

RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO HEALTH AND HOUSING COMMITTEE

DECISION

Agenda Item No 7

meeting date: 22 OCTOBER 2015
 title: CAPITAL PROGRAMME REVIEW AND NEW BIDS
 submitted by: DIRECTOR OF RESOURCES
 principal author: ANDREW COOK

1 PURPOSE

1.1 To recommend the proposed future three-year capital programme (2016/17 to 2018/19) for this committee.

2 BACKGROUND

2.1 This report will review the draft programme of schemes for the next three financial years (2016/17 to 2018/19), based on the bids received from Heads of Service.

2.2 Schemes were considered at this time last year for the 2016/17 and 2017/18 financial years. No bids have previously been requested for the 2018/19 financial year.

2.3 In the same manner as previous years, all Heads of Service were asked to review the schemes previously approved for 2016/17 and 2017/18 and submit new capital bids for 2018/19, bearing in mind the limited financial resources that are available to finance the capital programme.

3 CAPITAL PROGRAMME BIDS AND REVIEW 2016/17 TO 2018/19

3.1 The proposed schemes have been entered into the draft programme in two ways. Firstly, Heads of Service were asked to review the programme of provisionally approved schemes for 2016/17 and 2017/18 and suggest any amendments that were required to those schemes. This review identified no suggested amendments to the schemes already approved. Please note, the Clitheroe Market Improvements 2016/17 scheme will be reviewed again after the final plans are announced for the separate Market Development scheme.

3.2 Secondly, Heads of Service were asked to put forward new bids (Annex 1) for the 2018/19 capital programme. Two bids, totalling £211,000, have been received for 2018/19.

3.3 Annex 2 shows the financial impact of each new bid put forward and each previously approved 2016/17 and 2017/18 capital scheme. A summary for this committee is shown below.

Health and Housing Committee Schemes	2016/17 £	2017/18 £	2018/19 £	TOTAL £
Previously Approved Schemes Brought Forward	411,000	211,000	0	622,000
New Bids Received	0	0	211,000	211,000
Overall Total – All Schemes	411,000	211,000	211,000	833,000

- 3.4 Of the two new bids received, totalling £211,000, the Disabled Facilities Grants scheme has potential external funding identified, estimated at £161,000. This leaves the £50,000 new bid for Landlord/Tenant Grants that would require funding from the Council's available capital resources. These capital resources are currently low.
- 3.5 With regard to Disabled Facilities Grants, it must be noted that from 2015/16 onwards the external funding now comes from the Lancashire Better Care Fund, as approved by the Lancashire Health and Well-being Board. The 2015/16 allocation for the Council, £161,000, has been confirmed. The 2016/17, 2017/18 and 2018/19 funding levels are not known at this point, so we have assumed they will be similar to 2015/16, i.e. £161,000. It is anticipated that the final scheme budget in each of these years will be exactly the same as the level of funding received.
- 3.6 Annex 1 shows the two new scheme bids for this committee in detail and how each particular scheme links to the Council's ambitions.
- 3.7 Committee members should therefore consider the new scheme bids, as attached, and those schemes previously approved for 2016/17 and 2017/18 and put forward any amendments to those bids that they may wish to make at this stage.
- 3.8 It must be noted that other committees will be receiving similar reports for the new scheme bids. Bids from all committees will finally be considered alongside each other by the Budget Working Group and Policy and Finance Committee against the limited financial resources that are available to finance the capital programme.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
- Resources – One new bid, as submitted, would require funding from Council resources, at least £50,000 (Landlord/Tenant Grants) . It is anticipated that the other bid (Disabled Facility Grants) would be fully funded from external grant.
 - Technical, Environmental and Legal – None.
 - Political – None.
 - Reputation – Sound financial planning for known capital commitments safeguards the reputation of the Council.
 - Equality and Diversity – Equality and Diversity issues are examined as part of the capital bid appraisal process.

5 CONCLUSION

- 5.1 Previously approved capital schemes totalling £622,000, for the 2016/17 and 2017/18 financial years have been reviewed and re-confirmed by Heads of Service.
- 5.2 New capital scheme bids for 2018/19 have been received, totalling £211,000.
- 5.3 One new capital scheme bid has no associated external funding. The Council's existing capital resources to fund such schemes are currently low.

6 RECOMMENDED THAT COMMITTEE

- 6.1 Consider the future three-year programme for 2016/17 to 2018/19 as attached and agree any amendments they wish to make.
- 6.2 Recommend to Policy and Finance Committee a future three-year capital programme for this committee's services.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

HH11-15/AC/AC
12 October 2015

Health and Housing Committee New Capital Bid Submissions

BID 1: Disabled Facilities Grants

Service Area: Housing and Regeneration Services

Head of Service: Colin Hirst

Brief Description:

The scheme provides mandatory grant aid to adapt homes so elderly and disabled occupants can remain in their own home. The maximum grant is £30,000 and for adults is means tested. The grants can provide for minor adaptation, for example the installation of a stair lift, up to the provision of a bathroom and bedroom extension.

Overriding aim/ambition that the scheme meets:

To help make peoples' lives safer and healthier.

Government or other imperatives to the undertaking of this scheme:

The grants are mandatory. The Council has a statutory duty to provide adaptations as instructed by the Occupational Therapist. Grant funding is provided by the Lancashire Better Care Fund to help fund this scheme.

Improving service performance, efficiency and value for money:

Provision of an adequate Disabled Facilities Grant budget ensures households can be offered assistance once a referral has been received.

Consultation:

Bi-monthly meetings with Occupational Therapists and regular contact with technical staff.

Start date, duration and key milestones:

The Disabled Facilities Grant budget operates on a financial year basis, ie April – March.

Financial Implications – CAPITAL:

Breakdown	2016/17 £	2017/18 £	2018/19 £
Other	Already approved	Already approved	161,000
TOTAL	Already approved	Already approved	161,000
Sources of External Funding – from Lancashire Better Care Fund budget (TBC)	-	-	-161,000
NET COST TO THE COUNCIL	-	-	0

NOTE – Future years' funding and budget assumed at the same level as 2015/16 funding received, £161,000.

Health and Housing Committee New Capital Bid Submissions

Financial Implications – ANNUAL REVENUE:

Breakdown		£
Existing Service – no change		

Useful economic life:

No comment made.

Additional supporting information:

The provision of disabled facilities grants is a statutory function of the Council. Ensuring a service is essential to address the housing needs of the borough, an ambition of the Council.

Impact on the environment:

All equipment is maintained to prolong lifespan.

Risk:

- **Political:** The population age of Ribble Valley occupants is increasing and therefore demand for the service will continue.
- **Economic:** A high % of applicants pass the means test in the current economic climate.
- **Sociological:** Increased expectation that disabled applicants will remain at home through adaptation of the property.
- **Technological:** Improvements in technology allow the specific needs of the applicants to be met.
- **Legal:** N/A.
- **Environmental:** N/A.

**Health and Housing Committee
New Capital Bid Submissions**

BID 2: Landlord/Tenant Grants

Service Area: Housing and Regeneration Services

Head of Service: Colin Hirst

Brief Description:

The scheme match funds a landlord's investment in a property in return for an affordable rental property. Conditions of the grant are nomination rights and a set rent level in line with LHA. The scheme is crucial for move on accommodation for families in the hostel as the social housing waiting list is so long. The scheme is also used to bring empty properties back into use.

Overriding aim/ambition that the scheme meets:

To match the supply of homes in our area with the identified housing need.

Government or other imperatives to the undertaking of this scheme:

We have a statutory duty to find homeless households affordable housing and without this scheme we would be reliant on social housing.

Improving service performance, efficiency and value for money:

The scheme improves service performance in that the length of time families stay in temporary accommodation is reduced. The service is improved in that we are able to offer a housing choice through the scheme.

Consultation:

Landlords are consulted through a newsletter and discussion about the scheme held at the Housing Forum.

Start date, duration and key milestones:

The scheme runs through the financial year and has run successfully for over 15 years.

Financial Implications – CAPITAL:

Breakdown	2016/17 £	2017/18 £	2018/19 £
Other	Already approved	Already approved	50,000
TOTAL	Already approved	Already approved	50,000

Health and Housing Committee New Capital Bid Submissions

Financial Implications – ANNUAL REVENUE:

Breakdown		£
Existing Service – no change		

Useful economic life:

No comment made.

Additional supporting information:

The scheme has become popular with landlords and the number of properties we have nomination rights to through the scheme increases annually. These properties are essential in providing a Housing Needs Service.

Impact on the environment:

In renovating the property we ensure energy saving measures are installed.

Risk:

- **Political:** The scheme has had very positive political support and has been highlighted as good practice by DCLG Homeless Specialist Advisor.
- **Economic:** Encourages investment in properties in the lowest council tax bands.
- **Sociological:** Choice of tenure for low income households is required.
- **Technological:** N/A
- **Legal:** Changes to Local Housing Allowance will impact on the scheme. Any reduction will have a negative impact as landlords will not agree to lower rent.
- **Environmental:** N/A

Health and Housing Committee
Financial Impact of the Proposed Three-Year Capital Programme

Scheme Title	2016/17 £	2017/18 £	2018/19 £	TOTAL £	
<u>Previously Approved Bids</u>					
Disabled Facilities Grants	161,000	161,000		322,000	
Landlord/Tenant Grants	75,000	50,000		125,000	
Clitheroe Market Improvements	175,000			175,000	
Subtotal of Previously Approved Bids	411,000	211,000	0	622,000	
<u>New Bids Received (as at Annex 1)</u>					BID NUMBER
Disabled Facilities Grants			161,000	161,000	1
Landlord/Tenant Grants			50,000	50,000	2
Subtotal of New Bids Received (as at Annex 1)	0	0	211,000	211,000	
TOTAL	411,000	211,000	211,000	833,000	
External Funding	2016/17 £	2017/18 £	2018/19 £	TOTAL £	
Disabled Facilities Grants - from the Lancashire Better Care Fund (NB - 2016/17, 2017/18 and 2018/19 are estimated allocations only based on the 2015/16 allocation. Actual allocations not yet confirmed for future years)	-161,000	-161,000	-161,000	-483,000	
TOTAL External Funding	-161,000	-161,000	-161,000	-483,000	