

Questions for Cabinet 15 January 2014

1 Outsourced function

1.1 Why is the Council's Housing service using a Manchester-based company for the processing and distribution of correspondence between Council officers and customers?

Following a value for money review of the in-house service it was found that this service was inefficient and so this was market tested. Northgate through a competitive process tendered and were awarded this contract. This service manages all mail and provides a more efficient service. This contract is coming to an end and a review of the procurement will take place shortly.

1.2 Would it not be better to have the service in-house, with local jobs?

This will be considered as part of the procurement strategy when renewed.

1.3 As the outsourced service is processing the personal information of customers, why has the Council not sought prior consultation and received consent from those customers?

This service has built in security specification and this approach, through Northgate, has provided a more secure way of managing personal customer information that existed through the previous in-house service.

2 Housing Debt Management

We have been told that the Housing Debt repayment scheme is to be changed so as to delay the repayments and thus extend the loan period.

This creates, in the short term, a projected cash availability, whilst in the longer term the interest needed to service the delayed repayments will add a further financial burden upon tenants.

2.1 What is the available money to be used for?

The question refers to the 30 Year Affordability Profile which is the performance management tool we use to assess the financial health of the business plan over the long term. The profile shows total debt over a 30 year period, not as a planned repayment schedule, but showing the *capacity* of the plan to repay that value of debt. This year's affordability profile shows that

current forecasts indicate the plan does not have the capacity to repay debt over 30 years and that represents an increased exposure to interest rate risk over the long term.

Because the affordability profile is a performance indicator (rather than a scheme) it has no impact on the plan, financial or otherwise.

2.2 Where was the prior consultation and consent from tenants?

The affordability profile as a performance indicator is shared with tenants in order to provide an understanding of the council's long term health assessment for the plan.

3 What is rent?

3.1 Could this council please issue to tenants an explanation of the following terms:

'affordable', 'target', 'council', 'market', 'private', etc. ?

Social Rent

- The rent historically charged for all social housing (**council** housing and housing association) properties
- Has been the subject of rent restructuring since around 2002/3 to bring HA and LA rents into line

Target/ Formula Rent

- Introduced as part of rent restructuring to bring all social rents (HA and LA) into line
- The rent for a home as generated by the Government's national formula (sometimes called formula rent).
- All social housing landlords were given a deadline to bring all their social rents to the target rent level.

Market Rent

- The rent levels for **private** rented properties

Affordable Rent

- Rent of up to 80% what the market rent for that property would be (pitched between social rent and market rent)
- Introduced by the Government in 2010 as a way for social landlords to fund the supply of new homes as an alternative to grant.

- Can only be used under certain circumstances (e.g. when using RTB receipt to deliver new units, or when using HCA grant, or otherwise with the Government's permission)

4 Housing +

Whilst the concept of Housing+ is to be welcomed: -

4.1 How will the Council ensure that there is no 'mission-creep' when using HRA money for targeted problem family interventions, for example, using HRA money to replace reduced funding to Social Services?

The Council is currently preparing a business case for the Housing Plus model and this will be addressed in this business case.

5 Mental well-being and open spaces

Recent research, published last week, has demonstrated that open spaces are essential for the mental wellbeing of local residents.

5.1 Will the Council now accelerate its implementation of the Equalities Act into the upgrading of existing parks and playgrounds, and

5.2 How will the Council ensure that any new housing developments include sufficient accessible open spaces of sufficient size and quality so as to contribute to the mental well-being of residents?

This is considered as part of all new build planning applications.

This page is intentionally left blank