



# Epping Forest District Council

Head of Housing Services  
Alan Hall FCIH MCMI



## Housing Revenue Account Business Plan

2006 - 2007



CUSTOMER SERVICE EXCELLENCE



INVESTOR IN PEOPLE



Housing Services

Housing Services

**Copies of this Business Plan are available in Large print.**

**Please ring 01992 564292 for a large print copy.**

# Contents

---

	<b>Page</b>
<b>Plain English Summary</b>	<b>5</b>
<b>1. Introduction</b>	<b>11</b>
1.1 Introduction	
1.2 "Fit for Purpose" Standard	
1.3 Links with the Council's Housing Strategy	
1.4 Purpose of the Business Plan	
1.5 Development of the Business Plan in 2006	
1.6 HRA Commercial Properties	
1.7 Management Structure – Policy and Priority Setting	
1.8 Comments of the Epping Forest Tenants and Leaseholders Federation	
<b>2. Strategic Context and Linkage to Other Plans</b>	<b>13</b>
2.1 The Epping Forest District	
2.2 Housing Service Planning Matrix	
2.3 Capital Strategy 2005/8 - Housing as a Corporate Priority for Investment	
<b>3. Business Plan Objectives</b>	<b>16</b>
3.1 The Council's Corporate Medium Term Aims	
3.2 Hierarchy of Objectives	
3.3 Corporate Housing Objectives	
3.4 Specific Housing Objectives	
3.5 Summary of Key Activities and Achievements in 2005/6	
3.6 Key Housing Priorities and Action Plan to Meet the Objectives	
<b>4. Business Plan Analysis</b>	<b>20</b>
4.1 Introduction	
4.2 Information Sources	
4.3 The Council's Housing Stock	
4.4 Stock Valuation	
4.5 Overview of the Management of the Council's Housing Stock	
4.6 Delivery of Housing Services	
4.7 Partnership Working	
4.8 Tenant and Leaseholder Participation and Consultation	
4.9 Tenant Satisfaction	
4.10 Effect of the Government's Supporting People Proposals	
4.11 Fees and Charges	
4.12 Repairs, Maintenance and Improvements	
4.13 Right to Buy and Rent to Mortgage Sales	
4.14 The District's Housing Needs Relevant to the HRA Business Plan	
4.15 Staff Training and Development	
4.16 Approach to Best Value	
4.17 Annual Efficiencies	
4.18 Comparing the Council's Performance with Previous Years	
4.19 "Housemark" Benchmarking Service	
4.20 ISO 9001:2000 Quality Accreditation – Housing Services	
4.21 Investors in People	
4.22 The External Environment	

<b>5. Rents Strategy</b>	<b>40</b>
5.1 Background	
5.2 Valuation	
5.3 Implementation	
5.4 Strategic Approach	
5.5 Calculation of Target Rents and Effects of Rent Restructuring	
5.6 Service Charges	
5.7 Support Charges	
<b>6. Housing Stock Options Appraisals</b>	<b>42</b>
6.1 Introduction	
6.2 Previous Stock Options Appraisals	
6.3 Housing Stock Options Appraisal 2004	
6.4 Findings and Conclusions of the Initial Stock Options Report (Stages 1 and 2)	
6.5 Summary of the Findings of the Further Tenant Consultation by Insights	
6.6 Update Report by BWNL	
6.7 Council decision on the Preferred Option	
6.8 Sign-off by Government Office	
6.9 Small Scale Voluntary Transfers	
<b>7. Risk Management</b>	<b>45</b>
7.1 Introduction	
7.2 Corporate Risk Register	
7.3 Housing Risk Register	
7.4 Housing Risk Matrix and Key Housing Operational Risks	
7.5 Housing Business Continuity Plan	
7.6 Housing Emergency Plan	
<b>8. Financial Plan</b>	<b>49</b>
8.1 Introduction	
8.2 The 30-Year Financial Plan – Whole of the HRA	
8.3 The 30-Year Financial Plan – Disaggregated HRA Asset Groups	
8.4 Underlying Assumptions	
8.5 Commentary on the 30-Year Plan	
<b>9. Reviewing the Business Plan</b>	<b>53</b>
9.1 Introduction	
9.2 Financial Monitoring	
9.3 Performance Management	
9.4 Project Management – Monitoring the Action Plan	
9.5 Monitoring the Business Plan’s Action Plan	
9.6 The HRA Business Plan Review Process	
<b>10. Action Plan</b>	<b>54</b>
<b>11. Appendices</b>	<b>58</b>
Appendix 1	Repairs and Maintenance Strategy
Appendix 2	Glossary of Terms
Appendix 3	Key Contact List
Appendix 4	Senior Staff Structure – Housing Services
Appendix 5	Housing Performance Indicators 2006
Appendix 6	30 Year Financial Plan (Whole HRA - Operating Account and Cash Flow)
Appendix 7	30 Year Financial Plan (Asset Groups)

# Plain English Summary

---

## 1. Introduction

This is a Plain English Summary of the sixth Housing Revenue Account Business Plan that we have produced. In very simple terms, the Housing Revenue Account (HRA) is the “bank account” that we keep to record income and expenditure on our Council homes. It is different from the “bank account” that we keep to record our income and expenditure on other Council services, which is called the General Fund. There are strict rules that say councils cannot pass money between the two accounts.

The main Business Plan provides a helpful “Glossary of Terms” as an appendix, which explains all of the technical words that we refer to. Another appendix gives a “Key Contact List”, to enable readers to speak to someone to get more information about specific issues referred to in the Business Plan.

In the Business Plan, we:

- cover all of the important issues relating to the way we manage and maintain the Council’s homes;
- set out our aims and objectives for the housing service that we provide, and explain our priorities;
- explain the current position and our performance as landlord in previous years;
- estimate the money that we need over the next 30 years to manage our tenants’ homes and ensure that they are properly maintained; and
- compare how much money we need with the amount that will probably be available.

The Government requires all councils to produce HRA Business Plans – but we find it very useful to have a Business Plan anyway, because we think it’s important to plan for the future.

We have talked to the Tenants and Leaseholders Federation about the Business Plan, and they have said:

### **[ To be inserted – Last year’s comments are shown below ]**

- the Business Plan is comprehensive, well thought out, interesting and well written;
- it is clear and easy to read, especially the Plain English Summary;
- they agree with the objectives, the key housing priorities and the action plan;
- they are pleased that the revised Financial Plan does not identify a deficit on the Housing Revenue Account for 27 years; and
- they welcome the inclusion of the Chapter on Risk Management, and the other developments included within the Business Plan.

## 2. Who makes the decisions ?

We have a “Cabinet” of senior elected councillors who make most of the Council’s important decisions. They are guided by the “Housing Portfolio Holder”, who is a member of the Cabinet with special responsibility for housing matters. He/she makes most of the decisions on housing.

Council officers are professional people who advise councillors on housing matters, carry out their decisions, and manage the Council on their behalf. The most senior officers are the Joint Chief Executives. The Head of Housing Services is responsible for managing and maintaining the Council’s homes. The Head of Finance is responsible for managing the Council’s finances.

### **3. Our housing objectives**

We have six main objectives for housing. Each one has a number of more detailed objectives, that are explained in the main Business Plan. The main ones can be summarised as follows:

- Manage our homes efficiently and effectively;
- Ensure that all our tenants live in a decent home, and that we properly maintain our homes;
- Keep improving the housing service we provide to our tenants, and obtain “best value”;
- Improve the energy efficiency of our homes;
- Help tenants and leaseholders get involved with decisions about their housing. Provide them with clear information, and consult them on things that affect them;
- Manage the Council’s money effectively and efficiently.

### **4. About the Council’s housing**

In April 2006, we owned around 6,580 homes, excluding our Homeless Persons Hostel and some other homes not counted. Some interesting information about these is given below:

- Around 2,200 are in Loughton, and about 1,600 are in Waltham Abbey;
- Around 510 Council homes are in “sheltered housing”, receiving a support service and having an alarm system;
- Around 6,060 Council homes have been sold under the Right to Buy Scheme since 1977;
- We have around 890 flats and maisonettes that have been leased under the Right to Buy. We still have certain responsibilities for these homes, including certain repairs and housing services, which the leaseholders pay for; and
- In April 2006, we had 56 empty homes

In 2003, we completely changed how we allocate Council homes, by prioritising people’s housing applications through a banding system, rather than through a points scheme. This included the way that we “nominate” people from our waiting lists to housing association vacancies. From April 2007, we want to give housing applicants much more choice about which home is let to them, using an approach called “choice based lettings”. We have agreed to work with our five neighbouring councils and the housing associations that work in our area to operate a scheme jointly. This will reduce the costs of the scheme.

We have a computer system that covers all of the main housing services. This gives a lot of information to housing managers, to help them monitor how our housing services are being provided and see where there are problems that need to be dealt with. Many housing services can now be obtained from our housing website, including reporting repairs and paying rent.

### **5. Involving tenants and leaseholders**

We have worked hard to enable tenants to become involved with decisions about their housing, and things that affect them, if they want to. We have a Tenant Participation Officer, who has set up a number of tenants associations around the District – there are currently 5 recognised tenants associations. We have written “Tenant Participation Agreements” with these tenants associations, that explain the help we will give them. It also explains how we will consult the tenants in their areas about housing issues that affect them.

We have also set up a Leaseholders Association that represents all of the Council’s leaseholders, and a Sheltered Housing Forum comprising representatives from the Council’s sheltered housing schemes, that both meet regularly with Council officers.

A district-wide Tenants and Leaseholders Federation has been formed, that has a committee to which two representatives from each of the tenants associations are invited, the Leaseholders Association and the Sheltered Housing Forum. The Federation meets every six weeks with the Housing Portfolio Holder and

senior housing officers. The Federation is asked their views on possible changes to housing policies and procedures, and tells us what they think about the housing service. We also have a Tenant Participation Agreement with the Federation.

## 6. Tenant satisfaction

We last did a Tenant Satisfaction Survey in 2003 to find out what tenants thought about the housing service we provide. It was done by an independent market research company. A good response was received, with almost half of all our tenants responding. We found that:

- 88% of tenants are generally satisfied with the overall housing service provided by the Council - this compares with 83% three years ago and the national average of 77%;
- the levels of satisfaction over a range of housing services is also extremely high. In most cases, around 80% of tenants are also satisfied with these services too; and
- in particular, satisfaction with the important area of repairs and maintenance is very high.

The consultants that undertook the survey for us said that the very great majority of tenants are satisfied with Epping Forest DC as their landlord and with the services the Council provides. They also said tenants judged the Council and its staff to be providing a first class service, and that staff are accessible and provide a high quality and responsive service to tenants.

We will undertake another tenant satisfaction survey in 2006/7.

## 7. Ensuring all tenants live in a “decent home”

### (a) Introduction

Probably the most important part of the HRA Business Plan, is the Repairs and Maintenance Business Plan. This is one of the appendices and includes a detailed section that explains how we will ensure all tenants live in a “decent home”.

### (b) Stock Condition Survey

In 2001, we carried out a “stock condition survey”. We looked at the outside of all of our homes, and 20% of our homes inside. Since then, we have started to carry out surveys of all of our properties, on a rolling basis, every five years. With the information that we gathered, we now have a very good idea of the condition of all our homes. We have been able to use this information to work out:

- a programme of repairs and improvements over the next 30 years; and
- the number of homes that are not “decent”, according to the Government’s definition (see below).

Using the information from the survey, and taking into account repairs and improvements undertaken since then, we plan to spend around £29.5 million over the next **5 years** on our housing stock. This is to ensure that we are on target to meet the Government’s target that all of our homes meet the decent home standard by 2010, as well as enabling us to undertake other improvements to our properties and housing estates to improve them further. We also estimate that we will need to spend around £130 million over the next **30 years** to keep our homes in good condition.

### (c) The Government’s “Decent Home Standard”

The Government has set a “Decent Home Standard”. They say that tenants’ homes are decent if they:

- meet the *legal* standard of condition; **and**
- are in reasonable condition. This means that it must not have:
  - Ø any important parts of the building in an old or poor condition
  - or
  - Ø two or more other parts of the building that are old and need to be replaced or repaired; **and**

- have reasonably modern facilities. This means that the home must not lack more than two things you would expect to see in a modern home (e.g. modern kitchens and bathrooms); **and**
- keep people warm enough. This means it must have effective insulation and heating.

The Government has also set all councils and housing associations a target. They say we must make sure that all of our homes are decent by 2010.

*(d) How many of our homes are non-decent ?*

Based on our stock condition survey, updated with information since then, we have worked out that we currently have around 393 homes that are not decent, according to the Government's definition. This is around 5.93% of all our homes. Although this sounds a lot, it is a lot less than the national average for district councils of our size;

*(e) Meeting the Decent Homes Standard*

Knowing how many non-decent homes we have (and will have), we have worked out how much we need to spend over the next 4 years to make sure that all of our homes are decent by 2010 (including those that will become non-decent soon);

We are confident that we will be able to meet the Government's 2010 target.

*(f) How we will spend the money ?*

We have made up a Maintenance Programme of work and repairs, based on the

- numbers of non decent homes;
- what our stock condition survey told us;
- the amount of money we think will be available; and
- what we think tenants would like us to spend money on (based on what the Tenants and Leaseholders Federation has told us).

We have broken this Maintenance Programme of work down into two programmes:

- a 5 Year Maintenance Programme; and
- a 30 year Maintenance Programme.

However, we know that there is not enough money to do all the repairs and improvements that we need to do, to keep our homes in a good condition. We need to spend around £40 million over the next 5 years. However, there will only be around £30 million available. So, there is a "gap" of around £10 million between how much we need to spend and how much we will have available to spend. Over 30 years, the gap is even wider - £31 million.

This "gap" is one of the things that our "housing stock options appraisal" looked at very carefully (see below)

## **8. Supporting People**

In April 2003, the Government introduced a new "supporting people" budget. This brought together all the money that was previously spent by councils, housing associations and others on "supported housing" into one "pot" covering the whole county. Supported housing is where the tenants need help - for example, sheltered housing for the elderly or housing for physically disabled people.

Previously, most of the costs of this help was included within individual tenants' rents. However, from April 2003, tenants living in supported housing have had to pay a separate charge for this help. Tenants receiving housing benefit do not have to pay anything, and there are safeguards to make sure that tenants in supported housing before March 2003 do not pay any more for the help they get than they did previously.



## **9. Working with other organisations**

We work with many other organisations to properly manage and maintain our homes and provide housing services to our tenants. These include the Essex Social Care, Essex Police, health organisations and the three citizens advice bureaux in the District.

## **10. People needing housing**

We did a survey in 2003 to find out about people's housing circumstances in our District. This included both tenants and non-tenants. We got responses from around 3,000 people.

This found that;

- around 10% of people felt that their housing was OK;
- around 90% of people living with other people (e.g. their parents), who want to live in their own home, could not afford to buy in the District. This was because of the high house prices;
- around half of all the people who felt they would move within the next five years, said they would have to move outside of the District. Around 40% of these said it was because of the high house prices; and
- 3,325 new homes for rent are needed by 2009. These are unlikely to be provided, due to a lack of money.

We had around 3,730 people on our Housing Register in April 2006. We let 574 homes in 2005/6 (around 12% more than the previous year) and nominated a further 76 housing applicants to vacancies in homes owned by housing associations.

## **11. Setting tenants' rents**

The Government has said that, by 2012, the rents for council homes and housing association homes should be almost the same. They have also said that everyone's rent should be calculated in a similar way. They should mainly be based on:

- the property's value;
- average local wages; and
- the number of bedrooms.

We started calculating rents in this new way from April 2003, and produced a "target rent" for each property. This could have been much higher or lower than the previous rent. The actual rent tenants pay must then increase, or decrease, to this target rent up until 2012.

We worked out that, on average, rents would need to increase by around 9% to reach these target rents. Around  $\frac{3}{4}$  of all tenants would have rent increases, and around  $\frac{1}{3}$  would have rent reductions. However, as a safeguard, rents cannot increase or decrease by more than £2 per week in any year, above inflation +  $\frac{1}{2}$ %.

We decided that the fairest way would be to make the changes by equal amounts over the 10 year period. This applies to both rent increases and rent reductions.

## **12. The future of Council housing**

The Government has said that councils must carefully consider the options open to them to select the most appropriate ownership and management of their homes, in order to get the most money to maintain them.

This could include transferring council homes to a housing association (called "large scale voluntary transfer" - LSVT), or it could involve councils setting up their own company to manage and maintain their homes (called an "arms length management organisation") - some councils that do this can get extra money from the Government. Either of these options would need to be agreed by the majority of tenants. Or, it may be that it is best for the Council to keep its homes.

In 2002, we appointed consultants to look into this for us. This is called a "housing stock options appraisal". We asked them to do four things:

- Look at the available options;
- Work out how much could be spent on managing and maintaining tenants' homes for each option;
- Talk to the Tenants and Leaseholders Federation and our tenants to get their views on the options; and
- Send information to all of our tenants and leaseholders about the options, and ask them to fill in a survey form telling us what they think.

The consultants completed their work in 2004. They told us that, bearing in mind tenants' views, the best option for the Council was to keep the housing stock and not to transfer it to a housing association, or set up an arms length management organisation. The Council's Cabinet agreed with this view, and decided that the Council should keep its housing stock for the time being.

However, we have transferred one sheltered housing scheme (Robert Daniels Court, Theydon Bois) to a housing association and are planning to transfer another next year (Wickfields, Chigwell). This is because both schemes were in need of major improvements, and we worked out that the overall cost to the Council would be less if the housing associations carried out the improvements.

### **13. The overall financial picture**

We have worked out how much we will get from rent and other money over the next 30 years. We have compared this with how much we need to spend on running the housing service over the same period.

This has shown us that, although there may not be enough money available over the whole of the next 30 years, there should be enough money to run the housing service for at least the next 20 years. Since this is a long time for councils, there is nothing for us to worry about at the moment.

### **14. Action Plan**

The Business Plan has an "Action Plan" which explains what we will be doing, and when, over the next year:

- to meet our objectives;
- improve our housing services; and
- to make the changes we have to deal with because of new laws or Government policies.

### **15. Key housing priorities**

Section 3 above says what our housing objectives are. But we can never do everything we want to. So, we have to decide which things are the most important, that will help us the most to meet our housing objectives. These are called our "Key Housing Priorities".

Our "Key Housing Priorities" for the next year (2006/7) are:

- Continue to manage and maintain our homes effectively and efficiently
- Reduce further the number of our non-decent homes, to ensure that we reach our target of having no non-decent homes by 2010;
- Improve the time it takes to undertake non-urgent repairs;
- Start using "introductory tenancies" to help combat anti-social behaviour;
- Implement a choice based lettings scheme to enable housing applicants to choose individual homes they would like to be considered for;
- Commence a major £4m improvement scheme at Springfields, Waltham Abbey.

# 1. Introduction

---

## 1.1 Introduction

This is the sixth annual Housing Revenue Account (HRA) Business Plan that the Council has produced. It complies with the requirements of the Government's financial framework for the HRA.

This Business Plan has been produced in accordance with both the "Guidance on Business Plans" and the guidance on "Effective Housing Strategies and Plans" issued by the Office of the Deputy Prime Minister (ODPM) in June 2000 and April 2002. The Plan has been developed by a corporate team of officers from Housing and Finance Services. The Plan was adopted by the Council's Housing Portfolio Holder after consultation with the Council's Housing Scrutiny Panel and the Epping Forest District Tenants and Leaseholders Federation.

An important part of this Business Plan relates to the Council's objectives, strategies, plans and standards relating to the repair and maintenance of the Council's housing stock, and how the Government's Decent Homes Standard will be met. In view of its importance, as in previous years, the Council has produced a separate Repairs and Maintenance Business Plan, that complements and is an integral part of the HRA Business Plan. The Repairs and Maintenance Business Plan is attached as Appendix 1.

In order to assist readers, a comprehensive Glossary of Terms is provided at Appendix 2. A Key Contact List is given at Appendix 3. A Plain English Summary, particularly aimed at tenants and staff, has been provided at the beginning of the Business Plan.

## 1.2 Fit for Purpose Standard

In May 2003, the Council's HRA Business Plan was assessed as being fully "fit for purpose" by the Government Office for the East of England (GO-East). At the time, the Council was only the second local authority in the country to achieve the fit for purpose standard.

For the HRA Business Plan to be designated as "fit for purpose", it has to meet stringent "fit for purpose" criteria laid down by the Office of the Deputy Prime Minister (ODPM). There are 33 separate criteria against which HRA Business Plans are assessed. Councils must meet every criterion, in full, to be designated as fit for purpose.

Having an HRA Business Plan that is assessed as fit for purpose also brings a number of other benefits for the Council. For example, it is not necessary for the Council to submit copies of the Business Plan to the Government Office for assessment each year, just a brief annual update. It also assists with the Council's Comprehensive Performance Assessment (CPA), undertaken by the Audit Commission.

## 1.3 Links with the Council's Housing Strategy

The Council's Housing Strategy assesses the overall housing needs of the District, and sets out the Council's objectives and plans for meeting those needs. Since around 14% of the District's properties are currently owned by the Council, the management and maintenance of its stock plays an important part in meeting the Council's strategic objectives for housing. In particular, there are important overlaps between the two documents in the following areas:

- Provision of affordable housing for rent
- Meeting the Decent Homes Standard and the Decent Homes Targets
- Restructuring and convergence of social housing rents
- Dealing with anti-social behaviour
- Increasing energy efficiency and reducing/eradicating fuel poverty

## 1.4 Purpose of the Business Plan

The purpose of this Business Plan is to:

- Set out the Council's overall medium term aims
- Set out the Council's objectives for the housing service, as landlord
- Analyse the current position
- Plan how to achieve the objectives, through the formulation of an Action Plan
- Provide a framework for monitoring and evaluating progress in delivering the Business Plan
- Communicate the Council's plans to the Government, key stakeholders (particularly tenants), partners and the wider community

### 1.5 Development of the Business Plan in 2006

The Council has developed its Business Plan consistently, since the time the first one was produced in 2001. Apart from the usual updating of statistical information, the development of the Business Plan and the main changes this year include:

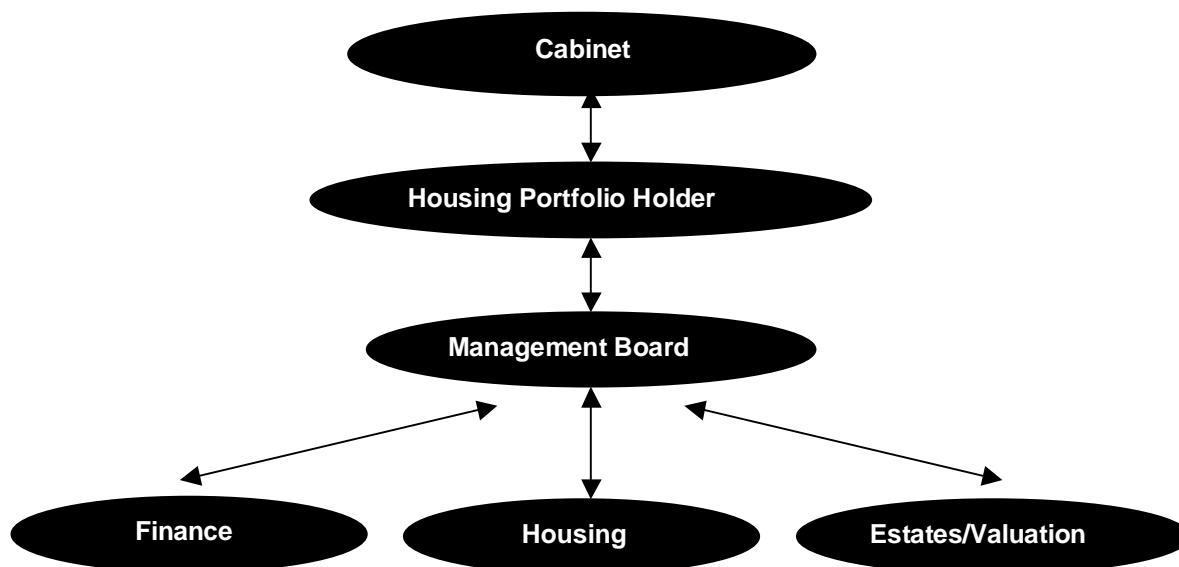
- The deletion of references to housing benefits, since these are no longer accounted for within the housing revenue account
- Updated sections on key achievements in 2005/6 and key priorities for 2006/7 (Sections 3.5 and 3.6)
- Reference to the proposed small scale stock transfer of Wickfields, sheltered housing scheme, Chigwell (Section 6.9(c))
- An updated Financial Plan (Chapter 8)
- A new Key Action Plan (Chapter 10)
- An updated Repairs and Maintenance Business Plan (Appendix 1)

### 1.6 HRA Commercial Properties

The Council owns a number of freehold commercial properties that are accounted for within the HRA, since they are held under Housing Act powers. However, since the planning and development proposals for the management and maintenance of these commercial properties are included within the Council's Asset Management Plan, which is produced separately, they have not been included within this HRA Business Plan.

### 1.7 Management Structure – Policy and Priority Setting

The HRA Business Plan is a corporate document, with officers from different services having responsibility for its production and ensuring its delivery. The hierarchy of responsibility can be summarised as follows:



- |                                 |  |
|---------------------------------|--|
| <i>Cabinet</i>                  | Comprises senior councillors. Overall responsible for policy making, setting priorities and the production, review and delivery of the Business Plan |
| <i>Housing Portfolio Holder</i> | Responsible for detailed consideration of the Business Plan on behalf of the Cabinet and recommending to the Cabinet policy changes and priorities.  |
| <i>Management Board</i>         | Responsible for ensuring the Business Plan is produced and delivered   |

<i>Housing Services</i>	Lead service for producing the Business Plan and delivering the elements of the Plan relating to HRA residential properties, including the implementation of policy and achieving the Council's agreed priorities
<i>Finance</i>	Responsible for the production of all the Business Plan's financial forecasts
<i>Estates and Valuation</i>	Responsible for the HRA Stock Valuation and delivery of the financial aspects of the Business Plan relating to HRA commercial properties.

### 1.8 Comments of the Epping Forest Tenants and Leaseholders Federation

Section 4.8 explains the role of the Epping Forest Tenants and Leaseholders Federation. The Federation has been consulted on this latest version of the Business Plan. The draft version was considered at the meeting of the Federation held on 26 April 2006. Having considered the Business Plan, the Federation said:

**[ To be inserted – last year's comments are shown below ]**

- the Business Plan is comprehensive, well thought out, interesting and well written;
- it is clear and easy to read, especially the Plain English Summary;
- they agree with the objectives, the key housing priorities and the action plan;
- they are pleased that the revised Financial Plan does not identify a deficit on the Housing Revenue Account for 27 years; and
- they welcome the inclusion of the Chapter on Risk Management, and the other developments included within the Business Plan.

## 2. Strategic Context and Linkage to Other Plans

---

### 2.1 The Epping Forest District

The Epping Forest District comprises a mix of rural and urban character, covering an area of 131 square miles, with a population of around 120,000. There is no major centre of the District. There are around 12 towns and larger villages, ranging in population size from 2,000 to 30,000. It is an attractive Metropolitan Green Belt area, with good road and rail links to London, so is popular with commuters.

The southern parts of the District border Greater London and are more populous and urbanised, including Loughton, Chigwell, Buckhurst Hill and Waltham Abbey. There was a total of 52,904 dwellings in the District as at April 2006, of which 12% were Council-owned.

The District falls within the Government's London-M11-Cambridge-Peterborough Growth Area and the East of England Regional Assembly (EERA) has produced its Draft East of England Plan (Regional Spatial Strategy (RSS) 14). The Plan is currently the subject of an Examination in Public, and sets out the proposed number of additional homes that should be provided within the Region and the District. The Draft East of England Plan proposes that an additional 11,000 homes should be provided within the District by 2021, including 2,300 outstanding commitments, which would have a significant effect on the overall character of Epping Forest.

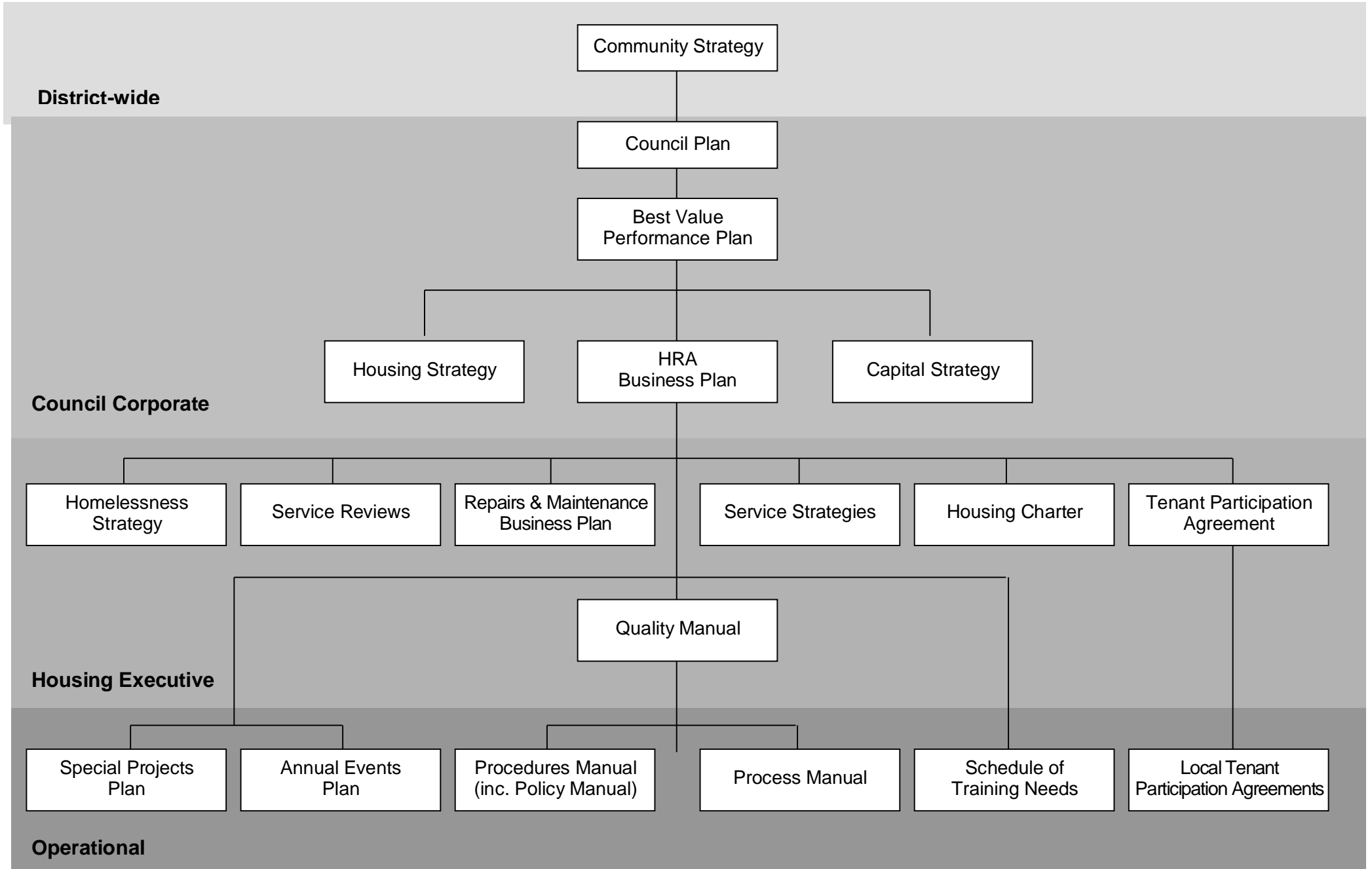
### 2.2 Housing Service Planning Matrix

The HRA Business Plan is only one of a range of complementary and inter-related strategic documents and plans produced by the Council. It is essential that the Council has a clear, cohesive and well thought out approach to the delivery of its housing services. In producing this Business Plan, careful regard has been had to relevant corporate objectives and strategies and housing objectives and strategies. This section of the Business Plan sets out where the Plan sits in relation to other strategies and plans, and how they inter-relate.

The Housing Service Planning Matrix reproduced on the next page illustrates, in graphical form, how the Council's housing services are planned and delivered.

# Housing Services

## Service Planning Matrix



A brief explanation of the main strategies and plans, including a number not shown on the matrix, is set out below.

<b>Community Strategy</b>	The long term vision for the District, produced by the Epping Forest Local Strategic Partnership. The Partnership comprises all of the statutory agencies working in the District, including the Council, together with representatives of the voluntary sector.
<b>Council Plan</b>	The Council's prime strategic document, that sets out the Council's strategic direction for the planning and delivery of all its services over a four year period (currently 2006-2010). The Council Plan follows the same thematic approach as the Community Strategy, rather than following a traditional service structure, which enables greater flexibility to respond to the changing internal/external environment.
<b>Best Value Performance Plan</b>	Sets out, on annual basis, the Council's plans for the following year to meet its Corporate Plan objectives, reviews performance on the previous year's plans and sets targets for performance improvement. This takes the same thematic approach as the Community Plan and was also produced following extensive consultation.
<b>Housing Strategy</b>	See Section 1.3 above.
<b>Homelessness Strategy</b>	The Council's statutory strategy, originally produced in July 2003, which is being updated in 2006, that reviews the Council's approach to homelessness, and sets out the Council's plans for dealing with homelessness.
<b>Housing Service Plans/Strategies</b>	A series of separate documents, produced to a common format, that set out how individual housing services and strategies are delivered in detail (eg. rent arrears, tenant participation, empty properties). They provide detailed objectives, policies, targets, performance information and financial/staffing resource availability.
<b>Tenant Participation Agreement</b>	An agreement (compact) between the Council (as landlord) and the Epping Forest District Tenants and Leaseholders Federation (on behalf of the Council's tenants and leaseholders), first signed in March 2000 and updated in 2002 and January 2006 for a three year period. It sets out the approach the Council and the Federation will take to ensure that tenants and leaseholders are able to participate in the delivery of their housing services, receive good quality information and are consulted on housing issues. The Council has also entered into six Local Tenant Participation Agreements with individual recognised tenants associations on how tenant participation will be delivered locally (see Section 4.8).
<b>Leaseholders Participation Agreement</b>	An agreement (compact) between the Council and the Epping Forest Leaseholders Association, which was formed through a Council initiative in March 2001.
<b>Housing Charter</b>	Sets out the principles by which housing services will be delivered from the clients' point of view and what clients can expect.
<b>Capital Strategy</b>	Provides the Council's strategies on how capital projects will be planned, funded, delivered and monitored, together with details of the Council's HRA and General Fund Capital Programmes. The Strategy is updated annually.
<b>IEG Strategy</b>	Sets out the Council's approach for implementing "electronic government".
<b>Fuel Poverty Strategy</b>	Sets out the Council's plans to alleviate problems relating to fuel costs in respect of those on low incomes.
<b>Crime &amp; Disorder Strategy</b>	Sets out the Council's approach to reducing crime and disorder within the District.

### **2.3 Capital Strategy 2005/8 - Housing as a Corporate Priority for Investment**

The Council's Capital Strategy 2005/8, last updated in September 2005, sets out the Council's eight key strategic priorities for capital investment, in a ranked priority order. Since its introduction, "Improving the Council's housing stock" has continuously been ranked as the highest key strategic priority for investment.

## 3. Business Plan Objectives

---

### 3.1 The Council's Corporate Medium Term Aims

The Council has three medium term aims and priorities, which are set out in the Council Plan 2006-2010. They are:

**(1) *The District is a safe, healthy and attractive place***

- (a) Maintain the special character and advantage of the District, and address local environmental issues
- (b) Address housing need
- (c) Create safe communities
- (d) Encourage sustainable economic development
- (e) Address leisure need

**(2) *The Council is an organisation that listens and leads, to resolve local issues***

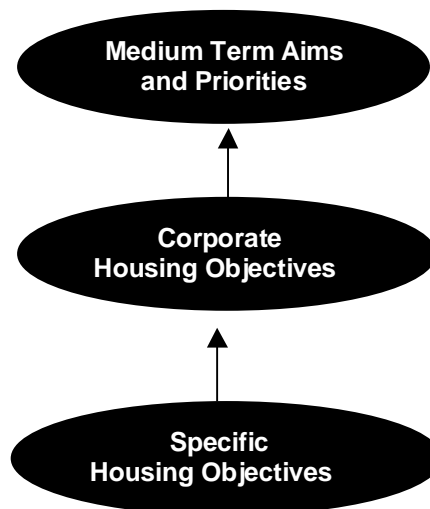
- (a) Political leaders give clear direction
- (b) Communicate with the public
- (c) Prioritise objectives and services
- (d) Co-operate and plan with partners

**(3) *The Council provides affordable improving services***

- (a) Identify and target resources: realise capacity and manage performance
- (b) Procure services in the most beneficial and cost effective way
- (c) Develop services, staff and the working environment

### 3.2 Hierarchy of Objectives

In order to make the best use of its housing assets and deliver an effective housing service, in consultation with representatives of the Tenants and Leaseholders Federation where appropriate, the Council has set Business Plan Objectives at various levels within the organisation, from the high level medium term aims and priorities to individual housing objectives. The hierarchy of objectives can be summarised as follows:



### 3.3 Corporate Housing Objectives

The Council's Corporate Housing Objectives set out the ultimate objectives that the Council strives to achieve on housing issues. The Corporate Housing Objectives relevant to this Business Plan are:



<b>HO1 - Best Value</b>	Continuously improve the Council's housing service through the principles and opportunities of the Government's Best Value regime, including the setting and monitoring of rigorous targets.
<b>HO2 - Housing Management</b>	Manage the Council's housing stock efficiently and effectively, obtaining good value for money, to deliver high quality housing services.
<b>HO3 - Repairs and Maintenance</b>	Ensure that all tenants live in a decent home, and that the Council maintains its properties and housing estates to a standard that protects and enhances their value, and provides a safe and satisfactory environment for tenants and leaseholders.
<b>HO4 - Energy Efficiency</b>	Encourage and facilitate an increase of 30% in the energy efficiency of residential properties within the District between 1995 and 2011.
<b>HO5 - Tenant Participation</b>	Enable the Council's tenants and leaseholders to participate in the delivery of their housing service, through the receipt of good quality information, adequate and appropriate consultation on relevant housing issues and opportunities to provide feedback to the Council, in accordance with the <i>Epping Forest Tenant Participation Agreement</i> .
<b>HO6 - Housing Finance</b>	Manage the Council's financial housing resources effectively, efficiently and prudently, through the maximisation of rental and other income, Government grants and subsidies, and capital receipts, together with the formulation of effective revenue and capital spending priorities and plans and the achievement of good financial performance against targets.

### 3.4 Specific Housing Objectives

In pursuit of the Council's Corporate Housing Objectives, the Council has more detailed Specific Housing Objectives. The Specific Housing Objectives relevant to this Business Plan are as follows:

*(a) Best Value:*

- (a) Undertake periodic service reviews of housing services.
- (b) Provide consistent quality housing services
- (c) Involve representatives of the Tenants and Leaseholders Federation in consideration of service reviews and the formulation of the housing elements of the Best Value Performance Plan.
- (d) Achieve the annual targets set out in the Best Value Performance Plan.

*(b) Housing Management:*

- (a) Provide a decentralised housing management service through two area housing offices based in Epping and Loughton and an Estate Office at Limes Farm, Chigwell.
- (b) Ensure that the Council's housing estates provide an attractive and practical environment for local residents.
- (c) Review the Council's Housing Allocations Scheme annually to ensure it continues to be appropriate and gives choice to applicants, following consultation with registered social landlords, local councils and the Tenants and Leaseholders Federation.
- (d) Review applicants registered on the Council's Housing Register on an ongoing basis to ensure the lists are up to date.
- (e) Keep the number of empty Council properties, the period they are left empty, and the associated rental loss to a minimum.
- (f) Keep underoccupation of the Council's housing stock to a minimum.

- (g) Minimise the extent of breaches of tenancy conditions.
- (h) Take firm action against anti social behaviour, through notification, mediation or legal action as necessary.
- (i) Ensure that current rent arrears do not exceed 2.0% of the annual debit.

(c) *Repairs and Maintenance:*

These objectives are set out in detail as part of the Council's Repairs and Maintenance Business Plan attached as Appendix 1 to this Business Plan.

(d) *Energy Efficiency:*

- (a) Collect data on the energy efficiency of Council properties, and monitor annual improvements.
- (b) Continuously increase the average SAP Rating of Council properties each year.
- (c) Eradicate fuel poverty amongst Council tenants by 2010, through the Council's Affordable Warmth Strategy.

(e) *Tenant Participation:*

- (a) Consult individuals, groups and organisations on important matters relating to housing strategy and the provision of housing services, particularly on issues where clients have an element of choice or where decisions will have a major effect on them.
- (b) Comply with the Council's Housing Charter relating to the approach and philosophy towards the provision of housing services.
- (c) Comply with the commitments set out in the *Epping Forest Tenant Participation Agreement*.
- (d) Provide information to tenants that is timely, in plain English, of good quality and tailored to both the general and individual needs of tenants.
- (e) Recognise the special needs of certain tenants and respond positively to those needs.
- (f) Obtain feedback from tenants, in a variety of ways, on the Council's performance in the delivery of housing services.
- (g) Encourage, support and develop tenants associations within the District.
- (h) Keep the Council's tenant participation structure under review.
- (i) Consult tenants on major improvement schemes, housing initiatives and matters of general housing management to ensure full awareness of proposals and to obtain their views.
- (j) Encourage, support, consult and develop the District Tenants and Leaseholders Federation, and work in partnership with the Federation to maximise the benefits that can be achieved from tenant participation to improve the delivery of housing services.
- (l) Consult the Federation on the Council's housing services and policies in accordance with the District-wide Tenant Participation Agreement.
- (m) Ensure that appropriate training on tenant participation is made available for tenants and Council officers and members.
- (n) Ensure that appropriate funding is made available to support and develop tenant participation.

(f) *Housing Finance:*

- (a) Manage the Council's financial housing resources effectively, efficiently and prudently.

- (b) Maximise the Council's entitlement to Government grants and subsidies.
- (c) Keep under review housing management and maintenance expenditure to ensure that expenditure within the Housing Revenue Account does not exceed income.
- (d) Plan to ensure that the HRA remains in surplus, each year, for a period of at least 15 years.
- (e) Consider the level of fees and charges to be made for housing services on an annual basis.
- (f) Ensure that working balances for the Housing Revenue Account are not forecast to fall below £3m or to exceed £4m at the end of any five-year forecast period.

### **3.5 Summary of Key Activities and Achievements in 2005/6**

The key housing achievements and activities in 2005/6, relating this Business Plan, can be summarised as follows:

- We successfully bid for a government grant to implement a choice based lettings scheme for council housing vacancies and housing association nominations in partnership with neighbouring councils
- We completed the installation of PVCu window frames in all our Council properties
- We reduced the number of non-decent Council properties to 5.9% by 1<sup>st</sup> April 2006.
- Following extensive consultation with all of our tenants and partners, we agreed to start using introductory tenancies for all new tenants, which will allow us to evict tenants if they engage in anti-social behaviour
- In partnership with the Tenants and Leaseholders Federation, we held our second successful Tenants Open Day.
- Following an intensive re-assessment process by an external auditor, we were awarded the ISO 9001:2000 quality assurance accreditation for the whole of Housing Services, for a further three years
- We consulted residents of our sheltered housing scheme at Wickfields in Chigwell, on the best way of significantly improving their homes
- We completed most of the service improvements included in our Housing Service Development Plan, following the comprehensive Service Review of Housing Services undertaken in 2004.

### **3.6 Key Housing Priorities and Action Plan to Meet the Objectives**

The Council's Key Housing Priorities for the next year (2006/7) are set out below.

#### **Our "Key Housing Priorities" for the next year (2006/7) are:**

- Continue to manage and maintain our homes effectively and efficiently;
- Reduce further the number of our non-decent homes, to ensure that we reach our target of having no non-decent homes by 2010;
- Improve the time it takes to undertake non-urgent repairs;
- Start using "introductory tenancies" to help combat anti-social behaviour;
- Implement a choice based lettings scheme to enable housing applicants to choose individual homes they would like to be considered for;
- Commence a major £4m improvement scheme at Springfields, Waltham Abbey.

There are a number of factors and sources that have influenced the Key Housing Priorities, which were formulated in conjunction with the District-wide Tenants and Leaseholders Federation.

The Key Housing Priorities were selected by the Council having regard to:

- The views of the Tenants and Leaseholders Federation
- National and regional housing policies and priorities, including the need to meet decent homes targets
- The outcome of the Best Value Service Review of Housing Services in 2004
- The objectives, targets and action plans within the Council's Housing Strategy
- The recommendations of the Council's Housing Portfolio Holder and Head of Housing Services, based on the "Business Plan Analysis" within Chapter 4 of the Business Plan
- The principles of best value

The Action Plan to meet the Council's objectives is set out in Chapter 10.

## 4. Business Plan Analysis

---

### 4.1 Introduction

In formulating the objectives and plans in respect of the HRA, the Council's strengths and weaknesses relating to HRA activities have been examined. At the same time, an analysis has been undertaken of the impact that the external environment has, or will have, on the HRA, and available options have been identified and analysed, in order to formulate cohesive and achievable strategies.

### 4.2 Information Sources

In order to formulate this Business Plan, a number of data sources have been studied. Some of the more relevant data has been included within the Business Plan itself; other data has been used for reference. The main sources of information are as follows:

*(a) Internal:*

- Housing Strategy
- Property attributes database
- Stock Condition Survey
- District-wide Tenant Participation Agreement
- Historical HRA data
- EFDC Council Plan
- Housing Service Plans/Strategies
- Housing stock information
- Council house sales statistics
- District-wide Housing Needs Survey 2003
- Local Tenant Participation Agreements
- Tenants and Leaseholders Federation
- EFDC Best Value Performance Plan

*(b) External:*

- Government Comprehensive Spending Review
- Halifax House Price Index
- ODPM Guidance on HRA Accounts
- ODPM's "Sustainable Communities: Building for the Future"
- ODPM Guidance on Business Plans
- ODPM Guidance on Stock Options Appraisals
- "Homes for All" - ODPM Five Year Housing Plan
- The ODPM's Gershon Report

### 4.3 The Council's housing stock

The Council owned the following HRA stock as at 31<sup>st</sup> March 2006, for which the Council's Housing Services are responsible for management and maintenance:

- 6,582 residential properties
- 820 leasehold properties
- 2,839 garages
- 1 Homeless Persons Hostel comprising 38 rooms and 10 chalets

A number of these properties were transferred to the Council from the former Greater London Council (GLC) in 1980. The housing stock continues to decline due to the effects of the Right to Buy; 6,066 properties have been sold since 1977 (See Section 4.14 below).

An analysis of the Council's housing stock as at April 2006 (excluding the 48 rooms at the Council's Hostel, 9 residential scheme managers' properties and 26 properties "out of charge") is detailed below.

<b>COUNCIL HOUSING STOCK BY TYPE AND YEAR</b> (Excluding Homeless Persons Hostel)					
	April 2002	April 2003	April 2004	April 2005	April 2006
<b>Houses</b>	2,922	2,872	2,813	2,789	2,765
<b>Flats</b>	2,679	2,645	2,578	2,538	2,507
<b>Maisonettes</b>	552	541	530	525	521
<b>Bungalows</b>	805	800	789	790	789
<b>TOTAL</b>	<b>6,958</b>	<b>6,858</b>	<b>6,710</b>	<b>6,642</b>	<b>6,582</b>

<b>COMPARISON OF PRE AND POST WAR COUNCIL HOUSING STOCK BY TYPE</b> (As at 1st April 2006)					
	Pre-1944		Post 1945		TOTAL
	No.	%	No.	%	
<b>Houses</b>	358	13	2,407	87	2,765
<b>Flats</b>	14	1	2,493	99	2,507
<b>Maisonettes</b>	0	0	521	100	521
<b>Bungalows</b>	11	1	778	99	789
<b>TOTAL</b>	<b>383</b>		<b>6,199</b>		<b>6,582</b>

<b>PROPERTY MIX OF COUNCIL HOUSING STOCK BY BEDROOM SIZE</b> (As at 1st April 2006)		
	No.	%
<b>Bedsits</b>	338	5
<b>1 Bedroom</b>	2,339	36
<b>2 Bedroom</b>	1,838	28
<b>3 Bedroom</b>	1,904	29
<b>4/5 Bedroom</b>	163	2
<b>TOTAL</b>	<b>6,582</b>	

<b>GEOGRAPHICAL SPREAD OF COUNCIL HOUSING STOCK</b> (As at 1st April 2006)								
	Buckhurst Hill / Chigwell		Loughton		Waltham Abbey		Epping / Ongar / Rural Areas	
	No.	%	No.	%	No.	%	No.	%
<b>Houses</b>	191	7	945	34	610	22	1,019	37
<b>Flats</b>	338	13	915	36	788	31	466	19
<b>Maisonettes</b>	257	49	191	37	60	12	13	2
<b>Bungalows</b>	15	2	143	18	145	18	486	62
<b>TOTAL</b>	<b>801</b>		<b>2,194</b>		<b>1,603</b>		<b>1,984</b>	
<b>% of Total</b>		<b>12</b>		<b>33</b>		<b>24</b>		<b>30</b>

#### 4.4 Stock Valuation

Under ODPM guidelines, the valuation of residential properties is based on Social Housing - Existing Use (SH-EH) value. In 2001, the Council first commissioned the Valuation Office to undertake a formal valuation of the Council's housing stock, as at April 2000. Following, desk-top revaluations being undertaken between 2002 and 2005, in 2006, the Valuation Office undertook a full revaluation as at 1 April 2005.

The HRA Stock Valuation for residential dwellings as at 1<sup>st</sup> April 2005 was £522 million.

#### **4.5 Overview of the Management of the Council's Housing Stock**

##### *(a) Introduction*

The Council's housing stock is a major asset, and it is therefore essential that it is properly managed and maintained. This section of the Business Plan sets out how the Council's stock is managed.

##### *(b) Housing Services*

The lead service for the management and maintenance of the Council's housing stock is Housing Services, under the management of the Head of Housing Services.

The permanent Staff Establishment of Housing Services comprises 90 full time and 40 part time members of staff. Appendix 4 sets out the Staffing Structure of the senior management of Housing Services, together with the main responsibilities of each of the seven sections.

Most of the staff within Housing Services are centrally based at the Civic Offices in Epping. However, the following services are decentralised.

**Area Housing Office (South)** Based in the heart of The Broadway Shopping Centre, Loughton, the office provides a comprehensive housing and estate management service to tenants in the south of the District (See Section 4.6(a) below).

**Limes Farm Estate Office** Based on the Limes Farm Estate, Chigwell, the Estate Office provides a localised housing and estate management service to the tenants of the Estate. The office is open every morning during the week, managed by the Assistant Area Housing Manager.

**Careline Control** The Council provides an older peoples alarm network, Careline, which is managed from Careline Control based at Parsonage Court, Loughton. The service is managed by the Housing Manager (Older People's Services), based at Careline Control (See Section 4.6(k) below).

**Sheltered Housing** The Council has 13 sheltered housing schemes for older and frail older people, each managed by a Scheme Manager. In addition, 3 Area Scheme Managers provide a visiting service to older tenants on housing estates (See 4.6(l) below).

##### *(c) Management Board*

The Management Board, comprising the two Joint Chief Executives, is responsible for the overall management of the Authority.

##### *(d) Senior Management Team*

The Senior Management Team (SMT) comprises the members of Management Board and the nine Heads of Service. Its purpose is to ensure a corporate approach to the delivery of Council services. The SMT meets on a monthly basis.

##### *(e) Support Services*

Housing Services are supported by a number of other services within the Council to deliver its housing management and maintenance. The following lists the main support services:

**Accountancy** The Council's Finance Service provides a comprehensive accountancy service under the management of the Head of Finance, including the provision of financial advice, financial planning, budget formulation and monitoring, invoicing, payments, sundry debtors and creditors.

<b>Audit</b>	The Council's audit function is undertaken by the Chief Internal Auditor in accordance with the Council's three year Audit Plan.
<b>Estates and Valuation</b>	The Estates and Valuations Division manage and co-ordinate the maintenance of HRA commercial properties.
<b>Grounds Maintenance</b>	The Council's grounds maintenance is undertaken by Leisure Services, under the management of the Asst Head of Leisure Services (Facilities). The arboricultural contract is undertaken by a private contractor.
<b>Housing Benefits</b>	Housing Benefits is administered within Finance under the management of the Asst Head of Finance (Benefits).
<b>Information &amp; Communication Technology (ICT)</b>	Although the integrated housing system is supported by Housing Services, the network is managed by ICT Services.
<b>Legal</b>	The Legal, Administration and Estates Service provides a comprehensive legal service to Housing Services including conveyancing, litigation, advocacy, contract administration and legal advice.
<b>Human Resources &amp; Performance Management</b>	The Head of Human Resources and Performance Management is responsible for strategic personnel issues, industrial relations, recruitment and other HR operations, as well as the co-ordination of performance management data.
<b>Public Relations &amp; Marketing</b>	Although Housing Services provides an in-house housing information service, a corporate public relations service is provided by the Public Relations and Marketing Section within the Policy Unit.
<b>Works Unit</b>	The main maintenance contractor for housing is the in-house Works Unit, under the management of the Chief Works Officer. The Building Maintenance DSO has around 60 craft workers and currently undertakes the majority of responsive and void repair work.

#### **4.6 Delivery of Housing Services**

##### *(a) Estate Management*

Estate management is undertaken by the two Area Housing Offices under the direction of the Area Housing Managers. The Area Housing Office (North), based at the Civic Offices, Epping, manages around 3,600 properties in the north of the District, including the towns of Epping, Waltham Abbey and Ongar. Most of the properties in the rural part of the District are also managed by the Area Housing Office (North). As outlined above, the Area Housing Office (South) is based in The Broadway Shopping Centre, Loughton and manages around 3,000 properties in Loughton, Buckhurst Hill, Chigwell and the immediately surrounding areas. The office also provides a cash office facility, managed by Finance, for the payment of all Council charges, including rents.

Within the Area Housing Offices, Housing Officers (Management) manage around 800 properties each. They are responsible for dealing with breaches of tenancy conditions, including rent arrears recovery and estate management. In addition to ad-hoc estate inspections, staff in the Area Housing Offices undertake an annual programme of planned estate inspections covering the whole of the District.

The Council undertakes the cleaning/cleansing of estate and sheltered housing schemes in-house, and employs three full time caretakers for two large estates in the District and 14 full and part-time cleaners.

##### *(b) Rent Collection*

The collectable rent debit in 2005/6 was £23,434,115 (an increase of 4.6% from 2004/5). Rent is collected through a variety of methods. Due to the rural nature of the District, Post Office Giro is extensively used to enable tenants to pay their rent at local post offices. In addition, the Council's rent collection administrator, Allpay, provides a number of rent payment points in convenient locations (e.g. supermarkets, garages etc.) throughout the District. The Council also provides three cash desks based in Epping, Waltham Abbey and

Loughton. Direct debit and standing orders are also offered to tenants, as well as a facility for rent payments to be made by debit card or through the internet.

The rent collection rate in 2005/6 was 98.5% of the annual debit, an increase on the 2004/5 collection rate of 97.8%. Targets for future rent collection rates are set out in Appendix 5.

*(c) Current and Former Rent Arrears*

The Council's approach towards rent arrears recovery is set out in the Housing Service Strategy on Rent Arrears. The Council has a historically good record of rent arrears recovery, especially when compared to the national trend of rent arrears increases. The level of current rent arrears amounted to £358,625 as at 1 April 2006, representing 1.53% of the annual debit (a decrease on the 2.2% rent arrears in 2004/5).

Technically, former tenant arrears amounted to £363,735 as at 1 April 2006. However, this included £112,526 classified as former tenant arrears, which arose due to current tenants breaching court orders for possession. As a result, in law, these occupants ceased being tenants and became "tolerated trespassers". However, they will continue to occupy their Council property until either they are evicted, or they apply to the court and the judge agrees to their tenancy being revived. In the latter case, on revival, they will become current tenants again.

During 2005/6, £53,950 of former tenant arrears (0.23% of the annual debit) was written off. Former tenant arrears of £65,351 were collected in 2005/6 (an increase of £5,279 on the amount collected in 2004/5).

Targets for future rent arrears levels are set out in Appendix 5.

*(d) Anti-Social Behaviour*

Although serious anti-social behaviour amongst the Council's tenants is uncommon, there has been a marked increase in the number of anti-social behaviour cases in recent years. The Council therefore takes seriously its responsibility to minimise such behaviour, through the enforcement of its tenancy conditions and other available remedies. Often, such behaviour can be curtailed simply by a housing officer visiting or writing to the alleged perpetrators. Alternatively, the Council facilitates mediation by an independent third party. However, if the anti-social behaviour is serious or continues, the Council uses one or more of the following remedies:

- Repossession – Under the Housing Act 1996, the Council can seek to repossess a property if a tenant, resident or visitor causes (or is likely to cause) a nuisance to other residents in the locality, or if they are convicted of using their property for illegal purposes, or convicted of an arrestable offence in or near the property.
- Demoted Tenancy Orders (DTOs) – The Council can seek from the court a DTO if a tenant is causing anti-social behaviour. If granted, a DTO removes the tenant's security of tenure for a period of one year. If there are further incidences of anti-social behaviour within that period, the Council can obtain return to court and obtain a possession order without having to give any grounds. The Council has resolved to seek DTOs in appropriate cases.
- Introductory Tenancies (ITs) – The Council has agreed to start using ITs in 2006, following an extensive consultation exercise with all tenants and partners in 2005. When introduced, all new tenants will be given an IT (instead of a secure tenancy) for the first year of their tenancy. If the new tenant causes anti-social behaviour, or breaches any other tenancy conditions within that period, the Council can obtain a possession order, without having to give any grounds. If there are no breaches within that year, the tenancy automatically converts to a secure tenancy.
- Injunctions - Also under the Housing Act 1996, the Council can seek an injunction from the courts to prohibit a person from causing a nuisance to other residents in the area, or using premises for illegal purposes. However, these can only be granted if violence is used or threatened, and if there would be a significant risk of harm if an injunction was not granted.
- Anti-social behaviour orders (ASBO's) – Under the Crime and Disorder Act 1998 and the Anti-Social Behaviour Act 2003, the Council or the Police, in consultation with each other, can seek an ASBO from the courts if there is ongoing criminal type behaviour. The person must be over 10 years of age and be acting anti-socially towards others, causing harassment, alarm or distress. The ASBO prohibits the



person from continuing with the anti social behaviour. A breach of the order is a criminal offence, with a maximum penalty of 5 years imprisonment.

*(e) Empty Properties*

In order to maximise rental income and effectively meet housing need, it is essential that the number of empty properties, and the associated relet period, is kept to a minimum. There were 56 empty properties as at 1<sup>st</sup> April 2006, representing a decrease of 22 properties (28%) over the previous year. The rental loss from empty properties in 2005/6 amounted to 0.74% of the annual debit, a further decrease on the 1.06% rent loss in 2004/5.

*(f) Difficult to Let Properties – Low Demand*

Generally, the Council does not experience any of the problems faced by many northern authorities of “low demand” and has a high demand for most of its properties. However, some difficulties are experienced in letting certain types of properties in sheltered housing and schemes for frail older people (“Part 2.5”). As at 1<sup>st</sup> April 2006, there were only 3 vacant properties meeting the “difficult to let” criteria (all bedsits in sheltered housing schemes).

*(g) Review of the Housing Register*

In order to ensure that the Housing Register is up to date, a rolling programme of annual reviews of applicants is undertaken on a monthly basis.

*(h) Choice Based Lettings*

The Government, through the Homelessness Act 2002 and its Five-year Housing Plan, “Homes for All”, is encouraging local authorities to introduce “choice based lettings”, whereby housing applicants are able to choose the property that is let to them, rather than being “allocated” properties. During 2004, the Council agreed the principle of introducing a choice based lettings system, having already adopted a new Allocations Scheme based on a system of priority “bandings”, comprising applicants that meet the specific criteria for that band.

Allocations are now made to applicants in the highest priority bands, in date order, compared to the previous points-based scheme. This lays the foundation for the move towards a choice based lettings scheme, which will be introduced during 2007. Under the new scheme, individual empty properties will be advertised, and applicants invited to express their interest in the advertised properties. Properties will then be let to those applicants in the highest band expressing an interest, who have been on the Waiting List longest.

Together with our five neighbouring councils, and all the housing associations that operate in our areas, the Council has formed the Herts and Essex Housing Options Consortium to jointly commission a “choice based lettings agency” to operate one scheme on behalf of all the partners. The Consortium was successful in bidding for £96,000 funding from the ODPM in 2005 to jointly commission the scheme.

*(i) Homeless Persons Hostel*

The Council’s Homeless Persons Hostel in North Weald comprises 38 rooms and 10 “chalets” with shared kitchen and bathroom facilities. Managed by a Hostel Manager, who is supported by two Assistant Hostel Managers, it provides an invaluable facility to provide temporary accommodation to homeless families, to reduce the use of bed and breakfast accommodation. In 2004, a two-phase improvement scheme for the Hostel was completed, at a cost of around £1.5m.

*(j) Leasehold Services and Service Charges*

The Council had 892 properties leased under the Right to Buy as at 31 March 2006, with the number increasing at the rate of around 35 per annum (349 additional properties were leased between 1<sup>st</sup> April 1998 and 1<sup>st</sup> April 2006). Leaseholders are charged two main types of service charges; annual charges are made for the provision of ongoing communal services (eg cleaning, grounds maintenance, responsive repairs etc); charges are also made for larger planned repairs and improvements following consultation in accordance with the Housing Act 1985.

(k) *Careline Service*

The Council operates an alarm network for older people (Careline Service) to the following categories of older people in the District (as at 1 April 2006):

Council tenants	1,286
Private occupiers	1,110
RSL tenants	53
<b>Total</b>	<b>2,449</b>

The number of users receiving the service increased by around 10% during 2005/6. The monitoring and response service is provided by Careline to private occupiers on a permanent basis, and to other residents when their Scheme Manager goes off duty. The Careline Service is available 24 hours per day, 365 days per year and is based at Parsonage Court, Loughton. Response times are monitored and, in 2005/6, 98.8% of all calls were responded to within 30 seconds (compared to 98.9% in 2004/5). The average time to respond to calls was 6.0 seconds (compared to an average of 5.6 seconds in 2004/5).

Charges to Council tenants for the service are included within the “support charge” applied through the Supporting People programme (See Section 4.10). Charges are also made to private occupiers to meet the costs of the initial alarm purchase and to contribute towards the running costs of the Careline Service.

One of the outcomes of the Best Value Service Review of Housing Services undertaken in 2004 was that the Council should seek to provide the service to other landlords, especially when tenders are invited, in order to increase the viability of the Careline Service.

(l) *Sheltered Housing & “Very Sheltered” Housing*

The Council has 510 sheltered housing properties within 12 sheltered and grouped housing schemes throughout the District, with each one managed by a Scheme Manager. From April 2003, sheltered housing tenants have paid a “support charge” that represents the costs of providing them with the sheltered housing service.

The Council also owns and maintains a “Part 2½” scheme for frail older people in Waltham Abbey, which is managed by Essex Social Care under a partnership arrangement.

In addition, three “Area Scheme Managers” visit 340 older people in properties situated within general needs housing estates that have been designated as especially suitable for older people. Visits are made on a “call category” basis, dependent on the assessed level of risk, as follows:

<b>BREAKDOWN OF CALL CATEGORIES FOR PROPERTIES DESIGNATED AS SPECIALLY SUITABLE FOR THE ELDERLY (As at 1<sup>st</sup> April 2006)</b>		
<b>Category</b>	<b>Frequency of Visits</b>	<b>No.</b>
<b>A</b>	Once every week	[ TBA ]
<b>B</b>	Once every fortnight	[ TBA ]
<b>C</b>	Once every month	[ TBA ]

In August 2004, the Council transferred a sheltered housing scheme at Robert Daniels Court, Theydon Bois to Warden Housing, along with the sitting tenants, to facilitate a major improvement scheme. The Council is planning to transfer another scheme – Wickfields, Chigwell – to Warden Housing during 2006 (See Section 6.9(c) for more details).

(m) *Black and Minority Ethnic (BME) Residents*

The 2001 Census established that the ethnic make-up of the District, compared to Essex and England and Wales, is as follows:

Ethnic Population			
Ethnic Group	Epping Forest	Essex	England/Wales
White	95.1%	97.1%	92.1%
Mixed	1.1%	0.9%	1.2%
Asian / Asian British	2.4%	1.0%	4.0%
Black / Black British	0.8%	0.5%	2.0%
Other	0.6%	0.5%	0.8%

Although BME groups only comprise around 4.9%% of the District's population (compared to 2.4% in 1991), there is a need for greater understanding of their requirements. This is the situation throughout Essex.

The Council has complied with the Commission for Racial Equality's Code of Practice in Rented Housing since it was introduced in the 1990's, and has an Equal Opportunities Statement in the Provision of Housing Services. This includes ongoing monitoring of the ethnicity of applicants on the Housing Register and of applicants allocated Council accommodation or nominated to RSLs. An annual review is undertaken to ensure that there is not a significant mismatch between the ethnicity of those applicants registered and those housed. There has never been a mismatch of more than 5%.

The Council has worked closely with the other Essex housing authorities and RSLs to undertake and fund an Equality and Diversity Study by the University of Salford, called "Facing Facts", on the needs of BME communities in Essex. The Project was completed in Summer 2003 and assessed the best ways of ensuring that equal access is given to all housing services for people from BME groups, and that a culture exists that will empower BME communities, and integrate their needs and aspirations into everyday housing provider activities. The research was jointly-funded by Essex local authorities and RSLs (who provided £20,000) and the Housing Corporation, following a successful bid for an Innovation and Good Practice Grant of £30,000. Following completion of the study, the Essex Housing Officers Group (EHOG) formed an Equality and Diversity Project Team to formulate an Essex-wide Action Plan, which has now been completed and, in 2005, appointed and funded a Housing Equalities and Diversity Development Officer for a two-year period to take forward the Action Plan.

*(n) Housing ICT Strategy and Implementing Electronic Government (IEG) for Housing Services*

Housing Services has a Housing ICT Strategy that is reviewed annually, and sets out the vision and objectives for implementing electronic government (IEG) and improving housing services, which complements the Council's corporate IEG Strategy.

In 1999, following an analysis of available systems on the market, the Council purchased the Open Housing Management System (OHMS), an integrated housing computer system, from Anite Housing. The system integrates seven separate modules (e.g. rents, allocations, repairs etc), enabling staff users to access different areas of information and to provide a one-stop approach to the provision of information to tenants and applicants. The system also gives essential management and performance indicator information. Three further modules (Leasehold Service Charges, Housing Management and Business Objects management system) are due to be installed during 2006/7.

Although the system and associated hardware requires the usual levels of upgrade and modernisation, it is envisaged that the system will meet the Council's needs until at least 2010, with enhancements made as necessary to the existing system in the interim.

Since 2001, the Council has provided an interactive housing service on the Council's website, in order to increase the accessibility to housing services for tenants via the internet. This includes the following sections:

- "Repairs Reporter" – an on-line repairs reporting facility, enabling tenants to report repairs 24 hours per day, with user friendly graphics of property components.
- "A-Z of Housing Services" – providing a description of each housing service provided (eg "Abandoned Vehicles"), the ability to send an e-mail to the appropriate person dealing with that service and the ability to request any leaflets relating to the service.
- "Contact Us" - listing the main sections and offering the ability to send an e-mail by launching the users' e-mail software with a pre-addressed e-mail.

- "Housing Publications" - enabling users to download certain publications and to request any housing leaflets through the completion of an on-line form.
- "Latest News" - providing regularly updated housing-related press releases and information.
- "Feedback" – enabling tenants and other housing clients to provide feedback on housing services and the housing website.
- "Consultation" - where consultation documents and plans can be viewed and downloaded.
- "Payments" – enabling tenants to pay rent and other housing charges via the internet.

During 2006/7, it is intended that an interactive version of the Council's Mutual Exchange Register will be placed on the site.

#### 4.7 Partnership Working

The Council cannot deliver its Business Plan alone, in many cases it must work in partnership with other organisations. Examples of effective partnership are as follows:

*Citizens Advice Bureaux* The three CABx in the District provide an invaluable additional advice service for the Council's tenants. Good working relationships have been built up over a number of years. Quarterly Liaison Meetings are held between CAB Managers and senior housing officers.

*Older People's Joint Management Team* The OPJMT comprises representatives of statutory and voluntary organisations involved with elderly people at the local level, including the Council. Meeting on a regular basis, the OPJMT oversees the co-ordination of joint care provided to elderly people and identifies and develops new initiatives.

*Essex County Council* The Council works closely with Essex Social Care in respect of all client groups. Particularly intense co-operation is undertaken in respect of anti-social behaviour and allocations of accommodation to vulnerable people. The Council works in partnership with the County Council's Supporting People Commissioning Team on the development of the supporting people programme at both the strategic and operational level.

*Essex Police* The Council works closely with Essex Police on a number of issues. These are mainly in relation to dealing with anti social behaviour, crime prevention, the management of dangerous offenders, responding to "hate incidents" and the removal of abandoned vehicles. The Council and Essex Police have agreed a joint protocol for the use of anti social behaviour orders.

*Essex Housing Officers Group* The EHOOG meets monthly and comprises the Heads of Housing from all the Essex housing authorities and larger RSLs. A number of joint initiatives have been introduced, including joint research (eg Equality and Diversity Project), joint strategies (eg the Essex Supported Housing Move on Strategy) and joint information sharing (eg Homelessness Officers Group)

*London Commuter Belt Group* In view of the growing importance of working sub-regionally on housing issues, the Council, together with 4 other Essex authorities, all the Hertfordshire authorities and the RSLs that operate within the London Commuter Belt Sub Region have formed a Sub-Regional Housing Group. The Sub-Regional Group has produced its own Sub-Regional Housing Strategy, which includes a detailed Action Plan. The Action Plan is now being implemented and includes a number of joint initiatives.

*Hate Management* The Council has introduced a "Hate Strategy Group" and "Hate Management Panel" comprising representatives of the Police, Social Care and the Council. The Strategy Group oversees and develops policy relating to the management of hate incidents (eg racial and homophobic harassment). The Management Panel meets on a regular basis to discuss reported hate incidents, and to agree and monitor an action plan for each case.

<i>Maintenance Partnering Agreement</i>	Appendix 1 gives details of the Partnering Agreement the Council has introduced with two firms of consultants and two contractors to deliver housing maintenance and improvement projects, embracing the “Egan Principles”.
<i>Tenants and Leaseholders Federation</i>	The Federation comprises representatives of the five recognised tenants associations within the District, and the district-wide Leaseholders Association and Sheltered Forum, that meets every six weeks. It is consulted on, and provides feedback on housing issues, and monitors the Council’s housing performance (see Section 4.8 below).

#### **4.8 Tenant and Leaseholder Participation and Consultation**

The Council is committed to involving tenants with the delivery of their housing services and has made good progress with developing tenant participation. The Council has a detailed Tenant Participation Strategy and has a dedicated Tenant Participation Officer to deliver the commitments set out in the Tenant Participation Agreement (see below) and to further develop tenant participation in the District.

The Council has facilitated the formation of a seven recognised tenants association throughout the District, although one has subsequently been disbanded and another was for a sheltered housing scheme that was transferred under a small-scale stock transfer, leaving five currently in existence. In addition, the Council has established the district-wide Leaseholders Association, which represents the views of the Council’s leaseholders and with whom the Council can consult on leasehold issues, including service charges. In 2004, the Council also established the Epping Forest Sheltered Forum, comprising representatives from most of the Council’s sheltered housing schemes across the District.

A number of years ago, the Council established the Epping Forest Tenants and Leaseholders Federation, which represents all the Council’s tenants and leaseholders, with whom the Council consults and briefs on matters of interest. The Federation has an Executive Committee, comprising two representatives from each of the five recognised tenants associations, and two representatives from both the Leaseholders Association and the Sheltered Forum. The Federation meets with the Housing Portfolio Holder and senior housing officers every six weeks, and is chaired by one of the Federation’s representatives.

The Federation is consulted by the Housing Portfolio Holder and senior housing officers on all proposed changes to housing policy or procedures that affect all (or the majority of) tenants, before decisions are made. The Federation’s comments on such proposals are included in reports to Portfolio Holders or the Cabinet.

The Council’s first District-wide Tenant Participation Agreement (Compact) between the Council and the Tenants and Leaseholders Federation was signed in March 2000. Following regular reviews and consultation with all tenants, the Agreement has been updated and signed in November 2003 and January 2006. The Agreement is a statement of commitment by both the Council and the Federation, that sets out in writing the intentions of the Council and the Federation in the approach they will take for;

- the provision of information to tenants
- consultation with tenants on housing policy issues
- the operation of the Federation.

The Agreement has been drafted in accordance with the guidelines set out in the “*National Framework for Tenant Participation Compacts*” produced by the ODPM.

In addition, *Local* Tenant Participation Agreements have been signed with each of the recognised tenants associations. A unique Leaseholders Participation Agreement has also been signed between the Council and the Leaseholders Association, which sets out how leaseholders will be informed of, and consulted on, relevant issues.

The Council has a good record of consulting tenants and others on housing issues that affect them, both at the District level and at the local level. Elsewhere in this Business Plan, details are given of the consultation undertaken on:

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Tenant satisfaction</li> <li>• Housing Needs Service Review</li> <li>• “Consultation” Section of Housing Website</li> <li>• Tenants &amp; Leaseholders Federation</li> </ul> | <ul style="list-style-type: none"> <li>• Tenant Participation Agreement</li> <li>• Stock Options Appraisal</li> <li>• This Business Plan</li> </ul> |
|---|---|

## 4.9 Tenant Satisfaction

The Council is encouraged by the Government to undertake a detailed Tenants Satisfaction Survey every three years. The Council's first survey was undertaken in 2001, with the latest undertaken in 2003. The next survey will be undertaken during in 2006.

The findings of the last survey were analysed by the independent consultancy that undertook the survey, the National Housing Federation (NHF), who produced both a detailed report on the findings, as well as an Executive Summary. The details of the last survey are set out below.

### *(a) The "STATUS" Survey*

A standard questionnaire and survey process called "STATUS" was used. STATUS is a standardised tenant satisfaction postal survey that was developed by the National Housing Federation (NHF) in 1998/9. The STATUS questionnaire is endorsed by the Office of the Deputy Prime Minister (ODPM) and the Housing Corporation (HC).

The STATUS questionnaire is designed to be used by social landlords to survey tenants in general needs housing and sheltered accommodation. It is designed to be a baseline survey, which can be repeated after a number of years. It allows for comparison of data between different social landlords and provides a valuable tool to help social landlords achieve best value and continuous improvement in service delivery.

### *(b) Methodology*

At March 2003, the Council had over 6,800 tenants who could be surveyed using the STATUS survey method. This meant that it was not necessary to survey all tenants (i.e. carry out a census) to get reliable results. A sample survey was therefore carried out comprising 1,400 questionnaires (20%).

The survey took place over a six week period in late April and early May 2003. As well as collecting information for the Council as a whole, information was also collected and analysed separately for sheltered tenants, to see how the views of sheltered tenants differed to those in general needs properties. Since the Council has only around 490 sheltered properties, compared with 6,315 general needs tenancies, in order to meet the required levels of statistical accuracy, it was necessary to sample a much higher proportion of sheltered tenants than general needs tenants. In practice this meant that it made sense to survey all sheltered tenants.

### *(c) Response Rates and Confidence Level*

An overall response rate of 70.6% was achieved, with 988 of the 1,400 questionnaires being returned (representing around 14.5% of all the Council's tenants). This was an exceptionally good response rate for a postal survey and one of the best ever achieved by the NHF.

To ensure appropriate levels of statistical accuracy, the survey needed to achieve a response rate of 40% or greater in each sub-group. In the event, an overall response rate of over 70% was achieved, with a general needs sub-group response of 66.8% and a sheltered sub-group response of 77.6%. The results at the Council level are accurate within a margin of error of +/- 3% at the 95% confidence level. This means that, for example, if 45% of tenants answered "Yes" to a particular question, there would be 95 chances out of 100 that the correct figure for all tenants would be between 42% and 48%. At the sub-group level, the error margin was +/- 2.4% for the sheltered sub-group and 3.8% for the general needs sub-group.

### *(d) Main Findings*

The main results, contained in the NHF's Executive Summary, are reproduced below:

- The very great majority of tenants are satisfied with Epping Forest DC as their landlord and with the services the Council provides. Tenants judged the Council and its staff to be providing a first class service. The Council achieved very high satisfaction ratings for most service aspects.
  - Ø 88% of tenants are satisfied with the overall service they receive from Epping Forest DC as their landlord (unweighted).
  - Ø 89% are satisfied with their accommodation.

- Ø 84% are satisfied with its general condition.
  - Ø 88% are satisfied with their area as a place to live.
  - Ø 85% consider the rent to be good value for money.
  - Ø 82% are satisfied with the repairs and maintenance service
  - Ø 84% feel that the Council is good at keeping them informed about things that affect them as tenants.
  - Ø 69% feel that the Council takes account of their views when decision-making
  - Ø 65% are satisfied with the opportunities provided to participate in management and decision-making.
- Staff are accessible and provide a high quality and responsive service to tenants. 83% of tenants who had contacted the Council in the last twelve months said that it was easy to get hold of the right person, 85% said that the staff they dealt with were helpful and 71% said that they were satisfied with the outcome of their contact.

*(e) Comparisons with other landlords*

The STATUS questionnaire has been designed to provide comparative information with other landlords who use the same questionnaire. Since the development of STATUS in September 1999, over 140 housing associations and local authorities have completed STATUS surveys. The unique value of using the NHF and the STATUS questionnaire, is that it allows true 'like for like' comparisons of the results with those of similar landlords who have previously completed surveys.

The Detailed Satisfaction Survey Report compares the Council's results with the average for all the landlords in the NHF's database who have previously completed STATUS surveys. More especially, a comparison has been made with a "peer group" of seven other landlords in the database. The peer group landlords were selected by the NHF and are all either local authorities or stock transfer associations within 50 miles of London and have stock sizes ranging from 3,000 to 13,000 homes.

The main results of this comparison exercise is set out in the NHF's Executive Summary, which is reproduced below:

- The percentage of Epping Forest DC tenants who said that they were satisfied with the overall landlord service was higher than any of the peer group landlords and 3% higher than the average result achieved by this group. It was also 11% higher than the 77% average of all tenants who have previously completed STATUS surveys.
- The percentage of Epping Forest DC tenants who said that they were dissatisfied was also better than average. 7% said they were dissatisfied, compared with a peer group average of 8% and an all landlord average of 11%.
- The Council's tenants were much more satisfied than tenants elsewhere with their area as a place to live and with the value for money of their rent. 88% of Epping Forest DC tenants were satisfied with their area as a place to live. This was a higher percentage than any of the peer group and compares with a 78% average of tenants nationally. 85% of Epping Forest DC tenants thought that their rent provided good value for money. This was also a higher percentage than any of the peer group and much higher than the 74% average for all landlords.
- Compared with either the peer group landlords or all landlords nationally, more Epping Forest DC tenants than usual were satisfied with all the main service aspects measured by the survey - except only for satisfaction with the opportunities available to participate in the management of their homes and the account taken of tenants' views in decision making. The Council recorded average satisfaction levels for these two indicators. All together, this is an exceptionally strong comparative performance and shows Epping Forest DC to be amongst the top performing social landlords both regionally and nationally.

Although not referred to in the NHF's report, the Housing Corporation has recently published its latest performance indicators for housing associations throughout the country, broken down into performance by housing associations in individual local authority areas. There are two Housing Association Performance Indicators that relate to tenant satisfaction, and can be compared to the Council's tenant satisfaction results.

<b>Indicator</b>	<b>EFDC</b>	<b>Housing Associations in Epping Forest</b>	<b>Housing Associations Nationally</b>
Satisfaction with overall housing service	88%	79%	79%
Satisfaction with opportunities for tenant participation	65%	53%	60%

*(f) Sheltered and general needs sub-group findings*

The NHF advise that STATUS surveys usually find that elderly tenants are generally more satisfied than younger tenants. The NHF was therefore not surprised to find that Epping Forest DC's sheltered tenants were much more likely to be satisfied with the service they received than general needs tenants. A very high 95% of sheltered tenants said that they were satisfied compared with 84% of other tenants. Sheltered tenants were similarly more likely to be satisfied with all the other service aspects measured. They were especially more likely to be satisfied with the condition of their homes and the value for money of their rent. There was one exception to this rule. Sheltered tenants were less likely than general needs tenants to say that they had found it easy to get hold of the right person when they contacted the Council.

*(g) Conclusion and Recommendations*

In their Executive Summary, the NHF concluded that

“The Council and its staff have every right to be proud of the service they provide. Epping Forest DC's tenants are significantly more satisfied with most aspects of the landlord services provided by the Council than the tenants of other social landlords. The survey did not highlight any significant weaknesses in the service provided to tenants.”

*(h) Comparison with Previous Survey Results*

Since the NHF did not undertake the Council's Tenant Satisfaction Survey in 2001, they were unable to compare the latest results with the previous ones. However, the table below gives a comparison between the 2001 and the 2003 results.

<b>Indicator</b>	<b>2003 (%)</b>	<b>2001 (%)</b>	<b>Comparison (%)</b>
General satisfaction with overall housing service (unweighted)	88 %	83 %	+ 5 %
Satisfaction with their accommodation	89 %	88 %	+ 1 %
Satisfaction with their property's general condition	84 %	82 %	+ 2 %
Satisfaction with their area as a place to live	88 %	87 %	+ 1 %
Consider rent level to be good value for money	85 %	83 %	+ 2 %
Satisfaction with the repairs and maintenance service	82 %	83 %	- 1 %
Consider the Council is good at keeping them informed about things that affect them as tenants	84 %	85 %	- 1 %
Consider the Council takes account of their views when making decisions	69 %	N/R	N/A



Satisfaction with the opportunities provided to participate in management and decision making	65 %	61 %	+ 4 %
---	------	------	-------

*N/R = Not recorded*

#### **4.10 Effect of the Government's Supporting People Proposals**

The Government's "Supporting People" programme went "live" with effect from April 2003, which has had a significant effect on both the HRA and the provision of supported housing and welfare services by the Council. From this date, the costs of welfare services in respect of Council tenants have not been met by the HRA, but from the new Supporting People Budget, managed by a county-wide commissioning body.

The main effects on the HRA have been as follows:

- The Council receives Supporting People Grant from the Commissioning Body for most of its support costs, except for tenants of sheltered housing schemes who took up occupation after 1 March 2003 who are not in receipt of housing benefit, who have to pay the charge themselves.
- As a result of separating out welfare/counselling/support costs from the HRA, rents could have been reduced. However, the ODPM stated that such rent levels must not be reduced, but must be maintained at similar levels. The resultant effect was that additional ("windfall") rental income in excess of £300,000 per annum has been received into the HRA from April 2003.
- The Council must meet the cost of "transitional supporting people protection". This is an allowance given to tenants of sheltered housing schemes who are not in receipt of housing benefit, and is equivalent to the difference between their (higher) support charge and the previous "scheme manager charge" that they paid. This transitional protection is applied until the tenant vacated the property.

#### **4.11 Fees and Charges**

In addition to rents, the Council makes a number of other charges for housing services, which are reviewed annually in November by members in order to feed into the budget making process. Generally, fees and charges are increased annually in line with inflation. The general increase applied for 2006/7 is 2.5%. However, each charge is considered on its own merits and variations are made to this approach for strategic reasons.

#### **4.12 Repairs, Maintenance and Improvements**

Probably the most important elements of this Business Plan are the:

- analysis of the condition of the Council's housing stock
- assessment of the number of the homes that do not meet the Government's "Decent Home Standard"
- assessment of the likely availability of funding for repairs, maintenance and improvements
- assessment of priorities for repairs, maintenance and improvements to meet the Government's Decent Home Targets
- formulation of standards and policies for repairs, maintenance and improvements

In view of this importance, the Council has developed a Repairs and Maintenance Business Plan which, although a free standing document, forms an integral part of the overall HRA Business Plan. The Repairs and Maintenance Business Plan is attached as Appendix 1.

#### **4.13 Right to Buy and Rent to Mortgage Sales**

Under the Housing Act 1985, the Council is required to sell Council properties to eligible sitting tenants at a discount. Local authorities also have discretion to sell properties on a voluntary basis outside the right to buy provisions. Until a few years ago, the Council operated such a voluntary sales policy. Between 1<sup>st</sup> April 1977 and 31<sup>st</sup> March 2006 (29 years), the Council received 11,348 applications to purchase, resulting in 6,066 sales (53%), of which 4,510 were under the right to buy.

In 2005/6, 111 applications to purchase under the right to buy were received (compared to 158 applications in 2004/5), which resulted in 36 sales (compared to 61 sales in 2004/5 and 139 in 2003/4). The average open market valuation in 2005/6 was £145,400 per property. The current maximum right to buy discount for

the Council's region is £34,000, which was also the average discount in 2005/6, resulting in an average purchase price of £111,400 per property, (compared with £89,740 per property in 2004/5 and £82,000 per property in 2003/4).

Also during 2006/7, there were an additional 4 sales completed under the Government's Rent to Mortgage Scheme. The average open market valuation of these sales was £203,125. Under the Scheme, tenants can purchase less than 100% of the equity. As a result, the average proportional purchase price amounted to £71,830, after deducting an average proportional discount of £14,560.

The Government ceased the Rent to Mortgage Scheme during 2005.

#### **4.14 The District's Housing Needs Relevant to the HRA Business Plan**

##### *(a) Introduction*

It is important that the HRA Business Plan reflects the known housing need in the area and the predictions of how this might be expected to change in the future. In particular, if the projected housing need is low or diminishing, it could affect future rental income streams. However, the District does have a high level of housing need, that cannot be met by the current and projected supply of affordable accommodation. Unlike other areas of the country, it is predicted that this position will not change in either the short or longer term.

##### *(b) Housing Needs Survey 2003*

A comprehensive Housing Needs Survey of the Epping Forest District first carried out in 1999. In order to ensure that the Council has current and up to date information, a further Housing Needs Survey was undertaken in 2003. The purpose of the latest survey was to find out more about the current level of housing need in the District. Both the latest and the previous surveys were carried out on behalf of the Council by David Couttie Associates (DCA). The latest survey involved a postal survey of 11,212 resident households in 20 sub areas, with a good response rate of 27%. DCA also carried out an in-depth study of house prices (See Section 4.15(g) below).

The Survey established that 88% of respondents felt their housing was adequate. However, the Survey identified that around 90% of people wanting to form their own, separate, household could not afford to buy in the District - based on the income and home price data. This can be compared with around 75% in 1999.

Around 7,000 new or existing households were expected to move away from the district within the next five years. Many of those expecting to move away were young people who were living with their families. They wanted to buy or rent a property but could not afford local prices.

The survey established that a proven need for more affordable rented housing exists, particularly in the more densely populated southern area. Over the five years to 2008, the survey assessed that there will be a total affordable housing need of 1,169 homes *per annum*, compared to the projected supply of 527 homes *per annum* over the period, based on current levels of re-lets of existing stock and the development of new properties by registered social landlords. Therefore, the new *annual* outstanding need is 642 homes.

Another finding of the Survey, relevant to this Business Plan, was that around 9,000 households (18%) include someone with a disability. 53% of these had walking difficulties. Furthermore, of the 560 households that contained someone who was a wheelchair user (7% of those with a walking disability) around 60% live in housing without suitable adaptation.

##### *(c) Population Changes*

DCA used Essex County Council population forecasts and other data sources to study changes in the age of the population. The results show that, between 2001 and 2021, the number of people aged between 45 and 64 years of age is likely to increase significantly, by around 2,900 people (9.5%). The most significant increase is expected in the 65 years + age group, which will increase by 1,400 people (6.7%) between 2006 and 2011 alone. These statistics indicate an ageing population, which will have an impact on the housing situation. Many older people will stay in their own homes, which may need adaptations, while others will eventually need sheltered housing or residential care.

##### *(d) Housing Register Data*

The numbers of applicants on the Housing Register confirm the levels of households seeking social housing in the District. The following table illustrates the levels of need over the past two years, based on the numbers registered on the Housing Register.

<b>COMPARISON OF HOUSING NEED</b>				
<b>(2005 – 2006)</b>				
	<b>March 2005</b>	<b>March 2006</b>	<b>Difference (2005 – 2006)</b>	
			<b>(Nos.)</b>	<b>%</b>
<b>1 Bed</b>	1,775	<b>2,368</b>	593	33 %
<b>2 bed</b>	782	<b>863</b>	81	10 %
<b>3 bed</b>	342	<b>411</b>	69	20 %
<b>4 Bed</b>	59	<b>90</b>	31	52 %
<b>TOTAL</b>	2,958	<b>3,732</b>	<b>774</b>	<b>26 %</b>

*(e) Need for Affordable Housing*

The Survey identified that around 90% of people wanting to form their own household could not afford to buy in the District - based on the income and house price data. It also established that some 5,512 households anticipated moving away from the District over the next 5 years, representing around half of all those who intended moving. In the case of existing households intending to move, around 40% needed to do so because of the lack of affordable housing.

The Survey assessed a total affordable housing need for 5,845 households over the next five years. Excluding anticipated relets, a need for 3,325 new affordable homes was established, representing 665 per annum.

*(f) Social Housing Turnover*

Social housing turnover (in both the Council's own stock and that of registered social landlords) has also been taken into account in the preparation of this Business Plan. The following table compares turnover of Housing Register, homeless and other applicants for vacancies in the Council's housing stock over the last two years. As can be seen, turnover increased by 11.9% in 2005/6, compared to the previous year, (which followed an increase of just 1% in the previous year):

<b>HRA HOUSING STOCK TURNOVER</b>		
	<b>2005/6</b>	<b>2004/5</b>
<b>Housing Register</b>	345	315
<b>Homeless (inc. non secure)</b>	140	144
<b>Mobility Scheme</b>	0	0
<b>Mutual exchanges</b>	89	54
<b>TOTAL</b>	<b>574</b>	<b>513</b>

In addition, 76 applicants were nominated and accepted in 2005/6 for vacancies in stock owned by registered social landlords, compared with 145 in 2003/4 and 45 in 2003/4.

*(g) Local Housing Market*

Local market factors can have a significant bearing on future housing demand and/or the sustainability of current rent structures. Indeed, the Council's future rent levels under the Government's proposed rent reforms are affected by property values.

As part of the Housing Needs Survey, DCA analysed the local housing market using the Halifax House Price Index database. The most notable feature of the results was the high cost of housing in relation to a typical household's income. The average price for all properties at the time of the survey was £251,000. At an average price of £248,000, the cost of a semi-detached house (the property type with the highest percentage

of sales) was around 48% higher than the Essex average. The average price for a terraced property house was £200,000 and for flats was £160,000. Incomes of around £30,000 are needed to purchase a one bedroomed flat.

#### **4.15 Staff Training and Development**

The Council operates a comprehensive Staff Development Review (SDR) process. Formal, structured SDR interviews are held between line managers and all their staff on an annual basis, with progress interviews held six months after the SDR. The SDR process covers:

- Performance over the previous year (including achievements, progress on meeting targets, obstacles encountered and areas of weakness)
- Personal development, and training received, over the previous year
- Assessment of areas for development over the forthcoming year, including training needs, with targets
- Formulation of a Personal Action Plan for the forthcoming year, with targets.

The training needs of all housing staff are then collated annually into a Schedule of Identified Training Needs, which is then monitored by line managers throughout the year. As training needs are met, a record is kept for each member of staff in the Schedule of Completed Training Needs.

The Council also has a Corporate Training Programme and a Member Training Programme, which is formulated each year following an assessment of the most common identified training needs. The Programme comprises a range of training courses, from one day courses to twelve day supervisor/management development programmes held over the period of a year. Most of the corporate training is undertaken either in the Council's General Training Suite or the ICT Training Suite.

#### **4.16 Approach to Best Value**

##### *(a) Performance Management Unit (PMU)*

The Council has responded well to the challenge of Best Value both at a corporate and service level. The implementation of the Best Value regime has helped the Council identify priorities and issues for consideration.

When best value was first introduced, a corporate Best Value Support Team (BVST) was formed, to co-ordinate the various requirements of Best Value including the production of the Council's Council Plan and Best Value Performance Plan and the co-ordination of service reviews. The BVST produced a number of key corporate best value documents, including the Consultation and Competition Strategies and the "Best Value Toolkit". Now that best value has become embedded within the usual business of the Council, a smaller corporate Performance Management Unit (PMU) has been formed to continue with this work, to a lesser extent, but also to co-ordinate the Council's performance management.

##### *(b) Council Plan and Community Strategy*

As explained earlier, the Council has set out its aims and objectives in its Council Plan. The Council is also a key partner in the Local Strategic Partnership (LSP), comprising all the main agencies working in the District. Following an extensive consultation exercise, the LSP produced the first Epping Forest Community Strategy in 2004, which sets out the vision and objectives for the District until 2021.

##### *(c) Best Value Performance Plan*

This sets out the Council's plans for delivering specific strategies in the forthcoming year and reports on performance in the previous year. It also includes performance indicators and continuously improving targets to meet the longer term objectives within the Council Plan. Again, this was produced in consultation with key local stakeholders.

##### *(d) Service Reviews*

A comprehensive Best Value Service Review of Housing Services was completed in February 2004, which resulted in the formulation of a Service Development Plan, comprising 86 service developments identified through the service review.

#### (e) Comprehensive Performance Assessment (CPA)

In 2004, the Council had its first Comprehensive Performance Assessment (CPA) undertaken by the Audit Commission. Comprehensive performance assessment (CPA) measures how well councils are delivering services for local people and communities. It is a complex set of judgements reflecting the nature of local authorities themselves and the services that they provide. The strength of CPA is that it looks at performance from various perspectives which, taken together, provide a more complete picture and a better understanding of where to target activities to secure improvement.

The Council's CPA for the whole Council was "good" (the second highest of five assessments). Part of the CPA process was a "diagnostic" of the Council's Housing Service. The Council received 4 "A"s for this Housing Diagnostic Assessment, the best score possible.

#### 4.17 Annual Efficiencies

In July 2004, Sir Peter Gershon CBE produced his Independent Review of Public Sector Efficiency for HM Treasury, called "Releasing Resources to the Front Line". The "Gershon Review" considered the scope for efficiency savings across all public expenditure, including local government, and made recommendations to Ministers for stretching efficiency targets for the period 2005/6 to 2007/8, to feed into the Government's Spending Review 2004. The Review concentrated on improving productivity – getting more from the same resource, or achieving the same results for less resource. Cuts in service do not count as efficiency gains.

As part of the Government's Spending Review 2004, local government has been required to achieve efficiency gains totalling at least £6.45 billion by 2007/8. Over the three year period 2005/6-2007/8, each local authority is expected to achieve 2.5% per annum efficiency gains compared to their 2004/5 baseline. For this Council, the 2.5% per annum efficiency savings amount to the following targets:

2005/6	£435,000
2006/7	£850,000
2006/7	£1,200,000

Local authorities have been given full flexibility on how and where to achieve those gains. However, at least half of the efficiency gains made should be "cashable", which means that they must release funding for use elsewhere, either for reinvestment in frontline services or holding down Council Tax.

Local authorities must report the gains that they have made through an Annual Efficiency Statement. The Statement must include a "forward-looking" part, where authorities outline their expected efficiency gains and the strategy for achieving them, and a "backward-looking" part on the efficiency gains achieved in the previous year. The Statement is assessed as part of the 'Use of Resources' section in the Comprehensive Performance Assessment.

Although the calculation of the Council's overall required savings target does not take into account HRA expenditure, efficiency gain from the HRA can be included within the savings claimed by the Council.

In 2004/5, efficiencies on housing-related activities alone led to savings of £45,150 *per annum*. For 2005/6, although the final level of efficiency savings have not been finalised at the time of writing, it is estimated that savings of around a further £175,000 *per annum* were achieved for housing-related activities, together with a one-off saving of around £18,000.

The efficiency gains for landlord-related (HRA) activities in 2005/6 were achieved through a number of initiatives, including:

- Scheme Managers becoming non resident (rental income received from the letting of resultant accommodation)
- Introduction of in-house testing of asbestos samples
- Introduction of a scheme to sign up all void properties with a designated utility provider for a commission
- Savings arising from the negotiated extension of major PVCu installation contract at less than an inflationary increase
- Introduction of a schedule of rates contract for door entry scheme maintenance and external repairs and decorations
- Use of atomic clocks for door entry systems, photocells for communal lighting and in-house steam cleaning equipment for estates

- Less use of technical consultants, and the ability to use the Council's own staff for more technical projects, through more streamlined working.

#### 4.18 Comparing the Council's Performance with Previous Years

It is important for the Council to compare its housing performance with previous years to establish trends. In addition to the statutory Best Value Performance Indicators (BVPIs) that are prescribed nationally, the Council has a further 12 local performance indicators on housing, that it publishes and monitors. The following information for each of the housing performance indicators is given in Appendix 5:

- Actual performance in 2002/3 – 2005/6
- The Council's targets for 2006/7 and 2007/8

The Council has also selected, corporately, a suite of around 40 BVPIs and Local PIs which it considers the most important (referred to as Key Performance Indicators – KPIs), 4 of which relate to the Council's housing performance as landlord. Action Plans have been produced for each of the KPIs to either attain or maintain top quartile performance for all district councils nationally. All the KPIs are monitored quarterly by the Council's Finance and Performance Management Scrutiny Panel.

#### 4.19 "Housemark" – Benchmarking Service

In May 2001, the Council joined "Housemark", a national housing benchmarking service operated by the Chartered Institute of Housing and Arthur Anderson. This enables the Council to compare its performance and costs with other local authorities and registered social landlords on a range of housing services, which was particularly useful for the Best Value Service Review of Housing Services.

#### 4.20 ISO 9001:2000 Quality Accreditation – Housing Services

It is essential that the Council has processes and procedures in place to ensure that quality housing services are provided to its clients on a consistent basis. Therefore, Housing Services have invested a lot of time and effort to ensure that a robust and properly audited system is in place to ensure that quality services are provided.

ISO 9001:2000 is an internationally recognised quality assurance accreditation that confirms that, following a rigorous assessment by a licensed external assessor, the service provided is of a consistently high quality. Since 2002, the whole of Housing Services has been accredited with the ISO 9001:2000 Quality Award. The accreditation includes the following specific areas of Housing Services' work:

- Housing Repairs
- Housing Maintenance
- Housing Management
- Housing Needs
- Special Housing Needs (incorporating Careline and Sheltered Housing)
- Housing Resources (incorporating House Sales, Leasehold Services, Housing Information & Strategy, Rents Administration and Support Services)

The external assessments of Housing Services were carried out by Lloyds Register Quality Assurance, who undertook a number of visits, audits, inspections and site visits as part of their overall initial assessment. The award lasts for three years, during which time regular audits/inspections are undertaken by Lloyds Register Quality Assurance to ensure that the standards and quality are maintained. The Council was re-accredited with the status for a further three years in May 2005.

Housing Services' Quality Management System comprises:

- A **Process Manual**, that sets out the main processes carried out by Housing Services
- A **Quality Manual**, that sets out the approach taken to ensure consistent quality
- A **Policy Manual** that provides a record of all the agreed Council policies relating to housing
- A **Procedures Manual**, documenting every individual task undertaken by Housing Services' staff (totalling almost 800 tasks)

- **Regular internal audits** by Council staff, formally trained and certificated to undertake ISO 9001:2000 internal audits.

Epping Forest was one of the first local authorities in the country to receive the award for *all* of its housing services.

#### 4.21 Investors in People

Investors in People is a nationally recognised standard for employers, whereby an external assessor analyses the organisation's:

- Approach to planning, ensuring that there are clear aims and objectives which are understood by everyone
- Commitment to developing its people, in order to achieve its aims and objectives
- Development of its staff
- Understanding of the impact its investment in people has on its performance

In 2002/3, the whole of the Council was first awarded "Investors in People" status, including Housing Services. In February 2005, the "Investors in People" status was awarded for a further three year period.

#### 4.22 The External Environment

In order to ensure a robust Business Plan, in addition to analysing the "internal environment" within which the Council operates, it is essential to also analyse the "external environment" which, although outside the Council's control, has an effect on the Council. The following external issues have been identified as having an effect on the Council and have been taken into account in the formulation of this HRA Business Plan:

##### **Comprehensive Spending Review**

In 2004, the Government announced its latest Comprehensive Spending Review for the period 2004/5 – 2006/7. This sets out the Government's detailed spending plans on housing nationally and, of particular relevance to this Business Plan, the likely levels of MRA that will be available. Clearly, these levels have an effect on the amount of Government support the Council receives.

##### **Anti Social Behaviour Act 2003**

The Act has provided the Council with additional powers to combat anti-social behaviour

##### **Local Government Act**

The Act redefines how local authority revenue and capital expenditure should be funded. This includes the national pooling of capital receipts, the introduction of "prudential borrowings", to which local authorities can refer to inform future borrowing requirements (instead of having to seek annual credit approvals from the ODPM), the removal of rent rebates from the HRA and changes to the HRA subsidy system.

##### **"Sustainable Communities: Building for the Future" ("The Communities Plan")**

Published in February 2003, it sets out the Government's future housing policy and seeks to ensure that sustainable communities can be established to deliver a step change in housing provision. In particular additional investment is proposed for: regeneration initiatives; the provision of more affordable homes targeted to key workers in South East England including a new Cambridge Mill growth; local authorities to meet the Government's Decent Homes targets; investment in the countryside and local environment including protection of the Green Belt, additional funding for parks and open spaces and affordable homes in villages.

##### **"Housing for All" - Government's Five Year Housing Plan**

Published in January 2005, aimed at creating sustainable mixed communities and describes the next phase in delivering the Sustainable Communities Plan. It is based on promoting choice, fairness and the opportunity to own or rent a good quality home that meets needs. The document sets out the government's vision of building a flourishing, fair society based on opportunity and choice for everyone by providing them with the opportunity of a decent home at a price they can afford in a community in which they want to live and work, now and in the future. The plan describes a new role for Local Authorities to help achieve this vision.

## **Housing Act 2004**

Major legislation, that received Royal Assent in November 2004, which contains a substantial body of new housing law covering a range of different areas. Most of the Act is being introduced in stages up to 2006. New provisions relevant to this Business Plan include the introduction of the Health & Safety Rating System, that will replace the fitness standard, various provisions affecting the right to buy (eligibility period and discount pay-back periods), changes to secure and introductory tenancies and the introduction of statutory tenancy deposit schemes

# **5. Rents Strategy**

---

## **5.1 Background**

The Government has determined that rent setting by local authorities and RSLs should be brought onto a common system based on relative property values and local earnings. The intention is that rents should move towards comparable rents using an approach which could be readily and easily understood. In March 2001 the Government issued the *Guide to Social Rent Reforms* which set out how the reforms would be achieved and detailing a standard methodology (or formula) for use by both RSL's and local authorities for the calculation of rents.

The basis of the formula is as follows:

- 30% of a property's rent should be based on relative property values compared to national property values;
- 70% of a property's rent should be based on relative local earnings compared to national earnings;
- a bedroom factor so that, all other things being equal, smaller properties have lower rents.

The formula also takes account of national average Council and RSL rent levels and produces a target rent which the local authority must look to achieve over a ten year period, commencing April 2002. At the end of that period a property's rent should normally be no more than 5% higher or lower than the target level.

Under the new approach, the Government has also stated that local authority rent guidelines should rise by no more than 1% per annum in real terms, meaning that the target rent for each property will increase in line with the average for the local authority sector. However, no tenant should be subject to a change in their rent as a result of the combined influence of restructuring and convergence of more, or less, than £2 a week in any year above the normal increase for inflation.

## **5.2 Valuation**

The relative property values are based on 'existing use value'. The valuation base was set at January 1999. The Valuation Office, on behalf of the Council, has valued 198 separate "beacon properties" (many of which were used for the resource account valuation) for this rent restructuring exercise. Each beacon property is an example of a main property type owned by the Council in each of the main towns and villages and are representative of the total housing stock. These valuations were then used for all the other similar properties sharing the same characteristics and location.

These valuations will not be revisited in the near future, unless an individual property's characteristics have considerably changed.

## **5.3 Implementation**

The Council introduced its Rents Strategy, to implement the rent restructuring requirements, from April 2003, at the same time as introducing separate service charges and support charges (see below).



## 5.4 Strategic Approach

When the Council first introduced its Rents Strategy, there were various options open to the Council in terms of achieving the implementation of target rents. However, the Council was mindful that rent restructuring would increase rents for the majority of tenants in real terms. Therefore, it was considered that the fairest way forward would be to implement rent changes by equal amounts over the remaining 9 year period. This applies to both rent increases and rent reductions.

## 5.5 Calculation of Target Rents and Effects of Rent Restructuring

In 2002, the Council analysed the pattern of rent changes from April 2003 over the following 9 years, from which the information below emerged.

- The average real terms rent increase across all properties in order to reach target rents would be 8.72%. This average included properties that would have a rent reduction.
- 71% of properties would have a real terms rent increase. Generally the properties where rents would have to rise were the larger properties, particularly houses.
- 29% of properties would have a real terms rent decrease. These properties were predominantly smaller properties and in particular flats.
- 8% of properties would not reach the target rent over the nine-year period.

## 5.6 Service Charges

Target rents (and therefore the actual restructured rents) can only take into account all property related services and those services that may relate to a group of dwellings. Examples of services covered by target rents include:

- Repairs and maintenance
- Management of properties
- Publicity and consultation
- Administration of rents

Examples of services not covered include:

- Grounds maintenance
- Cleaning of communal areas
- Lighting of communal areas
- Supporting people costs

The other services not covered by rent restructuring are subject to further Government guidance on their treatment. This guidance advocates the separation of service charges from rents, to enable a more transparent charging regime for tenants. Although not compulsory, the Council has followed the guidance and, from April 2003, has separated out the costs of services relating to non-property related services for all its blocks of flats, and applied separate service charges to tenants. Under the Government's guidance, service charges cannot be increased by more than RPI + ½%

## 5.7 Support Charges

From April 2003, following the introduction of the Government's Supporting People programme, the Council has separated out from its rents the revenue costs of providing supported housing (e.g. sheltered housing) and made a separate support charge. Under the Supporting People arrangements, the Council receives reimbursement for these charges, for all tenants in receipt of housing benefit, from Essex County Council as the Supporting People Administering Authority. Tenants not in receipt of housing benefit must pay the charge themselves, although the Council will meet the cost of "transitional protection" in perpetuity for tenants in occupation prior to 1 March 2003, which amounts to the difference between the former "scheme manager charge" tenants were paying prior to introduction of supporting people and the new support charge.

## 6. Housing Stock Option Appraisals

---

### 6.1 Introduction

The Government has required all stock-holding local authorities to carefully consider the options open to them for increasing investment in, and improving the quality of, their housing stock, including the possibility a large scale voluntary transfer (LSVT) of their stock to an RSL, or the formation of an arms length management organisation (ALMO). Such a transfer would have to be with the consent of the majority of tenants.

### 6.2 Previous Stock Options Appraisals

The Council has a history of regularly reviewing the most appropriate ownership and management of the Council's housing stock. In 1990, based on advice from consultants KPMG Peat Marwick McLintock, the Council agreed that the stock should be retained, but that the position should be reviewed in 1992. On review, it was agreed that, subject to the support of tenants, large-scale voluntary transfer should be pursued. However, due to the introduction of new Government regulations that affected this proposal, the Council appointed Chapman Hendy to undertake an Option Appraisal based on the possibility of a large scale voluntary transfer to two housing associations. Based on their advice, the Council agreed to pursue this option and appointed the Tenant Participation Advisory Service (TPAS) as a "Tenants Friend" to undertake an extensive tenants briefing/consultation exercise. This consultation exercise established that 88% of responding tenants felt that stock transfer should not be pursued. As a result, the Council decided not to pursue stock transfer at that time.

### 6.3 Housing Stock Options Appraisal 2002/4

In 2002, the Council appointed Beha Williams Norman Ltd (BWNL), specialist housing consultants, to undertake a further detailed Housing Stock Options Appraisal. The Options Appraisal was undertaken in two initial stages, as set out below, followed by a third stage of further tenant consultation.

The Housing Stock Options Appraisal 2002/4 considered five main options:

- Large scale stock transfer (LSVT)
- The formation of an arms length management company
- Use of the private finance initiative
- Securitisation (a private sector financing technique which involves the sale of the future rental income in return for finance)
- Retention of the stock

The Council was committed to ensuring that tenants were involved with the appraisal process. Therefore, the Tenants and Leaseholders Federation were fully involved from the outset (including the appointment of consultant). In the first instance, BWNL were asked to undertake a two-stage approach to the Options Appraisal, as set out below, in an attempt to enable a clear picture to emerge not only of the financial effects, but also of the attitudes of tenants and members to the alternative options:

*Stage 1* A detailed financial appraisal of the options, which included an indicative valuation of the stock based on cash flow forecasts, stock condition and "catch up repairs", and an analysis of each of the options.

*Stage 2* (a) Postal surveys of all the Council's tenants and leaseholders, seeking their views on whether they would be interested in considering (without commitment) any of the alternative options to stock retention. This included examples of what benefits could result, and balanced information on the main issues to consider; and

(b) A survey of members to gauge their informal views on the issues.

#### **6.4 Findings and Conclusions of the Initial Stock Options Report (Stages 1 and 2)**

BWNL's Initial Report was completed at the end of 2002 and provided a detailed financial appraisal of the options (Stage 1), together with the results of the Stage 2 Tenants and Leaseholders Attitudes Survey. The report also provided detailed conclusions and findings. In summary, at that time, BWNL concluded that although the Council could meet the decent homes standard, it was unlikely to have sufficient resources to be able to bring all of its housing stock into a fully maintained condition in the foreseeable future, and that stock transfer was probably the best financial option. However, the results of the Stage 2 Tenants and Leaseholders Attitude Survey showed a clear preference for the Council to retain its housing stock. Therefore, BWNL recommended that a further in depth consultation exercise should be undertaken with a selection of tenants to explain the issues relating to stock retention and stock transfer in more detail, and to gauge their subsequent views, through the appointment of an Independent Tenant Adviser (ITA) familiar with this type of exercise. This was agreed by both the Council and the Tenants and Leaseholders Federation,

Insights were therefore appointed as Independent Tenant Adviser, in consultation with the Tenants and Leaseholders Federation, and undertook the further consultation during 2003 in a number of different ways.

#### **6.5 Summary of the Findings of the Further Tenant Consultation by Insights**

The report from Insights on their further consultation was received in February 2004. Their main findings were as follows:

- The most important issue for tenants was keeping rents affordable
- The majority of tenants rated the services as "good" and expressed satisfaction with the Council
- Many tenants expressed a view that they were strongly against any change of landlord.
- Tenants wished the Council to follow the stock retention option.
- Tenants felt they had already told the Council their views and wished the Council to stop asking the same questions

#### **6.6 Update Report by BWNL**

In view of the Council's decision to undertake the further consultation of tenants before reaching a decision on the preferred option, BWNL were re-appointed to undertake a further appraisal of the options and produce an "Update Report", taking into account the developments that had occurred over the previous year, both at the national and local level. In particular, BWNL appraised the following developments that had occurred since their Initial Report.

- The Government's policy document, "Sustainable Communities: Building for the Future"
- The effects of the Government changes to the local authority housing capital finance regime.
- The implications of the Government's changes to the housing subsidy system and, in particular, the effect of the new way in which management and maintenance allowances are calculated.
- The effects of the Council's debt free status.

BWNL's main conclusions were as follows:

- The Council, under current arrangements, can meet the Government's Decent Homes Target .
- With the additional resources through the new management & maintenance allowances for Housing Revenue Account (HRA) Subsidy (£1.7m per annum), the HRA can sustain itself for the short to medium term future and allow contributions of some £15 million to be made towards capital programmes over the next 20 years.
- The level of resources available for investment in the housing stock has also changed as a result of the Council becoming debt-free (an additional £8.6m over the next three years). Nevertheless, a shortfall of some £12 million remains in the level of resources needed to meet the full investment programme over the next 10 years.
- Since the Council has resources to achieve investment levels well above the basic Decent Homes Standard, it is doubtful whether bids for either the ALMO or PFI programmes could be justified.
- Stock transfer continues to offer some very real benefits

- However, the case from the existing tenants perspective is less convincing and, based on the consultation carried out so far, it is very doubtful that tenants would support a stock transfer proposal.

BWNL therefore recommended that the Council should continue with the existing arrangements for management and ownership of the housing stock, at least for the time being, but review the situation in the light of any further developments in Government housing policy or local circumstances, and in any event in five years time.

## **6.7 Council Decision on the Preferred Option**

The Tenants and Leaseholders Federation considered the findings and recommendations of the two consultants' reports and recommended to the Council that the housing stock should be retained. The Options Appraisal and the views of the Federation were considered by one of the Council's Overview and Scrutiny Committees on the 4 March 2004, when the Committee agreed to recommend the stock retention option to the Cabinet in April 2004. The Cabinet agreed with the Overview & Scrutiny Committee's recommendation

## **6.8 Sign-off by Government Office**

It is a requirement that local authorities must have their stock options appraisals "signed-off" by their Government Office by July 2005. The Council's Stock Options Appraisal was signed-off in September 2004.

## **6.9 Small Scale Voluntary Transfers**

### *(a) Introduction*

It is clearly important that the Major Repairs Allowance and other available resources are invested to produce optimum benefit. The ODPM's Guidance on Business Plans therefore emphasises the importance of local authorities carrying out detailed investment appraisals looking at strategic options for a particular group of properties, or in a selected estate or area, for incorporation within the overall Business Plan.

Separate from LSVT, the Council has successfully undertaken two small scale transfers in the past at Green Close, Epping Green and Pancroft / The Mead, Abridge, enabling two former sites of PRC properties to be redeveloped by RSLs.

### *(b) Robert Daniels Court, Theydon Bois*

In January 2001, following a detailed Options Appraisal, the Council agreed to undertake an extension/conversion scheme at Robert Daniels Court, Theydon Bois (one of the Council's sheltered housing schemes for the elderly) through a small scale voluntary transfer to an RSL.

Robert Daniels Court comprises predominantly bedsits, which had become difficult to let (with vacancies in some cases in excess of a year) since they no longer met the needs and aspirations of the latest generation of elderly people. Moreover, since the elderly residents had combined bedrooms/lounges and had to share communal bathroom facilities, the quality of accommodation was not as high as that provided at other Council sheltered schemes.

A Detailed Feasibility Study was completed in March 2000 to undertake a major improvement scheme, predominantly providing an extension of nine flats and the conversion of the 28 bedsits into 19 self contained flats

A detailed Options Appraisal concluded that the cost to the Council overall of undertaking the scheme through a stock transfer would be around £400,000 less than if the Council undertook the scheme itself. This is because, although the HRA would lose rental income of around £350,000 over the next 30 years through transfer (at net present value), there would be a saving of around £750,000 in the capital cost. As part of the Options Appraisal, the tenants were consulted on the options which established support from the tenants for such an approach.

In view of the significant financial saving to the Council, it was agreed to undertake a small scale voluntary stock transfer. Following a competitive exercise involving three RSLs, a Selection Panel selected Warden Housing to work with the Council and tenants to effect the transfer. A formal consultation exercise was

undertaken in accordance with the requirements of the Housing Act 1985, which resulted in a positive ballot. The transfer successfully took place in August 2004.

### *(c) Small Scale Voluntary Transfer – Wickfields, Chigwell*

Following the success of the stock transfer of Robert Daniels Court, in 2005, the Council undertook an options appraisal to assess the most cost effective way of improving another sheltered housing scheme at Wickfields, Chigwell, which comprises 16 bedsits, 8 self contained flats and the former Scheme Manager's house. The options appraisal estimated the costs of the improvement/conversion scheme at £1.67m, excluding professional fees and revenue costs. The options appraisal concluded that the cost to the Council would be far less if the improvement scheme was undertaken through a stock transfer to a housing association, than if the Council undertook the improvement scheme itself. Not only would the total capital cost to the Council (including fees etc) of £1.1m be £800,000 less, the overall cost to the Council over a 30 year period (expressed as the net present value (NPV) ), would also be around £1.4m less.

As a result, an informal consultation exercise was undertaken with all the residents of Wickfields seeking their views on a stock transfer, again to Warden Housing, in order to facilitate the improvements. The vast majority (93%) were both in favour of the proposals and happy to transfer to Warden Housing.

On the basis of this outcome it was agreed that, subject to the outcome of the required statutory consultation, the Council proceeds with a stock transfer. Stage 1 of the formal consultation was undertaken in March 2006 and, subject to the majority of tenants being in favour in principle, the Stage 2 (formal ballot) consultation will be conducted in April 2006, with a target transfer date of June 2006.

## **7. Risk Management**

---

### **7.1 Introduction**

Risk management can be defined as the consideration of the social, economic, political and other factors involved in risk analysis, to determine both the acceptability of damage that could result from an event or exposure and what action, if any, should be taken to minimise the risk of that damage.

### **7.2 Corporate Risk Register**

A corporate Risk Management & Assurance Group has been established, made up of officers from each Council Service, to produce and regularly review a Corporate Risk Register, and to collate service based risk assessments. The Asst. Head of Housing Services (Property & Resources) is the representative of Housing Services on the Group.

### **7.3 Housing Risk Register**

In 2005, Housing Services produced its first Housing Risk Register, which identifies the strategic and operational risks affecting Housing Services. Strategic risks are those that have an effect on the Council as a whole, where individuals, sections or even the whole of Housing Services have no total control over the outcome of risk management. Operational risks are those that affect individuals or sections of Housing Services, or the Housing Service as a whole, and will have little or no impact on other services of the Council. The Housing Risk Register is reviewed and updated annually.

Within Housing Services, all managers have responsibility and accountability for identifying, assessing and managing the risks that threaten their own area of activity.

The Housing Risk Register identifies risks within the following categories:

- Political
- Technological
- Competitive
- Financial
- Physical
- Economic
- Legislative / Regulatory
- Customers and citizens
- Legal
- Social
- Environmental
- Managerial and professional
- Partnership / Contractural

Within each of these categories, information is provided in the Housing Risk Register on the following for each risk:

- Vulnerability** A description of why and how Housing Services is vulnerable to the risk
- Trigger** The identification of what occurrence(s) may set off the risk. There may be more than one trigger for each risk.
- Consequence** An assessment of the consequences if the risk is triggered, which may include multiple consequences. Some consequences may be local or operational, some may be strategic.
- Action Plan** Details of what actions are, or need to be, taken in order to minimise the risk.

Risk management is applied to each of the identified risks, through exploring the best options to reduce either likelihood or impact or both. Not all risks can be reduced, but they can be managed. Any new actions than need to be taken are included within the Housing Special Projects Plan. Periodic actions are included within the Housing Annual Events Plan (See Section 9.4)

The main risks identified within the Housing Risk Register are included within the Council's Corporate Risk Register.

#### 7.4 Housing Risk Matrix and Key Housing Operational Risks

The Housing Risk Register also includes a Risk Matrix, whereby each of the identified risks have been assessed in terms of likelihood and impact against the following judgements:

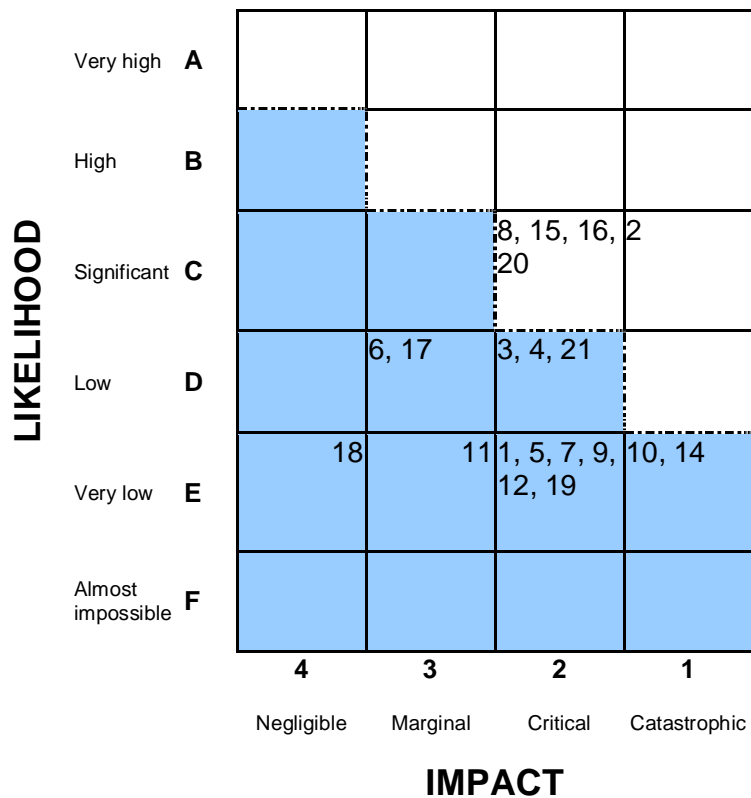
- |                    |                       |                  |
|--------------------|-----------------------|------------------|
| <b>Likelihood:</b> |                       | <b>Impact</b>    |
| A - Very High      | B - High              | 1 - Catastrophic |
| C - Significant    | D - Low               | 2 - Critical     |
| E - Very Low       | F - Almost Impossible | 3 - Marginal     |
|                    |                       | 4 - Negligible   |

The Housing Risk Register identifies 46 separate risks. However, the following 21 risks have been identified as the Key Housing Operational Risks, and have been assessed as having the likelihood and impact shown below, with reference to the judgements set out above:

	Key Housing Operational Risk	Assessment	
		Likelihood	Impact
1	Failure to meet the Government's Decent Homes Standard by 2010	Very Low	Critical
2	The HRA falling into deficit	Significant	Catastrophic
3	Disaster at a sheltered housing scheme or Homeless Persons Hostels	Low	Critical
4	Failure to provide a service from the Civic Offices, The Broadway Area Housing Office or Careline, perhaps due to a disaster	Low	Critical
5	Major failure of the integrated housing IT system	Very Low	Critical
6	Loss or insolvency of, or poor performance by, a major contractor/supplier	Marginal	Low

7	Technical failure of the Careline Service - equipment for Careline Service provided by one supplier	Very Low	Critical
8	Location of Careline equipment in residents' properties, with no Council control	Significant	Critical
9	Major incident, involving death or serious injury, due to poor health and safety procedures, or a breach of health and safety legislation	Very Low	Critical
10	Significant overspend on a major housing maintenance contract	Very Low	Catastrophic
11	Legal action arising as a result of errors through the use of a variety of forms of contracts	Very Low	Marginal
12	Fraud or corruption	Very Low	Critical
13	Theft of property, equipment or money	Very Low	Critical
14	Loss of important paper records	Very Low	Catastrophic
15	Resorting to the use of bed and breakfast, contrary to Government guidance	Significant	Critical
16	Poor performance by the Building Maintenance DSO, as the main response repairs contractor	Significant	Critical
17	Dissolution of the Tenants and Leaseholders Federation or recognised tenants associations	Low	Marginal
18	Breakdown in communications with residents	Very Low	Negligible
19	Physical or verbal attacks on staff	Very Low	Critical
20	Uninsured losses, especially through subsidence, heave or landslip	Significant	Critical
21	Failure to increase rents in accordance with legislative requirements and within planned timescales	Low	Critical

These assessments have been plotted within the Housing Risk Matrix as shown on the next page, to set a theoretical tolerance line. Those risks in the white boxes above the tolerance line require further scrutiny and action, whereas those in the shaded boxes below the line can be considered to have sufficient controls in place.



### 7.5 Housing Business Continuity Plan

As part of Housing Services' approach to risk management, a Housing Business Continuity Plan has been produced, which complements the Council's Corporate Business Continuity Plan. This sets out in detail:

- Roles and responsibilities of senior staff with corporate management responsibility, and individual service areas
- Working practices by individual service area
- Anticipated threats to service delivery, including the full or partial loss of staff, accommodation, ICT facilities and paper records for each of the sections within Housing Services
- Ways of minimising the threat/risk
- Disaster recovery and priorities - service-wide and for each section
- Initial actions to be taken within the first week following a disaster

### 7.6 Housing Emergency Plan

Separate from the Housing Business Continuity Plan (which considers the way Housing Services will respond to a disaster affecting the Council as an organisation), a Housing Emergency Plan has been produced, which complements the Council's main Emergency Plan, and prescribes Housing Services' arrangements for preparing for, and dealing with, housing-related emergencies that affect the local community. The Housing Emergency Plan also provides essential information that is likely to be required by housing staff in the event of emergencies.

The Housing Emergency Plan covers both minor emergencies out of office hours and major emergencies in or out of office hours. A major emergency is defined as any circumstance where the lives or safety of the public, or their property, may be considered to be endangered by any incident of such magnitude as to be beyond the normal resources of the emergency services, and requires the additional manpower of the District Council. An out of hours minor emergency is defined as an event that cannot wait to be dealt with until the following working day.

The main types of emergencies that may occur and needing a response by Housing Services are:

- Major Emergencies
- Homelessness
- Careline faults
- Minor housing maintenance
- Evacuation / Re-housing
- Severe weather and associated repairs



In the event of a major emergency, the Council's Emergency Response Team (ERT) will be activated. The Head of Housing Services and the Assistant Head of Housing Services (Property & Resources) are the main representatives for Housing Services on the ERT. They will provide the link between the ERT and housing staff dealing with the emergency and will normally be based at the Emergency Control Centre in the Civic Offices. The Assistant Head of Housing Services (Operations) is also a member of the ERT with responsibility for rest centres.

## 8. Financial Plan

---

### 8.1 Introduction

The Council's consultants Beha Williams Norman Ltd (BWNL) have again prepared the Financial Plan on behalf of the Council, which is based on information supplied by the Council from the 2006/7 HRA budget.

### 8.2 The 30-Year Financial Plan – Whole of the HRA

The Council's 30-Year Financial Plan for the whole of the HRA (both as an Operating Account and a Cash Flow) is shown at Appendix 6.

### 8.3 The 30-Year Financial Plan – Disaggregated HRA Asset Groups

In accordance with ODPM Guidance, disaggregated financial forecasts for three HRA asset groups have been formulated. These are for:

- Sheltered housing
- Homeless Hostel
- General needs accommodation

The 30-Year Financial Plans (Cashflows) for these three asset groups are shown at Appendix 7.

### 8.4 Underlying Assumptions

#### *Introduction*

In order to produce a Financial Plan, it is necessary to make assumptions on a variety of issues. The main underlying assumptions used for the Financial Plan are set out below.

#### *Interest Rates*

The recommended rate for RPI of 2.5% has been used throughout the Financial Plan. The discount rate of 6% is that which is recommended by the ODPM. The Consolidated Interest Rate used is 4.81%. The rates are predicted to be constant throughout the Financial Plan to form a basis of consistency with the exception of interest on HRA balances, which reduce from 5.02% to 4.2% to reflect the reduction in the revenue repairs budget. The return on capital rate of 3.5% is that, recommended by CIPFA.

#### *Average Rents & Increases*

The average rent of £64.78 is net of current service charges as at 1<sup>st</sup> April 2006, based on 52 weeks.

The Financial Plan expects, in line with guidance, that actual rents will converge with target rents in Financial Year 2011/12 (Year 6 within the Plan). This is in accordance with the rent restructuring regime introduced five years ago by the Government and updated following the Government's recent three year review.

From the Government's latest subsidy determination, the average target rent for 2006/7 is £73.77, which is £8.99 different from the actual rent. This target rent has been increased by 0.5% above RPI to establish the target rent in 2011/12. Convergence with target rents is not possible by 2011/12, which is due to the

Government setting a maximum increase for individual rental increases of RPI + 0.5% + £2.00 and an overall 5% cap for 2006/7 and 2007/8.

The projected rent increases, including RPI (2.5%), can be seen in the table below:

<b>Rent:</b>	<b>2006.07</b>	<b>2007.08</b>	<b>2008.09</b>	<b>2009.10</b>	<b>2010.11</b>	<b>2011.12</b>	<b>2012.13</b>
<b>Actual</b>	64.78	68.02	71.63	75.43	79.43	<b>83.64</b>	88.08
<b>Target</b>	73.77	75.98	78.26	80.61	83.03	<b>85.52</b>	88.08

These are based on 52-week rent years and sensitised to reflect Right to Buy sales. From Year 11 onwards the target rent increase is 0.5% above RPI and has been agreed as a basis by the Community Housing Task Force.

#### *Voids & Bad Debts*

The figures relate to those in the HRA budget for 2006/7 which translate to:

<b>Type</b>	<b>%</b>	<b>Amount</b>
<b>Voids</b>	0.71%	£162,062
<b>Bad Debts</b>	0.42%	£95,000

These percentages remain consistent throughout the Financial Plan.

#### *Service Charges*

The figures also relate to those in the HRA Budget for 2006/7 which translate to:

<b>Type</b>	<b>Amount</b>
<b>Tenanted</b>	£382,940
<b>Leaseholders</b>	£73,500

These are projected to increase by RPI only, in line with management cost increases.

#### *Other / Miscellaneous Income*

The following assumptions have been made for other sources of income for the HRA:

<b>Source of Income</b>	<b>Amount (2006/7)</b>	<b>Assumed Increases</b>
Non-Dwelling Rents	£2,409,000	Increases by 1.5% (-1% Real)
Supporting People Grant	£661,390	Yrs 2-3 0.25% (-2.25% Real) Then increases by RPI only
Heating Charges	£245,830	Increases by RPI only
Careline alarms	£128,130	Increases by RPI only
Other Income	£121,280	Increases by RPI only
Contribution from General Fund	£285,000	Increases by RPI only

Due to leap years, account has been taken for the additional weeks' rental income that will be generated every 6 years.

#### *Right To Buy*

Based on history, the following levels of Right to Buy per annum have been projected:

<b>Year/s</b>	<b>Sales</b>	<b>Year/s</b>	<b>Sales</b>	<b>Year/s</b>	<b>Sales</b>
1 - 5	30	8	24	16 - 20	15
6	28	9	22	21 - 25	10
7	26	10 - 15	20	26 - 30	5

If actual sales are in line with these assumptions, it would leave the Council with 92% of its existing stock at the conclusion of the Financial Plan.

It should be noted that the HRA Capital Programme does not benefit from the proceeds of Right to Buy

sales, with the exception of transitional relief receipts, which have been identified in the model.

The assumed average sale price is £73,675 after the maximum discount of £34,000 and administration costs have been applied. Property valuations have been assumed to increase by RPI only.

#### *Other Stock Changes*

There are no stock reductions assumed within the Financial Plan (to reflect transfers, demolitions and conversions) apart from a reduction of 26 properties for the proposed Wickfields small scale stock transfer and 6 leasehold properties likely to be repurchased to facilitate the Springfields Improvement Scheme within Year 1 of the Financial Plan.

#### *Subsidy*

#### Management and Maintenance Allowances

With the review of management and maintenance allowances concluded and identified in the latest determinations, the 2006/7 final allowances have been included within the Financial Plan.

The position is as follows:

<b>Allowance</b>	<b>Actual Allowance (p/property)</b>	<b>Target (p/property)</b>	<b>Part 2 Allowance</b>
<b>M&amp;M Repairs</b>	£904.79	£926.76	£59.70
<b>M&amp;M Management</b>	£491.75	£436.49	£28.12

The Part 2 Allowances detailed above have been implemented by the Government to offset the costs of rent restructuring due to guideline rents increasing higher than actual rents to convergence. The 2006/7 Part 2 Allowances represent 6.44% of the Target Allowance. This will fall sharply next year, according to the ODPM, and will reduce to nil in the year of convergence (2011/12). Therefore a Part 2 Allowance of 2% of the Target Allowance has been assumed for 2007/8, reducing by 0.5% per year thereafter.

An analysis of the cost of rent restructuring and the offset through the Part 2 Allowances shows a gain in the region of £408,887 for the Council.

Target allowances have been forecast to increase by RPI only. The Repairs Allowance has been assumed to remain at 97.63% of the Target Allowance throughout the Financial Plan. The Management Allowance is currently higher than the Target Allowance by £55.26. Therefore, according to subsidy guidance, the 2007/8 allowance will be cash restricted and it has been assumed that the 2008/9 allowance will revert to 96.92% of the Target Allowance.

#### Rent Restructuring

The formula rent real increase has been assumed at 0.5% in accordance with the ODPM's guidance. The Financial Plan automatically converges the limit rent and the guideline rent to the formula rent by 2011/12.

Due to the cap restriction of 5% for rent increases for 2006/7 and 2007/8, the Council has included within its HRA Budget a subsidy adjustment of £84,000 for both years, which equates to the cost of not being able to increase rents as required to converge with target rents. This has been entered as "Other Reckonable Expenditure". ODPM was due to release a consultation document in January 2006 detailing how authorities could recover such costs.

No Supported Borrowing Approvals have been included, due the Council's debt free status.

#### Major Repairs Allowance

The 2006/7 Major Repairs Allowance of £676.45 has been used in Financial Plan, and assumed to increase by RPI only.

#### *Supervision & Management Costs*

The costs included in the Financial Plan for general and special management costs reflect those in the 2006/7 HRA Budget. However, in order to reflect savings through the loss of freehold properties due of the

Right to Buy, a variable cost of £37 per unit has been applied to reflect this. Costs are assumed to increase by RPI only, to match the restraints of subsidy allowances.

#### *Miscellaneous Expenses*

The following re-occurring expenses have been included for 2006/7, increasing by RPI only.

<b>Cost</b>	<b>Amount</b>
Rents, Rates & Insurance	£358,150
Pensions Int. less FRS 17 Adjustment	£188,000

#### *Rent Rebates*

Costs to the HRA for housing benefit have been adjusted to reflect the transitional costs of transferring rent rebates from the HRA to the General Fund. These are therefore Nil.

#### *Responsive Repair Costs*

The Council currently operates a Housing Repairs Fund, which is funded by fixed contributions from the HRA and accounts for all revenue repairs expenditure. It is forecast that over the next 5 years actual expenditure will exceed the £5.5 million per year HRA contribution, thus reducing the balances within the Fund.

In 2011/12, the levels of actual expenditure have been reduced by 4% to allow for the remaining balance of the Housing Repairs Fund to be fully utilised. The actual repairs forecast of £962 per property has then been used for Year 2012/13, inflated by RPI only in future years. The experience of the Council's consultant has established that revenue repair costs are usually in the range of £600 to £850 per unit. Therefore, the forecast of £962 is considered comfortable.

#### *Catch Up and Major Works and Improvements*

The analysis of the Council's stock condition survey has been used with regard to full industry standard works based on 7,132 properties. The costs relating to Years 1 - 4 of the Council's Capital Programme have been used, which more than covers the cost of achieving decent homes, including the properties within the Springfields Improvement Scheme.

From Year 5 onwards, 75% of the FPD Savills Stock Condition Survey has been used as an assumed level of expenditure to meet the Decent Homes Standard, having uplifted the June 2002 costs by 14%. Where appropriate, these figures have been amended for stock sensitivities and have 3% added to reflect current levels of procurement fees. It is assumed that major repair costs will increase by RPI only, in line with MRA increases.

The table below shows the forecast for the first year (2006/7) of the Financial Plan for the HRA.

<b>Income</b>	<b>£</b>
Net Rent Income	(22,519)
Other Income	(3,566)
Misc Income	(285)
<b>Expenditure</b>	<b>£</b>
Management	7,031
Depreciation	8,381
Repairs	5,500
Cost of Capital	23,022
Misc Expenses	546
Subsidy	8,343
AMRA	(23,945)
Interest	(390)
MRR Transfer	(3,854)
RCCO	2,150
<b>(Surplus)/Deficit</b>	<b>415</b>

## **8.5 Commentary on the 30-Year Plan**

The 30 Year Financial Plan shows that there is sufficient income to meet the necessary level of expenditure on repairs and maintenance, with the HRA being in a healthy state due to increased subsidy allowances for major repairs and maintenance. The HRA is not estimated to fall into deficit until Year 21 (2026/27), (compared to the forecast of Year 27 (2032/33) in last year's Financial Plan). In any event, at that time, any number of the assumptions could vary significantly.

If the financial state of the HRA were to deteriorate significantly, then consideration may need to be given to a further stock options appraisal, but indications are that major changes to the subsidy system are unlikely until the Decent Homes and rent restructuring are complete, after 2010.

# **9. Reviewing the Business Plan**

---

## **9.1 Introduction**

The HRA Business Plan is a dynamic, working document. Consequently, it is essential that it is reviewed and updated on an annual basis.

In addition, it is very important that progress on the Action Plan and the achievement of performance targets are reviewed throughout the year.

## **9.2 Financial Monitoring**

The Financial Plans for 2006/7 will be monitored throughout the year by officers, the Housing Portfolio Holder and the Cabinet.

## **9.3 Performance Management**

In order to ensure that clients are receiving good levels of service, and to identify any deteriorating performance at an early stage so that actions can be put in place to remedy emerging problems, it is essential to have effective systems to monitor performance. In 2003, the Council introduced a corporate Performance Management Framework.

Prior to this, in April 2000, Housing Services introduced its own Performance Management System, that complements the corporate framework, to monitor key areas of performance throughout the year. These key areas are primarily related to the best value and local performance indicators contained within the Best Value Performance Plan, along with a number of other relevant internal performance management indicators.

Under the regime, performance indicators are collected and collated either on a quarterly basis or, in the case of highly important areas of performance, on a monthly basis. Information on rent arrears and voids loss are collected and monitored fortnightly.

Formal performance management meetings are held at the end of each quarter, between the Head of Housing Services, the relevant Assistant Head of Housing Services and the Housing Manager responsible for the area of activity. Actual quarterly performance is then compared with the targets for the year and areas of under-performance are identified and discussed with the Housing Manager, with an action plan agreed to improve performance in the following quarter.

The Performance Management Reports are provided to members of the Tenants and Leaseholders Federation, and discussed at the scheduled meetings quarterly.

Progress on the achievement of key performance indicators are then monitored quarterly by the Finance and Performance Management Scrutiny Panel.

## **9.4 Project Management- Monitoring the Action Plan**

All special (i.e. non routine) housing projects are detailed in the Housing Services Special Projects Plan. This is a project management tool (using Microsoft Project software) that, for each project, sets out:

- The task
- The officer responsible
- The baseline period for commencement and completion of the task
- The latest anticipated completion date of the task
- The percentage of the task completed to date
- Critical paths and linkage with other task

Housing Managers provide information on progress with each project for which they are responsible on a bi-monthly basis. The Project Plan is then updated and reviewed at a monthly meeting of housing managers, chaired by the Head of Housing Services.

A separate Service Development Monitoring Plan, using Microsoft Project, has been produced to monitor progress with implementing the various tasks set out in the Service Development Plan, following the Best Value Service Review of Housing Services. This is also monitored and updated bi-annually, in the same way as the Special Projects Plan.

A similar plan, the Annual Events Plan, details all activities that must undertaken by Housing Services on a periodic basis (eg annually, quarterly etc) and is also updated and monitored bi-monthly at the same meeting.

### **9.5 Monitoring the Business Plan's Action Plan**

Chapter 10 of this Business Plan sets out a detailed Action Plan. It is important that progress with the Action Plan is monitored. This is done at two levels.

At officer level, the actions are incorporated within the Housing Services Special Project Plan referred to in Section 9.4 above. At member level, the Housing Scrutiny Panel receives and considers a six-month progress report on the Action Plan, around October each year.

### **9.6 The HRA Business Plan Review process**

The review process will commence in January 2006 and will initially be undertaken by the corporate HRA Business Plan Project Team of officers. The draft HRA Business Plan 2006 and Repairs & Maintenance Business Plan 2006 will then be produced, on which the Tenants and Leaseholders Federation will be consulted. The final version will be produced at the end of April 2006.

## **10. Action Plan**

---

### **10.1 Introduction**

Chapter 3 sets out the Council's Corporate and Specific Housing Objectives. The table on the following pages sets out the Council's Action Plan for meeting those objectives over the next few years. The Action Plan is "SMART" (specific – measurable – agreed – realistic – timebound).

HRA Business Plan 2006/7  
ACTION PLAN

Action	Corporate Housing Objective	Responsibility for Achievement	Target Date	Expected Outcome
<b>Housing General</b>				
Undertake a census of Council tenants	HO 2	Principal Housing Officer (Information/Strategy)	Dec 2006	Up to date information on tenants and other occupants of Council properties
Undertake the tri-annual Tenants Satisfaction Survey	HO 1 / 2	Principal Housing Officer (Information/Strategy)	Dec 2006	More up to date information on tenant satisfaction, which can be compared with previous years and other landlords.
Complete the implement of the Service Development Plan, formulated following the Best Value Service Review of Housing Services	HO 1	Head of Housing Services	Sept 2006	Successful implementation of all proposals in the Plan.
<b>Housing Management</b>				
Introduce the Leasehold Services module of the integrated housing IT system	HO 2 / 6	Housing Resources Manager	April 2007	More efficient administration of the leasehold service charges processes. Quicker information provided to leaseholders. Increased management information.
Introduce the Estate Management module for the housing IT system	HO 2	Asst Head of Housing Services (Operations)	April 2007	Improved record keeping, statistics and management reports
Introduce a Harassment Policy for dealing with residents experiencing harassment from Council tenants	HO 2	Asst Head of Housing Services (Operations)	Sept 2006	Approval of the Policy by Cabinet, on the recommendation of the Housing Scrutiny Panel.
Implement a joint choice based lettings scheme, in conjunction with the five neighbouring councils.	HO 2	Asst Head of Housing Services (Operations) / Housing Needs Manager	April 2007	A new Allocations Scheme that gives applicants a choice in applying for available accommodation, using appropriate information technology.
Implement the Introductory Tenancy Scheme, giving new tenants a non-secure tenancy for 12 months.	HO 2	Asst Head of Housing Services (Operations)	July 2006	A new Introductory Tenancy Scheme.

Place the Housing Mutual Exchange Register on the Council's internet, with photos and search facilities	HO 2	Principal Housing Officer (Information/Strategy)	Sept 2006	Easier access for tenants to seek mutual exchanges.
Introduce a facility for tenants to apply for the Housing Register on-line	HO 2	Housing Needs Manager	April 2007	Additional and more convenient way for housing applicants to register for housing
<b>Tenant Participation</b>				
Facilitate the formation of two additional recognised tenants associations within the District	HO 5	Tenant Participation Officer	April 2007	The formation of two tenants associations that meet the Council's recognition criteria and become members of the Tenants and Leaseholder Federation.
Introduce a Rural Tenants Forum comprising representatives in rural locations that have no recognisable estates and where formal associations are difficult to establish.	HO 5	Tenant Participation Officer	April 2007	Formation of the Rural Tenants Forum and the appointment of rural tenant representatives to the Tenants and Leaseholders Federation.
<b>Supporting People and Supported Housing</b>				
Transfer the Council's sheltered housing scheme at Wickfields, Chigwell to Warden Housing, to facilitate an improvement scheme to convert existing bedsits into self contained flats	HO 1 / 2 / 3	Head of Housing Services	July 2006	Receipt of a majority vote in favour of transfer in the ballot and the transfer of the scheme.
Submit at least one tender for the monitoring of alarm systems for other authorities and housing associations by the Council's own Careline Service.	HO 1 / 2	Asst Head of Housing Services (Management)	April 2007	Possible success from tendering exercise, and/or experience of submitting a tender for the Careline Service
<b>Housing Repairs and Maintenance and Energy Efficiency</b>				
<i>HO 3 / 4</i>		<i>See Action Plan within the Repairs and Maintenance Business Plan at Appendix 1</i>		



**Key to Corporate Housing Objectives**

- HO 1 - Best Value
- HO 2 - Housing Management
- HO 3 - Repairs and Maintenance
- HO 4 - Energy Efficiency
- HO 5 - Tenant Participation
- HO 6 - Housing Finance

# 11. Appendices

---

Appendix 1	Repairs and Maintenance Business Plan
Appendix 2	Glossary of Terms
Appendix 3	Key Contact List
Appendix 4	Senior Staff Structure – Housing Services
Appendix 5	Housing Performance Indicators 2006
Appendix 6	30 Year Financial Plan (Whole HRA - Operating Account and Cash Flow)
Appendix 7	30 Year Financial Plan (Asset Groups)

# Appendices

**Repairs & Maintenance Business Plan**

**[ Circulated Separately ]**

Affordable housing	Subsidised housing for rent or shared ownership, for people who cannot afford to purchase a property on the open market.
Arms length management organisations	Companies (or other legal bodies) set up and owned by the Council - but operating separately from it and governed by its own board or committee - to manage services on behalf of the Council.
Asset Management Plan	A plan the Council produces every year, explaining how it manages its non residential land and buildings.
Benchmarking	The process of comparing an organisation's costs and performance with other similar organisations.
Benefits verification framework	A process used by housing benefit sections of local authorities to verify that housing benefit should be paid to an applicant. Applicants have to provide a number of documents to support their housing benefit claim.
Best Value	The process of ensuring the continuous improvement of public services, through service reviews, <i>benchmarking</i> , consultation and inspection.
Black and minority ethnic (BME) groups	Groups of people within local communities whose race is either black, or another race, that is in the minority within the UK.
Cabinet	An important Council committee, comprising ten senior councillors, each responsible for a <i>portfolio</i> , that makes corporate Council decisions.
Capital expenditure	Money spent to buy or improve assets (e.g. land or buildings)
Capital receipt	Money received for the sale of a capital asset (eg land or buildings)
Catch-up repairs	Repairs that should have been undertaken earlier, and now need to be undertaken within the next 5 years.
Choice-based lettings	A scheme whereby people in need of <i>affordable housing</i> can ask to be considered for specific vacant Council or <i>RSL</i> accommodation. This is instead of such accommodation being allocated to applicants on waiting lists on the basis of housing need, with only a very limited choice being given.
CIPFA	The Chartered Institute of Public Finance Accountants. The body that sets the guidelines for Council financial accounts.
Comprehensive Spending Review	A review by the Government on how much money should be spent on all the different types of public services (e.g. housing) over a set period (usually three years).
Crime and Disorder Reduction Partnership	Representatives of local statutory and voluntary organisations with an interest in, or responsibility for, reducing crime within the District, including the Council, Essex Police, Probation Service, Epping Forest CVS, Social Services.
Department of Transport, Local Government and the Regions (DTLR)	The former Government department that has been replaced by the ODPM that had responsibility for formulating and implementing the Government's housing policy at a national level and allocates resources for different national housing programmes.

Direct Service Organisation (DSO)	A Council department that provides the same service as a private contractor, and operates in the same way as a private contractor.
East of England Region	The region of England in which the Epping Forest District is situated, covering the counties of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk.
Egan principles	The principles of improved working practices, advocated by Sir John Egan in his report " <i>Rethinking Construction</i> ".
Floating support	Practical support provided to those in need by a support worker for a temporary period, until such time as the support is no longer required, when the support is discontinued and provided to others who have a need.
Fuel poverty	When a household needs to spend more than 10% of their household income to achieve a satisfactory standard of heating.
General Fund	The Council's financial account that deals with income and expenditure relating to all the Council's services, part of which is the ring fenced <i>HRA</i> .
Halifax House Price Index	A source of information, operated by the HBOS Bank, that provides details of average house prices and house price trends in local areas, based on information providing by mortgage applicants.
Housing association	See <i>Registered Social Landlord</i> .
Housing Corporation	The Government agency that regulates and funds <i>registered social landlords (RSLs)</i> .
Housing Revenue Account (HRA)	The Council's financial account, within the <i>General Fund</i> that deals with income and expenditure relating to the management and maintenance of the Council's housing stock.
Housing Revenue Account (HRA) Business Plan	An annual plan produced by the Council that analyses issues relating to the Council's own housing stock and sets out the objectives, targets, plans, income and expenditure for the management and maintenance of its housing stock over the next 5-30 years.
HRA subsidy	An annual revenue subsidy provided to local authorities by the Government to assist with the management and maintenance of their housing stock.
ISO 9001:2000	An internationally recognised system of ensuring the provision of quality services, that is checked by external assessors.
Major repairs allowance (MRA)	An annual Government subsidy given to local authorities to assist with the maintenance of their housing stock, calculated by a formula based on the type and age of the housing stock.
Office of the Deputy Prime Minister (ODPM)	The Government department that replaced the DTLR and has responsibility for formulating and implementing the Government's housing policy at a national level and allocates resources for different national housing programmes.
Out of charge properties	Properties for which the Council cannot use for a long time, and for which no rent is being received.
Partnering	An <i>Egan principle</i> whereby a client and contractor have a closer relationship, sharing the risk, often avoiding the time and cost of tendering.
Portfolio Holder	A senior councillor, who is a member of the <i>Cabinet</i> , responsible for specific areas of Council work (eg housing, finance etc). The Council has 10 portfolio holders.

Private Finance Initiative (PFI)	A way of enabling private companies to provide large amounts of money to construct or purchase public buildings, and then manage them over a long period, in return for a management fee paid by the public organisation responsible for providing the service.
Prudential borrowing	A new system being proposed by the Government, that would not restrict how much councils could borrow to fund capital expenditure. However, councils would only be able borrow money that they know they could pay back over the years of the loan, from their day-to-day income.
Registered Social Landlord (RSL)	A non-profit making organisation (usually a housing association) that is registered with, and regulated by, the <i>Housing Corporation</i> . They are run by a voluntary Board of Management, and employ professional housing officers to manage the organisation.
Rent restructuring and rent convergence	A Government requirement that all councils and <i>RSLs</i> must re-calculate their rent levels, by reference to individual property values, regional and national earnings, national average rent levels and numbers of bedrooms. Nationally, council and <i>RSLs</i> must also ensure that their rent levels are brought in line with each other by 2010.
Resource accounting	A way of accounting for income and expenditure, that takes into account the value of the assets (e.g. properties) and their depreciation.
“Rethinking Construction”	A report by Sir John Egan on ways to reduce construction costs and improve the quality of construction projects, through different working practices, including <i>partnering</i> .
Revenue contributions to capital outlay (RCCO)	Rental or other income used to pay for capital expenditure.
Right to Buy	A Government scheme that allows Council tenants, who have held tenancies for more than two years, to buy their own home from the Council. Discounts are currently given of up to £34,000, depending on how many years they have held tenancies.
Securitisation	A private sector financing technique which involves the sale of the future rental income in return for finance.
Sheltered housing	Independent accommodation provided to elderly people, with support from a Scheme Manager and an emergency call facility, usually having a communal lounge facility.
Single Capital Pot	An allocation given by Government Offices to local authorities specifying how much the Council can borrow to spend on capital expenditure. Discretion is given to local authorities on what capital schemes the allocation is used for.
Social exclusion	The situation where individuals, or groups of individuals, within the community do not have the means, material or otherwise to participate in social, economic, political or cultural life.
Social Housing – Existing Use Value	A way of valuing Council or housing association properties, taking into account the fact that the rents charged are much lower than for private properties.
Social Housing Grant (SHG)	Capital funding provided to <i>RSLs</i> by the <i>Housing Corporation</i> to enable them to build or acquire <i>affordable housing</i> .
Social inclusion	The process whereby people do not experience <i>social exclusion</i> .
Social landlords	Generally, <i>RSLs</i> and local authorities.

Standard Assessment Procedure (SAP)	A measure of how energy efficient a property is, between a score of 0 –120 (previously 0 –100). A score of 120 is the most energy efficient.
Stock condition survey	A survey of the inside and the outside of some of a council's properties, that gives an indication of the condition of all the properties
Stock Options Appraisal	A process to determine the most appropriate future ownership and management of the Council's housing stock.
Supported housing	Housing where the tenants need help – e.g. sheltered housing for the elderly or housing for people with physically disabled people.
Supporting People	A new Government initiative introduced in April 2003, which brought together sources of funding for supported housing into county-wide “pots” for distribution to supported housing providers within the County, based on locally determined priorities, through agreed contracts. County-wide “commissioning bodies” produce Supporting People Strategies explaining how the funding will be distributed.
Supporting People Commissioning Team	The team of County Council officers responsible for managing and administering <i>Supporting People</i> at the county level.
Target rent	The individual rents for properties that councils and housing associations should aim to charge by 2012, based on a Government formula.
Tenant management organisation (TMO)	Organisations formed and run by groups of tenants to manage and/or maintain their own homes. Budgets are delegated by their landlord and staff can be employed.
Tenants participation compact / agreement (TPA)	Written agreements between <i>social landlords</i> and groups of tenants, at both district and estate level, setting out the agreed approach to tenant participation.
“Very sheltered” housing (Part 2.5 housing)	Sheltered housing for more frail elderly tenants, with additional care and support provided, usually including 24 hour cover.
Void properties	Empty (vacant) properties.



# Contact List

# Appendix 3

## EPPING FOREST DISTRICT COUNCIL CONTACTS Civic Offices, Epping, Essex CM16 4BZ

Subject	Name	Designation	Telephone	e-mail
Area Housing Office (North)	Nich Taylor	Area Housing Manager	01992 564005	ntaylor@eppingforestdc.gov.uk
Area Housing Office (South)	David Barrett	Area Housing Manager	01992 565183	dbarrett@eppingforestdc.gov.uk
Best Value Performance Plan	Steve Tautz	Senior Performance Management Officer	01992 564180	stautz@eppingforestdc.gov.uk
Careline Service	Denise Pegler	Housing Manager (Older Peoples Services)	020 8508 8596	dpegler@eppingforestdc.gov.uk
Chief Executives	John Scott	Joint Chief Executives	01992 564050	jscott@eppingforestdc.gov.uk
	Peter Haywood		01992 564080	phaywood@eppingforestdc.gov.uk
Council Plan	Steve Tautz	Senior Performance Management Officer	01992 564180	stautz@eppingforestdc.gov.uk
Energy Efficiency (Council Properties)	Haydn Thorpe	Housing Assets Manager	01992 564162	hthorpe@eppingforestdc.gov.uk
Head of Housing Services	Alan Hall	Head of Housing Services	01992 564004	ahall@eppingforestdc.gov.uk
HRA Business Plan	Alan Hall	Head of Housing Services	01992 564004	ahall@eppingforestdc.gov.uk
Homelessness	Russell Wallace	Housing Needs Manager	01992 564490	rwallace@eppingforestdc.gov.uk
Housing Finance	Peter Maddock	Asst. Head of Finance	01992 562136	pmaddock@eppingforestdc.gov.uk
Housing Maintenance	Haydn Thorpe	Housing Assets Manager	01992 564162	hthorpe@eppingforestdc.gov.uk
Housing Management	Roger Wilson	Asst Head of Housing Services (Operations)	01992 564419	rwilson@eppingforestdc.gov.uk
Housing Portfolio Holder	Cllr John Knapman	Housing Portfolio Holder	01992 564004	ahall@eppingforestdc.gov.uk
Housing Repairs	Derek Pinner	Housing Repairs Manager	01992 564161	dpinner@eppingforestdc.gov.uk
House Sales	Carol Byrne	Principal Housing Officer (Sales/Lease)	01992 564015	cbyrne@eppingforestdc.gov.uk
Housing Strategy	Alan Hall	Head of Housing Services	01992 564004	ahall@eppingforestdc.gov.uk
Leasehold Services	Carol Byrne	Principal Housing Officer (Sales/Lease)	01992 564015	cbyrne@eppingforestdc.gov.uk
Rents Administration & Strategy	Sandy Lindsay	Housing Resources Manager	01992 564035	slindsay@eppingforestdc.gov.uk
Sheltered Housing	Denise Pegler	Housing Manager (Older Peoples Services)	020 8508 8596	dpegler@eppingforestdc.gov.uk
Supporting People	Roger Wilson	Asst Head of Housing Services	01992 564419	rwilson@eppingforestdc.gov.uk
Tenant Participation	Richard Jones	Tenant Participation Officer	01992 565184	rjones@eppingforestdc.gov.uk

**OTHER PARTNERS CONTACTS**

<b>Organisation</b>	<b>Contact</b>	<b>Tel. No</b>	<b>e-mail</b>
Citizens Advice Bureau – Epping	Tony Jennings	01992 574989	-
Citizens Advice Bureau – Loughton	Susan Britton	0208 502 0031	-
Citizens Advice Bureau – Waltham Abbey	Maureen McDermott	01992 710353	-
Voluntary Action Epping Forest	Sally Yeomen	01992 564178	<a href="mailto:syeoman@eppingforestcvs.org.uk">syeoman@eppingforestcvs.org.uk</a>
Epping Forest Tenants and Leaseholders Federation	Molly Carter	01992 564292	<a href="mailto:csobey@eppingforestdc.gov.uk">csobey@eppingforestdc.gov.uk</a>
Essex County Council Social Services	Kabba Alpha	0208 508 9311	<a href="mailto:kabba.alpha@essexcc.gov.uk">kabba.alpha@essexcc.gov.uk</a>
Essex County Council Supporting People Team	Martin Cooper	01245 240020	<a href="mailto:Martin.Cooper@essexcc.gov.uk">Martin.Cooper@essexcc.gov.uk</a>
GO-East	Martin Lutman	01223 372500	<a href="mailto:mlutman.go-east@go-regions.gsi.gov.uk">mlutman.go-east@go-regions.gsi.gov.uk</a>

## **Senior Staff Structure – Housing Services**

**[ To be inserted ]**

**Housing Performance Indicators 2006-04-12**

**[ To be inserted ]**







Epping Forest District Council  
Business Plan Assumptions

Cashflows for Warden

(expressed in money terms)

Year	Year	Income							Expenses										Operating Surplus (Deficit)		
		Rental Income	Tenanted Service Charge Income	leasehold Service Charge Income	Voids & Bad Debts	Net Rental Income	Other income	RTB Sales Receipts	Total Overall Income	Housing Managt Costs	Service Charge Costs	Other Revenue spend	Responsive Repairs & Maint	Cyclical Repairs & Maint	Catch up Repairs & Maint	Planned Maint	Improve. Type A	Improve. Type B		Other Capital Spend	Total Spend
		£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
1	2006.07	0	1	0	(0)	1	246	0	247	(13)	(10)	(335)	0	0	0	0	0	0	0	(357)	(110)
2	2007.08	0	1	0	(0)	1	252	0	253	(13)	(10)	(343)	0	0	0	0	0	0	0	(360)	(113)
3	2008.09	0	1	0	(0)	1	258	0	260	(14)	(10)	(351)	0	0	0	0	0	0	0	(375)	(116)
4	2009.10	0	1	0	(0)	1	265	0	266	(14)	(11)	(360)	0	0	0	0	0	0	0	(385)	(119)
5	2010.11	0	1	0	(0)	1	271	0	273	(14)	(11)	(369)	0	0	0	0	0	0	0	(394)	(122)
6	2011.12	0	1	0	(0)	1	278	0	280	(15)	(11)	(379)	0	0	0	0	0	0	0	(404)	(125)
7	2012.13	0	1	0	(0)	1	285	0	287	(15)	(11)	(388)	0	0	0	0	0	0	0	(414)	(128)
8	2013.14	0	2	0	(0)	1	292	0	294	(15)	(12)	(398)	0	0	0	0	0	0	0	(425)	(131)
9	2014.15	0	2	0	(0)	2	300	0	301	(16)	(12)	(408)	0	0	0	0	0	0	0	(435)	(134)
10	2015.16	0	2	0	(0)	2	307	0	309	(16)	(12)	(418)	0	0	0	0	0	0	0	(446)	(138)
11	2016.17	0	2	0	(0)	2	315	0	316	(17)	(13)	(428)	0	0	0	0	0	0	0	(457)	(141)
12	2017.18	0	2	0	(0)	2	323	0	324	(17)	(13)	(439)	0	0	0	0	0	0	0	(469)	(145)
13	2018.19	0	2	0	(0)	2	331	0	332	(17)	(13)	(450)	0	0	0	0	0	0	0	(481)	(148)
14	2019.20	0	2	0	(0)	2	339	0	341	(18)	(14)	(461)	0	0	0	0	0	0	0	(493)	(152)
15	2020.21	0	2	0	(0)	2	347	0	349	(18)	(14)	(473)	0	0	0	0	0	0	0	(505)	(156)
16	2021.22	0	2	0	(0)	2	356	0	358	(19)	(14)	(485)	0	0	0	0	0	0	0	(518)	(160)
17	2022.23	0	2	0	(0)	2	365	0	367	(19)	(15)	(497)	0	0	0	0	0	0	0	(530)	(164)
18	2023.24	0	2	0	(0)	2	374	0	376	(20)	(15)	(509)	0	0	0	0	0	0	0	(544)	(168)
19	2024.25	0	2	0	(0)	2	383	0	385	(20)	(15)	(522)	0	0	0	0	0	0	0	(557)	(172)
20	2025.26	0	2	0	(0)	2	393	0	395	(21)	(16)	(535)	0	0	0	0	0	0	0	(571)	(176)
21	2026.27	0	2	0	(0)	2	403	0	405	(21)	(16)	(548)	0	0	0	0	0	0	0	(586)	(181)
22	2027.28	0	2	0	(0)	2	413	0	415	(22)	(17)	(562)	0	0	0	0	0	0	0	(600)	(185)
23	2028.29	0	2	0	(0)	2	423	0	425	(22)	(17)	(576)	0	0	0	0	0	0	0	(615)	(190)
24	2029.30	0	2	0	(0)	2	434	0	436	(23)	(17)	(590)	0	0	0	0	0	0	0	(631)	(195)
25	2030.31	0	2	0	(0)	2	445	0	447	(23)	(18)	(605)	0	0	0	0	0	0	0	(646)	(199)
26	2031.32	0	2	0	(0)	2	456	0	458	(24)	(18)	(620)	0	0	0	0	0	0	0	(663)	(204)
27	2032.33	0	2	0	(0)	2	467	0	470	(25)	(19)	(636)	0	0	0	0	0	0	0	(679)	(210)
28	2033.34	0	2	0	(0)	2	479	0	481	(25)	(19)	(652)	0	0	0	0	0	0	0	(696)	(215)
29	2034.35	0	3	0	(0)	2	491	0	493	(26)	(20)	(668)	0	0	0	0	0	0	0	(713)	(220)
30	2035.36	0	3	0	(0)	3	503	0	505	(26)	(20)	(685)	0	0	0	0	0	0	0	(731)	(226)



Epping Forest District Council  
 Business Plan Assumptions  
 Cashflows for Norway Hse  
 (expressed in money terms)

Year	Year	Income							Expenses										Operating Surplus (Deficit) £,000		
		Rental Income £,000	Tenanted Service Charge Income £,000	Household Service Charge Income £,000	Voids & Bad Debts £,000	Net Rental Income £,000	Other income £,000	RTB Sales Receipts £,000	Total Overall Income £,000	Housing Managt Costs £,000	Service Charge Costs £,000	Other Revenue spend £,000	Responsive Repairs & Maint £,000	Cyclical Repairs & Maint £,000	Catch up Repairs & Maint £,000	Planned Maint £,000	Improve: Type A £,000	Improve: Type B £,000		Other Capital Spend £,000	Total Spend £,000
1	2006.07	72	2	0	(1)	73	201	0	274	(24)	(18)	(23)	0	0	0	0	0	0	0	(65)	209
2	2007.08	73	2	0	(1)	75	202	0	277	(24)	(18)	(24)	0	0	0	0	0	0	0	(66)	210
3	2008.09	75	2	0	(1)	77	202	0	279	(25)	(19)	(25)	0	0	0	0	0	0	0	(68)	211
4	2009.10	77	2	0	(1)	79	209	0	287	(25)	(19)	(25)	0	0	0	0	0	0	0	(70)	218
5	2010.11	79	3	0	(1)	81	212	0	293	(26)	(20)	(26)	0	0	0	0	0	0	0	(72)	221
6	2011.12	81	3	0	(1)	83	218	0	300	(27)	(20)	(27)	0	0	0	0	0	0	0	(73)	227
7	2012.13	83	3	0	(1)	85	223	0	308	(27)	(21)	(27)	0	0	0	0	0	0	0	(75)	233
8	2013.14	85	3	0	(1)	87	229	0	316	(28)	(21)	(28)	0	0	0	0	0	0	0	(77)	239
9	2014.15	87	3	0	(1)	89	235	0	324	(29)	(22)	(29)	0	0	0	0	0	0	0	(79)	244
10	2015.16	89	3	0	(1)	91	242	0	333	(29)	(22)	(29)	0	0	0	0	0	0	0	(81)	252
11	2016.17	92	3	0	(1)	94	246	0	340	(30)	(23)	(30)	0	0	0	0	0	0	0	(83)	257
12	2017.18	94	3	0	(1)	96	253	0	348	(31)	(23)	(31)	0	0	0	0	0	0	0	(85)	263
13	2018.19	96	3	0	(1)	98	259	0	357	(32)	(24)	(32)	0	0	0	0	0	0	0	(87)	270
14	2019.20	99	3	0	(1)	101	265	0	366	(32)	(25)	(32)	0	0	0	0	0	0	0	(89)	277
15	2020.21	101	3	0	(1)	103	272	0	375	(33)	(25)	(33)	0	0	0	0	0	0	0	(92)	284
16	2021.22	104	3	0	(1)	106	279	0	385	(34)	(26)	(34)	0	0	0	0	0	0	0	(94)	291
17	2022.23	106	3	0	(1)	108	286	0	395	(35)	(27)	(35)	0	0	0	0	0	0	0	(96)	298
18	2023.24	109	3	0	(1)	111	293	0	404	(36)	(27)	(36)	0	0	0	0	0	0	0	(99)	306
19	2024.25	112	4	0	(1)	114	301	0	415	(37)	(28)	(37)	0	0	0	0	0	0	0	(101)	313
20	2025.26	114	4	0	(1)	117	308	0	425	(38)	(29)	(37)	0	0	0	0	0	0	0	(104)	321
21	2026.27	117	4	0	(1)	120	316	0	436	(39)	(29)	(38)	0	0	0	0	0	0	0	(106)	329
22	2027.28	120	4	0	(1)	123	324	0	446	(40)	(30)	(39)	0	0	0	0	0	0	0	(109)	338
23	2028.29	123	4	0	(1)	126	332	0	458	(41)	(31)	(40)	0	0	0	0	0	0	0	(117)	346
24	2029.30	126	4	0	(1)	129	340	0	469	(42)	(32)	(41)	0	0	0	0	0	0	0	(114)	355
25	2030.31	129	4	0	(2)	132	349	0	481	(43)	(32)	(42)	0	0	0	0	0	0	0	(117)	363
26	2031.32	133	4	0	(2)	135	357	0	493	(44)	(33)	(43)	0	0	0	0	0	0	0	(120)	373
27	2032.33	136	4	0	(2)	139	366	0	505	(45)	(34)	(45)	0	0	0	0	0	0	0	(123)	382
28	2033.34	139	4	0	(2)	142	375	0	518	(46)	(35)	(46)	0	0	0	0	0	0	0	(126)	391
29	2034.35	143	5	0	(2)	146	385	0	531	(47)	(36)	(47)	0	0	0	0	0	0	0	(130)	401
30	2035.36	147	5	0	(2)	150	394	0	544	(48)	(37)	(48)	0	0	0	0	0	0	0	(133)	411



**Epping Forest  
District Council**

Civic Offices, High Street,  
Epping, Essex CM16 4BZ  
Telephone: 01992 564000

[www.eppingforestdc.gov.uk](http://www.eppingforestdc.gov.uk)