

SWT Community Scrutiny Committee

Wednesday, 30th November, 2022,
6.15 pm



Somerset West
and Taunton

The John Meikle Room - The Deane
House

[SWT MEETING WEBCAST LINK](#)

Members: Libby Lisgo (Chair), Dave Mansell (Vice-Chair), Simon Coles, Tom Deakin, Roger Habgood, Steve Griffiths, Dawn Johnson, Richard Lees, Mark Lithgow, Janet Lloyd, Andy Milne, Martin Peters, Andy Pritchard, Ray Tully and Vivienne Stock-Williams

Agenda

1. Apologies

To receive any apologies for absence.

2. Minutes of the previous meeting of the Community Scrutiny Committee

To approve the minutes of the previous meeting of the Community Scrutiny Committee held on

(Pages 7 - 12)

3. Declarations of Interest

To receive and note any declarations of disclosable pecuniary or prejudicial or personal interests in respect of any matters included on the agenda for consideration at this meeting.

(The personal interests of Councillors and Clerks of Somerset County Council, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes.)

4. Public Participation

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue.

We are now live webcasting most of our committee meetings and you are welcome to view and listen to the discussion. The link to each webcast will be available on the meeting webpage, but you can also access them on the [Somerset West and Taunton webcasting website](#).

- 5. Community Scrutiny Request/Recommendation Trackers** (Pages 13 - 24)

To update the Community Scrutiny Committee on the progress of resolutions and recommendations from previous meetings of the Committee.
- 6. Community Scrutiny Forward Plan** (Pages 25 - 26)

To receive items and review the Forward Plan.
- 7. Executive and Full Council Forward Plans** (Pages 27 - 30)

To review the Forward Plans of the Executive and Full Council.
- 8. Housing Revenue Report - Financial Monitoring as at Quarter 2 (30 September 2022)** (Pages 31 - 54)

This matter is the responsibility of Executive Councillor Fran Smith, Housing.

Report Author: Kerry Prisco (Management Accounting and Reporting Lead).
- 9. Executive Portfolio Holder Session - Cllr Francesca Smith** (Pages 55 - 64)

To consider updates from Executive Councillor for Housing: Councillor Francesca Smith.

3.2 of the Scrutiny Terms of Reference state that the Scrutiny Committee may review and scrutinise and ask questions of the Leader, lead Councillors, the Executive in relation to their portfolios.

Attached is Cllr Smith's Full Council Portfolio Holder Report which was presented to Full Council on the 6 September. Following the publication of this Agenda the Report for December's Ordinary Full Council will be published on the 29 November 2022 and can be accessed via that Agenda Pack.

10. Access to Information - Exclusion of the Press and Public

During discussion of the following item it may be necessary to pass the following resolution to exclude the press and public having reflected on Article 13 13.02(e) (a presumption in favour of openness) of the Constitution. This decision may be required because consideration of this matter in public may disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972. Executive will need to decide whether, in all the circumstances of the case, the public interest in maintaining the exemption, outweighs the public interest in disclosing the information.

Recommend that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next item of business on the ground that it involves the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

11. Confidential Item - Cultural Grant Provision

(Pages 65 - 72)

This matter is the responsibility of Executive Councillor for Culture, Councillor Caroline Ellis.

The Report Author is Director of Development and Place, Chris Hall.

This report is provided to Community Scrutiny at their request as they could not consider it in advance of the Executive meeting due to the urgency of the decision. It is therefore outside of the traditional order that report would be received.



**ANDREW PRITCHARD
CHIEF EXECUTIVE**

Please note that this meeting will be recorded. At the start of the meeting the Chair will confirm if all or part of the meeting is being recorded and webcast. You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during the recording will be retained in accordance with the Council's policy. Therefore unless you are advised otherwise, by entering the Council Chamber and speaking during Public Participation you are consenting to being recorded and to the possible use of the sound recording for access via the website or for training purposes. If you have any queries regarding this please contact the officer as detailed above.

Members of the public are welcome to attend the meeting and listen to the discussions. There is time set aside at the beginning of most meetings to allow the public to ask questions. Speaking under "Public Question Time" is limited to 3 minutes per person in an overall period of 15 minutes and you can only speak to the Committee once. If there are a group of people attending to speak about a particular item then a representative should be chosen to speak on behalf of the group. These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

If you would like to ask a question or speak at a meeting, you will need to submit your request to a member of the Governance Team in advance of the meeting. You can request to speak at a Council meeting by emailing your full name, the agenda item and your question to the Governance Team using governance@somersetwestandtaunton.gov.uk

Any requests need to be received by 4pm on the day that provides 1 clear working day before the meeting (excluding the day of the meeting itself). For example, if the meeting is due to take place on a Tuesday, requests need to be received by 4pm on the Friday prior to the meeting.

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The meeting rooms, including the Council Chamber at The Deane House, are on the first floor and are fully accessible. Lift access to The John Meikle Room (Council Chamber), is available from the main ground floor entrance at The Deane House. The Council Chamber at West Somerset House is on the ground floor and is fully accessible via a public entrance door. Toilet facilities, with wheelchair access, are available across both locations. An induction loop operates at both The Deane House and West Somerset House to enhance sound for anyone wearing a hearing aid or using a transmitter.

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SWT Community Scrutiny Committee - 26 October 2022

Present:

Councillors Dave Mansell (Vice Chair in the Chair), Simon Coles, Tom Deakin, Andrew Govier, Steve Griffiths, Roger Habgood, Dawn Johnson, Janet Lloyd, Martin Peters, Hazel Prior-Sankey, Andy Pritchard, Ray Tully and Vivienne Stock-Williams

Officers: Samantha Murrell, Marcus Prouse, James Barraah and Chris Brown

Also Councillors Francesca Smith and Chris Booth

Present:

(The meeting commenced at 6.15 pm)

44. Apologies

Cllrs Libby Lisgo (subs Andy Govier), Andy Milne, Mark Lithgow and Richard Lees (subs Hazel Prior Sankey).

In attendance via zoom,

Cllrs Lisgo, Wakefield and Whetlor.

45. Minutes of the previous meeting of the Community Scrutiny Committee

The Minutes of the previous meeting of Community Scrutiny held on the 31 August were confirmed as a true record.

Prop: Lloyd / Sec: Stock Williams (Unanimous)

46. Declarations of Interest

Members present at the meeting declared the following personal interests in their capacity as a Councillor or Clerk of a County, Town or Parish Council or any other Local Authority:-

Name	Minute No.	Description of Interest	Reason	Action Taken
Cllr S Coles	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr T Deakin	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr A Govier	All Items	SCC & Wellington	Personal	Spoke and Voted
Cllr D Johnson	All Items	SCC	Personal	Spoke and Voted
Cllr J Lloyd	All Items	Wellington & Sampford Arundel	Personal	Spoke and Voted

Cllr D Mansell	All Items	SCC	Personal	Spoke and Voted
Cllr M Peters	All Items	Taunton Charter Trustee	Personal	Spoke and Voted
Cllr H Prior-Sankey	All Items	SCC & Taunton Charter Trustee	Personal	Spoke and Voted
Cllr R Tully	All Items	West Monkton	Personal	Spoke and Voted

47. **Public Participation**

There were no statements or questions brought before the committee.

48. **Community Scrutiny Request/Recommendation Trackers**

The Committee noted and approved the Trackers.

49. **Community Scrutiny Forward Plan**

The Committee noted the Forward Plan.

50. **Executive and Full Council Forward Plans**

The Committee noted the forward plans for both the Executive and Full Council. There were no matters arising.

51. **Low Carbon Retrofit Strategy and Action Plan**

Low Carbon Retrofit Strategy and Action Plan

This matter was introduced to the Committee by Executive Councillor Francesca Smith, Portfolio Holder for Housing.

The report was presented by Chris Brown, Assistant Director for Housing Development and Regeneration.

A copy of the slide pack presentation can be found [here in the web library](#).

Following the presentation there were a number of questions arising: -

- Cllr Mansell, as Chair of the Carbon Retrofit working group was pleased with the findings, and in agreement with the strategy of a fabric first approach. The policy will be built around insulating existing homes, to try and reduce heat output. It was also pleasing to note that SWT was performing better than first anticipated in its EPCC rate.
- Single houses would be the first to be retrofitted as these were the easiest units to modify. Then the process would evolve as we moved into the unitary council. The HRA capital would incorporate some of the work (such as new doors and windows) into the cyclical maintenance programme.
- It was recognised that tenants and leaseholders must be at the heart of the process to ensure active engagement and allow the retrofit programme

to go ahead. If they were not on-board with the retrofit programme this could inhibit the improvements on their property, and in flat blocks and apartments in the wider neighbourhood. Cllr Lloyd reported that tenants are fully supportive of the options and have engaged via consultation. This has been reported back via the Tenants Strategic Group.

- It was recognised that Leaseholders would also have to be involved, especially in flat blocks, where they were living alongside SWT tenants. Chris Brown said SWT are working towards setting up a leaseholder panel to improve communications between all parties. As part of this, it was also important that tenants and leaseholders were fully supported and had access to good communications.
- Although there would be disruption to tenants whilst the retrofit was implemented, it should be minimal as it would be on the exterior of the property. It was anticipated that the works would take about a day and would not usually require a tenant to vacate/decant. In instances where the work required significant internal disruption, it was hoped to do this around void periods. (The main properties likely to be affected are bungalows with concrete floors – where ground floor insulation needs to be done).
- Some of the upgraded properties would inevitably be lost to the Right To Buy scheme. In this situation, SWT was unlikely to get a return on the investment into the retrofit, but this was unavoidable.
- The biggest threat to implementing the retrofit programme was Central Government imposing a 5% rent cap. The HRA is currently set at 11% to ensure there is enough money to fund the capital programme within the budget. If the cap is imposed, then capital works will be at risk of delivery, and savings will have to be made.
- The current cost of living crisis was also an identified risk. Inflation and lack of skills in the workforce was pushing prices up, especially in niche markets. It would be more sensible to improve standard items such as replacement windows and doors, rather than invest in specialist products like solar panels. The costs of such items is being driven up due to low supply but high demand.
- Various questions were raised around affordability. Would rents be increased to fund the improvements. What if leaseholders couldn't afford the upgrades?
 - *Existing tenants will not pay more rent, on their current home. On new build schemes, the rent is increased by 20%, but the tenant would be aware of this before accepting the property. Repayment schemes would be negotiated with leaseholders on a case-by-case basis. It was accepted that this was an area that needed to be worked on, and case-workers would need to support tenants and leaseholders. It was hoped that satisfied customers/tenants would be the best form of promotion for the retrofit programme.*
- It was asked what schemes are in place to assist other homeowners with retrofit and what was SWT doing to promote grants and funding in these areas. *Chris Brown said that his frame of reference was to work within the Housing Revenue Account, which was ring-fenced to improve and develop the SWT housing stock. National funding and grant schemes were few and*

far between, and very often the same organisations were vying for the same funding pots.

- It was requested that if SWT was made aware of funding and grant schemes to help private homeowners with improvements, (especially in low cost housing) these were publicised and promoted. Likewise in the commercial sector. *The best advice is to ensure that all surveys are undertaken before purchasing so that there are no unpleasant surprises later. If SWT becomes aware of schemes or grants we will promote them via the usual channels, i.e. social media, newsletters etc.*
- Questions were also asked around who would be undertaking the work, and whether it would be done in-house or through contractors. *Initially it would be carried out by sub-contractors as SWT does not have expertise in this area, but there would definitely be a move towards employing apprentices and upskilling our own workforce. This was one of many positive outcomes within the retrofit strategy and would increase our reputation as a registered social housing provider.*
- It was asked how many properties would require cladding? *Will depend on the type of property. Parity software is available but the type of retrofit will be determined by the age and structure of the dwelling.*
- How do we deal with the waste products as a result of the retrofit programme? *New builds will be using electric and not gas so this will be cleaner energy from the outset. Waste products will be recycled as much as possible, but demolition results in high wastage – 90%. The retrofit programme is more eco-friendly because nothing is destroyed and the existing structure is enhanced.*
- Cllr Mansell asked for further detail on the KPIs for gas boilers within the council housing stock. This was not immediately available so will be followed up on the [Written Answer Tracker](#). It was also asked when the replacement of gas boilers within the stock would cease, and this too will be followed up on the tracker.

The closing comments from the Chair were that the report was well received, and there were many positive outcomes to take forward. The Chair moved to note the recommendations as listed in Point 2 of the report and was supported unanimously by the Committee.

52. **Executive Portfolio Holder for Communities - Cllr Chris Booth**

Executive Councillor Chris Booth, portfolio holder for Communities, provided a verbal update to the Committee on matters relating to the CoL motion. Cllr Booth advised that since the CoL motion was adopted by Full Council in July, a number of measures had been implemented.

- SWT had created a Hardship Fund of £50K which had been passed to Citizens Advice in Taunton and West Somerset to administer. This money had been spent very quickly and was no longer available. Cllr Booth provided some statistics, to show who had accessed the fund and the geographical split.

A copy of the slide is available to [here in the web library](#).

This money was not allowed to be spent on arrears or debt and only one claim could be made per household. A number of questions arose around the statistics and these have been picked up in the [Written Answer Tracker](#). (Officers will be following up with the Citizens Advice Bureau).

- Somerset County Council had recently implemented the Household Support Fund which would be a way for residents to access additional help.
- £50k has also been sent to the Somerset Community Foundation as part of the Cost-of-Living Crisis Fund. This was SWT's contribution, but all 5 councils in Somerset had paid into it.
- A request was made for the new unitary administration to honour the agreement made to support the VCSE sector through the first year of the new council. It was vitally important that the good work that is being done, does not come under threat due to funding being withdrawn.
- Cllr Tom Deakin said that the key themes that seemed to be coming out of SCC to support households this winter were around warm spaces and food resilience. All councils need to be working together, because there was just not enough money to go around to help everyone!
- Cllr Booth also highlighted the work of the Community Employment hubs and Job Fairs that were taking place. These had been well attended, and there were lots of agencies and organisations on hand to offer advice and information. These were advertised in the local press, social media and in the SWT newsletter. It would be good to share this information as widely as possible. The next one is due to take place at West Somerset House, Williton.
- Cllr Habgood praised the work of the community resilience team, and in particular the work in food resilience being undertaken by Helen Philips. The Local Pantries are a good way of building food resilience and a move away from heavy dependency and reliance on food banks. Ongoing sustainability is key.
- Cllr Tully stated that there is a local pantry in West Monkton that has already seen an increase in users, despite the fact that we are not in the hardest months of the year yet. People are also asking for help with the purchase of white goods and other items, because they are already struggling.
- In summation, it was recognised that all the councils need to pull together this winter to work together, share resources and support and thus maximise the offer to residents.

(The Meeting ended at 8.37 pm)

SOMERSET WEST AND TAUNTON COUNCIL
COMMUNITY SCRUTINY COMMITTEE RECOMMENDATION TRACKER 2022/23

Date of Cttee	Scrutiny Recommendation	Decision Maker /Directorate Responsible	Final Decision/ Response to recommendation/	Date of response	Implemented?	Officer Comments/Update
31/08/2022	The Chair put forward the recommendation that the Community Governance Review (CGR) Report was brought to Scrutiny on the 28 September to debate the issue before the Special Full Council on 29 September. It was agreed unanimously to follow up this request.	Cllr Sarah Wakefield (PFH CGR) Internal Operations	<p>The Council resolved to set up the Member Working Group to work on the Community Governance Review and then to report back to Full Council.</p> <p>Section 1.2 of the Member Working Group protocol (within the Constitution) sets out that the Working Group does not have decision-making powers and can only make recommendations to:</p> <ul style="list-style-type: none"> • The body from which it was formed (parent body) – in this case Full Council • Such other body as the parent body decides; or • An officer <p>Nothing has been taken to Full Council to request that the Community Scrutiny Committee consider the report of the Working Group before it goes to Full Council on 29 September.</p>	20/09/2022	No	A member briefing took place on September 20, to give Cllrs an opportunity to ask questions on the CGR report. A recording of this briefing is available.

Total Recommendations for 22/23: 1

Agreed: 0

Agreed in Part: 0

Not Agreed: 1

TBD:

SOMERSET WEST AND TAUNTON COUNCIL

COMMUNITY SCRUTINY COMMITTEE WRITTEN ANSWERS TRACKER 2022/23

Date of Cttee	Scrutiny Cttee Request for information	Decision Maker /Directorate Responsible	Response to request for information	Date of response	Scrutiny Officer Comments/Update
29/06/2022	Query raised about the grant money from the Taunton Youth Community Centre (TYCC) legacy fund which was earmarked to be spent on the youth of Taunton. How was this money distributed to worthy causes and who decided who benefitted?	Cllr Chris Booth / Housing Directorate	<p>Response to request for information</p> <p><u>Local groups awarded funding for youth support work (somersetwestandtaunton.gov.uk)</u>.. Comments from Christine Gale forwarded to the Committee.</p> <p>Somerset Community Foundation as administrator of the fund recommended both YMCA and Conquest as main recipients because they both operate within two miles from the Taunton Town Centre, with a focus on youth work.</p>	30/06/22	Scott Weetch / Christine Gale provided an update on the process for distributing this fund. (Legacy money had been held for 20 years).
29/06/2022	<p>How has the underspend in relation to staff salaries come about?</p> <p>Assets Staff (para 6.14)</p>	Cllr Fran Smith / Housing Directorate	<p>Assets - The underspend in relation to several staff vacancies during the year across the capital investment and asset management teams is due to staff leaving and periods of the posts being vacant during the recruitment process. This has been exacerbated during the year with difficulty in recruitment to sufficiently experienced technical staff.</p> <p>Development and Regeneration - The underspend was due to two main</p>	05/07/22	Simon Lewis / Chris Brown

	Develop and Regen (para 6.11)		reasons – a) staff turnover has and often does lead to budget savings as there are often periods of vacancy during the recruitment period. There has been a turnover of staff especially at project officer level over the past 12 months. b) one post has been held back from recruitment until the service is clear on delivery priorities. The post is a senior post earmarked for new build however the emerging low carbon retrofit strategy means this post may be retitled to support this area of work. During 2021/2022 the funding associated with this post was used to offset additional costs in the capital programme team.		
29/06/2022	Why was there a lack of investment in air source heat pumps and insulation in Appendix A?	Cllr Fran Smith / Housing Directorate	The emerging low carbon retrofit strategy and delivery plan is seeking to align the capital decent homes programme and retrofit strategies to deliver works at pace, efficiently and within the resources the council has. The emerging strategy will be explored at a member briefing 1 st September and the strategy will be refined as it progresses to full Council in December 2022. This is three months earlier than previously proposed. The emerging strategy does prioritise fabric improvements over renewable heating systems in the early years as these measures can reduce more CO2 than changes to heating systems and reduce heat	05/07/22	Simon Lewis / Chris Brown

			<p>demand leading to more affordable warmth. It is important to note that grants are essential to ensure the council can move forward at pace on its retrofit and zero carbon ambitions and most grants for social landlords' support fabric first approaches rather than gas replacement. The service is discussing one grant scheme which could install some ASHP and solar PV and reduce the council's capital requirement which in turn could be used to speed up fabric measures or the replacement of gas and solid fuel systems to ASHP and Solar PV on well insulated council homes. In advance of the whole member briefing the housing service intend to discuss the emerging retrofit strategy with Cllr Mansell as the recent chair of the Community Scrutiny Committee working group on retrofit, Dixie Darch as portfolio holder for Climate Change and Cllr Fran Smith as portfolio holder for housing in August.</p>		
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31/08/2022	<p>The Energy Plan and work on Net Zero Strategy were welcomed. It was suggested that there could be a business case for more solar panels at the centres with involvement from both Everyone Active and SWT. Officers agreed to investigate this. Can updates please be provided and recorded here.</p> <p>Requested on 31/08/22 by Cllr Mansell.</p>	<p>Cllr Dixie Darch / Cllr Perry and Cllr Rigby External Operations Directorate</p>	<p>There are currently solar panels at the tennis centre and pool at Blackbrook, and on the roof of Taunton pool. SLM are entitled to use all the electricity generated, and SWT are entitled to sell any surplus.</p> <p>Solar panels are being considered as part of the wider project to decarbonise Wellington Sports Centre. There is a bid going to the next round of the Public Sector Decarbonisation Scheme and includes provision for panels on the roof.</p> <p>Currently, officer time is being prioritised on the Wellington scheme, and installation of solar panels on the Council's Westpark depot in Wellington. A decarbonisation survey on this building identified a 110% energy return, and funding is in place to progress this during 22/23.</p> <p>Whilst officers appreciate that this is a logical suggestion, priority currently needs to be given to the Wellington Sports Centre project, which would return a greater carbon saving, and the Westpark depot solar scheme, as this would be a big step forward to decarbonisation of that building.</p>	20/09/22	Jonathan Stevens / Chris Hall
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31/08/2022	<p>Feedback on the Town Centre Health Checks – very little information has been fed back to the participating parishes and towns on the findings of the High Street health checks from Stantec. Members are having difficulty finding this information on the Council’s website.</p> <p>Query raised by Cllr Janet Lloyd 31/08/2022. Supported by Cllr Whetlor.</p> <p>Can the Stantec Reports please be sent to the clerks of the relevant parishes for information.</p>	Cllr Mike Rigby – Economic Regeneration /	<p>With agreement from the Chair of Community Scrutiny Committee, a member briefing will take place on Thursday 13 October to provide an update on the Town Centre Health Check Report. Details have been circulated in the meeting diary.</p> <p>This will enable members to receive the information and ask any questions as they arise, rather than waiting for a written response.</p> <p>A link to the report can be found below for reference. SWT Town Centre Health Report May 2022 somersetwestandtaunton.gov.uk</p>	01/09/22	<p>Chris Hall / Alison Blom Cooper.</p> <p>To be delivered by Laura Higgins, Principal Planning Policy Officer.</p>
31/08/2022	<p>CCTV Upgrade</p> <p>Do Wellington Town Council still contribute to the maintenance and upkeep of the CCTV? If so – how much? If it has stopped, when did this happen?</p> <p>Query raised by Cllr Janet Lloyd 31/08/2022</p>	Cllr Chris Booth, Community / Housing Directorate James Barra	Neither Wellington Town Council or Somerset West and Taunton have any record of a payment having been made/received within the last 3 years. Neither can trace any evidence that such payments took place, so we are unable to establish when they stopped or how much it was.	20/09/22	Scott Weetch / Sally Parry

31/08/2022	<p>CCTV Upgrade How many successful prosecutions have taken place in Taunton due to CCTV?</p> <p>Query raised by Cllr Andy Pritchard 31/08/2022</p>	Cllr Chris Booth, Community / Housing Directorate James Barrah	<p>It is not possible to accurately attribute the number of successful prosecutions due to CCTV cameras as there are usually several pieces of evidence which will be involved in a prosecution.</p> <p>Equally, we do not have access to the information to support which arrests have led to a prosecution. What we can advise is that in the last 9 months CCTV has been involved in 39 arrests (some of which may still be going through the Court system). These figures do not include arrests that have taken place later, as that will of course happen sometimes days or weeks after the event and such information is not fed back to the CCTV Control Centre.</p>	20/09/22	Scott Weetch / Sally Parry
31/08/2022	<p>Housing Qtr1 Report Where potential savings have been identified in the HRA budget, can these please be made apparent in the report. Committee would like to see this referenced in the Qtr2 update.</p> <p>Requested by Cllr Habgood 31/08/2022</p>	Cllr Fran Smith, Housing / Housing Directorate James Barrah			<p><i>To be reported in the HRA Qtr2 (30 November meeting).</i></p> <p>Kerry Prisco</p>

26/10/2022	<p>HRA Low Carbon Retrofit Strategy – Is there a cut-off date when existing gas boilers will not be replaced within the housing stock?</p> <p>Requested by Cllr Hazel Prior Sankey.</p> <p>Can KPI's be added to the housing stats detailing what type of heating each dwelling uses?</p> <p>Requested by Cllr Dave Mansell</p>	Cllr Fran Smith / Housing Directorate, James Barrah	<p>The strategy does not propose a specific year for ending the installation of new gas boilers. However, gas boilers have an assumed life of 15 years, and the strategy is to work effectively with the decent homes programme. In principle this would mean installing only electric systems after 2035 to efficiently help achieve zero carbon.</p> <p>Yes, the service collects information on heating systems, and this can be a measure added to the KPIs.</p>	01/11/22	Chris Brown
26/10/2022	<p>Cost of Living Crisis Update – As the hardship fund money was not allowed to be spent on debt or arrears, what was the main ask of the fund? Up to how much was each applicant granted, and what did they use the money for.</p> <p>Requested by Cllr Dawn Johnson.</p>	Cllr Chris Booth / Housing Directorate, James Barrah	The SWTC Hardship Fund was available for support of up to £200 for repair or contribution toward replacement of essential white goods, kitchen appliances-clothes iron, kettle, microwave or technology (laptop computer for example), shoes, clothing or travel card/petrol or shoes for interview, school uniform, car repairs (if needed for employment). Bedding, essential clothing items (underwear) or sanitary goods.	07/11/22	Scott Weetch / Christine Gale

26/10/2022	<p>Cost of Living Crisis Update – Were the statistics presented indicative of the SWT demographic as whole? Why did older people not seem to engage with the Hardship Fund? Was there evidence of any gaps and how could we be sure that we were hitting hard to reach people?</p>	Cllr Chris Booth / Housing Directorate, James Barrah	<p>This was an emergency fund which by its nature operates on a first come basis and those who presented and were eligible were funded. (See eligibility guidance below).</p> <p>Eligibility To be eligible to apply for this one-off grant applicants must:</p> <ul style="list-style-type: none"> • Be a permanent resident in Somerset West and Taunton • Be over the age of 16 and living independently of parents or carers • Be on a low income-threshold to be determined • Be unable to pay for essentials due to lack of sufficient funds • Having exhausted recourse to: <ul style="list-style-type: none"> • Local assistance scheme • Surviving winter fund • Foodbanks • Any other assistance scheme for which they might be eligible <p>Following evidence will be required:</p> <ul style="list-style-type: none"> • proof of identity • proof of age • proof of residency in Somerset West and Taunton 	07/11/22	Scott Weetch / Christine Gale
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- proof of income - bank statement (no older than previous month)
- proof of need – what the grant is needed for

The comparison of take up versus population, per age group below indicates that older people did engage in applying to the Hardship Fund.

	% of fund	% of population
Under 25	9	10
25-34	38	13
35-44	29	13
45-54	12	16
55-64	10	17
Over 64	2	31

26/10/2022	<p>Cost of Living Crisis Update – How was the scheme advertised and promoted. Has this highlighted any lessons for the future?</p>	Cllr Chris Booth / Housing Directorate, James Barrah	The scheme was announced in the local press, the SWT and both advice service websites, staff and tenants’ newsletters, SWT staff intranet and information sent by direct email to relevant staff members. There was also an announcement on local radio. This scheme was particularly well promoted with the aim of reaching all groups; there were no highlights for future learning.	07/11/22	Scott Weetch / Christine Gale
26/10/2022	<p>Cost of Living Crisis Update – Can the percentage split between TD and WSC be better explained. Is this how the Fund was spent, or does it indicate the number of applicants?</p> <p>Requested by Cllr Libby Lisgo</p>	Cllr Chris Booth / Housing Directorate, James Barrah	It was agreed that an initial 50/50 split would be applied, to be reviewed when one locality had disbursed it’s 50% allocation. Taunton got there first, and because proportionately uptake was broadly mirroring the populations, the processing of applications continued in chronological order. Indeed, the final split supported the same with Taunton’s applicants collecting 71.6% of the fund and West Somerset’s 28.4%. According to the mid-2019 population estimates on Somerset Intelligence Network, the respective populations were 77.4% and 22.6% of the total.	07/11/22	Scott Weetch / Christine Gale

	COMMUNITY SCRUTINY		
Meeting	Draft Agenda Items	Lead PFH/ Lead Officer	Exec Report?
30 November 2022	HRA Financial Performance 2022/23 Q2	Kerry Prisco	Yes
SRD = 18 Nov	Executive PFH Session - Housing	Cllr Fran Smith	
Exec RD - 9 Dec	Cultural Grant Provision (Confidential)	Chris Hall / PFH Caroline Ellis	Yes
Informal Exec RD - 8 Nov			
SMT RD - 26 Oct			
25 January 2023	CNCR Update	Jonathan Stevens	
SRD = 13 Jan	Executive PFH Session - Climate Change	Cllr Dixie Darch	
Exec RD - 3 Feb			
Informal Exec RD - 3 Jan			
SMT RD - 14 Dec			
22 February 2023	HRA Financial Performance 2022/23 Q3	Kerry Prisco	Yes
SRD = 10 Feb	(SLM) Everyone Active Bi-Annual Report	Steve Hughes / PFH Cllr Derek Perry	No
Exec RD - 3 March	Chair's Annual Report	Cllr Libby Lisgo	
Informal Exec RD - 1 Feb	Health and Wellbeing Board Update	Cllr C Booth/ M. Leeman	
SMT RD - 18 Jan			

Executive Meeting	Draft Agenda Items
21 December 2022	GF Financial Performance 2022/23 Q2
venue =	HRA Financial Performance 2022/23 Q2
Exec RD = 9 December	Corporate Performance Report Q2
Informal Exec RD = 8 November	Connecting our Garden Communities
SMT RD = 26 October	Wellington Place Plan – Approval to go out for Public Consultation
18 January 2023	NTWP - Purchases
venue =	Local Labour Agreements
Exec RD = 6 January	
Informal Exec RD = 6 December	
SMT RD = 23 November	
15 February 2023	Taunton Garden town: Delivering our Vision
venue =	
Exec RD = 3 February	
Informal Exec RD = 3 January	
SMT RD = 14 December	
15 March 2023	GF Financial Performance 2022/23 Q3
venue =	HRA Financial Performance 2022/23 Q3
Exec RD = 3 March	Corporate Performance Report Q3
Informal Exec RD = 1 February	Firepool Design Guidance and Masterplan
SMT RD = 18 January	
Items to be Confirmed	RIPA Policy

FULL COUNCIL

Meeting	Report Deadline	Draft Agenda Items	Lead Officer
06 December 2022	24 November 2022	PFH Reports	
		Appointment of Returning Officer for May 2023 Elections	Marcus Prouse/Kevin Williams
		Low Carbon Retrofit Strategy and Action Plan	Chris Brown
		Treasury Management 2021/22 Annual Report and Q1 2022/23	John Dyson
		Polling District Review	Elisa Day
07 February 2023	26 January 2023	PFH Reports	
		Connecting our Garden Communities	Graeme Thompson
		Review of the Commercial Property Investment Activity and Performance Report	Joe Wharton
28 March 2023	16 March 2023	PFH Annual Reports	
		Scrutiny Annual Reports x 2	Chair of Committee
		Audit and Governance Annual Report	Chair of Committee
		Sign off of all SWT Minutes	
		Firepool Design Guidance and Masterplan	Graeme Thompson
		Wellington Place Plan – Adoption	Sarah Povall

Report number: *SWT149/22*

Somerset West and Taunton Council

Community Scrutiny – 30 November 2022 Executive – 21 December 2022

2022/23 Housing Revenue Account Financial Monitoring as at Quarter 2 (30 September 2022)

This matter is the responsibility of Executive Councillor Fran Smith, Housing

Report Author: Kerry Prisco (Management Accounting and Reporting Lead)

1 Executive Summary

- 1.1 This report provides an update on the projected outturn financial position of the Council's Housing Revenue Account (HRA) for the financial year 2022/23 (as at 30 September 2022).
- 1.2 The headline estimates for **revenue** costs are:

Revenue Budget	£0.330m forecast overspend	Red
General Reserves	£2.712m forecast balance = favourable (though low) compared to £2m minimum requirement	Amber
Earmarked Reserves	£54k opening balance	Green

- 1.3 It is well reported that the economic situation is challenging with the cost of living crisis, high inflation, and rising interest rates. These factors will hit our communities and businesses, and the Council is also not immune as seen in the latest forecasts.
- 1.4 The Q1 forecast outturn position reported an overspend of £745k. The Senior Management Team have since undertaken a thorough and in-depth review of all budgets, updated projections based on mid-year information, requested services to manage inflationary pressures within services where possible (e.g. pay award, utilities and material costs) and driven a focus on essential spend only where possible in order to bring the position back to budget. There have also been some contractual delays on delivering capital schemes pushing spend into future years and a need increase reserve balances this year to provide budget flexibility and financial resilience in 2023/24 on the face of significant financial pressures.
- 1.5 The updated projected outturn position of a £330k overspend is still significant. This is mainly driven by depreciation charges, the recently agreed national pay award, void repairs and tenancy management costs.

- 1.6 It is important to note that this is mid-year forecast for the year with 6 months remaining until year end. This will be carefully monitored with updates reported to Members on a quarterly basis. The level of General Reserves does provide the ability to cover the current predicted overspend, if required, but does not provide resilience to mitigate the risk of any further significant overspend or additional pressures. Housing Management will continue to take steps to reduce and halt spend especially for discretionary activities, to help mitigate the current position, and to try to maintain a more secure reserves position.
- 1.7 Members will be aware that budget setting for 2022/23 was significantly challenging, where some budgets required re-basing especially around repairs and maintenance, and consequently the service will be pursuing efficiency targets into next financial year and beyond.
- 1.8 Whilst best endeavours are used to forecast with as much accuracy as possible we have seen a historical change in forecasts each quarter and to year end. However, it is essential that control over spending continues to reduce the forecast overspend and maintain adequate reserves to support the budget gap in 2023/24.
- 1.9 The HRA **Capital Programme** has a total approved budget of £109.4m. The profiled budgeted spend for 2022/23 is £36.347m and this is currently forecast to underspend in the year by £9.073m; £8.700m due to slippage of work into 2023/24 and £373k budget to be returned.

2 Recommendations

- 2.1 This report is to be noted as the HRA's forecast financial performance and projected reserves position for 2022/23 financial year as at 30 September 2022.
- 2.2 Executive to approve the transfer funds from capital reserves to repay debt and to release the voluntary repayment of debt budget to offset the variance on depreciation charges.

3 Risk Assessment

- 3.1 Financial forecasts are based on known information and projections based on assumptions. As such any forecast carries an element of risk. The current forecasts included in this report are considered reasonable given the extra element of risk around inflation being experienced in the current economic operating environment and based on experience it is feasible the year end position could change. It is common for underspends to emerge during the year, reflecting an optimism bias within previous forecasting. There may also be matters beyond the Council's control that affect the final outturn position.
- 3.2 Salient in year budget risks are summarised in section 9 in this report. The Council manages financial risk in several ways including setting prudent budgets, carrying out appropriate monitoring and control of spend, operating robust financial procedures, and

so on. The Council also holds both general and earmarked reserves which include contingencies to manage budget risk, though these are low for the HRA.

- 3.3 Despite the risks related to forecasting assumptions, it is essential that measures are implemented promptly to ensure the financial resilience of the Housing Revenue Account and adequate reserves are maintained. The current forecast highlights a continued risk that reserves may fall below acceptable levels by the end of this financial year if the projected overspend outturn position was to increase and further in year financial pressures arise.

4 Background and Full details of the Report

- 4.1 This report provides the Housing Revenue Account (HRA) forecast end of year financial position for revenue and capital expenditure as at 30 September 2022.
- 4.2 The regular monitoring of financial information is a key element in the Council's HRA Performance Management Framework. Crucially it enables remedial action to be taken in response to significant budget variances, some of which may be unavoidable. It also provides the opportunity to assess any consequent impact on reserves and the HRA's Medium Term Financial Plan and 30-Year Business Plan.
- 4.3 Members will be aware from previous experience that the position can change between 'in-year' projections and the final outturn position, mainly due to demand-led service costs and income levels and where actual costs and income can vary from initial estimates and assumptions. The budget monitoring process involves a detailed review of the more volatile budgets and a proportionate review of low risk/low volatility budget areas. Budget Holders, with support and advice from their finance business partners, update their forecasts monthly based on currently available information and knowledge of service requirements for the remainder of the year. As with any forecast there is always a risk that some unforeseen changes could influence the position at the year-end, and several risks and uncertainties are highlighted within this report. However, the following forecast is reasonable based on current information.

5 HRA Revenue Budget 2022/23 Forecast Outturn

- 5.1 The HRA is a ring-fenced, self-financing, account used to manage the Council's housing stock of some 5,700 properties, with the Council acting as the Landlord.
- 5.2 The Council retains all rental income to meet the costs of managing and maintaining the housing stock, as well as meeting the interest payments and repayment of capital debt.
- 5.3 The current year end forecast outturn position for the Housing Revenue Account for 2022/23 is a net overspend of £330k.

Table 1: HRA Revenue Outturn Summary

	Current Budget	Forecast Outturn	Forecast Variance	
	£000	£000	£000	%
Gross Income	-28,404	-28,320	84	0.3%
Service Expenditure	16,937	16,854	-82	-0.3%
Other Expenditure	11,468	11,797	329	1.2%
Total	0	330	330	1.2%

5.4 The variances to budget are shown in more detail in Table 2 and further explanations for variances over £50k below.

Table 2: Summary of Forecast Variances for the Year

	Current Budget £000	Outturn £000	Q2 Variance £'000	Q1 Variance £000
Dwelling Rents	-25,581	-25,634	-54	-139
Non-Dwelling Rents	-767	-751	16	49
Charges for Services / Facilities	-1,649	-1,543	106	-2
Other Income	-408	-392	16	14
Sub-Total Gross Income	-28,404	-28,320	84	-78
Service Expenditure:				
Development & Regeneration	60	45	-15	-5
Community Resilience	153	153	0	-6
Tenancy Management	3,228	3,477	248	186
Maintenance	5,598	5,918	320	496
Assets	420	396	-24	-1
Capital Investment	563	302	-262	14
Compliance	1,829	1,715	-115	-150
Performance	5,084	4,848	-236	31
Provision: Pay Award Shortfall	-	-	-	269
Sub-Total Service Expenditure	16,937	16,854	-82	834
Central Costs / Movement in Reserves:				
Revenue Contribution to Capital	-	-	-	0
Interest Payable	2,883	2,795	-88	-94
Interest Receivable	-83	-72	11	83
Change in Provision for Bad Debt	180	180	-	0
Depreciation	7,666	9,093	1,427	0
Capital Debt Repayment	1,021	-	-1,021	0
Movement In Reserves	-200	-200	-	0

Sub-Total Central Costs / Movement in Reserves:	11,468	11,797	329	-12
Net Surplus(-) / Deficit for the Year	-	330	330	745

Income

- 5.5 **Dwelling Rent Income:** The budgeted income for 2022/23 is £25.581m, which reflects an assumption of 2% void losses and applying a 52-week year. The overall current projections suggest that more income will be recovered than predicted when setting the budget and providing an allowance for voids. The current projection for dwelling rent income is an over recovery against budget of £54k which partly relates to timings of predicted stock changes and levels of voids.
- 5.6 **Charges for Services / Facilities:** The budgeted income of £1.649m for 2022/23 includes (a) £1.406m for the Service Charge Income for Dwellings (after discounts have been applied to tenants such as Piper Charge to Sheltered Housing and Extra Care) less an average 2% void loss and applying a 52-week year, (b) £233k for Leaseholder Charges for Services, and (c) £10k for Meeting Halls.
- 5.7 The Leaseholder Charges for Services is forecasting an under recovery of income of £100k. The leaseholds are invoiced a year in arrears. The routine repairs continued to be low again last year due to COVID and lockdown. The major repairs were also lower and capped at £250 again.

Expenditure

- 5.8 **Tenancy Management:** This area covers lettings, supported housing, rent recovery, leaseholders and other tenancy management support activities. The total current budget is £3.228m and it is forecasting an overspend of £248k. This mainly relates to an overspend on staffing costs due to additional resources required to manage the increasing number of cases raised by tenants following the aftermath of COVID, as well as backfill for maternity and sick leave and the pay award. Part of the overspend relates to a budget saving for 2022/23 by undertaking RTB surveys using our in-house resources, however this resource is now unavailable, and the activity is now being procured externally.
- 5.9 **Maintenance:** The overspend relates to the ongoing repairs and maintenance of the housing stock through void activity undertaken to ensure our Lettable Standard is met before reletting. Whilst this is a very demand led and reactive service based on the condition of the properties being returned this service is experiencing an increase in cost pressures as inflation drives up the cost of materials (as seen nationally). There is an in-house initiative called the "Leaving Well" scheme which aims to work with and support the tenants to leave their homes in a suitable manner to reduce the time and cost of work then required on void properties before reletting.

- 5.10 Since the Q1 report further work has been undertaken to identify opportunities for the capitalisation of material costs. For example, where the activity is of a capital nature and has an impact on the major works replacement programme. So far c£250k of costs have been identified and is reflected in the change in variance from Q1 to Q2.
- 5.11 **Capital Investment:** The Capital Investment Team are responsible for driving the delivery of the Majors and Improvement capital programme. Since the Q1 report and in light of the predicted overspend the opportunities for capitalisation have been revisited and these salary costs of £254k are now being capitalised.
- 5.12 **Compliance:** The service is forecasting an underspend of £115k. Following a validation of apparatus / installations on site, the service has identified that the previous data estimations were greater than those required in year. Therefore, the budget requirement for compliance activity for 2022/23 have been revised and reduced by £149k.
- 5.13 **Performance:** Of the total budget of £5.084m, £3.920m relates to shared costs such as support services, pension deficit, and governance, leaving £1.164m on operating costs such as staffing, insurance, training, travel, stationery, printing and bank charges, as well as the Tenants Empowerment and Tenants Action Group.
- 5.14 The forecast underspend of £236k mainly relates to a £320k favourable adjustment following the completion of a thorough review of the non-staff related cost apportionments between the General Fund and Housing Revenue Account (HRA), to ensure this reflects the up-to-date position and reasonable assumptions around the relative use of resources. This is offset by staffing pressures related to the pay award, job evaluation and performance team restructure.
- 5.15 **Pay Award 2022:** The 2022/23 approved budget assumed a 2% pay award. The Pay Award has now been agreed at £1925 per scale point which gives an average 5.6% increase for SWT. This assumption has been included within the forecast outturn position provided by services (reported above).
- 5.16 **Interest Payable:** The budget estimate for 2022/23 was £2.883m. This was based on assumptions for the refinancing of £10m of debt repaid in March 2022 which differ to the actual cost of borrowing and the term of the loan resulting in an underspend of £88k.
- 5.17 **Interest Receivable:** The budget estimate for 2022/23 was £82k. The outturn position is dependent on the final capital financing requirement for the year, as well as levels of borrowing and reserves. Since Q1 the capital outturn forecast has been refined and is now reporting an underspend of £5m. The current projections of capital spend, and level of reserves suggest that there will be £71k of interest income for the year, though it is highly likely that this will change by the end of the year.
- 5.18 **Depreciation:** The depreciation charge for the HRA is calculated at the end of the financial year and then transferred to the Major Repairs Reserve (MRR) to be reinvested in the housing stock through financing of the capital programme and/or repay capital debt.

- 5.19 In prior years, elements of the depreciation calculation saw some components of the assets having a useful life over 100 years. For 2021/22 there was a recommended technical accounting update requiring components to have a maximum useful life of 70 years. This was applied to the calculation for 2021/22 resulting in an increase in the dwelling depreciation charge. This financial impact was managed strategically in 2021/22 by reducing the voluntary repayment of debt through the revenue account and replacing this with existing capital receipts to eliminate the financial impact on repaying debt as well as the impact on the revenue account.
- 5.20 Due to timings of the annual budget preparation, this technical accounting update was not applied to the budget estimates for depreciation for 2022/23. As such an early provisional calculation has been undertaken to estimate the depreciation charge for the year. This has resulted in an adverse variance against budget of c£1.4m. This variance results from a combination of the reduction in useful life that may reasonably be applied, in line with accounting standards, as well as the increase in year-end "existing use" valuations, which are driven by the effects of economic conditions impacting upon house price inflation.
- 5.21 This financial impact will again be managed strategically by offsetting this pressure in part against the voluntary repayment of debt through the revenue account and replacing this with existing capital receipts to eliminate the financial impact on repaying debt as well as the impact on the revenue account. This currently leaves a £406k pressure which is expected to change once final year end calculations are undertaken.
- 5.22 **Capital Debt Repayment:** As per the Budget Setting Report for 2022/23 (Full Council Feb 2022) the HRA financial strategy presented a one-off reduction in budget (from £1.821m) of £800k to provide revenue capacity in 2022/23 replacing this with £800k of non-RTB capital receipts. The budget of £1.021m is being used to offset the adverse variance on the depreciation charge as described above.

6 Capital Programme

- 6.1 The HRA current approved Capital Programme is £109.4m. This consists of £14.4m of new schemes approved for 2022/23 plus £95m of previously approved schemes in prior years (see **Appendix A**).
- 6.2 The Council plans to finance this investment through the Major Repairs Reserve, Capital Receipts, Capital Grants, Revenue Funding and Borrowing (see **Appendix B**).
- 6.3 The HRA Capital Programme relates to in-year works and longer-term schemes that will be completed over the next nine years. The current planned profiled spend is summarised in **Appendix C**. The budget has been profiled to reflect the estimated timing of costs for the approved schemes, with £36m profiled to be spent in 2022/23 with the balance of £73m projected forward into future years.
- 6.4 Further information on the three distinct areas of the HRA capital programme and its financial performance to date against this financial year can be found below and in **Appendix D**. The current forecast outturn is £27.373m. The programme will underspend against profiled budget for 2022/23 by £8.973m; £8.700m slipping into subsequent years

and £273k being returned.

- 6.5 **Major Works:** The approved budget of £14.9m is funded by the Major Repairs Reserve and Borrowing and relates to spend on major works to existing dwellings. New schemes approved for 2022/23 total £11m with slippage from the prior year of £3.9m.
- 6.6 The 2022/23 capital programme includes major programmes such as:
- Kitchens
 - Bathrooms
 - Heating improvements
 - Insulation and ventilation
 - Door entry systems
 - External doors
 - Fasciae and soffits
 - Roofing
 - Windows
- 6.7 The current forecast projected spend is £9.9m resulting in an underspend against budget of £5.0m which will fall into subsequent years. Progress on a number of capital work programmes continues on-site; including kitchen and bathroom replacements, roofing, replacement gutters and fasciae, and door entry systems. It should be noted, however, that available contractor resource remains a challenge and accordingly some programmes may not be completed by the end of this financial year.
- 6.8 **Improvements:** The approved budget of £5.2m is funded by the Major Repairs Reserve and relates to spend on improvements to existing dwellings and related assets. New schemes approved for 2022/23 total £3.3m with slippage from the prior year of £1.9m.
- 6.9 The current forecast projected spend is £4.6m resulting in an underspend against budget of £538k of which £200k will fall into subsequent years and £338k proposed to be returned. Progress on fire safety works (replacement fire doors, fire safety flooring and emergency lighting) is progressing well on site, although again it should be noted that available contractor resource remains an ongoing challenge. The budget return relates to the implementation of a new accounting standard (IFRS16 - Leases) being deferred, meaning the finance lease costs for the fleet contract will be accounted for in revenue. The budget return also relates to a forecast underspend on related assets.
- 6.10 **Social Housing Development Programme:** The current approved budget of £89.3m is for the provision of new housing through schemes such as Phases A-E for North Taunton Regeneration (NTWP), Seaward Way, Oxford Inn and Zero Carbon Affordable Homes to increase the Council's housing stock. This will be funded through by RTB Capital Receipts, Capital Grants and Borrowing.
- 6.11 The current Social Housing capital programme for 2022/23 is progressing well with contractors on site at phase A of NTWP and Seaward Way, together developing 101 new homes. Although the contract remains in negotiation for phases B&Ci and Di the service expects to start and complete demolition of NTWP within the financial year and

then commence the building of 51 homes. The Oxford Inn development is due to be considered at November's planning committee. The refurbishment of properties at Oake and NTWP phase E has been delayed due to an unsuccessful procurement exercise. A second procurement exercise is underway.

- 6.12 Members should note that the economic environment is very challenging in relation to the building of homes. SWT's key risks include inflation, especially in relation to the NTWP which spans several phases and is delivered over many years, contractors risk appetite, availability of staff and sub-contractors, insurance premiums and materials shortages are also challenges. In addition, statutory and voluntary requirements in terms of energy efficiency and climate change, highway infrastructure, phosphates and fire prevention are also increasing the time and cost pressures relating to the development of new homes. The Council is delivering affordable housing for rent and therefore does not have the ability to benefit from house price inflation to offset some of the additional costs. The HRA's Medium Term Financial Plan (MTFP) and 30-Year Business Plan is being reviewed to ensure the capital programme expenditure remains affordable.

7 HRA Earmarked Reserves

- 7.1 The HRA Earmarked Reserves at the beginning of 2022/23 totalled £54k (see **Table 3** below). The remaining funds have been earmarked to be spent within the next two years.

Table 3: Earmarked Reserves Balances

Description	Opening Balance 01/04/2022 £000	Transfers £000	Projected Balance 31/3/2023 £000
HRA One Teams	6	0	6
HRA Hinkley	48	0	48
HRA Total	54	0	54

8 HRA General Reserves

- 8.1 The opening HRA general reserves balance as at 1 April 2022 is £3.413m, representing unearmarked reserves held to provide ongoing financial resilience and mitigation for unbudgeted financial risks. This is £1.413m above the minimum recommended reserve level of £2m.
- 8.2 As part of the budget setting proposals to Full Council on 8 February 2022 £200k of current reserves will be used to support the base budget in 2022/23. Further approved (or proposed) allocations to / from general reserves are shown in the table below.

Table 4: HRA Unearmarked Reserves Balance

	Approval	£'000
Balance Brought Forward 1 April 2022		3,413
Budgeted Contribution to support base budget 2022/23	FC - 08/02/22	-200
Current Balance		3,213
Forecast: Housing Policy Review		-30

Forecast: Procurement Support		-140
Forecast: 2022/23 Projected Overspend		-330
Projected Balance 31 March 2023		2,712
Recommended Minimum Balance		2,000
Projected Balance above Minimum Reserve Balance		712

- 8.3 The current outturn position is forecast to be a net overspend of £330k. If the forecast outturn position does not improve the deficit will reduce reserve balances to £2.712m, which is only £712k above the recommended minimum balance of £2m. It is essential that control on spending for the remainder of the year continues to reduce the forecast overspend and maintain adequate reserves. Financial risks are increasing with rising household costs for tenants and rising operating and capital financing costs for the Council. Management must take the necessary steps to control costs and manage risk to ensure financial resilience is maintained. The minimum balance is currently at risk.
- 8.4 If reserves do fall below adequate minimum levels it will be vital that sustainable plans are implemented rapidly during 2023/24 to restore balances to an acceptable level. The emerging financial pressures this year demonstrate the potential scale of financial risks, which will almost certainly be exacerbated during the transition to the unitary authority and in an increasingly volatile operating environment. It is vital that costs are managed within annual income totals to ensure ongoing affordability of services.

9 Risk and Uncertainty

- 9.1 Budgets and forecasts are based on known information and the best estimates of the housing service's future spending and income. Income and expenditure over the 2022/23 financial year are estimated by budget holders and then reported through the budget monitoring process. During this process risks and uncertainties are identified which could impact on the financial projections, but for which the likelihood, and/or amount are uncertain. The Council carries protection against risk and uncertainty in several ways, such as insurances and maintaining reserves. This is a prudent approach and helps to mitigate unforeseen pressures.
- 9.2 The following general risks and uncertainties have been identified:
- 9.3 **Inflation:** The current economic operating environment is placing financial risk on the Council in terms of rising inflation increasing the cost of supplies such as utilities and materials. The Council is seeing price increases on our corporate contracts of c60% on electricity, c80% on gas and c45% on fuel. However further variances may come to light during the year based on levels of usage in these areas. There is also uncertain inflationary pressures on other revenue and capital contracts. Budget Holders have undertaken an impact assessment of the inflationary pressure placed on their services and included best estimates as part of their quarterly review.
- 9.4 **Insurance Premiums:** The Council's insurance policies are due for renewal on 1 August 2022. Premiums are affected by inflation as well as risk, thus high inflation which may lead to an adverse variance to budget. The renewal falls just eight months ahead of the Unitary Vesting Day, with the risk that an additional premium may be payable for a

shorter policy period. Whilst the invoices have now been received these were received too late to be updated within the Q2 forecasts therefore an update will be provided in the Q3 report.

- 9.5 **Bad Debt Provision:** The budgeted bad debt provision of £180k provides financial capacity for any increase in arrears and / or aging debt from one year to the next as well as any in-year write offs. This is a year-end technical accounting adjustment. The key challenges facing the arrears position are the pressures on SWT to maximise rental income in an environment of reduced government support and greater need to utilise internal resources; the ‘cost of living crisis’ marked by reductions in real income accompanied by increases in fuel costs and food prices; welfare reforms which have made extensive use of sanctions and reductions in eligibility; and the impact of the COVID pandemic. On average 25% of SWT HRA tenants are in arrears at any one time.
- 9.6 The approaches incorporated at SWT to aid the HRA’s enforcement of debt and support to tenants include providing direct welfare benefit advice and support; facilitating access to employment and training, support and advice; facilitating access to debt prevention support; and opportunities for flexible rent payment.
- 9.7 **Recruitment:** There are a number of vacancies across the Council and assumptions have been made as to when these vacancies will be filled. The Council is experiencing recruitment issues (as seen country-wide) therefore assumptions and forecasts may change, in addition to higher agency costs to cover roles where permanent recruitment is not successful.
- 9.8 **Capital Programme Forecasts:** Engaging with Contractors at all tiers continues to be very challenging, therefore the risk to the capital programme and forecast costs should be considered. The labour and materials market is still in short supply, with Contractors unable to resource both tenders being issued and projects on site. As such, competition in the market is more limited than it has been for some time.
- 9.9 The cost pressure created by inflation, the liquidation of a number of contractors, logistics challenges and the general acceleration to get projects to site post-lockdown, is causing previous fixed price contracts to be re-appraised within a matter of months of a successful tender. This could move schemes to the limits of viability. The resulting impact of this cost pressure is resulting in Tier One (larger scale) Contractors often turning down tender opportunities unless an inflation clause (requiring the Client to take the risk of inflation), is included in Contracts, whilst smaller Contractors are withdrawing tenders after submission or operating on such a small margin as to put them at risk of failure.
- 9.10 The forecast tender price inflation for 2022 is 8–10% (although some materials are seeing 30-40% increases) and there is limited prediction from the marketplace of the rate of inflation easing until Quarter 3 2024. Whilst due diligence is undertaken on tenderers during the process, both in flight and imminent projects will continue to be at risk whilst resource and materials are scarce and/or increasing in cost at current trajectories.

- 9.11 **Fleet Contract / IFRS16 Leases:** CIPFA has delayed the implementation of IFRS16 however we could have chosen to adopt this early but due to the implementation of the Unitary Council all Somerset Councils have made the decision to delay adoption. Therefore, where SWT had budgeted for the lease as a capital cost these now fall to revenue. The services hope to absorb this cost through in-year underspends and delays in receiving new vehicles.
- 9.12 **Repairs & Maintenance:** Overall this is a very demand led and reactive service based on the needs of the tenants. There are also a number of uncontrollable variables associated with this service such as the weather (e.g. cold winters causing burst pipes, roof leaks, etc), condition of properties when returned (e.g. void refurbishments), consumer demand on minor internal / external repairs (e.g. broken door or fence) and the type of repair work required. Market pricing of materials etc can also be volatile with some unit costs increasing in recent months. As such the levels of demand do not always follow a recognisable trend. We therefore caveat the forecasts in these areas to account for fluctuations.
- 9.13 **Landlord Compliance:** A review of all compliance areas against every property for which Somerset West and Taunton Council has landlord property compliance responsibility has largely been undertaken. The compliance works required following this review are currently being procured and delivered. Whilst additional budget provision has been added previously, new regulatory requirements and assurance process are still emerging, the full extent of the full financial pressure of these remains uncertain.
- 9.14 **Cost of living crisis, Welfare Reform and Universal Credit (UC):** The impacts of these are significant with the number and value of rent accounts in arrears expected to increase considerably. Several mitigations are already in place to help support tenants affected particularly by the rising cost of living such as debt advice, access to discretionary housing payments and an arrears management team with redesigned workflow processes. These issues may require the Council to revise future income projections.
- 9.15 **Responding to increased stock quality standards:** Changes to the Regulator of Social Housing's decent home standard as well as higher thermal efficiency standards which may not be fully supported by additional external grant funding would place an additional burden on HRA resources available for elemental investment in homes. Once the detail is known, we will need to adapt to ensure we continue to maintain stock at the Decent Homes Standard and prepare to meet all the evolving expectations, incorporating the financial impacts into the Business Plan.
- 9.16 **Housing White Paper:** In November 2020 the Government published the Housing White Paper which sets out the changes to how social landlords will operate. It will require several changes to home safety, tenant satisfaction measures, complaints handling, a new inspection regime for social landlords and a strengthened role for the Regulator of Social Housing. Many of the new changes in the white paper have already been mitigated in Housing by strengthening our compliance activities, setting up the new Housing Performance Team to be responsible for communications, performance data and engagement but this will need to be kept under review and self-assessment has begun.

- 9.17 **Right To Buy (RTB) Receipts:** This is a government policy that enables tenants to purchase their homes at a discount, subject to meeting qualifying criteria. The receipts allowed to be retained by the Council can now fund up to 40% of new social housing costs and must be used within five years of receipt. To date, the Council has successfully fully spent all of their retained 1-4-1 receipts within the require timescales resulting in no returns being made to the Treasury/DLUHC.
- 9.18 Whilst projected spend on new build developments is currently adequate to meet 1-4-1 spend requirements this is dependent on the successful delivery of these social development schemes. Therefore, there is still a risk that the current delivery plan on new build schemes could be delayed and may result in funds being return to DLUHC/Treasury.
- 9.19 **Unitary Council:** The transition to the new Unitary places a significant demand on management and staff. It is currently unknown what the future potential HRA costs will be and whether these costs will need to be funded using revenue or capital budgets. From a capital perspective the business plan does provide some headroom to allow non-right to buy receipts to be used as flexible capital receipts to fund transformation costs. Revenue costs of implementation are not currently budgeted and will place additional pressures on the HRA budget and reserves, thus we will need to review planned expenditure and reserves to make this affordable.
- 9.20 **Forecasting Assumptions:** It is conceivable that, whilst budget holders are optimistic that they will spend all their budget, experience shows an increase in underspends often reported in the last quarter of the financial year. The pace of spending may also reduce as capacity and delivery of priorities is affected by local government structural change.
- 9.21 **Fluctuation in demand for services:** We operate many demand-led services and the levels of demand do not always follow a recognisable trend, which may lead to fluctuations in costs and income compared with current forecasts.
- 9.22 **Year-end Adjustments:** There are certain items that are not determined or finalised until the financial year-end. For example, the final assessment of provisions required for bad debts and final allocations of support service recharges. These can result in potentially significant differences to current forecasts.

10 Links to Corporate Strategy

- 10.1 The financial performance of the Council underpins the delivery of corporate priorities and therefore all Corporate Aims.

11 Unitary Council Financial Implications and S24 Direction Implications

- 11.1 The main considerations within scope of this report is the impact of in-year financial performance on year end reserve balances that will transfer to the new unitary council on 1 April, and potential impact of variances on future budget estimates. Reserves are currently projected to remain above the minimum requirement. Finance officers and budget managers will feed in ongoing and future risks and implications through the

budget setting process for 2023/24.

12 Partnership Implications

- 12.1 A range of HRA services are provided through partnership arrangements such as MIND, citizen's advice, Taunton East Development Trust, North Taunton and Wiveliscombe Area Partnership. The cost of these services is reflected in the Council's financial outturn position for the year.

13 Scrutiny Comments / Recommendations

- 13.1 The report will be considered by Community Scrutiny on 30 November 2022. A summary of the comments and recommendations discussed will be provided here for the Executive to consider.

Democratic Path:

- **Community Scrutiny – 30 November 2022**
- **Executive – 21 December 2022**
- **Full Council - No**

Reporting Frequency: Quarterly

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Appendix D	Profiled Capital Budget for 2022/23 Vs Forecast Capital Outturn for 2022/23

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Appendix A: HRA Approved Capital Budget

SWT Capital Programme	Prior Year Slippage	Current Year Approval Feb 2022 Budget Setting for 2022/23	Total Approved Budget	Current year Virements	Current Year Supplements	Current Year Returns	Revised Current Year Approved Capital Budget
Major Works	3,895,968	11,051,000	14,946,968	0	0	0	14,946,968
Fire Safety	1,440,637	2,133,000	3,573,637	0	0	0	3,573,637
Related Assets	0	120,000	120,000	0	0	0	120,000
Exceptional & Extensive	0	350,000	350,000	0	0	0	350,000
Vehicles	65,000	155,000	220,000	0	0	0	220,000
ICT & Transformation	351,405	200,000	551,405	0	0	0	551,405
Aids & Adaptations & DFGs	0	370,000	370,000	0	0	0	370,000
Sub-Total Majors & Improvements	5,753,010	14,379,000	20,132,010	0	0	0	20,132,010
Social Housing Development	89,268,617	0	89,268,617	(0)	0	0	89,268,617
Total HRA	95,021,627	14,379,000	109,400,627	(0)	0	0	109,400,627

Appendix B: HRA Capital Financing of Total Approved Budget

SWT Capital Programme	TOTAL CAPITAL FINANCING	Capital Grants	Right To Buy (RTB) Capital Receipts	Capital Receipts	HRA Revenue Contribution	Major Repairs Reserve	Other Earmarked Reserves	Borrowing
Major Works	14,946,968	0	0	0	0	10,681,958	0	4,265,009
Fire Safety	3,573,637	0	0	0	0	3,573,637	0	0
Related Assets	120,000	0	0	0	0	120,000	0	0
Exceptional & Extensive	350,000	0	0	0	0	350,000	0	0
Vehicles	220,000	0	0	0	0	220,000	0	0
ICT & Transformation	551,405	0	0	200,000	0	351,405	0	0
Aids & Adaptations & DFGs	370,000	0	0	0	0	370,000	0	0
Sub-Total Majors & Improvements	20,132,010	0	0	200,000	0	15,667,000	0	4,265,009
Social Housing Development	89,268,617	402,229	16,303,315	0	0	0	0	72,563,072
Total HRA	109,400,627	402,229	16,303,315	200,000	0	15,667,000	0	76,828,082

Appendix C: HRA Annual Profiling of Approved Capital Budget

SWT Capital Programme	Total Approved Budget	Planned Capex 2022/23	Planned Capex 2023/24	Planned Capex 2024/25	Planned Capex 2025/26	Planned Capex 2026/27	Planned Capex 2027/28	Planned Capex 2028/29	Planned Capex 2029/30	Planned Capex 2030/31
Major Works	14,946,968	14,946,968	0	0	0	0	0	0	0	0
Fire Safety	3,573,637	3,573,637	0	0	0	0	0	0	0	0
Related Assets	120,000	120,000	0	0	0	0	0	0	0	0
Exceptional & Extensive	350,000	350,000	0	0	0	0	0	0	0	0
Vehicles	220,000	220,000	0	0	0	0	0	0	0	0
ICT & Transformation	551,405	551,405	0	0	0	0	0	0	0	0
Aids & Adaptations & DFGs	370,000	370,000	0	0	0	0	0	0	0	0
Sub-Total Majors & Improvements	20,132,010	20,132,010	0	0	0	0	0	0	0	0
Social Housing Development	89,268,617	16,214,803	16,421,411	16,626,272	12,694,184	4,271,334	6,800,000	7,793,039	6,950,000	1,497,575
Total HRA	109,400,627	36,346,812	16,421,411	16,626,272	12,694,184	4,271,334	6,800,000	7,793,039	6,950,000	1,497,575

Appendix D: HRA Profiled Capital Budget for 2022/23 Vs Forecast Capital Outturn for 2022/23

SWT Capital Programme	Profiled Capex Budget 2022/23	Expenditure YTD	Forecast Outturn 2022/23	Variance; - underspend + overspend	- Slippage c/f	In Year - Underspend + Overspend
Major Works	14,946,968	1,760,697	9,904,607	(5,042,361)	(5,042,361)	0
Fire Safety	3,573,637	1,063,579	3,573,637	(0)	(0)	0
Related Assets	120,000	2,075	2,075	(117,925)	0	(117,925)
Exceptional & Extensive	350,000	12,842	350,000	0	0	0
Vehicles	220,000	780	0	(220,000)	0	(220,000)
ICT & Transformation	551,405	120,018	351,405	(200,000)	(200,000)	0
Aids & Adaptations & DFGs	370,000	92,190	370,000	(0)	(0)	0
Sub-Total Majors & Improvements	20,132,010	3,052,181	14,551,724	(5,580,286)	(5,242,361)	(337,925)
Social Housing Development	16,214,803	2,874,959	12,821,695	(3,393,108)	(3,458,303)	65,196
Total HRA	36,346,812	5,927,139	27,373,419	(8,973,393)	(8,700,664)	(272,729)

Council – 6th September 2022

This report is the responsibility of Executive Portfolio Holder for Housing – Cllr Francesca Smith.

1. Executive Summary / Purpose of the Report

The report is to update Members on work being undertaken and progress made by the Housing Directorate since the last Full Council meeting.

2. Recommendations

Full Council is asked to note this report and are invited to ask questions.

3. Background and Full details of the Report

Housing Development and Regeneration Team Housing Development and Regeneration Team

HRA New Homes, Housing Strategy and Housing Enabling

- North Taunton Woolaway Project (NTWP) Phase A is progressing with the first couple of completions due and visits are being arranged for members of the Tenants Strategic Group, Tenants Low Carbon Retrofit Working Group, and members in September. These will be the first 2050 zero carbon compliant new build council homes. Equans/Engie continue to work well on site and the contract for demolition and new build of phase B and Ci is being drawn up. Unfortunately, inflation is creating problems throughout the economy and building homes is affected as significantly as any other sector. We recognise that the increase cost of building homes is no longer a risk but a reality. The housing service will continue to review its capital programmes with finance colleagues to manage inflationary pressures as best as possible. The procurement of a contractor to deliver refurbishment to 27 Council woolaway homes at NTWP [phase E will conclude shortly.
- The 54 home zero-carbon development at Seaward Way, Minehead, commenced in January. The zero-carbon exemplar scheme will shortly commence pilling works. Discussions on the schemes Electric Vehicle Charging Points and technology to monitor carbon efficiency are well advanced.

- The service had six planning applications for the zero-carbon affordable housing awaiting presentation to planning committee. The service is progressing one and withdrawing one application. Four applications will remain in the planning pipeline until agreed phosphate mitigation approaches are confirmed.
- The service is progressing at pace a low carbon retrofit strategy and delivery plan. A new tenants' low carbon retrofit group has met and is influencing the strategy and delivery plan. The strategy will be presented at a Members Briefing in September and progress to Full Council in December 2022. SWT has been awarded SHDF (Social Housing Decarbonisation Fund) Wave 1 and is bidding for Wave 2 funds. In addition, a significant Energy company obligation fund has been reserved by a large energy provider for a neighbourhood based ECO4 programme.
- New affordable housing in the district has seen a higher-than-average number of properties completed this financial year. The pipeline of new units is currently at its strongest in the west of the district, which is unaffected by the phosphate mitigation planning requirements. Future supply in the district is at risk due to the inability of private and social housing developers to progress developments without a phosphate mitigation strategy. As time passes this will place greater demand on existing supply and homefinder.
- The Single Homeless and Rough Sleeper Accommodation Strategy and delivery plan was approved by Full Council in October and Officers are supporting the delivery of new homeless bedspaces through several partners and direct council supply. The council has been awarded £750k through the government Rough Sleepers Accommodation Programme to accelerate the new provision Round three and a further £80k in Round 4.
- We continue to deliver the Hinkley Point C Housing Programme, working with partners to drive forward 11 key areas of work. This programme is providing new bed space in the district and support to vulnerable customers affected by the change in the housing market because of the uplift of workforce at HPC. The service has submitted a request to EDF for a further wave of funding (£390k) to continue many projects up to December 2023 and discussions continue by the council in relation to additional funding as significant housing demand pressure continues to create problems for the housing market.

Housing Property Team

Responsive Repairs and Void Repairs

- Emergency and non-emergency responsive repairs are being undertaken.
- Emergency jobs are being delivered within our defined timescale (24 hours from logging).
- The backlog of non-emergency responsive repairs has now been eliminated, following the use of external contractors. MD Group are providing ongoing

support to a small proportion of repairs where required to cover internal staff resource shortfalls.

- Undertaking void repairs to meet our Lettable Standard remains a challenge, although performance continues to improve in this area. Again, we are working with MD Group to support on undertaking some of our Major Voids (those with two or more key elements required).
- We are undertaking a recruitment process for a Maintenance Manager, following the previous postholder leaving SWT.

Property Safety Compliance

- All property safety compliance checks and works continue to be undertaken. These include gas safety checks (LGSR's), water risk assessments and remedial works, electrical inspections (EICR's), asbestos surveys and re-inspections, fire risk assessment and remedial works, fire safety checks, and lift and stair-lift checks and remedial works.
- An accelerated programme, using further additional contractors, to undertake outstanding electrical inspections (EICR's) and associated remedial works continues.
- Weekly compliance and additional review meetings are being held to carefully monitor and manage all these safety critical areas.

Capital Programmes

- Several capital work programmes are on-site, including kitchen and bathroom replacements and fire safety works (replacement fire doors and emergency lighting). Progress on these programmes is slower than desired however, and we are working with the relevant contractors to seek improvements on output.
- Procurement activities also continue, including review of required capital programme works needed to meet the Decent Homes Standard (DHS), as well as our Retrofit aspiration.
- A new Interim Capital Programme Manager has been recruited.

Asset Management

- Post 'go-live' work on the Open Assets module of our Capita software system is now underway, following the Open Housing implementation.
- Programmes of Stock Condition Surveys continue to take place.
- Capital work future programme planning is being undertaken, including for both DHS requirements, and retrofit aspirations.

Housing and Communities Team

Supported Housing (extra care and sheltered)

- The officer team is now almost back to capacity, although there are the usual absences for summer leave, so a more normal service has returned to tenants.
- The team continue to complete; sign ups; enrol tenants with Deane Helpline; fit lifelines; annual reviews; aids and adaptations assessments; manage 'ending well' when a tenant dies.
- A temporary member of staff has started, for a 3-month period, to enable the team to catch up on the overdue annual reviews.
- The team are now completing the bi-monthly estates and block checks within their patches, following up with tenants, as needed.

- The team continue to work hard to promptly respond to general customer enquiries, reported via Firmstep.
- The DHL daily rota continues to be staffed Responding to Deane Helpline issues where the tenants have not responded to their usual monitoring call out.

- Some new furniture is being purchased for the meeting halls at Creedwell Orchard and Heathfield.
- Staff are facing some challenges when a tenant dies and there are no next of kin available to end the tenancy, and where tenant (with no next of kin) no longer has the capacity to live independently, and is moved into Nursing care, by Adult Social Care. The challenges are re: how the tenancy is ended, as this can happen in different ways, which can take a varied amount of time to complete.
- A successful skip day and community BBQ was held at Creedwell Orchard in partnership with local PCSO's, to enable people to get rid of unwanted belongings.
- We have supported some tenants living in upper floor flats to move to ground floor flats and bungalows, as their needs have changed, and they have no longer been able to manage the stairs safely, or easily exit if there was a fire emergency.
- We have been working with the RSI Team, to support Housing First clients to move into sheltered housing and co-working to ensure that this can be successful for these tenants. There have been some challenges regarding

this, in terms of individuals not being able to access care in their homes, due to the lack of available carers.

Lettings

- The team have successfully launched their new lettings module within the Open Housing system;
- Work is ongoing to support some existing council tenants to permanently decant from their homes at Wordsworth Drive and within the North Taunton Regeneration Project area;
- The team's Home Moves Plus project officer's latest report shows:
- To date 51 households have successfully downsized to properties more suitable for their needs. This has resulted in 1 x 5 bed house, 4 x 4 bed houses, 26 x 3 bed properties and 20 x 2 bed properties becoming available for letting to applicants who are registered with the Council's Homefinder Somerset Scheme;
- The team records tenant satisfaction on a monthly basis. For the month of July tenant satisfaction for both the lettings process (100%) and the standard of property (80%) continues to be high.

Income

- Recruitment to 2 full time vacant posts within the team is underway. Michaela Mullen is the team manager leading on this task;
- Increased focus is being given to training users on our new IT housing management system following. The system holds all our tenant rent account details and is run by the officers who manage tenant rent accounts.
- Officers within the team are having a lot more in-depth contact and conversations with tenants about paying their rent, especially where there is financial hardship. The team are working hard to maintain and sustain tenancies, rather than terminate them and eviction is used as a last resort.

Tenancy/Estates & ASB

- The teams are continuing to remain stable and settled.

- Skip days are now ongoing and although we experienced initial problems with the skip provider which have now been resolved. Our communities are utilising and making effective use of the skips.
- Complaints and general enquiries (Firmstep) are being managed well. We are noticing that the number of low-level neighbour nuisance is on the rise. This is both time consuming and complex as the team are dealing with allegations and counter allegations; and work to ensure that the tenants' expectations in what we can do are managed correctly.
- Youth gang culture is still ongoing and having an impact on our estates. We continue to work with partners to try to tackle these issues. We will also ensure that all families involved where they are tenants have been visited and that words of advice/warnings are given; where necessary Acceptable Behaviour Contracts are agreed and signed by both parents and youths where needed.

Housing Options

- The Housing Options service continues to be busy with an average of 120 approaches from customers who need housing advice or at risk of losing their accommodation each month. The main cause of homelessness in the district remains family evictions.
- The team's renewed focus on early intervention and prevention continues. In Q1 of 2022-23 an average of 65% of all prevention cases were closed with a positive outcome
- There is increasing pressure on the service as a result of Homes for Ukraine scheme placements breaking down. On average, the team are dealing with one enquiry a day from Ukrainian households or their sponsors who wish to end the sponsored placement. The impact of the scheme is a risk for the Council in respect of capacity to respond and the likely costs that will be incurred when emergency accommodation needs to be provided
- All vacant posts in the Housing Options team are currently being advertised in efforts to shore up the team structure going into LGR next year

Temporary accommodation

- The recent focus on improving pathways into and out of temporary accommodation continues. This has included the implementation of a fortnightly task and targeting meeting across relevant teams to ensure that there are actions in place to facilitate timely move on.
- New procedures are currently being embedded within the team with a clear focus on reducing the number of households in temporary accommodation

however it is recognised that it will take some time before the impact of these changes can be evidenced.

- The impact of Homes for Ukraine scheme placements breaking down is being closely monitored in relation to temporary accommodation with average costs for a family placement averaging £1000 a week at present; these costs are heavily influenced by a lack of affordable accommodation due to the current holiday season and the ongoing impact of Hinckley
- A business case has been submitted to repurpose a vacant position within the structure to add much needed resource to the temporary accommodation team.

Rough Sleeping Initiative

- At the end of Q1 2022 there were 37 customers engaged with the *Rough Sleeping Pathway*. Of these, 6 customers were in *Stage 1* (initial intervention and assessment), 21 customers are in *Stage 2* (intensive support) and 10 customers are in *Stage 3* (community-based living with floating support).
- Three customers with a history of entrenched rough sleeping and complex needs are now living in their *Housing First* homes. These are the first *Housing First* properties delivered by the Council as part of the Rough Sleeping Accommodation Programme (RSAP) funding. Renovations on a further property has been started and this will be adapted to accommodate a customer with mobility needs
- All vacant posts in the RSI team are currently out to advert; recruitment for these posts was delayed as a result of late funding confirmation by DLUHC
- The Canonsgrove decant continues to progress well with 15 residents remaining. Move on plans for all remaining residents are currently being finalised.

Home Finder

- Work continues to enhance and streamline the processes in place for receiving and assessing Homefinder applications with a focus on ensuring that customers are aware of the supporting documentation required and can upload this directly to their application
- The impact of this work has been positive with 63 applications having been made live in July.
- In Q1 of 2022-23 just under 900 new applications were made to Homefinder Somerset in the Somerset West and Taunton district.
- The team continue to support customers to bid on appropriate properties, this work continues to provide positive outcomes and is closely linked to ensuring that customers move on efficiently from temporary accommodation.

Somerset Independence Plus (SIP)

- Since the 1st April 2022, the Adaptations element of the service has received 249 requests for service, mainly Disabled Facilities Grants, preliminary Means Tests, and requests for feasibilities. There are 124 cases waiting on the waiting list for a Disabled Facilities Grant (DFG), down 25 since the 19th July 2022 because of cases being allocated to Officers. Of the 124, 41 are in the Somerset West and Taunton area. In terms of tenure;
 - 18 are tenants in the Council's own stock
 - 7 owner occupier and privately renting with
 - 16 tenants who are Registered Providers
- The backlog was because of the addition of South Somerset District Council purchasing the services of Somerset Independence Plus (SIP) in April of this year. All clients on the waiting list have been sent a letter informing them that we have received the referrals from their Occupational Therapist and an approximate date when they will receive a call from the Technical Team to visit them and begin the application process. It is estimated that the waiting list will below 70 by the end of October given current staff resources. The oldest case for the Council currently waiting dates to May 2022.
- Other highlights for the adaptations service;
 - The team have approved 40 DFG's since the 1st April 2022
 - Completed 40 DFG's since the 1st April 2022
 - Closed 105 enquiries 42 of which are in the Somerset West and Taunton area
- The Independent Living Team have completed 750 home safety checks in response to requests from Public Health for the Ukrainian Resettlement programme. SIP recently received £100,000 from Public Health to employ two additional Independent Living Officers to manage home safety checks for the future Afghan and Syrian resettlement programme as well as to maintain the current demand from the Ukrainian crises and to enable the service to manage its core work i.e., hoarding, home maintenance and Trusted Assessor. The team have begun threading hoarding clients into the workstream now that they are on top of the home safety inspections. They have a backlog of 35 clients waiting for initial contact, down from 50 a month ago.
- The business plan for the energy arm of the SIP business is being finalised. The service will provide a complete retrofitting service for clients who are both vulnerable and able to pay. Funding will be utilised from the Warm Homes Fund, LADS 1B and the Sustainable Warmth which amounts to circa £6.7 million for the insulation and heating measures. A key foundation of the business plan is to reintroduce area renewal, an approach will see blocks of terraces and an area identified through various datasets as key areas of deprivation and property type. A whole house approach will be taken to retrofit with a successful tendered contractor undertaking the work. This way of working reduces material and labour costs verses pepper potting i.e., individuals applying anywhere in the Council area. Frome has been identified as the initial pilot. LADS 2 delivered by e-on has seen 92 households in Somerset West and Taunton benefit from insulation and solar PV.

- 27th September sees the launch of the new Independent Living Centre in Mendip. Designed on the principles of the pioneering model in Wellington. The centre will formally be opened by Cllr Bill Revans. There will also be a TEC / Sensory lounge within the building allowing practitioners and the public the opportunity to try technology that can help people make daily living easier. There will also be a soft relaunch of the Wellington site later in the year following a refresh of the facilities to include new thinking.
- SIP is working with Public Health, the Centre for Sustainable Energy, and the Village Agents to put in place our Winter Plan. The aim of the plan is to assist the vulnerable, elderly and fuel poor households to cope with soaring fuel bills as a result of the war in Ukraine and the price cap, plus the impending cold weather. The Winter Plan will be in place from the 1st September. The plan will include distribution of the Household Support Fund, case worker support from SIP to assist with income maximisation and how to use heating controls, training with agencies in the field and promotion of the CSE energy advice line and expansion of the staff numbers in the CSE to cope with the increased calls. This is in addition to the ongoing retrofit activity by SIP and the roll out across Somerset of ECOFLEX 4 by our Retrofit Project Officer.

Housing Performance Team

- We continue to support the work of the Tenants' Strategic Group and Tenants' Action Group. On the 23rd August 2022 we will hold our second joint tenant meeting with Homes in Sedgemoor, specifically to engage tenants on LGR.
- The damp and mould group for tenants continues to meet and has agreed a set of actions including changes to our website information.
- A new Low Carbon Working group for tenants has their first meeting in July and a further meeting in August.
- The tenants' summer newsletter has been posted to Tenants.
- We are collectively working with Homes in Sedgemoor on local government reorganisation workstreams.
- The policy review work with the HQN (Housing Quality Network) continues and TSG members will receive revised policy documents for comment.
- We have completed the Housing Ombudsman Complaints Code self-assessment and reported those results to Tenants' Strategic Group in the July meeting. A copy of the self-assessment will also be available on the website shortly.
- Our headline Tenant Satisfaction Survey results (completed in May 2022) have been received. Consistent with the current trend in the social housing sector we have seen a downward trend in overall satisfaction. A full report will be presented to Tenants' Strategic Group in the September's meeting.
 - Overall satisfaction 76%
 - Satisfaction of being treated fairly and with respect 82%
 - Satisfaction with the neighbourhood as a place to live 80%
 - Satisfaction that the home is well maintained and safe 79%
 - Satisfaction with knowing how to complain 79%
 - Satisfaction with being kept informed 78%

- Satisfaction that landlord listens and acts 62%
- Satisfaction with complaint handling 61%
- Satisfaction with grounds maintenance 57%
- satisfaction with communal areas 55%

Councillor Fran Smith

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item 11

Document is Restricted

