

Report to Housing Scrutiny Panel

Date of meeting: 28th January 2013

Portfolio: Housing – Cllr D. Stallan

Subject: Housing Improvements and Service Enhancements Fund – 2013/14

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Committee Secretary: Mark Jenkins (01992 56 4607)



Recommendations:

(1) That the following recommendations be made to the Cabinet:

(a) That, in future, the budget for housing improvements and service enhancements be operated as a Housing Improvements and Service Enhancements Fund, and operated in a similar way to the General Fund's District Development Fund (DDF), with;

(i) The Housing Revenue Account (HRA) contributing an agreed amount to the Fund each year, based on the estimated surplus available through the HRA Financial Plan;

(ii) The Cabinet agreeing the amount to be contributed to the Fund each year for housing improvements/service enhancements; and

(iii) Any underspends or overspends on the Fund at the end of the year being carried forward within the Fund to the following year;

(b) That the progress and latest out-turn forecasts for each of the housing improvement and service enhancement projects agreed for 2012/13, provided at Appendix 1, be noted;

(c) That the associated expenditure for any further slippages on individual projects in 2012/13 be carried forward to complete the projects in 2013/14;

(d) That the proposed list of housing improvements and service enhancements for 2013/14 and the associated recommendations for each project, set-out in Appendix 1, be approved, including the creation of a Major Capital Housing Projects Reserve; and

(e) That, at its meeting in January 2014, the Housing Scrutiny Panel be asked to consider and recommend to the Cabinet the proposed use of the Housing Improvements and Service Enhancements Fund for 2014/15;

(2) That the Scrutiny Panel's report to the Cabinet be based on the content of this report to the Scrutiny Panel; and

(3) That the Chairman of the Scrutiny Panel presents the Scrutiny Panel's report to the Cabinet on the 15th April 2013.

Summary:

When the Cabinet agreed the strategic approach for the Council's new 30-Year HRA Financial Plan, it asked the Housing Scrutiny Panel to consider and recommend to the Cabinet a proposed list of housing improvements and service enhancements, utilising the additional funding of £770,000 per annum made available as a result of HRA self-financing.

The Housing Scrutiny Panel formulated a proposed list of 15 separate housing improvements and service enhancements, which were subsequently approved by the Cabinet. An out-turn report on the forecast expenditure and the progress made on these projects is provided at Appendix 1.

The Cabinet also asked the Scrutiny Panel to consider and recommend further housing improvements and service enhancements to be undertaken in 2013/14, funded from the additional HRA resources available next year. Proposals for the use of the £570,000 available for new projects next year are provided in Appendix 2, with a summary of the costs provided at Appendix 3.

It is also proposed that, in future, the budget be utilised as a Housing Improvements and Service Enhancements Fund, and operated in a similar way to the General Fund's District Development Fund (DDF), with the HRA contributing an agreed amount to the Fund each year, based on the estimated surplus available through the HRA Financial Plan.

Reasons for Proposed Decision:

Additional resources of £570,000 are available within the new HRA Financial Plan, to spend on additional housing improvements and service enhancements in 2013/14.

Other Options for Action:

To agree a different list of improvements and service enhancements, or to allocate funding differently between the proposed schemes.

Background

1. At its meeting in December 2011, the Cabinet approved the strategic approach to the new 30-Year HRA Financial Plan, in readiness for the introduction of self-financing for the HRA from April 2012. The approach agreed was to plan the repayment of the required loans to the Public Works Loan Board (PWLB) - to be taken out to fund the CLG's required debt settlement - over a 30-year period. This was to enable the Council to not only maintain the Council's housing stock to a full, modern standard; implement a new Council Housebuilding Programme; and allow a lower rent increase in April 2012 (6%) than assumed by the Government; but to also fund an additional £770,000 per annum of housing improvements and service improvements.

2. The Cabinet asked the Housing Scrutiny Panel to consider and recommend a proposed list of housing improvements and service enhancements to the Cabinet, utilising the additional funding, which the Scrutiny Panel did in March 2012 and its report and recommendations were considered (and agreed) by the Cabinet in April 2012.

3. The proposed list of improvements comprised a mix of capital and revenue projects, requiring both one-off expenditure over 1-2 years and ongoing annual expenditure, which focused on proposals that would provide a direct and demonstrable benefit to the Council's tenants. The inclusion of one-off projects enabled the funding allocated to these projects to

be utilised for other one-off or ongoing projects in future years, from the overall £770,000 annual budget.

4. At the same time as agreeing the Scrutiny Panel's proposals for 2012/13, the Cabinet also asked the Housing Scrutiny Panel to consider and recommend to the Cabinet at this meeting the proposed use of the Housing Improvements and Service Enhancements Fund for 2013/14.

5. The purpose of this report to the Scrutiny Panel is to:

- Consider the future treatment of the Housing Improvements and Service Enhancements Budget as a fund;
- Report on the progress made with the housing improvements and service enhancements for 2012/13;
- Provide anticipated out-turns of expenditure for both individual projects and the programme as a whole; and
- Recommend the use of the Housing Improvements and Service Enhancements Fund for 2013/14, including the introduction of a Major Capital Housing Projects Reserve

Future treatment of the Housing Improvements and Service Enhancements Budget as a "fund"

6. The estimated amount available to the Housing Improvements and Service Enhancements Budget each year is, in effect, a balancing figure for the Housing Revenue Account (HRA) as a whole, over the 30-year period of the HRA Financial Plan. So, if net costs within the HRA over the 30 years are higher than previously forecast (or if income is lower), the amount available for new projects under the Housing Improvements and Service Enhancements Budget each year can be reduced. Conversely, if net costs are lower (or if income is higher) the budget can be increased, in order to achieve the Council's prime strategic objectives for the HRA - which are to ensure that the PWLB loans can be repaid when they mature and that the HRA does not accrue balances (surpluses) that are higher than necessary.

7. Since housing-related income and expenditure is ring-fenced to the HRA, and the Council has a policy of achieving rent convergence by April 2017, any annual HRA surpluses that are not required for any specific purpose therefore need to be spent, otherwise they simply result in increased HRA Balances – which is why the Housing Improvements and Service Enhancements Budget was introduced from 2012/13.

8. However, since the amount available each year will vary (for the reasons given above) and because some projects will inevitably cost less or more than originally envisaged, or slip, it is suggested that in future the budget should be operated as a Housing Improvements and Service Enhancements **Fund**, and operated in a similar way to the HRA's Housing Repairs Fund and the General Fund's District Development Fund (DDF). This would mean that, each year, the HRA would contribute an agreed amount to the Fund (based on the estimated surplus available through the HRA Financial Plan) and the Cabinet would agree the amount to be spent from the Fund on housing improvement and service enhancements projects in the following year. If there are any underspends on the Fund at the end of the year, they would be carried forward into the following year; if there are any overspends (which would need to be funded from HRA Balances), the contribution from the HRA would be reduced the following year by the total amount overspent. This approach will give greater flexibility, whilst still ensuring budgetary control.

Progress with the Housing Improvements and Service Enhancements Budget 2012/13 and anticipated out-turns

9. The Cabinet agreed the Housing Scrutiny Panel's recommendation that 14 housing improvements and service enhancements be undertaken in 2012/13. Since this list was not approved by the Cabinet until after the commencement of the current financial year, very good progress has been made with all of the projects over the remaining period of the year.

10. Appendix 1 provides a list of the agreed improvements/enhancements for 2013/4, together with the original budget and the latest forecast expenditure for each project. It also provides a brief progress report for each project in the last column. It should be noted that, in actual fact, following the Cabinet's agreement to the use of the budget, the costs for each project have since been transferred to the relevant HRA budget headings.

11. The following summarises the budget position for the overall 2012/13 Programme:

Original budget 2012/13	£770,000
Latest anticipated expenditure forecast	£674,000
Savings/slippage to be carried forward to 2013/14	£96,000

12. The main slippage to be carried forward is £85,000 for the acceleration of the mains-powered smoke detector installation programme, which is mainly due to the amount of installations required and the late approval of the expenditure for 2012/13 by the Cabinet (April 2012) – which was always going to be challenging. The remaining savings in 2012/13 are due to projects with ongoing revenue expenditure commencing later than envisaged, although some savings are simply due to the costs being less than envisaged (e.g. the installation of key safes at sheltered housing schemes). The expenditure on some projects was marginally higher than budgeted, and the Housing Portfolio Holder also approved the use of the Improvements and Enhancement Budget for two additional projects (funded from anticipated underspends on the 2013/14 Budget) during the year – namely the funding of further “key deliverables” under the Housing Repairs Management Contract and the funding of the Locata Hosting System for the management of the Council's Housing Register, in readiness for the implementation of the Council's new Housing Allocations Scheme.

Proposals for the use of the Housing Improvements and Service Enhancements Fund 2013/14

13. When the HRA Financial Plan was produced in March 2012, it identified that an additional £750,000 p/a should become available for improvements/ enhancements from April 2013 – on top of the £770,000 p/a from April 2012. However, the latest iteration of the HRA Financial Plan has identified that it is no longer possible to fund an additional £750,000 per annum from April 2013 (which re-inforces the need to treat the Housing Improvements and Service Enhancements Budget as a Fund, and the importance of having a long-term HRA Financial Plan, which is regularly reviewed and updated). This is mainly due to:

- Rental income to the HRA from dwelling rents over the 30-year period of the Financial Plan being less than previously forecast;
- The requirement to repay part of the loan portfolio (£31.2m) in 2021/22 (instead of after 30 years);
- A higher capital expenditure requirement; and
- A higher bad debt provision being required, due to the effects of the welfare reforms.

14. Nevertheless, since many of the improvement/enhancement projects agreed for 2012/13 were “one-off” projects, not requiring ongoing revenue funding, and due to there being some delays in commencing of the 2012/13 projects, there is still some substantial funding available for new improvement/enhancement projects from April 2013/14. Furthermore, the actual RPI figure to be used for the 2013/14 rent increase was slightly

higher than forecast within the last iteration of the HRA Financial Plan (i.e. 2.6% instead of 2.5%), which results in a small additional amount of £30,000 that can be made available to the Fund.

15. The following table summarises the position for the Housing Improvements and Service Enhancements Fund in 2013/14:

Base budget position (Financial Plan – March 2012)	£770,000		
Additional available due to 0.1% higher RPI	£30,000		
Revised 2013/14 base budget		£800,000	
Amount required due to costs of 2012/13 projects (ongoing and 2 nd year)		(£221,000)	
Underspend from 2012/13 projects (savings and slippage)		£96,000	
Slippage from 2012/13 projects into 2013/14		(£105,000)	
Available for new projects from 2013/14 (p/a)			£570,000

16. Although £580,000 per annum is available from 2013/14, the Cabinet has already agreed that one-off and ongoing revenue expenditure of £163,000 to deliver the following projects within the Cabinet's Welfare Reform Mitigation Action Plan should be met from the Fund in 2013/14:

Project	Type of Cost	Amount 2013/14
Additional 2 Housing Management Officers	Annual	£56,000
Increase in budget provision for financial incentives for downsizing	Annual	£22,000
Grant to CAB to employ 2 Debt Advisors for 18 months	2 years	£67,000
Direct Debit Marketing Campaign	One-off	£10,000
Census of Tenants	One-off	£5,000
Purchase of Welfare Reform Personal Calculators	One-off	£3,000
Total		£163,000

17. Therefore, this leaves £407,000 available to spend on further new housing improvements and service enhancements in 2013/14. Following consultation with the Housing Management Team and all the Housing Managers, the new projects for 2013/14 listed at Appendix 2 are put forward for recommendation to the Cabinet. For each proposal, a description is provided, together with details of the one-off and/or ongoing annual funding required, and whether the expenditure is capital and/or revenue. At the end of each proposal, the formal recommendation(s) relating to the proposal is provided in bold.

18. Appendix 3 provides a spreadsheet with each of the proposals listed, showing the one-off and ongoing expenditure for each of the next three financial years.

19. It should be noted that, even utilising all of the resources available to the Fund in 2013/14, there will still be a further £64,000 and £77,000 available to spend in 2014/15 and 2015/16 respectively, based on current forecasts. Furthermore, the last update to the Financial Plan in October 2012 identified that the contribution to the Fund can be increased by £1.5million per annum from April 2022.

20. It is therefore proposed that a further recommendation be made to the Cabinet that, at its meeting in January 2014, the Housing Scrutiny Panel be asked to consider and recommend to the Cabinet the use of the Housing Improvements and Service Enhancements Fund for 2014/15.

21. As was the case last year, it is also suggested that the Scrutiny Panel's report to the Cabinet be based on the content of this report, and that the Chairman of the Scrutiny Panel presents the Scrutiny Panel's report to the Cabinet on the 15th April 2013.

Resource Implications:

£570,000 per annum available for new projects in 2013/14, as included within the HRA Financial Plan and HRA Budget 2013/14.

Legal and Governance Implications:

Localism Act 2012
Local Government and Housing Act 1989
Housing Act 1985

Safer, Cleaner and Greener Implications:

The proposed appointment of a Senior Cleaner will result in a better cleaning service at the Council's sheltered housing schemes and housing estates.

The proposed renewal of lounge furniture at sheltered housing schemes will minimise accidents occurring due to faulty chairs and ensure that lounge chairs comply with the latest health and safety requirements.

The use of funding from the proposed Major Capital Housing Projects Reserve is likely to include elements that provide a safer, greener and/or cleaner environment.

Consultation Undertaken:

The Tenants and Leaseholders Association has previously supported the concept of the Housing Improvements and Service Enhancements Budget. It has not been possible to consult the Federation on the proposals within this report, due to the next scheduled meeting not being held until 26th February 2013. However, the Federation will be consulted on the Scrutiny Panel's subsequent report to the Cabinet, and any comments from the Federation will be reported orally at the Cabinet meeting.

Background Papers:

None.

Impact Assessments:

Risk Management

The identified risks are:

Appointment of Senior Cleaner	The usual risks associated with the employment of staff. No additional risks to those arising with the Council's existing cleaners.
Renewal of lounge chairs	Minimal
In-House Fund	Depends on the projects undertaken
Major Capital Housing Projects Fund	Depends on the projects undertaken

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?

N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

N/A

Housing Improvements and Service Enhancements Budget
2012/13 Programme Costs - Progress Report
(November 2012)

No.	Proposal	Reporting Officer		£000's						Capital or Revenue	Current Position / Progress Report (inc reasons for slippage/overspend/underspend)
				2012/13		2013/14		2014/15			
				One-off	Ongoing	One-off	Ongoing	One-off	Ongoing		
1	Acceleration of Mains-Powered Smoke Detector Installation Programme	Paul Pledger	Original	325						C	Works are progressing at a reasonable pace. However, it is anticipated that around £85k will need to be carried forward into 2013/14 mainly due to access difficulties.
			Latest	240		85					
2	Handyperson Scheme for older and disabled tenants	Paul Pledger	Original	13	78		78		78	C / R	EFDC Handyperson started 19 November 2012, pro-rata costs (salary, materials and vehicle running costs) for 5 months £17,500 (2012/13). One off expenditure £13,000 will be spent prior to March 2013. VAEF confirmed £24.5k costs for this year.
			Latest	13	42		78		78		
3	Increased Disabled Adaptations Budget	Haydn Thorpe	Original	75						C	Works have been allocated to this budget some completed. Expenditure on target for the end of the financial year.
			Latest	75							
4	Conversion of communal toilets for disabled use	Haydn Thorpe	Original	40						C	Feasibility studies on 4 schemes completed. Two schemes are out to tender and on target for completion this year. Likely that £20,000 will need to be carried forward to 2013/14 for the other 2 schemes
			Latest	20		20					
5	Refurbishment of Jessopp Court common room and kitchen	Haydn Thorpe	Original	35						C	Works have commenced and due for completion this year.
			Latest	35							
6	Expansion/refurbishment of Princesfield Estate play area	Roger Wilson	Original	30	2		2		2	C / R	The scheme is due to commence in January 2013 and is on target to achieve the spend by the end of the year.
			Latest	30	0		2		2		
7	Making existing Housing Fraud Officer post permanent and full time	Jackie Manning	Original		8		8		8	R	Completed
			Latest		6		10		10		
8	Creation of Senior Housing Officer (Social Housing Fraud) post	Jackie Manning	Original		18		29		29	R	Completed
			Latest		21		31		31		
9	Installation of Key Safes at sheltered housing schemes	Denise Pegler	Original	25						R	Key safe installations commenced September and will be completed by November. Underspend anticipated - cost of Key safes less than expected.
			Latest	15							
10	Creation of Housing Underoccupation Officer post	Denise Pegler	Original		16		25		25	R	JD, Person Spec, Limits of Authority completed. Slippage due to job evaluation issues. These should be resolved November with a view to appoint and commence employment Jan 13.
			Latest		6		24		24		
11	Increased Estate Improvements and Enhancements Budget	Rachel Smith	Original		20		20		20	R	There is presently a £6,000 underspend on the overall budget of £44,340. However there a number of estate improvements / enhancements identified which should correct this position by the year-end
			Latest		20		20		20		
12	Expansion of the VAEF's Garden Maintenance Scheme for Older and Disabled Tenants	Roger Wilson	Original	20		20				R	Budget transferred to VAEF who are recruiting additional volunteers. They may have to carry some of the budget forward to next year as they had insufficient time to put the arrangements in place for the increased service.
			Latest	20		20					
13	Provision of additional dog waste bins on housing estates	David Barrett	Original	8	7		7		7	R	All bins now installed at cost of £7,200. No ongoing costs at present as maintenance of bins can be included in current contract until approx November 2013
			Latest	7	0		3		7		
14	Grant for Furniture Recycling Scheme	Alan Hall	Original	10						R	The Lighthouse Furniture Project (which is assisting Epping Forest Re-use) is close to leasing premises in Epping and will launch the scheme in Feb 2013. A request to release the grant is expected.
			Latest	10							
15	In-Year Housing Improvements and Enhancements Fund	Alan Hall	Original	40						C / R	Completed - Office moves (£25k). Proposed - Housing Options backscanning (£5k) + On-line rents system (£10k)
			Latest	40							
New	Repairs Management Contract - Additional Key Deliverables 2012	Paul Pledger	Original	0	0	0	0		0	R	Housing P/H agreed (Nov 2012) expenditure to be funded from underspend on Enhancement Budget, on recommendations of Repairs Advisory Group
			Latest	31	18	10	23		23		
New	Locata Hosting System	Roger Wilson	Original	0						R	Housing P/H agreed (Nov 2012) expenditure to be funded from underspend on Enhancement Budget
			Latest	25							

Proposed List of Housing Improvements and Service Enhancements

2013/14

(1) Appointment of Senior Cleaner

One-off cost(s):	Nil
Annual cost:	£16,500 p/a (Subject to Job Evaluation)
Form of expenditure:	Revenue

1. The Council provides a cleaning service at all of its sheltered housing schemes and a number of housing estates. The service at sheltered housing schemes includes the cleaning of all communal areas, mainly the lounge(s), corridors, guest room(s), laundry room etc, and the public toilets. Cleaning on housing estates is provided by four Mobile Cleaners in two vans, who visit different designated Council-owned blocks on housing estates each day and clean the communal areas and walkways, for which tenants and leaseholders pay a service charge.

2. All cleaning staff report to the appropriate Area Housing Manager and are employed on either a full-time or part-time basis (on varying hours, depending upon the size of the sheltered scheme and the amount of cleaning to be undertaken). When cleaning staff are absent through annual leave, sickness, or staff vacancies it has proven to be extremely difficult to cover the work - which has led to a reduction in service and a number of complaints received from residents.

3. Indeed, during periods of staff absences, the Mobile Cleaners have provided cover at the schemes, which has taken them away from their normal duties. This has resulted in a reduced level of service on estates. In the past, the Council has also employed external cleaning companies to undertake cleaning duties, at a higher cost than the Council's cleaners undertaking the service. Moreover, Scheme Managers have often had to clean public toilets at sheltered schemes when no other staff have been available, which is not part of their duties and is considered to be unacceptable.

4. In addition, the latest Tenant Satisfaction Survey identified the Council's cleaning service as one of the few areas of the Housing Service needing improvement. One of the problems is that, due to the other commitments and staffing responsibilities of the Area Housing Managers, they are unable to devote as much time as they would like, and is needed, to supervise the work of the cleaners.

5. It is therefore proposed that, in order to improve the cleaning service offered to residents, a new full-time post of Senior Cleaner be created, who would generally supervise the work undertaken by cleaning staff and deal with day-to-day staffing issues, but predominantly undertake cleaning at sheltered housing schemes and on estates him/herself when cleaners are absent. He/she would also arrange the procurement and distribution of cleaning materials for all cleaning staff, which is currently managed by staff at the Council's Careline emergency alarm centre.

Recommendation:

That a full time Senior Cleaner post be created from 1 April 2013, at a cost (subject to job evaluation) of approximately £16,500 per annum, including on-costs.

(2) Renewal of lounge chairs – Communal lounges at sheltered housing schemes

One-off cost(s):	£10,000 p/a (for three years)
Annual cost:	Nil
Form of expenditure:	Revenue

1. The sheltered housing budget is a small budget of £25,000 per annum, which is used to purchase all soft furnishings including, curtains, carpet, chairs as well as equipment for the communal laundries and kitchen's in the Council's sheltered housing schemes.

2. The easy chairs that are currently in use in the communal lounges are between 15 – 20 years old. Although of good quality, many are no longer fit for purpose; the chairs are too low to the ground, making them difficult to get in and out - especially for older people. The webbing (which is the main support) often breaks, which costs around £70 per chair to replace. Since the fabric is non-washable, some of the chairs are stained. Given the age of the furniture, there is also the risk that the foam in the cushions of some chairs may not meet current health & safety requirements.

3. There are approximately 25 easy chairs at each scheme; to replace these would cost around £200 per chair, amounting to £50,000 in total. It is therefore proposed that a replacement programme be undertaken, at a cost of £10,000 per annum for at least the next three years.

Recommendation:

That the sheltered housing budget be increased by £10,000 per annum for the next three years, to fund a replacement programme to renew the lounge chairs at the Council's sheltered housing schemes.

(3) In-Year Housing Improvements and Enhancements Fund

One-off cost(s):	Nil
Annual cost:	£50,000
Form of expenditure:	Capital / Revenue

1. Last year, a small part of the Housing Improvements and Service Enhancements budget was set aside as an In-Year Fund for small additional projects of benefit to tenants that may be identified during the course of the year by members and officers. This was to enable the projects to be undertaken quickly, rather than having to wait until the commencement of the following financial year. It was also agreed that any individual one-off projects costing in excess of £10,000 had to be formally authorised by Housing Portfolio Holder.

2. As shown in Appendix 1, the In-Year Fund has been used during 2012/13 to fund:

- An on-line facility for tenants to access their rent account;
- The backscanning of Housing Options files to free-up an additional interview room at the Civic Offices for visitors; and
- Essential conversion works to accommodate additional Housing Assets staff to deliver the enhanced Housing Maintenance Programme.

3. It is likely that further small additional projects will be identified during next year and it is suggested that a similar In-Year Fund be provided in 2013/14.

Recommendations:

(a) That a further In-Year Housing Improvements and Enhancements Fund be set aside and used to undertake small additional housing improvements and enhancements identified during the course of the year by members and officers that benefit tenants; and

(b) That the Director of Housing be authorised to determine the use of the Fund for such housing improvements and enhancements, subject to any individual projects above £10,000 being authorised by Housing Portfolio Holder.

(4) Major Capital Housing Projects Reserve

One-off cost(s): Nil
Annual cost: £330,000-£350,000 (2013/14 – 2015/16)
Form of expenditure: Capital

1. Although the HRA Financial Plan makes provision for increased capital expenditure on individual properties within the Council's housing stock, in order to ensure that they meet the full, modern standard (a higher standard than the Decent Homes Standard), no provision has been made for major capital housing schemes within the Plan. The need for major capital schemes occurs from time-to-time, and include the recent major improvement scheme at Springfields, Waltham Abbey and small scale stock transfers of sheltered housing schemes to housing associations to enable conversion and improvement works to be undertaken.

2. It is therefore suggested that part of the Fund be allocated to a Major Capital Housing Projects Reserve, which would enable resources to be accumulated and available when required for major capital housing projects. It is further proposed that the use of the Reserve for major schemes must have the approval of the Housing Portfolio Holder.

3. In fact, there is a need for capital funding to be made available in 2013/14 and 2014/15 to fund a proposed conversion scheme of 20 bedsits into 10 self-contained flats at Marden Close, Chigwell Row, subject to the approval of the Cabinet and the new Council Housebuilding Cabinet Committee. The Cabinet will be receiving a report from the Housing Portfolio Holder on the proposed conversion scheme at its meeting on 4th February 2013. It is proposed that, subject to the Cabinet agreeing to proceed in principle with the scheme, this conversion scheme has the first call on the Reserve.

Recommendations:

(a) That a Major Capital Housing Projects Reserve be established, funded from the Housing Improvements and Service Enhancements Fund, to enable resources to be accumulated and available when required for major capital housing projects;

(b) That the following resources be allocated to the Reserve, initially, over the following three years:

2013/14	-	£330,000
2014/15	-	£340,000
2015/16	-	£350,000

(c) That the use of the Reserve for major schemes must have the approval of the Housing Portfolio Holder, and that delegated authority be given to the Housing Portfolio Holder accordingly; and

(d) That, subject to the Cabinet agreeing the principle at its meeting on 4th February 2013 and the new Council Housebuilding Cabinet Committee approving the final proposed scheme and costings, the first call on the Major Capital Housing Projects Reserve be to fund the proposed Conversion Scheme at Marden Close, Chigwell Row.

**Housing Improvements and Service Enhancements Budget - 2013-14
Programme Costs (One-off and Ongoing)**

No.	Proposal	£000's						Capital or Revenue
		2013/14		2014/15		2015/16		
		One-off	Ongoing	One-off	Ongoing	One-off	Ongoing	
1	Welfare Reform Mitigation Action Plan	85	78	45	79	22	79	R
2	Senior Cleaner		17		17		17	R
3	Sheltered housing schemes - Increase in furniture budget		10		10		10	R
4	In-Year Housing Improvements and Enhancements Fund	50		50		50		C / R
5	Major Capital Improvements	330		340		350		C
	TOTALS	465	105	435	106	422	106	
		570		541		528		
	Total amount of unallocated budget available to spend (from £800,000 p/a total) after allowing for previous years' commitments	570		605		605		
	Available to allocate to new improvements & enhancements for this year			64		77		