

Housing Committee Thursday, 14th September, 2023 at 7.30 pm Council Chamber - Council Offices

Agenda

The agenda for this meeting is set out below.

Members of the Housing Committee

Councillor Jeremy Pursehouse (Chair)	Councillor Peter Damesick (Vice-Chair)
Councillor Annette Evans	Councillor Jenny Gaffney
Councillor Matthew Groves	Councillor Liam Hammond
Councillor Katie Montgomery	Councillor Nicola O'Riordan
Councillor Vicky Robinson	Councillor Deb Shiner
Councillor Richard Smith	Councillor Taylor O'Driscoll

Substitute Members

Councillor David Lee	Councillor Carole North
Councillor Chris Pinard	Councillor Helena Windsor

If a member of the Committee is unable to attend the meeting, they should notify Democratic Services. If a Member of the Council, who is not a member of the Committee, would like to attend the meeting, please let Democratic Services know by no later than noon on the day of the meeting.

If any clarification about any item of business is needed, contact should be made with officers before the meeting. Reports contain authors' names and contact details.

David Ford

Chief Executive

Information for the public



This meeting will be held in the Council Chamber, Council Offices, Oxted and the public are welcome to attend. Doors for the Council Offices will open 15 minutes before the start of the meeting.



The meeting will also be broadcast online at tinyurl.com/webcastTDC. In attending this meeting, you are accepting that you may be filmed and consent to the live stream being broadcast online and available for others to view.



Information about the terms of reference and membership of this Committee are available in the Council's Constitution available from tinyurl.com/howTDCisrun. The website also provides copies of agendas, reports and minutes.



Details of reports that will be considered at upcoming Committee meetings are published on the Council's Committee Forward Plan. You can view the latest plan at tinyurl.com/TDCforwardplan.

AGENDA

1. Apologies for absence (if any)

2. Declarations of interest

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter:

- (i) any Disclosable Pecuniary Interests (DPIs) and / or
- (ii) other interests arising under the Code of Conduct

in respect of any item(s) of business being considered at the meeting. Anyone with a DPI must, unless a dispensation has been granted, withdraw from the meeting during consideration of the relevant item of business. If in doubt, advice should be sought from the Monitoring Officer or her staff prior to the meeting.

3. Minutes of the meeting held on 20 June 2023 (Pages 3 - 6)

To approve as a correct record.

4. To deal with any questions submitted under Standing Order 30

Questions must be sent via email or in writing to Democratic Services by 5pm on 12 September 2023 and comply with all other aspects of Standing Order 30 of the Council's Constitution.

5. Grounds Maintenance Options Appraisal Outcome - Housing Committee (Pages 7 - 18)

6. Council House Building Programme - Warren Lane depot full budget approval (Pages 19 - 24)

7. Homes England Investment Partner Status and Grant Agreement (Pages 25 - 30)

8. Local Authority Housing Fund - Round 2 (Pages 31 - 50)

9. Responsible Ownership - Pets Policy (Pages 51 - 64)

10. Quarter 1 2023/24 Key Performance Indicators - Housing Committee (Pages 65 - 88)

11. Quarter 1 2023/24 Budget Monitoring - Housing Committee (Pages 89 - 102)

12. Any other business which, in the opinion of the Chair, should be considered as a matter of urgency

To consider any other item(s) which, in the opinion of the Chair, should be considered as a matter of urgency – Local Government Act 1972, Section 100B(4)(b).

TANDRIDGE DISTRICT COUNCIL

HOUSING COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the Council Chamber - Council Offices on the 20 June 2023 at 7:30pm.

PRESENT: Councillors Pursehouse (Chair), Damesick (Vice-Chair), Evans, Gaffney, Hammond, Montgomery, O'Riordan, Robinson, Shiner, Smith and O'Driscoll

ALSO PRESENT: Councillors Windsor and Allen

APOLOGIES FOR ABSENCE: Councillor Groves

39. MINUTES OF THE MEETING HELD ON 16 MARCH 2023

The minutes were confirmed and signed as a correct record.

40. MINUTES OF THE MEETING HELD ON THE 25 MAY 2023

The minutes were confirmed and signed as a correct record.

41. TENANT AND LEASEHOLDER ENGAGEMENT STRATEGY

The Committee received a report recommending the adoption of the Tenant and Leaseholder Engagement Strategy. The Strategy had been subject to public consultation following approval to consult in January 2023.

Officers explained that the Strategy would provide an additional mechanism for continuous service improvements, with the aim of increasing tenant and leaseholder satisfaction. It would set out a range of methods to improve meaningful engagement and introduce challenging targets against which delivery can be measured.

Officers explained that, as there had only been 9 responses to the consultation, a survey of tenants had been undertaken to ensure up-to-date contact details were held. The survey also sought to understand tenants' engagement preferences. 400 responses had been received to the survey.

Political Groups would be approached to nominate a representative to participate in the Engagement Steering Group.

Members expressed their support for the proposals and welcomed the opportunity to ensure elected representatives' views were heard through the Engagement Steering Group.

RESOLVED that –

- A) the Committee adopt, on behalf of the Council, the Tenant and Leaseholder Engagement Strategy as set out in Appendix A to the report.
- B) Each political group be approached to nominate a representative to attend and participate in the Engagement Steering Group.

42. UPDATE: AIDS AND ADAPTIONS IN COUNCIL HOMES POLICY

A report was submitted recommending minor changes to the Aids and Adaptions in Council Homes Policy. The Policy was adopted in its current form in November 2020. Members had requested that the Policy was reviewed by Officers post implementation to ensure the Policy continued to enable the Council to fulfil its duties towards vulnerable and disabled people effectively. The purpose of the recommended changes was to better manage tenant's expectations, update job titles and ensure the text in the policy explained clearly how the Council makes best use of Council housing stock.

RESOLVED – that the minor amendments in the Aids and Adaptions in Council Homes Policy put forward be agreed.

43. 2022/23 HOUSING COMMITTEE PERFORMANCE REPORT

The Committee received a report outlining the Quarter 4 2022/23 performance against Key Performance Indicators (KPIs). 5 of the KPIs had not been met, with appendix A to the report providing explanation as to why. The Committee also received the Housing Risk Register which included the mitigating actions taken against the identified risks.

The report set out a list of tenant satisfaction measures which the Council would collate in order to provide information to tenants to support effective scrutiny by them of the Council's performance as a landlord in managing their homes and neighbourhoods.

Following questions from Members, Officers provided information on two closed risks:

- A very high risk which had related to a potential overspend on housing repairs, due to a technical issue with two Council systems, had been removed following resolution of the issue.
- A medium risk that the Council's Gazprom energy contract would be terminated. This had been closed as ownership of Gazprom had been disconnected from the Russian state. The contract would be re-procured when it ceased in September 2024.

In response to a question on actions the Council was taking to reduce the number of households living in temporary accommodation, Officers explained they were working with various partners to deliver temporary accommodation. This included working with private landlords through the Private Sector Access Scheme. Collaboratively work was also being undertaken with other Districts and Boroughs in Surrey to resolve the issue across the County. It was noted that demand for temporary accommodation was up but there was a low supply of affordable accommodation and an insufficient supply of private rented accommodation within the District.

RESOLVED – that:

- A) the Quarter 4 2022-2023 performance and risks for the Housing Committee be noted.
- B) the collection of the additional performance indicators highlighted in Appendix C to the report be noted.

44. 2023/24 COUNCIL HOUSE BUILDING PROGRAMME UPDATE

A report was submitted to the Committee to provide an overview of the Council's house building programme. This included specific scheme updates, information on the programme budget, targets and medium and high risks. The update also provided information about the purchase of properties under the Local Authority Housing Fund (LAHF) and how the Council was working with other affordable housing partners to deliver affordable housing. Officers explained that the Council was seeking to become an Investment Partner of Homes England to qualify for opportunities to bid for grants for individual schemes and the Committee would be updated as the application was progressed.

In response to Member questions, Officers confirmed:

- Consideration had been given to two stage contracts or contracts with fluctuation clauses in response to the increase in material and labour costs. Two stage contracts were considered too open ended for the scale of schemes the Council was developing but this option would be kept under review. Fluctuation clauses in contracts may be necessary but would be minimised as much as possible. Contingencies within schemes had been increased and would be used to cover additional costs under fluctuation provisions.
- The risk in relation to re-tendering the Bronzeoak contract and a lack of interest from contractors, had been identified as a result of the scheme being part way through development. This could create risks for new contractors and make tendering less attractive. Early discussions were underway with a firm which employed Claritas staff who had knowledge and experience of the site and scheme which would be beneficial.
- There had been some delays with discharging planning conditions on some sites. To mitigate this risk, Officers would seek to resolve conditions through engagement with Planning whilst the planning application was being considered.

RESOLVED – that the contents of the report be noted.

45. 2022/23 BUDGET OUTTURN - HOUSING COMMITTEE

The Committee received a report which set out the full-year outturn of the Committee's 2022/23 General Fund, Housing Revenue Account (HRA) and Capital Programme budgets.

The full-year Revenue outturn was a net spend of £462k against the budget of £476k, giving a full-year underspend of £14k. This was an improvement of £22k since the last report at Quarter 3. The key areas resulting in the change included a £80k improvement from Quarter 3 in Housing Benefit, due to Government grant money being sufficient to meet expenditure, and an improvement in Government Grant funding for Syrian & Afghan resettlement. There was an in-quarter deterioration relating to salaries and homelessness costs increasing. Full year savings of £76k had been delivered, against a target of £80k.

The HRA outturn was balanced in line with the budget. This included a transfer into reserves of £503k. The key drivers for the transfer into reserves was an increase in income due to rechargeable work and an interest rate increase on HRA balances. There was also an in-quarter salaries reduction of £81k.

In terms of the Capital Budget there was a net underspend of £4,574k. £139k of the underspend related to changed phasing in the Disabled Facilities Grant in the General Fund. A report to the Strategy & Resources Committee would recommend a carry forward of this

underspend into 2023/24. The £4,435k underspend in the HRA Capital Programme related to a housing stock underspend and a housing development net underspend which would also be included in a carry-forward proposal to the Strategy & Resources Committee.

RESOLVED – that the Committee's Revenue and Capital Outturn positions as at Quarter 4 / M12 (March) 2023 be noted.

46. HOUSING SERVICES STRUCTURE

As part of the Future Tandridge Programme, a review of the Housing staffing structure had been undertaken which resulted in the implementation of a new structure and a proposal put forward to integrate the Community Surveyor team within the Housing service. New role profiles had been written with an emphasis on customer service and performance management. A Housing Leadership Team had been formed to support the continued improvement of the service and to ensure the service was delivered in accordance with the Corporate Plan, the Housing Delivery Service Plan, key performance indicators and legislation.

In response to Member questions, Officers confirmed:

- The new structure gave clarity of responsibilities which had previously been blurred. There had been several changes in terms of staff responsibilities.
- The proposal to integrate the Community Surveyor team into Housing was because a significant majority of their work related to housing assets. The team would retain responsibility for wider Council assets, predominantly compliance and health and safety within pavilions and public conveniences. A new structure for the team would be introduced following staff consultation.

RESOLVED that –

- A) the new Housing Services structure as set out in appendix A to the report be noted.
- B) it be recommended to the next Strategy and Resources Committee that the Community Surveying team be integrated into the Housing Services structure.

Rising 8.15 pm

Grounds Maintenance Options Appraisal Outcome - Housing Committee

Housing Committee 14th September 2023

Report of: Chief Executive

Purpose: For decision

Publication status: Open

Wards affected: All

Executive summary:

As part of the Future Tandridge Programme ('FTP'), each service has undergone a robust service review to consider opportunities for service improvement, the potential for services to be delivered through a different delivery model and to identify savings needed to address the Council's significant budget gap in 2023/24.

This report sets out an update on the recent Grounds Maintenance Options Appraisal as well as progress to-date for the services within the scope of the Community Services Committee.

This report supports the Council's priority of: Building a better Council/
Supporting economic recovery in Tandridge

Contact officer David Ford (Chief Executive)

Recommendation to Committee:

The Housing Committee recommends to the Community Services Committee:

- A. To note the progress made to date and the details of the Grounds Maintenance options appraisal.
- B. To approve the lot structure approach

- C. To approve the delivery of Housing Revenue Account Grounds Maintenance work via an in house team.
- D. To note that the resources required to deliver the preferred option will be recommended to Strategy & Resources Committee to approve as part of a wider Future Tandridge Programme update.

Reason for recommendation:

The grounds maintenance service has been subject to a thorough review as part of the Future Tandridge Programme, culminating in a detailed options appraisal to recommend a future delivery model.

The overriding aims of the options appraisal were to deliver:

- A robust, resilient, and flexible Grounds Maintenance Service, focusing on creating a positive environment for residents across the Housing Revenue Account and General Fund assets,
- A service which performs to agreed schedules, frequencies and standards,
- A service which delivers value for money within the approved budget,
- A service that provides clear key performance indicators which can be tracked and robustly managed throughout the year, and
- A service which adopts the commissioning approach, based on clear data and evidence and which is based on the principle of continuous improvement.
- A service that has the flexibility to deal variables that arise at short notice.

Grounds maintenance is part of a wider savings target for Operations of £239k in 2023/24. Progress towards delivering this saving was set out in the Committee report of 9th March 2023. To-date, all but £16.5k of savings have been identified, largely through the minimisation of inflationary pressure on the current contract and efficiencies in the structure of the wider Operations service. Work to identify the remaining savings will continue.

For the purpose of completeness, the Grounds Maintenance Options Appraisal on Housing Revenue Account (HRA) land has been completed in accordance with the Operational Services Key Lines of Enquiry. This report is therefore presented to both this Committee and the Community Services Committee on 19 September 2023.

Introduction and background

1. General update

- 1.1 Currently grounds maintenance activities are delivered through a mixed economy of provision, with the maintenance of general Council assets being outsourced and the maintenance of housing assets being undertaken in-house. Detailed below is a summary of the current performance of these arrangements:
- a) Outsourced Arrangements: These are through a local small to medium enterprise (SME), who deliver a proficient level of service with a focus on the employment of local people. The costs of the current contractual arrangements have been benchmarked through external reviews and confirmed as offering the Council value for money. The current supplier has worked with the Council to reconfigure the service and to deliver savings that have then been incorporated into a 12-month contract extension.
 - b) In-house Arrangements: This is through a small team within Operational Services. A proficient level of service is being delivered though this and is compromised at times through the difficulty in recruiting staff and sickness absence.
- 1.2 The initial service review discovered several weaknesses within the current set up including poor data in areas and details of the assets to be maintained, poor specifications and light touch contract management.
- 1.3 Substantial work has been carried out to improve the data which has included producing the first mapping layer of all the grounds maintenance assets on the Council's mapping system.
- 1.4 As a result of long-term sickness in the in-house team, several vacancies have arisen and during 2023 temporary staff were bought in to cover the areas of work where the service was failing.
- 1.5 To deliver savings on the 2023/24 budget and to ensure sufficient time to deliver the future delivery model for these services, the contract with the external provider for grounds maintenance work has been extended until November 2024.

2. Grounds Maintenance Options appraisal

- 2.1 The Council needs to decide its preferred option for the future delivery of grounds maintenance activities by the end of October 2023 to then allow

12 months for the implementation of the preferred option to fit within the contract extension agreed with the external current provider.

2.2 The purpose of the options appraisal is to determine the preferred option for the future delivery of grounds maintenance activities within the context of the Council's Medium Term Financial plan.

2.3 The description of the options in scope for appraisal are as follows:

- a) **Option 1:** Tendering of all grounds maintenance activities, including the activities currently delivered in-house (Housing Revenue Account funded activities).
- b) **Option 2:** Insourcing the current externalised services to an expanded in-house delivery team, including harmonising TUPE transferred staff onto Council standard terms and conditions of service.
- c) **Option 3:** Transferring all grounds maintenance activities delivered external and in-house into a Local Authority Trading Company (LATCO), to include some sub-contracting of activities using local small to medium enterprises.
- d) **Option 4:** Transferring all grounds maintenance activities to a shared services arrangement with a neighbouring council.

2.4 Senior Officers with the support of PeopleToo assessed each option in relation to the Council's strategic priorities and objectives. This was against pre-set evaluation criteria and a scoring matrix for the following factors:

- Financial Considerations.
- Social Value/Community Wealth Benefit.
- Performance (ability to delivery specified service outputs).
- Legal & Contractual Considerations.
- Capability.
- Capacity.

2.5 The table below details the scoring of the quality assessment and shows the ranking of the options:

	Option 1 Tender/Outsourced	Option 2 Insource to a DSO	Option Insource to LATCo	Option 4 Shared Service Arrangements
Score	36	40	37	32
Overall Ranking	3rd	1st	2nd	4th

*Based on a maximum score of 40

3 Costing of the Options

3.1 The costing of the options has been based on the following parameters:

- a) The costings have been prepared in accordance with the format agreed with the Council and based on a set of commercial rates and assumptions rather than the Council's own costs.
- b) The costings are based on the confirmed quantities of work by category of work as recently measured, and the frequencies for work activities agreed by Members to reduce the cost of grounds maintenance services.
- c) The costings all assume that the same level of productivity under each option from a directly comparable resource base.

3.2 The outcome of the costing of the options is summarised below with each option being ranked in accordance with the total costs:

	Option 1 Tender/Outsourced	Option 2 Insource to a DSO	Option Insource to LATCo	Option 4 Shared Service Arrangements
Score	60	51	59	51
Rank	1 st	3 rd equal	2 nd	3 rd equal

*Based on a maximum score of 60

4 Overall Assessment of the options

4.1 This assessment has been based on bringing together the costing of the options and assessment of the options against the Council's priorities and

objectives, (the quality assessment). This reflects the approach adopted by the Council regarding the procurement of other services.

4.2 The table below ranks the options considering the VFM score:

Option	Ranking
Option 1: Outsourced Service Delivery	1
Option 2: In-house Service Delivery	3
Option 3: LATCo Service Delivery	2
Option 4: Shared Service Delivery	4

5 Implementation Timeframe and Costs

5.1 Outlined below is a provisional estimate of the implementation timeframe and cost for each option:

Option	Estimated Timeframe	Projected Cost
Option 1 – Outsourced Service Delivery	12 months based on Restricted Procedures	£120,000 to £150,000 for legal and profession support for the procurement exercise
Option 2 – In-house Service Delivery	12 months for the transfer of staff, procurement of vehicles and machinery and preparatory work for the operational phase.	£100,000 for professional support and limited legal advice.
Option 3 – LATCo Service Delivery	12 months to set up the company, transfer of staff, procurement of vehicles and machinery and preparatory work for the operational phase.	£125,000 for professional support and limited legal support.
Option 4 – Shared Service Delivery	18 months for the development of the shared service arrangements to involve extended negotiations with the partner council, transfer of staff, procurement of vehicles and machinery and preparatory work for the operational phase.	£125,000 to £140,000 for professional support and limited legal support.

Note: The implementation costs have not been included in the modelling of the costs for each option because they are broadly similar and not part of the on-going revenue costs for the options.

- 5.2 In terms of the projected costs the HRA would contribute to these costs based on the % value of the cost of the services.
- 5.3 The report recommends an approach that includes elements of in-house and outsourced provision. On this basis, the cost is likely to be similar to Option 1, at £120 - £150k. Of this, approximately 35% (up to £53k) will be borne by the Housing Revenue Account with the remainder (up to £97k) to be factored into the Future Tandridge Programme implementation costs, and ultimately funded from existing capital receipts. The implementation cost will form part of the wider programme update to Strategy & Resources committee.

6 Considerations

- 6.1 The options appraisal showed that outsourcing was the preferred option followed by LATCo (Local authority trading company), in-house and finally a shared service. However, this is desk top exercise and there are other factors to consider when looking at the results as detailed below.
- 6.3 The market for grounds maintenance has consolidated in recent years, both in terms of the offering and availability of contracts and the number of companies which are actively tendering.
- 6.4 There is a trend for councils to return services in-house as contracts end, especially those which were tendered in the period of competitive bids and low indexation.
- 6.5 The emerging view is that there are significant risks in putting the whole service out as there would likely not be market appetite for this work and could leave the Council in a single bidder situation. Retaining an element in-house also provides a greater degree of flexibility and preserves the opportunity to share the service with other councils in future.
- 6.6 However, the other options also have some issues that are detailed below:
- In house – one of the major concerns about bringing the whole service in house are the financial implications of either employing transferred contractor staff on Council terms and condition or to have to recruit more operatives on these conditions. The issue is the impact of the Local Government Pension Scheme (LGPS).
 - LATCO – whilst the LGPS impact is reduced for transferring or new staff the incumbent operatives would still be on the Council conditions. Therefore, any immediate LGPS savings would not be realised. There could also be issues with managing a two-tier workforce. In addition, there are the costs for the setup and running of the LATCO, such as Human Resources, Finance and legal implications.
 - Shared Services – there is limited interest from other local authorities. Then there is the complication of finding an authority

who is interested and can work to our timescales which means that this option is not feasible at this stage.

6.7 There are pros and cons with each option and there is concern about the market appetite for a full procurement. The recommended approach is to implement a hybrid option of inhouse, and outsourced work based on logical lot structures. This approach does lead itself to being developed into a shared service or LATCO should the opportunity arise in the future. This approach does allow the flexibility to react to immediate service issues and to future budgetary changes.

6.8 Whilst this is structurally similar to the current approach, there will be some key differences, including:

- An intelligent client approach (set out in section 8 below), ensuring the Council has the resources in place to actively manage the work undertaken, whether that is in-house or external, to ensure that value for money is achieved, standards are met and there is no duplication of effort.
- A data-driven approach to ensure that the correct assets are maintained to the correct standard.
- A more commercial approach taken, where all spend is properly assessed against budget before being approved.
- A continuous improvement approach where feedback is actively built into an ongoing development plan.

6.9 The intention is for there to be no additional LGPS cost as a result of the recommended approach, so the in-house element will need to be delivered within the existing staffing cost budgets.

6.10 The opportunity will be taken to review the budgeting arrangements for the service to ensure that there are clear lines of accountability and budget management for the Housing Revenue Account and the General Fund.

7 Lot Structure Approach

7.1 As part of the data improvement piece of work and analysis of the work the view is that the work is split into areas of specific activity rather than geographical approach.

7.2 The following lot approach is recommended:

Service	Delivery Option
Housing Grounds Maintenance including Hedge Cutting	In House
Parks And Open Spaces Maintenance including Sportsgrounds and specialist work	Outsource

Cemetery Maintenance and Grave Digging	Outsource
Associated Grounds Maintenance Work	Outsource / In house
Playground Inspections and Maintenance	Outsource/In House
Arboriculture	Outsource

7.3 There will be the opportunity for a provider to tender for more than one lot and therefore, we could end up with a single provider or several smaller ones, this would allow the Council to benefit from a positive response from the market but also mitigate the risks of a low interest.

8 Staffing

8.1 Currently there are 3 vacancies within the Housing Grounds Maintenance team.

8.2 These positions have been kept open during the Future Tandridge Programme work as at that time the service delivery was unknown.

8.3 Depending on market appetite for the Lots there could be an impact on the 3 staff working on General Funded Open Spaces work. However, by keeping the vacancies open there is the opportunity to transfer staff between the two functions.

9 Next steps

9.1 To support delivery of grounds maintenance and other operations services, an intelligent client model will be set up at Tandridge, this will provide the following regardless of delivery models:

- Strong contract and supplier management
- Mutually agreed service objectives and expected outcomes
- Clearly defined service specifications and expected outcomes
- Trust and good working relationship
- SMART Key Performance Indicators built into the service
- Regular performance reviews
- Actively monitoring work whether internal or externally delivered
- Expectation of check and challenge with supplier
- All above form part of the commissioning and continuous approach being developed by officers.

9.3 Subject to approval regarding the lot approach further market testing will be carried out to assess the market appetite for the suggested way forward. An update report will be taken to the November Committee including a detailed procurement timetable and project plan.

9.4 Work will also comment on setting out the various specifications, developing the key performance indicators and investigating cloud-based monitoring systems.

Key implications

10.0 Comments of the Chief Finance Officer

- 10.1 Grounds maintenance is part of a wider savings target of £239k for Operations. Progress against this was set out in detail to Community Services Committee on the 9th March 2023.
- 10.2 The proposals set out in this report are based on the principle of adhering to the approved budget for the service, continuing to deliver value for money and strengthening the commercial, contractual and budget management arrangements.
- 10.3 Whilst there are weaknesses in the Council's current approach, external reviews of the current contractual arrangements demonstrate that they deliver good value for money overall. The proposal to re-design the service based on the lot structure, building on the principles of strong commissioning and an intelligent client model should ensure that the service continues to deliver value for money in a more robust and evidenced manner.
- 10.4 The implementation costs will be reviewed and managed as part of the wider FTP resourcing, to be reported to Strategy & Resources Committee on the 28th September 2023.

11.0 Comments of the Head of Legal Services

- 11.1 Members have to make difficult decisions on where to focus the Council's resources. They need to be confident that the Council is providing the right services in the right way and investing or disinvesting appropriately. This report has set out a range of options for delivering the ground maintenance service and the opportunities for improvement and change and has also assessed the merits of these options. A robust options appraisal process helps provide assurance to Members and the public that these decisions are being made on a sound basis and by considering all the relevant information.
- 11.2 Some aspects of the legal and procurement issues are described in the report. A greater level of detail may be required subject to the decision Members take. In the event of an external partner taking over the grounds staff, any transferring employees would be protected under the Transfer of Undertakings (Protection of Employment) (TUPE) regulations.

Equality

- 12.1 The Council has specific responsibilities under the Equality Act 2010 and Public Sector Equality Duty. Part of this is to ensure that the potential effects of decisions on those protected by the equality's legislation are considered prior to any decision being made.

- 12.2 Section 149 of the Equality Act 2010, provides that a public authority must, in the exercise of its functions, have due regard to the need to:
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EA;
 - advance equality of opportunity between persons who share a relevant protected characteristic (as defined by the Equality Act) and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 12.3 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.
- 12.4 Members should have due regard to the public-sector equality duty when making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome.
- 12.5 Officers will continue to monitor the impact of proposals and undertake an Equality Impact Assessment where this is found to be appropriate.

Climate change

- 13.1 Reducing the number of grass and hedge cuts will help increase the biodiversity of the areas. Less frequent or intensive cutting will enable bees, butterflies, and other such wildlife to take up residence.

Background papers

2022/23 overall S&R paper – 30th June 2022

Future Tandridge Programme Community Services - Service Review Update
Community Services Committee - 18 October 2022

Community Services Committee - Future Tandridge Programme Update - March 2023 – 9th March 2023

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Council House Building Programme - Warren Lane depot full budget approval

Housing Committee Thursday, 14 September 2023

Report of: Chief Finance Officer (Section 151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: Oxted South

Executive summary:

This report seeks approval for a full budget for the scheme at the Warren Lane depot site, Hurst Green. This scheme involves re-designing the existing depot site to rationalise it and free up approximately half of the space to develop up to 22 homes for families on our housing register.

This report supports the Council's priority of: Creating the homes, infrastructure and environment we need.

Contact officer Carol Snowden – Housing Development Specialist
csnowden@tandridge.gov.uk

Recommendation to Committee:

It is recommended that:

- A: Officers prepare detailed proposals for the development of the Warren Lane depot site in Hurst Green for a mix of 2 and 3 bed houses for affordable rent and submit a planning application to develop the site and approve a budget of £9,937,406.00 for the project;

- B: Authority be delegated to the CEO in consultation with the Council's Leadership (as detailed in Standing Order 46 of the Council's Constitution) to procure and award a contract for the proposed development to the most economically advantageous tenderer, subject to the outcome of the planning process and construction costs being within the approved budget;
- C: The above approval to proceed includes the appointment of other specialist consultants and surveyors to act for, or advise, the Council and the commissioning of necessary reports to take the schemes forward through to completion, all subject to the Council's Standing Orders and Financial Regulations.

Reason for recommendation:

The recommendations support one of the Council's key strategic objectives and seeks to address in part the district's need for affordable rented housing.

Introduction and background

- 1 The Warren Lane depot site was an allocated site under the Local Plan 2033 with an estimated yield of 50 homes once the depot and its operations had been relocated. In 2018 a review was carried out by Asset Management to relocate the depot and an alternative site was not found.
- 2 A property adjacent to the depot site, 122 Mill Lane, was purchased on the open market in 2021 to provide an alternative access point (once demolished) to the depot. This means that part of the site can be redeveloped whilst the depot can continue to operate on the other part.
- 3 The depot is currently used by Biffa, under lease, for refuse/recycling truck parking, refuelling and cleaning. It is also used by the East Surrey Rural Transport Partnership (ESRTP), by way of a lease, for parking and office space. There is office space and meeting/welfare space for Council staff (depot, building maintenance, street cleansing staff etc). To free up approximately half the site for housing, the depot site has to be rationalised to make better use of the space. This will involve some demolition of buildings, consideration of office space for Council depot based staff (either from conversion of an existing building, temporary/modular provision or from relocation) and a re-design of the site to ensure adequate parking.
- 4 The Council appointed architect's design is for 22 family houses with associated parking and landscaping.
- 5 In June 2022 the Committee approved a budget for pre-application work of £80,000 and for the appropriation of the land for planning purposes to commence.

- 6 Feasibility work has been underway and architects, employers agent and a multitude of specialist consultants have been appointed. A meeting with the pre-app Planning Officer has been held and was largely positive.
- 7 The site is a complex and challenging site to develop. The land area available to develop is of an awkward shape which limits design options. There are a number of significant abnormal features which will incur a cost to remedy and mitigate. These include the diversion of a foul sewer pipe and a culvert, the demolition of three buildings, dealing with the contamination of the land, potentially the proximity of the wastewater treatment plant, the redesign of the depot site in order to free up land for the development and for ecological mitigation. The Council has engaged consultants to work on these issues and await their full recommendations and designs.
- 8 The land at the depot forms part of the General Fund and the HRA will need to reimburse the General Fund for a value to be determined once the site evaluations are complete. This will have a net benefit on the General Fund borrowing costs.
- 9 The budget cost calculated includes broad estimated costings for the above abnormals, a contingency and a land acquisition cost. With these figures the scheme is marginally viable, showing a neutral net present value at an assumed interest rate of 4.75%. The estimated abnormal costs impact on what is feasible to pay for the land, however if these costs prove to be less, it will enable a higher figure available for land purchase. We will be bound by a red book valuation on the land acquisition cost, but the valuer will also be taking the abnormal costs into account. Once the abnormal costs have been fully quantified, the decision to proceed with the scheme may need to be revisited if the financial appraisal deteriorates.
- 10 When we have the red book valuation for the land, we will seek approval for the transfer of land from the General Fund to the Housing Revenue Account from the Strategy and Resources committee.

Other options considered.

- 11 The other option would be to discontinue work on this project. There would be abortive costs of between £60-£70,000 for work commissioned to date. An alternative site for 22 units (10% of the development programme) would have to be found, and there are limited options for development within the council's land holdings.

Consultation

- 13 Ward members have been consulted.

- 14 Before the full planning submission we will hold a public consultation meeting to gather feedback from local residents and make any changes as necessary, this is likely to be in September/early October.
- 15 We continue consulting with users of the depot as the project progresses and with colleagues in Asset Management, Localities, IT and Housing.

Key implications

Comments of the Chief Finance Officer

The proposed budget of £9.9m has been included in the Council's capital programme allocation for Council House Building. Approving the budget will allow officers to progress with the scheme, however the decision will need to be kept under review as the abnormal costs are quantified in order to ensure that the decision to proceed remains correct.

There is a risk in incurring further costs in light of this uncertainty, however as set out above, there are limited alternate sites for a development of this scale and the opportunity to deliver it should be pursued to the extent that it remains viable.

Comments of the Head of Legal Services

Full title reports have been provided to ensure the land is free of any covenants or other legal matters that could impact the development of the site. Advice from Legal Services has been sought for entering contracts with consultants, contractors and will continue to be sought for other contractors. Officers in Legal Services also assisted with the appropriation of land from the General Fund to the Housing Revenue Account. Advice will be needed from Officers in Legal Services to ensure compliance with relevant legislation and any other legal issues arising during the redevelopment of the site.

All procurement must be undertaken in compliance with The Public Contracts Regulations 2015 and the Council's Contract Standing Orders.

Equality

Equality impacts will be monitored as the housing programme progresses. This is to ensure that the Council's statutory commitments to promoting equality and inclusion and tackling inequality are maintained. The delivery of these homes within this programme will support the delivery of the Council's vision to creating homes and meeting the needs of protected characteristics.

New housing developed reflects the housing priorities at the time it is conceived, is designed to mitigate against fuel poverty, be mobility friendly and be of a size sufficient to promote working from home. One of the units on the site is a 3 bed house designed to wheelchair standards.

Climate change

17. The new housing will achieve the Council's adopted target of Net Zero Carbon (operational) and the developments will seek to mitigate biodiversity loss including the planting of new trees in accordance with the Council's Compensatory Tree Planting Scheme.

Appendices

None

Background papers

None

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Homes England Investment Partner Status and Grant Agreement

Housing Committee Thursday, 14 September 2023

Report of: Chief Finance Officer (Section 151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: All

Executive summary:

The council house programme requires subsidy to enable schemes to be financially viable and to minimise the loan requirement. To date this subsidy has been in the form of utilising Right to Buy Receipts ('RTBR'). RTBR cannot fully subsidise the programme, as the majority is already allocated, and annual receipts are of relatively low value.

The Affordable Homes Programme ('AHP') managed by the Homes England provides grant funding for the delivery of new affordable homes. An application for Investment Partner status (providing qualification to bid for grant) and for the first grant bid (for the Uplands scheme) has been submitted.

If successful a grant agreement will need to be entered into to secure the payment of grant and to ensure compliance with the conditions of grant.

This report supports the Council's priority of: Creating the homes, infrastructure and environment we need

Contact officer Carol Snowden Housing Development Specialist
csnowden@tandridge.gov.uk –

Recommendation to Committee:

That the Council enters into a grant agreement with Homes England in order to secure grant funding for the Council house building programme.

Reason for recommendation:

Entering into the Grant Agreement with Homes England will enable securing grant funding to deliver the Council house building programme.

Introduction and background

- 1.0 Homes England is a non-departmental public body which holds the responsibility for the Affordable Homes Programme ('AHP') 2021-26. Affordable housing, as defined by the National Planning Policy Framework, is housing for sale or rent for those whose needs are not met by the market. The AHP provides grant funding to support the capital costs of developing affordable housing. The programme has a value of £7.39billion to deliver up to 130,000 affordable homes in England, outside of London. This is the fifth AHP and it is expected another will follow from 2026.
- 1.1 To qualify for bidding for grant on individual schemes the Council must become an Investment Partner ('IP') of Homes England. This application covers a statement of good standing and the provision of a narrative evidencing the ability to deliver the capital projects funded. The first grant bid had to be submitted with the IP application. The Council will then bid for grant funding on individual development schemes when appropriate.
- 1.2 Up to now Council house building has been part funded by the use of Right to Buy Receipts ('RTBR') which can be used to fund 40% of total scheme costs. RTBR cannot be utilised alongside AHP grant on new properties. The Council does not have enough actual or projected RTBR to fully fund the approved council house building programme, therefore seeking AHP funding is a way of accessing government grant to support our affordable housing delivery within the HRA.
- 1.3 Homes England have significant requirements that need to be adhered when in receipt of grant. These are outlined in a standard non-negotiable grant agreement and in the Capital Funding Guide which outlines the rules and procedures that will need to be complied with by AHP funded schemes. Homes England run an annual Compliance Audit where specific schemes are audited independently.
- 1.4 The application for Investment Partner Status was made in August. At the same time our first bid for grant, for the Uplands scheme, was also submitted.
- 1.5 For Uplands a bid for grant for £1,020,000 was submitted, equal to £60,000 per unit. We are bidding for grant for the 17 incomplete units but not for the 4 units already completed and occupied. This is a scheme that

was tendered and largely built out prior to the high levels of material inflation recently seen, and as such is a scheme that performs well and requires reasonably low levels of grant.

- 1.6 This initial bid for grant and the IP application is currently being considered by Homes England. If we are successful with the IP application and grant bid, the Council will be required to sign a grant agreement with Homes England.
- 1.7 The grant is paid against the achievement of delivery milestones – typically 40% on site acquisition (where relevant), 35% on start on site (or 75% where no land acquisition is required) and 25% on practical completion. The grant agreement must be signed before occupation of the first completed unit that is grant funded.

Other options considered.

- 2 The AHP is the primary funding programme for delivery of new affordable homes, there are no real alternatives. With limited RTBR remaining to utilise on schemes and then only the availability of ongoing receipts available, there is a need to secure this external subsidy. Grant funding will minimise the loan level required for schemes and assist the financial viability of schemes and therefore also the wider programme.

Key implications

Comments of the Chief Finance Officer

Whilst the full cost of the approved programme is factored into the budget and medium-term financial strategy and 30 year business plan, the opportunity to seek external funding will allow Council resources to be preserved for future use.

External funding will increase the viability of schemes for the Council and allow more cost effective delivery of the programme, reducing expected borrowing costs.

Comments of the Head of Legal Services

The Council can enter into a grant under Section 1 of the Localism Act 2011, the general power of competence. This provides the Council with the power to take reasonable action it needs 'for the benefit of the authority, its area or persons resident or present in its area'. This includes entering into the grant agreement for the AHP as set out in this report.

The purpose of the grant agreement is for Homes England to make each approved capital grant under the Council house building programme and to enable the Council to provide affordable housing subject to the grant terms. Both the Council and Homes England will undertake to co-operate with each other to facilitate the proper performance of the grant agreement and the delivery of housing schemes under the Programme.

Homes England require a solicitor in the Council to sign a legal opinion letter. This includes, amongst other points, that the Council has taken all necessary action and obtained all relevant consents and approvals to authorise the performance of the obligations under the grant agreement. Homes England will not proceed until this letter is signed and therefore the Head of Legal and Monitoring Officer will do so based on this report and on suitable assurances by client Officers.

The grant agreement has been structured with the objective that it is lawful and complies with the requirements of the UK subsidy regime rules. Notwithstanding this, should any grant be found to constitute unlawful subsidy and/or not capable of being restructured compliantly then the Council will be obliged to repay the full amount of such subsidy plus interest at the prescribed rate. It is therefore important that subsidy control assessments as well as, where necessary, measures are undertaken to ensure compliance before grant applications are submitted. As part of this, all works, goods and services required to deliver any projects must be procured by the Council in strict compliance with the Public Contract Regulations 2015 and the Council's Contracts Standing Orders.

Equality

The Council's house building programme has and continues to provide affordable homes for families, single people, older people and those with a physical disability. The main beneficiaries of new housing will be those on lower incomes within the community who have a housing need and who are currently on the Council's housing register. This includes those households who are homeless to whom the Council has a statutory responsibility. The mix of any individual scheme is determined through discussion internally with those teams dealing with the housing register and housing need in order to determine the levels of need within the locality. Individual schemes are also the subject of further consultation with ward Members, this Committee and the parish council where the proposed development is sited.

There are no negative equality impacts arising from the proposals/recommendations detailed in this report.

Climate change

The Council's new homes programme seeks to maximise the energy efficiency of our homes with an emphasis on minimising heat loss through improvements to the external fabric of the building, as this approach has both a low capital cost and low future maintenance costs; but also to use photovoltaic panels, mechanical vented heat recovery systems and air source heat pumps to provide heat and power. In addition to this the new schemes submitted to planning from this date will also make use of grey water heat recovery systems. The Council has also undertaken to plant 3 new trees for every tree (Class C and above) that is removed to facilitate residential development and employs ecology experts to assist in achieving Biodiversity Net Gain on new residential schemes.

Appendices

None

Background papers

None

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Local Authority Housing Fund - Round 2

Housing Committee Thursday, 14 September 2023

Report of: Chief Finance Officer (Section 151)

Purpose: For decision

Publication status: Unrestricted

Wards affected: All

Executive summary:

The Council has been given an indicative funding allocation by the Department for Levelling Up Housing and Communities (DLUHC) to provide accommodation to families with housing needs who have arrived in the UK via one of the Afghan resettlement and relocation schemes. This is an extension of the Local Authority Housing Fund (LAHF) which is already underway. The Council submitted a validation form to DLUHC before the deadline of 5th July 2023 to indicate its preparedness to deliver six properties under the extended scheme, subject to receiving this Committee's approval. Half of the funding under the LAHF Round 2 is for use to house families on Afghan resettlement schemes, currently living in bridging accommodation, with the other half being used to ease wider homelessness pressures.

This report sets out the background to the funding allocation, the timescales involved and how Officers intend on delivering the homes. This report also sets out the level of grant funding available, the conditions of the funding and how the Council can finance its own contribution.

This report supports the Council's priority of: Creating the homes, infrastructure and environment we need

Contact officers Nicola Cresswell, Housing Development Specialist
NCresswell@tandridge.gov.uk
Carol Snowden, Housing Development Specialist
CSnowden@tandridge.gov.uk

Recommendation to Committee:

That Members approve that the Section 151 Officer agree to and sign the Memorandum of Understanding no later than 5pm Monday 18th September (see Appendix A) and commit to the purchase of 6 further properties under the LAHF Round 2, subject to the requirements of Financial Regulation 17.

Reason for recommendation:

To increase the Council's general needs housing stock through the acquisition of homes to be let as affordable or social rent. First lets of the new homes to be to households in need of settled accommodation who have arrived in the UK under one of the recent humanitarian schemes for Afghan refugees. In the first instance, allocations of the new temporary accommodation to be to households from the eligible cohort to whom the Council owes a homeless duty in accordance with its statutory obligations.

Introduction and background

- 1 The Department for Levelling Up, Housing and Communities (DLUHC) is providing a second round of funding from a £250 million capital fund – the LAHF Round 2 – for local authorities in England to provide accommodation to families with housing needs who have arrived in the UK via the Afghan resettlement and relocation schemes.
- 2 The fund is to support selected local authorities in England to obtain and refurbish property to provide sustainable housing for those unable to secure their own accommodation who are here under the aforementioned schemes.
- 3 Half of the Round 2 funding is for use to house those on Afghan resettlement schemes currently living in bridging accommodation with the other half being used to ease wider homelessness pressures.
- 4 As well as helping to fulfil the UK's humanitarian duties to assist those fleeing war, this fund will reduce the impact of new arrivals on existing housing pressures and ultimately create a lasting legacy for domestic households by providing a new permanent supply of accommodation for local authorities to help address local demand for housing. It will also support the Council in acquiring good quality and better value for money temporary accommodation for families owed a homelessness duty. This will reduce the use of B&B accommodation and enable the Council to grow its asset base to help manage local housing pressures on an ongoing basis.
- 5 Local authorities may choose the most appropriate delivery mechanism to achieve the funds objectives and to bring on stream the accommodation as quickly as possible. For Tandridge the intention is to acquire properties on the open market as there are processes already

set up from the buy back programmes and this approach is proving successful for the first round of the LAHF.

- 6 Local authorities must consider the needs of the cohort in their area when determining the size of properties to acquire. In Tandridge our focus will be on 3+ bedroom properties for general needs and 2+ bedroom properties for temporary accommodation.
- 7 The grant will not meet all the acquisition costs and so there is an expectation that the Council will provide the remainder of the funding required. The grant rate for Round 2 is 40% of the costs charged to the Council's capital budget at an average of £475k per property plus £20k per property towards other costs such as legal fees and works required to bring any properties to a lettable standard. The Council has been allocated £1,320,000 of funding towards the purchase of 3 homes for the Afghan cohort and 3 homes for temporary accommodation.

Timescales

- 8 DLUHC published round 2 of the LAHF on 7th June 2023 and requested that local authorities submit an expression of interest, by way of a Validation Form, ahead of the deadline of 5th July 2023. The Validation Form does not commit the Council to participating in the scheme as such participation is subject to this Committee's approval.
- 9 If approved the Council will sign and return a Memorandum of Understanding ('the MOU'). Local authorities will be expected to manage the grant funding within their normal budgetary guidelines and Section 151 officers will be expected to agree this with DLUHC via the MOU.
- 10 The Council will be expected to complete a monitoring return every two months on the basis as set out in the MOU. The Council should aim to have purchased the relevant properties in Round 2 by the target date of 29th March 2024.

Strategy and Deliverability

- 11 Due to its experience of the buy-back programme and round 1 of the LAHF, the Council is in a fortunate position to have existing internal and external processes in place to allow for the acquisition of all six units by way of open market purchase.
- 12 In the case of flats, these will be properties where the Council is the existing freeholder.
- 13 Officers will concentrate on buying properties in the northern part of the District, to enable the future occupier the benefit of the services and transport links available in larger and more urban settlements. This is also where the highest demand is for affordable housing and temporary accommodation.

- 14 The recent downturn in the housing market may present the Council the opportunity to purchase new build properties that remain unsold on existing development sites.

Budget

- 15 Based on the allocation the Council’s anticipated contribution to the scheme will be £1.8m as indicated in the break down in Table One below.

16

Grant Funding		Tandridge Funding		Total Funding	No. of properties	Allowance for repairs and legal fees (per property)	Notional value (per property)
	£		£	£			
40%	1,200,000	60%	1,800,000	3,000,000			
Plus £20k per property	120,000			120,000			
Total	1,320,000	Total	1,800,000	3,120,000	6	Circa £25k	Circa £475k

Table One

- 17 The Council is not permitted to use RTB 141 receipts with the scheme. It is therefore proposed that the Council’s contribution is funded through borrowing.

Other options considered

- 18 Through the high grant rates available under the LAHF initiative the Council has a further opportunity to increase its housing stock in the longer term through participation in Round 2 of the scheme. Round 2 of the LAHF not only allows for the purchase of 3 additional general needs properties but the addition of 3 family sized units of temporary accommodation to ease the pressure on TA locally. Contrastingly, the level of Homes England grant funding that would be available to the Council for this type of street purchase would be around 20-25% if the properties are let at affordable rents or 30-35% grant funding for properties let at social rents. Officers have again considered whether the funding should be passed to another housing provider in the area however the Council is fortunate that it not only has a live development programme under the HRA but that it also has experience of buying housing properties on the open market.

Consultation

- 19 Officers have consulted with the local Global Resettlement Service to confirm that there are available resources locally to provide sufficient support to the families once housed, should approval be given to participate in Round 2.

Key implications

Comments of the Chief Finance Officer

The financial implications of the proposal are set out in sections 16 and 17 of the report. These sections detail the £1.8m Tandridge District Council element of financing which brings in £1.3m of match funding. This is contained within the 2023/24 Capital Programme estimates for the Committee.

Comments of the Head of Legal Services

There are no legal implications arising from this report. Should Members be mindful to agree the recommendation set out in this report, the Council would enter into a MoU with DLUHC in order to secure the grant funding from the LAHF for the purchase of six further new properties. The Council would need to comply with the associated terms of the latest MOU. Each identified property for purchase will be subject to a due diligence process in terms of relevant searches, ownership and title matters prior to acquisition. These will be undertaken and completed by the inhouse Legal team.

Equality

A public authority must, in the exercise of its functions, have due regard to the need to –

a) eliminate discrimination, harassment, victimisation and any other conduct that

is prohibited by or under this Act;

b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The proposal set out in this report caters to a predefined group of refugees who are arriving in the District and hence will not result in unlawful discrimination,

harassment, victimisation and other conduct prohibited by the Equality Act 2010.

Climate change

Unlike the Council's new build programme, housing stock purchased under the LAHF will not be Net Zero Carbon (operational). Where purchased properties are flats within blocks where the Council is the freeholder, properties will be included in initiatives being brought forward to improve the energy performance of the building at the appropriate time. Where the properties are freehold, any suitable measures will be undertaken to increase insulation and reduce heat loss from the building and due consideration will be given to the Council's ability to meet future decarbonisation targets.

Appendices

Appendix 'A' - Template for the Memorandum of Understanding

Background papers

None

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MEMORANDUM OF UNDERSTANDING

Between

Department for Levelling Up, Housing and Communities

-and-

Tandridge District Council

1. Purpose

- 1.1. This Memorandum of Understanding ('MOU') sets out the agreed working relationship between the Department for Levelling Up, Housing and Communities ('DLUHC') and Tandridge District Council ('the Council') regarding the administration and delivery of the Local Authority Housing Fund - second funding round ('LAHF R2').
- 1.2. This MOU will be for the period Q1-Q4 2023/24. It will be reviewed and updated only where either of the signatories deem it necessary, in which case it will require joint agreement. Further detail on changing the MOU is set out in Paragraph 5.4.
- 1.3. This MOU is not intended to create legal or binding obligations. It describes the understanding between both parties for the use of funding specified in Section 3 of this agreement.

2. Background

- 2.1. LAHF R2 was launched on 07 June 2023. The details of the fund were shared on that date with the Council in the document 'Local Authority Housing Fund - second funding round Prospectus and Guidance' ('the Prospectus').
- 2.2. LAHF R2 is a £250m capital grant fund to:
 - provide sustainable housing for those on Afghan resettlement schemes (ARAP/ACRS) who currently reside or formerly resided in bridging accommodation
 - ease wider homelessness pressures.
- 2.3. The objectives of LAHF R2 are to:
 - Provide sustainable housing to those on Afghan resettlement schemes at risk of homelessness so that they can build new lives in the UK, find employment and integrate into communities.

- Reduce local housing pressures beyond those on Afghan resettlement schemes by providing better quality temporary accommodation to families owed homelessness duties by LAs.
 - Reduce emergency, temporary and bridging accommodation costs.
 - Reduce impacts on the existing housing and homelessness systems and those waiting for social housing.
- 2.4. DLUHC has accepted the Council's plan to provide 6 homes ('the delivery target') under LAHF R2, and DLUHC will provide a grant of £1,320,000 ('the total allocation'). The Council agrees the following targets to deliver at least:
- 3 properties for households that meet the resettlement scheme element eligibility criteria outlined in section 3.2 of the Prospectus;
 - 3 properties to be allocated to households that meet the TA element eligibility criteria outlined in section 3.2 of the Prospectus.
- 2.5. This MOU covers the funding commitments from DLUHC and the delivery, financial expenditure, agreed milestones, reporting and evaluation, and communications between the Parties. It also sets out the steps DLUHC could take in the event of underperformance if required.

3. Purpose of the Funding

- 3.1. LAHF R2 funding has been provided specifically for spending on LAHF R2 priorities and the Council agrees to spend LAHF R2 funding on activity set out in this MOU as agreed by DLUHC or subsequently agreed by DLUHC as per Paragraph 4.4.
- 3.2. DLUHC will part fund the cost of the Council obtaining properties for use by households that meet the eligibility criteria. The Council will use its best endeavours to meet the delivery target and to achieve value for money. DLUHC's contributory share of funding ('the average grant rate per unit') should not exceed the maximum described below but the grant per unit for individual properties can be higher.
- 3.3. The maximum average grant rate per unit (for the portfolio of all properties, not individual purchases) is calculated as 40% of the costs of acquisition or refurbishment that the council charges to its capital budget plus £20,000 per property. Eligible costs funded by the 40% and the £20,000 per property could include the purchase price, stamp duty, surveying, legal and other fees, refurbishments, energy efficiency measures, decoration, furnishings, or otherwise preparing the property for rent and potentially irrecoverable VAT incurred on these items. The Council should ensure it complies with the Code of Practice for Local Authority Accounting.

- 3.4. The Council can determine how it uses the £20,000 per property and can choose how much of the grant is to be spent on each individual property.
- 3.5. The Council or its delivery partner(s) will fund the outstanding share for each property.
- 3.6. The funding will be provided by DLUHC in two tranches. The 'Tranche 1 allocation' is 30% of the total allocation. The 'Tranche 2 allocation' is 70% of the total allocation. Both are set out in Table 1.

Table 1 – Funding allocation

	Tranche 1 allocation	Tranche 2 allocation	Total allocation
Total funding	£396,000	£924,000	£1,320,000

4. Delivery Profile

- 4.1. Delivery of the fund will be measured on the basis of exchange of contracts, or equivalent milestone where exchange of contract will not occur, and the number of resettlement scheme households housed. Any variations to this, and necessary changes to the MOU, will need to be agreed by the parties and an amendment to this MOU made.
- 4.2. Funding outlined in Table 1 above is provided to deliver the delivery target. The Council agrees to make best endeavours to meet the delivery target by 29 March 2024.
- 4.3. This MOU is for the full term of the total allocation unless signatories agree to change as per Paragraph 4.4. A further Grant Determination Letter (GDL) will be provided following confirmation of each tranche payment.
- 4.4. DLUHC and the Council both have the right to request a change to the MOU. With regards to changing the target number of units, the Council may ask for either a higher or lower target. Any proposed change will impact the amount of funding received (as set out in the Prospectus) unless the Council is seeking to deliver more units for the same amount of money. Requests will be considered based on the progress of the reallocations process as outlined in Section 5.1 of the Prospectus and confirmed in writing.

5. Financial Arrangements

- 5.1. The agreed funds will be issued to the Council as grant payments under section 31 of the Local Government Act 2003. The Council may pass on the funding to a third party (e.g. Registered Providers) as appropriate to deliver the delivery target, complying with the Subsidy Control Act 2022.
- 5.2. Table 2 sets out the timetable for payments to be made to the Council. Payment for Tranche 1 allocation will be made in July 2023 or August 2023. The Tranche 2 allocation will be paid once the Council has demonstrated that at least 60% of the Tranche 1 allocation has been committed ('the spend requirement') via a Section 151 officer Statement of Grant Usage. This will be paid in line with timings outlined in Table 2.
- 5.3. Should the Council not meet the spend requirement for Tranche 2 payments by the dates set out in Table 2 below, DLUHC will consider putting in place further payment dates.
- 5.4. The Council may wish to return unspent monies to the Department.

Table 2 – Payments timetable

Payment milestone	Requirements for payment milestone	Payment by
Tranche 1 payment (30% of total allocation)	EITHER Signing of this MOU by 14 July 2023	Last working day of July 2023
	OR Signing of this MOU by 14 August 2023	Last working day of August 2023
Tranche 2 payment (70% of total allocation)	EITHER Submission of Statement of Grant Usage (demonstrating 60% of the first tranche has been committed) by 9 October 2023 Relevant monitoring information as outlined in section 8 submitted by 9 October 2023	Last working day of October 2023
	OR Submission of Statement of Grant Usage (demonstrating 60% of the first tranche has been committed) by 24 November 2023 Relevant monitoring information as outlined in section 8 submitted by 24 November 2023	Mid-December 2023

6. Charging Affordable Rents for LAHF funded homes

- 6.1. The LAHF Prospectus specified “It is up to local authorities to determine the precise rent level and tenure of homes in line with the fund objectives. This could include...Affordable Rent.”
- 6.2. The Rent Standard <https://www.gov.uk/government/publications/rent-standard/rent-standard-april-2023-accessible-version> provides that Affordable Rents may be charged only in limited circumstances.
- 6.3. This MOU records the agreement between the Secretary of State and the Council that relevant accommodation, provided by the Council or a partner Registered Provider pursuant to LAHF grant funding, is permitted to be let at an Affordable Rent, and that accordingly that an Affordable Rent may be charged for such accommodation in accordance with paragraph 3.8b of the Rent Standard - April 2023.
- 6.4. In Paragraph 6.3, “relevant accommodation” means accommodation:
 - in the Council area;
 - which is being used to further the LAHF objectives set out at paragraph 2.3 of the MOU;
 - which has never been let at a social rent; and
 - where the accommodation is provided by a partner Registered Provider, for which the Council has agreed that the partner Registered Provider may charge affordable rent.

7. Roles and Responsibilities

DLUHC Responsibilities

- 7.1. DLUHC is responsible for setting national housing policy, providing grant(s) to the Council and monitoring the delivery of homes.

Council Responsibilities (fund delivery)

- 7.2. The Council will make housing investment decisions, review existing housing policies and products, maximise leverage of this public sector investment and ensure that funds provide value for money and are deliverable within the timescale of the fund. The Council may work in partnership with private Registered Providers, local authority housing companies or other bodies to deliver homes. The Council will also report on the fund by providing Management Information (MI) as set out in **Annex A** of this MOU and will work with DLUHC to ensure they have the capability to deliver the fund and provide MI within the set timescales.

7.3. The Council is expected to have the necessary governance and assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely:

- **subsidy control**, at all levels e.g. the funding the Council allocates to project deliverers and subsidies that project deliverers provide to third parties.
- **equalities duties**, the Council must ensure that all LAHF funded activity is delivered in accordance with its obligations under the public sector equality duty (PSED)
- **procurement**, the Council must ensure that the allocation of funding to project deliverers that constitutes a procurement is managed in compliance with the public contract regulations
- **fraud**, the Council must ensure that robust arrangements are in place to manage fraud risk, including ensuring that project deliverers have robust fraud risk management process and paying particular attention to projects that involve the payment of grants to beneficiaries e.g. businesses.

7.4. The Council's Section 151 Officer is expected to ensure that these legal duties and all other relevant duties are considered and that delivery of LAHF investment is carried out with propriety, regularity and value for money.

Council Responsibilities (Affordable Rents – where required by LAs)

7.5. The Council should note (and remind partner Registered Providers) that conversion of social rent properties to affordable rent is not permitted pursuant to paragraph 3.15 of the Rent Standard other than in the circumstances set out in chapter 2 of the Rent Policy Statement.

7.6. Where the Council has agreed that a partner Registered Provider may charge affordable rent, the Council will confirm to the Registered Provider that the Registered Provider may charge affordable rent in accordance with Paragraph 6.3 of this MOU.

7.7. The Council will require partner Registered Providers to provide details to the Council of any accommodation provided pursuant to LAHF grant funding for which Affordable Rent is charged.

7.8. The Council will maintain a register of any accommodation provided pursuant to LAHF grant funding for which it or a partner Registered Provider is charging Affordable Rent. This register should be available for inspection upon request by either DLUHC or the Regulator for Social

Housing. The fields of information required in register are specified in **Annex C**.

8. Monitoring Arrangements and Accountability

- 8.1. The Council will put in place appropriate governance and oversight arrangements to ensure that delivery of housing is on track and that plans remain ambitious and provide value for money.

Reporting Arrangements

- 8.2. The Council has agreed to provide reporting information to DLUHC on fund allocations and delivery. The Council will be asked to provide a mix of quantitative and qualitative summary updates to DLUHC; a full list of MI can be found in **Annex A**.
- 8.3. The first report will be due in October 2023 and then every two months thereafter, until the Council's programme has completed. The schedule for monitoring reports is outlined in **Annex B**.
- 8.4. Spend outturn and forecast should be signed off by the Section 151 officer or deputy Section 151 officer.
- 8.5. A Statement of Grant Usage Section 151 officer or deputy Section 151 officer should be submitted when at least 60% of the Tranche 1 allocation has been committed
- 8.6. The Council also agrees to work with the department to provide any reasonable additional MI as and when requested by the DLUHC Senior Reporting Officer (SRO). DLUHC will provide an appropriate amount of time to return any additional MI requests.
- 8.7. The Council agrees to work collaboratively with any requests from DLUHC to support any retrospective assessment or evaluation as to the impact or value for money of LAHF. As a minimum, the Council is expected to monitor spend, outputs and outcomes against agreed indicators and keep this information for at least 5 years.

9. Governance & Assurance

- 9.1. The Council is expected to ensure that all legal and other statutory obligations and consents will be adhered to, which may include, but not solely, state aid / subsidy control, equalities duties, procurement, health and safety, and fraud prevention. The Council has prerogative to establish internal governance and assurance arrangements as they see fit to achieve this.

- 9.2. The Council will ensure data can be shared for the prevention and detection of fraud by including the following clause in all agreements with companies or external entities in relation to LAHF – including, but not limited to, property contracts, professional services contracts, construction contracts and lease agreements:

“Data may be shared with other enforcement agencies for the prevention and detection of crime.”

Signed for and on behalf of DLUHC

Signature:

Name:

Position:

Date:

Signed for and on behalf of Tandridge District Council

Signature:

Name:

Position:

Date:

Annex A – Reporting and Monitoring Arrangements

Scope and Purpose

1. This annex sets out the agreed reporting and monitoring arrangements for LAHF, including the expected frequency and content of the regular reports that the Council will provide to DLUHC.

DLUHC Role

2. DLUHC will support the running of the fund and maintain a national picture of delivery by putting in place a proportionate monitoring and governance framework. This will include a fund governance board(s) attended by the DLUHC Senior Reporting Officer (SRO) and other relevant stakeholders. Wherever possible DLUHC will avoid duplication of requests towards the Council.

Council Role

3. Day-to-day project monitoring and delivery responsibilities will be delegated to the Council. The Council will submit reports to DLUHC in accordance with the agreed timescales and frequency set out in the MoU. The Council will also work with DLUHC to provide any reasonable additional MI required as and when requested by the DLUHC Senior Reporting Officer. DLUHC will provide an appropriate amount of time to return any additional MI requests.

Management Information (MI)

4. The list of MI is split between operational data – required for monitoring the ongoing fund delivery (Table 3) and evaluation data (Table 4) required to assess the strategy-level success of the fund and inform future policy development. Tables 4 and 5 present the required routine MI and is subject to change, with agreement by DLUHC and the Council. For MI purposes, “committed spend” is considered funding which has been allocated to a property where there has been an exchange of contracts or equivalent milestone where exchange of contract will not occur.

Table 3 – Monitoring Data

Item	Frequency
Number of properties where contracts exchanged, including: <ul style="list-style-type: none"> • bedroom size • whether located in another borough area • who will own the dwellings • how properties obtained 	Every 2 months
Number of properties occupied/ ready to let, including bedroom size	Every 2 months
Number of resettlement scheme households housed	Every 2 months
Number of pending resettlement scheme properties pre-matched to current/ former bridging hotel households	Every 2 months
Total expenditure (incl grant and other funding)	Every 2 months
Total committed spend (incl grant and other funding)	Every 2 months
DLUHC grant used	Every 2 months
Overall assessment (RAG rated) of whether delivery is on track as determined by the responsible Council officer	Every 2 months

Table 4 – Evaluation Data

Item	Frequency
How properties have been sourced (e.g. through stock acquisition or another delivery route)	In April 2024 and thereafter upon request to aid with evaluation of the fund
How the Council has funded its contributory share	
Breakdown of resettlement scheme households housed by previous housing situation, e.g. in bridging hotel, in LA emergency accommodation/temporary accommodation	
Tenancy duration	
Rent levels	
Number of properties obtained outside the local authority's area, if applicable, and where these are located.	

- In addition, to enable the assessment of relative value for money and to assist with future spending reviews, we may occasionally ask for additional information including details of how the fund is delivered and housing market conditions. This will provide important data to support future policy developments and will also support engagement with HM Treasury. This information will be provided to agreed timeframes when requested by DLUHC.
- Should the Council wish to amend and/or not collect any of these proposed data points, they should submit a proposal to DLUHC for agreement.

Frequency of Reporting

- The Council will be asked to provide reports every two months. The schedule for monitoring reports is outlined in Annex B.

Data Consistency

8. DLUHC and the Council have a shared commitment to ensure that, for clarity and transparency purposes, consistent methods of recording outputs are maintained. It is expected that the provided reporting will be robust, accurate and quality assured to a high standard. As such minimal revisions would be expected – although, where these are required, DLUHC should be advised as soon as practical.

Use of Material Provided

9. DLUHC will use the provided material to monitor delivery nationally.

Annex B – Monitoring Milestones

1. The Council is requested to submit the monitoring information summarised in **Annex A** via a Microsoft Form every two months by 5pm on the dates outlined below. DLUHC will provide the link to the form directly to the Council well in advance of each touchpoint date.
2. In order to demonstrate that the spend requirement has been met to enable a Year 2 payment, the Council will also need to submit a Section 151 Officer Statement of Grant Usage to LAHF@levellingup.gov.uk in addition to submitting the form by 5pm on the dates outlined below.
3. The Section 151 Officer Statement of Grant Usage only needs to be submitted when the Council wishes to demonstrate the spend requirement has been met, and also at the end of the programme. It does not need to be submitted at every monitoring touchpoint.
4. The Microsoft Form needs to be submitted at every monitoring touchpoint. DLUHC will provide full guidance for submitting the form directly well in advance of each touchpoint date.

Table 5 – Monitoring Touchpoint Dates

Monitoring touchpoint	Microsoft Form to be submitted by 5pm on the following dates	Section 151 Officer Statement of Grant Usage required?
Touchpoint 1	9 October 2023	Yes, if LA wishes to enable Tranche 2 payment in October 2023
Touchpoint 2*	24 November 2023	Yes, if LA wishes to enable Tranche 2 payment in December 2023
Touchpoint 3	8 February 2023	N/A
Touchpoint 4	8 April 2023	N/A
Evaluation	April 2024 onwards	N/A

*this touchpoint has been brought forward slightly earlier than the 2-month mark to account for the holiday period in December

Annex C – Register of LAHF accommodation for which an Affordable Rent is charged

This annex sets out the agreed information which will be contained in the Council’s Register of LAHF accommodation for which an Affordable Rent is charged.

This register should be available for inspection upon request by either DLUHC or the Regulator for Social Housing.

Property address			
Completion date			
Name of Registered Provider			
Registration Code			

(Note: The Council is not required to submit this information as part of regular delivery monitoring submissions.)

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Responsible Ownership - Pets Policy

Housing Committee Thursday, 14 September 2023

Report of: Deputy Chief Executive

Purpose: For decision

Publication status: Open

Wards affected: All

Executive summary:

This policy applies to tenants and leaseholders wishing to keep pets in Council properties, regardless of the type of tenancy held.

This policy also includes temporary accommodation secured by the Council in the private sector, where the tenancy is granted by the Council or, within the Council's own temporary housing stock including the hostel.

This policy sets out the position of the Council (TDC) on keeping pets in Council owned rented homes.

This report supports the Council's priority of: Building a better Council.

Contact officer James Devonshire Head of Housing
JDevonshire@tandridge.gov.uk

Recommendation to Committee:

The Committee approves the Responsible Pet Ownership Policy as attached at Appendix 'A'

Reason for recommendation:

The Council recognises the benefits of pet ownership, and the enjoyment they can bring. The Council wishes to encourage responsible pet ownership and will look to ensure resources are identified to assist tenants to keep their pet in a responsible manner – this may include signposting to veterinary services at its discretion and assisting tenants to get their dog microchipped.

Officers will work in partnership with relevant organisations, such as the Dogs Trust, Cats Protection and RSPCA and support tenants where possible to maintain their pet's welfare. This will include referring tenants to independent advice on pet care, advice on pet insurance and a list of local, reputable animal welfare and veterinary organisations.

Help will also be given to older people and those living with a terminal illness to arrange care for their pet(s) including promoting services offered by charities to rehome pets if individuals can no longer care for them.

Introduction and background

- 1 There have been several recent cases involving pets within the Council's housing stock where allegations of nuisance behaviour prompted intervention from both Officers and Councillors.
- 2 This, paired with the increased support from the Housing Ombudsman and the Regulator for Social Housing for tenants to be granted permission to responsibly keep pets has prompted the review of the Council's policy.
- 3 The Council's existing pets policy is restrictive and does not allow residents to keep pets within certain accommodation, even if beneficial to their health and wellbeing.
- 4 The objectives of the updated policy is to:
 - Promote responsible pet ownership among the Council's tenants and leaseholders.
 - Ensure all pet owners living in the Council's properties take responsibility for their animals.
 - Ensure all pet owners maintain their property and repair any damage caused by their pet.
 - Ensure pets are only kept in appropriate Council properties.
 - Protect Officers and the wider community from any nuisance because of a pet living in a Council-owned property.
 - Ensure where appropriate tenants can benefit from the company of a pet.
- 5 The updated policy recognises the importance of pet ownership but aims to strike a balance between responsible ownership and reasonable enforcement should it be necessary.

Consultation

- 6 The Council will provide clear and comprehensive advice and information to residents, with an aim for a single point of contact.
- 6.1 The Council's tenants and leaseholders, the Dogs Trust, the RSPCA, and a range of Council Officers, will be consulted on future changes to this policy.

Key implications

Comments of the Chief Finance Officer

There are no financial implications arising from this report. If a pet were to cause damage to a property, this would be recovered from the tenant in line with the current process.

Comments of the Head of Legal Services

There are no legal implications arising from this report. It is intended that the updated Policy will provide the Housing Service Team with a clear framework for decision making so that there is a more consistent approach across the whole District. As stated in the report such policy relating to pets or animals in Council housing needs to find the right balance between recognising the value that pets and animals bring to resident's lives, the welfare of the animal, and the impact on other residents when things go wrong. As a landlord, the Council needs to get this balance right and it is envisaged that the update of this policy will be an important step in achieving this.

Equality

An Equalities Impact Assessment has been completed for this policy. It has been assessed that there may be some low impact on those with protected characteristics under disability and age, due to the need for sheltered or designated elderly housing accommodation and, also, poverty and other socio-economic impacts due to affordability of keeping a pet and potential welfare concerns.

Climate change

There are no significant environmental / sustainability implications associated with this report.

Appendices

Appendix 'A' - Draft Reasonable Ownership - Pets Policy

Background papers

None

----- end of report -----

Tandridge District Council

Pet Policy

September 2023

Review due: September 2025

1. Scope

1.1 This policy applies to tenants and leaseholders wishing to keep pets in Tandridge District Council properties, regardless of the type of tenancy held.

1.2 This policy also includes temporary accommodation secured by the Council in the private sector, where the tenancy is granted by the Council. Further details in section 7.2.

This policy sets out the position of Tandridge District Council (TDC) on keeping pets in Council owned rented homes.

2. Objectives

2.1 The objectives of this policy are to:

- Promote responsible pet ownership among TDC's tenants and leaseholders.
- Ensure all pet owners living in TDC properties take responsibility for their animals.
- Ensure all pet owners maintain their property and repair any damage caused by their pet.
- Ensure pets are only kept in appropriate TDC properties.
- Protect staff and the wider community from any nuisance because of a pet living in a TDC-owned property.
- Ensure where appropriate tenants can benefit from the company of a pet.

3. Context

3.1 According to the Pet Food Manufacturers Association 62% of households in the UK have a pet (2022). The increase in the number and variety of pets has implications for both human and animal welfare. Issues including health and safety, noise, smell, nuisance, mistreatment, and cost are best addressed with a clear policy and robust enforcement.

3.2 It is recognised that there are many therapeutic benefits to pet ownership, and this has been highlighted due to national lockdowns where loneliness has been exacerbated for people unable to access the community.

4. The Value of Pet Ownership

4.1 Tandridge Council recognises the benefits of pet ownership, and the enjoyment they can bring. The Council wishes to encourage responsible pet ownership and will look to ensure resources are identified to assist tenants to keep their pet in a responsible manner – this may include signposting to veterinary services at our discretion and assisting tenants to get their dog microchipped.

4.2 TDC will work in partnership with relevant organisations, such as the Dogs Trust, Cats Protection, RSPCA and PDSA and support tenants where possible to maintain their pet's welfare. This will include referring tenants to independent advice on pet care, advice on pet insurance and a list of local, reputable animal welfare and veterinary organisations.

4.3 TDC will also help older people and those living with a terminal illness to arrange care for their pet(s) including promoting services offered by charities to rehome pets if people can no longer care for them.

5. Seeking Permission

5.1 Tenants are required to obtain permission to keep certain types of domestic pets, including those listed below. Written permission is not required to keep a fish, small, caged bird or small domestic rodent as defined by * beside the animal. For the purpose of this policy, a domestic pet is defined as:

- Dog (excluding any dogs highlighted by the Dangerous Dogs Act 1991)
- Cat
- Bird (such as a budgie and cockatoo) *
- Fish*
- Small, caged rodent (including Guinee Pigs) *
- Small non-poisonous caged reptile
- Non-poisonous contained insect or amphibian
- Rabbit

Permission will not normally be given for animals not considered domestic pets.

5.2 Requests for permission should be made on the 'Permission to own a pet' form and will require a description and photo, along with details of the species and age of the animal. For dogs, the breed and microchip number (plus confirmation) should also be included. All requests should also include details of any other pets already at the property.

5.3 Retrospective permission will be considered to keep a pet if an application is received in line with paragraph 5.2.

5.4 Once permission is granted tenants must sign an undertaking committing them to responsible ownership, ensuring their pet receives exercise and training and for dog owners evidence of arrangements if they become unable to keep their pet due to ill health etc.

6. What will we give permission for?

6.1 The maximum number of dogs and cats we would typically consider are as follows, each case will be considered on an individual basis by the Tenancy Management Officer and the Sheltered Housing Team Leader if the resident lives within our sheltered or older persons designated housing schemes:

1 bed property	1 cat or 1 dog
2 bed property	1 cat and 1 dog
3 bed property	2 cats and 2 dogs

6.2 Unless the property has a garden or local amenity space (including a park), written permission will not normally be granted to keep a dog, although exceptions may be made for assistance dogs.

6.3 TDC will not grant permission for a cat unless it can access a garden or if the tenant signs an undertaking that the cat will be a 'house cat' and will not go outside – a similar expectation applies for a 'house rabbit'. All cats living in sheltered and older person designated schemes will be expected to be a 'house cat' and residents will need to agree to this when signing an undertaking.

6.4 In considering a request for permission to keep a pet, staff will consider the type of animal and the size and type of accommodation, and any relevant history of pet ownership. Personal circumstances, any complaints of antisocial behaviour and the tenant's ability to take on an additional financial commitment (for example a recent history of regular rent payments + no rent arrears over the last 6 months) may also be considered in considering their suitability for pet ownership.

6.5 TDC will also explore with tenants requesting permission to own a dog who work, what arrangements will be put in place while they are at work. TDC require a tenant to sign an undertaking in relation to barking and anti-social behaviour. The tenant will be required to rehome a dog if it causes anti-social behaviour.

6.6 The boundary of a garden will need to be adequate to ensure that a pet will be contained. Where the Council has in place a 3ft fence or wire fence, this is to mark the property boundary and not to contain pets, a tenant may need to raise the height of the fence or strengthen the base prior to being granted permission to ensure that any permitted pet cannot escape from the garden or cause a nuisance to neighbours.

6.7 This policy is not retrospective. Tenants and Leaseholders who currently own more than the specified allowance as set out in 6.1 will not be required to rehome their additional pets. Upon the death of a pet, permission must be sought. A tenant or leaseholders the application will then be considered in accordance with this policy.

6.8 Permission must be sought before acquiring subsequent and additional pets.

7. What happens to my pet if I am homeless?

7.1 TDC will support households seeking assistance from the authority due to homelessness or impending homelessness who are existing pet owners. This support may include:

- Helping find temporary kennels or lodgings for cats.
- Contributing to the costs of lodgings during the homeless 'relief duty'
- Support with rehoming a pet permanently if a pet cannot be kept in the temporary accommodation.

7.2 Permission for cats and dogs will not usually be given to tenants in temporary accommodation, including the Council's hostel as any subsequent offer of settled accommodation may not be suitable for these animals. If permission is granted in exceptional circumstances for an assistance dog, it will be subject to the tenant abiding by the terms of a signed undertaking.

8. What will we not give permission for?

8.1 Permission will not be given if the applicant is subject to a ban from keeping animals, the animal requires a licence under the Dangerous Wild Animals Act 1976, or the dog is of a type prohibited by the Dangerous Dogs Act 1991 (unless it has been exempted from the prohibition by a Court Order and the conditions of the exemption are being complied with.)

8.2 Under no circumstances are tenants allowed to breed or sell any animal from a TDC-owned property. If a tenant is found to be breeding or selling any animal in a TDC-owned property, we will withdraw our permission to keep the animal and the necessary tenancy enforcement action will commence.

9. Our Tenancy Agreement Conditions

9.1 Our tenancy agreement sets the following conditions for keeping pets:

You must not, unless you have received written permission from the Council, keep any animal, bird or reptile. The grant or refusal of permission is within our discretion and if granted, may be subject to conditions and may be withdrawn at any time if we consider that the animal, bird or reptile is causing nuisance, damaging your or a neighbour's property or is being mistreated.

Consideration will be given as to whether or not the type and number of animals is suitable given the size, type, and location of your home. No agricultural animals or livestock, including horses, are permitted to be kept on the Council's land or within the property.

We will give you reasonable notice of our reasons for withdrawing permission. Permission will not normally be given to keep a dog (other than a guide or hearing dog) if the property is a flat or maisonette without the sole use of and direct access to, a garden. If you are given permission to keep a dog, it must be micro-chipped and you must provide proof of this to your housing officer. If you have a dog, it must be kept on a lead at all times in communal areas and you must not exercise the dog in or allow it to foul communal areas.

You must not allow any animal to cause nuisance or annoyance to your neighbours or to anyone who may be reasonably expected to have access to your home, such as council officers, council contractors or tradespeople.

10. Specific conditions for keeping a dog

10.1 The dog must be microchipped, and you must provide TDC with written confirmation that this has been done (a photocopy of the logbook is preferable). You must ensure that your details are kept up to date on the database.

10.2 The dog must always be kept under proper control when it comes into contact with neighbours, visitors, or their animals. TDC staff will need to visit properties over the period of a tenancy. Dogs must be restrained or kept in a separate room during the visit.

- You must ensure that dogs are always kept on a lead in shared areas.
- When outside the property, the dog must wear a collar or tag with the dog owners name and address clearly inscribed.
- You must clear up any mess caused by your dog fouling in shared areas, play areas, open spaces, and neighbouring properties. As part of maintaining your own property you must clear up dog faeces from your own garden, failure to do this will be considered a breach of your tenancy agreement.
- You must not leave an animal in your garden unattended when your house is unoccupied.
- You must not leave a dog in an outside kennel or enclosure for extended periods and specifically overnight where it may cause noise nuisance to neighbours.
- Any damage to Council property such as internal woodwork and doors must be rectified immediately. Dogs must not be allowed to scratch any internal or external doors.
- You must not keep any dog as described in section 1 of the Dangerous Dog Act 1991 (unless it has been exempted from the prohibition by a Court Order and the conditions of the exemption are being complied with.)
- You must not keep a dog for breeding or fighting purposes.

10.3 TDC will conduct annual checks of arrangements to keep a dog(s) where permission has been granted by the Council.

10.4 Permission to keep a pet may be withdrawn at any time if a tenant breaches relevant conditions of their tenancy agreement or if they do not comply with the specific terms of permission for keeping a dog. If the pet is not rehomed, further action may be taken.

11. Promoting responsible pet ownership

11.1 We will work with our partners in providing quality information on responsible pet ownership.

11.2 We will promote responsible pet ownership through community engagement and education, we will also encourage the microchipping of dogs and the neutering of cats.

12. Cat flaps

12.1 Tenants living in houses and bungalows can, at their own expense, choose to install a cat flap provided they have received permission from TDC, this is done professionally and does not reduce the security of the door.

12.2 Cat flaps can only be installed at the rear of a property. Dog flaps are not permitted. If a door is replaced as part of our repairs and maintenance service, the council will charge to install a cat flap. Tenants are not required to pay for a replacement door when vacating the property after the first 5 years of installation.

13. Returning a pet to a tenant/leaseholder

13.1 Should any TDC staff need to return a pet to its owner for any reason, any costs associated with returning a pet must be paid prior to receipt plus any nightly charge for accommodation. Failure to pay the due charges and collect the animal within 10 days will result in the Council arranging for it to be rehomed.

14. Pets at the end of a tenancy

14.1 If for any reason the tenant vacates a property, they are expected to take any pets with them. This includes scenarios such as evictions.

15. Pest control

15.1 Tenants are responsible for ensuring that their pets and property are free from fleas, ticks or other pests that could be transferred onto carpets or furnishings within the home.

15.2 Any infestation of fleas or other pests will be the tenant's responsibility to treat. TDC is responsible for controlling pests in communal areas of buildings such as in communal areas within blocks of flats.

15.3 If treatments are required in communal areas caused by a tenant's pet, we will recharge residents for the cost of the treatment.

16. Enforcement

16.1 We will take appropriate steps, in conjunction with our partners and relevant agencies, to enforce this policy.

16.2 Whether or not permission has been given, if staff become aware that pets are causing a nuisance, hazard, or danger, or are neglected and we have concerns about their welfare we will take reasonable and proportionate action which could include the following:

- Withdrawal of permission to keep the pet, if previously given, or written clarification that permission cannot be given.
- Reporting concerns to the RSPCA or other agencies.
- Written/final written warning of breach of tenancy agreement.
- Liaison with Surrey Police, potentially leading to police action.
- Acceptable Behaviour/Animal Behaviour Agreement.
- Community Protection Warning/Notice.
- Application for an Injunction to prevent nuisance and annoyance.
- Possession proceedings which could result in demotion of tenancy or eviction.

16.3 Permission will also be withdrawn following conviction of an offence under animal welfare legislation.

17. Consultation, communication and training

17.1 TDC will provide clear and comprehensive advice and information to residents, with an aim for a single point of contact.

17.2 Tandridge Council tenants and Leaseholders, the Dogs Trust, the RSPCA, and a range of Council staff, will be consulted on future changes to this policy.

18. Monitoring and performance management

18.1 We aim to review this policy in two years to ensure it reflects current legislation and the latest examples of best practices.

18.2 We will record the number of type of pets we have given permission for on our housing management database. Decisions on whether tenants can keep a pet will be made by the relevant Tenancy Management Officer.

19. Equalities Implications

19.1 In producing this document an Equality Impact Assessment (EIA) has been carried out.

19.2 An EIA is a way of assessing the impact, or likely impact, that a particular policy, procedure or decision will have on particular groups. This is used to assess whether in making the decision whether the Council has complied with its public sector equality duty under S149 of the Equality Act 2010 (as amended) to; eliminate discrimination and any other conduct that is prohibited under this act and to advance equality between those who share a protected characteristic.

19.3 The screening has been carried out and notes made of the potential benefits of pet ownership especially for elderly and vulnerable people.

20. Complaints

20.1 Requiring residents to seek permission before homing a pet helps the Council carry out its landlord role effectively and proactively. It assists in dealing with complaints about nuisance, responding to cases of missing pets and in strategic emergency planning.

20.2 TDC will deal with complaints and the concerns of both pet owners and neighbours regarding nuisance animals, welfare, health, or cruelty issues through its anti-social behaviour policy/procedure. This will ensure that parties are kept informed of progress with their complaint and can see actions and outcomes relating to their concerns through regular communication with their Tenancy Management Officer.

20.3 This approach will also enable TDC to review customer satisfaction with how each complaint has been handled. Capturing feedback will enable us to continue to develop our approach to ensure it is as effective as possible.

21. Related strategies/documents

This policy links to and should be read in conjunction with the following policies and strategies;

- Corporate Plan
- Housing Strategy
- Homelessness Prevention and Rough Sleeping Strategy
- Tenancy Strategy
- Tenancy Policy
- Tenancy Agreement
- Anti-Social Behaviour Policy

22. Legislation and Regulation

The legislation and guidance listed below will be taken into consideration when implementing this policy;

- The Dangerous Wild Animals Act 1976
- Housing Act 1985, Schedule 11 (Ground 2 - nuisance ground for possession)
- Environmental Protection Act 1990
- Dangerous Dogs Act 1991
- Control of Dogs Order 1992
- Crime and Disorder Act 1998
- Animal Welfare Act 2006
- The Anti-Social Behaviour, Crime and Policing Act 2014 amends the Dangerous Dogs Act, making it unlawful to let a dog be dangerously out of control in any public or private place.
- The RSPCA states that restrictions on pet ownership in tenancy agreements and pet policies are appropriate and will not infringe human rights where they are needed to ensure good animal welfare, avoid anti-social behaviour and nuisance to other tenants and/or protect the landlord's premises from danger. (Housing: A Guide to Good Practice, RSPCA, 2012)

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Quarter 1 2023/24 Key Performance Indicators - Housing Committee

Housing Committee Thursday, 14 September 2023

Report of: Head of Housing

Purpose: For information

Publication status: Open

Wards affected: All

Executive summary:

- The appendices to this report contain data on the Committee's key performance indicators and risks for Quarter 1 2023-2024, to enable the Committee to monitor how the Council is delivering the services for which it is responsible.
 - Performance and risk headlines are included in Section 3.
 - Council House Building Programme updates are in Appendix 'C'.
-

This report supports the Council's priority of: Building a better Council.

Contact officer James Devonshire Head of Housing
JDevonshire@tandridge.gov.uk –

Recommendation to Committee:

That the Quarter 1 2023-2024 performance and risks for the Housing Committee be noted.

Reason for recommendation:

To support the Committee to monitor and manage its performance and risks.

Introduction and background

1 Performance and Risk

1.1 Performance and risk reports are to be presented to each policy committee at the end of each quarter. The reports include a covering report and an appendix with individual performance charts and commentary for each performance indicator, and the committee's risk register.

2. Notes on performance and risk data

2.1 See Appendix A and Appendix B for the Housing performance data and risk register respectively.

2.2 Wherever possible the most recent data has been included in the appendices, regardless of whether it technically falls into the reported quarter. However, due to the committee report timelines, there may be occasions where data is not available in time for the committee report. In these cases, the data will be provided in the next scheduled report.

2.3 The Council uses the following risk management scoring matrix:

Likelihood	Very Likely	4	4	8	12	16
	Likely	3	3	6	9	12
	Possible	2	2	4	6	8
	Unlikely	1	1	2	3	4
			1	2	3	4
			Low	Medium	High	Very High
			Impact			

3 Performance

3.1 The following KPI's have not met target as detailed in Appendix A:

- HO2b - Average time taken to re-let local authority sheltered housing (days)
- H04 - Number of households living in temporary accommodation.

- HO5 – Number of people in 'urgent need' (bands A&B) on the Housing Register.

3.1.1 Narratives have been provided in Appendix 'A' outlining reasons for the these KPI's not meeting target.

3.1.2 There have been improvements to three key performance indicators as detailed in Appendix 'A':

- HO2a - Average time taken to re-let local authority housing (days) – reduced from 30.7 days in Q4 to 20.15 days in Q1 against a target of 25 days.
- HO2b - Average time taken to re-let local authority sheltered housing (days) – reduced from 62 days in Q4 to 30.57 days in Q1 against a target of 30 days. While still off target the position is significantly improved.
- HO3 - Number of cases where it is known that advice and/or support from the Council successfully prevented or relieved the threat of homelessness – increased from being off target by 14 preventions in Q4 to exceeding target in Q1 by 8 preventions against a cumulative target of 30 cases each quarter.

3.2 Risk

3.2.1. The risk register has been reviewed and the risks that are more operational in nature have been removed and will be monitored by Officers internally. However, this does not preclude these risks from being escalated back to the committee register in the future, or new risks being added.

3.2.2. See Appendix 'B' for details.

3.3 Council House Building Programme

3.3.1 Appendix 'C' sets out the current position with regard to the Council House Building Programme at the end of Q1.

Key implications

Comments of the Chief Finance Officer

There are no direct financial implications from this report as it is presented for noting. Performance against specific KPIs may have a financial impact. The cost of temporary accommodation in particular is likely to represent a financial risk, however the expectation at Quarter 1 is that the budget will be sufficient. Offsetting this risk is an increase in Government financial support for

homelessness costs. Financial implications will be drawn out where relevant in the quarterly financial update report.

Comments of the Head of Legal Services

Key performance indicators and progress reporting must be fit for purpose, monitored and managed to ensure effective Council governance. Key performance indicators enable evidence based quantitative management reporting and where necessary allows for remedial actions and decisions to be taken.

There are no legal implications arising directly from this report, though individual projects are subject to review by Legal Services as and when necessary, and in particular where they require consideration of the Council's Contract Standing Orders and Public Contracts Regulations 2015 (PCR2015) and governance where required.

Climate change

There are no significant environmental / sustainability implications associated with this report.

Appendices

Appendix 'A' Housing Performance Charts 2023 - 24

Appendix 'B' Risk Register July 2023

Appendix 'C' Quarter 1 Update Council House Building Programme update

Background papers

None

----- end of report -----

APPENDIX A – Housing Performance

H01 - Local Council rent collection and arrears: proportion of rent collected

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
2.15%				2.5%
				Met

Performance Summary

- In Q1 the rent arrears were 0.35% lower than the target of 2.5%. By the end of June 2023, the percentage of rent arrears had reduced to 2.15%, this is 0.35% lower than target and 0.52% lower than the same period in June 2023 when rent arrears totalled 2.67%.

Target: 2.5% (2023/24)

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H02a - Average time taken to re-let local authority housing (days)

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
20.15				25 days
				Met

Performance Summary

- In Q1 the average time taken to re-let local authority housing was 20.15 days against a target of 25 days. This is 10.55 days lower than that recorded in Q4 which was 30.7 days. There has also been a significant reduction (21.65 days) when compared to the same period in 2022/23.

APPENDIX A – Housing Performance

- This has been achieved following the implementation of the new Housing Services structure and review of processes to encourage faster re-let times.

Target: 25 days (2023/24)

HO2b - Average time taken to re-let local authority sheltered housing (days)

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target 30 Days
30.57				Not Met

Performance Summary

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- In Q1 the average time taken to re-let local authority housing was 30.57 days against a target of 30 days. This is 31.43 days lower than that recorded in Q4 which was 62 days. There has also been a significant reduction (18.33 days) when compared to the same period in 2022/23.
- While still off target, improvements have been achieved following the implementation of the new Housing Services structure and review of processes to encourage faster re-let times.

Target: 30 days (2023/24)

HO3 - Number of cases where it is known that advice and/or support from the Council successfully prevented or relieved the threat of homelessness

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target 120
38				Met

APPENDIX A – Housing Performance

Performance Summary

- The figure is above target by 8 preventions against the quarterly target of 30. This is an improvement of 14 preventions in Q4 to exceeding target in Q1 by 8 preventions against a cumulative target of 30 cases each quarter.
- This has been achieved despite the difficulties in the supply of affordable privately rented or social housing becoming available to prevent or relieve homelessness.

Target: 120 cases (2023/24)

HO4 – Number of households living in temporary accommodation

April-June 2023	July-September 2023	October- December 2023	January-March 2024	Target 30
				Not Met

Performance Summary

- The increase in the number of households in temporary accommodation reflects the current difficulties being experienced in successfully preventing / relieving homelessness and the lack of supply of affordable housing. Q1 performance has declined by two households compared to the 52 households living in temporary accommodation in Q4. Q1 performance remains off target by 24 households.

Target: 30 (2023/24)

HO5 – Number of people in 'urgent need' (bands A&B) on the Housing Register

APPENDIX A – Housing Performance

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
463				275
				Not Met

Performance Summary

- Q1 performance is significantly higher than the target set of 275 households and that of the same period last year when households in urgent need totalled 419. Q1 has seen a minor reduction of 4 households when compared to Q4 which totalled 467 households in urgent need.
- This figure remains high due to a limited supply of affordable housing. The Housing Team continues to work with colleagues in strategy and development to ensure a continued supply of affordable housing is provided throughout the District, as well as pursuing other initiatives, including the Tenants' Incentive Scheme, Assisted Purchase Scheme and relocation strategies within our own housing stock.

Target: 275 (2023/24)

HO7 – Average cost of repairs per property for Council Tenants (exc. Leaseholders)

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
£93.33				£325
				Met

Performance Summary

- Q1 performance remains on target despite continued high inflation rates and cost of materials and labour. £325 is the total annual spend as an average per property excluding all leaseholders.

Target: £325 (2023/24)

APPENDIX A – Housing Performance

HO8 - First time fixes (responsive repairs)

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
99.23%				85%
				Met

Performance Summary

- In Q1 first time fixes were 14.23% higher than the target of 85%. By the end of June 2023, the percentage of first-time fixes had increased to 99.23%, this is 14.23% greater than target and 0.15% greater than the same period in June 2023 which totalled 99.08%.
- There is also an improvement of 1.18% when compared to a Q4 total of 98.05%.

Target: 85% (2023/24)

HO9 - Recall Visits (responsive repairs)

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
0.77%				2%
				Met

Performance Summary

- This indicator remains well below the target of 2%

Target: 2% (2023/24)

APPENDIX A – Housing Performance

HO10a - Percentage of emergency responsive repairs completed within the timescales set for the contractor

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
98.6%				98%
				Met

Performance Summary

- While Q1 performance has exceeded target there has been a reduction of 0.5% when compared to Q4 which totalled 99.1%. As a result, the repairs and property services teams are monitoring performance of contactors closely.

Target: 98% (2023/24)

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HO10b - Percentage of non-emergency responsive repairs completed within the timescales set for the contractor

April-June 2023	July-September 2023	October-December 2023	January-March 2024	Target
95%				90%
				Met

Performance Summary

- While Q1 performance has exceeded target there has been a reduction of 0.8% when compared to Q4 which totalled 95.8%. As a result, the repairs and property services teams are monitoring performance of contactors closely.

Target: 90% (2023/24)

Appendix 'B' Risk Register

Ref:	Risk cause and event	Risk consequences	Risk Owner	L	I	RAG	Mitigating actions and responsibility	Status update	On corporate risk register?
H1	Council fails to deliver the target number of properties in the Council House Building Programme, due to poor performance of the contractor, planning delays, unplanned costs, availability of materials and utility providers	<p>Inability to meet local housing need and increase in number of households living in unsatisfactory housing conditions.</p> <p>Increase in homelessness and related costs. Failure to meet statutory homelessness duties.</p> <p>Negative impact on resident wellbeing.</p> <p>Negative publicity and reputational damage.</p>	Housing Development Managers	3	4	12	<p>Active management of contracts via monthly contractor meetings and day to day contact with the project team. Appointment of an Employers Agent to manage the contractor on behalf of the Council. Programme includes work to minimise inevitable delays resulting from manufacturing delays, material shortages, sub-contract labour being temporarily shutdown. Consider use of alternative materials to overcome supply shortages, different designs and different finishes and use of materials that are readily obtainable. Early liaison with utility providers by the contractor and the use of mature approved drainage plans within contract documentation.</p> <p>New homes development programme to increase supply of permanent rented family housing where feasible.</p> <p>Deliver actions within the</p>	<p>Contractors at both Uplands and Bronzeoak in voluntary liquidation following reports of financial difficulties. Uplands has new contractor appointed and now in possession of the site. Prep work ongoing for imminent re-start. Handovers expected in both November (3 bed houses) and February (2 bed flats)</p> <p>Financial assistance package approved by HC for the contractor at the Caterham on the Hill schemes. Schemes now progressing well and no current indications of cash flow problems</p> <p>New homes programme seeing an increase in build costs due to material and energy price rises – and the construction industry being energy intensive.</p> <p>Officers pursuing open market land purchases.</p>	YES

					<p>Housing Strategy which include improving sheltered housing to encourage downsizing, moving tenants on from family accommodation, supporting Registered Providers to reduce rents and development and implementation of an Empty Homes strategy.</p> <p>Maximise opportunities to release land for development.</p> <p>Increase use of private sector housing to meet temporary accommodation demand and prevent homelessness.</p> <p>Monthly monitoring of supply and demand for affordable housing.</p> <p>Extend the buy-back programme into 23/24 & 24/25</p> <p>Utilise preferential grant rates available in the LAHF programme to increase stock of family sized housing</p> <p>Apply for Investment Partner status with Homes England to allow for grant funding to</p>	<p>Completed on purchase of land in Caterham to deliver 16 affordable homes for rent.</p> <p>LAHF property purchases (x 7) on target to complete by November 2023.</p> <p>Application for IP status and grant funding underway (subject to HC approval to enter Grant Agreement with Homes England)</p>	
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						subsidise the building programme		
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Appendix 'B' Risk Register

H2	Loss of skilled staff to manage the Disabled Facilities Grant process and contract	Failure to deliver statutory services to residents and support those most in need. Potential for backlog of applications	Head of Housing	2	1	2	<p>Audit requirement to add to committee register. Recruitment process in place.</p> <p>Business Continuity plan in place</p> <p>Case specific advice can be obtained from the national body for home improvement agencies.</p> <p>Short term cover could be provided by neighbouring councils</p>	<p>Annual reviews of business continuity plan being completed</p> <p>Delivery model of the service currently being reviewed as part of the Future Tandridge Programme</p>	NO
H3	Disabled Facilities Grant Local Authority commissioning partner leaves the partnership	Failure to deliver service and meet statutory services.	Head of Housing	1	2	2	<p>Audit requirement to add to committee register</p> <p>Regular meeting with all stakeholders in the partnership</p> <p>Strict performance management with concerns identified early and rectified</p>	Regular meetings being held between stakeholders in the partnership.	NO
H4	Disabled Facilities Grant Home Improvement Agency ceases trading	Failure to deliver service and meet statutory services.	Head of Housing	1	2	2	<p>Audit requirement to add to committee register</p> <p>Financial viability fully explored as part of the procurement process</p> <p>Short term continuity plan to resource the work via individual private contractors specialising in this work with</p>	Regular meetings being held between stakeholders in the partnership.	NO

H1	Overspend on housing repairs	* Impact on the Housing Revenue Account (HRA).	Head of Housing	4	4	N/A	<ul style="list-style-type: none"> * Financial monitoring and savings trackers in place. * Senior managers reviewing the implementation of the new budget arrangements. * Implementing new depot IT system within 12 months (in-line with IT priorities) to provide accurate cost data on time, labour, materials, fuel, vehicle usage, etc. * Heavily restricting the use of third party contractors by the depot for reactive repairs. * Reviewing the reactive repairs schedule of rates for the depot. 	<ul style="list-style-type: none"> * Officers are meeting with Orchard to discuss replacing a software module for the depot and contractors, as the original module is no longer supported. Costings have been submitted to the Executive Lead for Communities. A meeting has also been arranged with IT and other Housing parties to assess future needs. Procurement of new tender for VOIDS has been delayed due to the Vacant Lead Community Surveyor position. The monitoring of budgets is a major risk as the Orchard and Agresso systems are not interfacing and allocating to the correct budget lines. This could result in overspends 	NO
H4	Inability to deliver Housing Strategy	* Fail to deliver on the strategic objectives of the strategy, and associated improvements to residents and the Council.	Head of Housing	1	2	N/A	<ul style="list-style-type: none"> * Regular updates brought to Committee. * Member briefing papers prepared for relevant strategy actions. * Officer working group in place. * Communications in place with key partner agencies. 	<ul style="list-style-type: none"> * Regular annual updates being provided to Housing Committee with actions being worked by officers. 	NO

Appendix 'B' Risk Register

H5	Inability to deliver the Homelessness Strategy	* Fail to deliver on the strategic objectives of the strategy, and associated improvements to residents and the Council.	Head of Housing	1	2	N/A	<ul style="list-style-type: none"> * Regular updates brought to Committee. * Member briefing papers prepared for relevant strategy actions. * Officer working group in place. * Communications in place with key partner agencies. 	<ul style="list-style-type: none"> * Regular annual updates being provided to Housing Committee with actions being worked by officers. 	NO
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Appendix C

Quarter 1 2023/24 Update – Affordable Housing Provision and Council Housing Building Programme

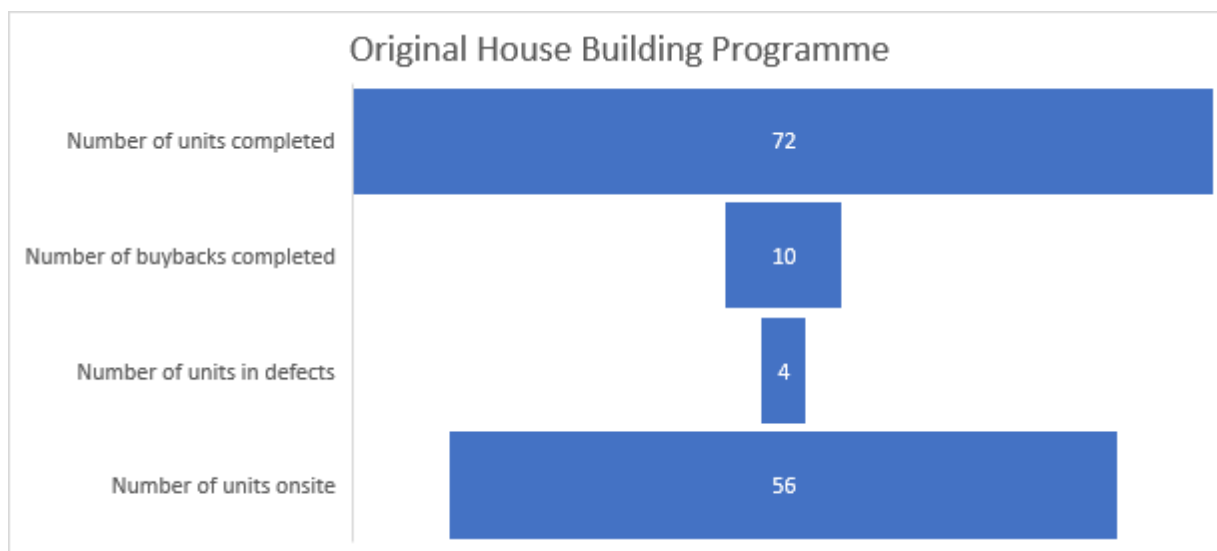
This update provides members with the Quarter 1 position in relation to the Council’s House Building programme and affordable housing development by housing associations. The report includes the current position where more up to date information is available.

Council House building (CHB) programme

1. Original Council House Building Programme

The original council house building programme commenced in 2015 and consisted of 142 units. There have been 86 completions to date including 10 buybacks. There are 4 remaining schemes onsite. Two are due to complete this year, and two in early 2024/25.

Annual Targets								
	2023/24				2024/25			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Completions			11	13	32			
Schemes onsite (56)			Rochester (5) Foxacre (2) Uplands (4)	Uplands (13)	Bronzeoak (26) Windmill (3) Auckland (3)			



1.1 Uplands

The new contractor at Uplands has taken possession of the site and is preparing to start work. It is estimated the 4 houses will complete in September/October with the flats completing in February.

1.2 Bronzeoak

Work stopped in May 2023 following the administration of the main contractor on the site. A Construction Management Company (CMC) has been appointed and has started some preliminary work for the Council in putting together a site safety audit, liaising with the incumbent sub-contractors about completion of their work and the associated costs and putting together a rough order of costs estimate for completion of the scheme. It is likely that the completion of the scheme will be via the appointment of a CMC contractor who will manage the site and the contracts but with the Council making direct payments to suppliers and trade contractors for the work that is done, based on monthly valuations. This should allow work to re-start on site in September/October 2023.

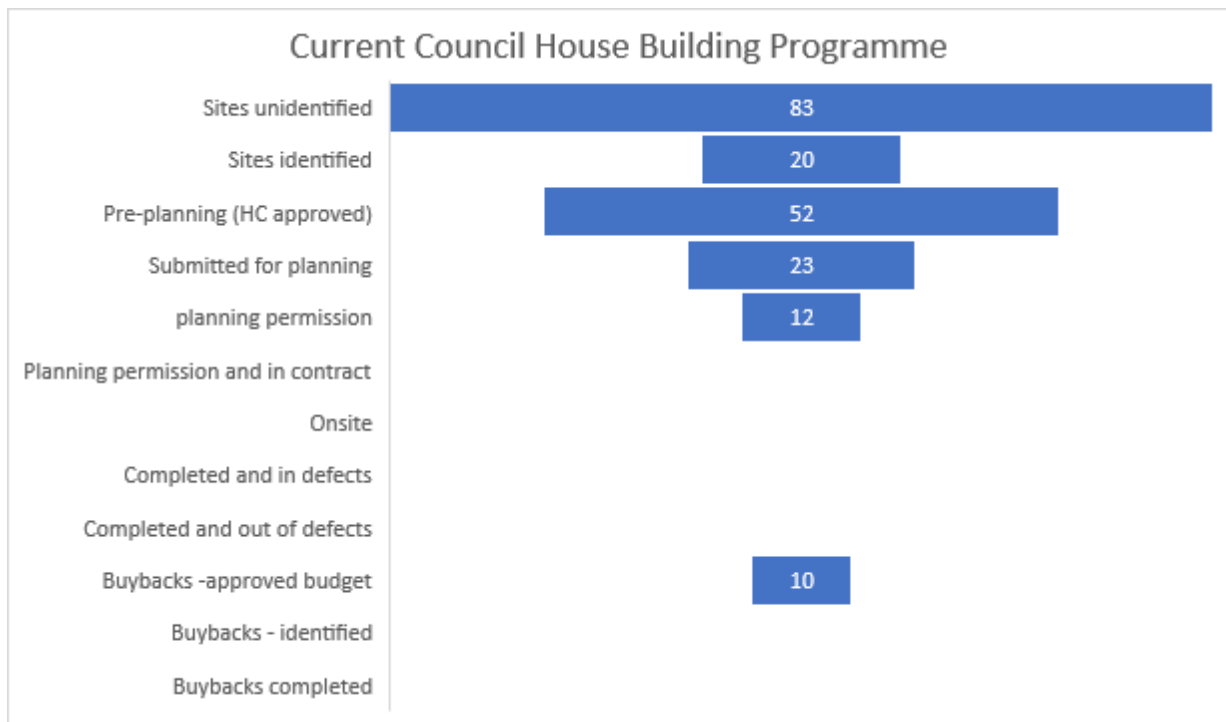
1.3 Rochester Gardens/Foxacre/Windmill Close/Auckland road

Rochester and Foxacre are due to complete late November. This is subject to the gas connections being made on time, if these cannot be moved forward they are likely to be delayed until January. Works are progressing well on both sites with roof trusses in place and first fix commencing in some units at Rochester. Windmill and Auckland are also progressing well.

2. Current Council House Building Programme

Annual targets						
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Start on sites	40	40	40	40	40	
Completions		40	40	40	40	40
Current profile						
Start on sites	0	17	88			
Completions	0	2	19	52	42	

*Note the discrepancy in numbers is the 10 buybacks which have no start on site date but are included in completions



2.1 Some completion dates have been pushed back into following years to take account of delays in planning. The programme has also been pushed out due to the delays at Uplands and Bronzeoak where both sites were held up during Covid and then have suffered the administration of the main contractors. This has impacted on the capacity of the team to progress new sites and the delay at Bronzeoak has prevented the decant from Pelham House.

2.2 Risks to the CHB programme are:

- Biodiversity Net Gain – this will have a significant impact on some schemes within our programme leading to either the loss of units or additional cost associated with purchasing credits where 10% BNG cannot be achieved on site
- Tender returns higher than budget – the increase in build costs is likely to result in higher than anticipated tender returns for schemes going forward. Where this is the case, a value engineering exercise will be undertaken with the highest ranked tenderers to see if the costs can be brought back within budget. Where this is not possible and where the contingency is not sufficient to cover the increased costs, revised budgets will need to be sought from committee.

2.3 **Wolfs Wood, Hurst Green**

Wolfs Wood (12 units) received planning consent in June 2023. The build contract is currently out to tender and work is expected to start on site in January 2024.

2.4 Featherstone, Blindley Heath

Featherstone (16 units) is in for planning and awaiting determination.

2.5 Hollow Lane, Dormansland

Hollow Lane (6 units) is in for planning and awaiting determination. During the planning process the number of units was reduced from 7 to 6.

2.6 The Depot, Warren Lane

Pre- planning work continues at the depot following pre-application advice (22 units). A public consultation will be arranged shortly. This site is subject to a separate report at this committee.

2.7 Sea Cadets, Caterham

The Council has now appointed an Employers Agent and an architect so pre-planning work can commence for an application for 16 units.

2.8 Pelham House

Pre-planning work continues with a planning application for 10 units expected to be submitted before year end. Most of the existing residents will be moving to Wadey Court (Bronzeoak) upon completion.

2.9 Stanstead Road

Residents of the existing scheme have been prioritised for re-housing following this committee's approval to proceed with preparing a planning pre app for the demolition of the site to provide 4 x 3 bed houses.

2.10 Buyback programme

Approval was given by this committee to buy-back a further 10 ex Right to Buy properties before the end of 2024/25. None have completed so far as priority has been given to the LAHF programme which has strict deadlines in order to receive the grant from DLUHC.

3.0 Local Authority Housing Fund

In addition to the current house building programme work is ongoing to complete on 6 purchases under the LAHF scheme before 30th November 2023. The programme has also been extended and this is subject to a separate report at this committee.

4.0 Housing Enabling & Housing Association Activity

4.1 Clarion Housing Group are projecting the completion of 48 affordable rented flats at the former Rose and Young site in Caterham in December 2023.

4.2 Planning approval was given to vary the tenure for the 9-home affordable rented scheme at Dormansland station to Discounted Market Sale in March 2023. Work to complete the legal agreement is ongoing.

- 4.3 The development of 22 homes at Oldencraig is nearing completion and will deliver four Discounted Market Sale homes to first time buyers with a local connection to Tandridge. Completion expected Aug/Sep 2023.
- 4.4 Rosebery Housing Association have completed the 10 affordable homes on the Antler Homes site at Whyteleafe Road, Caterham.
- 4.5 Mount Green HA have completed the 8 affordable homes on the Shanly Homes site at land off Anne's Walk in Caterham.
- 4.6 Since the last update planning approval has been granted on applications at De Stafford School in Caterham and Land West of Limpsfield Road in Warlingham. These sites will deliver 3 and 40 affordable housing units respectively.

5.0 Homes England

The Investment Partner application has been submitted to Homes England along with the first grant bid – for the Uplands scheme. This matter is subject to a separate report at this committee.

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Quarter 1 2023/24 Budget Monitoring - Housing Committee

Housing Committee Thursday, 14 September 2023

Report of: Chief Finance Officer (Section 151)

Purpose: To note the 2023/24 Quarter 1 / Month 3 (June) financial position of the Committee and take associated decisions.

Publication status: Unrestricted

Wards affected: All

Executive summary:

This report presents the 2023/24 Quarter 1 / Month 3 (June) financial position of both Revenue and Capital for the Committee.

This report supports the Council's priority of: Building a better Council

Contact officer Mark Hak-Sanders, Chief Finance Officer (S151)
mhaksanders@tandridge.gov.uk

Recommendation to Committee:

That the Committee's forecast Revenue and Capital budget positions as at Quarter 1 / M3 (June) 2023/24 be noted.

Reason for recommendation:

The Council has a duty to ensure that its expenditure does not exceed resources available. The medium-term financial outlook remains uncertain and so the Council must continue to take steps towards growing its financial resilience, including building reserves to a sustainable level.

It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that the revenue budget is delivered, and that any new expenditure is contained within the available resources.

Finance have committed to bringing quarterly financial monitoring updates to each committee to ensure that all Members are aware of the financial position of the services within their remit, as context for decisions needed to mitigate any variance to budget and in terms of the effect on the budget for 2023/24.

The consolidated position for quarter 1 will be reported to Strategy & Resources Committee on the 28 September 2023.

Introduction and background

- 1 The 2023/24 Housing General Fund (HGF) Revenue draft budget was proposed at £684k on 24th January 2023 and approved by Full Council on the 20th February 2023. This has since been increased by £28k to distribute an amount held corporately for the 2023/24 pay award.
- 2 The 2023/24 Housing Revenue Account (HRA) Revenue draft budget was approved with a net operating Surplus of £2,711.6k before allowing for revenue contributions to capital expenditure and interest charges at 24th January 2023.
- 3 The HGF draft Capital programme for 2023/24 was approved at £503k on 24th January 2023. Carry forwards of £139k were approved at Strategy & Resources Committee on 29th June 2023 to increase the available budget to £642k.
- 4 The HRA draft Capital programme for 2023/24 was approved at £15,397k on 24th January 2023. Carry forwards of £4,597k were approved at Strategy & Resources Committee on the 29th June 2023, to increase the available budget to £19,995k.

Key implications

- 5 At Month 3 a full-year overspend of £15k for the HGF is forecast. The main reasons for the changes are as follows:-
 - £15k Meadowside Mobile Homes – increase costs for planned repairs and tree works.

Alongside the known variance on Meadowside, risks are being managed with the budget, particularly in respect of Homelessness which is very sensitive to changes in temporary accommodation costs. Spend to-date is in line with expectations but a small increase in numbers can have a significant impact on the budget. Temporary Accommodation costs can also

have a knock-on impact on Housing Benefit (although a reserve exists to mitigate the impact on the later).

- 6 At month 3 a full-year overspend of £60k for the HRA. The main reasons for the changes are as follows:-
 - £60k Service Costs – projected increased costs on Orchard MRI Housing Management Software linked to upgrade to a new hosted version.
- 7 As agreed at the 29th June 2023 Strategy & Resources Committee a review has been undertaken to ensure capital programme can be delivered in 2023/24. In doing so, the capital schemes have been reprofiled into future capital years.
- 8 Taken the above into account, the Housing Committee Capital Budgets forecast outturn at Q1 has been reviewed. The changes are set out below:-
 - Housing General Fund – Disabled Facilities Grant - £139k less than available budget, reducing expected spend from £642k to £503k.. This slippage has been reprofiled to 2024/25.
 - Housing Revenue Account – Council House Building and other HRA Capital works. £3,862k less than available budget, reducing expected spend from £19,995k to £16,133k. Slippage, is based on a line-by-line review of the Council House Building and associated schemes (including LAHF and buy-back programmes). Based on prior-year experience, slippage of 20% against scheme by scheme expectations has been assumed.

Comments of the Chief Finance Officer

The Section 151 Officer confirms the financial information presented in this report has been based on reasonable working assumptions taking into account all material, financial and business issues and risks. The key financial implications at this stage are captured in the body of the report.

Comments of the Head of Legal Services

It is essential, as a matter of prudence, that the financial position of services continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

Under S28 of the Local Government Act 2003, a local authority must review its budget calculations from time to time during the financial year and take appropriate action if there is any deterioration in its budget. This report satisfies this statutory requirement.

Equality

There are no equality implications associated with this report.

Climate change

There are no significant environmental / sustainability implications associated with this report.

Appendices

Appendix A – Committee’s M3 (June) 2023 Financial Report and supporting data

Background papers

- Housing Committee 23/24 draft budget, Medium-Term Financial Strategy and capital programme – 24th January 2023
- 2023/24 final budget, MTFS and capital programme - Strategy and Resources Committee 31st January 2023
- 2023/24 final budget, MTFS and Capital programme – Full Council 10th February 2023.
- 2023/24 Budget – Outturn Report – Strategy and Resources Committee 29th June 2023

----- end of report -----

Appendix A

Quarter 1 / Month 12 (June 23) Financial Report – Housing Committee

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Mark Hak-Sanders
Chief Finance Officer (S151)

September 2023

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- Housing General Fund
 - Revenue Budget
 - Saving Plans Update
 - Revenue Risks
- Housing Revenue Account
 - Revenue Budget
 - Saving Plans Update
- Capital Programme Update
 - Housing General Fund
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Revenue Budget –Housing General Fund

2022/23 Outturn	Forecast Qtr 1	Annual Budget	Outturn Variance	One-off events	Ongoing Pressures
£k	£k	£k	£k	£k	£k
601 Salaries	865	865	0		
(141) Meadowside Mobile Homes	(109)	(124)	15	15	
50 Westway	0	0	0		
75 Private Sector Enabling	82	82	0		
(84) Housing of the Homeless	(179)	(179)	0		
51 Other Housing Renewal Functions	12	12	0		
0 Syrian & Afghan Refugees	25	25	0		
(45) Ukraine Placements	0	0	0		
4 Redstone House	0	0	0		
(69) Housing Benefits	31	31	0		
21 Other variances less than £10k	1	1	0		
462 Housing General Fund	728	713	15	15	0

Housing General Fund overspend £15k mainly due to :-

- **£15k Meadowside Mobile Homes** – increased costs for planned repairs and tree works.

Alongside the known variance on Meadowside, risks are being managed within the budget, particularly in respect of Homelessness which is very sensitive to changes in temporary accommodation costs. Spend to-date is in line with expectations, but a small increase in numbers can have a significant impact on the budget. Temporary Accommodation costs can also have a knock-on impact on Housing Benefit (although a reserve exists to mitigate the impact on the latter).

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Savings Tracker –Housing General Fund

Committee	Target	Complete	Green	Amber	Red	Black
Housing GF	210	60	0	150	0	0
Total	210	60	0	150	0	0

Target

- Achieved
- Plans in place
- Some risks to delivery
- Significant risk
- Not achieved

- The Housing general Fund Committee budget includes a savings target of £210k.
- Of this:
 - £60k is currently deemed to be achieved
 - £0k is deemed to be achievable
 - £150k is deemed to have some risk until the saving is actually delivered

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- Detail of the savings plan for this committee is set out below:

Savings Title	Total Target saving (2023/24)	Complete	Green	Amber	Red	Black
Homelessness and DFG	150			150		
DFG - Salary Capitalisation	60	60				
Total	210	60	0	150	0	0

Revenue Risks – Housing General Fund

Committee	Outline of Risk	Mitigation	Range Max - Min £k
Housing	Demand for Social accommodation is on the rise with lack of availability of LA's being able to house families and individuals. The use of Bed and Breakfast accommodation is on the rise not only in Tandridge but throughout the UK.	Keeping a watching brief on the costs Tandridge are incurring. The government have released additional grant of £154k in 2023/24 to help with the additional costs and also Tandridge hold funds within the Homelessness reserve which we expected will cover any additional costs.	

Revenue Budget –Housing Revenue

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
2,302 Salaries	2,149	2,149	0		
1,027 Services Costs	1,925	1,865	60		60
1,542 Corporate Support Service	1,572	1,572	0		
2,457 Repairs and Maintenance	3,636	3,636	0		
1,616 Interest Changes on Loan	2,045	2,045	0		
(14,528) Rental Income Dwellings	(15,973)	(15,973)	0		
(263) Rental Income Garages	(385)	(385)	0		
(359) Other Income	(136)	(136)	0		
(6,205) Total Revenue Movement before Tfr to Reserves	(5,167)	(5,227)	60	0	60
6,205 Transfer to Reserves	5,227	5,227	0		
0 HRA	60	0	60	0	60

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Housing Revenue Account overspend (£60k) mainly due to :-

- Projected increased costs on Orchard MRI Housing Management Software linked to upgrading to a new hosted version

Savings Tracker –Housing Revenue Account

Committee	Target	Complete	Green	Amber	Red	Black
Housing - HRA	150	-	-	150	-	-
Total	150	0	0	150	0	0

Target

- Achieved
- Plans in place
- Some risks to delivery
- Significant risk
- Not achieved

- The Housing Revenue Account budget includes a savings target of £150k.
- Of this:
 - £150k is deemed to have some risk until the saving is actually delivered

Detail of the savings plan for this committee is set out below:

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Savings Title	Total Target saving (2023/24)	Complete	Green	Amber	Red	Black
Housing Manage Salary apportionment	150			150		
Total	150	0	0	150	0	0

Capital Budget – Housing General Fund

Service	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
Housing General Fund								
Disabled Facilities Grants	503	139		642	503	(139)	0	(139)
Total Housing General Fund	503	139	0	642	503	(139)	0	(139)

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The Capital Budget was approved by Full Council on 9th February 2023 at £503k.

The request for Capital carry forwards of £139k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.

- The total available budget for 2023/24 is therefore £642k.
- A review of the capital schemes and have forecast the total capital amount required for 2023/24 is £503k.
- The variance of (£139k) Slippage is mainly due to
 - Disabled Facilities Grants (£139k) of slippage. Surplus Capital, reprofiled into 2024/25.
- Spend across the Committee's schemes is c.£23k (5%) at Q1.

Capital Programme- Housing Revenue Account

Service	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
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Housing Revenue Account								
Council House Building	11,680	3,426		15,106	11,244	(3,862)	0	(3,862)
Improvements to Housing Stock	3,652	996		4,648	4,648	0	0	0
HRA IT - Hardware/Infrastructure	66	175		241	241	0	0	0
Vehicle Fleet Renewals - HRA	0	0		0	0	0	0	0
Total Housing Revenue Account	15,398	4,597	0	19,995	16,133	(3,862)	0	(3,862)

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Capital Budget was approved by Full Council on 9th February 2023 at £1,822k.

The request for Capital carry forwards of £1,217k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.

During the year, £295k was approved as an addition for the Digital project in Future Tandridge Programme.

- The total available budget for 2023/24 is therefore £3,334k.
- A review of the capital schemes and have forecast the total capital amount required for 2023/24 is £917k.
- The variance of (£2,417k) is a combination of underspend and slippage is mainly due to
 - Croydon Road Regeneration (£2,256k) of slippage. Reprofiled into next year
 - GF IT – Hardware / Infrastructure variance of (£162k) due to:-
 - (£36k) reduced expected spend linked to telephony solution
 - (£125k) of slippage in aspects of the hardware rolling replacement programme due to IT needing to prioritise DR implementation, network and laptop refreshes
- Spend across the Committee's schemes is c.£50k (6%) at Q1.

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