crime.

### **Reporting harassment**

Any allegation of harassment must be reported to Suffolk Constabulary in the first instance. There are a number of ways to get in touch with Suffolk Constabulary depending on the urgency and type of request. Issues can be reported online through Suffolk Constabulary <https://www.suffolk.police.uk/contact-us/report-something> or an individual can call the non-emergency number 101. An individual should always call 999 when life is threatened, if people are injured, if there is a crime in progress or an immediate police response is necessary.

### **Reporting noise nuisance**

Any reports of noise need to go to the Councils' Environmental Protection team in the first instance. Noise can be reported online <http://www.midsuffolk.gov.uk/environment/noise-and-disturbance/noise-nuisance/> and <http://www.babergh.gov.uk/environment/noise-and-disturbance/noise-nuisance/>.

## **7.2.1 Assessing a complaint and response times**

Upon receiving a complaint, a Housing Officer will make an assessment to determine if a complaint constitutes ASB – this process will be carried out in line with this policy. If a complaint is accepted, and it is determined that it is reasonable and proportionate to conclude that a tenant (member of their family or someone visiting) may have been conducting ASB based on the information we have received, we will risk assess the complaint, which will allow us to allocate an appropriate priority and response time for dealing with the complaint.

The focus needs to be on those behaviours that have a significantly negative impact on the quality of life of others in the community, but does not necessarily take the form of criminal behaviour such as drugs, criminal damage, harassment etc. It is on this basis, we will prioritise incoming complaints. Risk assessing complaints will allow us to target and prioritise resources.

### Priority and response times are as follows:

Category	Type of complaint	Response time
Urgent	Domestic abuse, violence (including threat to life), hate crime and damage to property.	By the end of the next working day
Non-urgent	All other complaints	Within 10 working days

We will notify the complainant either in writing, by telephone or in person of the priority and response time allocated to their complaint.

We will notify the alleged perpetrator, where appropriate, by telephone, in writing or in person, when a complaint has been made in accordance with the Data Protection Act 1998. We will never disclose the name of the person making the complaint.

### 7.3 Stage 3 - Investigating Anti-Social Behaviour (including prevention and intervention)

If it appears that a tenant has breached their tenancy conditions we will investigate further. This may include prevention, intervention and informal methods of resolving a complaint. Investigative measures may include:

- Acceptable Behaviour Contracts (ABCs) - a voluntary agreement made between the people involved in ASB, the Police and the Council;
- Arranging housing related support at an early stage for incoming tenants who are assessed as requiring it;
- Carrying out perception surveys and 'Street a Week' surveys in conjunction with the Police;
- Discussing the sharing of information, and with whom;
- Discussions at joint agency meetings;
- Negotiating with both parties over the complaint;
- Letters;
- Home visits;
- In relation to new tenancies, at pre-allocation and allocation stage, appropriate reference checks will be made;
- Liaison with the local Police Safer Neighbourhood Team;
- Neighbour agreements;
- Phone calls;
- Providing helpful/guides and leaflets where available;
- Referrals to GPs, Children & Young Peoples Services, Adult & Community Services and the community mental health team;
- Referrals for housing support and intervention;
- Asking complainants to keep detailed records of the ASB experienced using nuisance log sheets. This is particularly important where eviction is considered. To comply with legislation such as The Regulation of Investigatory Powers Act 2000 (RIPA), and the Human Rights Act 1998, we will always inform a tenant when monitoring is being carried out by Housing Officers. Any noise monitoring taking place will be dealt with by the Environmental Protection department;
- Signposting to other agencies;
- Taking statements from both a complainant and the alleged perpetrator;
- Use of independent professional dispute resolution/mediation services (Catch 22);
- Working with other landlords;
- Working with or make referrals to other internal departments and external agencies where appropriate.

We will take a multi- agency approach including working with:

- Adult & Community Services;
- Children & Young People's Services
- Community Safety Partnership (CSP);
- Environmental Protection Officers;
- Health service (including the community mental health team);

- Housing associations;
- Housing support agencies;
- Independent mediation services;
- Other internal departments as necessary;
- Public Realm;
- Mid Suffolk & Babergh Communities Officer (Safe);
- Police;
- Probation service;
- Schools;
- Shared Legal Services;
- Suffolk County Council Early Help;
- Suffolk County Council Local Area Co-ordinators
- Youth offending teams.

### 7.3.1 Formal enforcement and legal action

We will not tolerate ASB by our tenants which is having a detrimental impact on other people's lives. In cases of proven ASB the following formal enforcement and legal action may be used in conjunction with our Legal Services team:

#### **Demoted tenancies**

Demoted tenancies can be obtained in the County Court. This type of order allows us to replace a secure tenancy with a demoted tenancy (fewer rights and security).

#### **Injunctions**

An injunction is an order issued by the County Court to enforce the Tenancy Agreement or to prohibit ASB. The County Court can attach a power of arrest to an injunction if there is a threat of violence or significant harm to any person. There are two types of injunctions available to us 1) Perpetual (a final order), and, 2) Interlocutory (interim order pending the final outcome of the matter).

#### **Issuing formal tenancy warnings**

We can issue initial and final warnings prior to issuing possession proceedings or taking another form of legal action.

#### **Issuing possession proceedings**

Where appropriate we can issue any of the following legal notices:

- Notice of Seeking Possession (Schedule 2 to the Housing Act 1985 contains grounds upon which a court may grant an order for possession against a secure tenant);
- Notice of Possession Proceedings (Section 128 Housing Act 1996) – this allows for mandatory possession for Introductory tenants;
- Notice to Quit (where security of tenure has been lost);
- Applying for possession through the County Court - *action through court will be appropriate where cases of ASB are serious and/or persistent, and where strong supporting evidence of why the action being taken is available. This involves both written evidence of any nuisance being caused and/or verbal evidence given to the Court by neighbours affected by the particular nuisance;*
- Suspended court orders on terms (issued by the County Court);
- Outright possession court order (issued by the County Court);
- Warrant of eviction (issued by the County Court).

#### **Legal tools as part of the Anti-Social Behaviour Crime and Policing Act 2014**

- Closure Powers;
- Community Protection Notices;
- Criminal Behaviour Orders;
- Civil Injunction (if ASB is proven to be housing related);
- Public Space Protection Orders;

## 7.4 Stage 4 – Closing a case

We will identify cases as being resolved where:

- There is evidence to show the behaviour has stopped;
- There is no longer a cause for concern;
- The complainant has not returned required evidence, so the behaviour cannot be proven;
- Following investigation (using the tools and powers to tackle ASB), no ASB could be evidenced and independent professional dispute resolution/mediation has been offered and refused.

We will close a case in a timely manner where possible, in consultation with both parties. When closing a case, we will seek feedback from victims / complainants of how their case was handled and how satisfied they were with the process.

If a complainant does not feel their complaint has been resolved satisfactorily, they may provide additional information to us which has not already been considered, otherwise the next step is 'making a complaint about the service'.

## 8.0 Supporting victims, witnesses and perpetrators

We understand the personal stress that ASB can cause and we will therefore do everything we can to offer help, support and protection to those affected by ASB. We will:

- Advise victims and witnesses of the courses of action available to us and involve them if they wish in deciding the action to be taken;
- Ensure people are able to report incidents of ASB to us with confidence;
- Ensure support is accessible for vulnerable individuals;
- Manage expectations by always being honest and realistic about the likely outcome of a case;
- Ensure people are supported if they are required to attend court as a witness in order to minimise distress; where the victim is in fear of violence, intimidation or reprisal, court proceedings can take place with professional witness statements made on behalf of the victim. Where witnesses are required in court the investigating officer may provide or sign post to some, or all, of the following support:
  - Full explanation of what to explain at court;
  - Transport to and from court;
  - Pre-court visit (where possible);
  - Separate waiting areas;
  - Referral to witness support or other agencies if appropriate.
- Respect the confidentiality of victims and witnesses and keep them fully informed of key developments in accordance with the Data Protection Act 1998;
- Where safeguarding issues are uncovered as part of an ASB investigation such as abuse or neglect, the necessary referrals will be made to safeguard those who may be vulnerable.

Where a tenant feels they are unable to remain in their home they are eligible to apply for a transfer in accordance with the Council's Allocations Policy which allows for tenants to transfer under the Gateway to Homechoice. If a person is wishing to move for welfare reasons, or because they are a victim of ASB, the council will consider reviewing a person's banding based on the information and evidence provided. Each case is considered on an individual basis and in line with supporting evidence. In extreme circumstances we may provide emergency accommodation. It is important to understand that not all requests for a transfer will meet criteria for an 'emergency case'.

We understand the positive impact of supporting alleged perpetrators of ASB. We will consider making referrals to partner agencies as appropriate. This can include housing support provided by external agencies.

## 9.0 Home safety

For people affected by domestic abuse or who are being threatened or physically harmed by someone who does not live with them, the Council may be able to provide additional security measures to premises referred to as 'property hardening' to make the property a safer place to live. We will use our discretion when making a decision whether a tenant is eligible for extra security measures or a tenant can be referred by a support agency, such as the Police, Victim Support, or health service. If a tenant is



deemed appropriate for works, their individual needs will be assessed by a specialist organisation, currently Safe Partnership limited (registered charity) 01929 551 100, who will visit the home to complete a risk assessment of the property before works are recommended. For further information about Safe Partnership limited see [www.safepartnership.org](http://www.safepartnership.org). Works can include new locks, heavy-duty doors, additional window security and fire proof letter boxes. Agreed measures will be completed as soon as possible, cases are marked as urgent or non-urgent – these priority response times are allocated by Safe Partnership.

Following the installation of security measures, we recommend that a tenant receives a 'Safer Home Visit' by the Suffolk Fire Service. If eligible for a visit, the Suffolk Fire Service will discuss fire safety in general as well as means of escape specific to the property, in the event of a fire. A person can check if they are eligible for a visit online <https://www.suffolk.gov.uk/suffolk-fire-and-rescue-service/fire-safety-in-the-home/check-if-youre-eligible-for-a-safer-home-visit/>. We can make referrals when appropriate in order for a visit to be arranged.

## **10.0 Anti-social behaviour case review (community trigger)**

The Anti-Social Behaviour, Crime & Policing Act 2014 introduced a new measure called the community trigger (referred to locally as an Anti-social Behaviour Case Review) which is a process locally managed by the Councils' Community Safety Partnership (CSP). A CSP is a statutory partnership body with a duty to work with other local agencies and organisations to develop and implement strategies to tackle crime and disorder including ASB and other behaviour adversely affecting the local environment. Community Safety Partnerships will work together to reduce instances of ASB by diversion, early intervention and effective enforcement. The partnership aims to make residents of Suffolk feel that their neighbourhood continues to be a safe and good place to live, work and visit. The minimum standards of response are designed to complement the Policing Pledge and not to replace or dilute part of it.

The process gives victims and communities the right to ask for action to be taken where they believe ongoing and persistent ASB has not been addressed appropriately by all of the relevant agencies, which may include the Council, police, health providers and/or social housing or if the Council has failed to respond to a complaint.

Where the threshold (criteria) is met to qualify for a review, an ASB case review will be carried out. The process is designed to make sure that we all work together to decide whether any further action can be taken to try and resolve the issue and to ensure that all that can be done is being done.

Applications for an ASB review and further details regarding when an ASB case review can be requested can be found online at: (Mid Suffolk) <http://www.midsuffolk.gov.uk/communities/community-safety/anti-social-behaviour/> or (Babergh) <http://www.babergh.gov.uk/communities/community-safety/anti-social-behaviour/>.

## **11.0 Civil action**

As a general rule we as a landlord are not responsible for the actions of our tenants, nor do we owe a duty of care to a person to protect them from criminal acts caused by our tenants. We will always provide clear expectations of what we can and cannot do. For instances of alleged ASB or nuisance, we are free to decide whether or not to take action against a tenant. Any action taken will be unbiased, fair and proportionate.

Anyone affected by nuisance has the right to take private action to resolve the problem independent of the Councils. This may include seeking advice, consulting a solicitor to act on their behalf; or, if a person has incurred financial loss as a result of a tenant's actions, the complainant has the option of making a money claim against the perpetrator via the money claim civil process.

## **12.0 Information sharing and confidentiality**

All of our tenants have signed a declaration within their Tenancy Agreement which gives us permission to share information about them with others.

Within the Tenancy Agreement it states that under the Data Protection Act 1998 (or any amending or subsequent legislation) we can hold relevant information about a tenant and share it with others such



as local and national government bodies, our Contractors, Social Services, the Health Service, Courts, Police and other landlords for the purpose of:

- Managing a tenancy and our housing stock;
- Assisting statutory agencies to do their job;
- Looking after the health and wellbeing of a tenant or another person;
- Preventing or detecting crime, disorder or fraud;
- Apprehension or prosecution of offenders;
- Safeguarding children and adults.

All information we hold about our tenants will be used lawfully, fairly and in accordance with legislation. Information shared will always be for specifically stated purposes, and used in a way that is relevant, adequate and not excessive.

We will not accept anonymous complaints however we will respect the complainant's right to confidentiality if they wish to withhold their identity from the alleged perpetrator(s). If this limits the actions that can be taken to resolve the matter then this will be explained the complainant.

Under the Data Protection (1998) and Freedom of Information Act (2000) individuals have the right to see information held about them. Individuals can request copies of the information held about them but there will be a charge. Further information about individuals' rights to information is set out in the Data Protection Act 1998 and Freedom of Information Act 2000.

A Freedom of Information Request (FOI) can be made on our website <http://www.midsuffolk.gov.uk/the-council/your-right-to-information/freedom-of-information/> or <http://www.babergh.gov.uk/the-council/your-right-to-information/freedom-of-information/> where there is an online request form. This does not cover a request for personal data if an individual wants details of information the council hold about them this can be obtained by requesting a 'subject access request' under the Data Protection Act. Further information can be found at the Information Commissioners website: <https://ico.org.uk>. If a person is currently under investigation for ASB which involves criminal proceedings, some information request as part of an FOI request may be exempt / could not be disclosed.

### **13.0 Use of technology**

We will make use of any available technology in order to help us investigate and manage complaints of ASB or nuisance, and to publicise the work of the team. This could include the use of mobile technology, the website, social media, automated procedures, tenant's magazine, and surveillance equipment such as sound recording devices.

### **14.0 Monitoring and policy review**

We will monitor the following between 1 April and 31 March:

- Satisfaction feedback surveys;
- Number of ASB cases accepted;
- Number of tenancy warnings issues (initial & final warnings);
- Number of Notice of Seeking Possessions served;
- Number of Notice to Quits served;
- Number of Section 128 Notice of Possession Proceedings served;
- Number of full and suspended possession orders made;
- Number of evictions.

This policy will be reviewed every three years unless amendments are required prompted by change in legislation, guidelines or monitoring reveals that a change in policy is required sooner.

### **15.0 Making a complaint about the service**

Any complainant who is dissatisfied with the management of their case or if they feel the Councils are not implementing the ASB Policy, are directed to the Corporate Complaints Procedure which is

available on our website <http://www.midsuffolk.gov.uk/the-council/compliment-comment-or-complaints/> or <http://www.babergh.gov.uk/the-council/compliment-comment-or-complaints/>.

## **16.0 Other relevant documents**

- Allocations Policy (internal)
- Homelessness Strategy (internal)
- Corporate Enforcement Policy (internal)
- Babergh and Mid Suffolk District Council's Strategic Plan (internal)
- Chartered Institute of Housing – ASB Charter for Housing
- House of Commons Library Briefing Paper Number 0264, 24/02/2017 'Tackling anti-social behaviour in social housing (England)
- House of Commons Library Briefing Paper SN/SP/264, 03/03/2015 'Anti-social behaviour in social housing (England)

## **17.0 Associated procedures**

- Risk assessment
- Initial letter to complainant (including nuisance log sheets)
- Initial letter to complainant (basic)
- Initial letter to subject
- Alleged perpetrator (subject) interview
- Complainant interview
- Close case letter to complainant (including satisfaction survey)
- Close case letter to subject
- Complaint not accepted letter
- Initial Tenancy Warning
- Final Tenancy Warning
- Notice of Seeking Possession
- Notice to Quit
- Section 128 Notice of Possession Proceedings
- Certificate of Service
- Community trigger leaflet
- Perception Survey and covering letter

## **18.0 Contact Us**

We can be contacted by telephoning customer services on 0300 1234000.

## **19.0 Glossary of terms**

ASB – Anti-social behaviour  
BMSDC – Babergh & Mid Suffolk District Councils  
CSP – Community Safety Partnership  
FOI – Freedom of Information Request  
NOSP – Notice of Seeking Possession  
NTQ – Notice to Quit  
RIPA - The Regulation of Investigatory Powers Act

## Responses to Council Housing Anti-Social Behaviour Policy 2017

### TABLE 1: CONSULTATION EVENT - VERBAL FEEDBACK

Number	Date response received	Comment(s)	Response
1	25-04-2017	Transferring tenants – safety of tenants paramount. Our own policies are a barrier to this method of assistance	Sections 8.8-8.10 of BMSDC Allocation Policy 2016 allows for tenants to transfer under gateway in exceptional circumstances despite rent arrears. Each case considered on individual basis. Welfare needs are taken into account.
		<p>If tenants are uncomfortable speaking to their neighbour about an issue, are there any tools we can provide to help them do this? Tenant Forum reps to assist on their behalf?</p> <p>Do we have an information sharing protocol? If not, can we introduce one? Data Protection is used as a barrier to sharing information</p>	<p>Look at ways to assist individuals with the first contact- We will look to introduce a new leaflet around 'speaking to your neighbour about a complaint' and/or example letters etc. We have also asked the Tenants Forum if they can offer particular support to other tenants experiencing ASB, which is something that could be developed as a procedure.</p> <p>Section 12 of policy reflects tenancy agreement section 1.8 which allows for information sharing with other agencies in order to manage tenancy &amp; housing stock. Every tenant signs the tenancy agreement.</p>
2	25-04-2017	<p>What support is there if our tenants are victims of ASB caused by a tenant of another housing provider, a private tenant or owner occupier?</p> <p>Include a line in the policy on how a person can report ASB caused by a tenant of another housing provider, a private tenant or owner occupier?</p> <p>I am really pleased and encouraged to see the development of an Anti-Social Behaviour Policy. My view is that sharing of information with other agencies as well as have multi-agency 'solution' plans in place for each case.</p> <p>I am also keen to have proactive prevention methods in place</p>	<p>We have added a section into policy which advises individuals how to report ASB if the perpetrator is not a Council tenant – support would be signposted via this group. Please also refer to section 'Anti-social behaviour case review (community trigger)'</p> <p>We strive to improve multi-agency working and recognise we cannot tackle ASB alone.</p> <p>Our main focus of policy is prevention to stop matters</p>

		<p>which may have more positive outcomes on people's quality of life rather than wait until the problem has reached an unresolvable situation.</p> <p>I would like to see this as an evolving policy rather than one set in stone so that the document can respond to changes in legislation, culture and people's needs. It is a very good document, but like any policy, outcomes will measure its success.</p> <p>As a P.F.H (Portfolio Holder for Housing) I would like to see some measure of this policy's success recorded in our performance management reporting mechanism.</p>	<p>escalating, through better prevention and early methods of intervention.</p> <p>Policy includes that it will be reviewed regularly and is a working document.</p> <p>The Housing Management Team is looking to develop a range of performance measure – the measures for this policy will be taken into account as part of this piece of work.</p>
3	25-04-2017	Parking and driving on grass verges. Is this ASB? How can we tackle this?	We have added into the policy under 'what is ASB' driving or parking on public land (including grass verges). We agree that this issue needs to be tackled jointly with Public Realm and we are happy to be included in any consultation when a policy/procedure is developed.
Page 26	25-04-2017	Talking to neighbouring authorities to ensure our policy aligns (St Eds & Forest Heath, IBC) Suffolk Wide Agencies	We sent out consultation documents & feedback requests to all partner agencies with gateway to home choice partnership.
5	25-04-2017	<p><b><u>Early Intervention</u></b></p> <p>How much information is shared about potential tenants with housing officers before they are offered a tenancy?</p> <p>I'm not sure how much information is gathered at the Gateway stage – I know what we ask for, but what checks are in place to ensure the information we get is as accurate as possible - this is a separate issue, but for example, I quite often come across tenants who have previously had huge arrears with a private landlord and then end up requiring support when they have arrears with us. This could be, or could have been avoided if flagged up at the stage before tenancy issued. Early intervention has to involve sharing of information with other agencies at pre-sign up/ point of sign up.</p>	<p>Passed as feedback Improvement and Involvement Officer as part of sign up process review, and to Allocations Corporate Manager &amp; Tenant Services Manager</p> <p>For now, we have included two bullets under 'Investigating Anti-Social Behaviour (including prevention and intervention)' which can be elaborated on if required. At this time, we have purposefully left this quite general because it impacts upon other teams.</p>

		<p>Have a risk assessment support matrix - traffic light system - (Enforcement Officer / Tenancy Support Officers). It would be worth talking to IBC as they have ASB officer(s) plus a team of three tenancy support officers who deal with vulnerable tenants immediately after sign up. They have a risk assessment / risk matrix which identifies those tenants at risk of struggling to sustain their tenancy – for whatever reason – this feeds into a traffic light system e.g. Red – TSO will be there at the sign up and for ongoing support. Amber – and so forth. Might be worth talking to <i>[illegible]</i> who manages this and the ASB enforcement team.</p> <p>I would like to be involved in future similar events as sometimes feel out of the loop if it's outside FI (Financial Inclusion) remit.</p>	<p>We will follow this up when we develop a risk assessment.</p> <p>Noted.</p>
6	25-04-17	<p>Very well presented, looking forward to seeing the finalised paper. Making tenants aware of what we will and won't deal with as a Council will really benefit us, ensuring resources are used efficiently.</p> <p>If you were to close a case would a tenant be able to appeal the decision if they feel it is not resolved?</p>	<p>We have amended the policy under 'closing cases' stating if a complainant does not feel their complaint has been resolved satisfactorily, they may provide additional information to us which has not already been considered, otherwise the next step is 'making a complaint about the service'.</p>
7	25-04-17	<p>Stage 1 offers significant opportunity for small intervention to prevent progression to stage 2 and beyond. Many people feel ill equipped to have even a straightforward conversation with a stranger. Where we have no knowledge of another person our "risk averse" brains will fill in the blanks often exaggerating concern on who/what they are.</p> <p>Making initial introductions of tenant to tenant and offering some kind of support in having early conversations about neighbour issues might be worth thinking about.</p> <p>P.s good presentation, great to be consulted – thanks guys.</p> <p>Packed full of info – really focused and plenty of opportunity for all to contribute.</p>	<p>Great suggestion but at this time unfortunately we don't have the resources to introduce new tenants to existing tenants/residents. We will however look to provide tenants with the tools to manage their own problems in the first instance. See TABLE 1: point 1.</p>

8	25-04-17	<p>Good to see domestic abuse and home safety referenced.</p> <p>Would be keen to see more detail or know what assessments of risk there will be for property hardening in terms of how/which works are undertaken.</p> <p>Good to see reference and importance of multi-agency working to unpick complex cases where tenants/families are involved in complex cases.</p> <p>May be worth referencing other safeguarding issues, whereby an incidence of ASB is investigated but uncovers another issue such as abuse or neglect. The necessary referrals are made to safeguard those who may be vulnerable.</p>	<p>We hold a small budget for property hardening if a request is received from a Council tenant, we make a referral for a risk assessment to be carried out by an external company/ organisation called Safe Partnership (details added to policy) and they propose works that we should carry out.</p> <p>Information has been added to the section 'supporting witnesses, victims and perpetrators' around safeguarding.</p>
9	25-04-17	<p>7.3.1 Social Care</p> <p>Please consider removing social care and replace with 'Children and Young Peoples Services' and 'Adult and Community Services'.</p>	<p>All references to social care have been amended as suggested.</p>
Page 28	25-04-17	<p>Very well informed presentation and well delivered. Have completed post it notes regarding early intervention and prevention and partner agency.</p> <p>Well put together, concise and clear.</p>	<p>No action required.</p>
11	25-04-17	<p>I think it's really worth investing more time and effort in prevention. As a mediator, cases often come to us relatively late and things have escalated. It's often quite easy to draw a line back to the things that could have helped or prevented the situation. One simple thing that could happen, if you want people to be able to take on their own problems in the first instance is to introduce them to each other when they first move in and open the lines of communication. Many people I work with have never spoken to each other. Pre-empting complaints, knowing where the problems might occur and suggesting avenues for sorting things out in advance might be useful.</p> <p>Just generally, it's really good to offer mediation at the earliest possible stage before problems and complaints stack up. In some ways though I think you can act even earlier than that</p>	<p>We note that we could make referrals earlier, to be considered when procedures being drafted.</p>

		and pre-empt problems which would hopefully reduce complaints to some extent.	
12	25-04-17	<p>There should be just one phone number or point of contact to the Council (e.g. noise - internal comms streamlined).</p> <p>Are we consulting with (not just “working with”): (for example)</p> <ul style="list-style-type: none"> <li>-Police</li> <li>-SCC (ACS/CYPS)</li> <li>-NSFT</li> <li>-Housing Associations</li> <li>-Professional Bodies and Associations (e.g. CIH?)</li> <li>-Members</li> <li>-PCs/TCs?</li> <li>-Tenants etc.....</li> </ul> <p>[How do we work with them for anonymity?]</p> <p>Is our interpretation /definition [of ASB] consistent with other partners (esp Police)</p> <p>How do we “mediate”, e.g. “reasonable”, “proportionate”?</p>	<p>We have added a section at the end of the policy ‘how to contact us’ &amp; we have recorded the one contact number for the Councils.</p> <p>We have included partner agencies in our consultation event and in development of the policy.</p> <p>We have an information sharing section in the tenancy agreement and in the policy which allows for us to work with other agencies.</p> <p>We refer to an external mediation agency called Catch22.</p>

## **TABLE 2: CONSULTATION EVENT - WORKSHOP**

**Table 2a) Have we missed anything?**

<b>Number</b>	<b>Date response received</b>	<b>Comment(s)</b>	<b>Response</b>
1	25-04-2017	Perhaps some reference to Community Safety Partnership groups. Some routes to communication are already working.	We have included reference to Community Safety Partnerships.

**Table 2b) How can we support victims, witnesses and perpetrators?**

<b>Number</b>	<b>Date response received</b>	<b>Comment(s)</b>	<b>Response</b>
1	25-04-2017	Tell them about local groups/support networks.	We will signpost people as appropriate.
2	25-04-2017	Ensure we know (with permission) about other agencies involved in the family.	Passed to Improvement and Involvement Officer for potential inclusion in sign up process 'information obtained'.

**Table 2c) How do we make early intervention work? How do we work with our partners to achieve this?**

<b>Number</b>	<b>Date response received</b>	<b>Comment(s)</b>	<b>Response</b>
1	25-04-2017	Formally introducing a new tenant to their neighbour and their community can help to create the sense of belonging and immediately reduce opportunities for poor or no communication. We have worked numbers of cases where tenants have never met their new neighbours.	See TABLE 1: point 1.
2	25-04-2017	Is there something we can offer to support people at Stage 1 to actually have a conversation with their neighbour. Not full blown mediation but some way of making it feel less "risky" to have a conversation.	See TABLE 1: point 1.
3	25-04-2017	I think with early intervention this should be by way of actual visit to both parties. They can ignore or not open a letter.	Each case will be considered on an individual basis- not to be included in policy.
4	25-04-2017	Early intervention working with partners – this could be aided by a degree of co-location to encourage informal responses.	Feedback sent to Tenant Services Manager.
5	25-04-2017	Working with partners to achieve early intervention – this may be aided by officers becoming more agile and therefore better placed	Feedback sent to Tenant Services Manager.



		to respond “on the spot”.	With the upcoming location changes we are looking at agile working to better fulfil the role.
6	25-04-2017	Do we need to increase number of Mid Suffolk info sharing meetings?  Do we need to include in the MS meetings the role of each agency – particularly when new to meeting to gain greater understanding of roles and limits.	Feedback passed to Communities Officer (Safe) at Multi-agency ASB Meeting of 17/05/2017.
7	25-04-2017	Fundamentally housing can be well designed and well built to avoid much of the ASB that now occurs. Paper thin walls and lack of outside space etc. are obvious problems waiting to happen.	Noted.
8	25-04-2017	Early intervention – Do we need to put together a ‘pool’ of early intervention/divisionary activities that everyone can dip into.	Feedback sent to Tenant Services Manager.
9	25-04-2017	Regular sharing info sessions with partners.	Noted.
10	25-04-2017	? Resettlement officer supporting homeless? people during 1 <sup>st</sup> year of new tenancies?	We note that if this new role were to be brought in it would be a benefit to the team and we would ensure we worked closely with the officer.
11 Page 31	25-04-2017	New council developments – look at design, location of properties and tenants to avoid ‘communities’ within ‘communities’.  Also when tenants are introduced into mixed use new housing – incorporate when owner/occupiers move in so avoid barriers.	Pass to Development (Housing & Regeneration) Manager.
12	25-04-2017	Introducing tenants to each other when they move in would help significantly in encouraging tenants to approach neighbours themselves. Most of the cases I see would not have the confidence to do this as things stand.	See TABLE 2: point 1.
13	25-04-2017	Some kind of tenant induction where you talk about the possible problems, ways of problem solving and the effects of ASB on others could be really useful. Could be connected to some kind of facilitation of more active positive community. Most people want to be more connected. It seems worth investing in.	This has been passed to Improvement and Involvement Officer as part of project looking at sign up process



### **TABLE 3: FORMAL POLICY CONSULTATION: OTHER FORMAT**

Number of individuals who responded = 10

Number	Date response received	Comment(s)	Response
1	10-05-2017	7.2.1 two typos: 'bene' should be 'been'. remove 'the' from we will risk assess and prioritise every complaint.	Amended
2	28-04-2017	I understand the reason behind the noise diaries but could you tell me why people have to keep it going for more than two years? Surely this is not necessary for so long when nothing else is done.	When we ask complainants to records incidents of ASB on nuisance log sheets, we ask the complainant to keep records for 2 weeks in the first instance and then continue to monitor if required after this for up to three months, The use of log sheets is to give housing officers an idea of what the problem, is, how persistent the problem is, and if there are any witnesses to any alleged nuisance behaviour. If upon receipt of log sheets there isn't thought to be a problem, this is normally when we look to close a case. If however there is a substantiated claim of ASB, and it is thought there may be a breach of tenancy conditions, further action may be required, at which point this would be progressed by the housing officer.

Page 34	<p>3</p> <p>9-05-2017</p>	<p>Page 1 1.0 Introduction Forth para last line insert 'as'</p> <p>Page 5 Hate Crime Can Hate crime be reported in other ways? Suffolk County Council, Suffolk Racial Equality council etc</p> <p>Should we insert links or contact email addresses/telephone numbers</p> <p>Page 5 Domestic Violence Can we insert ways to report domestic violence</p> <p>Page 5 4.3 What is not anti-social behaviour Can we think about an alternative title? Just doesn't seem right – not sure what alternative is</p> <p>Page 5 4.3 What is not anti-social behaviour The first six bullet points (whilst we are referring to these not being ASB that we would deal with). We need to ensure that we have sufficient safe guards should a perpetrator be carrying out these acts deliberately, possibly repetitively to cause upset or distress?</p> <p>Page 5 4.4 Complaints the Council will note lead on Do we need to refer to Tenant Services rather than the council?</p> <p>Parking illegally or inconsiderately – we would have to deal with this if</p>	<p>Amended</p> <p>The Suffolk Hate Crime Service is now closed however.</p> <p>We have added a link to Suffolk Constabulary where hate crime can be reported <a href="https://www.suffolk.police.uk/about-us/our-policies/hate-crime">https://www.suffolk.police.uk/about-us/our-policies/hate-crime</a></p> <p>We have also made it clear that people can also report hate crime anonymously through Crime Stoppers <a href="https://crimestoppers-uk.org/give-information/how-to-give-information/">https://crimestoppers-uk.org/give-information/how-to-give-information/</a></p> <p>In the Policy, we have replaced the wording domestic violence with domestic abuse and violence.</p> <p>We have added further information about ways to report domestic abuse.</p> <p>We have changed the title of this section to 'what is not considered to be anti-social behaviour'</p> <p>Under 'what does the term anti-social behaviour mean' 'anti-social behaviour is described as but not limited to', we have added a bullet point 'deliberate acts to antagonise or cause harassment, alarm or distress which can be proven and are to antagonise or cause harassment, alarm or distress, this could include acts not normally considered.</p> <p>We have amended the title to say 'Complaints that Tenant Services will not lead on include:'</p> <p>We have changed the reference to parking in the policy to</p>
---------	---------------------------	--	--

<p>4</p>	<p>22-05-2017</p>	<p>Discussion regarding ASB Questionnaire answered from draft policy. Members that agreed to go to consultation were not able to make it. So response is based purely on the draft policy.</p> <p>Policy was fine but would like plain English more</p> <p>The draft seems very detached so would like to encourage Tenants helping Tenants more</p> <p>How effective is the multi-agency approach? Very fine line between all concerned to support everyone.</p> <p>Tenant support officers to be more available to Tenants.</p>	<p>As we have a final read through once the policy has been approved by our internal committee structure, we will ask an independent person to assess plain English.</p> <p>We will signpost people to support services where appropriate. We have passed feedback to the Tenants Forum stating the following</p> <p>'We agree that tenants could be a form of support for one another, when experiencing anti-social behaviour or being a perpetrator of anti-social behaviour. If the tenant's forum members can offer particular support to other tenants experiencing ASB, this is something that could be developed as a procedure i.e. we could direct individuals to tenants forum representatives. We don't want to promise something on behalf of the tenant's forum however without this first being discussed and agreed as a procedure. Could this be a discussion point at the next tenants' forum meeting?'</p> <p>We will strive to work more effectively with other agencies to jointly tackle a problem.</p> <p>One of the aims of this policy is to make ourselves more available to the people who need us the most. We are also trying to make it easier for people to report ASB and will do all we can to support victims, witnesses and perpetrators.</p> <p>Log sheets are used to monitor ASB reported to give us an idea of the type of problem and the frequency of the issue reported. These can be used as evidence for further action or in court. We monitor for up to three months.</p>
----------	-------------------	---	---

		<p>Noise level equipment. Diaries, what are done with them and how long to noise victims have to write them</p> <p>Who is the mediation team? Are they independent?</p>	<p>Environmental Protection has their own log sheets to monitor noise; they have a different policy.</p> <p>Mediation is currently provided by Catch 22 who is an independent organisation. This detail has been added to the policy.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 36</p>	<p>11-05-2017</p>	<p>Page 3 – 1.0 Introduction (para 2) Where you mention tenants, lessees, shared owners etc. should you include owner/occupiers and privately rented as they are also affected – even though the document is a Policy about Council tenants.</p> <p>Page 3 (Para 4) - Just needs a comma after action and before however. Also needs 'as' added after the word eviction.</p> <p>Page 3 (Para 5) – We recognise we cannot resolve all cases of ASB in the districts amongst our tenants without the support and assistance of other.....raising expectation that you will be able resolve all ASB cases. May be better to say...'We recognise we cannot strive to resolve (all) Is it All cases? cases of ASB.</p> <p>Page 3 (Para 5) - ....to importance on our working relationship with our partners. Doesn't quite make sense. Do you mean to say: Therefore, we will enhance and develop our working relationship with our partners' or: Therefore we will enhance and develop our partnership working.</p> <p>Page 3 Objectives. Where it says: Provide advice, support and regular updates to complainants, victims and witnesses. You may want to include something about Provide advice, support and regular updates to complainants, victims and witnesses in accordance with the Data Protection Act (reason being there may be times when you aren't able to provide the victim/witnesses with all the info i.e. Police criminal proceeding pending etc.)</p> <p>Page 4 – 4.2 What does the term anti-social behaviour mean? Where you have described anti-social behaviour and the list, you should make reference at the bottom of the page as to what and where in the Government legislation document this has been taken from.</p>	<p>We have changed this to say 'number of people within our communities' which covers any individual who may be affected by ASB.</p> <p>Amended</p> <p>Amended</p> <p>Amended</p> <p>Amended</p> <p>This list of ASB is from our own knowledge and various information sources. We have made it clear this is a list we have defined.</p>

<p>Page 4 – Harassment and intimidation – where you make reference to (including children), do you want to add (including children and any other family members). As in some cases where there are Sisters, Grandparents etc. living in the property also it just explains and reinforces the message.</p>	Amended
<p>Page 5 – Domestic Violence. Can you change the title to Domestic Violence and Domestic Abuse to highlight they are two different things.</p>	Amended
<p>Page 5 Domestic Violence – (para 2) where you refer to the definition, you will need to make a reference at the bottom of the page as to where this definition came from.</p>	A reference has been included.
<p>Page 5 – Domestic Violence (para 3) – Can you add in .....domestic violence and domestic abuse seriously and we will deal etc.</p>	Amended
<p>Page 5 – What is not anti-social behaviour? Do you want to make the letters Anti-Social Behaviour in bold as refer to ASB throughout the document?</p>	Amended
<p>Page 5 – What is not anti-social behaviour? Do you want to rephrase: Examples of issues which may upset or disturb people but which cannot be dealt with as ASB are: to Examples of issues which may upset or disturb people and ('and' rather than 'but' as doesn't sound so negative) are not considered ASB are:</p>	Amended
<p>Page 5 – What is not anti-social behaviour – Children playing. Can you extend that to say children playing including ball games. Do you also want to add in: People carrying out DIY jobs unless at unreasonable hours (still relevant to Council tenants as maybe putting up shelves, building furniture etc.</p>	These suggestions have been included.
<p>Page 7 – Tenant responsibilities. Where you have talked about stages of Case Management, is this Policy document going to be read by tenants? Reason is that Stage 1: Resolving the situation within the community - the tense has changed. Previously written 'we will</p>	We have re-written this to the third person.

provide every tenant etc.)' Now says 'Before reporting ASB or nuisance behaviour to us, and only if you feel it is safe to do so..... Does this need to be re written for the Policy to say ...Before reporting ASB or nuisance behaviour to the Council, and only if it is safe to do so, the tenant should first try to talk to their neighbour..... Same with Stage 2.

Page 7 – Stage 2 – Reporting and assessing a complaint – Final paragraph. If we do not feel a complaint constitutes....sounds a bit unsure. Maybe better to write If a complaint does not constitute ASB or falls outside of our remit as a landlord.

Page 7 – Stage 2 – Reporting and assessing a complaint - Final paragraph. Where you say you will write to the complainant to outline the reason(s) why we will not progress a complaint. Aside from cases which do not constitute ASB because it is considered day to day living, will you include in the letter signposting to other agencies/organisations which may be able to offer help and support? Reason is people could be left 'hanging' and then will probably contact Police who will say Council investigate. Concern people will be 'bounced' backwards and forwards between agencies. Could signpost or include say a leaflet on what to do if the problem is ball games etc. May want to look at putting together some 'self-help' guides/leaflets, particularly as you refer in the Policy to wanting residents to take responsibility for their own lives and to resolve their own problems.

Page 8 - 7.2.1 Response times. Once a substantiated complaint of alleged ASB is received. What do you mean by substantiated? What does this involve and by who? How long will it take? Would it be better to remove the word substantiated and say: Once a complaint of alleged ASB is received and it is deemed as ASB and determined as reasonable and proportionate to conclude.....

Page 8 – 7.2.1 Response times - ...has bene conducting ASB. Just a spelling thing - should say been.

Page 8 – 7.2.1 Response times. We will: Notify the alleged perpetrator when a complaint has been made, either by telephone, in writing or in person; You need to say that you will not divulge the name of the person making the complaint. Also, Keep all parties to a complaint informed of key developments and progress on the case.

Amended

On the reverse of the letter we have included information about other agencies who may be able to help. If we contact a person by telephone or see them in person we will pass the same information to them. In the future we will look at introducing more information leaflets to support our policy on managing ASB.

Substantiated, means it fits with our definition of what ASB is. If it falls outside of our remit or is not considered to be ASB then it is unsubstantiated. We will reword this section so it is clear who makes the decision and how long this will take.

Amended

Amended



<p>Do you want to add 'in accordance with the Data Protection Act (reason being there may be times when you aren't able to provide the victim/witnesses with all the info i.e. Police criminal proceeding pending etc.).</p>	
<p>Page 8 – 7.3 Stage 3 – Investigating anti-social behaviour. Again do you want to put Anti-Social Behaviour as abbreviation ASB used throughout the document.</p>	Amended
<p>Page 8 – 7.3 Stage 3 – Investigating anti-social behaviour. If it appears that a tenant has broken their tenancy.... May be better to say If it appears that a tenant has breached their tenancy....</p>	Amended
<p>Page 8 – 7.3 Stage 3 – Investigating anti-social behaviour. We will: We will need the help and cooperation of complainants to keep detailed records..... Final sentence - To comply with RIPA, (remove',') and the Human Rights Act, we will always inform a tenant when monitoring is being carried out. Add in the word 'noise' so .....when noise monitoring is being carried out.</p>	Amended
<p>Page 8 – 7.3.1 Prevention and intervention. Do you want to add in the word independent to say..the use of professional independent dispute resolution/mediation.</p>	Amended
<p>Page 8 – 7.3.1 Prevention and intervention. Do you want to add 2 extra preventative measures i.e. signposting to other agencies/organisations and self – help guides/leaflets (i.e. dealing with ball games etc.)</p>	Included
<p>Page 9 – We will take a multi-agency approach...Can you change Mid Suffolk &amp; Babergh Community Safety Team (Local Authority ASB coordinator) to Mid Suffolk &amp; Babergh Communities Officer (Safe).</p>	Amended
<p>Page 9 – We will take a multi-agency approach... Can you add to Social Care – Adult and Children, Schools, SCC Early Help, Children and Young Peoples services (CYP), Adult and Community Services (ACS), SCC Local Area Co-ordinators (LACS) and Housing Associations.</p>	Included
<p>Page 9 – 7.3.2 Formal action and legal remedies – In the paragraph where you mention community protection notices, you may want to</p>	Amended

<p>put capital letters at the start of each of the word i.e. Community Protection Notices (CPN). Same as criminal behaviour orders i.e. Criminal Behaviour Orders CBO). Same as public space protection orders Public Space Protection Orders (PSPO).</p>	
<p>Page 9 – 7.4 Stage 4 – Closing a case. You mention when you will close a case i.e. being resolved, evidence behaviour has stopped etc. Do you want to add in there...something about closing a case i.e. We will close a case in consultation with a complainant(s) where following an investigation using the tools and powers to tackle ASB have been unsuccessful and the ASB remains unresolved, independent dispute resolution/mediation has been offered and refused.</p>	Amended
<p>Page 9 – 8.0 Supporting victims, witnesses and perpetrators – Respect the confidentiality of victims and witnesses and keep them fully informed of key developments...you may want to add 'in accordance with the Data Protection Act' (reason being there may be times when you aren't able to provide the victim/witnesses with all the info i.e. Police criminal proceeding pending etc.)</p>	Amended
<p>Page 9 – 8.0 Supporting victims, witnesses and perpetrators – Always be honest and realistic about the likely outcome of a case....do you want to add in something about managing expectations i.e. Manage expectations by always being honest and realistic about the likely outcome of a case.</p>	Amended
<p>Page 10 – 9.0 Home safety – Can you remove ...and safe rooms as these are costly, rarely installed for a number of reasons including suitability of property, persons circumstances etc.</p>	Reference to safe rooms has been removed.
<p>Page 11 – Information sharing and confidentiality – Change of tense. Written as if the tenant will be reading the document. Needs to say something about tenants signing a declaration on the tenancy which gives permission etc. (you may want to write in what your declaration actually says). You will need to be more specific about who you may need to share information with not....share with others such as.....</p>	This section has been amended. It already includes the wording of the Tenancy Agreement.
<p>Page 11 – Information sharing and confidentiality – Assisting statutory agencies to do their job – very vague with the phrase ...do their job. May raise concern that any information is shared with any statutory agency. Needs to be rephrased to – used lawfully and fairly for limited, specifically stated purposes in a way that is adequate,</p>	This phrase was taken word for word from the Tenancy Agreement. It is vague because it covers the management of a Tenancy in its entirety. We have added some further details to this section to make it clearer how we will share information and why.

		<p>relevant and not excessive.</p> <p>Page 11 – Information sharing and confidentiality – Safeguarding children.....add in and adults.</p> <p>Page 11 – Information sharing and confidentiality – Add in... Apprehension or prosecution of offenders.</p> <p>Under the Data Protection (1998) - Change of tense. You have said right to see information about you.....Need to say about the tenant. However, you may want to speak to our DPA/FIO officer as under a request some information would be exempt and could not be disclosed if the person making a FIO request was currently under investigation for ASB which involved criminal proceedings.</p> <p>Page 11 – Use of technology – The team will make the use of any available... need to remove the word ‘the’. Also made reference to CCTV. Do we still use CCTV as this is not something we use in the Communities Team and we no longer have mobile CCTV. May raise expectations?</p> <p>Page 11 – Monitoring and policy review – Mention of number of ASB cases. Are you going to expand monitoring to include – Number of ASB cases investigated and closed, Number of referrals that do not constitute ASB.</p> <p>We are still unclear at this time what we need to monitor, and why. Further work will be carried out for this section.</p> <p>Page 11 – Monitoring and policy review – We will monitor the following: Number of NoSPs served – although you have a glossary of terms on the back it may be better to put Number of Notice of Seeking</p>	<p>Amended</p> <p>Included</p> <p>Amended</p> <p>Reference to CCTV has been removed. If this is available to us in the future we can add this in.</p> <p>We will monitor the following:</p> <ul style="list-style-type: none"> <li>• Satisfaction feedback surveys;</li> <li>• Number of ASB cases accepted;</li> <li>• Number of tenancy warnings issues (initial &amp; final warnings);</li> <li>• Number of Notice of Seeking Possessions served;</li> <li>• Number of Notice to Quits served;</li> <li>• Number of Section 128 Notice of Possession Proceedings served;</li> <li>• Number of full and suspended possession orders made;</li> <li>• Number of evictions.</li> </ul> <p>Also see TABLE 1, point 2.</p> <p>Amended</p>
--	--	---	---

	<p>Possession (NoSP). Same with NTQ served.</p> <p>Page 11 – Making a complaint about the service – need to remove the word ‘they’ are directed</p> <p><b>General feedback</b> As you have made reference to people doing more for themselves and early intervention/prevention I would like to see included in the policy clarification around what someone would do if the Council will not investigate i.e. problems with ball games, parking issues (not obstructing a driveway) i.e. more about signposting, who would signpost (Housing Officers?) and who to?</p> <p>Would there be a list of agencies/organisations that Housing Officers can refer to. Also in order that people can do more for themselves and so they know how, the production and inclusion of some self-help guides/leaflets as appendices into the Policy which can also be made available on the website etc.</p> <p>Finally, although this has been written specifically as an ASB Policy for Council tenants, I would like to recommend that the same rules and approach are applied in relation to what is considered ASB and what will and will not be investigated for all types of tenure. One Policy should be developed and adopted across both Councils as the ASB Policy to ensure consistency of approach to ASB for all types of tenure including owner/occupiers and privately rented.</p>	<p>Amended</p> <p>We have added clarification into the policy (when a complaint is not ASB/won't be accepted) stating that we will sign post complainants to other services or agencies where appropriate, and to other sources of information which may be of help. If we do write to people to notify them a complaint will not be accepted, there is information about other agencies who may be able to help in the back of the letter. I have made it clear that Housing Officers will signpost.</p> <p>We will in the future produce leaflets / procedures to support this policy.</p> <p>Agreed.</p>
--	--	---

## **TABLE 4: FORMAL POLICY CONSULTATION: RESPONSE FORMS**

**Table 4a) Is the policy easy to read and understand? If not, please state the areas in which this could be improved**

<b>Number</b>	<b>Comment(s)</b>	<b>Response</b>
1	Yes, some big words and it maybe that you have no choice but to use them but they may confuse some tenants	Noted. We will ask someone to read the final document for plain English check.
2	I found it easy to read and understand. A bit lengthy for a wider public audience.	Noted
3	Yes, it is – but this is from an internal perspective. Please could we get somebody from outside the organization to look at it, and especially tenants.	We have included external organisations, and members of the Tenants Forum in the formal policy consultation.
4	Easy to read and clearly set out. However in the 5th paragraph of the Introduction there is an error where it says, “we will continue to importance”. I think the work improved was what was intended for that area.	We have made this change.
5	It is for me but I’m a Housing Lawyer. Overall, I wonder how many tenants will actually read it all.	Noted.

**Table 4b) Is there anything in this policy which you disagree with? If yes how do you think this could be changed?**

<b>Number</b>	<b>Comment(s)</b>	<b>Response</b>
Page 43	As we now have a single website cannot the links be the same to access forms etc?	Although we have a single website platform, there are still two different web addresses <a href="http://www.babergh.gov.uk">www.babergh.gov.uk</a> and <a href="http://www.midsuffolk.gov.uk">www.midsuffolk.gov.uk</a> that link customers to this. Once Councillors have made a decision about the branding of the Council and when we have a single web address, we will update the policy.
	<p>Para 4.2 I have no objection to Housing Officers passing noise complaints to us to deal with if they have been screened first i.e. it has been established that the noise being complained of is not of the type listed in the examples they have provided. I feel that receiving such referrals from Housing Officers would provide them with an opportunity to provide us with tenant details, and any other information that we should be aware of, and keeps them ‘in the loop’ with regard to potential tenancy issues.</p> <p>I think that the initial paragraph on ‘noise nuisance’ on page 4 could do with further information about what types of noise might be noise nuisance, or should include a direct reference to paragraph 4.3 identifying examples of noise which is not a nuisance.</p>	<p>We maintain that noise complaints in the first instance should to go Environmental Protection (EP) irrespective of the tenure of the perpetrator – if during the course of dealing with the complaint, tenancy issues are raised, we will liaise with the EP Officer and share information. We have made it clear in the policy that statutory noise nuisance is ASB, but, that we will not lead on noise complaints.</p> <p>We will include further detail about what is considered a noise nuisance.</p>

	<p>Para 4.4 Complaints that the Council will not lead on: fly-tipping. The Council will deal with fly tipping but not the Community Housing Team.</p> <p>Para 5.1 Needs to be amended so that the reference to the EPA 1990 is not limited to noise nuisance only (other potential nuisances</p> <p>Para 7.1 could signpost tenants to the template noise letters on our website.</p>	<p>We have amended the title to state complaints that Tenant Services will not lead on.</p> <p>This paragraph has been amended.</p> <p>Thank you for this helpful suggestion – we have added information and a link to our website</p>
Page 44	<p>Overall there is a general feel of the policy encouraging residents to live in harmony with one another and take responsibility for this. This is a good thing and that is what we all encourage our residents to do but it does not send a message of zero tolerance from the Council as an organisation in dealing with people who choose to make other people's life unbearable as a result of ASB. This I picked from sections such as the aims, Prevention &amp; Intervention. You listed moving the perpetrator or victim via a property transfer as one of your preventative measures. This appears to be sending a message of a rewarding the perpetrator or giving another counteractive assurance to residents that they can be moved by transfer if they are encountering problems with their neighbours. While I understand that this can occasionally happen in-house, I believe the message should be shifted a bit we as an organisation take ASB seriously and will deal with perpetrators appropriately as everyone has the right to the enjoyment of their homes.</p>	<p>We want it to be clear that we take a zero tolerance to anti-social behaviour, therefore we have updated our aims to reflect this, section 7.3.2 , 7.3.1.</p>
	<p>Paragraph 17 doesn't refer to Possession Proceedings and other Legal remedies. Maybe it's not meant to.</p> <p>Paragraph 7.2.1. contains the words: "every the complaint". Surely this is a typo.</p>	<p>Possession proceedings and other legal remedies are mentioned under 7.3.2.</p> <p>Amended.</p>

**Table 4c) How can we better support victims, witnesses and perpetrators of anti-social behaviour?**

Number	Comment(s)	Response
1	Be clear at the start what can be done, who by and by when.	Noted.
2	By being honest and professional. Don't over-promise and under-delivery.	Noted. We aim to be honest and realistic.
3	This area is covered well however consideration needs to be given that parking illegally or inconsiderately could be something that Housing team may need to intervene because it could lead to assault or something more serious.	We have updated our policy to state we will deal with illegal or inconsiderate parking within the confines of a tenancy boundary. If any other ASB takes place linked to an original complaint of parking, this will be dealt with in line with a policy.
4	You couldn't. Few resources deal with many complaints admirably.	Noted.

**Table 4d) How do we make early intervention work? How can we work with our partners more effectively to achieve this?**

Number	Comment(s)	Response
1	We should press on with the Early Help offer work that is underway. If you need me to support this, let me know	Noted.
2	This section is well covered.	Noted.
3	I don't know. I've only ever attended one multi-agency meeting. Perhaps you should include one of your Lawyers on inter-agency ASB meetings	We asked the chair of the Multi-agency ASB Meeting (Communities Officer – Safe) on 17/05/17 to include Legal on the invite for multi-agency meetings.

**Table 4e) Have we missed anything?**

Number	Comment(s)	Response
1	Very comprehensive, can't think of anything that has been missed.	Noted.
2	No.	Noted.

**Table 4f) Do you have any other comments, feedback or questions?**

Number	Comment(s)	Response
Age 45	<p>7.2 do you always need to write to an individual to tell them it will not be accepted as a complaint? Or will a phone call or initial conversation do, are you setting yourselves up to fail because you haven't written?</p> <p>7.2.1 – typo on second line “Bene” should be “Been”</p> <p>7.2.1 Line 3 – extra “the” between every and complain</p> <p>7.3 what does RIPA mean? Explained at the end but doesn't it and any other acronyms need to be explained where they are?</p> <p>Are you promising too much? Can you do all of this?</p>	<p>This is a good point. We will include in the policy that we notify the complainant by telephone, in writing or in person.</p> <p>Amended.</p> <p>Amended.</p> <p>We have amended this sentence so it records the full name of the piece of legislation. It is explained in more details prior to this, under section 5.1. RIPA is also included in the Glossary at the end.</p> <p>We aim to have a clear, robust and comprehensive policy for managing ASB – nothing in the policy is unachievable with effective management and if we all work together.</p>
2	Very good policy and easy to follow. Would just need to be tweaked a bit to send a strong message of how the Council stands as an organisation in ensuring people live in peace and harmony to have utmost enjoyment of their homes.	We have amended the policy with the aim of sending out a stronger message that ASB will not be tolerated and that we will take action against perpetrators of ASB without hesitation.

This page is intentionally left blank



# Agenda Item 5

## BABERGH DISTRICT COUNCIL and MIDSUFFOLK DISTRICT COUNCIL

<b>From: Sue Lister – Corporate Manager Housing Options</b>	<b>Report Number: JHB/17/03</b>
<b>To: Joint Housing Board</b>	<b>Date of meeting: 19/06/2017</b>

### UPDATE ON TENANT SCRUTINY REPORT ON VOID MANAGEMENT

#### 1. Purpose of Report

- 1.1 The Tenants Scrutiny Panel carried out a review of the management of void properties last year and produced an action plan.
- 1.2 This report updates Board members on progress in implementing the plan.

#### 2. Recommendations

- 2.1 Members of the Board are asked to note the update to the action plan  
The Board is able to resolve this matter

#### 3. Financial Implications

- 3.1 There are no financial implications.

#### 4. Legal Implications

- 4.1 There are no legal implications

#### 5. Risk Management

- 5.1 This report is not closely linked with any of the Council's Corporate / Significant Business Risks

#### 6. Consultations

- 6.1 The Corporate Manager for Babergh and Mid Suffolk Building Services (BMBS) and the Improvement and Involvement Officer have been consulted.

#### 7. Equality Analysis

- 7.1 There are no equality issues

#### 8. Shared Service / Partnership Implications

- 8.1 The introduction of BMBS in April has created a single team which manages and carries out repairs and safety checks on vacant properties

#### 9. Links to Joint Strategic Plan

9.1 This report is most closely linked to theme of being an Enabled and Efficient Organisation.

## 10. Key Information

10.1 Between January and April last year a Tenant Scrutiny Panel looked, from a customer's point of view, at the processes for managing void properties.

10.2 Supported by the Housing Quality Network, members of the panel considered the procedures for dealing with empty council properties between a tenant giving notice and a new tenant moving in.

10.3 During the four month period the panel reviewed documents, interviewed officers involved in the different aspects of void management , attended officer meetings and sought feedback from customers.

10.4 Their report, recommendations and action plan were presented to the Joint Housing Board in July 2016.

10.5 At the time the panel met work was in progress to integrate the repairs service which was then delivered differently by each council. In Babergh a contractor, Morrisons, carried out repairs and Mid Suffolk had a Direct Labour Organisation.

10.6 In April of this year Babergh and Mid Suffolk Building Services came into being which provides a repair service on tenanted and void properties for both councils. This change which involves different roles and new members of staff means that void management will continue to be reviewed. The move to Endeavour House will also require us to change some of the current ways of working such as control of keys to void properties and arrangements for new tenants to sign a tenancy agreement.

10.7 An updated action plan is included with this report.

## 11. Appendices

Title	Location
(a) Appendix 1 Updated Action Plan	Attached

Authorship:  
Sue Lister  
Corporate Manager - Housing Options

01449 724758  
sue.lister@baberghmidsuffolk.gov.uk

Appendix 1 - Tenant Scrutiny Panel – VOID review action plan

Tenant Scrutiny Panel – VOIDS review

Action Plan update June 2017

No.	Recommendation from panel	Update June 2017
1	It is understood that the void lettable standard is to be reviewed and it is recommended that this is completed with tenants' involvement, taking into account the HCA standards. It needs to be established and recorded which department is responsible for managing, reviewing and monitoring the standard in the future. There needs to be agreement in terms of the standard being aimed for, where the priorities lie and how the standards compare to other similar Councils	The lettable standard is in the process of being reviewed by Property Services. It will be presented to a tenant focus group for comment.
2	That staff work with the tenants to produce target and performance information that can be understood and shared with tenants in an annual report and the tenant magazine as required in the HCA Tenant Involvement and Empowerment Standard ( HCATIES) Item 2.2.1. This should include comparisons with other similar Councils. This should be used routinely by all staff involved in the voids process so they know what they are aiming for and how the Councils are performing. It should be clear who this information is reported to, eg, which officers and which Council meetings	<p>VOID times are monitored monthly and staff receive regular performance updates</p> <p>Performance is also available on the Babergh and Mid Suffolk websites under Facts and Stats.</p> <p>For 2016/17 the average re-let time for all properties was 29 days in Babergh and 35 in Mid Suffolk. For those requiring only standard repairs it was 31 days for each council.</p> <p>HouseMark, a benchmarking organisation, shows that the highest quartile of similar landlords with whom we were compared in 15/16 had an average time of 19.50 days for standard repairs, with the median being 28.47 days.</p>
3	Efforts should also be made to see if improvements to the service could be made by looking at similar organisations' practices. For example to find out how many visits are made to voids and ensure best use is made of them.	<p>The process for managing void properties has changed with the introduction of Babergh and Mid Suffolk Building Services (BMBS). It was developed by an interim Corporate Manager who had experience of working for other social landlords.</p> <p>As an example there are now fewer visits to vacant properties. BMBS operatives are the first to visit properties once they become vacant. They are tasked with bringing them up to the lettable standard with a team leader supporting and monitoring the process. This removes the requirement for an initial inspection and schedule of work to be carried out.</p> <p>Two members of staff from Suffolk County Council with systems thinking experience looked at our data and procedures and offered to carry out more work once BMBS was established. This has now been picked up by Luke Godley Improvement and Involvement Officer who is carrying out a review of the void management process using a similar approach.</p> <p>The move to Endeavour House will require some changes to procedures to ensure teams work effectively together and to provide a good service for customers.</p>
4	The Councils should invest in supporting staff to adapt to the changes and share good practice across the two Councils and teams	<p>BMBS came into existence at the beginning of April with a new Corporate Manager, Justin Wright-Newton, starting work in December last year. There is now one staff team for both Councils.</p> <p>To support officers and operatives through a period of change, team building events have been held as well as Tool Box Talks at which any current issues can be discussed.</p>

**Appendix 1 - Tenant Scrutiny Panel – VOID review action plan**

		BMBS is working collaboratively with the Property Services Team and in order to develop good working relationships and procedures regular meetings are held with staff who allocate vacant properties.
5	Tenants continue to be involved to help to monitor performance to ensure a smooth transition from the current contractor and DLO to the new DLO from April 2017 to cover both Councils (HCATIES item 1.2c &e). Tenants need to be kept informed of the transition and any changes made. Interim arrangements need to be made regarding supervision and cleaning.	The latest edition of the Tenants Newsletter featured an article about BMBS on the front page. Justin Wright Newton has also attended the Tenants Forum and the Joint Housing Board.
6	Guidance factors are produced so that staff feel empowered to make the right decision and proceed confidently in using their discretion. This will also ensure the needs of different tenants are taken into account. For example, elderly or disabled tenants may need properties to be ready before letting.	The lettable standard dictates the work which is carried out in vacant properties and Property Services, in the client role, gives approval for improvements such as kitchens or bathrooms.
7	Tenants should be able to view items left by previous tenants and opt to keep and be responsible for items, unless there is a health and safety or clear maintenance issue. The tenant could be given a period of time (say a month) to decide if they want to keep the items. If they are not wanted they could be removed by the Council as a low priority (as opposed to high priority prior to letting) item. The Councils to review rechargeable policies and guidance for tenants, in consultation with tenants if the above is agreed to. Also guidance for voids officers regarding factors to consider such as the condition of the left items, the outgoing tenants (or tenant relative's) situation, choice and helpfulness for incoming tenants who may be on a limited budget. This will allow voids officers to use discretion within a framework	Items such as carpets which are in good condition are identified at the pre-termination visit and can be left for the new tenant, however safety issues and ongoing maintenance are of paramount importance.
8	The Councils give priority to ensuring voids are let in a clean condition. The Panel believes this would be cost effective as it would result in fewer refusals and a better relationship with tenants at the outset. The Panel believes that tenants are then more likely to respect the property and leave it in a good condition.	The lettable standard which operatives work to includes the cleanliness of properties.  Team leaders, who inspect properties once repairs have been completed, will ensure that a good standard of work and cleanliness is maintained.
9	That the Councils introduce a new tenant survey which captures views from ingoing tenants to a new property.	We were unable to use an application such as Survey Monkey as for data protection reasons we are not able collect personal data such as names and addresses.  As an organisation we are keen to increase opportunities to communicate with customers electronically rather than using paper forms as we have done in the past. We are in the process of procuring software to schedule repair jobs which includes the facility to message customers. This could be used in the same way as businesses such as hotels or garages routinely survey their customers and receive instant feedback.

# Agenda Item 7

## BABERGH DISTRICT COUNCIL and MIDSUFFOLK DISTRICT COUNCIL

<b>From: Justin Wright-Newton – Corporate Manager BMBS</b>	<b>Report Number: JHB/17/04</b>
<b>To: Joint Housing Board</b>	<b>Date of meeting: 19/06/2017</b>

### UPDATE ON BMBS BUSINESS PLAN AND IMPLEMENTATION PROGRESS

#### 1. Purpose of Report

- 1.1 To verbally update the Joint Housing Board on the current state of the BMBS Business plan and the implementation progress.

#### 2. Recommendations

- 2.1 Not Applicable

#### 3. Financial Implications

- 3.1 A review of the original business plan was carried out by ARK. This highlighted that the original plan was unrealistic, particularly around the area of the break even point and identified the need for more realistic expectations.

#### 4. Legal Implications

- 4.1 The formal constitution may need to be looked at in the long term if externally sought contracts were to be considered as contributing to generation of surplus. Legislation at the time would need to be reviewed and considered. Potentially BMBS may need to become an ALMO or Joint Venture.

#### 5. Risk Management

- 5.1 All risks are regularly assessed and reviewed at the ongoing BMBS project board meetings.

#### 6. Consultations

- 6.1 The Corporate Manager and Professional Leads for Property Services, HRA Accountancy Team and the BMSDC Interim Programmes Manager.

#### 7. Equality Analysis

- 7.1 There are no equality issues

#### 8. Shared Service / Partnership Implications

- 8.1 The close links with the Property Services Team (acting as client to the Councils) means that the services work as closely as any partnership, also working closely with the Housing team on Void Properties and development of the Voids Service.

## 9. Links to Joint Strategic Plan

9.1 This report is most closely linked to theme of being an Enabled and Efficient Organisation in looking to deliver high standards and a value for money repairs service that is both responsive and of high technical competence.

## 10. Key Information

10.1 Following a review of the original business plan, a consultant was employed to review the state of the Babergh Mid-Suffolk Building Services (BMBS) business. The outcomes formed the basis for the HRA plan and the revisiting and creation of a new BMBS business plan. This new plan is an ongoing task with realistic goals for completion in July 17.

10.2 The business plan looks at the short term strategic goals, focusing on the delivery, control, performance and improvement of the service with a long term view to develop the service as a more commercial concern, and the creation of a surplus to put back in to the HRA.

10.3 There are a number of key areas that require focus to enable the delivery of the new plan. Currently systems are being adapted to suit a different method of working. There has historically been a distinct lack of control and monitoring within the Open Housing system, and as such work is ongoing on the entire repairs process being reviewed with a business analyst from Suffolk County Council. Efficiencies are being identified, and as a result of the review implementing consistent processes and documenting these procedures will ensure longevity of the operation (enabling a consistent approach to training if there are future staff changes). There are significant cultural changes that also need to occur. Whilst this is a lengthy process, it is one that is already seeing changes within staff.

10.4 BMBS are developing “what it is that we want to offer” as a service. Ideally input from the JHB will assist in the development of the service and a formal “service plan”.

## 11. Appendices

Title	Location
(a) Appendix 1 Draft Service Plan	To Follow

Authorship:  
Justin Wright-Newton  
Corporate Manager BMBS

0330 1234000  
justin.wright-newton@baberghmidsuffolk.gov.uk

# Agenda Item 8

## BABERGH DISTRICT COUNCIL and MID SUFFOLK DISTRICT COUNCIL

<b>From: Improvement and Involvement Officer – Housing</b>	<b>Report Number: JHB17/06/08</b>
<b>To: Joint Housing Board</b>	<b>Date of Meeting: 19 June 2017</b>

### JOINT HOUSING BOARD FORWARD PLAN – 2017/18

**Date of the Board Meeting – 19 June 2017**

**Deadline for reports: 7 June 2017**

<b>Report Title</b>	<b>Lead Officer</b>
Anti-social behaviour policy	Corporate Manager – Income and Tenant Services
VOIDs Tenant Scrutiny Report – update on action plan	Corporate Manager – Housing Options
Fixed term (flexible) tenancies – verbal report	Corporate Manager – Housing Options
BMBS Business Plan update and implementation progress	Corporate Manager – BMBS

**Date of the Board Meeting – 17 July 2017**

**Deadline for reports: XX July 2017**

<b>Report Title</b>	<b>Lead Officer</b>
Resident Involvement review outcomes and next steps	Improvement and Involvement Officer
Performance Indicators for Supported Living	Improvement and Involvement Officer

**Items to be tabled:**

<b>Report Title</b>	<b>Lead Officer</b>
Vision for Supported Housing	Corporate Manager – Supported Housing
Locations of future Housing Board meetings including 2018 dates	Improvement and Involvement Officer
Business Plans – regular updates/reviews	Assistant Director – Supported Living
Babergh and Mid Suffolk Housing Strategy	Assistant Director – Supported Living
English Landscape and future of gardening service (after November 2017)	Corporate Manager - Income and Tenant Services
Procurement arrangements for Repairs and Property Services	Corporate Manager – Property Services/Corporate Manager – BMBS

**Authorship:**

Ann Hunter

Improvement and Involvement Officer

Tel: 01449 724770

Email: [ann.hunter@baberghmidsuffolk.gov.uk](mailto:ann.hunter@baberghmidsuffolk.gov.uk)



# Agenda Item 9

## BABERGH DISTRICT COUNCIL

<b>From: Cabinet Member for Housing</b>	<b>Report Number: <b>BOS/17/4</b></b>
<b>To: Overview and Scrutiny Committee</b>	<b>Date of meeting: 19 June 2017</b>

### THE HOUSING REVENUE ACCOUNT 30 YEAR BUSINESS AND FINANCIAL PLAN UPDATE 2017

#### 1. Purpose of Report

- 1.1 To enable Members to review and approve an updated 30 year Housing Revenue Account (HRA) business and financial plan for the district.
- 1.2 To appraise the Committee about changes made to the assumptions contained in the Housing Revenue Account financial plan, the reasons for these changes and the impact the changes have had on the 30 year financial position.
- 1.3 To inform Members how management of the HRA is being adapted to meet evolving needs and demands and to reflect legislative, financial and technological change.
- 1.4 To update the Cabinet on the development pipeline of new homes for the Babergh HRA.
- 1.5 To set out a roadmap for the transformation of the role of local authority housing and the HRAs in light of the significant financial challenges caused by changes to Government policy, the emerging Suffolk work on housing delivery and the Government's White Paper 'Fixing our Broken Housing Market' to create a sustainable and robust plan for the future.

#### 2. Recommendation to Cabinet and Council

- 2.1 That the updated 30 year HRA business and financial plan (Appendix A to BOS/17/4) be approved.

#### 3. Financial Implications

- 3.1 Changes in national policy over the last few years have fundamentally impacted on HRA finance. In 2011, the Government introduced the 'self-financing' regime. As a result, Babergh took on an additional £83.6m of debt. A debt cap was also set at £97.9m by the Government. The Council must demonstrate that it can operate within this debt cap after having taken into account its anticipated operating environment over a 30 year period and its forecast financing requirements. The Council's current debt is £84.8m leaving a headroom of £13.1m available.

- 3.2 More recently, the Government has introduced further structural change. This includes, an annual 1% reduction in rents for the years up to 2019/20, an increase in Right to Buy discounts and welfare reform. These have all added significant extra pressure to the 30 year financial plan. More detail is included in section 10.
- 3.3 The Government's proposal to impose a high value asset levy would weaken the financial position of the HRA still further. The detailed regulations around this have not yet been released by the Government and so, on advice from the Chartered Institute of Housing (CiH), no related assumptions have been incorporated into the financial plan.
- 3.4 The position of the financial plan has deteriorated since the last review mostly due to increasing RTB sales and the resulting reduction in rental income. The capacity for Babergh's HRA to absorb the impact is challenging but manageable. Updating the assumptions used in constructing the HRA financial plan has been critical for the Council.

#### 4. Legal Implications

- 4.1 The plans outlined in this report are designed to maintain legal compliance.

#### 5. Risk Management

- 5.1 This report is most closely linked with the Council's Significant Business Risk No. 1a – Housing Delivery. Key risks are set out below:

The risk register identifies the following risks. New mitigations have been added.

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to identify detailed housing requirements for local area will undermine our ability to deliver the right homes in the right places.	2 (Unlikely)	2 (Noticeable)	Creation of joint housing strategy including strategy for HRA assets.
Failure to manage our corporate and housing assets effectively will result in diminishing value of the stock and ineffective delivery of JSP outcomes.	2 (Unlikely)	3 (Bad)	Ensure HRAs are robust and sustainable. Explore options for making most effective use of housing assets. Review housing management arrangements based on customer insight and on delivering JSP outcomes.
Failure of the Councils to respond to the external funding environment could result in the Councils' operations no longer being financially sustainable.	2 (Unlikely)	4 (Disaster)	Annual review of HRA financial plans incorporating necessary changes to key assumptions. Develop and deliver mitigation measures to sustain viability.

Staff within the organisation not having the right capacity and capability to deliver the strategic priorities of the councils and to work within the wider local government system	2 (Unlikely)	3 (Bad)	<p>Developing our understanding of operational costs and customer value.</p> <p>Developing a staff culture that is customer focussed and drives delivery of JSP outcomes.</p>
---	--------------	---------	---

## 6. Consultations

6.1 The consultation and decision programme is as follows:

Cabinet pre-briefing	31 May 2017
Overview and Scrutiny	19 June 2017
Joint Housing Board	19 June 2017
Cabinet briefing	29 June 2017
Cabinet	13 July 2017
BDC Full Council	18 July 2017

## 7. Equality Analysis

7.1 There are no equality and diversity implications arising directly from this report. Thorough EIAs will be conducted on any substantial changes to our management service or asset management and investment plans.

## 8. Shared Service / Partnership Implications

8.1 Babergh and Mid Suffolk Councils currently operate with an integrated officer team. The radically different financial positions of the two Councils' HRAs will create challenges going forward. The options open to the Councils to deliver the best outcomes will be different and although these will be handled carefully, it will limit the extent to which future strategies can be replicated across both Councils.

Efficiency savings need to be made in the Mid Suffolk HRA in order to maintain financial compliance. No savings are required in the Babergh HRA. This could drive differential service levels.

## 9. Links to Joint Strategic Plan

9.1 Maintaining sustainable and compliant HRA financial plans is fundamental to delivery of the Joint Strategic plan. HRA financial planning has a key role to play in the delivery of four outcomes:

- Housing Delivery
- Community capacity and building engagement
- Assets and investment
- Enabled and efficient organisation

## **10. Key Information**

- 10.1 The business, financial plan and supporting information explains the assumptions that have changed since previous plans. It details the implications of the changes for the Council and how it is proposed to manage the impact. It includes a draft roadmap for a transformation of the role of the HRA which will be initiated by our response to the financial context, the Suffolk Housing work and the Government's white paper 'Fixing our broken housing market'.
- 10.2 In summary the key contextual changes that have impacted on the sustainability of the HRA are:

### **Localism Act 2011**

#### **Self-financing**

The Act replaced the HRA subsidy system with a system of self-financing, the most radical changes for 30 years to the way in which Councils manage their Council house finances. From April 2012, Babergh took on a share of the national housing debt calculated by the Government as its debt settlement.

#### **Right to buy**

The discount was increased to 70% of value or £77,900 whichever is the lower. This led to a substantial increase in the number of sales which will result in a significant reduction in the Council's future rental income.

#### **New model of affordable housing**

The affordable rent tenure regime sets maximum rents for this tenure at up to 80% of local market rents and applies to all new build schemes receiving grant from the Homes and Communities Agency including new council housing.

### **Welfare Reform Act 2012**

#### **Social rent reduction**

A reduction in rents by 1% a year for four years (until 2019/20). This has a major impact on long term HRA financial planning.

#### **Universal credit**

A replacement for six means tested benefits and tax credits with one universal payment. UC will be rolled out in Babergh in late 2017/early 2018.

#### **Spare room subsidy**

A reduction in housing benefit for working age tenants who under occupy their homes. This has resulted in greater demand for one and two bedroom Council properties.

#### **Benefit cap**

A cap on the maximum households can receive in benefits to £20,000. For single people without children, the cap is £13,400.

## **Housing and Planning Act 2016**

### **High income social tenants – mandatory rents (Pay to Stay)**

The Act provides local authorities with the option to charge higher rents to tenants with a household income exceeding £60,000. The Council has decided not to adopt Pay to Stay.

### **High Value Asset Sales**

The Act imposes a duty on local housing authorities to consider selling higher value homes when they become vacant. The definition of “higher value” will be clarified by regulations yet to be made. The payment will take the form of a levy, giving local authorities a choice in how they raise the funds. The money will fund housing association Right to Buy discounts and new house building. As the rules around this issue have yet to be published we have not yet included anything in our assumptions on it.

- 10.3 The work undertaken forecasts that the Babergh HRA will continue to operate within its debt cap throughout the life of the plan. The HRA maintains sufficient headroom to fund its forecast capital financing requirements including a significant development programme of new homes.
- 10.4 The Mid Suffolk HRA is not in a strong position and operational efficiencies are required. Although there is no compelling need to make such efficiencies for Babergh it is clearly good business practice to make improvements where possible. Annual operational savings of £30,000 for 3 years from 2018/19 have been assumed. An explanation of how these savings will be achieved is contained in the business and financial plan report.
- 10.5 Revised Babergh & Mid Suffolk Building Services (BMBS) financial forecasts have been included in the overall HRA financial plan. An initial review of the BMBS plan identified some areas of concern and work has now been completed to revisit and verify the costs and assumptions in the plan and its future business strategy.
- 10.6 A project team was established to understand HRA income and expenditure from an operational perspective and to establish an approach to assessing productivity. This work has produced the cost savings plan included in the report.
- 10.7 There is an absolute need for the Councils to develop an overall strategy for housing and within it the role of local authority housing going forward. This was identified during the development of the Joint Strategic Plan and continues to be a priority given the delivery of housing and the ability to meet need across existing and new housing remains a major challenge.
- 10.8 The Government’s white paper provides a trigger for this work, building on our own housing strategy and alongside work already underway in the wider Suffolk space, including the Suffolk Strategic Planning and Infrastructure Framework, Suffolk Housing Proposal which will inform the NALEP new Economic Strategy and the Suffolk older persons housing strategy.
- 10.9 An initial roadmap for developing this approach is included in the attached document. As part of this work it will be vital to consider:

- the role of local authority housing in the overall housing market in meeting need
- the future possible necessity to consider cross subsidy with general fund housing to deliver a sustainable local authority model
- use of the Council's own housing assets
- investment in new housing
- developing new approaches to tenure so our assets are used to maximum effect
- our relationship with residents which focuses on increased independence and pathways to employment or care.

## 11. Appendices

Appendix A  Housing Revenue Account 30 year business financial plan Update 2017	Attached
---	----------

**Kevin Jones**

01449 724704

[kevin.jones@babberghmidsuffolk.gov.uk](mailto:kevin.jones@babberghmidsuffolk.gov.uk)

**BDC Housing Revenue Account  
30 Year Business and Financial Plans**

**Update 2017**

## Table of Contents

<b>1.</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>2.</b>	<b>BACKGROUND .....</b>	<b>4</b>
	JOINT STRATEGIC PLAN .....	4
	FUTURE VISION FOR HOUSING .....	5
	LEGISLATIVE FRAMEWORK .....	6
	THE DISTRICT .....	9
<b>3.</b>	<b>30 YEAR FINANCIAL MODEL .....</b>	<b>12</b>
	ASSUMPTIONS .....	12
	RATIONALE FOR ASSUMPTION ADJUSTMENTS .....	12
<b>4.</b>	<b>30 YEAR FINANCIAL PLAN .....</b>	<b>13</b>
	SCENARIO TESTING .....	16
<b>5.</b>	<b>GROWTH AND BUILDING NEW COUNCIL HOMES .....</b>	<b>18</b>
<b>6.</b>	<b>INCREASING FINANCIAL CAPACITY AND IMPROVING EFFICIENCY .....</b>	<b>19</b>
	HRA COST REDUCTION STRATEGY .....	19
<b>7.</b>	<b>BABERGH AND MID SUFFOLK BUILDING SERVICES (BMBS).....</b>	<b>25</b>
<b>8.</b>	<b>THE HOUSING SERVICE.....</b>	<b>28</b>
<b>9.</b>	<b>BUSINESS PLAN OWNERSHIP AND REPORTING .....</b>	<b>31</b>
	<b>Appendix A – Summary Improvement Plan.....</b>	



## 1. EXECUTIVE SUMMARY

This narrative, in combination with the 30 year financial model, forms the Business Plan for the Housing Revenue Account (HRA). The plan examines various scenarios to assess the impact of a shifting financial landscape and changing government policy. It also identifies the risks to the financial strength of the HRA and how the Council will manage and mitigate those risks.

Babergh District Council has ambitious plans to transform its role in meeting housing need, developing new homes, managing its existing housing assets, supporting its tenants and also has the financial capacity to deliver the following:

- The Babergh District Council HRA is in a strong position. Although financial analysis shows that it faces some substantial challenges in the coming years, the underlying strength of the HRA means the Council can maintain compliance and support new homes building.
- Although strong, the financial position in the plan has deteriorated since the last review mostly due to increasing predications on Right To Buy (RTB) sales and the resulting reduction in rental income.
- Regardless of the financial position, the needs and aspirations of the District's diverse communities are changing and the way the Council operates and manages its HRA must adapt in order to deliver the outcomes agreed in the Joint Strategic Plan.
- The Council has already embarked on an ambitious grant funded new build programme that will deliver 27 new homes for rent and shared ownership by 2018. The Council has now approved a new joint affordable homes development strategy with MSDC which lays out a direction and methodology for the delivery of approximately 150 new build homes over the next three years. The majority of which will be for rent and managed within the HRA.
- The work that has been done to understand and measure risk and to stress test the underlying financial strength of the 30 year HRA business plan, indicates that despite the financial challenges of welfare reform and specifically Universal Credit, the 1% rent reduction and increasing RTB sales the Council's HRA is financially robust with the capacity to contribute to the delivery of several Joint Strategic Plan outcomes.
- The previous Government indicated its intention, in the Housing and Planning Act 2016, to introduce a high value asset levy on local authorities. The expectation is that Councils will sell high value homes when they become vacant, although Councils would be able to raise funds to meet the levy in other ways. No detail on the levy had been announced prior to dissolution of parliament and on the advice of the Chartered Institute of Housing (CIH), no account has been taken of it in the financial plan. If the new Government proceeds with implementation it would significantly reduce HRA financial capacity.

## 2. BACKGROUND

### JOINT STRATEGIC PLAN

Through the Joint Strategic Plan, Babergh and Mid Suffolk District Councils' vision is to create an environment where individuals, families, communities and businesses can thrive and flourish. The plan aims to deliver five strategic outcomes. The HRAs will contribute to the following four JSP outcomes.



HRA business planning has a key role to play in the delivery of all four outcomes but is particularly fundamental to the Housing Delivery and Assets and Investments outcomes.

The business plans sit very firmly in the wider businesses of both Councils and needs to be understood in the context of the Councils':

- Housing delivery strategy
- Joint local plan
- Assets and investment strategy
- Joint Affordable Homes Development strategy
- Public access and accommodation strategy (All Together programme)

And the:

- Suffolk Strategic Planning and Infrastructure Framework
- Suffolk Housing Proposal which will inform the NALEP new Economic Strategy
- Suffolk older persons housing strategy

## FUTURE VISION FOR HOUSING

The Government's white paper "Fixing our broken housing market" published in February 2017 evidenced the "broken" nature of the UK's housing market and identified the root cause as insufficient new home building over decades.

Although the White Paper was light on detail around substantial change to the housing market and did not, for example, modify the current approach to Council borrowing or rent setting, it does present an opportunity for the Councils to reconsider the long term role of the HRAs in delivering the outcomes described in the Joint Strategic Plan (JSP).

This is timely given the work already underway in Suffolk around regional housing strategy, identifying the role local authorities will play in accelerating delivery as well as influencing what is delivered, and where Councils might reimagine the role their housing assets will play in meeting future need.

Whatever future strategy is adopted, we will need to test how far the Councils will want to continue being landlords and how the Councils will deliver the best service at the lowest cost, manage within the statutory financial framework whilst maximising provision of new or reconfigured housing for future and existing residents. We need to continue and strengthen the move away from a generic, paternalistic approach with our tenants to one that is much closer aligned to delivery of JSP outcomes.

This means a renewed focus on the role of the Councils' housing, increasing income, and improving performance, efficiency, productivity and value for money.

The Councils recognise that council housing residents have individual needs and requirements and that this demands intelligent services tailored to different customer segments. Much good work is already underway, for example, in the way the Council deals with income management through use of customer insight to drive a resident focussed approach that is efficient and effective.

New ways of working will need to be devised that will enable us to target our limited resources at residents that need our help most at a particular point in their lives. We will need to extend use of new technology and financial tools to enable us to better understand our assets, and our residents and what they value, in order to make us more cost effective and create additional capacity to deliver Council priorities for the HRA.

There are a number of other emerging strategies and reviews that will either feed into or impact on the HRA Business Plan in the coming year some directly, some indirectly. These are:

Item	Date
BMBS Review	May 2017
B&MSDC housing strategy	May 2017
NALEP economic strategy (published)	September 2017
Suffolk housing proposal commences	May 2017
Government white paper response finalised	May 2017
Suffolk Strategic Planning and Infrastructure Framework	Summer 2017
Review of the role of the HRA	Autumn 2017
B&MSDC Supported Living review	Winter 2017
Suffolk older persons housing strategy	Winter 2017

## LEGISLATIVE FRAMEWORK

There have been several legislative changes in recent years that have had an impact on the sustainability of the Council's HRA business plan. The changes and the impacts are outlined below.

### **Localism Act 2011**

#### **Self-financing**

The Act replaced the HRA subsidy system with a system of self-financing, the most radical changes for 30 years to the way in which Councils manage their Council housing finances. From April 2012, Babergh took on a share of the national housing debt calculated by the Government as its debt settlement. The self-financing debt settlement figure was £83.6m. Babergh's total maximum loan portfolio became £97.9m (the debt cap). The current debt is £84.8m leaving headroom of £13.1m.

The introduction of self-financing required the Council to take a long term strategic approach to its finances using a 30 year business plan. The plan must take into account the environment in which the Council is operating. It must be robust and sustainable over a 30 year period having taken into account reducing Government subsidy and its requirements to finance:

- The housing service
- Investment and maintenance of its existing assets
- New homes development

#### **Right to Buy**

The discount was increased to 70% of value or £77,900 whichever is the lower. This led to a substantial increase in the number of sales which will result in a significant reduction in the Council's future rental income.

### **New model of affordable housing**

The affordable rent tenure regime sets maximum rents for this tenure at up to 80% of local market rents and applies to all new build schemes receiving grant from the Homes and Communities Agency (HCA) including new council housing. The Council can increase rents on vacant homes when re-let but only if the increased revenue contributes to development capacity. The Council will need to determine its policy on this point. This is noted at line M in the Improvement Plan in appendix 1.

## **Welfare Reform Act 2012**

The Government's welfare reform measures are aimed at:

- reducing the overall benefits bill
- increasing incentives to work
- promoting independence and self-reliance
- creating greater fairness in the welfare system between those on out of work benefits and taxpayers in employment
- reducing long term dependency on benefits

### **Social rent reduction**

The reduction in rents by 1% a year for four years (until 2019/20). This has a major impact on long term HRA capacity.

### **Universal credit (UC)**

A replacement of six means tested benefits and tax credits with one universal payment. UC will be rolled out in Babergh in late 2017/early 2018. Based on evidence from pilot programmes, its introduction will substantially increase risks around rent arrears and bad debts.

### **Spare room subsidy**

The reduction in housing benefit for working age tenants who under occupy their homes has resulted in greater demand for one and two bedroom Council properties.

### **The benefit cap**

A cap on the maximum a household can receive in benefits to £20,000 per annum. For single people without children, the cap is £13,400.

## **Housing and Planning Act 2016**

The Housing and Planning Act made widespread changes to housing policy and the planning system. The Act is intended to promote homeownership and boost levels of housebuilding in England. The key changes affecting Council housing are:

### **High income social tenants – mandatory rents (Pay to Stay)**

The Act provides local authorities with the option to charge higher rents to tenants with a household income exceeding £60,000. The Council has decided not to adopt Pay to Stay.

## **High Value Asset Sales**

The Act imposes a duty on local housing authorities to consider selling higher value homes when they become vacant. The definition of 'higher value' will be clarified in regulations yet to be published. The payment will take the form of a levy, giving local authorities a choice in how they raise the funds. The money will fund housing association Right to Buy discounts and new house building.

As the detail around this issue has yet to be published, and on advice from the CIH, we have not included anything in our financial assumptions relating to it. There is the potential for implementation to have a significant negative impact on the HRA.

### **Fixed Term Tenancies**

Lifetime (secure) tenancies for Council houses will be replaced with finite or fixed term tenancies of up to ten years. All other tenancy rights, including the right to buy, will remain.

The Housing Minister reaffirmed the Government's commitment to these policies in a letter to local authorities in November 2016 and in the February 2017 White Paper 'Fixing our broken housing market'. Implementation appears likely to be April 2018 at the earliest.

## THE DISTRICT

### **Demographic information**

#### **Population**

Babergh is a rural district with a population of approximately 88,840, with its main population areas being Sudbury, Cornard and Hadleigh. Since the publication of the last business plan (2012), there has been an increase in the population of the district of 2,840.

Suffolk's population is growing, but more slowly than regional and national trends. Since 2009, the rate of growth in Suffolk has slowed down and the county's population has increased by around 3 per cent compared with 4 per cent for England and 5 per cent for the East.

Across Suffolk's districts, population changes have been very different. For example, Babergh is growing particularly slowly and in contrast Mid Suffolk is growing faster than the average of England.

The latest population estimates for age composition in Babergh's Housing Market Area (SHMA) shows that between 2005 and 2015 the number of people aged 60 or over markedly increased. In contrast, the number of people aged between 30 and 44 decreased.

Babergh's population is forecast to increase by 10% to 96,400 by 2035. According to this growth forecast figure, 12,927 people are expected to be aged over 80 (13.4%). This poses challenges for us in terms of how we adapt our services and work with our communities to meet the needs of an ageing population.

Rurality is pertinent to the issue of housing need because rural households are exposed to a series of additional challenges including extra transport costs, particular housing needs (such as higher domestic fuel costs) and access to essential services, educational choices and employment opportunities.

Research suggests that people living in rural villages and hamlets need to be able to spend between 15 and 25 per cent more than their urban counterparts in order to be able to afford the same, minimum socially acceptable standard of living. (Hidden Needs Report 2011-2016). This means that income deprivation in rural households has an even greater impact than it does in urban areas. For people living in poverty and hardship and for those on low income, difficulties are exacerbated by barriers to accessing services and the higher additional costs associated with living in the countryside.

#### **Household Size**

The Census 2011 shows that the average household size has changed since 2001. In Babergh the average household size was 2.35 in 2001, dropping to 2.30 in 2011. The population has increased at a slower rate than the number of households between 2001 and 2011, resulting in a falling average household size.

### **Household composition**

Figures taken from the Census 2011 indicate that there are more one person households than any other household type in the Babergh district. The overall household distribution does not differ notably from the regional and national averages.

### **Change in household types**

The Census 2011 looks at the percentage change in household groups between 2001 and 2011 at district level. The figures show that lone parent households have increased most notably and that there has been a fall in the number of couple households.

Overall, in the Housing Market Area (SHMA), it is interesting to note that households with non-dependent children have increased whilst the number of households with dependent children has decreased. This suggests that household formation rates amongst young adults may have reduced.

### **The housing market**

Babergh is a relatively expensive places to live, partly because of the desirability of the area, and partly because the supply of new homes of all types has not kept pace with the demand over recent years. For many residents including young families, this makes owning their own property impossible in the short to medium term.

The high cost of housing in Babergh, together with relatively low average earnings suggests a strong and ongoing need for affordable housing. The median house price to salary ratio is 10.5. This is against a national average of 6.96.

In August 2016, the average price of a house in Babergh was £262,393, 10% higher than the national average of £235,573 and an increase of 11.6% from August 2015 when the average price was £235,183. The average first time buyer will pay around £231,323 for their first home. An average former owner occupier will pay around £311,280. The average private rent per calendar month is £635 in Babergh.

Many of the Council's tenants are facing hardship caused by the rising costs of basic goods and services in particular rising energy bills. The high cost of housing, together with relatively low earnings suggests a strong and ongoing need for affordable housing.

### **Economic factors**

The district of Babergh has a small local economy with much of the workforce commuting outside Suffolk. Many local jobs are less skilled and lower waged than elsewhere in the country which has an effect on housing affordability. Babergh has an unemployment rate of 3.2%, below the UK average of 5.1%. Latest information (November 2016) shows there were approximately 4,020 (7.8%) benefit claimants in Babergh. The East has 9.6% and the Great Britain average is 11.8%. Babergh has 2048 recipients of part or full housing benefit and 455 (0.9%) out of work benefit claimants.



## Council housing stock

Table 1 provides details of Babergh's current housing stock.

	Bungalow	Flat	House	Total
General needs	877	372	1795	3044
Sheltered	100	245	0	345
Shared ownership	0	3	0	3
Leasehold	0	97	0	97
Temporary accommodation	0	16	0	16
<b>Total</b>	<b>977</b>	<b>733</b>	<b>1795</b>	<b>3505</b>

Table 1

The Council also owns and manages 1,216 garages.

Total rental income receivable from houses and garages for 2016/17 was £16,996,226. This figure includes, rental income (including compulsory garage rent), garage income and service charges. The average rent for 2016/17 was £90.90.

## Housing need

Table 2 provides details of the number of people on the Council's housing register. Vacant dwellings are allocated through a Choice Based Lettings system (Gateway to Home Choice) in partnership with seven other local authorities.

### Number of people on waiting list (*by need*) at November 2016

Band	A	B	C	D	E	Total
1 bed	8	51	188	25	248	520
2 bed	41	59	86	8	173	367
3 bed	4	35	10	2	70	121
4 bed	1	6	1	1	4	13
5 bed	0	2	0	0	0	2
<b>Total</b>	<b>54</b>	<b>153</b>	<b>285</b>	<b>36</b>	<b>495</b>	<b>1023</b>

Table 2

Around 50% of those on the waiting list are in the lowest band – these people are considered adequately housed, typically those in private rent, owner occupiers and those with an existing social housing tenancy which is deemed suitable. These people have no particular need to move.

The number of people on the Council's housing register has decreased since 2012. This may be attributed to the introduction of Choice Based Lettings (CBL). CBL is a more transparent way of advertising and allocating housing and allows applicants to

see how likely it is that they will be housed by the Council – this may deter people from joining the register if they would be a low priority.

### 3. 30 YEAR FINANCIAL MODEL

#### ASSUMPTIONS

Since the previous iteration of the business plan, a range of assumptions have been adjusted to reflect the current operating environment, future pressures and capacity. Table 3 shows the previous assumptions in the plan and the new assumptions whilst Table 4 shows the assumptions that are unchanged.

Item	Current Assumption	New Assumption
Rent Increase	CPI+1% for the life of the plan after the 4 year rent reduction policy stops	CPI <u>only</u> for 2 years after the 4 year rent reduction policy stops, then CPI+1% for the remainder of the plan
Provision for Bad Debt	0.51% all Years	0.25% increase each year for the next three years, plateau for two years followed by reduction by 0.25% for two years then fixed for the life of the plan
Right to Buy Sales	27 sales for all years to Year 15 then 4 sales each year for the remainder of the plan	27 sales each year to year 11 then 20 each year for the remainder of the plan

Table 3

Description	Unchanged Assumption
Basis for settlement	Potential to repay settlement loan by Year 25
Inflation and Interest rates	RPI - 2.5% CPI – 1.5%
Management costs	Inflation long term at 2.5%
Voids – BDC/MSDC	0.93%/1.26%
Repairs costs	Inflation long term at 2.5%

Table 4

#### RATIONALE FOR ASSUMPTION ADJUSTMENTS

##### **Rent Increase**

Although difficult to predict, the assumption made on rent increases is that Government policy may not return directly to CPI+1% following 4 years of rent reduction. The assumption on rents is cautious but since the impact can be profound it is considered appropriate to model a small period at CPI only (1.5%) and then a return to CPI+1% for the remainder of the plan. The previous Government's white paper made it clear that the rent reduction regime would continue as planned (until 2020) but that this might be eased subsequently. In the absence of a firm commitment, a prudent approach is appropriate.

### **Bad Debt**

The assumption made on provision for Bad Debt has changed significantly and reflects the predicted impact of the roll-out of Universal Credit on arrears levels. The assumption is a sharp rise, a plateau as tenants become more familiar with the system then a reduction and further plateau marginally higher than the starting point for the remainder of the plan.

### **Right to Buy**

Right to buy sales have a significant impact on future rental streams and on capital 'match funding' where receipts are kept for future acquisitions or development. BDC has seen an increase in sales at around 32 per year for the last two years. Given the impact, it is considered prudent to model this to year 11 followed by a tailing off of sales. The previous iteration of the plan had 4 sales per year for the final years of the plan. This has been adjusted to 20, a figure considered more realistic in light of current sales and government policy.

### **Babergh and Mid Suffolk Building Services (BMBS)**

There was no specific identification of the new building company within the previous business plan. A new tab has now been added to the plans with predicted costs of the venture and its projected losses and surpluses apportioned across the two Council HRA financial plans. The BMBS business plan projections have undergone detailed review as there were concerns about the projections and costs and the reliability of those figures in the original plan. A summary of the key elements of this review can be found in Section 7 below.

## **4. 30 YEAR FINANCIAL PLAN**

Financial analysis shows that the Babergh HRA has deteriorated slightly since previous iterations. Despite this the medium term projections remain strong. The projections indicate a long term closing balance position well above the minimum policy £1,000,000 baseline and then increasing in strength over time. No debt cap breach is projected and capital expenditure remains fully covered for the life of the plan

It must be remembered that this is based upon revised and prudent assumptions, in reality the position is likely to improve slightly. No urgent action is required but normal good business practice is to require efficiencies to be identified continuously. The impact of these can be seen in the charts 1 and 2 below and include:

- A reduction of management and other overhead costs
- An improvement in performance especially in void management

### BDC Specific Efficiency Savings

Beyond good business practice, no efficiency savings are required. Work has been focussed on directing resources within the HRA to build development capacity instead. In addition to existing known developments, the plan, at present, has the capacity for 30 new-build properties per year from 2018/19 and for a further 4 years; 150 additional new homes in total. Stress testing suggests that 40 per year over the same period break the plan and the debt cap is breached. Negotiation is already ongoing for 27 new homes in 2018/19 so the assumptions fit well with our emerging pipeline. A detailed analysis of the efficiency plan can be found in Section 6 below.

### Charts illustrating the Babergh HRA financial position before and after efficiencies and development are applied;

Chart 1 – Pre efficiency plan (£m)

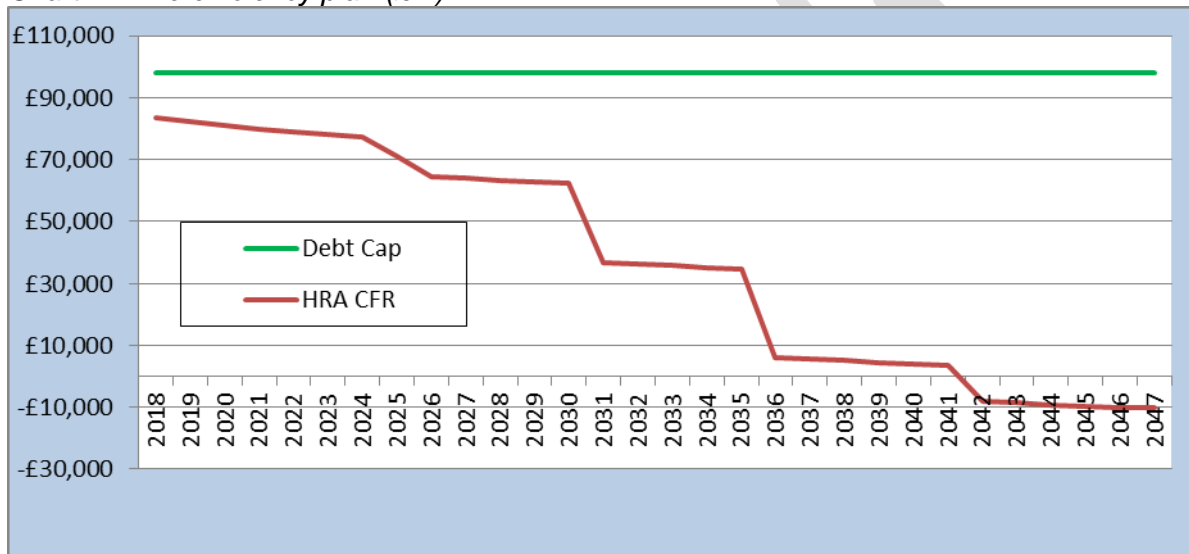
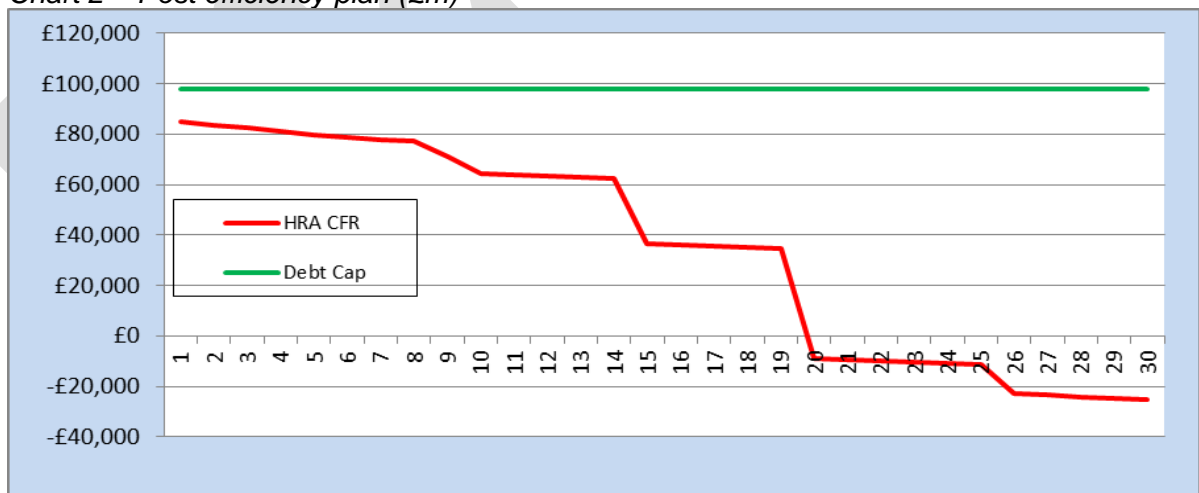


Chart 2 – Post efficiency plan (£m)



## HOUSING REVENUE ACCOUNT 5 YEAR PROJECTIONS

### Babergh District Council

Year	2017.18	2018.19	2019.20	2020.21	2021.22
£'000	1	2	3	4	5
<b>INCOME:</b>					
Rental Income	16,139	15,974	15,821	16,073	16,343
Void Losses	-150	-148	-147	-149	-151
Service Charges	540	540	540	540	540
Non-Dwelling Income	192	192	192	192	192
Grants & Other Income	38	38	36	37	38
<b>Total Income</b>	<b>16,760</b>	<b>16,597</b>	<b>16,444</b>	<b>16,693</b>	<b>16,962</b>
<b>EXPENDITURE:</b>					
General Management	-2,214	-2,026	-2,062	-2,078	-2,151
Special Management	-889	-916	-940	-968	-997
Other Management	-198	-188	-141	-84	28
Rent Rebates	0	0	0	0	0
Bad Debt Provision	-115	-154	-191	-194	-157
Responsive & Cyclical Repairs	-2,257	-2,186	-2,134	-2,168	-2,225
<b>Total Revenue Expenditure</b>	<b>-5,674</b>	<b>-5,470</b>	<b>-5,468</b>	<b>-5,493</b>	<b>-5,502</b>
Interest Paid	-2,803	-2,776	-2,727	-2,692	-2,662
Finance Administration	0	0	0	0	0
Interest Received	16	33	31	29	34
Depreciation	-2,721	-2,721	-2,721	-2,721	-2,789
<b>Net Operating Income</b>	<b>5,577</b>	<b>5,663</b>	<b>5,558</b>	<b>5,816</b>	<b>6,043</b>
<b>APPROPRIATIONS:</b>					
Revenue Provision (HRACFR)	-500	-500	0	0	0
Revenue Contribution to Capital	-5,605	-5,934	-5,796	-6,332	-3,294
<b>Total Appropriations</b>	<b>-6,105</b>	<b>-6,434</b>	<b>-5,796</b>	<b>-6,332</b>	<b>-3,294</b>
<b>ANNUAL CASHFLOW</b>	<b>-528</b>	<b>-771</b>	<b>-238</b>	<b>-517</b>	<b>2,749</b>
Opening Balance	7,536	7,008	6,237	5,999	5,483
<b>Closing Balance</b>	<b>7,008</b>	<b>6,237</b>	<b>5,999</b>	<b>5,483</b>	<b>8,232</b>

Table 5

The HRA Business Plan model is used to forecast dwelling rent and other income, loan interest payments and Revenue Contributions to Capital. The budget for the current year has already been agreed and shows general management costs dropping over the 5 year period as a result of efficiencies. There is a negative position on cash flow each year until year five but the closing balance remains strong over the period.

**HOUSING 5 YEAR CAPITAL PROJECTIONS**  
**Babergh District Council**

Year	2017.18	2018.19	2019.20	2020.21	2021.22
£'000	1	2	3	4	5
<b>EXPENDITURE:</b>					
Planned Variable Expenditure	0	0	0	0	-7
Planned Fixed Expenditure	-4,441	-6,228	-5,299	-5,764	-3,037
Disabled Adaptations	-200	-200	-200	-200	-200
Other Capital Expenditure	-4,540	-3,200	-3,520	-3,840	-4,000
New Build Expenditure	-469	-53	0	0	0
<b>Total Capital Expenditure</b>	<b>-9,651</b>	<b>-9,681</b>	<b>-9,019</b>	<b>-9,804</b>	<b>-7,245</b>
<b>FUNDING:</b>					
Major Repairs Reserve	3,001	2,721	2,101	2,253	2,684
Right to Buy Receipts	66	66	66	66	66
HRA CFR Borrowing	0	0	0	0	0
Other Receipts/Grants	66	0	0	0	0
HRA Reserves	912	960	1,056	1,152	1,200
Revenue Contributions	5,605	5,934	5,796	6,332	3,294
<b>Total Capital Funding</b>	<b>9,651</b>	<b>9,681</b>	<b>9,019</b>	<b>9,804</b>	<b>7,245</b>

Table 6

Capital spending remains constant throughout the life of the plan although in the current year planned expenditure has been lowered pending the outcome of stock condition and asset appraisal work. This is then predicted to increase in year 2 and then drop from year 3 onwards.

**SCENARIO TESTING**

The Business Plan financial model created and supported by the Chartered Institute of Housing enables us to forecast income and expenditure and their impacts on the financial health of the HRA over a 30 year period.

There are a number of factors which will have a significant impact on the HRA finances. Scenario Testing is important in order to assess the relative scale and impact of changes from the base assumptions in the HRA Business Plan financial model.

The greatest risk to the sustainability of the HRA at this time is the levy on the sale of high value assets (HVAs). In the autumn statement 2016 the Government announced that the levy would not be introduced in 2017/18. The size of the levy remains unclear at the time of writing and, because of this uncertainty, we have not built any assumptions into the financial plan relating to it, on advice from the CIH.

Table 7 - Sensitivities against the base Business Plan

Sensitivity	Year 30 HRA Base Position £m	Year 30 ("Cost") / Benefit to HRA £m
30 Year Base Position	130.2	-
High Value Asset Levy £750k	108.4	(21.8)
1% increase in CPI	183.2	53
1% reduction in CPI	89.6	(40.6)
1% annual increase in capital programme building costs	108.9	(21.3)
Rents increased only by CPI	64.3	(65.9)
2 extra Right to Buy sales per year	126.2	(6)
5 fewer Right to Buy sales per year for four years	140.4	10.2

Table 7

## 5. GROWTH AND BUILDING NEW COUNCIL HOMES

BDC's HRA has headroom of £13.1million in 2017/18 rising to £18.9m in 2021/22, making a strong programme of new building and acquisition of council housing an option and a priority for the Council. The Council has already embarked on an ambitious grant funded new build programme that will deliver 27 new homes for rent and shared ownership by 2018. The Council has recently approved a new affordable homes development strategy which lays out a direction and methodology for the delivery of approximately 150 new build homes over the next three years.

While we build our intelligence base to inform longer term development plans, we have the following development and acquisition activity happening already:

- We have commissioned a desk top exercise which will identify all existing HRA land and potential regeneration opportunities. These opportunities will then be reviewed and appraised to create a pipeline of estate regeneration based delivery.
- We are working with private developers to secure direct purchase of new build homes to utilise RTB receipts and ensure the viability and sustainability of such acquisitions.
- We will work with agents to source land opportunities for development. The level of funding required will be dependent on opportunities but a fund will be set aside to support this.
- The existing HQ site in Hadleigh may (amongst other things) provide opportunities for HRA investment in housing. Options for the site will be developed in late 2017.

We are developing a pipeline of new HRA homes using HRA resources including: earmarked development funds; Right to buy receipts; Homes and Communities Agency Grant Funding; existing HRA owned land such as garage sites. Housing developments will also be brought forward by taking opportunities which arise within the HRA estate by making best use of our existing HRA assets to maximise development opportunities:

- Turnover of HRA homes – voids
- Garden severances and infill opportunities
- Garage site opportunities
- Review of existing housing that is no longer fit for purpose as a result of low demand or the asset is uneconomical to maintain or has a high value
- Joint ventures with neighbouring landowners



## 6. INCREASING FINANCIAL CAPACITY AND IMPROVING EFFICIENCY

### HRA EFFICIENCY IMPROVEMENTS

Unlike the Babergh DC HRA, the Mid Suffolk DC HRA needs to achieve efficiencies. The Mid Suffolk HRA is forecast to breach its debt cap in around 8 years' time if no corrective action is taken. There is no threat of the Babergh DC HRA breaching the debt cap.

Financial analysis shows that operational efficiency gains of £300,000 over a 3 year period starting from 2018/19 will prevent a breach of the debt cap in the Mid Suffolk HRA. The Supported Living team has developed an efficiency plan to deliver these savings.

There is no pressing financial need for the Babergh HRA to operate more efficiently and one approach could be to deliver different service level to residents in the two Councils based on what the HRA can afford. The approach being taken, however, is to avoid differential service level, because of the operational complexities and inefficiencies this would create. The aim instead is to maintain the same service levels across the two Councils and for Babergh to also benefit from any operational efficiencies achieved.

There will continue to be very different levels of new Council house building/acquisition across the two Councils because of the underlying differences in financial capacity.

In summary, the operational efficiencies that the Supported Living team have identified and plan to deliver over the 3 year period are:

#### **Sheltered Housing Service Charges**

The recent review showed that existing sheltered housing service charges fell far short of recovering the cost of delivering sheltered services.

For 2017/18, a 30% increase with a £4 cap has been approved by the Council. The charges could be increased by the same amount in 2018/19. This will result in additional income to BDC of £48,000 in 2017/18 and £60,000 in 2018/19.

#### **Sheltered Housing Salary Costs**

A review of the staffing levels was also undertaken as part of the changes proposed to sheltered housing schemes. The approved changes will result in a reduction in staff numbers resulting in a saving of £17,000 in 2017/18.

#### **BMBS/Property Services**

Savings of around £100k per council for the 3 financial years 2018/19 to 2020/21 can be realistically achieved through improved procurement.

#### **Lettable Standard**

The lettable standard for both councils has been aligned but is currently being value engineered as part of this review.

### Rechargeable Work and Enforcement

An improved tenant recharge process will ensure that costs incurred through abuse of Council properties will be recovered whenever possible. An estimated additional income £7,500 per year is expected.

### Introduction of Service Charges for General Needs Stock

The Councils do not currently charge for services provided over and above those required by statute. Costs incurred by the HRA for services such as grounds maintenance, cleaning, and communal utilities could be recovered from tenants in the form of a service charge. Additionally there are opportunities to consider the introduction of management or caretaking fees that could enhance the service offered to residents.

Further work is required to fully understand the steps and implications of this but there is the potential to recover significant costs from residents receiving services rather than being subsidised by the HRA as a whole.

### Void Turnaround Improvement

On average, 200 Council properties are vacated and relet each year in Babergh DC. During the time they are untenanted no rent is received and the councils are liable for council tax. Whilst the average time to re-let properties has reduced over the last three years it remains higher than average for social landlords. The table below shows the re-let time for all types of property from April 2014.

	2014/15	2015/16	2016/17
<b>Babergh (days)</b>	45	43	29

The table below shows the total lost rent due to void periods. These figures include rent loss relating to properties awaiting sale and those which are vacant pending demolition.

	2014/15	2015/16	2016/17
<b>Babergh (£)</b>	180,570	212,378	163,146

A reduction of 7 days in the average void time would reduce rent loss by around £16,000. It would also reduce the amount of council tax payable by the HRA by around £3,500.

### Improvement Plan

The re-let process involves a number of different activities and members of staff in different teams and roles. It involves administrative tasks relating to the ending of one tenancy and the commencement of a new one, visiting the property prior to vacation, carrying out safety checks and bringing properties to the councils' agreed lettable standard and allocating to a new tenant.

Ensuring that the new process is lean and efficient and minimises delays is key to reducing the void time and is the first area of performance improvement focus following the launch of BMBS.

### Target for reduction of void turnaround days

	2017/18	2018/19	2019/20
<b>Babergh (days)</b>	29	25	21

## Understanding the contribution of individual assets

Currently we have no comprehensive HRA asset management strategy. We cannot determine where and how best to invest in our stock and although we are 'data rich' we are 'business intelligence poor'. Although it might be tempting to solve immediate funding issues with sales, selling the 'right' stock is the key to good asset management. Our proposed approach to asset management planning will be based around an asset management wheel (set out below). Simplistically, this requires that we:

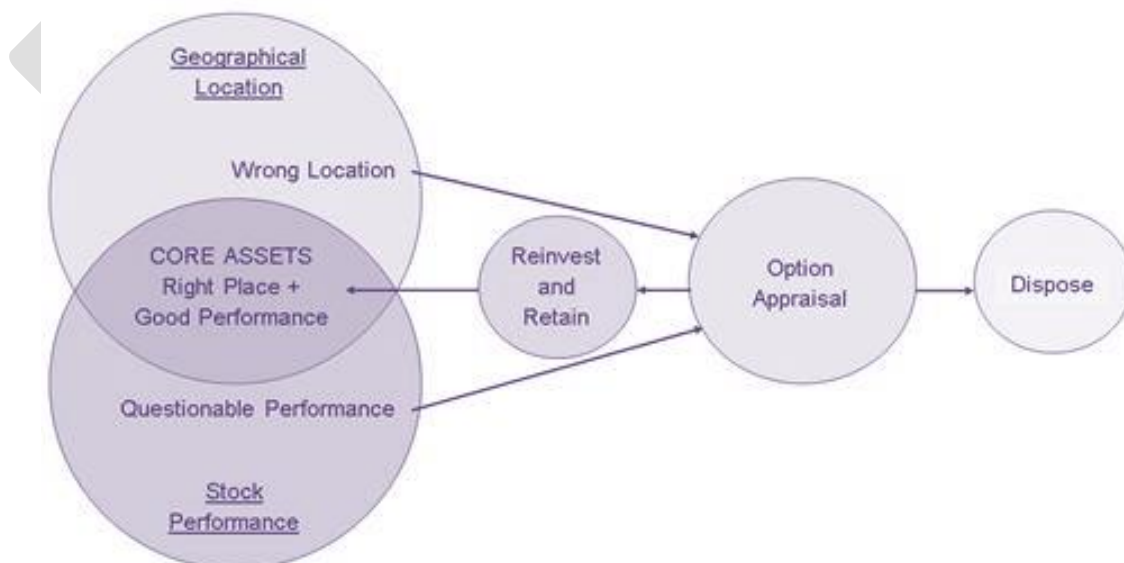
- Understand where we currently are with our assets
- Decide where we want to be
- Agree what resources are available
- Establish the options for moving from where we are to where we want to be
- Prioritise and plan (on the basis they will never have enough resources or time to do everything), and
- Implement agreed plans



All these activities must link back to the business plan, funding arrangements and strategic options appraisal. In order to start this planning process effectively, we need to have a detailed understanding as to how all our HRA assets perform. This mirrors the work that has been undertaken on the General Fund assets side. Such an assessment will need to draw data from different sources as shown in the diagram below:



The outcomes of this model will inform the strengths and weaknesses of the different stock groupings, using a series of Asset Strategic Efficiency Tests. Once the model is completed, it will provide us with a range of asset groupings, which will inform future option appraisals beyond this initial work. This is shown diagrammatically below:



Effective asset management requires a complete and thorough understanding of the contribution that each asset makes. It will be the case in any portfolio that some

assets will contribute strongly financially, others on the margin of profitability and a smaller percentage will be loss making. We plan to grade our assets in the same way that we achieved with general fund assets and carry out options appraisals on those that are loss making. This may result in a re-configuration, regeneration, redevelopment or a disposals programme of assets once complete.

This work can be carried out in advance of new stock condition data being available since this data forms only a small element of the overall analysis. This work will be commenced in early summer 2017.

### **Improved ways of working**

At the core of the All Together Project is an increased investment in technology to enable, over time:

- More efficient working practices
- Increased use of data
- Better customer insight
- Understanding what our customers value and what they do not
- More effective targeting of services
- More self-service for those that are able in order to free up resource to make savings or focus on those that really need our help.

We are already reviewing the way we are structured to deliver housing services. This includes a reassessment of:

- The way we handle reports of ASB
- Focussing our work on those that need us most by piloting an 'Early Help Delivery Team' comprising a multi-disciplinary, integrated approach.

This approach is in line with a move to more outcome focused working proposed in the future vision for housing.

### **Improved stock condition data**

Robust stock condition data enables the Councils to plan and to budget for the work required to maintain the housing stock in a reasonable and lettable condition. Accurate data provides confidence that HRA funds are spent on the right work in the right places.

A project is underway to update the data to enable an evidence based programme of capital works to be designed for 2017/18 and the following two years. A fresh sample stock condition survey will be commissioned for BDC in 2018/19.

### **Increasing Rental Income**

There are restrictions on rental income increases and the current rent regime requires a 1% reduction in rent payable until 2019/2020. This may change with any new Government but cannot be guaranteed.

As with service charges, our processes for charging and collecting rent and the policy of increasing rental income needs improving. There may be opportunities with a strong new build programme to increase rental streams on wider stock as some

Councils appear to have done. A review of the opportunity for this and the development of a comprehensive 'Rent and Service Charge Policy' will be undertaken in 2017.

In particular we will review the way in which void properties are treated and how and when rents can be raised on re-let. This is linked to capacity and grant funding for new build homes and our development programme might facilitate that. It is not possible simply to raise all rents on re-let to 80% of market rent without a link with capacity for new homes being established.

It will be possible to consider some homes for conversion to shared ownership where planning considerations and any historic covenant and funding considerations allow. Permission and guidance will be sought from DCLG on larger scale transfer of stock into shared ownership to inform a policy discussion.

Final Draft

## Summary HRA Efficiency Gains Plan

Identified actions	17/18	18/19	19/20	20/21
<b>Sheltered Housing</b>				
Increase in Service charges as part of Budget setting process	(48)	(60)		
Reduction in salaries following sheltered scheme review	(17)			
Rents from GF for using Sheltered Housing Accommodation as Landing Points		(9)		
<b>Leaseholders</b>				
Increase in Service charges as part of leaseholder review		(8)		
General Service Charges Increase		(60)	(60)	(57)
Rechargeable works to be invoiced to private tenants		(8)		
<b>Voids</b>				
Reduction in number of void days to 21 over four years thereby increasing rental income		(3)	(4)	(4)
<b>Property Services</b>				
Recharging Health and Safety employee costs when used by other ODT's		(7)		
Components costs reduction following tender coming up for renewal		(30)	(30)	(40)
	<b>(65)</b>	<b>(185)</b>	<b>(94)</b>	<b>(101)</b>

### 7. BABERGH AND MID SUFFOLK BUILDING SERVICES (BMBS)

The BMBS business plan and its operations have been the subject of a rigorous review and the financial projections originally reported have been revised and incorporated into the HRA financial plan. The revised projections can be found below and describe a more challenging position than that anticipated when agreed in June 2016.

BMBS, launched from April 2017, is in a state of transition bringing together, as it does, two different organisations with diverse operating practices. There was an implementation plan produced in advance of amalgamation, and the critical tasks in that plan are being worked through by the new Service Manager recently appointed. The team is aware that for BMBS to be successful, this plan will have to be widened and re-visited regularly at a granular level with new tasks added and specific tasks allocated to named individuals.

The original financial projections have been reviewed by the Corporate Manager on joining the team and these updated predictions now push 'breakeven' from the originally predicted trading year 2 to a revised year 4. This presents an undoubted challenge for the team but one that could still result in breakeven being brought forward where there is strong leadership, commitment to change and commercial diligence.

The revised financial projection is as follows;

Type of Works	Year 1	Year 2	Year3	Year4	Year 5
<b>Income</b>					
Capital & Planned Maintenance	1,200,000	1,320,000	1,452,000	1,597,200	1,756,920
Responsive	1,374,989	1,374,989	1,374,989	1,374,989	1,374,989
Voids	745,548	745,548	745,548	745,548	745,548
Other Housing Projects	75,000	82,500	90,750	99,825	109,808
Aids & Adaptations	100,000	110,000	121,000	133,100	146,410
Corporate works (General Fund)					50,000
External Income					50,000
<b>Total</b>	<b>3,495,537</b>	<b>3,633,037</b>	<b>3,784,287</b>	<b>3,950,662</b>	<b>4,233,675</b>
<b>Expenditure</b>					
Office Employee Costs	265,000	267,650	270,327	273,030	275,760
Manual Employee Costs	1,300,000	1,313,000	1,326,130	1,339,391	1,352,785
Other Employee Expenses	1,800	1,818	1,836	1,855	1,873
Premises	12,000	12,120	12,241	12,364	12,487
Transport	160,000	160,000	160,000	160,000	160,000
Materials External Purchase	1,400,000	1,470,000	1,543,500	1,620,675	1,701,709
Sub Contracted Services	463,526	417,173	375,456	337,910	304,119
Support Service charges	147,287	148,760	161,922	163,541	165,176
Other Supplies & Services	57,000	57,570	58,146	58,727	59,314
Training costs	5,255	5,308	5,361	5,414	5,468
<b>Total</b>	<b>3,811,868</b>	<b>3,853,399</b>	<b>3,914,918</b>	<b>3,972,907</b>	<b>4,038,693</b>
<b>Surplus/(Deficit)</b>	<b>-316,331</b>	<b>-220,362</b>	<b>-130,631</b>	<b>-22,245</b>	<b>194,982</b>

These projections have been revised for the latest predicted capital programme and other income including the removal of external income and a reduced pipeline of work on general fund assets as a result of the move to Endeavour House.



Bringing the service in-house offers more control over the quality of repairs and removes the risks associated with outsourcing. But given the geography and the number of properties, BMBS will require strong and detailed management and oversight. The throughput of planned works, a major component of turnover is of great importance. The plans for new stock condition surveys and the potential for a resulting strong planned programme of improvements will help with this viability.

There is a back-log of repairs to be tackled accounted for within the financial plan. The senior BMBS team are working with the in-house procurement team to set up framework agreements with Sub-Contractors, which when combined with the potential to increase efficiencies through the adoption of work scheduling software, will allow for the work to be completed more quickly.

The level of staff resources is appropriate to discharge the volume of work projected however extra admin, technical and strategic support might be required in the short term to deliver earlier successes. This extra support is allowed for within the plan and held currently as vacant posts. The new Corporate Manager will be exploring what this means practically and request support as the need emerges. The improvement in comprehensive performance and management information at both a commercial and operative level will be also necessary to achieve short term productivity improvements.

Other commercial decisions will have to be taken over the first few years of trading to support the business. Spend on materials is currently high and the differential salaries between the existing team and TUPE'd staff also has a significant impact. Reducing the impact of these overheads could see an earlier improvement in surplus and productivity. A summary list of actions to support BMBS trading is as follows:

1. A major issue to consider is that, on the one hand, BMBS employ staff based upon Council Terms and Conditions whereas TUPE transfer staff are on quite different and less preferential terms. In addition to potential discontent that this might cause, this disparity over time will lead to increasing costs rather than a reduction. Terms and conditions will therefore need reviewing.
2. The cost of materials is currently budgeted at 38% which is high for an organisation of BMBS's size and scale of operation. Early consideration will be given to gaining access to a buying consortium to reduce the costs to a more industry standard 22-25%.
3. One of the key principles of establishing and running an efficient business surrounds the approach to management culture and how the business is managed and operated. It must have a commercial focus and this demands the introduction of a trading account and management information systems to ensure it is properly populated and interrogated.
4. In order that the organisation over time can take advantage of external business opportunities consideration will be given to where the organisation 'sits' in the Councils' structures in future. The case for taking BMBS outside of the HRA will be considered within the first 3 years of trading as performance becomes understood. This will take the form of a full market assessment.

5. A number of operational issues will need to be reviewed to ensure that BMBS operates efficiently in early years of trading, in practice this will require an analysis and understanding of the geography of the operation, where subcontract work might be best deployed, an agreement on repairs processes, service agreements and the specification to be applied to activity such as voids and repairs.
6. Although the operational team is considered appropriate for the size of operation the Service Manager will need some additional support in the short term to deliver some of the key strategic, implementation and business planning outcomes required to make the operation a success. A recommendation for the extent of that support will come forward in the first 6 months of trading. In particular this support will help with points 9) and 10) below.
7. The BMBS team will work with the wider HRA team to develop a clear and appropriate pipeline of planned works for the years ahead. Not only is a strong planned programme important to maintain high quality homes but a well-defined 'order book' is essential to maintain the trading strength of BMBS and help it plan for its future. Stock condition surveys planned for 2017 and 2018 will inform these new programmes.
8. The BMBS team will in future work closely with the business and financial planning team to ensure that when the HRA plan is reviewed annually that all implications of BMBS can be taken into account in its development.
9. A rigorous external review has been undertaken of BMBS and the team will now develop an implementation plan to take the operational recommendations of that review forward in a planned way and developed within 6 months of trading.
10. All the above will need to be incorporated in a 5 year Business plan specifically for BMBS reviewed annually and completed within year 1 of trading.

## 8. THE HOUSING SERVICE

### **Public access and accommodation – All Together**

The world of government and the public service sector is being transformed by technology, new ways of working, a severely constricting financial environment and public expectations. We have to enable our communities to become more resilient and to rely less heavily on public sector services and resources by being more efficient, flexible, agile, innovative, collaborative and accessible.

Our objective is for the Councils to have improved ways of working that are better for our residents, simpler for our staff and more cost effective for the tax payer, which make it easy for anyone to do business with the Councils, through channels that:

- Are effortless to navigate
- Promote individual and community self-service
- Are available when the customer requires them
- Make work more straightforward and enjoyable for staff
- Reduce confusion for the public about who does what across the Suffolk System.

The Councils' Public Access Strategy devolves control and responsibility to residents. It fosters community resilience and will enable us to learn from each interaction through utilisation of CRM software. It is customer focused, and promotes an evidenced understanding of the bespoke requirements of individuals, a culture of collaboration and continuous refinement of the way we do business. Together with developing self-service options, this will mean we can focus more attention on those that really need our help, be more productive, thereby increasing the capacity within the HRA.

### **Tenancy Services Review**

We plan to review the way we are structured to deliver tenancy services. This will include a reassessment of:

- The way we handle reports of ASB
- Focussing our work on those that need us most by piloting an 'Early Help Delivery Team' comprising a multi-disciplinary, integrated approach.

### **Home Ownership Project**

The Home Ownership project will implement the recommendations of the HQN review of Leasehold and Right to Buy services. The review recommends the alignment of processes across Babergh and Mid Suffolk, the introduction of clear performance measures and a refresh of leaseholder service charging to ensure that the Council's charge and collect the cost of works to leasehold flats. The anticipated deliverables are:

- Reduced costs
- Increased revenues
- Improved service delivery
- Mitigating risk through compliance with legislation

### **Older Persons Housing Vision**

The importance of appropriate and good quality housing to the short and long term health and wellbeing of individuals is widely acknowledged in Suffolk. The Suffolk Health and Wellbeing Board have formally launched a Housing and Health Charter recognising the importance of collaborative working between housing, health and social care, including a set of commitments that will inform and influence the future direction of all partners throughout the Suffolk System.

This collaborative approach is crucial to ensuring that future housing provision across all tenures meets the needs and aspirations of older people living in Suffolk. The recent strategic review of specialist housing in Suffolk drills down into variables that enable us to gain some understanding of which proportion of the current population of Suffolk are likely to be in need of the care and support services aligned to specialist housing. These variables have then been used to create projections as to how that level of need may change over time, which has also been compared and contrasted with more generalised population changes. The Review enables us to quantify likely demand over time broken down in relation to district and borough areas.

The review examines different models of housing to aid understanding of what currently works well in supported housing and will help the Councils to design future supply to meet the needs of those needing specialist/supported housing, including older people.

### **Babergh DC sheltered housing**

The County wide Older Persons Housing Vision will guide future recommendations Members will receive regarding its sheltered housing. In December 2016, the Councils approved a new strategy for sheltered housing. Key deliverables of the new strategy are:

- To withdraw sheltered services where there is no demand and convert to general needs housing
- A reduction in the number of schemes to 9 in Babergh, comprising 191 sheltered homes
- Providing independent living for the over-60s with minimum housing related support.
- A cost effective service that remains within budget through a more robust service charging regime.
- Where a scheme is identified as having potential for full or partial redevelopment, recommendations will be brought to members when a full appraisal has been undertaken.

### **Fixed term tenancies**

The Council currently offers new tenants a secure tenancy under the Housing Act 1985. The Localism Act gave local authorities the power to offer fixed term tenancies to new tenants. Subsequent provisions in the Housing and Planning Act will prevent local authorities in England from offering a secure tenancy to people of working age in most circumstances. Offering fixed term tenancies will require new ways of working. Changes include:

- An amended tenancy agreement
- New processes for carrying out reviews during the fixed term and an appeal procedure for challenges to decisions
- Provision/encouragement of a range of housing tenures including shared ownership, low cost home ownership and private affordable housing.

Mandatory fixed term tenancies are expected to be implemented in April 2018.

## 9. BUSINESS PLAN OWNERSHIP AND REPORTING

The Assistant Director (Supported Living) owns and is responsible for the HRA business plan. This involves:

- Maximising the contribution the HRA makes to delivery of the outputs in the JSP
- Producing the HRA business plan
- Keeping the business plan up to date with changes in the operating environment
- Identifying and mitigating new risks
- Engaging with and informing members, senior staff and residents on HRA performance and annual business plan reviews
- Reporting on HRA outputs to members and the senior leadership team as required
- Maintaining a knowledgeable and responsive HRA business plan team instigating training as required
- Engaging with internal and external advisors
- Benchmarking HRA business plan performance

## Appendix A – Summary Improvement Plan

Ref	Item	Detail	Target Completion
A	HRA Business Plan Assumptions	Review annually in light of the prevailing policy and market environments	January 2018
B	Scenario Test	Devise and test scenarios annually in light of the prevailing policy and market environments	January 2018
C	Development Pipeline	Work with the Investment and Commercial Delivery team to take results from HRA land assessment work and develop a pipeline for new home delivery	September 2017
D	Sheltered Housing Review	Deliver findings from December 2016 review	April 2018
E	Property Services/BMBS materials procurement	Review local and regional opportunities for membership of buying consortia with the aim of making £100,000 of savings in materials costs each year for 3 consecutive years from April 2018	April 2018 and annually thereafter until 2021
F	Lettable Standard	Complete a review of the 'lettable standard' and implement new standard	December 2017
G	General Needs Service Charges	Undertake review of charges to GN tenants and develop a methodology for de-pooling rents and service charges.	January 2018
H	Voids	Undertake a complete review of the voids process with a view to achieve a maximum 21 day turnaround of all voids.	September 2017
I	Asset Understanding	Complete a comprehensive asset grading exercise and understand the contribution that each asset makes to the overall portfolio in both financial and qualitative terms.	September 2017
J	Asset Options Appraisal	Undertake options appraisal on the bottom 10 worst performing assets and devise a strategy for each	December 2017
K	Stock Condition	Undertake a stock condition survey	April 2018
L	Asset Management Strategy	Develop and seek approval for a comprehensive HRA asset management strategy	December 2017
M	Rent and Service Charge Policy	Review of how and to what extent rents are set including following void periods. Develop and seek approval for a comprehensive rent and service charge setting policy. Assess the market and options to convert void homes to shared ownership.	December 2017
N	Tenancy Services	Undertake a review of the way in which tenant services are delivered to include a review of costs and delivery mechanisms	December 2017
O	Tenancy Agreement	Undertake a review with a view to moving towards fixed term tenancies for tenants. Develop new policy and implement	April 2018
P	Compliance	Undertake a review of all regulatory compliance within the HRA and develop a plan for improvement.	June 2017

## MID SUFFOLK DISTRICT COUNCIL

<b>From: Cabinet Member for Housing</b>	<b>Report Number: MOS/17/4</b>
<b>To: Overview and Scrutiny Committee</b>	<b>Date of meeting: 15 June 2017</b>

### THE HOUSING REVENUE ACCOUNT 30 YEAR BUSINESS AND FINANCIAL PLAN UPDATE 2017

#### 1. Purpose of Report

- 1.1 To enable Members to review and approve an updated 30 year Housing Revenue Account (HRA) business and financial plan for the district.
- 1.2 To appraise the Committee about changes made to the assumptions contained in the Housing Revenue Account financial plan, the reasons for these changes and the impact the changes have had on the 30 year financial position.
- 1.3 To inform Members how management of the HRA is being adapted to meet evolving needs and demands and to reflect legislative, financial and technological change.
- 1.4 To update the Cabinet on the development pipeline of new homes for the Mid Suffolk HRA.
- 1.5 To set out a roadmap for the transformation of the role of local authority housing and the HRAs in light of the significant financial challenges caused by changes to Government policy, the emerging Suffolk work on housing delivery and the Government's White Paper 'Fixing our Broken Housing Market' to create a sustainable and robust plan for the future.

#### 2. Recommendation to Cabinet and Council

- 2.1 That the updated HRA 30 year business and financial plan (Appendix A to MOS/17/4) be approved.

#### 3. Financial Implications

- 3.1 Changes in national policy over the last few years have fundamentally impacted on HRA finance. In 2011, the Government introduced the 'self-financing' regime. As a result, Mid Suffolk took on an additional £57.5m of debt. A debt cap was also set at £90.9m by the Government. The Council must demonstrate that it can operate within this debt cap after having taken into account its anticipated operating environment over a 30 year period and its forecast financing requirements. The Council's current debt is £86.8m leaving a headroom of £4.1m available.

- 3.2 More recently, the Government has introduced further structural change. This includes, an annual 1% reduction in rents for the years up to 2019/20, an increase in Right to Buy discounts and welfare reform. These have all added significant extra pressure to the 30 year financial plan. More detail is included in section 10.
- 3.3 The previous Government's proposal to impose a high value asset levy would weaken the financial position of the HRA still further. The detailed regulations around this have not yet been released by the Government and so, on advice from the Chartered Institute of Housing (CiH), no related assumptions have been incorporated into the financial plan.
- 3.4 The capacity for the Council to absorb the impact is challenging and updating the assumptions used in constructing the HRA financial plans has been critical for the Council. Mid Suffolk DC would be non-compliant by year 8 if the review was not carried out. Plans to manage the financial impact are outlined in this report and the attached document.

#### 4. Legal Implications

- 4.1 The plans outlined in this report are designed to maintain legal compliance.

#### 5. Risk Management

- 5.1 This report is most closely linked with the Council's Significant Business Risk No. 1a – Housing Delivery. Key risks are set out below:

The risk register identifies the following risks. New mitigations have been added.

Risk Description	Likelihood	Impact	Mitigation Measures
Failure to identify detailed housing requirements for local area will undermine our ability to deliver the right homes in the right places.	2 (Unlikely)	2 (Noticeable)	Creation of joint housing strategy including strategy for HRA assets.
Failure to manage our corporate and housing assets effectively will result in diminishing value of the stock and ineffective delivery of JSP outcomes.	2 (Unlikely)	3 (Bad)	Ensure HRAs are robust and sustainable. Explore options for making most effective use of housing assets. Review housing management arrangements based on customer insight and on delivering JSP outcomes.
Failure of the Councils to respond to the external funding	2 (Unlikely)	4 (Disaster)	Annual review of HRA business plans incorporating necessary



environment could result in the Councils' operations no longer being financially sustainable.			changes to key assumptions. Develop and deliver mitigation measures to sustain viability.
Staff within the organisation not having the right capacity and capability to deliver the strategic priorities of the councils and to work within the wider local government system	2 (Unlikely)	3 (Bad)	Developing our understanding of operational costs and customer value. Developing a staff culture that is customer focussed and drives delivery of JSP outcomes.

## 6. Consultations

6.1 The consultation and decision programme is as follows:

Cabinet pre-briefing	30 May 2017
Opposition briefing	31 May 2017
Overview and Scrutiny	15 June 2017
Joint Housing Board	19 June 2017
Cabinet briefing	26 June 2017
Cabinet	10 July 2017
MSDC Full Council	20 July 2017

## 7. Equality Analysis

7.1 There are no equality and diversity implications arising directly from this report. Thorough EIAs will be conducted on any substantial changes to our management service or asset management and investment plans.

## 8. Shared Service / Partnership Implications

- 8.1 Babergh and Mid Suffolk Councils currently operate with an integrated officer team. The radically different financial positions of the two Councils' HRAs will create challenges going forward. The options open to the Councils to deliver the best outcomes will be different and although these will be handled carefully, it will limit the extent to which future strategies can be replicated across both Councils.
- 8.2 Efficiency savings need to be made in the Mid Suffolk HRA in order to maintain financial compliance. No savings are required in the Babergh HRA. This could drive differential service levels.

## **9. Links to Joint Strategic Plan**

9.1 Maintaining sustainable and compliant HRA business plans is fundamental to delivery of the Joint Strategic plan. HRA business planning has a key role to play in the delivery of four outcomes:

- Housing Delivery
- Community capacity and building engagement
- Assets and investment
- Enabled and efficient organisation

## **10. Key Information**

10.1 The financial plan attached explains the elements that have changed since previous plans. It details the implications of the changes for the Council and how it is proposed to manage the impact. It includes a draft roadmap for a transformation of the role of the HRA which will be initiated by our response to the financial context, the Suffolk Housing work and the Government's white paper 'Fixing our broken housing market'.

10.2 In summary the key contextual changes that have impacted on the sustainability of the HRA Business Plan are:

### **Localism Act 2011**

#### **Self-financing**

The Act replaced the HRA subsidy system with a system of self-financing, the most radical changes for 30 years to the way in which Councils manage their Council house finances. From April 2012, Mid Suffolk took on a share of the national housing debt calculated by the Government as its debt settlement.

#### **Right to buy**

The discount was increased to 70% of value or £77,900 whichever is the lower. This led to a substantial increase in the number of sales which will result in a significant reduction in the Council's future rental income.

#### **New model of affordable housing**

The affordable rent tenure regime sets maximum rents for this tenure at up to 80% of local market rents and applies to all new build schemes receiving grant from the Homes and Communities Agency including new council housing.

### **Welfare Reform Act 2012**

#### **Social rent reduction**

A reduction in rents by 1% a year for four years (until 2019/20). This has a major impact on long term HRA financial planning.

#### **Universal credit**

A replacement for six means tested benefits and tax credits with one universal payment. UC will be rolled out in Mid Suffolk in late 2017/early 2018.

### **Spare room subsidy**

A reduction in housing benefit for working age tenants who under occupy their homes. This has resulted in greater demand for one and two bedroom Council properties.

### **Benefit cap**

A cap on the maximum households can receive in benefits to £20,000. For single people without children, the cap is £13,400.

### **Housing and Planning Act 2016**

#### **High income social tenants – mandatory rents (Pay to Stay)**

The Act provides local authorities with the option to charge higher rents to tenants with a household income exceeding £60,000. The Council has decided not to adopt Pay to Stay.

#### **High Value Asset Sales**

The Act imposes a duty on local housing authorities to consider selling higher value homes when they become vacant. The definition of “higher value” will be clarified by regulations yet to be made. The payment will take the form of a levy, giving local authorities a choice in how they raise the funds. The money will fund housing association Right to Buy discounts and new house building. As the rules around this issue have yet to be published we have not yet included anything in our assumptions on it.

10.3 The work undertaken to date forecasts that the Mid Suffolk HRA will breach its debt cap in year 8 of the plan. There are a number of actions available to the Council that would contribute to preventing the debt cap breach from occurring. These include:

- Improve efficiency and reduce operating costs. This could impact on the number of establishment posts
- Improve performance and increase income
- Withdraw services and reduce operating costs
- Relinquish Right to Buy receipts
- Sell assets
- Further reduce capital spend

Work has been done to calculate what the bottom line improvement will need to be to prevent a debt cap breach over the entire 30 years. The current minimum position required is £100,000 efficiency savings in each year 2018/19, 2019/20, 2020/21; £300,000 in total at today’s value. This would maintain compliance based on what is currently known.

10.4 Revised Babergh & Mid Suffolk Building Services (BMBS) financial forecasts have been included in the overall HRA financial plan. An initial review of the BMBS plan identified some areas of concern and work has now been completed to revisit and verify the costs and assumptions in the plan and its future business strategy.

10.5 A project team was established to understand HRA income and expenditure from an operational perspective and to establish an approach to assessing productivity. This work has produced the cost savings plan included in the report. The team has

produced an outline 3 year business efficiency plan to deliver the £300,000 reduction in costs currently assessed as being necessary to avoid a breach of the Mid Suffolk HRA debt cap.

- 10.6 There is an absolute need for the Councils to develop an overall strategy for housing and within it the role of local authority housing going forward. This was identified during the development of the Joint Strategic Plan and continues to be a priority given the delivery of housing and the ability to meet need across existing and new housing remains a major challenge.
- 10.7 The Government's white paper provides a trigger for this work, building on our own housing strategy and alongside work already underway in the wider Suffolk space, including the Suffolk Strategic Planning and Infrastructure Framework, Suffolk Housing Proposal which will inform the NALP new Economic Strategy and the Suffolk older persons housing strategy.
- 10.8 An initial roadmap for developing this approach is included in the attached briefing note. As part of this work it will be vital to consider
- the role of local authority housing in the overall housing market in meeting need
  - the future possible necessity to consider cross subsidy with general fund housing to deliver a sustainable local authority model
  - use of the Council's own housing assets
  - investment in new housing
  - developing new approaches to tenure so our assets are used to maximum effect
  - our relationship with residents which focuses on increased independence and pathways to employment or care.

## 11. Appendices

Appendix A Housing Revenue Account 30 year business financial plan Update 2017	Attached
---	----------

**Kevin Jones**  
01449 724704  
[kevin.jones@babberghmidsuffolk.gov.uk](mailto:kevin.jones@babberghmidsuffolk.gov.uk)

**MSDC Housing Revenue Account  
30 Year Business and Financial Plans**

**Update 2017**

## Table of Contents

<b>1.</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>2.</b>	<b>BACKGROUND .....</b>	<b>3</b>
	JOINT STRATEGIC PLAN .....	3
	LEGISLATIVE FRAMEWORK.....	5
	THE DISTRICT .....	8
<b>3.</b>	<b>30 YEAR FINANCIAL MODEL .....</b>	<b>11</b>
	ASSUMPTIONS.....	11
	RATIONALE FOR ASSUMPTION ADJUSTMENTS .....	11
<b>4.</b>	<b>30 YEAR FINANCIAL PLAN .....</b>	<b>13</b>
	SCENARIO TESTING.....	16
<b>5.</b>	<b>GROWTH AND BUILDING NEW COUNCIL HOMES .....</b>	<b>18</b>
<b>6.</b>	<b>INCREASING FINANCIAL CAPACITY AND IMPROVING EFFICIENCY .....</b>	<b>19</b>
	HRA COST REDUCTION STRATEGY .....	19
<b>7.</b>	<b>BABERGH AND MID SUFFOLK BUILDING SERVICES (BMBS).....</b>	<b>24</b>
<b>8.</b>	<b>THE HOUSING SERVICE.....</b>	<b>27</b>
<b>9.</b>	<b>BUSINESS PLAN OWNERSHIP AND REPORTING .....</b>	<b>30</b>
	<b>Appendix A – Summary Improvement Plan.....</b>	

## 1. EXECUTIVE SUMMARY

This narrative, in combination with the 30 year financial model, forms the Business Plan for the Housing Revenue Account (HRA). The plan examines various scenarios to assess the impact of a shifting financial landscape and changing government policy. It also identifies the risks to the financial strength of the HRA and how the Council will manage and mitigate those risks. The key issues are as follows:

- The Mid Suffolk District Council HRA is not in a strong position. Financial analysis shows that it faces some substantial challenges in the coming years and action will need to be taken to avoid a breach of its debt cap within 8 years.
- The financial position in the plan has deteriorated since the last review mostly due to an increasing number of Right to Buy (RTB) sales and the resulting reduction in rental income.
- Although a potential breach of debt cap is projected within 8 years, there is time to make business adjustments to bring this back in line. The options for action are covered in this paper.
- Regardless of the financial position, the needs and aspirations of the District's diverse communities are changing and the way the Council operates and manages its HRA must adapt in order to deliver the outcomes agreed in the Joint Strategic Plan.
- The Council has already embarked on a new build programme that will deliver 38 new homes for rent and shared ownership by 2018. The Council has approved a new joint affordable homes development strategy with Babergh which lays out a direction and methodology for the delivery of approximately 60 more new homes. These will be mostly for rental and managed within the HRA.
- Given the current position, development of further new build may well be curtailed for 3 to 5 years thereafter.
- The work that has been done to understand and measure risk and to stress test the underlying financial strength of the 30 year HRA business plan, indicates that despite the financial challenges of welfare reform and specifically Universal Credit, the 1% rent reduction and increasing RTB sales the Council's HRA is able with some economies to contribute to the delivery of several Joint Strategic Plan outcomes.
- The previous Government indicated its intention, in the Housing and Planning Act 2016, to introduce a high value asset levy on local authorities. The expectation is that Councils will sell high value homes when they become vacant, although Councils would be able to raise funds to meet the levy in other ways. No detail on the levy had been announced prior to dissolution of parliament and on the advice of the Chartered Institute of Housing (CIH), no account has been taken of it in the financial plan. If the new Government proceeds with implementation it would significantly reduce HRA financial capacity.

## 2. BACKGROUND

### JOINT STRATEGIC PLAN

Through the Joint Strategic Plan, Babergh and Mid Suffolk District Councils' vision is to create an environment where individuals, families, communities and businesses can thrive and flourish. The plan aims to deliver five strategic outcomes. The HRAs will contribute to the following four JSP outcomes.



HRA business planning has a key role to play in the delivery of all four outcomes. It is fundamental to the Housing Delivery and Assets and Investments outcomes.

The business plans sit very firmly in the wider businesses of both Councils and needs to be understood in the context of the Councils':

- Housing delivery strategy
- Joint local plan
- Assets and investment strategy
- Joint Affordable Homes Development strategy
- Public access and accommodation strategy (All Together programme)

And the:

- Suffolk Strategic Planning and Infrastructure Framework
- Suffolk Housing Proposal which will inform the NALEP new Economic Strategy
- Suffolk older persons housing strategy.



## FUTURE VISION FOR HOUSING

The Government's white paper "Fixing our broken housing market" published in February 2017 evidenced the "broken" nature of the UK's housing market and identified the root cause as insufficient new home building over decades.

Although the White Paper was light on detail around substantial change to the housing market and did not, for example, modify the current approach to Council borrowing or rent setting, it does present an opportunity for the Councils to reconsider the long term role of the HRAs in delivering the outcomes described in the Joint Strategic Plan (JSP).

This is timely given the work already underway in Suffolk around regional housing strategy, identifying the role local authorities will play in accelerating delivery as well as influencing what is delivered, and where Councils might reimagine the role their housing assets will play in meeting future need.

Whatever future strategy is adopted, we will need to test how far the Councils will want to continue being landlords and how the Councils will deliver the best service at the lowest cost, manage within the statutory financial framework whilst maximising provision of new or reconfigured housing for future and existing residents. We need to continue and strengthen the move away from a generic, paternalistic approach with our tenants to one that is much closer aligned to delivery of JSP outcomes.

This means a renewed focus on the role of the Councils' housing, increasing income, and improving performance, efficiency, productivity and value for money.

The Councils recognise that council housing residents have individual needs and requirements and that this demands intelligent services tailored to different customer segments. Much good work is already underway, for example, in the way the Council deals with income management through use of customer insight to drive a resident focussed approach that is efficient and effective.

New ways of working will need to be devised that will enable us to target our limited resources at residents that need our help most at a particular point in their lives. We will need to extend use of new technology and financial tools to enable us to better understand our portfolio and our residents and what they value in order to make us more cost effective and create additional capacity to deliver our priorities for the HRA.

There are a number of other emerging strategies and reviews that will either feed into or impact on the HRA Business Plan in the coming year some directly, some indirectly. These are:

Item	Date
BMBS Review	May 2017
B&MSDC housing strategy	May 2017
NALEP economic strategy (published)	September 2017
Suffolk housing proposal commences	May 2017
Government white paper response finalised	May 2017
Suffolk Strategic Planning and Infrastructure Framework	Summer 2017
Review of the role of the HRA	Autumn 2017
B&MSDC Supported Living review	Winter 2017
Suffolk older persons housing strategy	Winter 2017

## LEGISLATIVE FRAMEWORK

There have been several legislative changes in recent years that have had an impact on the sustainability of the Council's HRA business plan. The changes and the impacts are outlined below.

### **Localism Act 2011**

#### **Self-financing**

The Act replaced the HRA subsidy system with a system of self-financing, the most radical changes for 30 years to the way in which Councils manage their Council house finances. From April 2012, Mid Suffolk took on a share of the national housing debt calculated by the Government as its debt settlement. The self-financing debt settlement figure was £57.5m. Mid Suffolk's total maximum loan portfolio became £90.9m (the debt cap). The current debt is £86.8m leaving headroom of £4.1m.

The introduction of self-financing required the Council to take a long term strategic approach to its finances using a 30 year business plan. The plans must take into account the environment in which the Council is operating. It must be robust and sustainable over a 30 year period having taken into account reducing Government subsidy and its requirements to finance:

- The housing service
- Investment and maintenance of its existing assets
- New homes development

#### **Right to Buy**

The discount was increased to 70% of value or £77,900 whichever is the lower. This led to a substantial increase in the number of sales which will result in a significant reduction in the Council's future rental income.

#### **New model of affordable housing**

The affordable rent tenure regime sets maximum rents for this tenure at up to 80% of local market rents and applies to all new build schemes receiving grant from the

Homes and Communities Agency (HCA) including new council housing. The Council can increase rents on vacant homes when re-let but only if the increased revenue contributes to development capacity. The Council will need to determine its policy on this point. This is noted at line M in the Improvement Plan in appendix 1.

## **Welfare Reform Act 2012**

The Government's welfare reform measures are aimed at:

- Reducing the overall benefits bill
- Increasing incentives to work
- Promoting independence and self-reliance
- Creating greater fairness in the welfare system between those on out of work benefits and taxpayers in employment
- Reducing long term dependency on benefits

### **Social rent reduction**

The reduction in rents by 1% a year for four years (until 2019/20) has a major impact on long term HRA capacity.

### **Universal credit**

A replacement for six means tested benefits and tax credits with one universal payment. UC will be rolled out in Mid Suffolk in late 2017/early 2018. Based on evidence from pilot programmes, its introduction substantially increases risk around rent arrears and bad debts.

### **Spare room subsidy**

The reduction in housing benefit for working age tenants who under occupy their homes has resulted in greater demand for one and two bedroom Council properties.

### **The benefit cap**

A cap on the maximum a household can receive in benefits to £20,000 and for single people without children, the cap is £13,400.

## **Housing and Planning Act 2016**

The Housing and Planning Act made widespread changes to housing policy and the planning system. The Act is intended to promote homeownership and boost levels of housebuilding in England. The key changes affecting Council housing are outlined are:

### **High income social tenants – mandatory rents (Pay to Stay)**

The Act provides local authorities with the option to charge higher rents to tenants with a household income exceeding £60,000. The Council has decided not to adopt Pay to Stay.

### **High Value Asset Sales**

The Act imposes a duty on local housing authorities to consider selling higher value homes when they become vacant. The definition of 'higher value' will be clarified in

regulations yet to be published. The payment will take the form of a levy, giving local authorities a choice in how they raise the funds. The money will fund housing association Right to Buy discounts and new house building.

As the detail around this issue has yet to be published, and on advice from the CIH, we have not included anything in our financial assumptions relating to it. There is the potential for implementation to have a significant negative impact on the HRA.

### **Fixed Term Tenancies**

Lifetime (secure) tenancies for Council houses will be replaced with finite or fixed term tenancies of up to ten years. All other tenancy rights, including the right to buy, will remain.

The Housing Minister reaffirmed the Government's commitment to these policies in a letter to local authorities in November 2016 and in the February 2017 White Paper 'Fixing our broken housing market'. Implementation appears likely to be April 2018 at the earliest.

## THE DISTRICT

### **Demographic information – Mid Suffolk DC**

#### **Population**

Mid Suffolk is a rural district within the centre of Suffolk with the main population areas of Elmswell, Eye, Needham Market and Stowmarket. Overall, the district has a population of approximately 99,120. Since the publication of the last business plan (2012), there has been an increase in the population of the district of 14,130.

Suffolk's population is growing, but more slowly than regional and national trends. Since 2009, the rate of growth in Suffolk has slowed down and the county's population has increased by around 3 per cent compared with 4 per cent for England and 5 per cent for the East.

Across Suffolk's districts, population changes have been very different. For example, Babergh is growing particularly slowly and in contrast Mid Suffolk is growing faster than the average of England.

The latest population estimates for age composition in the Housing Market Area (SHMA) shows that between 2005 and 2015 the number of people aged 60 or over markedly increased. In contrast, the number of people aged between 30 and 44 decreased.

Mid Suffolk's population is forecast to increase by 15% to 116,700 by 2035. According to this growth forecast figure, 13,350 people are expected to be aged over 80 (11.4%). This poses challenges for us in terms of how we adapt our services and work with our communities to meet the needs of an ageing population.

Rurality is pertinent to the issue of housing need because rural households are exposed to a series of additional challenges including extra transport costs, particular housing needs (such as higher domestic fuel costs) and access to essential services, educational choices and employment opportunities.

Research suggests that people living in rural villages and hamlets need to be able to spend between 15 and 25 per cent more than their urban counterparts in order to be able to afford the same, minimum socially acceptable standard of living. (Hidden Needs Report 2011-2016). This means that income deprivation in rural households has an even greater impact than it does in urban areas. For people living in poverty and hardship and for those on a low income, difficulties are exacerbated by barriers to accessing services and the higher additional costs associated with living in the countryside.

#### **Household Size**

The Census 2011 shows that the average household size has changed since 2001. In Mid Suffolk, the average household size was 2.41 in 2001, dropping to 2.36 in 2011. The population has increased at a slower rate than the number of households between 2001 and 2011, resulting in a falling average household size.

#### **Household composition**

Figures taken from the Census 2011 indicate that there are more one person households than any other household type in the Mid Suffolk district. The overall

household distribution does not differ notably from the regional and national averages.

### **Change in household types**

The Census 2011 looks at the percentage change in household groups between 2001 and 2011 at district level. The figures show that lone parent households have increased most notably and that there has been a fall in the number of couple households.

Overall, in the Housing Market Area (SHMA), it is interesting to note that households with non-dependent children have increased whilst the number of households with dependent children has decreased. This suggests that household formation rates amongst young adults may have reduced.

### **The housing market**

Mid Suffolk is a relatively expensive places to live, partly because of the desirability of the area, and partly because the supply of new homes of all types has not kept pace with the demand over recent years. For many residents including young families, this makes owning their own property impossible in the short to medium term.

In Mid Suffolk the median house price to salary ratio is 9.2. This is comparable to many areas of London and higher than the national average of 6.96. This is because of the proximity to more expensive areas such as Essex and London to the south, and Bury St Edmunds and Cambridge to the west, and the ability of people to commute from Ipswich and Stowmarket rail stations and by car, to areas which offer higher incomes. Adding to this problem is the lack of smaller dwellings available for purchase, making affordable housing a significant issue.

In August 2016, the average price of a house in Mid Suffolk was £245,783, 4% higher than the national average of £235,573 and an increase of 13.5% from August 2015 when the average price was £216,531. The average first time buyer will pay around £231,323 for their first home. An average former owner occupier will pay around £311,280. The average private rent per calendar month is £595 in Mid Suffolk.

Many of the Council's tenants are facing hardship caused by the rising costs of basic goods and services in particular rising energy bills. The high cost of housing, together with relatively low earnings suggests a strong and ongoing need for affordable housing.

### **Economic factors**

The district of Mid Suffolk has a small local economy with much of the workforce commuting outside Suffolk. Many local jobs are less skilled and lower waged than elsewhere in the country which has an effect on housing affordability. Mid Suffolk has an unemployment rate of 3.2%, below the UK average of 5.1%. Latest information (November 2016) shows there were approximately 4,010 (6.8%) benefit claimants in Mid Suffolk. The East has 9.6% and the Great Britain average is 11.8%. Mid Suffolk has 1,867 recipients of part or full housing benefit and 450 (0.8%) out of work benefit claimants.

### **Council housing stock**

Table 1 provides details of Mid Suffolk's current housing stock

	<b>Bedsit</b>	<b>Bungalow</b>	<b>Flat</b>	<b>House</b>	<b>Total</b>
General needs	4	1136	241	1463	<b>2844</b>
Sheltered	0	136	249	0	<b>385</b>
Shared ownership	0	1	2	10	<b>13</b>
Leasehold	0	0	60	0	<b>60</b>
Temp accommodation	0	0	4	2	<b>6</b>
<b>Total</b>	<b>4</b>	<b>1273</b>	<b>556</b>	<b>1475</b>	<b>3308</b>

Table 1

The Council also owns and manages 1,089 garages. Total projected rental income from houses and garages in 2016/17 was £15,511,008. This figure includes rental income, garage income and service charges. An average rent in 2016/17 is £84.16 a week, equivalent to £364.69 a month.

### Housing need

Table 2 provides details of the number of people on the Council's housing register. Vacant dwellings are allocated through a Choice Based Lettings system (Gateway to Home Choice) in partnership with seven other local authorities.

**Table 2 – MSDC- Number of people on waiting list (by need) at November 2016**

<b>Band</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>Total</b>
1 bed	3	39	147	26	233	448
2 bed	32	27	65	11	159	294
3 bed	5	26	10	4	40	85
4 bed	2	8	2	0	4	16
5 bed	0	1	0	0	1	2
<b>Total</b>	<b>42</b>	<b>101</b>	<b>224</b>	<b>41</b>	<b>437</b>	<b>845</b>

Table 2

Around 50% of those on the waiting list are in the lowest band – these people are considered adequately housed, typically those in private rent, owner occupiers and those with an existing social housing tenancy which is deemed suitable. These people have no particular need to move.

The number of people on the Council's housing register has decreased since 2012. This may be attributed to the introduction of Choice Based Lettings (CBL). CBL is a more transparent way of advertising and allocating housing, and allows applicants to see how likely it is that they will be housed by the Council – this may deter people from joining the register if they would be a low priority.

### 3. 30 YEAR FINANCIAL MODEL

#### ASSUMPTIONS

Since the previous iteration of the business plan, a range of assumptions have been adjusted to reflect the current operating environment and future pressures and capacity. The Table 3 highlights the previous assumptions in the plan and the new assumptions whilst Table 4 those assumptions that are unchanged.

Item	Current Assumption	New Assumption
Rent Increase	CPI+1% for the life of the plan after the 4 year rent reduction policy stops	CPI <u>only</u> for 2 years after the 4 year rent reduction policy stops, then CPI+1% for the remainder of the plan
Provision for Bad Debt	0.51% all Years	0.25% increase each year for the next three years, plateau for two years followed by reduction by 0.25% for two years then fixed for the life of the plan
Right to Buy Sales	27 sales for all years to Year 15 then 4 sales each year for the remainder of the plan	32 sales each year to year 11 then 25 each year for the remainder of the plan

Table 3

Description	Unchanged Assumption
Basis for settlement	Potential to repay settlement loan by Year 25
Inflation and Interest rates	RPI - 2.5% CPI – 1.5%
Management costs	Inflation long term at 2.5%
Voids – BDC/MSDC	0.93%/1.26%
Repairs costs	Inflation long term at 2.5%

Table 4

#### RATIONALE FOR ASSUMPTION ADJUSTMENTS

##### **Rent Increase**

Although difficult to predict, the assumption made on rent increases is that Government policy may not return directly to CPI+1% following 4 years of rent reduction. The assumption on rents is cautious but since the impact can be profound it is considered appropriate to model a small period at CPI only (1.5%) and then a return to CPI+1% for the remainder of the plan. The Government's white paper makes it clear that the rent reduction regime will continue as planned (until 2020) but that this might be eased subsequently. In the absence of a firm commitment, a prudent approach is appropriate.



**Bad Debt**

The assumption made on provision for Bad Debt has changed significantly and reflects the predicted impact of the roll-out of Universal Credit on arrears levels. The assumption is a sharp rise, a plateau as tenants become more familiar with the system then a reduction and further plateau marginally higher than the starting point for the remainder of the plan.

**Right to Buy**

Right to buy sales have a significant impact on future rental streams and on capital 'match funding' where receipts are kept for future acquisitions or development. MSDC has seen an increase in sales at around 32 per year for the last two years. Given the impact it is considered prudent to model this to year 11 followed by a tailing off of sales. The current plan had an historic 4 per year sales for the final years of the plan. This has been adjusted to 25, a figure considered more realistic in light of current sales and government policy.

**Babergh and Mid Suffolk Building Services (BMBS)**

There was no specific identification of the new building company within the previous business plan. A new tab has now been added to the plans with predicted costs of the venture and its projected losses and surpluses apportioned across the two Council HRA financial plans. The BMBS business plan projections have undergone detailed review as there are concerns about the projections and costs and the reliability of those figures in the original plan. A summary of the key elements of this review can be found in Section 7 below.

#### 4. 30 YEAR FINANCIAL PLAN

The Mid Suffolk HRA is not in a strong position. Financial analysis shows that the HRA faces some substantial challenges in the coming years and action will need to be taken to maintain compliance. The financial position in the plan has deteriorated since the last review mostly due to the impact of welfare reform and increasing levels of right to buy sales and the resulting reduction in rental income.

A potential breach of the debt cap is forecast around year 8-10. However, there is time to make business adjustments to bring this back in line. A plan has been developed and is outlined in section 6 of this report.

##### **Current Plan status and Risks**

Chart 1 below shows a debt cap breach over the life of the plan. Capital Funding available falls below the amount required. Although this is based upon revised and prudent assumptions, and the actual position may prove to be better, action does need to be taken to ensure the sustainability of the plan.

Historically issues with financial capacity have been addressed by making cuts to future capital spend projections. A cut was included and approved in the HRA budget for 2017/18.

This is a very blunt tool which has the potential for several negative consequences:

- Deterioration in stock condition
- Higher spend requirement building up long term
- An increase in more expensive day to day repairs
- Longer void turnaround periods and an increase in hard to let properties
- Reduction in BMBS turnover and so impact on BMBS viability

For these reasons and others, further reductions in capital spend are not being explored. Instead we have assumed an increase in spend to a benchmark average of £1,100 per home per annum from 2018/19. The financial plan will be updated with bespoke capital spend forecasts to be used from April 2018 following completion of the stock condition survey scheduled for 2017 as shown in the Improvement Plan attached at appendix A.

##### **MSDC Specific Efficiency Savings**

There are a range of more appropriate options open to the Council to maintain viability of the HRA and avoid breach of the debt cap including:

- A reduction of management and other overhead costs
- The return of RTB receipts
- Disposal of assets
- Improvement in performance, e.g., void and arrears management and the reduction in bad debt

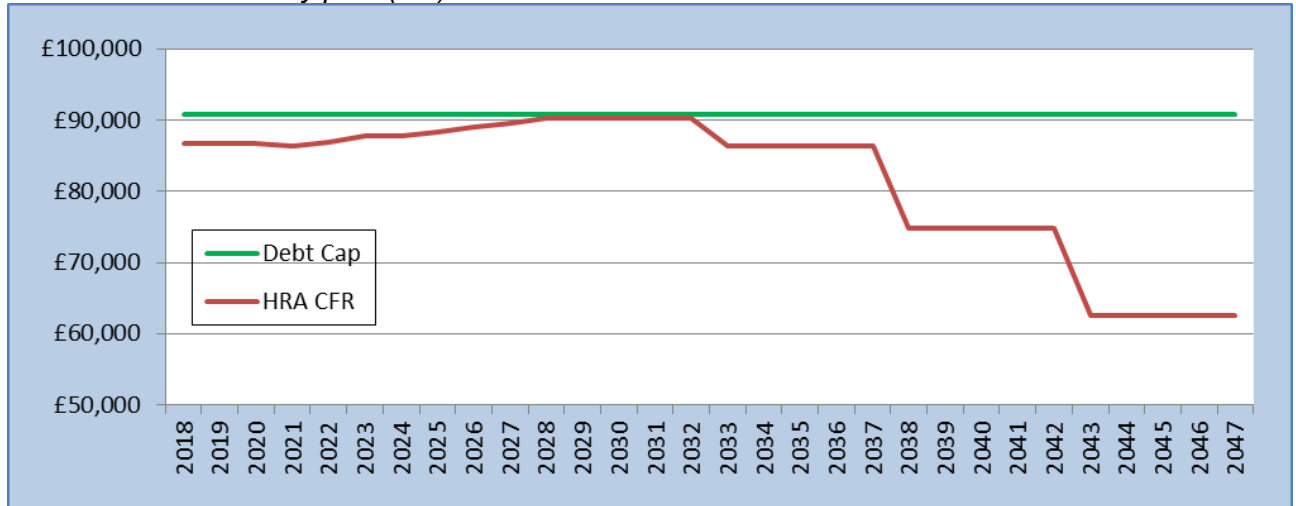
Analysis shows that achieving £300,000 of efficiencies (cost savings and/or income increases) over the three year period to 2020/21 will prevent a breach of the debt cap and make the MSDC HRA business plan compliant.

This is a significant figure but one that the Supported Living team believes is achievable and a plan has been developed to deliver it.

A detailed analysis of the options and the efficiency plan is shown in section 6 below.

**Charts illustrating the MSDC HRA financial position before and after efficiencies are applied;**

*Chart 1 – Pre Efficiency plan (£m)*



The chart shows the required borrowing being at or near the debt cap between 2028 and 2032. This assumes £1,100 capital expenditure per property per year from 2018/19 for 29 years and adding in RTB acquisitions for years 21 to 25 that were originally missing.

This has resulted in more planned maintenance spend in the earlier years than previously forecast but less spend from year 10 onwards. The chart shows how close the HRA Capital Funding Requirement (CFR) is to the Debt Cap per year and is **before** any savings for 2018/19 to 2020/21 have been identified.

*Chart 2 – Post efficiency plan (£m)*

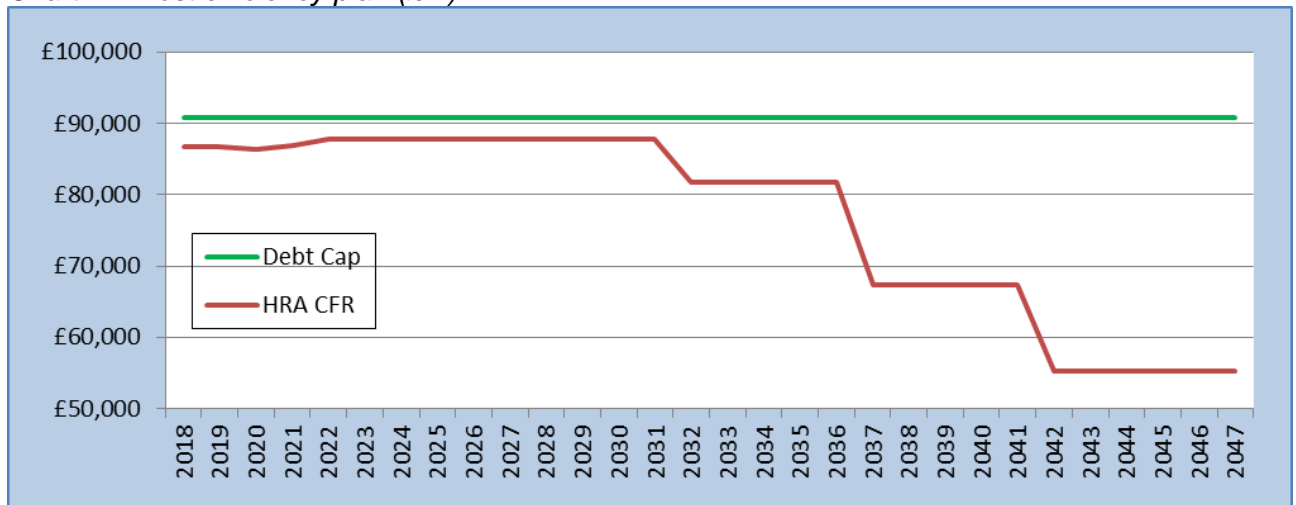


Chart 2 includes savings identified for 2018/19 to 2020/2021 as detailed in section 6. This brings the Capital Funding Requirement below the Debt Cap for the whole 30 year programme

## HOUSING REVENUE ACCOUNT 5 YEAR PROJECTIONS

### Mid Suffolk District Council

Year	2017.18	2018.19	2019.20	2020.21	2021.22
£'000	1	2	3	4	5
<b>INCOME:</b>					
<b>Total Income</b>	<b>15,551</b>	<b>15,506</b>	<b>15,389</b>	<b>15,626</b>	<b>15,856</b>
<b>EXPENDITURE:</b>					
General Management	-2,011	-1,974	-2,033	-2,092	-2,154
Special Management	-1,052	-1,029	-1,063	-1,099	-1,136
Other Management	-191	-108	-64	-11	95
Bad Debt Provision	-111	-145	-179	-182	-149
Responsive & Cyclical Repairs	-2,881	-2,497	-2,514	-2,526	-2,579
<b>Total Revenue Expenditure</b>	<b>-6,247</b>	<b>-5,754</b>	<b>-5,853</b>	<b>-5,910</b>	<b>-5,923</b>
Interest Paid	-3,042	-3,164	-3,263	-3,286	-3,277
Interest Received	27	15	17	16	16
Depreciation	-3,407	-3,445	-3,445	-3,445	-3,531
<b>Net Operating Income</b>	<b>2,883</b>	<b>3,158</b>	<b>2,845</b>	<b>3,000</b>	<b>3,140</b>
<b>APPROPRIATIONS:</b>					
Revenue Contribution to Capital	-3,597	-2,048	-2,327	-2,404	-3,220
<b>Total Appropriations</b>	<b>-3,597</b>	<b>-2,048</b>	<b>-2,327</b>	<b>-2,404</b>	<b>-3,220</b>
<b>ANNUAL CASHFLOW</b>	<b>-713</b>	<b>1,110</b>	<b>518</b>	<b>596</b>	<b>-80</b>
Opening Balance	1,776	1,062	2,172	2,690	3,287
<b>Closing Balance</b>	<b>1,062</b>	<b>2,172</b>	<b>2,690</b>	<b>3,287</b>	<b>3,206</b>

Table 5

The HRA Business Plan model is used to forecast dwelling rent and other income, loan interest payments and Revenue Contributions to Capital. The budget for the current year has already been agreed and shows general management costs dropping over the 5 year period as a result of efficiencies. There is a negative position on cash flow in year 1 but the closing balance remains strong over the period.

**HOUSING 5 YEAR CAPITAL PROJECTIONS**  
**Mid Suffolk District Council**

Year	2017.18	2018.19	2019.20	2020.21	2021.22
£'000	1	2	3	4	5
<b>EXPENDITURE:</b>					
Planned Variable Expenditure	-1,391	-1,825	-1,755	-1,655	-1,340
Planned Fixed Expenditure	-2,033	-1,770	-1,835	-1,930	-2,242
Disabled Adaptations	-200	-200	-200	-200	-200
Other Capital Expenditure	-3,772	-4,034	-4,308	-4,768	-5,250
New Build Expenditure	-619	-80	0	0	0
<b>Total Capital Expenditure</b>	<b>-8,016</b>	<b>-7,909</b>	<b>-8,097</b>	<b>-8,554</b>	<b>-9,032</b>
<b>FUNDING:</b>					
Major Repairs Reserve	2,333	3,795	3,769	3,706	3,374
Right to Buy Receipts	840	856	709	709	709
Other Receipts/Grants	0	0	0	305	154
HRA CFR Borrowing	115	0	0	0	0
HRA Reserves	1,132	1,210	1,292	1,431	1,575
Revenue Contributions	3,597	2,048	2,327	2,404	3,220
<b>Total Capital Funding</b>	<b>8,016</b>	<b>7,909</b>	<b>8,097</b>	<b>8,554</b>	<b>9,032</b>

Table 6

Capital spending remains constant throughout the life of the plan although in the current year planned expenditure has been lowered pending the outcome of stock condition and asset appraisal work.

**SCENARIO TESTING**

The Business Plan financial model created and supported by the Chartered Institute of Housing enables us to forecast income and expenditure and their impacts on the financial health of the HRA over a 30 year period.

There are a number of factors which will have a significant impact on the HRA finances. Scenario Testing is important in order to assess the relative scale and impact of changes from the base assumptions in the HRA Business Plan financial model.

The greatest risk to the sustainability of the HRA at this time is the levy on the sale of high value assets (HVAs). In the autumn statement 2016 the Government announced that the levy would not be introduced in 2017/18. The size of the levy remains unclear at the time of writing and, because of this uncertainty, we have not built any assumptions into the financial plan relating to it, on advice from the CIH.

Table 7 - Sensitivities against the base Business Plan

Sensitivity	Year 30 HRA Base Position £m	Year 30 ("Cost") / Benefit to HRA £m
Base Position	71.2	-
High Value Asset Levy £750k	49.4	(21.8)
1% increase in CPI from 20/21	132.8	61.6
1% reduction in CPI from 20/21	24.9	(46.3)
1% annual increase in capital programme building costs	24.1	(47.1)
Rents increased only by CPI	13.9	(57.3)
2 extra Right to Buy sales per year	68.8	(2.4)
5 less Right to Buy sales per year	77.2	14

Table 7

## 5. GROWTH AND BUILDING NEW COUNCIL HOMES

A development programme of 38 homes for rent and shared ownership is already underway and there is financial capacity within the HRA to develop a further 60 homes. We will fund this pipeline using HRA resources including: earmarked development funds; Right to buy receipts; Homes and Communities Agency Grant Funding; existing HRA owned land such as garage sites.

Housing developments will also be brought forward by taking opportunities which arise within the HRA estate by making best use of our existing HRA assets to maximise development opportunities:

- Turnover of HRA homes – voids
- Garden severances and infill opportunities
- Garage site opportunities
- Review of existing housing that is no longer fit for purpose as a result of low demand or the asset is uneconomical to maintain or has a high value
- Joint ventures with neighbouring landowners

Although MSDC has no tangible headroom beyond the projected 98 homes, planning for future headroom and development still needs to be undertaken. While we build our intelligence base to inform longer term development plans, we have the following development and acquisition activity happening already:

- We have commissioned a desk top exercise which will identify all existing HRA land and potential regeneration opportunities. These opportunities will then be appraised to create a pipeline of estate regeneration based delivery
- We are working with private developers to secure direct purchase of new build homes to utilise RTB receipts and ensure the viability and sustainability of such acquisitions
- We will work with agents to source land opportunities for development. The level of funding required will be dependent on opportunities but a fund will be set aside to support this
- The existing HQ site in Needham Market may provide opportunities for HRA investment in housing. Options for the site will be developed in late 2017.

## 6. INCREASING FINANCIAL CAPACITY AND IMPROVING EFFICIENCY

### HRA COST REDUCTION STRATEGY

Financial analysis shows that operational efficiency gains of £300,000 over a 3 year period starting from 2018/19 will prevent a potential breach of the debt cap in the Mid Suffolk HRA.

The Supported Living team has developed an efficiency plan to deliver these savings.

There is no pressing financial need for the Babergh HRA to operate more efficiently and one approach could be to deliver different service level to residents in the two Councils based on what the HRA can afford. The approach being taken, however, is to avoid differential service level, because of the operational complexities and inefficiencies this would create. The aim instead is to maintain the same service levels across the two Councils and for Babergh to also benefit from any operational efficiencies achieved.

There will continue to be very different levels of new Council house building/acquisition across the two Councils because of the underlying differences in financial capacity.

The operational efficiencies that the Supported Living team have identified and plan to deliver over the 3 year period are:

#### **Sheltered Housing Service Charges**

The recent review showed that existing sheltered housing service charges fell far short of recovering the cost of delivering sheltered services.

For 2017/18, a 30% increase with a £4 cap has been approved by the Council. The charges could be increased by the same amount in 2018/19. This will result in additional income to MSDC of £54,000 in 2017/18 and £60,000 in 2018/19.

#### **Sheltered Housing Salary Costs**

A review of the staffing levels was also undertaken as part of the changes proposed to sheltered housing schemes. The approved changes will result in a reduction in staff numbers resulting in a saving of £51,000 in 2017/18 and a further £20,000 in 2018/19.

#### **BMBS/Property Services**

Savings of around £100k per council for the 3 financial years 2018/19 to 2020/21 can be realistically achieved through improved procurement.

#### **Lettable Standard**

The lettable standard for both councils has been aligned but is currently being value engineered as part of this review.

#### **Rechargeable Work and Enforcement**

An improved tenant recharge process will ensure that costs incurred through abuse of Council properties will be recovered whenever possible. An estimated additional income £7,500 per year is expected.

#### **Introduction of Service Charges for General Needs Stock**



The Councils do not currently charge for services provided over and above those required by statute. Costs incurred by the HRA for services such as grounds maintenance, cleaning, and communal utilities could be recovered from tenants in the form of a service charge. Additionally there are opportunities to consider the introduction of management or caretaking fees that could enhance the service offered to residents.

Further work is required to fully understand the steps and implications of this but there is the potential to recover significant costs from residents receiving services rather than being subsidised by the HRA as a whole.

### **Void Turnaround Improvement**

On average, 200 Council properties are vacated and relet each year in Mid Suffolk. During the time they are untenanted no rent is received and the councils are liable for council tax. Whilst the average time to re-let properties has reduced over the last three years it remains higher than average for social landlords. The table below shows the re-let time for all types of property from April 2014.

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
<b>MSDC (days)</b>	66	42	35

The table below shows the total lost rent due to void periods. These figures include rent loss relating to properties awaiting sale and those which are vacant pending demolition.

	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
<b>MSDC (£)</b>	291,730	265,298	195,377

A reduction of 7 days in the average void time would reduce rent loss by around £16,000. It would also reduce the amount of council tax payable by the HRA by around £3,500.

The re-let process involves a number of different activities and members of staff in different teams and roles. It involves administrative tasks relating to the ending of one tenancy and the commencement of a new one, visiting the property prior to vacation, carrying out safety checks and bringing properties to the councils' agreed lettable standard and allocating to a new tenant.

Ensuring that the new process is lean and efficient and minimises delays is key to reducing the void time and is the first area of performance improvement focus following the launch of BMBS.

### **Target for reduction of void times**

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>MSDC (days)</b>	35	28	21

In order to achieve an average re-let time of 21 days repair work and safety checks will need to be completed within 15 days.

### **Understanding the contribution of individual assets**

Currently we have no comprehensive HRA asset management strategy. We cannot determine where and how best to invest in our stock and although we are 'data rich' we are 'business intelligence poor'. Although it might be tempting to solve immediate funding issues with sales, selling the 'right' stock is the key to good asset management. Our proposed approach to asset management planning will be based around an asset management wheel (set out below). Simplistically, this requires that we:

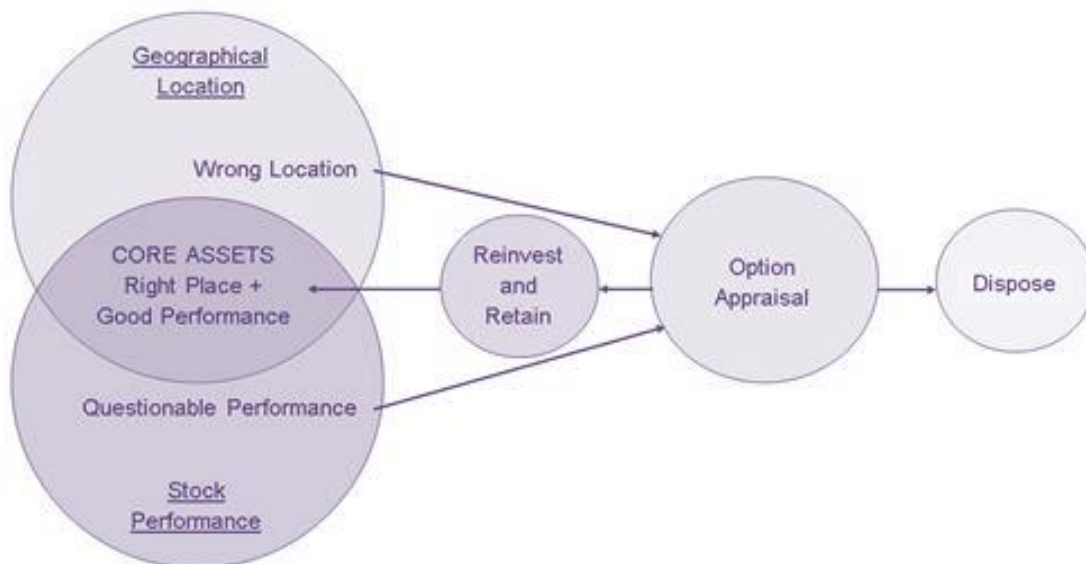
- Understand where we currently are with our assets
- Decide where we want to be
- Agree what resources are available
- Establish the options for moving from where we are to where we want to be
- Prioritise and plan (on the basis they will never have enough resources or time to do everything), and
- Implement agreed plans



All these activities must link back to the business plan, funding arrangements and strategic options appraisal. In order to start this planning process effectively, we need to have a detailed understanding of how all our HRA assets perform. This mirrors the work that has been undertaken on the General Fund assets side. Such an assessment will need to draw data from different sources as shown in the diagram below:



The outcomes of this model will inform the strengths and weaknesses of the different stock groupings, using a series of Asset Strategic Efficiency Tests. Once the model is completed, it will provide us with a range of asset groupings, which will inform future option appraisals beyond this initial work. This is shown diagrammatically below:



Effective asset management requires a complete and thorough understanding of the contribution that each asset makes. It will be the case in any portfolio that some assets will contribute strongly financially, others on the margin of profitability and a smaller percentage will be loss making. We plan to grade our assets in the same way that we achieved with general fund assets and carry out options appraisals on those that are loss making. This may result in a re-configuration, regeneration, redevelopment or a disposals programme of assets once complete.

This work can be carried out in advance of new stock condition data being available since this data forms only a small element of the overall analysis. This work will be commenced in early summer 2017.

### **Improved ways of working**

At the core of the All Together Project is an increased investment in technology to enable over time:

- More efficient working practices
- Increased use of data
- Better customer insight
- Understanding what our customers value and what they do not
- more effective targeting of services
- Encouraging self-service for those that are able in order to free up resource to make savings or focus on those that really need our help.

We are already reviewing the way we are structured to deliver housing services. This includes a reassessment of:

- The way we handle reports of ASB
- Focussing our work on those that need us most by piloting an 'Early Help Delivery Team' comprising a multi-disciplinary, integrated approach.

This approach is in line with a move to more outcome focused working proposed in the future vision for housing.

### **Improved stock condition data**

Robust stock condition data enables the Councils to plan and to budget for the work required to maintain the housing stock in a reasonable and lettable condition. Accurate data provides confidence that HRA funds are spent on the right work in the right places.

A project is underway to update the data to enable an evidence based programme of capital works to be designed for 2017/18 and the following two years. A fresh sample stock condition survey will be commissioned for MSDC in 2017/18.

### **Increasing Rental Income**

There are restrictions on rental income increases and the current rent regime requires a 1% reduction in rent payable until 2019/2020. This may change with any new Government but cannot be guaranteed.

As with service charges, our processes for charging and collecting rent and the policy of increasing rental income needs improving. There may be opportunities with a strong new build programme to increase rental streams on wider stock as some Councils appear to have done. A review of the opportunity for this and the development of a comprehensive 'Rent and Service Charge Policy' will be undertaken in 2017.

In particular we will review the way in which void properties are treated and how and when rents can be raised on re-let. This is linked to capacity and grant funding for new build homes and our development programme might facilitate that. It is not

possible simply to raise all rents on re-let to 80% of market rent without a link with capacity for new homes being established.

It will be possible to consider some homes for conversion to shared ownership where planning considerations and any historic covenant and funding considerations allow. Permission and guidance will be sought from DCLG on larger scale transfer of stock into shared ownership to inform a policy discussion.

## Summary HRA Efficiency Gains Plan

Identified actions	17/18	18/19	19/20	20/21
<b>Sheltered Housing</b>				
Increase in Service charges as part of Budget setting process	(54)	(60)		
Reduction in salaries following sheltered scheme review	(51)	(20)		
Rents from GF for using Sheltered Housing Accommodation as Landing Points		(9)		
<b>Leaseholders</b>				
Increase in Service charges as part of leaseholder review		(8)		
General Service Charges Increase		(17)	(17)	(17)
Rechargeable works to be invoiced to private tenants		(5)		
<b>Voids</b>				
Reduction in number of void days to 21 over four years thereby increasing rental income		(10)	(10)	(10)
Assets earmarked for potential development are not void until absolutely necessary thereby increasing rental income		(9)		
<b>Property Services</b>				
Recharging Health and Safety employee costs when used by other ODT's		(7)		
Components costs reduction following tender coming up for renewal		(30)	(30)	(40)
	<b>(105)</b>	<b>(175)</b>	<b>(57)</b>	<b>(67)</b>

## 7. BABERGH AND MID SUFFOLK BUILDING SERVICES (BMBS)

The BMBS business plan and its operations have been the subject of a rigorous review and the financial projections originally reported have been revised and incorporated into the HRA financial plan. The revised projections can be found below and now highlights a more challenging position than that anticipated when agreed in June 2016.

BMBS, launched from April 2017, is in a state of transition bringing together, as it does, two different organisations with diverse operating practices. There was an implementation plan produced in advance of amalgamation, and the critical tasks in that plan are being worked through by the new Service Manager recently appointed. The team is aware that for BMBS to be successful, this plan will have to be widened and re-visited regularly at a granular level with new tasks added and specific tasks allocated to named individuals.

The original financial projections have been reviewed by the Corporate Manager on joining the team and these updated predictions now push 'breakeven' from the originally predicted trading year 2 to a revised year 4. This presents an undoubted challenge for the team but one that could still result in breakeven being brought forward where there is strong leadership, commitment to change and commercial diligence.

The revised financial projection is as follows:

Type of Works	Year 1	Year 2	Year3	Year4	Year 5
<b>Income</b>					
Capital & Planned Maintenance	1,200,000	1,320,000	1,452,000	1,597,200	1,756,920
Responsive	1,374,989	1,374,989	1,374,989	1,374,989	1,374,989
Voids	745,548	745,548	745,548	745,548	745,548
Other Housing Projects	75,000	82,500	90,750	99,825	109,808
Aids & Adaptations	100,000	110,000	121,000	133,100	146,410
Corporate works (General Fund)					50,000
External Income					50,000
<b>Total</b>	<b>3,495,537</b>	<b>3,633,037</b>	<b>3,784,287</b>	<b>3,950,662</b>	<b>4,233,675</b>
<b>Expenditure</b>					
Office Employee Costs	265,000	267,650	270,327	273,030	275,760
Manual Employee Costs	1,300,000	1,313,000	1,326,130	1,339,391	1,352,785
Other Employee Expenses	1,800	1,818	1,836	1,855	1,873
Premises	12,000	12,120	12,241	12,364	12,487
Transport	160,000	160,000	160,000	160,000	160,000
Materials External Purchase	1,400,000	1,470,000	1,543,500	1,620,675	1,701,709
Sub Contracted Services	463,526	417,173	375,456	337,910	304,119
Support Service charges	147,287	148,760	161,922	163,541	165,176
Other Supplies & Services	57,000	57,570	58,146	58,727	59,314
Training costs	5,255	5,308	5,361	5,414	5,468
<b>Total</b>	<b>3,811,868</b>	<b>3,853,399</b>	<b>3,914,918</b>	<b>3,972,907</b>	<b>4,038,693</b>
<b>Surplus/(Deficit)</b>	<b>-316,331</b>	<b>-220,362</b>	<b>-130,631</b>	<b>-22,245</b>	<b>194,982</b>

These projections have been revised for the latest predicted capital programme and other income including the removal of external income and a reduced pipeline of work on general fund assets as a result of the move to Endeavour House.

Bringing the service in-house offers more control over the quality of repairs and removes the risks associated with outsourcing. But given the geography and the number of properties, BMBS will require strong and detailed management and oversight. The throughput of planned works, a major component of turnover is of great importance. The plans for new stock condition surveys and the potential for a resulting strong planned programme of improvements will help with this viability.

There is a back-log of repairs to be tackled accounted for within the financial plan. The senior BMBS team will be working immediately with the in-house procurement team to set up framework agreements with Sub-Contractors, which when combined with the potential to increase efficiencies through the adoption of work scheduling software, will allow for the work to be completed more quickly.

The level of staff resources is appropriate to discharge the volume of work projected however extra admin, technical and strategic support might be required in the short term to deliver earlier successes. This extra support is allowed for within the plan and held currently as vacant posts. The new Corporate Manager will be exploring what this means practically and request support as the need emerges. The improvement in comprehensive performance and management information at both a commercial and operative level will be also necessary to achieve short term productivity improvements.

Other commercial decisions will have to be taken over the first few years of trading to support the business. Spend on materials is currently high and the differential salaries between the existing team and TUPE'd staff also has a significant impact. Reducing the impact of these overheads could see an earlier improvement in surplus and productivity. A comprehensive list of actions to support BMBS trading is as follows:

1. A major issue to consider is that, on the one hand, BMBS employ staff based upon Council Terms and Conditions whereas TUPE transfer staff are on quite different and less preferential terms. In addition to potential discontent that this might cause, this disparity over time will lead to increasing costs rather than a reduction. Terms and conditions will therefore need reviewing.
2. The cost of materials is currently budgeted at 38% which is high for an organisation of BMBS's size and scale of operation. Early consideration will be given to gaining access to a buying consortium to reduce the costs to a more industry standard 22-25%.
3. One of the key principles of establishing and running an efficient business surrounds the approach to management culture and how the business is managed and operated. It must have a commercial focus and this demands the introduction of a trading account and management information systems to ensure it is properly populated and interrogated.
4. In order that the organisation over time can take advantage of external business opportunities consideration will be given to where the organisation 'sits' in the Councils' structures in future. The case for taking BMBS outside of the HRA will be considered within the first 3 years of trading as performance becomes understood. This will take the form of a full market assessment.

5. A number of operational issues will need to be reviewed to ensure that BMBS operates efficiently in early years of trading, in practice this will require an analysis and understanding of the geography of the operation, where subcontract work might be best deployed, an agreement on repairs processes, service agreements and the specification to be applied to activity such as voids and repairs.
6. Although the operational team is considered appropriate for the size of operation the Service Manager will need some additional support in the short term to deliver some of the key strategic, implementation and business planning outcomes required to make the operation a success. A recommendation for the extent of that support will come forward in the first 6 months of trading. In particular this support will help with points 9) and 10) below.
7. The BMBS team will work with the wider HRA team to develop a clear and appropriate pipeline of planned works for the years ahead. Not only is a strong planned programme important to maintain high quality homes but a well-defined 'order book' is essential to maintain the trading strength of BMBS and help it plan for its future. Stock condition surveys planned for 2017 and 2018 will inform these new programmes.
8. The BMBS team will in future work closely with the business and financial planning team to ensure that when the HRA plan is reviewed annually that all implications of BMBS can be taken into account in its development.
9. A rigorous external review has been undertaken of BMBS and the team will now develop an implementation plan to take the operational recommendations of that review forward in a planned way and developed within 6 months of trading.
10. All the above will need to be incorporated in a 5 year Business plan specifically for BMBS reviewed annually and completed within year 1 of trading.

## **8. THE HOUSING SERVICE**

### **Public access and accommodation – All Together**



The world of government and the public service sector is being transformed by technology, new ways of working, a severely constricting financial environment and public expectations. We have to enable our communities to become more resilient and to rely less heavily on public sector services and resources by being more efficient, flexible, agile, innovative, collaborative and accessible.

Our objective is for the Councils to have improved ways of working that are better for our residents, simpler for our staff and more cost effective for the tax payer, which make it easy for anyone to do business with the Councils, through channels that:

- Are effortless to navigate
- Promote individual and community self-service
- Are available when the customer requires them
- Make work more straightforward and enjoyable for our staff
- Reduce confusion for the public about who does what across the Suffolk System.

The Councils' Public Access Strategy devolves control and responsibility to residents. It fosters community resilience and will enable us to learn from each interaction through utilisation of CRM software. It is customer focused, and promotes an evidenced understanding of the bespoke requirements of individuals, a culture of collaboration and continuous refinement of the way we do business. Together with developing self-service options, this will mean we can focus more attention on those that really need our help, be more productive, thereby increasing the financial capacity of the HRA.

### **Tenancy Services Review**

We plan to review the way we are structured to deliver tenancy services. This will include a reassessment of:

- The way we handle reports of ASB
- Focussing our work on those that need us most by piloting an 'Early Help Delivery Team' comprising a multi-disciplinary, integrated approach.

### **Home Ownership Project**

The Home Ownership project will implement the recommendations of the HQN review of Leasehold and Right to Buy services. The review recommends the alignment of processes across Babergh and Mid Suffolk, the introduction of clear performance measures and a refresh of leaseholder service charging to ensure that the Council's charge and collect the cost of works to leasehold flats. The anticipated deliverables are:

- Reduced costs
- Increased revenues
- Improved service delivery
- Mitigating risk through compliance with legislation

### **Older Persons Housing Vision**

The importance of appropriate and good quality housing to the short and long term health and wellbeing of individuals is widely acknowledged in Suffolk. The Suffolk Health and Wellbeing Board have formally launched a Housing and Health Charter

recognising the importance of collaborative working between housing, health and social care, including a set of commitments that will inform and influence the future direction of all partners throughout the Suffolk System.

This collaborative approach is crucial to ensuring that future housing provision across all tenures meets the needs and aspirations of older people living in Suffolk. The recent strategic review of specialist housing in Suffolk drills down into variables that enable us to gain some understanding of which proportion of the current population of Suffolk are likely to be in need of the care and support services aligned to specialist housing. These variables have then been used to create projections as to how that level of need may change over time, which has also been compared and contrasted with more generalised population changes. The Review enables us to quantify likely demand over time broken down in relation to district and borough areas.

The review examines different models of housing to aid understanding of what currently works well in supported housing and will help the Councils to design future supply to meet the needs of those needing specialist/supported housing, including older people.

### **Mid Suffolk DC sheltered housing**

The County wide Older Persons Housing Vision will guide future recommendations Members will receive regarding its sheltered housing. In December 2016, the Councils approved a new strategy for sheltered housing. Key deliverables of the new strategy are:

- To withdraw sheltered services where there is no demand and convert to general needs housing
- Reduction in the number of schemes
- Providing independent living for the over-60s with minimum housing related support.
- A cost effective service that remains within budget through a more robust service charging regime.
- Where a scheme is identified as having potential for full or partial redevelopment, recommendations will be brought to members when a full appraisal has been undertaken.

### **Fixed term tenancies**

The Council currently offers new tenants a secure tenancy under the Housing Act 1985. The Localism Act gave local authorities the power to offer fixed term tenancies to new tenants. Subsequent provisions in the Housing and Planning Act will prevent local authorities in England from offering a secure tenancy to people of working age in most circumstances. Offering fixed term tenancies will require new ways of working. Changes include:

- An amended tenancy agreement
- New processes for carrying out reviews during the fixed term and an appeal procedure for challenges to decisions
- Provision/encouragement of a range of housing tenures including shared ownership, low cost home ownership and private affordable housing.

Mandatory fixed term tenancies are expected to be implemented in April 2018.

## **9. BUSINESS PLAN OWNERSHIP AND REPORTING**

The Assistant Director (Supported Living) owns and is responsible for the HRA business plan. This involves:

- Maximising the contribution the HRA makes to delivery of the outputs in the JSP
- Producing the HRA business plan
- Keeping the business plan up to date with changes in the operating environment
- Identifying and mitigating new risks
- Engaging with and informing members, senior staff and residents on HRA performance and annual business plan reviews
- Reporting on HRA outputs to members and the senior leadership team as required
- Maintaining a knowledgeable and responsive HRA business plan team instigating training as required
- Engaging with internal and external advisors
- Benchmarking HRA business plan performance

## Appendix A – Summary Improvement Plan

Ref	Item	Detail	Target Completion
A	HRA Business Plan Assumptions	Review annually in light of the prevailing policy and market environments	January 2018
B	Scenario Test	Devise and test scenarios annually in light of the prevailing policy and market environments	January 2018
C	Development Pipeline	Work with the Investment and Commercial Delivery team to take results from HRA land assessment work and develop a pipeline for new home delivery	September 2017
D	Sheltered Housing Review	Deliver findings from December 2016 review	April 2018
E	Property Services/BMBS materials procurement	Review local and regional opportunities for membership of buying consortia with the aim of making £100,000 of savings in materials costs each year for 3 consecutive years from April 2018	April 2018 and annually thereafter until 2021
F	Lettable Standard	Complete a review of the 'lettable standard' and implement new standard	December 2017
G	General Needs Service Charges	Undertake review of charges to GN tenants and develop a methodology for de-pooling rents and service charges.	January 2018
H	Voids	Undertake a complete review of the voids process with a view to bringing achieve a maximum 21 day turnaround of all voids.	September 2017
I	Asset Understanding	Complete a comprehensive asset grading exercise and understand the contribution that each asset makes to the overall portfolio in both financial and qualitative terms.	September 2017
J	Asset Options Appraisal	Undertake options appraisal on the bottom 10 worst performing assets and devise a strategy for each	December 2017
K	Stock Condition	Undertake a stock condition survey	April 2018
L	Asset Management Strategy	Develop and seek approval for a comprehensive HRA asset management strategy	December 2017
M	Rent and Service Charge Policy	Review of how and to what extent rents are set including following void periods. Develop and seek approval for a comprehensive rent and service charge setting policy. Assess the market and options to convert void homes to shared ownership.	December 2017
N	Tenancy Services	Undertake a review of the way in which tenant services are delivered to include a review of costs and delivery mechanisms	December 2017
O	Tenancy Agreement	Undertake a review with a view to moving towards fixed term tenancies for tenants. Develop new policy and implement	April 2018
P	Compliance	Undertake a review of all regulatory compliance within the HRA and develop a plan for improvement.	June 2017