

SPECIAL HOUSING AND SOCIAL WORK SERVICES – 7 February 2008**Motherwell, 7 February 2008 at 10 am.**A Special Meeting of the **HOUSING AND SOCIAL WORK SERVICES COMMITTEE****PRESENT**

Councillor McCulloch, Convener; Councillor Jones, Vice-Convener; Councillors Burrows, Chadha, Delaney, Grant, Higgins, Hogg, Homer, Lyle, McCabe, McElroy, McGlinchey, F. McKay, McKendrick, McKenna, McWilliams, Martin, Nolan, Smith, Taggart and Welsh.

CHAIR

Councillor McCulloch (Convener) presided.

IN ATTENDANCE

The Committee Services Manager; Executive Director of Housing and Social Work Services, Head of Housing Services, Head of Housing and Social Work Resources and Finance and Administration Manager, Housing and Social Work Services and Senior Accountant.

APOLOGIES

Councillors Adamson, Harmon, Key, Lunny and L. McKay.

DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000

1. The Committee noted that there were no declarations of interest.

HOUSING REVENUE ESTIMATES 2008/2009

2. **C** With reference to (1) paragraph 14 of the Minute of the meeting of this Committee held on 22 August 2007 when £0.600m had been set aside from the HRA Revenue Budget to offset the impact of any unforeseen budget pressures that may arise within the HRA budget during the remainder of the year, and (2) paragraph 5 of the Minute of the meeting of this Committee held on 19 December 2007 when, inter alia, the HRA base budget was approved and consideration of a range of savings was continued to this meeting, there was submitted a report (docketed) dated 28 January 2008 by the Head of Housing and Social Work Resources setting out the position and options in relation to the Housing Revenue Account for 2008/2009 and the use of surplus balances brought forward from 2006/2007.

Councillor McCulloch, seconded by Councillor McCabe, moved

- (1) that financial savings totalling £0.400m as detailed in Appendix 1 and the other Housing Charges as detailed in Appendix 1(a) to this Minute be approved;
- (2) that service improvements totalling £0.522m as detailed in Appendix 2 to this Minute, be approved;
- (3) that the £0.600m surplus brought forward from 2006/2007 be allocated as follows:-
 - (a) £0.100m to the Common Housing Register and Housing Allocation Policy, and

- (b) £0.500m to the Housing Repairs/Adaptations/HRA Capital Programme, with the allocation of £0.500m being based on the findings of the stock condition survey, which would provide an updated projection of the funding required to meet the Scottish Housing Quality Standard;
- (4) that housing rent levels be increased by an average of £1.65 per week over 52 weeks equivalent to a 3.5% increase, this to be applied as follows:-
 - (a) varying rent increases applied towards implementation of the standard rent structure based on a points weighting system;
 - (b) a minimum rent increase of £0.00 per week, and
 - (c) a maximum rent increase of £2.68 per week, and
- (5) that all increases be applied from 1 April 2008.

Councillor Lyle, seconded by Councillor Taggart, moved as an amendment:

- (1) that service improvements totalling £0.800m utilising, inter alia, the £0.600m surplus brought forward from 2006/2007 as detailed in Annex A to this Minute, be approved;
- (2) that the financial savings totalling £1m as detailed in Annex B(i) and the other Housing Charges as detailed in Annex B(ii) to this Minute, be approved;
- (3) that rents be increased by an average of 2.5% equivalent to £1.17 per week, this to be applied as follows:-
 - (a) a minimum rent increase of £0.00 per week, and
 - (b) a maximum rent increase of £2.65 per week.

On a vote being taken, 6 Members voted for the amendment and 16 Members voted for the motion, which was accordingly declared to be carried.

Decided: that the proposals as detailed in the motion be approved.

HOUSING AND SOCIAL WORK SERVICES (HRA) FINANCIAL SAVINGS 2008/09	Projected Housing Stock 37,102	
	Estimated Annual Saving £000	Weekly Rent Reduction £
1. Other Housing Charges Additional income generated from a 3.5% increase on other housing charges as detailed at Appendix 1(a).	171	0.09
2. Procurement Savings across a range of budget headings through more effective management of the Council's purchasing arrangements.	100	0.05
3. Car Leasing The discontinuation of the car leasing scheme will yield savings in 2008/09.	90	0.05
4. Job Adverts Savings identified as a consequence of a change in the job advertising process. The service now makes greater use of the Internet when advertising vacancies externally.	39	0.02
TOTAL	400	0.21

SPECIAL HOUSING AND SOCIAL WORK SERVICES – 7 February 2008

APPENDIX 1(a)

HOUSING AND SOCIAL WORK SERVICES (HRA)						
OTHER HOUSING CHARGES 2008/09						
Description	No. of Units	Weekly Charge (52 weeks)		Proposed Increase/(Reduction)		Additional Revenue Per Annum £
		Present £	Proposed £	£	%	
Lock Ups						
Former District Authorities	3,543	4.30	4.45	0.15	3.5	27,635
Higher rental	81	5.47	5.66	0.19	3.5	800
Former CDC Area	482	4.69	4.69	-	-	-
Garage Sites	621	1.38	1.43	0.05	3.5	1,615
Parking Bays	28	3.18	3.29	0.11	3.5	160
Temporary accommodation						
- Unfurnished	13	200.67	207.69	7.02	3.5	4,746
- Furnished	250	243.07	251.58	8.51	3.5	110,630
- Supported	57	241.31	249.76	8.45	3.5	25,046
Laundries						
Per wash		0.60	0.60	-	-	-
Per dry		0.60	0.60	-	-	-
Sheltered housing heating						
- Central (Wellwynd Gardens)		5.77	5.77	-	-	-
- South (Unitas Road)		12.20	12.20	-	-	-
- South (Drummond Drive)		11.38	11.38	-	-	-
Hostel heating – South		7.00	7.00	-	-	-
TOTAL						170,632

HOUSING AND SOCIAL WORK SERVICES (HRA)	Projected Housing Stock 37,102	
SERVICE IMPROVEMENTS 2008/09	Estimated Annual Cost £000	Weekly Rent Increase £
1 Council New Build Programme Increase budget provision to fund the cost of prudential borrowing for the Council's new build programme.	464	0.24
2 Tenant Participation Increase budget provision to fund an extension to the Tenants and Residents Development Support Project.	30	0.02
3 Lock Up Repairs Increase the budget for lock-up repairs to reflect the additional revenue generated through charge increases.	28	0.01
TOTAL	522	0.27

SERVICE IMPROVEMENTS

	Projected Housing Stock 37,102	
	Estimated Annual Cost £000	Weekly Rent Increase £
Recurring Items		
1 <u>HRA Capital Programme</u> Increase revenue contribution to the Housing Capital Programme.	194	0.10
2 <u>Former CDC Lock Ups</u> Reduce weekly rent to £4.45 to harmonise lock up rentals across North Lanarkshire.	6	0.00
TOTAL	200	0.10
Use of Surplus Balances		
3 <u>Council New Build Programme (one year)</u> Increase budget provision to fund the cost of prudential borrowing for the Council's new build programme.	400	-
4 <u>Common Housing Register and Allocations Policy (six months)</u> Budget provision to continue to fund (for six months) two temporary posts dedicated to development of the Common Housing Register and the new allocations policy, together with a consultation exercise on the new policy.	50	-
5 <u>Adaptations (one year)</u> Increase budget for adaptations.	150	-
TOTAL	600	-

FINANCIAL SAVINGS

Proposal	Projected Housing Stock 37,102	
	Estimated Annual Savings £000	Weekly Rent Reduction £
1. <u>Other Housing Charges</u> Additional income generated from a 3.5% increase on other housing charges as detailed at Annex B(ii).	171	0.09
2. <u>Procurement</u> Savings across a range of budget headings through more effective management of the Council's purchasing arrangements.	100	0.05
3. <u>Car Leasing</u> The discontinuation of the car leasing scheme will yield savings in 2008/09.	90	0.05
4. <u>Job Adverts</u> Savings identified as a consequence of a change in the job advertising process. The service now makes greater use of the Internet when advertising vacancies externally.	39	0.02
5. <u>Void Rent Loss</u> Reduce budget provision for unlet houses by setting new targets for voids.	600	0.31
TOTAL	1,000	0.52

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ANNEX B(ii)

OTHER HOUSING CHARGES

Description	No. of Units	Weekly Charge (52 weeks)		Proposed Increase/(Reduction)		Additional Revenue Per Annum £
		Present £	Proposed £	£	%	
Lock Ups						
Former District Authorities	3,543	4.30	4.45	0.15	3.5	27,635
Higher rental	81	5.47	5.66	0.19	3.5	800
Former CDC Area	482	4.69	4.69	*	*	-
Garage Sites	621	1.38	1.43	0.05	3.5	1,615
Parking Bays	28	3.18	3.29	0.11	3.5	160
Temporary accommodation						
- Unfurnished	13	200.67	207.69	7.02	3.5	4,746
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- Supported	57	241.31	249.76	8.45	3.5	25,046
Laundries						
Per wash		0.60	0.60	-	-	-
Per dry		0.60	0.60	-	-	-
Sheltered housing heating						
- Central (Wellwynd Gardens)		5.77	5.77	-	-	-
- South (Unitas Road)		12.20	12.20	-	-	-
- South (Drummond Drive)		11.38	11.38	-	-	-
Hostel heating – South		7.00	7.00	-	-	-
TOTAL						170,632

* Rental reduction for former CDC lock ups to £4.45 included in Service Improvements at Annex A.