

Housing Policy Committee

Thursday 2 November 2023 at 10.00 am

Town Hall, Sheffield, S1 2HH

The Press and Public are Welcome to Attend

Membership

Councillor Douglas Johnson
Councillor Penny Baker
Councillor Nabeela Mowlana
Councillor Terry Fox
Councillor Barbara Masters
Councillor Alison Norris
Councillor Paul Turpin
Councillor Paul Wood
Councillor Alan Woodcock

PUBLIC ACCESS TO THE MEETING

The Housing Policy Committee discusses and takes decisions on Housing matters:

- Functions of the Council as Local Housing Authority, including
 - Public sector
 - Private sector
 - Homelessness
- Supported housing
- Relationships with other social housing providers
- Refugee resettlement programmes
- Gypsy and traveller sites

Meetings are chaired by Councillor Douglas Johnson.

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk . You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda. Members of the public have the right to ask questions or submit petitions to Policy Committee meetings and recording is allowed under the direction of the Chair. Please see the [Council's Webpage](#) or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

Policy Committee meetings are normally open to the public but sometimes the Committee may have to discuss an item in private. If this happens, you will be asked to leave. Any private items are normally left until last on the agenda.

Meetings of the Policy Committee have to be held as physical meetings. If you would like to attend the meeting, please report to an Attendant in the Foyer at the Town Hall where you will be directed to the meeting room. However, it would be appreciated if you could register to attend, in advance of the meeting, by emailing committee@sheffield.gov.uk, as this will assist with the management of attendance at the meeting. The meeting rooms in the Town Hall have a limited capacity. We are unable to guarantee entrance to the meeting room for observers, as priority will be given to registered speakers and those that have registered to attend.

Alternatively, you can observe the meeting remotely by clicking on the 'view the webcast' link provided on the meeting page of the [website](#).

If you wish to attend a meeting and ask a question or present a petition, you must submit the question/petition in writing by 9.00 a.m. at least 2 clear working days in advance of the date of the meeting, by email to the following address:
committee@sheffield.gov.uk.

In order to ensure safe access and to protect all attendees, you will be recommended to wear a face covering (unless you have an exemption) at all times within the venue. Please do not attend the meeting if you have COVID-19 symptoms.

It is also recommended that you undertake a Covid-19 Rapid Lateral Flow Test within two days of the meeting.

If you require any further information please email committee@sheffield.gov.uk.

FACILITIES

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall. Induction loop facilities are available in meeting rooms. Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

**HOUSING POLICY COMMITTEE AGENDA
2 NOVEMBER 2023**

Order of Business

Welcome and Housekeeping

The Chair to welcome attendees to the meeting and outline basic housekeeping and fire safety arrangements.

1. Apologies for Absence

2. Exclusion of Press and Public

To identify items where resolutions may be moved to exclude the press and public

3. Declarations of Interest

Members to declare any interests they have in the business to be considered at the meeting

(Pages 7 - 10)

4. Minutes of Previous Meeting

To approve the minutes of the last meeting of the Committee held on

(Pages 11 - 18)

5. Public Questions and Petitions

To receive any questions or petitions from members of the public.

(NOTE: There is a time limit of up to 30 minutes for the above item of business. In accordance with the arrangements published on the Council's website, questions/petitions at the meeting are required to be submitted in writing, to committee@sheffield.gov.uk, by 9.00 a.m. on ***** 2023).

6. Members' Questions

To receive any questions from Members of the committee on issues which are not already the subject of an item of business on the Committee agenda – Council Procedure Rule 16.8.

(NOTE: a period of up to 10 minutes shall be allocated for Members' supplementary questions).

7. Work Programme

Report of the Director, Policy and Democratic Engagement

(Pages 19 - 34)

Formal Decisions

8. **Housing Regulation and SCC Response to Regulatory Consultations** (Pages 35 - 48)
Report of Executive Director, Operational Services
9. **Commission of a new Furnished Accommodation Framework** (Pages 49 - 62)
Report of Executive Director, Operational Services
10. **Community Heating Meter Contract** (Pages 63 - 68)
Report of Executive Director, Operational Services
11. **Housing Policy Committee Savings and Pressures 2024 - 25** (Pages 69 - 94)
Report of Executive Director, Operational Services

NOTE: The next meeting of Housing Policy Committee will be held on Thursday 14 December 2023 at 10.00 am

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ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

If you are present at a meeting of the Council, of its Policy Committees, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest** (DPI) relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Standards Committee in relation to a request for dispensation.

Further advice can be obtained from David Hollis, Interim Director of Legal and Governance by emailing david.hollis@sheffield.gov.uk.

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Housing Policy Committee

Meeting held 14 September 2023

PRESENT: Councillors Douglas Johnson (Chair), Penny Baker (Deputy Chair), Nabeela Mowlana (Group Spokesperson), Barbara Masters, Alison Norris, Paul Turpin, Alan Woodcock and Mazher Iqbal (Substitute Member)

1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Cllr Terry Fox.

2. EXCLUSION OF PRESS AND PUBLIC

2.1 No items were identified where resolutions may be moved to exclude the press and public.

3. DECLARATIONS OF INTEREST

3.1 A declaration of interest was stated by Councillor Barbara Masters in regard to renting out a property.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the previous meeting held on 8 June 2023 were approved as a correct record. Cllr Nabeela Mowlana proposed the approval and Cllr Penny Baker seconded the approval.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Martin Lawton attended the Committee meeting and asked the following questions which were responded to by the Chair:

Q: What plans have been made to install electric car charging points for Council own flats and maisonettes? If none, when will action be taken to install charging points for those tenants?

A: The Chair gave a response which included points around the issue being live and highlighted that those types of questions are more frequently received at the Transport Committee. It was also stated that there had been numerous discussions in transport planning circles. It was explained that within the Housing service requests were taken on an individual basis and that is how people can ask for permission to adapt and change their property for installations. Costings were also highlighted, and it was reiterated that requests are reviewed on merits and suitability. It was also highlighted that logistical complexes of charging points vary with different types of properties.

5.2 The Chair stated that other questions had been submitted by Matthew Smith and that written responses had been sent out.

6. MEMBERS' QUESTIONS

6.1 A schedule of questions to the Chair, submitted in accordance with Council Procedure Rule 16, and which contained written answers, was circulated.

6.2 A written response was promised to Cllr Alan Woodcock in response to his question.

7. WORK PROGRAMME

7.1 The Principal Democratic Services Officer introduced the report which contained the Committee's work programme for consideration and discussion. The aim of the work programme was to show all known, substantive agenda items for forthcoming meetings of the Committee, to enable this committee, other committees, officers, partners, and the public to plan their work with and for the committee.

7.2 Some discussion took place around the HRA workplan and it was agreed that this would be picked up at a future Housing briefing. Further discussions also took place around figures around asylum, emergency accommodation and housing services. It was explained that considerable pieces of work were ongoing to mitigate risks and it was suggested to use future reports to bring factual information to the Committee.

7.3 a. **RESOLVED UNANIMOUSLY:** That:-

1. The Committee's work programme, as set out in Appendix 1 be agreed, including any additions and amendments identified in Part 1;
2. Consideration be given to the further additions or adjustments to the work programme presented at Part 2 of Appendix 1; and
3. Members give consideration to any further issues to be explored by officers for inclusion in Part 2 of Appendix 1 of the next work programme report, for potential addition to the work programme.

8. COUNCIL HOUSING DISREPAIR

8.1 The Head of Service introduced the report which provided the Committee with an update on Council Housing disrepair cases and the early resolution implementation plan.

8.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Notes the report.

RESOLVED UNANIMOUSLY: That the **Housing** Policy Committee approved the adding of the following additional recommendation to the officers report:

2. To bring back an early resolutions improvement plan to the December meeting of the committee.

8.3 Reasons for Decision

8.3.1 Housing Policy Committee note the report and its contents.

8.4 Alternatives Considered and Rejected

8.4.1 Managing disrepair claims made against the Council is a legal and landlord responsibility. Therefore, in this respect there were no other alternatives considered.

9. DAMP AND MOULD UPDATE

9.1 Following the tragic death of Awaab Ishak who died nearly three years ago from a respiratory condition caused by damp and mould in his home, the Director of Housing and Neighbourhoods submitted a report to the 15 December 2022 Housing Policy Committee outlining the establishment of a Damp and Mould Task Group and the work required to meet the recommendations within the Ombudsman's 26-point Spotlight Report on Damp and Mould.

The Head of Service introduced the report which highlighted the progress in meeting the requirements of the Ombudsman's report and will also seek approval of the Damp, Mould and Condensation Policy.

9.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Note the contents of this report.
2. Note the progress made in complying with the Housing Ombudsman's Spotlight Report on Damp and Mould
3. Approve the Sheffield City Council Damp, Mould, and Condensation Policy

RESOLVED UNANIMOUSLY: That the **Housing** Policy Committee approved the adding of the following additional recommendation to the officers report:

4. That officers provide a further report and review of policy for the March 2024 meeting of the Committee.

9.3 Reasons for Decision

9.3.1 To update the Housing Policy Committee on the work being undertaken by Officers and the Damp and Mould Task Force in response to the challenges of damp and mould in both private sector rented and Council Housing in Sheffield.

9.3.2 To update the Housing Policy Committee on the progress being made in complying with the Housing Ombudsman's Spotlight Report on Damp and Mould.

9.3.3 To formalise Sheffield City Council's approach for dealing with Damp and Mould

issues in Council Properties by adopting a Damp, Mould and Condensation Policy.

9.4 **Alternatives Considered and Rejected**

9.4.1 None.

10. HMO LICENSING FEE REVIEW

10.1 The Team Manager introduced the report which explained that Cabinet first approved a mandatory licensing scheme for Houses in Multiple Occupation (HMOs) in April 2006, as prescribed within the Housing Act 2004. Substantial changes to the scheme were approved in 2018 when the definition of licensable HMO properties was expanded, and new building standards were imposed.

Following a detailed review of current fees and charging arrangements, the Committee were asked to approve increases to the HMO licence fees and amendments to the charging structure.

10.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Approve the changes to the HMO licence fees and charging structure as detailed.
2. Agree to implement the revised fees and new charging structure for new applications from 31st October 2023 and renewals from 31st December 2023.

10.3 **Reasons for Decision**

10.3.1 The services provided by the City Council's Private Sector Housing Service detailed in this report have been reviewed and determined not to be achieving full cost recovery at their current levels. To achieve full cost recovery, new fee and charging structures are presented for decision by committee members.

10.3.2 The implications of the two landmark rulings R (Gaskin) and R (Hemming) are significant for any local authority that does not currently operate a Directive[1]compliant licencing fee regime. The report advises recommended changes to SCC's HMO licence fees and charging structure are approved to ensure compliance.

10.4 **Alternatives Considered and Rejected**

10.4.1 Do nothing. This would result in the Council continuing to charge the current lower HMO licence fees, preventing full cost recovery for the licensing scheme, and reducing the Council's capacity for detecting and enforcing against landlords operating illegally. This puts the Council at risk of legal challenge for charging in advance for costs other than those directly associated to the authorisation of a licence application. The fees are intended to off-set the cost to the Authority of administering the licensing scheme and must be split between costs incurred before and after deciding to issue a licence. There is no safe legal alternative to a split fee regime, therefore the option to do nothing has been ruled out on that basis.

- 10.4.2 Split the fee charges to conform to case law precedent but leave fee levels unaltered. This would be the most straightforward option to remove the risk of challenge to the single part licence fee, however our review of the costs incurred by the Council in running the Mandatory HMO licensing scheme revealed that the current HMO licensing fees are not achieving full cost recovery. The proposed revised fees given in Table 1 have been calculated to achieve full cost recovery in performing HMO licensing activities. The local authority has a duty to administer funds in such a way as to protect the interests of council taxpayers, with the accepted principle that licensed activities should be funded by those benefitting from them, rather than council taxpayers. This option was ruled out on that basis.
- 10.4.3 Split the fee charges and apportion the increased costs equally across all licence holders. This option would require a further increase in licence fees as the anticipated costs for managing non-compliance would need to be incorporated into the fee income generated from all licences, rather than additional charges being applied when non-compliance is detected. Our fee review included consideration of officer time spent assessing applications, inspecting properties and detailing licence conditions, and it was both clear and unsurprising that larger properties took proportionately greater amounts of officer time throughout the licensing process. To apportion costs equally across all licence holders would not be fair or reasonable and would put the Council at risk from legal challenge, so this option was also ruled out.

11. HOUSING OMBUDSMAN COMPLAINT HANDLING CODE -ANNUAL SELF-ASSESSMENT

- 11.1 The Complaint Handling Code was introduced in July 2020 by the Housing Ombudsman and updated further in April 2022. It sets out how the Housing Ombudsman expects social landlords to manage customer complaints, describes best practice and supports landlords in responding to complaints effectively and fairly.

A requirement of the Code is that social landlords assess their complaints handling against the Code annually, using a standard template provided by the Housing Ombudsman. Also, that social landlords report the outcomes of the assessment to Elected Members and publish the assessment on their website and in their annual report.

An assessment against the code was undertaken in July 2023. The Senior Voids Consultant introduced and outlined the purpose of the report which was to:

- Inform Housing Policy Committee of the outcomes of the assessment, and of the actions agreed to address any areas of non-compliance.
- Seek the Housing Policy Committee's approval to publish the outcomes of the assessment.

- 11.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Note the outcomes of the self-assessment against the Code.
2. Approve the publication of the outcomes of the assessment.
3. Request an update in 6 months' time on complaints-handling performance, to support compliance with the Code.

11.3 **Reasons for Decision**

11.3.1 Housing Policy Committee is being asked to note the self-assessment and to give its approval for publication of the assessment on the Council website because this will help us achieve transparency and accountability in how we manage with housing-related complaints. It is also a requirement of the Housing Ombudsman for all social landlords that we do so.

11.3.2 It is also being asked to request an update report on complaints handling in 6 months' time (March 2024) as this will support our compliance with the Complaints Handling Code. The Code (section 7.4) requires that landlords provide the 'governing body' with regular complaints reports. A 6-monthly update will supplement the bi-monthly performance updates which Committee receive which include summary complaints performance data.

11.4 **Alternatives Considered and Rejected**

11.4.1 Self-assessment against the Housing Ombudsman's Code and publication of the outcomes, are a requirement of all social landlords. Therefore, in this respect there were no other alternatives considered.

12. **HNS AND REPAIRS PERFORMANCE REPORTS**

12.1 The Director of Direct Services introduced the report which provided the Committee with an overview of housing and repairs performance for a range of services within the remit of the Committee. The report covered the period up to quarter 1 (April – June) of 2023/2024. The first part of the report provides an analysis of the performance, setting this within both the national and local context in which services are delivered. A detailed appendix report was included with comparative data against other landlords and regulatory performance. The report allowed the Committee to understand and comment on the performance delivery of housing and repairs services to both tenants and citizens.

12.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Notes the Performance Report update provided for up to quarter 1 of 2023/2024.
2. Highlights any issues of concern that they may wish to discuss in future performance reports

12.3 **Reasons for Decision**

12.3.1 The Housing Policy Committee has delegated authority to monitor the performance of Housing and Repairs services to ensure that:

- The service is delivering for tenants, and that tenant satisfaction is closely monitored.
- Limited resources are maximised due to budgetary pressures.
- The Council is delivering on corporate priorities.
- Performance information is shared with external organisations such as the Regulator of Social Housing and the Housing Ombudsman for scrutiny.

12.4 **Alternatives Considered and Rejected**

12.4.1 The Housing Policy Committee has delegated responsibility for the regular monitoring of data including performance and financial information, and the performance monitoring of Housing (public sector, private sector, and related functions) services. Therefore, no alternative options to the production of this report have been considered.

13. **2023/24 Q2 BUDGET MONITORING REPORT**

13.1 The Head of Finance and Commercial Business Partnering introduced the report which brought the Committee up to date with the Council's outturn position for Q1 2023/24 General Fund and Housing Revenue Account position.

13.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Note the updated information and management actions provided by this report on the Q1 2023/24 Revenue Budget Outturn as described in this report.

13.3 **Reasons for Decision**

13.3.1 To record formally changes to the Revenue Budget.

13.4 **Alternatives Considered and Rejected**

13.4.1 The Council is required to both set a balance budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

14. **CAPITAL FINANCE MONITORING REPORT**

14.1 The Housing Capital Programme brings together the 30-year Asset Management and Housing Growth Strategy for Council Housing setting out the priorities for current and future investment, to ensure that homes meet the Government's Decent Homes Standard and the delivery of tenants' priorities in improving the quality of homes and neighbourhoods. Investment priorities are formulated from detailed stock condition and other surveys to ensure effective planning of works, utilising available repairs intelligence, life-cycle modelling and, feedback from tenants. The Housing Investment Programme is co-designed and agreed with tenants for the Council housing stock. The Housing Capital Programme is split into three distinct areas of activity; Council Housing Investment (existing stock and assets) and the Council's Stock Increase Programme, funded from the Council's Housing Revenue Account, as described in the annual HRA Business Plan. There is also the Non-HRA

Capital Programme which includes the Programme Management, Homes & Loans to private homes and investment in private homes. The table at 1.9 show the overall Housing Capital Programme split between Council Housing Investment, Stock Increase and Non[1]HRA areas of the programme.

The purpose of the report was to provide an update of the progress against the approved 2023/24 Housing Capital Programme, this is reported regularly as part of the Council's Corporate Capital Programme to the Finance Committee. This report will focus on providing an update about spend and progress against the 2023/24 Housing Capital Programme at end of June 2023 (Quarter 1). The report also provides an update of the 5-year Housing Capital Programme and the final approval of the 2022/23 Housing Capital Programme outturn.

14.2 **RESOLVED UNANIMOUSLY:** That the **Housing** Policy Committee:-

1. Note the 2022-23 Housing Capital Programme final approved outturn.
2. Note the 2023-24 Housing Capital Programme forecasting and budget position at the end of quarter.
3. Note the update provided for the 5-year capital programme.
4. Note and agree the frequency of the Housing Capital Programme quarterly reports presented at future meetings.

14.3 **Reasons for Decision**

14.3.1 The report was to provide the Housing Policy Committee members with an update on progress against the approved 5-year approved Capital programme.

14.4 **Alternatives Considered and Rejected**

14.4.1 No alternative options were considered as part of this update report.



Report to Housing Committee

2nd November 2023

Report of: Director of Policy and Democratic Engagement

Subject: Committee Work Programme

Author of Report: Rachel Marshall, Principal Democratic Services Officer

Summary:

The Committee's Work Programme is attached at Appendix 1 for the Committee's consideration and discussion. This aims to show all known, substantive agenda items for forthcoming meetings of the Committee, to enable this committee, other committees, officers, partners and the public to plan their work with and for the Committee.

Any changes since the Committee's last meeting, including any new items, have been made in consultation with the Chair, and the document is always considered at the regular pre-meetings to which all Group Spokespersons are invited.

The following potential sources of new items are included in this report, where applicable:

- Questions and petitions from the public, including those referred from Council
- References from Council or other committees (statements formally sent for this committee's attention)
- A list of issues, each with a short summary, which have been identified by the Committee or officers as potential items but which have not yet been scheduled (See Appendix 1)

The Work Programme will remain a live document and will be brought to each Committee meeting.

Recommendations:

1. That the Committee's work programme, as set out in Appendix 1 be agreed, including any additions and amendments identified in Part 1;
2. That consideration be given to the further additions or adjustments to the work programme presented at Part 2 of Appendix 1;
3. That Members give consideration to any further issues to be explored by officers for inclusion in Part 2 of Appendix 1 of the next work programme report, for potential addition to the work programme;

Background Papers: None

Category of Report: Open

COMMITTEE WORK PROGRAMME

1.0 Prioritisation

1.1 For practical reasons this committee has a limited amount of time each year in which to conduct its formal business. The Committee will need to prioritise firmly in order that formal meetings are used primarily for business requiring formal decisions, or which for other reasons it is felt must be conducted in a formal setting.

1.2 In order to ensure that prioritisation is effectively done, on the basis of evidence and informed advice, Members should usually avoid adding items to the work programme which do not already appear:

- In the draft work programme in Appendix 1 due to the discretion of the chair; or
- within the body of this report accompanied by a suitable amount of information

2.0 References from Council or other Committees

2.1 Any references sent to this Committee by Council, including any public questions, petitions and motions, or other committees since the last meeting are listed here, with commentary and a proposed course of action, as appropriate:

Issue 1	Reaffirming Sheffield as a City of Sanctuary (Council Motion 5/7/23)
Referred from	Full Council 5 July 2023
Details	"Request that the Housing Policy Committee considers adding to its work programme an item on Council powers and resources to protect migrants from discriminatory housing regulations, upholding locally defined standards and inspection processes"
Commentary/ Action Proposed	Janet Sharpe to bring a report on this item to the January 2024 meeting.
Issue 2	Investing in Renewable Energy Projects

Referred from	Council Motion 4 October 2023
Details	"resolves to ask the relevant Policy Committees to consider placing on their work programmes consideration of every opportunity for investing in renewable energy projects on Council land and buildings to generate energy and income"
Commentary/ Action Proposed	Details to be provided.

3.0 Member engagement, learning and policy development outside of Committee

3.1 Subject to the capacity and availability of councillors and officers, there are a range of ways in which Members can explore subjects, monitor information and develop their ideas about forthcoming decisions outside of formal meetings. Appendix 2 is an example 'menu' of some of the ways this could be done. It is entirely appropriate that member development, exploration and policy development should in many cases take place in a private setting, to allow members to learn and formulate a position in a neutral space before bringing the issue into the public domain at a formal meeting.

2.2 Training & Skills Development - Induction programme for this committee.

Title	Description & Format	Date

Appendix 1 – Work Programme

Part 1: Proposed additions and amendments to the work programme since the last meeting:

Item	Proposed Date	Note
Net Zero Roadmap – for existing public and private homes	March 2024	Moved from November 2023 meeting to March 2024 meeting
SCC Response to Regulatory Consultations	November 2023	Merged with Housing Regulation on the agenda for November 2023. Item now Housing Regulation and SCC Response to Regulatory Consultations.
Conditions of Tenancy	December 2023	Moved from November 2023 meeting to December 2023 meeting
2024 to 2027 Revenue & Capital Budget	N/A	Removed from November 2023 meeting
Asset Management Strategy	March 2024	Moved from December 2023 meeting to March 2024 meeting
Community Heating Meter Contract	November 2023	New item added to the Forward Plan
Housing Subsidy loss update	December 2023	New item added to the Forward Plan
Housing Repairs Policy	January 2024	New item added to the Forward Plan
Housing Policy Committee Savings and Pressures 2024 - 25	November 2023	Housing Revenue Account Savings Proposals 24/25 and Housing General Fund Savings Proposals 24/25 items merged on the agenda for November 2023. Item now Housing Policy Committee Savings and Pressures 2024 – 25.
Capital Finance Monitoring Report	November 2023	Removed from agenda.

Part 2: List of other potential items not yet included in the work programme

Issues that have recently been identified by the Committee, its Chair or officers as potential items but have not yet been added to the proposed work programme. If a Councillor raises an idea in a meeting and the committee agrees under recommendation 3 that this should be explored, it will appear either in the work programme or in this section of the report at the committee’s next meeting, at the discretion of the Chair.

Topic	
Description	

Lead Officer/s	
Item suggested by	<i>Officer, Member, Committee, partners, public question, petition etc</i>
Type of item	<i>Referral to decision-maker/Pre-decision (policy development/Post-decision (service performance/ monitoring)</i>
Prior member engagement/ development required <i>(with reference to options in Appendix 2)</i>	
Public Participation/ Engagement approach <i>(with reference to toolkit in Appendix 3)</i>	
Lead Officer Commentary/Proposed Action(s)	

Part 3: Agenda Items for Forthcoming Meetings

Meeting 3 2023	2 November 2023	Time				
Topic	Description	Lead Officer/s	Type of item <ul style="list-style-type: none"> • Decision • Referral to decision-maker • Pre-decision (policy development) • Post-decision (service performance/monitoring) 	(re: decisions) Prior member engagement/development required <i>(with reference to options in Appendix 2)</i>	(re: decisions) Public Participation/Engagement approach <i>(with reference to toolkit in Appendix 3)</i>	Final decision-maker (& date) <ul style="list-style-type: none"> • This Cttee • Another Cttee (eg S&R) • Full Council • Officer
Housing Regulation and SCC Response to Regulatory Consultations	Overview of new legislative requirements around Consumer and Building Safety Regulations. To include the Council’s response to recent Government consultations on regulatory reforms	Janet Sharpe Tom Smith	Post-decision (service performance/monitoring)	Prior work with Members through briefings	Briefings provided for tenants on impact of new frameworks. Tenants have also attended external events facilitated by the Regulator of Social Housing	This Committee
Commission of a new Furnished Accommodation Framework	The purpose of the report is to obtain approval for Sheffield City Council to commission a new Furnished Accommodation goods Framework. This new framework will be used to purchase all furnished items for Sheffield and Rotherham’s furnished service,	Jonathan South	Decision	Briefings will be offered and more information provided at pre agenda meetings.		This Committee

	replacing the current agreement.					
NEW: Community Heating Meter Contract	Report seeking approval to commission a services contract for the management and administration of meters in properties on the community heating scheme.	Dean Butterworth	Decision			
Housing Policy Committee Savings and Pressures 2024 - 25	To provide an update on the budget setting process for the revenue budgets within the remit of the Housing Policy Committee for 24/25	Janet Sharpe	Referral to decision-maker	Prior work with Members through briefings	Consultation with tenants on options	Strategy and Resources
Standing items	<ul style="list-style-type: none"> • <i>Public Questions/ Petitions</i> • <i>Work Programme</i> • <i>National Policy and Regulation responses</i> • <i>[any other committee-specific standing items eg finance or service monitoring]</i> 					

Meeting 5 2023	14 December 2023	Time				
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Topic	Description	Lead Officer/s	Type of item <ul style="list-style-type: none"> • Decision • Referral to decision-maker • Pre-decision (policy development) • Post-decision (service performance/monitoring) 	<i>(re: decisions)</i> Prior member engagement/development required <i>(with reference to options in Appendix 2)</i>	<i>(re: decisions)</i> Public Participation/Engagement approach <i>(with reference to toolkit in Appendix 3)</i>	Final decision-maker (& date) <ul style="list-style-type: none"> • This Cttee • Another Cttee (eg S&R) • Full Council • Officer
Housing Revenue Account Business Plan	Consideration of planned financial pressures to achieve a balanced Business Plan (including the 5-year capital programme)	Janet Sharpe	Referral to decision-maker	Prior work with Members through briefings	Consultation with tenants on Business Plan options	Strategy and Resources
NEW: Update on Housing Subsidy loss	Report updating Members on proposals to fund the deficit in housing subsidy payments	Suzanne Allen Jane Wilby	Referral to decision-maker	Prior work with Members through briefings	N/A	Strategy and Resources
Update of the Tenant and Leaseholder Engagement Strategy	Report updating Committee on arrangements for tenant involvement and empowerment and approval of revised strategy	Janet Sharpe	Decision	Through Knowledge Briefings and LACs	Through a range of tenant consultation	This Committee
HNS and Repairs Performance Reports	Quarterly overview of HNS and Repairs Service performance (including Capital Programme and Stock Increase Programme updates)	Janet Sharpe Tom Smith	Post-decision (service performance/monitoring)	N/A	Performance is shared with tenants through newsletters, the website and tenant meetings	This Committee

Conditions of Tenancy	An update on minor changes to the current Conditions of Tenancy	Janet Sharpe	Decision	Prior work with Members through briefings	Through a range of tenant consultation	This Committee
Standing items	<ul style="list-style-type: none"> • <i>Public Questions/ Petitions</i> • <i>Work Programme</i> • <i>National Policy and Regulation responses</i> • <i>[any other committee-specific standing items eg finance or service monitoring]</i> 					
2023/34 Q3 Budget Monitoring Report	Approval of Budget Monitoring Report	Jane Wilby	Post-decision (service performance/ monitoring)	N/A	N/A	N/A
Capital Finance Monitoring Report	Approval of Capital Finance Monitoring Report	Janet Sharpe	Post-decision (service performance/ monitoring)	N/A	N/A	N/A

Meeting 5 2023	11 January 2024	Time				
Topic	Description	Lead Officer/s	Type of item <ul style="list-style-type: none"> • <i>Decision</i> • <i>Referral to decision-maker</i> • <i>Pre-decision (policy development)</i> • <i>Post-decision (service performance/ monitoring)</i> 	<i>(re: decisions)</i> Prior member engagement/ development required <i>(with reference to options in Appendix 2)</i>	<i>(re: decisions)</i> Public Participation/ Engagement approach <i>(with reference to toolkit in Appendix 3)</i>	Final decision-maker (& date) <ul style="list-style-type: none"> • This Cttee • Another Cttee (eg S&R) • Full Council • Officer

Older Persons Independent Housing Living Strategy	5-year strategy setting out Sheffield's strategic approaches for helping our growing older population to live independently in their own homes across all housing tenures.	Suzanne Allen	Decision	Yes; written briefings, all member briefings	Creative use of online engagement channels; working with VCF networks; stakeholder reference groups; formal and informal discussion groups	This Committee
NEW: Powers and resources to protect migrants from discriminatory housing conditions	Housing Policy Committee are asked to reaffirm Sheffield as a City of Sanctuary and review the powers and resources to in place to protect migrants from discriminatory housing conditions	Janet Sharpe and Beth Storm	Post-decision (service performance/ monitoring)	Yes; written briefings, all member briefings	N/A	This Committee
NEW: Housing Repairs Policy	Approval of a revised Repairs Policy for council housing tenants	Tom Smith	Decision	Through Knowledge Briefings and LACs	Through a range of tenant consultation	This Committee
Standing items	<ul style="list-style-type: none"> • <i>Public Questions/ Petitions</i> • <i>Work Programme</i> • <i>National Policy and Regulation responses</i> • <i>[any other committee-specific standing items eg finance or service monitoring]</i> 					
Revenue Finance Monitoring Report	Approval of Revenue Finance Monitoring Report	Jane Wilby	Post-decision (service performance/ monitoring)	N/A	N/A	N/A

Capital Finance Monitoring Report	Approval of Capital Finance Monitoring Report	Janet Sharpe	Post-decision (service performance/ monitoring)	N/A	N/A	N/A
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Meeting 6 2023	21 March 2024	Time				
Topic	Description	Lead Officer/s	Type of item <ul style="list-style-type: none"> Decision Referral to decision-maker Pre-decision (policy development) Post-decision (service performance/ monitoring) 	(re: decisions) Prior member engagement/ development required (with reference to options in Appendix 2)	(re: decisions) Public Participation/ Engagement approach (with reference to toolkit in Appendix 3)	Final decision-maker (& date) <ul style="list-style-type: none"> This Cttee Another Cttee (eg S&R) Full Council Officer
Approval of a new Housing Strategy for the City	Consideration of a new Housing Strategy for the City following significant consultation and policy development	Georgina Parkin	Decision	Significant engagement with Members through Task and Finish	Creative use of online engagement channels; working with VCF networks; stakeholder reference groups; formal and informal discussion groups	This Committee
NEW: HNS and Repairs Performance Reports	Quarterly overview of HNS and Repairs Service performance (including Capital Programme and Stock Increase Programme updates)	Janet Sharpe Tom Smith	Post-decision (service performance/ monitoring)	N/A	Performance is shared with tenants through newsletters, the website and tenant meetings	This Committee
Net-Zero Roadmap - for existing public and private homes	Consideration of plans for achieving Net Zero across SCC homes	Nathan Robinson	Decision	Yes	TBC	This Committee

NEW: Asset Management Strategy	Approval of the Council Housing Asset Management Strategy	Janet Sharpe	Decision	Through Knowledge Briefings and LACs	Through a range of tenant consultation	This Committee
Standing items	<ul style="list-style-type: none"> • <i>Public Questions/ Petitions</i> • <i>Work Programme</i> • <i>National Policy and Regulation responses</i> • <i>[any other committee-specific standing items eg finance or service monitoring]</i> 					
2023/34 Q4 Budget Monitoring Report	Approval of Budget Monitoring Report	Jane Wilby	Post-decision (service performance/ monitoring)	N/A	N/A	N/A
Capital Finance Monitoring Report	Approval of Capital Finance Monitoring Report	Janet Sharpe	Post-decision (service performance/ monitoring)	N/A	N/A	N/A

Items which the committee have agreed to add to an agenda, but for which no date is yet set.						
Topic	Description	Lead Officer/s	Type of item	(re: decisions) Prior member engagement/ development required <i>(with reference to options in Appendix 2)</i>	(re: decisions) Public Participation/ Engagement approach <i>(with reference to toolkit in Appendix 3)</i>	Final decision-maker (& date)
			<ul style="list-style-type: none"> • <i>Decision</i> • <i>Referral to decision-maker</i> • <i>Pre-decision (policy development)</i> • <i>Post-decision (service performance/ monitoring)</i> 			<ul style="list-style-type: none"> • This Cttee • Another Cttee (eg S&R) • Full Council • Officer

Appendix 2 – Menu of options for member engagement, learning and development prior to formal Committee consideration

Members should give early consideration to the degree of pre-work needed before an item appears on a formal agenda.

All agenda items will anyway be supported by the following:

- Discussion well in advance as part of the work programme item at Pre-agenda meetings. These take place in advance of each formal meeting, before the agenda is published and they consider the full work programme, not just the immediate forthcoming meeting. They include the Chair, Vice Chair and all Group Spokespersons from the committee, with officers
- Discussion and, where required, briefing by officers at pre-committee meetings in advance of each formal meeting, after the agenda is published. These include the Chair, Vice Chair and all Group Spokespersons from the committee, with officers.
- Work Programming items on each formal agenda, as part of an annual and ongoing work programming exercise
- Full officer report on a public agenda, with time for a public discussion in committee
- Officer meetings with Chair & VC as representatives of the committee, to consider addition to the draft work programme, and later to inform the overall development of the issue and report, for the committee's consideration.

The following are examples of some of the optional ways in which the committee may wish to ensure that they are sufficiently engaged and informed prior to taking a public decision on a matter. In all cases the presumption is that these will take place in private, however some meetings could happen in public or eg be reported to the public committee at a later date.

These options are presented in approximately ascending order of the amount of resources needed to deliver them. Members must prioritise carefully, in consultation with officers, which items require what degree of involvement and information in advance of committee meetings, in order that this can be delivered within the officer capacity available.

The majority of items cannot be subject to the more involved options on this list, for reasons of officer capacity.

- Written briefing for the committee or all members (email)
- All-member newsletter (email)
- Requests for information from specific outside bodies etc.
- All-committee briefings (private or, in exceptional cases, in-committee)
- All-member briefing (virtual meeting)
- Facilitated policy development workshop (potential to invite external experts / public, see appendix 2)
- Site visits (including to services of the council)
- Task and Finish group (one at a time, one per cttee)

Furthermore, a range of public participation and engagement options are available to inform Councillors, see appendix 3.

Appendix 3 – Public engagement and participation toolkit

Public Engagement Toolkit

On 23 March 2022 Full Council agreed the following:

A toolkit to be developed for each committee to use when considering its 'menu of options' for ensuring the voice of the public has been central to their policy development work. Building on the developing advice from communities and Involve, committees should make sure they have a clear purpose for engagement; actively support diverse communities to engage; match methods to the audience and use a range of methods; build on what's worked and existing intelligence (SCC and elsewhere); and be very clear to participants on the impact that engagement will have.

The list below builds on the experiences of Scrutiny Committees and latterly the Transitional Committees and will continue to develop. The toolkit includes (but is not be limited to):

- a. Public calls for evidence
- b. Issue-focused workshops with attendees from multiple backgrounds (sometimes known as 'hackathons') led by committees
- c. Creative use of online engagement channels
- d. Working with VCF networks (eg including the Sheffield Equality Partnership) to seek views of communities
- e. Co-design events on specific challenges or to support policy development
- f. Citizens assembly style activities
- g. Stakeholder reference groups (standing or one-off)
- h. Committee / small group visits to services
- i. Formal and informal discussion groups
- j. Facilitated communities of interest around each committee (eg a mailing list of self-identified stakeholders and interested parties with regular information about forthcoming decisions and requests for contributions or volunteers for temporary co-option)
- k. Facility for medium-term or issue-by-issue co-option from outside the Council onto Committees or Task and Finish Groups. Co-optees of this sort at Policy Committees would be non-voting.

This public engagement toolkit is intended to be a quick 'how-to' guide for Members and officers to use when undertaking participatory activity through committees.

It will provide an overview of the options available, including the above list, and cover:

- How to focus on purpose and who we are trying to reach
- When to use and when not to use different methods
- How to plan well and be clear to citizens what impact their voice will have
- How to manage costs, timescales, scale.

There is an expectation that Members and Officers will be giving strong consideration to the public participation and engagement options for each item on a committee's work programme, with reference to the above list a-k.

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Report to Policy Committee

Author/Lead Officer of Report: Janet Sharpe,
Director of Housing

Tel: 0114 2735493

Report of: *Ajman Ali, Executive Director, Neighbourhoods*

Report to: *Housing Policy Committee*

Date of Decision: *2nd November 2023*

Subject: *Housing Regulation and Sheffield City Council
Response to Regulatory Consultations*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Purpose of Report:

This report provides the Housing Policy Committee with an overview of the latest national regulatory developments impacting the social housing sector including how we are preparing and responding to proposed changes.

The report also includes our responses to recent Regulatory Consultations (Consumer Standards and Changes to Regulator Fees Regime). These can be found at Appendix 1 and Appendix 2 to this report.

Recommendations:

It is recommended that the Housing Policy Committee: -

1. Notes the content of the report and provides any comments or feedback in relation to regulatory change.
2. Requests that future performance reports to this Committee include a review of risks and issues relating to compliance with the Regulator of Social Housing Consumer Standards.
3. Notes the consultation responses that were submitted and the implications on the Housing Revenue Account that were highlighted.

Background Papers:

Appendix A - Consumer Standards Consultation – Sheffield City Council Draft Response

Appendix B - Consultation on changes to the Regulator of Social Housing’s fees – Sheffield City Council Draft Response

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Helen Damon
		Legal: Rebecca Lambert
		Equalities & Consultation: Louise Nunn
		Climate: Peter Brown
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>Ajman Ali, Executive Director, Neighbourhoods</i>
3	Committee Chair consulted:	<i>Councillor Douglas Johnson</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Janet Sharpe	Job Title: Director, Housing and Neighbourhoods Service
	Date: 19 October 2023	

1. Proposal

1.1 This report provides an update on regulatory reforms and how we are responding

This report provides the Housing Policy Committee with an overview of the latest national regulatory developments impacting the social housing sector, including how we are preparing and responding to proposed changes. The report also includes the Council's response to recent regulatory consultations (Consumer Standards and Changes to Regulator Fees Regime).

2. Background

2.1 Improving social housing regulation is urgently needed

Over the past few years, several significant and tragic events (Grenfell Tower Fire and the death of Awaab Ishak) have highlighted the need for change within the social housing sector. Government published the Social Housing Green Paper: A New Deal for Social Housing in 2018 and subsequently the Social Housing White Paper/Tenants Charter in 2020, all with the aim of improving how social housing is regulated, including strengthening tenants' rights, and ensuring better quality and safer homes for residents.

2.2 The Social Housing (Regulation) Act 2023 received Royal Assent in July 2023

Building upon this and providing the legal basis for recommended reforms in the White Paper, the Social Housing (Regulation) Act 2023 received Royal Assent on 20th July 2023. The Act introduces many new obligations landlords will have to follow, while giving more powers to the Regulator of Social Housing (RSH) and the Housing Ombudsman. The main objective of the Act is to introduce a new, proactive consumer regulation regime and strengthen the RSH powers in enforcing the consumer and economic standards.

2.3 The Act includes changes that will impact on us as a large social housing landlord

Some of the key areas of the Act that will impact us include:

- Collection of Tenant Satisfaction Measures (TSMs) that will need to be submitted annually to the RSH.
 - Revisions to the existing Consumer Standards ensuring they are robust and fit for purpose.
 - Strengthening the RSH to carry out regular inspections of the largest social housing providers and the power to issue unlimited fines to rogue social landlords.
 - Additional Housing Ombudsman powers to publish best practice guidance to landlords following investigations into tenant complaints.
 - Changes to RSH fee principles
 - Powers to set strict time limits for social landlords to address hazards such as damp and mould.
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- New qualification requirements for social housing managers

2.4 Registered Providers are now preparing for regulatory change	Registered Providers now need to gear up and prepare for regulatory inspections from 2024 and ensure they have robust policies and procedures, and able to evidence this.
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3. Key Changes

3.1 22 Tenant Satisfaction Measures (TSMs) were introduced by the RSH in April 2023. We regularly report our performance on these measures to Members and tenants	<p>In September 2022, following consultation, the RSH published the Tenant Satisfaction Measures Standard. The Standard requires all registered providers to generate and report tenant satisfaction measures (TSMs) as specified by the RSH. The TSMs are a core set of performance measures against which all providers must publish their performance. The main aim of the TSMs is to provide tenants with greater transparency about their landlord's performance and inform the regulator about how a landlord is complying with consumer standards.</p>
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The new requirements came into force in April 2023 with landlords required to start collecting data for the TSMs, ready to submit to the RSH from April 2024. It is expected the first year of TSMs will be published in Autumn 2024.

As a Council, we are already being proactive in publishing our performance against the TSMs. The full set of 22 TSM are now incorporated into the quarterly performance reports that are presented to the Housing Policy Committee for scrutiny by Members. The TSMs are also shared regularly with tenants, both in formal meetings and through our regular tenant bulletins.

3.2 The Regulator issued consultation on a revised set of Consumer Standards over the summer 2023.	<p>The Act provides the Regulator of Social Housing extra powers to strengthen its consumer regulation role. The Regulator has considered where the existing consumer standards can be revised and strengthened to deliver a set of standards that are robust, up to date and fit for purpose. The proposed Consumer Standards are:</p>
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The Safety and Quality Standard – requires landlords to provide safe and good quality homes and landlord services to tenants.

The Transparency, Influence and Accountability Standard – requires landlords to be open with tenants and treat them with fairness and respect so that tenants can access services, raise complaints, when necessary, influence decision making and hold their landlord to

account.

The Neighbourhood and Community Standard – requires landlords to engage with other relevant parties so that tenants can live in safe and well-maintained neighbourhoods and feel safe in their homes.

The Tenancy Standard – sets requirements for the fair allocation and letting of homes and for how those tenancies are managed and ended by landlords.

Each of the standards list a series of ‘Required Outcomes’ and ‘Specific Expectations’ that Registered Providers (RPs) will be expected to meet.

A Code of Practice was also published for consultation alongside the Standards to provide RPs with more explanatory information about regulatory expectations.

3.3 Sheffield City Council response to the consultation can be found in Appendix 1	Outcomes of the consultation and the final publication of the new Consumer Standards are expected in early 2024. These standards will then become the basis for regulatory assessments and judgments by the RSH. Sheffield City Council’s response to the RSH was agreed with Members of this Committee and can be found at Appendix 1 to this report.
3.4 The RSH has also consulted on proposals to revise their fees principles which will increase charges to the Council if implemented.	The RSH has also consulted on proposals to revise their fees principles. This is to ensure that their fees principles align with their new powers in the Social Housing (Regulation) Act 2023 and that they have adequate resources to deliver their expanded remit of proactive consumer regulation. The consultation on fees proposed that local authority landlords will pay £7-£8 per property to fund the RSH costs for proactive regulation. The estimated annual cost to SCC would therefore be around £300,000. Non-local authority landlords would be charged a higher fee of £9-£10 per property as they are subject to financial and governance viability regulation which does not apply to local authority landlords. Outcomes of the consultation are expected in early 2024. The Council’s response to the consultation can be found at Appendix 2 to this report and this again was agreed with Members of this Committee.
3.5 Further details of improvements to the ‘professionalisation’ of the housing sector are	A further expectation of the new regulatory framework is that senior leaders within social landlord organisations will be suitably qualified to undertake their roles. Details of what this will mean in practice for organisations have not yet been set out by the RSH. The indications at the

being drafted by the RSH

present time are that the requirement for mandatory qualifications will apply to 'senior housing managers' and 'senior housing executives'. These roles have yet to be defined by the RSH but at this time we anticipate that this will apply to Service Managers and above within Sheffield City Council housing roles.

Details of the level of qualifications required have again not yet been defined. It is difficult to fully evaluate the impact of these changes on the service until further details are set out by the RSH. However, we anticipate that there will be training requirements for some staff within the housing service because of these changes and therefore may be a financial impact on the Housing Revenue Account.

3.6 The Housing Ombudsman supports tenants in resolving complaints against their landlord and their powers to do this will increase over the next few months

The Housing Ombudsman resolves disputes involving landlords and their tenants, shared owners, and leaseholders. The government has increased the Ombudsman's powers to act against landlords where needed and has widened the Ombudsman's powers to investigate potentially systemic issues arising through complaints.

Following the changes made as part of the Social Housing White Paper reforms, the Ombudsman now publishes the outcomes of all individual decisions, as well as an annual report setting out the number and nature of the complaints made against member landlords. It has also set out clear expectations of landlords in its Complaints Handling Code, which sets out good practice that will allow landlords to respond to complaints effectively and fairly, and to learn from complaints to improve their services. The Ombudsman can also now issue Complaints Handling Failure Orders where it finds, through its casework or wider investigations, that landlords are not complying with the Code.

The Ombudsman may refer complaints to the Regulator where it suspects evidence of systemic failure. The Regulator will consider all the information received through complaints and referrals to determine where there has been a wider failing within the landlord's systems or processes that means the landlord has failed to meet the Regulator's standards.

The Ombudsman is currently undertaking consultation on some revisions to its Complaints Handling Code before compliance becomes a statutory requirement in April 2024.

3.7 Further changes

There are still other key areas of reform resulting from the

are still to come

Social Housing (Regulation) Act 2023 that have yet to be finalised by both government and the RSH. Consultation on new property standards, 'Decent Homes 2', further guidance on 'Awaab's law' provisions around damp, mould and condensation and professionalisation are still up for review and there are likely to be other consultations in the pipeline over the next year. The Building Safety Regulator is also now beginning its enforcement of safety standards and again is likely to issue further guidance in 2024.

4. What is the Council doing to prepare?

4.1 Preparations for the new regulatory standards are already underway in Sheffield

Work to prepare for the new regulatory framework began in April this year. A self-assessment has been undertaken internally against the current Consumer Standards to identify areas of strength and weakness. This has subsequently been used to develop an action plan which identifies areas where services need to be developed further to meet the expectations of both tenants and the RSH.

Members will be aware of some of the service improvements that have been brought forward already to this Committee in recent meetings around responsive repairs, disrepair and damp and mould. Several areas of development also feature on the Forward Plan for this Committee including the Tenant Engagement Strategy and revised Repairs Policy.

Officers have also been working with an external housing organisation to review our self-assessment and to support our service improvement work. This validation has been invaluable as it compared service delivery for Sheffield tenants against the standards and expectations of tenants across the country, allowing a better understanding of relative performance.

4.2 The RSH expect the Housing Policy Committee to play a critical role in monitoring performance against the standards

Members of the Housing Policy Committee have a critical role to play in meeting the requirements of the new Consumer Standards. Section 3 of the draft Consumer Standards Code of Practice from the RSH states that:

'Board and councillors of registered providers should have robust mechanisms in place to provide them with assurance that their organisation complies with the Standards'.

As set out in section 3.1 of this report, Housing Policy Committee receive quarterly performance reports on the TSMs. This provides Members with the opportunity to

challenge performance against the required TSMs. Members are asked to consider whether they wish to expand the current format of quarterly performance reporting to include a review of any risks and issues relating to compliance with the final Consumer Standards when these are confirmed by the RSH in 2024. This will allow Members to make more informed choices about improvements for tenants, with reference to government and RSH expectations, in the context of current budget and service pressures. It will also help to discharge the Committee's oversight role with respect to RSH expectations.

5. How does this decision contribute?

5.1 Housing improvement feeds into the broader corporate priorities in several areas	The Council have developed a new set of strategic priorities for 2023/2024 with the intention for these priorities to form the basis of the new medium term Corporate Plan which is currently in development. There are several areas in which housing improvement feeds into broader corporate priorities, and as the new Corporate Plan emerges from the administration priorities, we will continue to monitor and report on how we are performing against broader corporate priorities.
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6. Has there been any consultation?

6.1 Information about the changes has been shared with tenants in Sheffield	The RSH is leading the consultation on the changes outlined in this report and is engaging tenants directly as part of their work. Tenants can respond directly to the RSH to share their thoughts and nationally, a considerable number have done so. Within Sheffield, we have shared details of the consultation with our tenants, enabled our tenants to attend several events where the RSH have presented their proposals and have discussed the impacts locally. Comments from our tenants have been used to develop the overall responses shown in Appendix 1 and 2.
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7 Risk analysis and implications of the decision

7.1 There are no direct Equality implications arising from this report.	Equality Implications There are no direct equality implications arising from this report.
7.2 There are no direct financial implications arising from this	Financial and Commercial Implications There are no direct financial implications arising from this report. However there will be a financial impact on the Council if the proposals on fees and charges set out by the

report	RSH are confirmed. These are set out in paragraph 3.4 of this report and will need to be met through savings within the Housing Revenue Account.
7.3 Legal implications arising from this report	<p>Legal Implications</p> <p>This report provides an overview of the regulatory and legislative changes following the introduction of The Social Housing (Regulation) Act 2023. The Act lays the foundations for changes to how social housing is managed. It includes increased regulation of social landlords and new rules for protecting tenants from serious hazards in their homes. As this report is for noting, there are no additional direct legal implications arising from this report other than those already detailed and explained in sections 2, 3 and 4. Any further legal implications arising out of matters raised in this report will be considered in detail in any future reports to the Housing Policy Committee.</p>
7.4 There are no direct climate implications arising from this report.	<p>Climate Implications</p> <p>There are no direct climate implications arising from this report.</p>
8. Alternative options considered.	
8.1 No other options were considered	No other options were considered as compliance with the regulatory standards and the Ombudsman Complaints Handling Code is statutory from April 2024.
9. Reasons for recommendations	
9.1 The reasons for recommendations are set out opposite	<ul style="list-style-type: none"> • To keep Housing Policy Committee up to date on developments in social housing regulation • To inform the Committee about their role in monitoring compliance against the proposed Consumer Standards • To discharge the Committee’s oversight role with respect to RSH expectations.

Appendix A - Consumer Standards Consultation – Sheffield City Council Draft Response

Consultation closes: 17th October 2023 6pm

[Consultation on the consumer standards - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

1. Overall, do you agree that the proposed Safety and Quality Standard sets the right expectations of landlords, as set out in Chapter 6 of the consultation document?

Overall, we agree the proposed Safety and Quality Standard sets the right expectations of landlords.

However, in relation to the structure of all the proposed Standards, we feel the structure of the outcomes and specific expectations is confusing and doesn't support a clear understanding of what is required from Registered Providers. This also makes it difficult when reading across to the Code of Practice for further guidance in this area. It would be better to have a combined outcome/expectation with a consistent numbering system that reads across to the Code of Practice. This would make it easier for Registered Providers to gain a better and clearer understanding.

In addition to the above comments in relation to the structure, we would also like to provide some further comments specific to aspects within the Safety and Quality Standard.

In relation to the Health and Safety outcome and expectations, we agree with and acknowledge the importance of having in place all the statutory health and safety requirements to ensure tenants living in our homes are safe. Issues with accessing some properties can result in not being compliant in this area, sometimes this is due to tenants not allowing the assessments or work to be completed. Accessing properties in these situations can often be lengthy as there may be a range of factors such as tenants who are vulnerable and who may have complex needs, as well as gaining court orders to enable enforcement can also take time. Although we will explore every option in these cases, it does create an extra challenge for Registered Providers. It is also important to stress that in these situations Registered Providers require the co-operation of tenants to work with us to comply and that as the occupant they are also accountable (especially if they are not co-operating working with Registered Providers).

We welcome the removal of the 'right first time' repairs objective as we feel this will give Registered Providers more flexibility in ensuring that repairs are still completed in an efficient and timely way but that we are also able to manage tenant expectations in relation to completion timescales.

We appreciate that the Code of Practice does expand on some of the wording in the Standard, but better definition of terms such as 'accurate' and 'up to date' would be welcomed. This is going to be key evidence for any judgement and greater clarity would aid Providers understanding about what is required.

We would also welcome a collaborative approach between the Regulator of Social Housing and the Building Safety Regulator to provide clarity and agreement on cross cutting areas of regulation.

2. Overall, do you agree that the proposed Transparency, Influence and Accountability Standard sets the right expectations of landlords, as set out in Chapter 7 of the consultation document?

Overall, we agree the proposed Transparency, Influence and Accountability Standard sets the right expectations of landlords. However, we feel several of the proposed outcome areas within this Standard are repetitive and overly wordy. Consideration could be given to merging 1.1 and 1.2 of the required outcomes as well as 2.2.1, 2.2.2, 2.2.3, 2.2.5 of the specific expectations. Further detail would be better placed in the Code of Practice instead.

3. Do you agree that the proposed Transparency, Influence and Accountability Standard accurately reflects the government's 'tenant involvement' direction to the regulator?

Agree

4. Overall, do you agree that the proposed Neighbourhood and Community Standard sets the right expectations of landlords, as set out in Chapter 8 of the consultation document?

Overall, we agree the proposed Neighbourhood and Community Standard sets the right expectations of landlords.

However, as a large Local Authority, our experience in relation to the maintenance of shared spaces and local co-operation can be challenging. Many of our traditional council housing estates are now of mixed tenure because of Right to Buy, with estates made up of a mix of council tenants, leaseholders, private tenants and owner occupiers. Some areas also include other Registered Provider homes such as Housing Associations being in proximity. This can be challenging not only for us a landlord but also can be difficult for our tenants to grasp an understanding of who is responsible for what especially in terms of shared communal spaces but also were there other issues such as anti-social behaviour and waste management.

As a Local Authority provider, we often find it will be ourselves who are asked to deal with these issues or rectify problems when often it may be the lead responsibility of others. This places an additional burden on our services and finances. We therefore do welcome ways in which the Standards can help improve better partnership working with stakeholders, but also more clarity about how the Regulator will take this into account when assessing TSM performance and compliance with the Standards.

5. Overall, do you agree that the proposed Tenancy Standard sets the right expectations of landlords, as set out in Chapter 9 of the consultation document?

Overall, we agree the proposed Tenancy Neighbourhood and Community Standard sets the right expectations of landlords. However, it does have a very different feel in comparison to the other Standards with a lot of technical detail in the specific expectations which won't apply to all Registered Providers. This is perhaps something that could be included in the Code of Practice instead.

6. Do you agree that the proposed Tenancy Standard accurately reflects the government's 'mutual exchange direction' to the regulator?

Agree

7. The proposed Code of Practice is designed to help landlords understand how they can meet the requirements of the standards. Do you agree that the proposed Code of Practice meets this aim?

Overall, we agree the Code of Practice meets this aim and is helpful to have as a guide and does help to exemplify the expectations. However, the Code of Practice is confusing and would be much clearer if it was aligned better against the outcomes and specific expectations within each of the Standards – rather than using a numerical numbering system. In its current form, it feels confusing and must constantly refer to the Standards and then back to the Code of Practice and try to read across the documents.

8. A draft Regulatory impact assessment has been produced to help in understanding the costs, benefits and risks of introducing a revised set of consumer standards and code of practice. Do you agree with our conclusions in the draft Regulatory impact assessment?

Disagree. As a Council, we absolutely welcome the new Consumer Standards and recognise the benefits that these will bring for tenants in the City. However, we feel that the Regulatory impact assessment underestimates the costs of understanding and responding to the changing regulatory environment, particularly in a large and complex local authority landlord. It has been important as part of responding to this consultation to raise awareness with 38,000 tenants, 84 Members and over 1,000 staff which has taken considerable time and resources, over and above the estimates in this assessment. Implementing the standards will equally impose significant costs on the Council at a time when all budgets are under pressure, although ultimately, we acknowledge the positive impact on our tenants.

9. The draft Equality impact assessment looks at what effects introducing the consumer standards might have on members of groups that are protected by equality laws. Do you agree with our conclusions in the draft Equality impact assessment?

No comment

Appendix B - Consultation on changes to the Regulator of Social Housing's fees – Sheffield City Council Draft Response

Consultation closes: 31st October 2023

[Consultation on fees - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

The Regulator of Social Housing is consulting on proposed changes to its fee principles and levels in line with recent legislative and government requirements.

1. Do you agree with our proposed approach to setting initial registration application fees?

Agree

2. Do you agree with our proposed approach to setting annual fees for large private registered providers?

Agree

3. Do you agree with our proposed approach to setting annual fees for large local authority registered providers?

Disagree.

As a Council, we absolutely welcome the new Consumer Standards and recognise the benefits that these will bring for tenants in the City.

However, we are concerned at the level of fees for large local authority registered providers and believe that the costs of improved regulation should be met by the Government. The proposed fee of £7-8 per unit for a large local authority provider would mean an additional budget pressure of around £300,000 for Sheffield City Council. This is an effective cut, once again, to funding for council housing at a time when our tenants need us to maximise the support available.

The costs of regulation would be funded from HRA income (so income provided from tenants' rents) and would mean that less money would be available to deliver crucial tenant services. This is in addition, to the fees for other agencies, for example the Housing Ombudsman, which are only slightly lower. This means that we have less money available to deliver improvements in service standards at a time when government, Regulator and tenant expectations are on the increase.

We are also concerned at the relatively small unit difference in fee proposals between private register providers and local authority registered providers. The fee structure would indicate that the economic regulatory activities that the RSH undertake for private registered providers only cost £2 per unit – the difference in the fee proposals for providers. We would suggest that the fee structure is made more transparent and based on the different types of regulation. This could be

done through a standard fee for consumer regulation with an additional charge for private registered providers subject to economic regulation.

4. Do you agree with our proposed approach to setting annual fees for small private registered providers?

We agree with small private registered providers having to pay a fixed fee that reflects the reduced engagement with providers. However, we do feel that the level of this fee should be sufficient to cover the costs of the activity rather than expecting the residual costs to be picked up by larger providers.

5. Do you agree with our proposed approach to setting annual fees for small local authority registered providers?

Disagree

As a large local authority provider who will be subjected to a large fee for regulation, we feel that smaller local authority providers should have to also pay a fee. If they are not charged a fee, then this will result in larger authorities, subsidising costs of regulation incurred by them. We accept that this fee should reflect the lower engagement with providers however there should be some consistency applied to the lower fee structure for small private registered providers. Larger authorities should not be expected to pick up the residual costs of this activity.

6. Do you agree with our proposed approach to setting annual fees for groups where the parent is a private registered provider?

Agree

7. Do you agree with our proposals for publishing information annually on our costs and fees?

Agree. We feel that this is essential for transparency and should provide information on the different levels of engagement with different sized providers across both economic and consumer regulation.

8. Do you agree with our proposed approach to continuing the Fees and Resources Advisory Panel?

Agree

9. Do you have any comments on our business engagement assessment or the impact of our proposals on equality and diversity?

No comment



Report to Policy Committee

Author/Lead Officer of Report: Jonathan South, Service Manager – Supported Housing

Tel: 0114 2930883

Report of: *Janet Sharpe, Director of Housing*

Report to: *Housing Policy Committee*

Date of Decision: *2nd November 2023*

Subject: *Commission of a new Furnished Accommodation Framework.*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				

Purpose of Report:

The purpose of this report is to seek approval for Sheffield City Council to commission a new furnished accommodation framework as outlined in this report.

Recommendations:

It is recommended that the Housing Policy Committee:

- Approves the commission of a Furnished Accommodation Framework as outlined and detailed within this report.

Background Papers:

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Helen Damon
		Legal: Gemma Beecroft
		Equalities & Consultation: Louise Nunn
		Climate: Jonathan South
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	SLB member who approved submission:	<i>Ajman Ali, Executive Director, Operational Services.</i>
3	Committee Chair consulted:	<i>Councillor Douglas Johnson</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Jonathan South	Job Title: <i>Service Manager – Supported Housing</i>
	Date: 9 October 2023	

1. PROPOSAL

- 1.1 The Furnished accommodation service has operated since 1998. The Service provides an essential furnished offer to Housing Clients, the Local Assistance Scheme, The Refugee Resettlement Team and other Sheffield City Council (the Council) teams. The Furnished Accommodation service has also worked to provide furniture to the Furnished Service of Rotherham Metropolitan Borough Council (RMBC) since July 2018.
- 1.2 The main role of the service is to provide furnished accommodation, we currently have approximately 3308 furnished properties within the Councils housing stock. It forms part of an offer to vulnerable households who present to the Housing Solutions Service in need of emergency housing and are unable to afford to furnish their home following rehousing. We offer a variety of items ranging from carpets and curtains to white goods such as fridge freezers and washing machines. Items are given a points value and customers can access what they need and what is affordable to them. This is paid via a service charge which is covered by housing benefit to a cost of £11.03 (10 points), £16.55 (15 points), £22.06 (20 points) per week depending on the value and number of items.
- 1.3 The team also furnish properties that are used as Temporary Accommodation for homeless customers, with the cost being included in the overall service charge of these schemes. Customers who require furniture can also apply for a grant under our Local Assistance Scheme giving them access to the same standard of furniture. In addition, we have started to allow Care Leavers to access this provision and the team links in with personal advisors to arrange furniture delivery. The framework is also used to furnish properties provided to refugees resettled in Sheffield under grant agreements with the Home Office. We receive income to set up properties ready for the arrivals of vulnerable people fleeing their home country and who have lived in camps whilst waiting to be resettled in Sheffield.
- 1.4 Despite having a number of different clients, we have standardised the agreed range of goods provided for all recipients of the service enabling us to increase our buying power with the market, streamline the offer and bring efficiencies to the ongoing administration of the supply chain for example by raising fewer purchase orders.
- 1.5 The goods will be supplied via a new Framework replacing the current agreement. The former agreement ended in 2019 and the process of renewal was put on hold due to the outbreak of the Covid pandemic which placed uncertainty across several factors including the supply chain, manufacturing and pricing.
- 1.6 The re-procurement of a Framework and the specification of it will ensure that the Furnished Accommodation service has a reliable and

continual supply of suitable goods to ensure service delivery is maintained.

- 1.7 The Framework will be let across 10 LOTS with bidders eligible to bid for one or more LOTS, again offering flexibility.
- 1.8 The LOTS are as follows:
- Lot 1 – Electrical Appliances
 - Lot 2 – Lounge Furniture
 - Lot 3 – Dining Room Furniture
 - Lot 4 – Bedroom Furniture
 - Lot 5 – Bed Frames
 - Lot 6 – Mattresses
 - Lot 7 – Mattress Protectors
 - Lot 8 – Bedding and Linen Products
 - Lot 9 – Curtains and Tracks
 - Lot 10 – Household Consumables
- 1.9 The tender will be based on a price / quality criterion split so we secure contracts for quality goods at a competitive price. The split will be:
- Price – 50%
 - Quality – 50%
- 1.10 Social Value and the PayPlus Early Payment Discount Scheme will be included as part of the tender documents.
- 1.11 The contracts will be let per lot and will be for a period of 3 years with an optional additional 12 months. As this will be a Framework contract, the Council's Framework Terms and Conditions will be used.
- 1.12 Each lot will have a minimum of 2 suppliers up to a maximum of 3 suppliers to ensure alternative sources of supply. Orders will be based on a price basis with the lowest priced supplier being approached first, the other suppliers being used in the case of lack of supply or extended supply timescales approached in price order.
- 1.13 The price element of the bids will be evaluated by the procurement lead and the quality element of the bids will be evaluated by the client led evaluation panel.
- 1.14 The framework contract will be managed by the City-Wide Housing Service who will also manage the relationship with RMBC.
- 2. HOW DOES THIS DECISION CONTRIBUTE?**
- 2.1 This decision allows us to provide good quality furniture to furnish Council homes and provide vulnerable people access to goods to help sustain tenancies and develop thriving communities:

- 2.2 It supports the corporate objective of generating income for the organisation.
- 2.3 Working initially in collaboration with Rotherham and latterly contractually has enhanced our offer to the market, specific manageable lots will encourage the use of SME's and standardised product specifications across the piece regardless of end user makes bidding easier and supply less complex and therefore more inclusive.
- 2.4 Offers opportunities for SME's and small local family run businesses and supports employment in the region.
- 2.5 Social Value and Local Economic Impact are integral to the evaluation criteria of this procurement as scored elements which will give our local supply chains the opportunity to showcase the impacts, they have in a manner that is influential.
- 2.6 Anticipated lower purchase prices will increase the number of awards that can be granted by the Local Assistance Scheme benefitting more vulnerable impoverished people in the city.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 There has been no direct consultation with customers on the proposed re-procurement of this framework. The Furnished Team do review customer comments and complaints. The durability of items provided is also monitored and concerns fed back to suppliers to be remedied.
- 3.2 A planned review of the Furnished Service and offer will follow the completion of the City-Wide Housing Review and restructure. As part of the review, we will consult all customers to involve them in the future design of the service, what it provides, and what choice and cost efficiencies we can make.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

- 4.1.1 Advice received that an EIA is not required.

4.2 Financial and Commercial Implications

- 4.2.1 The estimated value of the contract is £10million over 4 years if the 12-month contract extensions are taken. A procurement strategy has been developed by Commercial Services to tender for this process.
- 4.2.2 There always will be an ongoing, upfront requirement to purchase goods and place them into stock prior to sending out to customers including third parties like RMBC. This Stock is usually distributed from Solpro to our clients but for bulk purchase clients like RMBC we

arrange some direct deliveries to client's premises to assist with efficient logistics.

- 4.2.3 Bulk Call Off orders are placed with the most frequently used suppliers and quantities are called off at regular intervals based on stock availability and third-party demand.
- 4.2.4 As part of our offer to the market this time suppliers will be offered the opportunity to consider the Supply2Sheffield Early Payment scheme under our Ethical Procurement Policy as we feel this could have a very positive effect on this supply chain given some of our current suppliers are SME's and we are hoping to continue to attract the small suppliers under any new arrangements.
- 4.2.5 Some purchase outlay is off set by the revenue from service agreements with Council tenants and the sale of goods to third parties and other agencies such as the Local Assistance scheme.
- 4.2.6 Given the value of the procurements across the service and for the Framework duration of four years the tender will be the Council's Standing Orders and OJEU compliant.
- 4.2.7 The current arrangement operates under a rebate scheme of 5% on all goods purchased. This rebate can be reviewed each year and during the course of the existing contract has remained at 5%.
- 4.2.8 There are no direct financial implications from this request to retender and award a contract for furnished accommodation procurement framework. The cost of purchasing the furnishings through the contract will be recovered through the service charge to customers of the service.
- 4.3 Legal Implications
 - 4.3.1 Section 1 of The Localism Act 2011 provides the Council with a 'general power of competence' which enables them to do anything that an individual can do as long as the proposed action is not specifically prohibited. A purpose of the Act is to enable local authorities to work in innovative ways to develop services that meet local need. This enables the Council to carry out the commission of the Furnished Accommodation Framework as outlined in this report.
 - 4.3.2 The procurement and award of public contracts must be in accordance with the Public Contracts Regulations 2015 and the Council's Contract Standing Orders.
 - 4.3.1 The successful suppliers will be required to enter into a framework agreement with the Council following the compliant procurement process.

4.3.2 The Council must comply with all applicable legislation and regulations including but not limited to UK GDPR, the Data Protection Act 2018 and the Equality Act 2010.

4.4 Climate Implications

4.4.1 This procurement of new contracts affects three elements within the Climate Impact Assessment. A score of 21 is recorded with similar levels of CO2e emissions compared to before.

4.4.2 The team will work with the contractors to maintain the same energy ratings on electrical items purchased as current and will continue to work to promote the use of packaging that can be recycled through our waste contractor.

5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 Alternative option 1 -Continue with the current purchasing arrangements.
The scheduled recommissioning of these suppliers was 2019 and as highlighted in this report has been delayed due to the Covid 19 pandemic. If the current arrangements were left in place this would potentially result in risks in the supply of items with only one appointed supplier for each of the current lots. The current framework is also not compliant with the Public Contracts Regulations 2015, having expired in 2019.

6. **REASONS FOR RECOMMENDATIONS**

6.1 This decision will allow us to provide good quality furniture to furnish council homes and provide vulnerable people access to goods to help sustain tenancies and develop thriving communities:

6.2 It supports the ability to deliver this service with the service changes meeting service costs and will improve our ability to prevent disruptions in supply through having two nominated contractors for each lot.

6.3 Lower purchase prices will also maintain the number of awards that can be granted by the Local Assistance Scheme benefitting more vulnerable impoverished people in the city.

6.4 The successful tender and contract awards will benefit vulnerable residents of the city and offer opportunities to develop the Furnished Accommodation Service with other Local Authorities and Registered Social Landlords.

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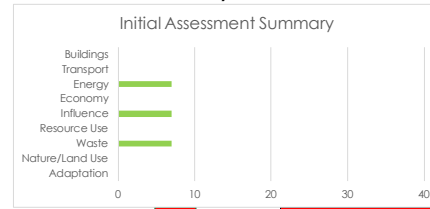
Climate Change Impact Assessment Summary

Project/Proposal Name	Furnished Accommodation Framework	Portfolio	Place
Decision Type		Lead Member	
One Year Plan Area	Communities and Neighbourhoods	Lead Officer	Jonathan South
Date CIA Completed	5th October 2023	CIA Author	Jonathan South
		Sign Off/Date	

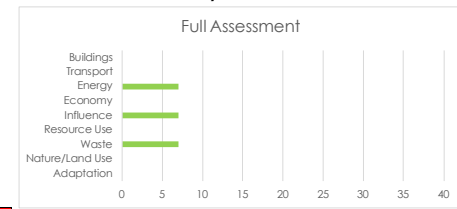
Project Description and CIA Assessment Summary	To commission a new furnished accommodation framework for purchasing furniture, white goods and consumables for use in temporary accommodation, furnished properties as well as supplying to RMBC.
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Rapid Assessment	Does the project or proposal have an impact in the following areas? Select all those that apply. Only complete the sections you have selected here in the assessment.		
Buildings and Infrastructure	No	Influence	Yes
Transport	No	Resource Use	No
Energy	Yes	Waste	Yes
Economy	No	Nature/Land Use	No
		Adaptation	No

Initial Assessment Summary



Full Assessment Summary



>=27	The project will increase the amount of CO2e released compared to before.
21-26	The project will maintain similar levels of CO2e emissions compared to before.
12-20	The project will achieve a moderate decrease in CO2e emissions compared to before.
3-11	The project will achieve a significant decrease in CO2e emissions compared to before.
0-2	The project can be considered to achieve net zero CO2e emissions.

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Initial Assessment

Category	Impact	Description of Project Impact	Score
Buildings and Infrastructure	Construction	N/A	NA
	Use	N/A	NA
	Land use in development	N/A	NA
Transport	Demand Reduction	N/A	NA
	Decarbonisation of Transport	N/A	NA
	Public Transport	N/A	NA
	Increasing Active Travel	N/A	NA
Energy	Decarbonisation of Fuel	N/A	NA
	Demand Reduction/Efficiency	The council will look to work with suppliers to procure white goods items with an energy rating of B or better.	7
	Increasing Infrastructure for renewables generation	N/A	NA
Economy	Development of low carbon businesses	N/A	NA
	Increase in low carbon skills/training	N/A	NA
	Improved business sustainability	N/A	NA
Influence	Awareness Raising	SCC officers will ensure suppliers are aware of keeping waste packing methods efficient using products that can be recycled where possible.	7
	Climate Leadership	N/A	NA
	Working with Stakeholders	N/A	NA
Resource Use	Water Use	N/A	NA
	Food and Drink	N/A	NA
	Products	N/A	NA
	Services	N/A	NA
Waste	Waste Reduction	Waste from packaging is all plastic and cardboard and will be passed to the approved waste contractor for recycling.	7
	Waste Hierarchy	N/A	NA
	Circular Economy	N/A	NA
Nature/Land Use	Biodiversity	N/A	NA
	Carbon Storage	N/A	NA
	Flood Management	N/A	NA
Adaptation	Exposure to climate change impacts	N/A	NA
	Vulnerable Groups	N/A	NA
	Just Transition	N/A	NA

10	The project will significantly increase the amount of CO2e released compared to before.
9	The project will increase the amount of CO2e released compared to before.
8	The project will maintain similar levels of CO2e emissions compared to before.
7	
6	
5	The project will achieve a moderate decrease in CO2e emissions compared to before.
4	
3	The project will achieve a significant decrease in CO2e emissions compared to before.
2	
1	
0	The project can be considered to achieve net zero CO2e emissions.
Carbon Negative	The project is actively removing CO2e from the atmosphere.



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Full Assessment

Category	Impact	Description of Project Impact	Mitigation Measures	Mitigated Score	Procurement Action Required?	Proposed KPI/Measure
Buildings and Infrastructure	Construction	N/A				
	Use	N/A				
	Land use in development	N/A				
Transport	Demand Reduction	N/A				
	Decarbonisation of transport	N/A				
	Public Transport	N/A				
	Increasing Active Travel	N/A				
Energy	Decarbonisation of Fuel	N/A				
	Demand Reduction/Efficiency Improvements	Minimum to maintain energy performance ratings.	Maintain the energy performance ratings of electrical kitchen appliances at a 8 as they are currently as a minimum.	7		
	Increasing Infrastructure for renewables generation	N/A				
Economy	Development of low carbon businesses	N/A				
	Increase in low carbon skills/training	N/A				
	Improved business sustainability	N/A				
Influence	Awareness Raising	SCC officers will promote energy efficiency and efficient waste production with the approved contractors	Efficient packaging and the use of packaging which can be recycled will be promoted by SCC officers.	7		
	Climate Leadership	N/A				
	Working with Stakeholders	N/A				
Resource Use	Water Use	N/A				
	Food and Drink	N/A				
	Products	N/A				
	Services	N/A				
Waste	Waste Reduction	Reduce waste and promote recycling	All current packaging uses plastic and cardboard. The SCC team will work with the suppliers to ensure this standard is maintained. All cardboard and plastic from packing of larger items will be removed where possible by the delivery team and returned to the warehouse to be recycled by our waste contractor. Where smaller items are delivered in packaging the customers will be encouraged to recycle packaging in the refuse collection bins.	7		
	Waste Hierarchy	N/A				
	Circular Economy	N/A				
Nature/Land Use	Biodiversity	N/A				
	Carbon Storage	N/A				
	Flood Management	N/A				
Adaptation	Exposure to climate change impacts	N/A				
	Vulnerable Groups	N/A				
	Just Transition	N/A				

10	The project will significantly increase the amount of CO2e released compared to before.
9	The project will increase the amount of CO2e released compared to before.
8	The project will maintain similar levels of CO2e emissions compared to before.
7	
6	
5	The project will achieve a moderate decrease in CO2e emissions compared to before.
4	
3	
2	The project will achieve a significant decrease in CO2e emissions compared to before.
1	
0	The project can be considered to achieve net zero CO2e emissions.
Carbon Negative	The project is actively removing CO2e from the atmosphere.



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Report to Policy Committee

Author/Lead Officer of Report: Fiona Orr/Dean Butterworth

Tel: 07718134172

Report of: *Ajman Ali, Executive Director, Neighbourhoods*

Report to: *Housing Committee*

Date of Decision: *2nd November 2023*

Subject: *Community Heating Meter Contract*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? Original EIA still stands – at this stage no impact to service users.				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Purpose of Report:

The purpose of this report is to seek approval to re-commission a services contract for the management and administration of meters in properties on the community heating scheme.

The current contract will expire in March 2024 and there is no express provision to extend the term.

Heat Meters are in all properties across Sheffield which are on the Community Heating Network.

Recommendations:

To approve the commission of a new heat metering contract with a provider to commence no later than March 2024 for a period of 4 years with an estimated value of £1,600,000 as set out in this report.

Background Papers:

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Helen Wilsdon
		Legal: Rita Collins
		Equalities & Consultation: Louise Nunn
		Climate: Nathan Robinson
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>Ajman Ali</i>
3	Committee Chair consulted:	<i>Douglas Johnson</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Fiona Orr/Dean Butterworth</i>	Job Title: <i>Service Manager/Head of Service</i>
	Date: <i>19 October 2023</i>	

1. PROPOSAL

Background

- 1.1 The “**Community Heating**” scheme operated by Sheffield City Council, supplies heating and hot water to almost 6,000 homes. The system provides heat and hot water to groups of properties from central boilers rather than using individual property boilers.
- 1.2 As part of this, the Council have rolled out heat meters to community heating. Heat meters have been successfully in properties across the city for nearly 10 years, following the role of heat meters, customers have been able to control their own consumption and spend for their heat and hot water within their properties (**Heat Metering**).
- 1.3 Running costs relating to Community Heating are paid by the Council and charged to a separate account within the overall Housing Revenue Account (HRA). Any annual savings or overspends on this account are charged to a separate accumulated Community Heating reserve.

The current annual cost under the Contract which includes the management and administration of heat meters is in the region of £280k to 320k per annum. For the purposes of this report we have assumed a spend of 400k per annum, multiplied over 4 years duration to bring the total estimated spend to £1,600,000.

Current Position

- 1.4 The existing contract for the ongoing management and administration of heat meters (the **Contract**) was procured following a further competition pursuant to the Yorkshire Purchasing Organisation (YPO) Framework for Utilities Metering and Data Collection Services (642) (the **Framework**) and is due to expire on the 2nd March 2024. There is no further option to extend this Contract. The Heat Metering services will now need to be re-tendered pursuant to the Public Contract Regulations 2015.
- 1.5 The Council have invested heavily in Heat Metering, and we are not proposing to make significant changes or carry out adaptations to the equipment that was installed in customers’ homes as part of the 2014-2017 installation programme. Therefore, any new contractual arrangements for the management and administration of heat meters will need to be compatible with the existing equipment and the associated communication infrastructure already in place. It is also essential there is a swift and seamless transition from the old to the new contact, as it is of paramount importance there is no risk to the district heating provision for our customers. Heat Metering and the necessary infrastructure to operate it, is quite complex involving constantly evolving technology and specialist expertise. It is considered to be a relatively unique and niche

service sector with not a huge number of service providers currently.

Proposed way forward

- 1.6 It is proposed that the Council commission a new contract for Heat Metering services with a provider for a period of up to 4 years with a break clause at years 2 and 3 to allow early termination of the contract. A contract of this length will allow us to:
- a. have an appropriate degree of longevity / stability and
 - b. the necessary degree of flexibility in what is a relatively rapidly evolving service sector

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Since the introduction of meters in 2014, we have been able to offer a far greater level of flexibility to customers by allowing them to manage their own usage within their properties (as opposed to fixed rates) as we move towards heat networks becoming regulated, heat metering and transparency of costs to customers will play a significant part of the new regulations.
- 2.2 This decision will specifically allow us to implement new contractual arrangements that will enable this to continue and ensure we maintain high quality/efficient services for our district customers moving forward.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The council is not required to consult on this proposal.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

- 4.1.1 The current EIA which is in place against the contract still stands until a new contract is awarded. This process will have no implications on service users.

4.2 Financial and Commercial Implications

- 4.2.1 Running costs relating to District Heating are paid by the Council and charged to a separate account within the overall Housing Revenue Account (HRA). The account is run on a self-financing basis with an overall annual cost of approximately £5m being recovered by the Council from charges to customers. The annual cost for this specific contract is in the region of £380k - £400k per annum and provision has been set aside within the District Heating Account to accommodate these charges.

The procurement process must comply with the Public Contracts

Regulations 2015 (PCR) and Council Standing Orders.

Tenders will be assessed using suitable criteria to derive the most economically advantageous tender to the Council. A combination of pricing and quality will be assessed by Council officers as part of the tender evaluation process.

4.3 Legal Implications

- 4.3.1 Since the anticipated contract value will exceed the public procurement threshold, the Council are obliged to procure the services pursuant to the Public Contract Regulations 2015 which will enable the Council to meet its transparency and value for money objectives.

The proposed contract terms, including the break provisions, will need to be disclosed at the outset of the tender process and concluded on materially similar terms with the chosen provider.

4.4 Climate Implications

- 4.4.1 There are no climate implications

4.5 Other Implications

- 4.5.1 There are no other implications arising from this report

5. **ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Do nothing – this is not an option as the Council has the ongoing requirement to maintain heat meters. The current contract is due to expire on 1st March 2024, and the Council are under a duty to procure the contract pursuant to the Public Contract Regulations 2015 and the Councils Contract Standing Orders.

Self-Deliver - this is not an option; the Council has neither the capacity or expertise to deliver these goods and services.

Extend existing contract – this is not an option as the existing contract does not have an option to extend, and the Council must re-tender the contract in accordance with the Public Contract Regulations 2015.

6. **REASONS FOR RECOMMENDATIONS**

- 6.1 After considering the nature of this contract and taking on board the essential regulatory compliance/ value for money requirements, the best option for the Council is to commission the contract using a compliant

public sector procurement procedure. This will enable the Council to continue to provide essential services to manage and maintain our heat metering services. The procurement of the contract will ensure the Council is operating in accordance with the Public Contract Regulations 2015 and achieving best value in its procurement of the services.



Report to Policy Committee

Author/Lead Officer of Report: Janet Sharpe,
Director of Housing

Tel: 0114 2735493

Report of: *Executive Director, Operational Services*

Report to: *Housing Policy Committee*

Date of Decision: *2nd November 2023*

Subject: *Housing Policy Committee Savings and Pressures 2024 - 25*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
The appendices to this report are exempt under Schedule 12A of the LGA 1972 due to financial and commercial considerations.				

Purpose of Report:

This paper provides Members with an update on the budget setting process for the revenue budgets within the remit of the Housing Policy Committee. It specifically sets out details of the pressures facing the Housing Policy Committee in 2024/25 and asks Members to consider how to mitigate those pressures in meeting their obligations to recommend a balanced budgetary position to the Strategy and Resources committee. The report also includes proposals for endorsing a rent increase for Council tenants to the Strategy and Resources committee and subsequently Full Council in February 2024.

Recommendations:

It is recommended that the Housing Policy Committee: -

1. Notes the Housing Revenue Account and Housing General Fund savings proposals/mitigations as set out in this report and that they will be presented to the Strategy and Resources Committee as part of the Council's budget for 2024/25
2. Request a further report on the Housing Revenue Account Business plan at their December meeting with details of the full capital and revenue expenditure proposals for 2024/25
3. Endorses a 7.7% rent increase for council tenants in line with the government's Rent Standard and acknowledge that the final decision on council housing rents will be taken at the Full Council in February.

Background Papers:

Appendix A – CONFIDENTIAL Housing General Fund Savings Options

Appendix B – CONFIDENTIAL Housing Revenue Account Investment and Savings Options 2024/25

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Helen Damon
		Legal:
		Equalities & Consultation: Louise Nunn
		Climate: Peter Brown
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	<i>Ajman Ali, Executive Director, Neighbourhoods</i>
3	Committee Chair consulted:	<i>Councillor Douglas Johnson</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Janet Sharpe	Job Title: Director of Housing
	Date: 24 th October 2023	

1. Proposal

- 1.1 Members are asked to consider the proposed budget and rent setting approach for 2024/25** This paper provides Members with an update on the budget setting process for the revenue budgets within the remit of the Housing Policy Committee. It specifically sets out details of the pressures facing the Housing Policy Committee in 2024/25 and asks Members to consider how to mitigate those pressures in meeting their obligations to recommend a balanced budgetary position to the Strategy and Resources committee. The report also includes proposals for endorsing a rent increase for Council tenants to the Strategy and Resources committee and subsequently Full Council in February 2024.
-

2. Background

- 2.1 This report covers both HRA and HGF budgets** The Housing Policy Committee has oversight of both the Housing Revenue Account (HRA) and the Housing General Fund (HGF) budgets. This report covers the savings and pressures facing the Housing Policy Committee across both budgets.
-

- 2.2 The Council's HRA is the financial account of the Council as landlord** The Council's HRA is the financial account of the Council as landlord. It is ring-fenced in law for income and expenditure in respect of council housing and housing land and certain activities in connection with the provision of council housing only. Other council services are funded through council tax and central government support which benefits all citizens of Sheffield regardless of tenure.
-

- 2.3 The Housing General Fund is dependent on the financial position of the Council** The Council's General Fund is spent on services across the council and is funded from government grants, the local share of business rates, and council tax. The Housing General Fund is an allocated proportion of the overall General Fund that we use to support certain housing activities not covered by the Housing Revenue Account (e.g., homelessness related activities).
-

- 2.4 These budgets operate within the context of a challenging medium term financial position for the Council** An updated medium term financial analysis was presented to Strategy & Resources committee in September to give members an early view of the forecast financial position for the Council over the next 4 years and to set the financial constraints within which the budgeting and business planning process will need to work to achieve a balanced budget position over the medium term:
-

[MTFA & Committee Budget Savings Targets](#)

Over the 4-year period the forecast budget gap for the Council is estimated to be £61m. For 2024/25 the forecast budget gap is £18m that will need to be bridged by services to set a balanced budget for 2024/25.

<p>2.5 The MTFA assumptions for this Committee show a</p>	<p>The following assumptions had been made for the Housing General Fund 2024/25 within the MTFA:</p> <ul style="list-style-type: none"> • Pressures of £6.5m, the most significant of which is the increasing cost of temporary accommodation and homeless demand, funding of the housing growth team. <p>Offset by:</p> <ul style="list-style-type: none"> • Funding allocated, as per the MTFA, to fund the 2024/5 pay award, £0.5m • Funding towards the Homelessness pressure because of Housing Benefit rules, as per the MTFA, £2.5m <p>This left a gap to find of £3.5m. Further work has been undertaken since the MTFA report was initially considered by Strategy and Resources committee, reducing the initial pressures down slightly. The resultant gap for this Committee to find on the Housing General fund has been reduced to £3.4m.</p>
<p>2.6 The HRA Business Plan is updated each year and is sensitive to national policy changes</p>	<p>The HRA budget is managed through a ring-fenced Business Plan which is reviewed and updated each year to set budgets and charges for the year ahead. Plans are set within the context of a 30-year affordability profile - our long-term planning horizon for balancing the HRA – with spending profiled on a 1, 5 and 30-year basis. Decisions taken in any given year must deliver a 30-year balanced position. The HRA operates within a national political context; therefore, any changes within national housing and social policy can have a significant impact.</p>
<p>2.7 There are several components to the Business Plan</p>	<p>The HRA Business Plan is broadly made up of 4 key components:</p> <ul style="list-style-type: none"> • Repairs and Maintenance – spending on responsive repair requests and routine maintenance of tenants’ homes. • Tenant Services – the delivery of services to tenants – mainly made up of staffing and non-staffing costs associated with running the housing service. • Capital Programme – our plans for planned spending on the physical structure of tenant homes and neighbourhoods and on the delivery of new homes. • Interest on borrowing – the cost of borrowing money from outside the Council to fund capital improvements.
<p>2.8 The annual rent and charges setting process is key to finalising the Business Plan</p>	<p>A full report on the HRA Business Plan will be brought to the December meeting of this Committee. A key component of setting a balanced HRA Business Plan is the annual rent and charges setting process. This needs to be agreed in advance of the Business Plan process to understand the income available to the Business Plan.</p>

3. Housing General Fund position for 2024/25

3.1 Several new Housing General Fund pressures have emerged for 24/25 Several new pressures to the Housing General Fund have emerged that need to be considered. There have also been some losses of income, along with significant legislation changes this year that have created new pressures for the Housing General Fund. They are set out in the table below.

3.2 There is a forecast £4.9m subsidy loss pressure on the Council The most significant pressure is on housing benefit subsidy loss. Government does not fully subsidise all housing benefit payments made by the Council even though it sets the rules that determine the amount the Council must pay. In 2022/23, the Council incurred a loss of £5.9m because of the legislation relating to temporary homelessness and supported accommodation. The Council is essentially bridging the gap between the amount the accommodation costs to procure and the amount that we can recover via housing benefits. In 2023-24, this is forecast to cost the Council £8.4m. The shortfalls are split between the Housing General Fund (£4.9m) and Strategy and Resources (£3.5m) budgets respectively and have been partially mitigated within the MTFAs as set out in paragraph 2.5.

3.3 Table of Housing General Fund pressures for 2024/25

HRA pressures 2024/25 (£000s)	6,147
Housing benefit subsidy loss (see paragraph 3.2)	4,900
Replacing temporary funding arrangements	670
Cost of implementing national pay awards	277
Increase in demand for homelessness placements	300

3.4 There are limited savings options available to mitigate the pressures. Members are asked to consider the limited savings options to mitigate the HGF pressures set out in paragraph 3.3. These options are set out in the confidential appendix for consideration by Committee. Implementation of some of these saving options will help to reduce the pressures on the HGF budget for 2024/25.

4. Housing Revenue Account position for 2024/25

4.1 Changes are expected in the national legislative and regulatory framework which will impact on the HRA in future years The HRA budget proposals for 24/25 are based on what we know about the likely challenges at the present time. There are changes over the next 12 months which will impact on the future funding of the HRA. The Council is updating its Asset Management Strategy (which sets out plans for improving council homes), awaiting the outcomes of the government review of Decent Homes 2 and developing plans around Net Zero. The changes to the regulatory framework discussed in a separate agenda item as part of this Committee will also require changes to how the council deliver services. All these will impact on how spending plans for improving council homes and delivering

services, but it is too soon to predict the shape of those changes. The budget proposals for 2025/26 and beyond will potentially need a more significant review at this point next year. The focus for 24/25 is therefore in addressing more immediate revenue pressures rather than longer-term structural change.

4.2 There is a HRA revenue pressure of £14.3m in 24/25

The HRA is facing significant budgetary pressures over at least the next 5 years. The overall impact of this is that the Council is unlikely to be able to fund all the key priorities that it would want to. Early projections indicate that significant savings of around £14.3m are required in 2024/25. These pressures are made up of £11.8m of pressures that must be mitigated to continue to deliver the current level of services to tenants and meet our statutory obligations. There are a further £2.4m of pressures which Members are asked to consider, to continue our plans for improving services. The level of these savings may be partly mitigated by any rent increase that the Council decide to make for 2024/25.

4.3 There are absolute pressures of £11.8m to deliver a balanced HRA budget for 2024/25

The table below sets out the main pressures facing the HRA for 2024/25. Some of these pressures arise from undelivered savings in 2023/24, some are due to inflationary pressures, others are due to legislation changes and there are some operational pressures where changes need to be made to services to deliver improvements. There is a total of £11.8 million pressures that need to be balanced in setting the HRA budget for 2024/25. These pressures must be mitigated to deliver a balanced HRA budget position.

4.4 Table of pressures for 2024/25

HRA pressures 2024/25 (£000s)	11,813
Inflationary increases in repair costs, contracts, materials costs, fleet costs, Council Tax	2,910
Replacing temporary funding arrangements	2,510
Cost of implementing national pay awards	2,508
Repairs and Maintenance savings not yet realised	1,500
Lost income from delays in letting empty properties	1,000
Changes to national regulatory or legislative expectations	615
Increase in disrepair management costs	370
Reduction in forecast income from recharging repair costs to tenants for loss, damage etc.	200
Lost income from delays in Community Buildings review	200

<p>4.5 There are additional pressures of £2.4m which Members are asked to consider</p>	<p>There are further budgetary pressures which Members are asked to consider in addition to those set out in paragraph 4.4 above. The mitigation of these pressures will help to improve services to tenants and generate further service efficiencies. Members are asked to consider these options as part of the confidential appendix to this Committee. The decisions on these options will then finalise the pressure gap that needs to be mitigated by either additional income or through savings.</p>
<p>4.6 Initial modelling of HRA income has started, with the expectation of an unchanged Rent Policy</p>	<p>We have undertaken some initial modelling of HRA income for 24/25. To do this, we have made some assumptions regarding inflation, interest rates, pay inflation and construction costs. The HRA receives most of its income through dwelling rents, with a much smaller percentage coming from garage and other non-dwelling rents. The Council's ability to set rents is constrained by the Regulator of Social Housing Rent Standard which is determined by a government direction under Section 197 of the Housing and Regeneration Act 2008. The Council has discretion to set rent levels in line with this standard which caps any increase to the September Consumer Price Inflation (CPI) + an additional 1%. The Council must comply with the rent setting rules. If it fails to do so it may be made subject to regulatory action. Despite the specific application of a 7% rent increase cap for 23/24, government have not indicated that this will continue into 24/25 therefore we are anticipating that the usual Rent Standard will apply.</p>
<p>4.7 The proposed rent increase for council tenants in 2024/25 is 7.7%</p>	<p>The rate of CPI for September 2023 was 6.7%. This means that the maximum increase that the Council can make for 2024/25 is 7.7%. Any rental increase below 7.7% would require further service reductions to present a balanced HRA budget and would have a significant impact on services delivered to tenants.</p> <p>The rent increase would be covered by Housing Benefit/Universal Credit for the approximately 70% of tenants who receive those payments. The remaining 30% of tenants would be supported in meeting increased payments through a range of support mechanisms offered by the Housing and Neighbourhoods Service Income Management team. This Committee agreed an increase in the Hardship payment fund made available for this purpose as part of the current year budget setting process. This increased level will be maintained in 2024/25 to support tenants facing cost of living concerns.</p> <p>This paper therefore recommends that Members of this Committee propose to Strategy and Resources Committee that the maximum increase of 7.7% is applied in 2024/25 to mitigate HRA pressures.</p>
<p>4.8 There are a range of savings</p>	<p>Members are also asked to consider a range of savings options to mitigate the HRA pressures set out in paragraph 4.4. These</p>

options available to mitigate the pressures.	options are set out in the closed report for consideration by Committee. Implementation of some of these saving options will help to reduce the pressures on the HRA budget for 2024/25.
4.9 The HRA Business Plan will be brought to Committee in December	A full report on the HRA Business Plan will be brought to the Housing Policy Committee for approval in December 2023. This will set out a more comprehensive picture of the long-term pressures and savings required in setting a balanced Business Plan for the next 30 years.
5. How does this decision contribute?	
5.1 Housing activity feeds into the Council's strategic priorities	The Council have developed a new set of strategic priorities for 2023/2024 with the intention for these priorities to form the basis of the new medium term Corporate Plan which is currently in development. There are several areas in which the delivery of housing services feeds into broader corporate priorities, and as the new Corporate Plan emerges from the administration priorities, we will continue to monitor and report on how we are performing against broader corporate priorities.
6. Has there been any consultation?	
6.1 No consultation has yet been undertaken on these proposals	There has been no consultation on these proposals to date. A corporate consultation exercise will be undertaken prior to the final budget approval meeting of the Council in March 2024 where the result from the consultation exercise will be considered.
7. Risk analysis and implications of the decision	
7.1 There are no direct Equality implications arising from this report.	Equality Implications There are no direct equality implications arising from this report although there may be some implications from implementing individual savings proposals. Where this is the case, an individual Equality Impact Assessment will be undertaken.
7.2 There are no direct financial implications arising from this report	Financial and Commercial Implications Each Committee is required to deliver a balanced budget for 2024/25, which requires them to find mitigations for any Service pressures over above the targets set out in the MTFAs, outlined in paragraph 2.4 above. The pressures and savings proposals to address this are set out in this paper. Further work will be required to address the budget gap shown within this paper and to ensure delivery plans are in place. All Committees savings proposals will be considered by the Strategy & Resources Committee before final sign off to ensure a balance 2024/25 budget for the Council as a whole.

7.3 No new legal issues arise other than those ordinarily governing the HRA

Legal Implications –

The duty to keep a Housing Revenue Account and prevent a debit balance on it and restrictions as to what may be credited or debited to the account (“the ringfence”) are governed by Part VI of the Local Government and Housing Act 1989 (the 1989 Act). This formerly included provision for annual HRA subsidy paid by central Government to local housing authorities, as determined by the Secretary of State. HRA subsidy was abolished by the Localism Act 2011, which provided for the Secretary of State to determine the calculation of a settlement payment to or from each local housing authority. This settlement and its implications for the self-financing HRA continue to inform the Business Plan. The HRA provisions in the 1989 Act include the duty in January or February each year to formulate proposals relating to HRA income and expenditure. Those proposals will be addressed in the November report to this Committee.

By section 24 of the Housing Act 1985 (the 1985 Act) the Council has a broad discretion in setting such reasonable rents and other charges as it may determine and must from time-to-time review rents and make such changes as circumstances may require. Such circumstances will of course include other statutory requirements such as those described in this report. The duty to review rents and make changes is itself subject to the requirements for notice of a variation set out in Section 103 of the 1985 Act. The notice must specify the variation and the date on which it takes effect which must be at least four weeks after the date of service. To implement the rent variation recommended in this report notice of the variation must be sent to all tenants within the first week of March at the latest.

In February 2019 the Government published a policy statement on rents for social housing from 1 April 2020 onwards and, pursuant to powers under section 197 of the Housing and Regeneration Act 2008, issued the Direction on the Rent Standard 2019. This required the Regulator of Social Housing to set a new rent standard, consistent with the Rent Policy Statement, with effect from 1 April 2020. The Direction applies to the Regulator in relation to the rents of all registered providers of social housing, including local authorities, and replaces a 2014 Direction which applied only to the rents of private registered providers. The requirement that the Council’s rent increases be in accordance with government rent policy is not itself new but with effect from 1 April 2020 this is secured through a regulatory standard. The Council must comply with the rent setting rules. If it fails to do so it may be made subject to regulatory action.

7.4 There are no direct climate implications arising from this report.

Climate Implications

There are no direct climate implications arising from this report although there may be some implications from implementing individual savings proposals. Where this is the case, an individual Climate Impact Assessment will be undertaken.

8. Alternative options considered.

8.1 No other options were considered The Council is required to both set a balanced HRA and GF budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

9. Reasons for recommendations

9.1 The reasons for recommendations are set out opposite Members are asked to note the unsustainable financial position highlighted by the medium-term financial analysis presented to Strategy and Resources Committee in September 2023. This report and its recommendations, sets out the scale of the challenge ahead, the limited resources available and the difficult decisions that now need to be taken to deliver a balanced HRA and HGF budget for 2024/25.

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

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