

## CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS

Venue: Town Hall,  
Moorgate Street,  
Rotherham. S60 2TH

Date: Monday, 17th June, 2013

Time: 10.00 a.m.

### A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972 (as amended March 2006).
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Declarations of Interest
4. Petition - Shaftesbury House  
"We the residents of Shaftesbury House are strongly opposed to the Council's decision to terminate the waste collection from residents' flats. Many residents are in their 80s 90s and can not carry bags down stairs. This is a major health and safety issue."  
Contains 54 signatures
5. Representatives on Outside Bodies 2013/14 (Pages 1 - 2)
6. Housing Revenue Account Outturn 2012/13 (Pages 3 - 8)
7. Neighbourhoods General Fund Outturn 2012/13 (Pages 9 - 15)
8. Aids and Adaptations Service Improvement (Pages 16 - 21)

**(The Chair authorised consideration of the following item to enable Members to be fully informed.)**

9. Housing Investment Programme 2012-13 Indicative Outturn (Pages 22 - 33)

10. Exclusion of the Press and Public  
Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (Exempt under Paragraph 3 of the Act – information relating to the financial/business affairs of any person (including the Council)).
11. Tender Report - Upgrading Insulation Works, Rawmarsh (Pages 34 - 37)

## Representation of the Council on Other Bodies 2013– 2014

Title	Description	Council Rep.	Frequency	Councillors Role	RMBC Officer Support	How issues are reported back into the Council
Rotherham Licence Watch Steering Group	Licensees throughout the borough working together to address safety issues relating to drinking i.e. laws, anti social behaviour, litter, safety	Chair of Licensing Board (Councillor Wootton)	Monthly	Representative	Deborah Bragg	Group is currently co-ordinated by the Rotherham Chamber of Commerce. Concern has been expressed that a LA Champion is required
Rotherham Bond Guarantee Scheme	Bond Guarantee Scheme, recent re-organisation taken place undertaken in respect of attendance and support by Officers	Councillor McNeely  Sub – rep from Improving Places Select Commission	Bi-monthly	Representative	James Greenhedge	Quarterly performance reports  Annual funding report to Cabinet Member
Social Concerns Committee Churches Together		Rep. from the Improving Places Select Commission		-	-	Churches Together do feed issues through Robond
South Yorkshire Trading Standards Committee	Originally set up to co-ordinate the work of Trading Standards across South Yorkshire. Terms of this group have now expired. Has become a liaison group for Trading Standard activity. Organisation now under re-evaluation.	Councillors McNeely and Wyatt	6 monthly meetings	Representative	Serviced by Sheffield City Council	Elected Member to report to Cabinet Member annually

Title	Description	Council Rep.	Frequency	Councillors Role	RMBC Officer Support	How issues are reported back into the Council
Environmental Protection UK Yorkshire and Humberside Division	The work of the Division is carried out voluntarily by members who want to make an impact upon creating sustainable environments for future generations.	4 reps. from the Improving Places Select Commission	1 event and 3 meetings per year	Representative and information sharing	Mark Ford	Information shared between Officers including consideration of national policy
Women's Refuge	Refuge Management Committee, addresses all management, strategy, policy and operational matters of the Women's Refuge	1 Rep. from Improving Places Select Commission	Monthly	Representative	Sandra Tolley	Monthly management minutes  Elected member to report back annually
Sheffield City Region Housing and Regeneration Board	Elected Member for South Yorkshire – Housing issues on a regional level	Councillor McNeely	Quarterly	Sub regional political representative for South Yorkshire - consider all housing related interventions and investments	Dave Richmond	Report through Cabinet
Yorkshire and Humberside Pollution and Advisory Council	To consider all matters relating to environmental pollution and control.	Councillor <b>Kaye</b> plus 2 reps. from Improving Places Select Commission	Annual Meeting	Representative	Mark Ford	Report to Improving Places Select Commission

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS</b>
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<b>1.</b>	<b>Meeting:</b>	<b>Cabinet Member for Safe &amp; Attractive Neighbourhoods</b>
<b>2.</b>	<b>Date:</b>	<b>Monday 17 June 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Housing Revenue Account 2012/13 Outturn Report</b>
<b>4.</b>	<b>Directorate:</b>	<b>Neighbourhoods and Adult Services</b>

## **5. Summary**

This report presents the unaudited outturn position on the Housing Revenue Account (HRA) for the financial period 2012/13.

The report will show that the outturn position was an overall surplus (transfer to Working Balance) of £6.801m which was an increase on the budgeted sum, which in large part was the result of prudent operational and financial management achieving a series of savings whilst maximising collectable income.

The report summarises the key income and expenditure variances from the approved budget.

Attached at Appendix 1 is the year end HRA Operating Statement for 2012/13.

## **6. Recommendations**

**THE CABINET MEMBER RECEIVES AND NOTES THE UNAUDITED HRA OUTTURN REPORT FOR 2012/13.**

## 7. Proposals and Details

- 7.1 The final Housing Revenue Account (HRA) financial outturn position for 2012/13 was a surplus of £6.801m. This has been transferred to the HRA Reserve (Working Balance). The key income and expenditure variances from budget are highlighted below.
- 7.2 Appendix 1 is the HRA's Operating Statement for 2012/13, which shows the actual outturn against approved budget headings including variation. It follows the same format as used for monitoring financial performance during the year.
- 7.3 For 2012/13, the Net Operating Expenditure was a surplus of £7.760m and after Revenue Contributions to Capital Expenditure (RCCO) resulted in a net surplus of £6.801m. This was transferred to reserves to meet future anticipated costs outlined in the 30 year Business Plan. This represents an increase in the transfer to reserves of £4.963m against the approved budget.
- 7.4 The table below demonstrates the out turn position on the cost of delivering services, which at -£7.704m is an improvement on the budgeted position.

	<b>Budget £000</b>	<b>Outturn £000</b>	<b>Variance £000</b>
Expenditure	70,564	67,374	-3,190
Income	-73,327	-75,078	-1,751
Net Cost of Service	-2,763	-7,704	-4,941

- 7.5 As can be seen, total expenditure outturn was £67.374m against an approved budget of £70.564m, an overall underspend of £3.190m. The main reasons for variations against the various budget lines which make up total expenditure were as follows:-

### **Expenditure**

#### 7.5.1 Contribution to Housing Repairs

The outturn on repairs was £15.227m compared to a budget provision of £17.438m, an underspend of £2.212m. This is an increase in under spend of £1.346m from the last budget monitoring report to Cabinet Member. The main changes at final outturn can be analysed as follows:

- Voids.

Previous reports identified that due to the responsive nature of voids, it is difficult to forecast the actual number and the average cost of repairs which will be dealt with during the year. Throughout 2012/13 the year end forecasts projected a decrease in the actual number of voids compared to budget.

The final number of minor voids completed in year was 1,506 compared to a budget provision of 1,600. This meant that £796k of budgeted provision was not required; this is an increase of £250k against that previously reported.

- Planned Works

Slippage on painting, plastering and batched repairs was incurred during the final month. It was also possible to transfer to capital expected revenue expenditure on garages following an analysis of the works involved. This has led to a saving of £763k on this budget heading, an increase of £265k from the February monitoring report.

- Responsive Repairs

Overall, the responsive repairs budget overspent by £276k which was due to an increase in the value of Out of Scope works - these are items which fall outside the original scope of the main contract. This is a decrease of £126k over previous forecasts. Progress has also been made towards recovering tenant rechargeable works.

- Bad Weather Contingency/Contractual Risks

To be prudent, these budgets were held until the year end and as they were not required it was possible to release £220k.

### 7.5.2 Supervision and Management

The outturn on this account was an overall underspend of £2.080m against a budget of £19.365m, an increase in underspend of £1.669m since the last monitoring report.

The reasons for the main variations were as follows:

- A comprehensive review of SLAs from 2011/12 to 2012/13 mainly due to Rotherham 2010 Ltd services being brought back into the council resulted in savings of £887k in the current financial year.
- Savings resulting from a review of procurement costs of £160k
- Support cost savings of £150k.
- Savings on planned maintenance and gas/electric charges within District Heating schemes reduced by an overspend on biomass fuel resulted in an overall underspend of £77k.
- Savings of £308k on salaries/pensions due to budgets which were held pending the review of the staffing structure within the service.
- Expenditure savings on supplies and services due to the Council wide moratorium on non-essential spend.

### 7.5.3 Negative Housing Subsidy

The final housing subsidy audited claim submitted for 2011/12 resulted in the authority paying less HRA subsidy back to central government than anticipated, resulting in a gain of £157k in 2012/13.

### 7.5.4 Cost of Capital

The Cost of Capital outturn was £14.361m against a budget of £14.046m, an overspend of £315k. The increase is due to interest rate fluctuations during the year.

### 7.5.5 Impairment of Fixed Assets (non dwellings)

Under self financing the costs of impairment/revaluation of non-dwellings (for example garages) is a new charge to the HRA. This is a yearend calculation and resulted in a charge of £646k.

## **Income**

7.6 The table at paragraph 7.4 identifies that the total income collected was £75.078m, which, when compared to the budget of £73.327m was an increase of £1.751m. This is £223k higher than previous forecasts. The main reasons for the variations against the various Income budgets can be summarised as follows:

7.6.1 Income from Dwelling Rents was £774k over and above budget (equates to 1% of the budget). This is an increase of £296k higher than the previous forecast mainly due to:

- rent write-offs being charged to the bad debt provision (£151k) in accordance with accounting standards
  - rent refund offsets not budgeted (£255k)
  - correction of previous year's write-off on debtors (£244k).
- Loss of rent income due to void dwellings was £154k less than the prudent amount budgeted for.
- Charges for services and facilities for the year amounted to £4.065m, an improvement against budget (£3.305m) of £760k. This was mainly due to additional income from the furnished homes scheme resulting from increasing customer take up.

## **Summary**

7.7 In summary, it was possible to deliver the service at a cost lower than that budgeted for and this position together with the fact that actual income generated was higher than budget as resulted in a substantial saving on the net cost of service.

7.8 The Operating Statement at Appendix A shows that when £55k of interest on balances received in 2012/13 is added to the Cost of Service there is a Net Operating Expenditure of £7.760m.

### 7.9 Revenue Contribution to Capital Outlay (RCCO)

The final adjustment in the Operating Statement is a provision for a RCCO. A small increase of £9k resulted in an outturn figure of £959k.

### 7.10 Transfer to Reserves (Working Balance)

Once all income and expenditure had been accounted for, the resultant surplus was transferred to reserves (Working Balance) to be used to underpin the 30 year Business Plan as previously reported. This is a prudent approach given that income collection is expected to be under increasing pressure in the light of the general financial climate and welfare reform provisions, and that the asset database indicates that in the short term an optimal investment profile supersedes the resources available.



The final transfer to reserves for 2012/13 was £6.801m compared to the budget provision of £1.838m. This was an improvement of £2.277m on the February position due to the savings identified elsewhere in the report.

The cumulative total in Working Balance is £15.129m, an increase of £4.963m when compared to budget. This is broadly in line with the forecast position for the HRA in its 30 Year Business Plan.

## **8. Finance**

The Local Government and Housing Act 1989 places a duty on all local housing authorities to keep an HRA in accordance with proper accounting practices and to set to budget to avoid any end of year deficit. Due to the uncertainties around Self Financing and the need to have sufficient reserves to effectively manage HRA housing stock, the Council set a prudent budget with an anticipated surplus of £1.838m.

Until recent years the HRA has shown a deficit outturn which has resulted in a significant reduction in HRA reserves. The continued use of reserves to fund deficits will have a major impact on future years and could result in the HRA being in an overall deficit position. The HRA is facing major challenges due to Self Financing and welfare reforms which will impact on future resources.

The key HRA managed budgets, particularly repairs and maintenance now outsourced to external contractors, will continue to be the subject of close monitoring during 2013/14 to ensure spend is contained within approved budget.

Appendix 1 shows the Final HRA Operating Statement for 2012/13.

## **9. Risks and Uncertainties**

The outturn figures included in this report are subject to external audit verification during July and August.

## **10. Policy and Performance Agenda Implications**

HRA funding is ring fenced and can only be used to provide and support services to Rotherham Council House tenants.

## **11. Background Papers and Consultation**

This report has been discussed with the Director of Housing and Neighbourhoods and Director of Financial Services.

Background Papers: Cabinet Report to Cabinet Member For Safe and Attractive Neighbourhoods Housing Revenue Report 2012/13 Monday 8<sup>th</sup> April 2013.

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## Housing Revenue Account - Outturn Operating Statement 2012-13

Narrative	2012/13 Full Year Budget £	2012/13 Projected Out-turn £	2012/13 Variance £	Variance %
<b><u>Expenditure</u></b>				
Contributions to Housing Repairs Account	17,438,433	15,226,827	-2,211,606	-12.68
Supervision and Management	19,365,334	17,285,379	-2,079,955	-10.74
Rents, Rates, Taxes etc.	77,158	3,286	-73,872	-95.74
Provision for Bad Debts	600,000	830,228	230,228	38.37
Cost of capital Charge	14,046,217	14,361,410	315,193	2.24
Depreciation of Fixed Assets	18,815,210	18,815,210	0	0.00
Impairment of Fixed Assets (non dwellings)	0	645,616	645,616	100.00
Debt Management Costs	222,000	205,575	-16,425	-7.40
<b>Expenditure</b>	<b>70,564,352</b>	<b>67,373,530</b>	<b>-3,190,822</b>	<b>-4.52</b>
<b><u>Income</u></b>				
Dwelling Rents	-69,032,699	-69,806,299	-773,600	1.12
Non-dwelling Rents	-809,529	-769,238	40,291	-4.98
Charges for Services and facilities	-3,305,258	-4,065,417	-760,159	23.00
Other fees and charges	-180,000	-279,741	-99,741	55.41
HRA Subsidy receivable (Major Repairs Allowance)	0	-157,365	-157,365	100.00
<b>Income</b>	<b>-73,327,486</b>	<b>-75,078,059</b>	<b>-1,750,573</b>	<b>2.39</b>
<b>Net Cost of Services</b>	<b>-2,763,134</b>	<b>-7,704,529</b>	<b>-4,941,395</b>	<b>178.83</b>
Interest received	-25,000	-55,095	-30,095	120.38
<b>Net Operating Expenditure</b>	<b>-2,788,134</b>	<b>-7,759,625</b>	<b>-4,971,491</b>	<b>178.31</b>
<b>Appropriations:</b>				
Revenue Contributions to Capital Outlay	950,000	958,500	8,500	0.89
Transfer to Reserves	1,838,134	6,801,125	4,962,991	270.00
<b>Surplus/Deficit for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1.</b>	<b>Meeting:</b>	<b>CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS</b>
<b>2.</b>	<b>Date:</b>	<b>Monday 17 June 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Neighbourhoods General Fund Revenue Outturn Report 2012/13</b>
<b>4.</b>	<b>Directorate:</b>	<b>Neighbourhoods and Adult Services</b>

**5. Summary**

This report details the Revenue Outturn position for Neighbourhoods Services accounted for in the General Fund for 2012/13.

The final 2012/13 budget for the service after in year approved virements was £2.458m against which the outturn position shows a net under spend of £338k or 13.75%.

It should be noted that two requests to carry forward unspent balances will be included in the Council's consolidated outturn report to Cabinet as follows:

- Members' Community Leadership Fund £21,248
- Dispersed Units (now treated as a Trading Account) £62,074

**6. Recommendations**

**THE CABINET MEMBER RECEIVES AND NOTES THE UNAUDITED 2012/13 REVENUE OUTTURN REPORT.**

## 7. Proposals and Details

The revised cash limited budget after budget virements was £2.458m, the net Revenue Outturn for Neighbourhoods General Fund services for 2012/13 was £2.120m.. This resulted in an overall underspend of £338k. (a variation of 13.75%). This represents an increase to the projected underspend of £157k previously reported, largely due to the further impact of the Council wide moratorium on non-essential spend, controlled vacancy management and the realignment of procurement budgets and associated charges.

This underspend has been achieved as a result of a range of issues including a stringent moratorium on non essential spend, careful vacancy management and a small number of one off non recurring issues. However this approach has been necessary as part of a range of measures designed to ensure that the council is able to achieve a balanced budget. It is not anticipated that this position will continue in future years.

The table below shows the summary outturn position for the Service.

<b>SERVICE</b>	<b>Annual Budget (£000 Net)</b>	<b>Outturn to 31<sup>st</sup> March 2013</b>	<b>Variance from Budget Deficit/ (Surplus)</b>	<b>Overall</b>
	£000	£000	£000	%
Environmental Health	1,192	1,158	(34)	(2.8)
Public Health	213	136	(77)	(36.1)
Housing & Communities	182	129	(53)	(29.2)
Strategic Housing & Investment	292	251	(41)	(14.0)
Housing Options	234	154	(80)	(34.2)
Central	351	298	(53)	(15.1)
Income	(6)	(6)	0	0
<b>Total Housing &amp; Neighbourhood Services</b>	<b>2,458</b>	<b>2,120</b>	<b>(338)</b>	<b>(13.75)</b>

Detailed analysis of the key areas of underspend are included in Appendix 1. The main variations within each of the service areas can be summarised as follows:-

### 7.1 Environmental Health (£34k)

A significant amount of the savings achieved within Environmental Health was in Community Protection service area (£60k). This was as a result of vacant posts, the impact of the Council wide moratorium on non-essential expenditure, and some one-off grant funding that was used to partially fund expenditure.

This underspend was partially offset by an overspend of £26k in the Closed Landfill Sites budget, mainly due to some essential Health & Safety works being completed.

## **7.2 Public Health (£77k)**

Most of the savings in this service area were a result of vacancy management throughout the year (£121k), resulting from a restructure within the service, which resulted in posts remaining vacant longer than originally anticipated.

These savings were partly reduced by a £4k overspend on employee costs within the Animal Health budget and an over spend on Licensing of £40k mainly due to additional ICT system costs & higher than expected software license charges.

## **7.3 Housing & Communities (£53k)**

There was an underspend of (£24k) resulting mainly from an underspend on the Community Leadership Fund (£21k) – this underspend will be a request to Cabinet for carry forward of an earmarked balance to 2013/14.

In addition, savings were achieved due to Vacancy Management and tight controls on Supplies & Services within Area Assemblies totalling (£37k) and by the Anti-Social Behaviour team of (£3k) as a result of a part year vacant post.

These savings were partly offset by an over spend by the Community Safety Unit of £11k due to the later than anticipated implementation of budget savings agreed for 2012/13.

## **7.4 Strategic Housing & Investment (£41k)**

The bulk of the savings in this area (£39k) have been achieved through the cost of lighting staircases being lower than expected due to savings on utility bills.. This area has been reviewed and the budget adjusted for 2013/14. A surplus of (£2k) income was also generated through the Equity Loan Scheme.

## **7.5 Housing Options (£80k)**

The Dispersed Units Trading Account generated a surplus in excess of (£62k) and a request to carry forward this under spend will be made to Cabinet as part of the Council's Outturn Report.

The Adaptations Service achieved a (£17k) underspend mainly as a result of additional income being generated from fees on small adaptations, which is a new income stream to this service area.

There was also a small saving achieved on Medical Mobility area due to a vacant post (£2k) and a small over spend of £1k on the Key Choices Property Management area on employee costs.

## **7.6 Central (£53k)**

There was an under spend of (£53k) on Management & Administration, mainly due to the savings on supplies and services budgets. This is a one off saving and the budget has now been adjusted to reflect future year's costs.

## **7.7 Income - balanced**

There were no variations against budget for this area which relates to interest on the remaining housing mortgages.

## 7.8 Agency & Consultancy

Neighbourhoods had no Agency or Consultancy expenditure in 2012/13.

## 8. Finance

Financial implications for each service area have been discussed in section 7 above.

Requests for carry forwards totalling £83,322 will be made to Cabinet as part of the Council's overall Outturn report:

- |                                      |         |
|--------------------------------------|---------|
| • Members' Community Leadership Fund | £21,248 |
| • Dispersed Units (Trading Account)  | £62,074 |

## 9. Risks and Uncertainties

Confirmation of this outturn position is subject to external audit verification as part of the Council's Statutory Accounts presented to KMPG.

## 10. Policy and Performance Agenda Implications

The delivery of the Council's overall Revenue Budget within the limits determined for 2012/13 is vital to achieving the Council's Policy agenda. Financial performance is a key element to demonstrate of the Council's effective use of resources.

## 11. Background Papers and Consultation

- Report to Cabinet 22 February 2012 – Proposed Revenue Budget and Council Tax for 2012/13
- Report to Cabinet Member for Safer and Attractive Neighbourhoods - Neighbourhoods General Fund Revenue Budget Monitoring Report February 2012/13

The contents of this report have been discussed with the Director of Housing and Neighbourhoods and the Director of Financial Services.

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**Revenue Budget/Outturn Position 2012/2013**

	£
Balances brought forward from 2011/2012 following decision of 1 Cabinet (Underspendings b/f '+'; Overspendings b/f '-')	59,711
2 ADD Approved Cash-limited Budget for 2012/2013	2,843,087
3 LESS Supplementary Estimates approved in 2012/2013	0
ADD/SUBTRACT Virement from/to another Directorate / Service Unit 4 approved in 2012/2013	-445,012
5 RESOURCES AVAILABLE 2012/2013(1+2+3+4)	<u>2,457,786</u>
6 NET ACTUAL OUTTURN 2012/2013 (As reported to Members)	2,120,031
7 Net under (-) / overspend (+) 2012/2013 (5-6)	<u>-337,755</u>
8 REQUESTS FOR CARRY FORWARD INTO 2013/2014	83,322 *

**Carry forward requests:**

- \* P22126 Members Community Leadership fund
- \* P90007 Dispersed Units - now treated as a Trading Account

*Submitted at Cabinet Member Meeting for Community  
Development, Equality & Young Persons Issues on  
21,248 25/2/13 Ref Minute no:41  
62,074 Trading Account  
83,322*

**Net Variance Analysis 2012/2013**

Division of Service Budget	Approved Budget	Latest Revenue Monitoring Report	Actual Outturn	Under (-) / Over (+) Spending	Under(-)/Over (+) Spending as a % of Approved Budget
<b><u>ENVIRONMENTAL HEALTH</u></b>					
COMMUNITY PROTECTION	1,113,376	1,090,919	1,053,247	-60,129	-5.4%
CLOSED LANDFILL SITES	78,910	82,188	104,752	25,842	32.7%
<b>SUB TOTAL</b>	<b>1,192,286</b>	<b>1,173,107</b>	<b>1,157,998</b>	<b>-34,288</b>	<b>-2.9%</b>
<b><u>PUBLIC HEALTH</u></b>					
HEALTH & SAFETY	121,147	123,265	120,368	-779	-0.6%
FOOD & DRUGS	396,716	390,657	368,763	-27,953	-7.0%
ANIMAL HEALTH	71,064	74,541	75,760	4,696	6.6%
TRADING STANDARDS	231,365	145,729	138,996	-92,369	-39.9%
LICENSING	-198,128	-167,887	-158,000	40,128	20.3%
BEREAVEMENT SERVICES	-409,555	-407,478	-410,457	-902	-0.2%
<b>SUB TOTAL</b>	<b>212,609</b>	<b>158,827</b>	<b>135,431</b>	<b>-77,178</b>	<b>-36.3%</b>
<b><u>HOUSING &amp; COMMUNITIES</u></b>					
MEMBERS COMMUNITY LEADERSHIP FUND	85,353	60,353	61,676	-23,677	-27.7%
MANAGEMENT & ADMIN/AA	150,065	117,605	113,078	-36,987	-24.6%
COMMUNITY SAFETY UNIT (CSU)	33,624	45,211	44,573	10,949	32.6%
ANTI SOCIAL BEHAVIOUR	-87,388	-89,183	-90,366	-2,978	-3.4%
LAA REWARD GRANT - ASB	0	0	-215	-215	100.0%
<b>SUB TOTAL</b>	<b>181,654</b>	<b>133,986</b>	<b>128,746</b>	<b>-52,908</b>	<b>-29.1%</b>
<b><u>STRATEGIC HOUSING &amp; INVESTMENT</u></b>					
GROUNDWORK TRUST	63,672	64,000	64,000	328	0.5%
REGISTERED SOCIAL LANDLORD PARTNERSHIP INCOME	-29,426	-28,657	-28,657	769	2.6%
EQUITY LOAN SCHEME	0	-2,049	-2,088	-2,088	-100.0%
PROGRAMME AREA MANAGEMENT	175,446	175,446	175,880	434	0.2%
LIGHTING OF STAIRCASES	72,752	41,648	33,895	-38,857	-53.4%
CLEANING OF COMMUNAL DWELLINGS	12,811	12,811	12,808	-3	0.0%
RIGHT TO BUY FLAT SERVICE	-2,788	-2,788	-4,563	-1,775	-63.7%
<b>SUB TOTAL</b>	<b>292,467</b>	<b>260,411</b>	<b>251,276</b>	<b>-41,191</b>	<b>-14.1%</b>
<b><u>HOUSING OPTIONS</u></b>					
ADAPTATIONS SERVICE (PRIVATE SECTOR)	-17,392	-17,392	-34,178	-16,786	-96.5%
HOMELESSNESS & ADVICE	147,169	147,169	147,156	-13	0.0%
MEDICAL MOBILITY & COMMUNITY CARE	66,766	66,274	64,557	-2,209	-3.3%
DISPERSED UNITS	40,091	40,091	-21,983	-62,074	-154.8%
KEY CHOICES PROPERTY MANAGEMENT	-2,499	-1,064	-1,405	1,094	43.8%
<b>SUB TOTAL</b>	<b>234,135</b>	<b>235,078</b>	<b>154,147</b>	<b>-79,988</b>	<b>-34.2%</b>
<b><u>CENTRAL</u></b>					
MANAGEMENT & ADMIN	342,673	337,276	289,405	-53,268	-15.5%
INFORMATION TECHNOLOGY	6,627	8,000	7,936	1,309	19.8%
HMA GENERAL	1,257	646	1,022	-235	-18.7%
<b>SUB TOTAL</b>	<b>350,557</b>	<b>345,922</b>	<b>298,364</b>	<b>-52,193</b>	<b>0.0%</b>
<b><u>INCOME</u></b>					
HOUSING ASSOCIATION - MORTG. ETC	-5,922	-5,922	-5,932	-10	-0.2%
<b>SUB TOTAL</b>	<b>-5,922</b>	<b>-5,922</b>	<b>-5,932</b>	<b>-10</b>	<b>0.2%</b>
<b>Total</b>	<b>2,457,786</b>	<b>2,301,409</b>	<b>2,120,031</b>	<b>-337,755</b>	



## Reasons for Variance from Approved Budget 2012/2013

<u>Division of Service</u>	<u>Under (-) / Over (+) Spending (£)</u>	<u>Under / Over Spending as a % of Approved Budget</u>	<u>Key Reasons (for variances +/-£25k or +/-5%)</u>
<b>ENVIRONMENTAL HEALTH</b>			
COMMUNITY PROTECTION	-60,129	-5.4%	Vacancy management savings, tight controls on Supplies & Services, plus additional income.
CLOSED LANDFILL SITES	25,842	32.7%	Unplanned expenditure in March for emergency H & S works (Leachate removal)
<b>SUB TOTAL</b>	<b>-34,288</b>	<b>-2.9%</b>	
<b>PUBLIC HEALTH</b>			
HEALTH & SAFETY	-779	-0.6%	
FOOD & DRUGS	-27,953	-7.0%	Vacancy management, small savings on Supplies & Services plus additional income
ANIMAL HEALTH	4,696	6.6%	Shortfall on salaries due to Vacancy Factor
TRADING STANDARDS	-92,369	-39.9%	Slippage on implementation of restructure of the service resulting in additional vacancies
LICENSING	40,128	20.3%	IT software costs (Lalpac), transport costs higher than budgeted.
BEREAVEMENT SERVICES PARTNERSHIP	-902	-0.2%	
<b>SUB TOTAL</b>	<b>-77,178</b>	<b>-36.3%</b>	
<b>HOUSING &amp; COMMUNITIES</b>			
MEMBERS COMMUNITY LEADERSHIP FUND	-23,677	-27.7%	Members allocations not fully spent in year. See earmarked balance request (£21k).
MANAGEMENT & ADMIN/AA	-36,987	-24.6%	Tight controls of Supplies & Services budgets, and vacancy management.
COMMUNITY SAFETY UNIT (CSU)	10,949	32.6%	Late implementation of budget savings resulting in shortfall in employee costs.
ANTI SOCIAL BEHAVIOUR	-2,978	-3.4%	
LAA REWARD GRANT - ASB	-215	100.0%	Minor additional Income.
<b>SUB TOTAL</b>	<b>-52,908</b>	<b>-14.1%</b>	
<b>STRATEGIC HOUSING &amp; INVESTMENT</b>			
GROUNDWORK TRUST	328	0.5%	
REGISTERED SOCIAL LANDLORD PARTNERSHIP INCC	769	2.6%	
EQUITY LOAN SCHEME	-2,088	-100.0%	Income generated by scheme during 2012/13. Fees less than income received.
PROGRAMME AREA MANAGEMENT	434	0.2%	
LIGHTING OF STAIRCASES	-38,857	-53.4%	Energy bills less than anticipated, funding of this service amended in 2013/14.
CLEANING OF COMMUNAL DWELLINGS	-3	0.0%	
RIGHT TO BUY FLAT SERVICE	-1,775	-63.7%	Income from sold properties higher than budgeted, total budget less than £5k.
<b>SUB TOTAL</b>	<b>-41,191</b>	<b>-29.1%</b>	
<b>HOUSING OPTIONS</b>			
ADAPTATIONS SERVICE (PRIVATE SECTOR)	-16,786	-96.5%	Additional income generated for minor repairs fees.
HOMELESSNESS & ADVICE	-13	0.0%	
MEDICAL MOBILITY & COMMUNITY CARE	-2,209	-3.3%	
DISPERSED UNITS	-62,074	-154.8%	Income generated by service which is now a Trading Account. (see earmarked balance request £62k)
KEY CHOICES PROPERTY MANAGEMENT	1,094	43.8%	Small shortfall as a result of vacancy factor
<b>SUB TOTAL</b>	<b>-79,988</b>	<b>0.2%</b>	
<b>CENTRAL</b>			
MANAGEMENT & ADMIN	-53,268	-15.5%	Saving achieved mainly as a result of savings on supplies and services budgets, budget revised for 2013/14.
INFORMATION TECHNOLOGY	1,309	19.8%	Shortfall due to reduced procurement budget
HMA GENERAL	-235	-18.7%	Budget <£1,500, small saving due to reduced insurance costs.
<b>SUB TOTAL</b>	<b>-52,193</b>	<b>-34.2%</b>	
<b>INCOME</b>			
HOUSING ASSOCIATION - MORTG. ETC	-10	-0.2%	
<b>SUB TOTAL</b>	<b>-10</b>	<b>0.0%</b>	
<b>Total</b>	<b>-337,755</b>		

<b>ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS</b>
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<b>1.</b>	<b>Meeting:</b>	<b>Cabinet Member for Safe and Attractive Neighbourhoods</b>
<b>2.</b>	<b>Date:</b>	<b>17<sup>th</sup> June 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Aids &amp; Adaptations Service Improvement Report</b>
<b>4.</b>	<b>Directorate:</b>	<b>NAS</b>

### 5. Summary

The Aids & Adaptations service has gone through several reviews over the last year, a series of service improvements have been made to improve the delivery and accountability of the service with reductions in the back log of adaptations being made. However further work is required to improve the customer journey and reduce the waiting time it takes a customer to know if they have been approved for a non-urgent major adaptation. This report outlines what further improvements are required so that the service can achieve the recommendation in section 6 of this report.

The report also seeks authorisation to approve £297,716 of HRA resources to cover the shortfall for public major adaptations

### 6. Recommendations

- **That the actions within this report and attached action plan are implemented to reduce the back log of non-urgent major adaptations to 0 (currently 231), with an average reduction in waiting time for an application to be processed from 6 months currently down to 3, this is to be achieved by 31st December 2013.**
- **Agree to allocate additional £297,716 HRA funding for public major adaptations and £145,709 RTB receipts funding for private major adaptations.**
- **That a further report is submitted at the end of quarter two, which will provide an update on progress.**

## **7. Proposals and Details**

### **Background**

The Aids & Adaptations service underwent a service improvement and Internal Audit review in the summer of 2012, both reviews found that improvements were required to the internal processes of delivering the service to achieve accountability, improve communication and ultimately provide an excellent customer experience.

To summarise, the internal audit review highlighted concerns around the process of the procurement of contractors for private adaptation work, the separation of duties when quality checking work carried out, the standard of documentation and files, customer payment process, customer feedback, performance management and budget monitoring.

The performance and quality review concluded that improvements were required to the timeliness of the application process, communication between the service and its customers, its partners and the Community Occupational Therapists.

The service has historically held a large backlog of work of non-urgent referrals for major adaptations; this is usually between 5 and 6 months, this is not unusual and is within the legal requirement of 6 months. The overriding aim is to reduce the backlog to 0 and the time to within 3 months of the adaptation being received to approval. However whilst operational processes can be changed and improved to reduce the backlog, sufficient finance is required to enable them to be processed and passed onto a contractor within the improved timeframe.

A project group was set up to deliver the improvements, however due to the retirement of the Adaptations Co-ordinator, secondment of the Service Manager and long term sickness of the Adaptations Control Officer, the speed at which the improvements could be implemented has been disrupted.

However a temporary manager and coordinator took charge of the service in November 2012 and have started to make the changes necessary to improve the service in line with the recommendations from both reviews.

### **Service Improvements**

Following on from the recruitment of the temporary manager and coordinator, the service has started to undergo transformation, as well as progressing with the implementation of the recommendations from the service reviews, further work and learning has been carried out to fully understand the issues the team has faced when processing grants and facilitating adaptation requests from customers. The full action plan can be found as appendix A, however, below identifies the main areas of work that has been necessary to facilitate the improvements, this has included:

- Staffing review to change the historical culture and energise the team to embrace change and the improvements recommended.

- Reintroduce customer consultation and satisfaction to obtain feedback of the service and systems introduced.
- Data cleansing, I.T system training and system functionality consultation to improve budget and work in progress monitoring with more accuracy and confidence.
- Consultation with the team to identify issues with progressing work, this included meeting with partner organisations to expedite documents required to assist with the timeliness of work being carried out.
- Improved communication with contractors to assist with the progression of work in progress and budget monitoring. This has included introducing monthly meetings and weekly work in progress updates to check scheduled work and consult on any customer issues that may arise.
- Re-introduction of the Aids and Adaptations Panel to discuss more complex cases and cases above £8,000, this has improved communication between the team and the community occupational therapists, increased an understanding of both teams roles and ultimately put controls in place for the approval of major adaptations.
- Robust finance monitoring systems have been introduced to improve the accuracy and confidence in the reporting of monthly budget forecasts. However, further improvements are being made to introduce smarter ways of reporting via automated reporting to make the process more efficient.
- The introduction of smarter and flexible I.T hardware to process documents and payments within the customer's home, and the provision of VPN tokens for O.T. staff to improve operational efficiency.

The work carried out above and the actions implemented so far within the action plan have already improved performance; the backlog of major adaptations in November was 445, in March this had been reduced to 231, and the time taken to carry out an adaptation from approval was 13.9 weeks in November, this has been reduced to 12.25 weeks in March. However to continually improve, and also reduce the length of time of the backlog from 6 months, a number of further actions will be required.

Following a review of work in the back log and work being undertaken the review found that:

- The ratio of on-going jobs allocated between technical officers was disproportionate.
- The current backlog is 6 months; work is now being issued from referrals received in September/October.
- The longest case being assessed by a technical officer is from August 2012.

- Concerns of how work is allocated and progressed through to a contractor making it fair and transparent to customers.

To improve these areas, the service is going to completely change the way that major adaptation referrals are allocated, approved and issued to contractors. The service is going to do this by:

- Abolishing the backlog system and instead of allocating to a technical officer to process from the back log, the referral will be allocated “up front” from removal of the referral from the adaptations email inbox. This will then be processed up to approval. Once approved, it will be the responsibility of the Team Coordinator to issue to the Contractor; this enables the service to monitor and issues major adaptations in date order, and also monitor workflow against the budget.
- Whilst customers are waiting for their adaptation to be approved/carried out they will receive a contact every 6 weeks notifying them of current waiting time and have a contact name and number to get in touch with if they need any advice.
- Work is currently being carried out to improve the monitoring of work from the I.T system. This will enable managers to monitor work load, work flow, and implement a check list to assist officers to monitor, gather and store documents electronically, which will reduce the amount of paper work required.
- The service has already implemented a performance management framework, this includes weekly checks of work on-going, sent to contractor and allocated to technical officer. This is logged on a spread sheet and is also checked against the system and with our contractors to make sure that the information re jobs is accurate and allocated fairly. Weekly performance and work in hand meetings are now operational where work is discussed and problems solved as a team. One to one meetings are also to be held monthly to discuss individual performance.

Overall performance of the service will be reported via the monthly NAS34 performance report. The report will now also include the number of referrals and the length of time of any current back log.

Assuming that the service receives the same amount of major adaptation referrals next for next year as this, to achieve the target, each of the 4 Technical Officers will need to complete 3.5 major adaptation applications per week, this total's 737 major adaptation referrals for 2013/14. Performance meetings will be held with technical officers initially weekly to make sure that this is being achieved.

### Actions required to reduce the backlog in the next six months

1. Approve the use of £297,716 from Housing Revenue Account to cover the shortfall for public major adaptations. Finance Section is exploring the use of

capital receipts from Right to Buys and utilising some of the surplus Furnished Reserve account which is ring fenced to HRA.

2. Identify staffing capacity to process more adaptations by reviewing the work patterns and capacity of existing staff within the Adaptations team.
3. The Empty Homes Technical Officers be utilised to undertake property inspections for stair lifts and level access showers in the backlog; the Adaptations Technical Officers would be allocated the remaining backlog work.
4. Meet with Contractors to alert them that more adaptations orders will be processed in next 3 months.

## 8. Finance

Although procedural and system changes will assist with the reduction of the back log a financial commitment will be required to make inroads into reducing this. Without extra resources allocated, the improvements will have to be aligned to the issuing of work to contractors, closely matching that to the budget allocation for 2013/14.

It has been agreed that applications for a DFG that were received in 2012/13 can be carried out using underspend "slippage" from that year to continue to progress through the backlog of applications.

The back log of major adaptations currently stands at 230 this is split up into 122 public adaptations and 108 private adaptations. The approximate costs for clearing the back log in year 2013/14 would be £364,980 for public and £328,235 for private adaptations; this would be a total allocation of £693,215.

At P11 approval was sought via the Capital Programme monitoring for slippage on DFGs to be carried forward into 2013/14 and this was approved in principle. The actual underspend at the end of 2012/13 was £182,526 for Private and £67,264 for Public to be used towards the clearance of the backlog, these amounts will now be put forward (total £249,790) for approval.

Even if approved, this would leave a shortfall of £297,716 for Public and £145,709 for Private. An increase of **£443,425** to the 2013/14 budget would be required to complete the backlog in year. This may result in a differential management approach to both public and private adaptations.

If approved the costs of the additional funding to cover the shortfall for public orders of £297,716 can be met from HRA, this will enable orders to be processed quicker, will reduce waiting times for those customers in the backlog, whilst continuing to process this year's orders via the existing DFG budget. The additional funding to cover the shortfall for private orders of £145,709 can be met from capital right to buy receipts carried forward from 2012/13.

If the shortfall cannot be allocated this year, the team would work within the budget setting and achieve the shortest back log number using the resources available.

The performance measures set in place for the technical officers are achievable and at this time, no further requirements for additional staff will be required. This position will be reviewed after 6 months.

## **9. Risks and Uncertainties**

Current risks include the temporary nature of the staffing structure within the team. Both the team coordinator and the service manager are temporary which will cause instability within the team when the recruitment of a permanent coordinator takes place. Also the teams control officer who provides office support has been on long term absence for 1 year, this has had a huge detrimental effect on the service, with additional tasks being carried out by the Technical Officers. This has had a negative impact on their work load, making them less able to carry out more assessments. If the service was to continue without this resource it could put the achievement of reaching the target at risk.

## **10. Policy and Performance Agenda Implications**

Changes and implementation of these procedures do not have any direct implication on policy however changes will need to be reflected in the to the process documentation.

## **11. Background Papers and Consultation**

- National Assistance Act 1948
- Chronically Sick and Disabled Persons Act, 1970
- Disabled Persons Act 1985
- NHS and Community Care Act 1990
- Disability Discrimination Act 1995
- The Housing Grants, Construction and Regeneration Act 1996
- Housing Act 1996
- RMBC Aids & Adaptations Policy
- RMBC Allocations Policy

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<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER</b>
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<b>1.</b>	<b>Meeting:</b>	<b>Cabinet Member for Safe and Attractive Neighbourhoods</b>
<b>2.</b>	<b>Date:</b>	<b>17 June 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Housing Investment Programme 2012/13 Outturn</b>
<b>4.</b>	<b>Directorate:</b>	<b>Neighbourhoods and Adult Services</b>

### **5.0 Summary**

This report represents the outturn position for the 2012/13 Capital Programme.

As at the end of 2012/13, the final spend (subject to external audit) on the Housing Investment Programme was £21.890m compared to a budget provision of £22.777m, an underspend of £887k (-3.90% variance).

The report will provide details of savings and slippage on the individual schemes of work with the overall programme, and highlights the fact that the resources not drawn down in 2012/13 will be carried forward into next year.

### **6.0 Recommendations**

That Cabinet Member receives and notes the 2012/13 outturn position.



## 7.0 Proposals and Details

7.1.1 This budget report is based upon the outturn position for the Housing Investment Programme (HIP) 2012/13.

7.1.2 The outturn position, which is subject to external audit, is total spend of £21,889,938 against the revised budget of £22,777,199 which has resulted in an underspend of £887,261 as demonstrated within the table below.

	*Quarter 3 Budget Reported to Cabinet	Final Budget 12/13 £,000s	Out-turn 2012/13 £,000s	Variance £,000s
Refurbishments	12,094	11,987	12,339	353
Other Capital Works	5,656	5,317	4,492	-824
<b>Total Capital Works to properties</b>	<b>17,750</b>	<b>17,303</b>	<b>16,832</b>	<b>-471</b>
Fair Access to All	3,504	3,109	3,254	145
Regeneration/Neighbourhood Renewal	2,470	1,829	1,614	-214
Other Public Sector	934	535	188	-346
<b>Total Revised Capital Programme</b>	<b>24,658</b>	<b>22,777</b>	<b>21,889</b>	<b>-887</b>

\*It should be noted that the last forecast reported to Cabinet for Safe and Attractive Neighbourhoods (18<sup>th</sup> February 2013 - Minute No. 61 refers) was at Quarter Three Outturn. In the last quarter the budget was revised from £24.658m to £22.777m.

The revisions to the budget from Quarter 3 to the Final Budget were for the following reasons:

- Extreme weather events of heavy snow and sustained low temperatures below 5 degrees impacted adversely on Capital Works.
- Window and door supply chain issues resulted in significant programme revision.
- Private sector schemes at Canklow and Dinnington were re-profiled to accommodate protracted legal procedures
- A number of strategic property acquisitions to generate new council homes were deferred to 13/14.

The balance of this report will provide an overview on the £887k (-3.90% variance) underspend outturn position against Final Budget on the main spending heads of the HIP Programme 2012/13.

## 7.2 Details

### 7.2.1 Capital Works to Properties

Appendix A provides the full programme breakdown of budget, outturn and variance by project line and should be referred to in conjunction with the following explanations.

### **7.2.2 Refurbishments (Budget £10.884m Outturn £9.718m Variance £-1.165m)**

Refurbishments is comprised of Internal Works (Decent Homes) and External Works (Roofing, pointing, cladding).

- Internals: Previous report identified that there has been a high level of refusals by tenants for internal refurbishment works. During the year any savings arising through refusals has been utilised to bring forward works scheduled to be undertaken during 2013/14. Tenant access issues resulted in a modest underspend at year end.
- Externals: Major capital investment to external elements of dwellings such as replacement roofs and external works to blocks of flats was reduced in the last quarter as monitoring across the programmes revealed that the forecast for central heating replacement was under pressure; investment was increased in boilers in order to reduce revenue repair costs.

Actual Internal refurbishments completed to 457 properties.

Actual External refurbishment work completed on 432 dwellings and 77 blocks of flats.

### **7.2.3 Windows (Budget £183,004 Outturn £40,651 Variance £-142,353)**

Significant supply chain issues meant that progress to deliver both the window and door programmes stalled in the final quarter whilst matters were resolved with the contractors. Customers were kept fully informed.

Actual Replacement/improvement works to windows in 88 properties.

### **7.2.4 Replacement of Central Heating/Boilers (Budget £920,000 Outturn £2.580m Variance £1.660m)**

In order to reduce the revenue burden as a result of repairs it was identified that significantly more capital investment in 2012/13 was required. External works were reduced to accommodate the increased investment.

Actual Replacement central heating boilers were 468 of which 370 were to replace Ideal Isars and 54 were within the Buderus Programme.

### **7.2.5 Empty Homes (Budget £1.588m Outturn £1,300,882 Variance £-287,118)**

In the final quarter less major voids were completed than anticipated.

Actual number of voids was 1,654 of which 132 required major investment.

**7.2.6 Replacement Communal Entrance Doors  
(Budget £112,000 Outturn £120,137 Variance £8,137)**

A modest amount of work was accelerated in the last period to take up slippage elsewhere in the programme.

High security communal entrance doors were replaced to 11 blocks of flats.

**7.2.7 Environmental Works  
(Budget £500,000 Outturn £422,161 Variance £-77,839)**

Environmental schemes are to external areas and realm. The inclement weather resulted in delay to the Pike Road Scheme, Brinsworth. This work continues into 13/14 and will be completed.

Environmental improvement schemes were in the vicinity of over 500 council homes.

**7.2.8 Electrical Board & Bond  
(Budget £140,000 Outturn £65,226 Variance £-74,774)**

This is a demand led service and the number of properties requiring capital works following Fixed Wire Testing was lower than forecast.

Actual fixed wire test related works were carried out in 50 properties.

**7.2.9 Community Centre Improvements  
(Budget £250,000 Outturn £207,040 Variance £-42,960)**

Tenders submitted for works to Dawson Croft and a roof leak at Hampstead Green, resulting in a revision to works; both generated a modest saving against forecast.

Intelligent heating and lighting improvements were carried out to four Community Centres (Wellfield, Hampstead, Shaftesbury and Dawson Croft).

**7.2.10 Asbestos Removal & Testing  
(Budget £370,000 Outturn £378,051 Variance £8,051)**

Asbestos budget outturned a modest overspend as a result of an increased number of samples to support capital programme works.

Asbestos refurbishment and demolition surveys or samples to support capital programme works were taken in 861 properties.

#### **7.2.11 Flat Door Replacement**

**(Budget £506,000 Outturn £401,638 Variance £-104,362)**

The works were programmed to be achieved by 31<sup>st</sup> March 2013 however; the contractor encountered a problem with supply of materials leading to some of the work being slipped into 2013/14.

Replacement doors were fitted to 410 properties.

#### **7.2.12 District Heating Conversions**

**(Budget £300,000 Outturn £198,797 Variance £-101,203)**

Budget contingency was provided for to mitigate failure due to the forecast, worse than seasonal average, weather. Fortunately, failure was not experienced and underspend resulted. 2013/14 programme provides for a full stock condition survey of all District Heating schemes to enable more accurate forecast in future.

Essential investment was made to district heating service at The Grange, Maltby

#### **7.2.13 One-Off Properties**

**(Budget £150,000 Outturn £49,198 Variance £-100,802)**

Contractors advised that the five projects developed in 2012/13 would be completed by 31<sup>st</sup> March however only two reached completion. The remaining three achieved partial completion and the remaining works moved to 2013/14 programme.

Significant improvement works were undertaken to five properties (three partial).

#### **7.2.14 EPC Improvements**

**(Budget £446,000 Outturn £369,024 Variance £-76,976)**

This budget was to achieve measures to improve thermal efficiency of dwellings and was complemented by levered funding. Funding regimes changed in the last quarter and although an alternative method of contractor engagement was pursued they were not able to deliver all of the commitment they made to install cavity and loft insulation.

Thermal efficiency has been achieved by the installation of six air source heat pumps at Firbeck and Ulley as well as cavity and loft installation at approximately 1,400 properties.

#### **7.2.15 New IT System (Budget £454,678 Outturn £475,268 Variance £20,590)**

The moderate overspend on this project resulted from a number of revenue costs that were capitalised.

The Implementation Plan is progressing with a current forecast for completion of October 2014 but subject to review once the Civica Project Plan is complete.

#### **7.2.16 General Structures**

**(Budget £400,000 Outturn £421,987 Variance £21,987)**

A backlog of structural work meant that some schemes were profiled into 13/14 however; whole project monitoring reflected that some of the backlog could be undertaken and the resultant overspend accommodated.

Structural stability or improvement works were carried out to 42 properties.

#### **7.2.17 Lift Replacement (Budget £100,000 Outturn £83,153 Variance £-16,847)**

Due to the complex nature of the project to replace the lifts at Beeversleigh and the high risk of adverse impact on residents the budget was left above total scheme cost to accommodate any unforeseen risk; the scheme was successfully completed to tendered cost resulting in underspend overall.

Replacement lifts at Beeversleigh 13-storey block of flats.

### **7.3 Fair Access to All**

#### **7.3.1 Disabled Adaptations (Public Sector)**

**(Budget £1,513,409 Outturn £1,582,736 Variance £69,327)**

#### **7.3.2 Disabled Adaptations (Private Sector)**

**(Budget £1,596,115 Outturn £1,671,730 Variance £ 76,615)**

A series of service improvements and efficiencies led to enablement of some backlog works in the final quarter increasing spend. The increased spend was accounted for against the overall budget.

Disabled aids and adaptations were undertaken in 317 public sector homes.  
Disabled aids and adaptations were undertaken in 266 private sector homes.

### **7.4 Regeneration / Neighbourhood Renewal**

#### **7.4.1 Non-Trad Investment**

**(Budget £820,385 Outturn £847,690 Variance £27,305)**

Opportunity was taken to progress scheme preparation works on the 13/14 Rawmarsh scheme to facilitate going out to tender in April 2013, incurring fees; and some additional costs were incurred as a result of managing a tender issue due to bad weather at Whiston.

Investment was made in 65 Non-Traditional built homes.

**7.4.2 Garage Site Investment  
(Budget £207,405 Outturn £309,684 Variance £102,279)**

Additional work identified in 2012/13 above the budget was able to be undertaken in year.

Investment was made to 43 Garage Sites.

**7.4.3 Maltby Transformational Change  
(Budget £50,000 Outturn £49,845 Variance £-155)**

The outturn was broadly as forecast with the exception of one item not forthcoming from a relocating resident for payment.

Braithwell Road, Maltby was cleared of unsustainable housing in preparation for new housing provision.

**7.4.4 Dinnington Transformational Change  
(Budget £160,000 Outturn £10,318 Variance £-149,682)**

Despite protracted discussion with the owners of dilapidated dwellings at Monksbridge Terrace, negotiations stalled. The budget will not be slipped into 13/14 but a further report may be presented, seeking support, once a review of the project has been concluded.

Gable and curtilage to dilapidated properties at Monksbridge Terrace, Dinnington has been secured.

**7.4.5 Canklow Phase 1&2  
(Budget £560,000 Outturn £370,539 Variance £-189,461)**

This is a multi-year programme of activity to regenerate an area within Canklow. Although protracted legal negotiations with residents and owners led to delay in work anticipated to complete by 31<sup>st</sup> March didn't the discussions also generated savings against forecast costs. This work and budget continues into 13/14.

Ten unsustainable homes have been demolished and a further three acquired in Canklow.

**7.4.6 Bellows Road Service Centre Clearance  
(Budget £30,000 Outturn £29,194 Variance £-806)**

A modest saving against forecast as a result of actual costs being less. This work and budget continues into 13/14 to create a new commercial and residential development in Rawmarsh.

A new electricity sub-station has been accommodated resolving land assembly issue at Bellows Road, Rawmarsh.

**7.4.7 Private Sector Support (Budget £0 Outturn £-2,398 Variance £-2,398)**

An accrual from 2011/12 was accommodated in 12/13 for £4k however the actual work invoiced was for less resulting in an underspend.

**7.4.8 Ship Inn Demolition (Budget £1,203 Outturn £-222 Variance £-1,425)**

This was an accrual from 2011/12 that was not invoiced.

**7.5 Other Public Sector****7.5.1 Site Development (Budget £100,000 Outturn £0 Variance £-100,000)**

The development of a pilot project to develop a custom build scheme in the Borough did not reach fruition.

**7.5.2 Opportunity Acquisitions  
(Budget £435,000 Outturn £166,750 Variance £-268,250)**

This is a multi-year commitment to acquire properties to add to the Council's social housing stock. Strict criteria are applied to the acquisitions which have led to more protracted negotiation than anticipated. This work and budget continues into 13/14.

Three homes have been acquired for social housing at Wath-upon-Dearne.

**7.6 Slippage to 2013/14**

All works listed below commenced in 12/13 financial year and were programmed to complete prior to 31st March 2013. The budgets were aligned to the programme therefore no allowances have been made for these works in 13/14. Works have slipped their end date and it was agreed that as the 13/14 capital budget has a full programme of works planned, and to reduce the impact on the asset management business plan; the values would be slipped from 12/13 to 13/14:

<b>13/14 Budget Head</b>	<b>12/13 Slippage Value</b>
Refurbishment - Internals	£52,882
Refurbishment - Externals	£104,221
Windows	£170,349
Communal Entrance Doors (High Security)	£179,863
Flat Door Replacement	£120,362
District Heating	£18,000
New IT System	£104,732
Private Sector Aids & Adaptations	£182,526
Public Sector Aids & Adaptations	£67,264
Non-Traditional Dwellings	£441,310
Opportunity Acquisitions - Rawmarsh	£354,000
Opportunity Acquisitions - Wickersley	£45,000
Opportunity Acquisitions - General	£123,250

## 7.7 Summary

7.7.1 Overall the HIP outturn position for 2012/13 is spend of £21,889,938 compared to a budget provision of £22,777,199 an underspend of £-887,261.

Savings and slippage identified within this report are primarily across schemes funded through the Major Repairs Allowance (MRA). These resources will be carried forward into future years.

## 8.0 Finance

8.1 The table below identifies the funding available to meet the costs of delivering the HIP in 2012/13:

<b>Funding Summary HIP</b>	<b>Quarter 3 Reported £</b>	<b>Outturn £</b>	<b>Variance £</b>
Grants	1,425,459.00	1,288,679.63	-136,779.37
RCCO	950,000.00	957,500.00	7,500.00
Prudential Borrowing HRA	834,000.00	166,750.00	-667,250.00
Prudential Borrowing GF	52,636.54		-52,636.54
Capital Receipts RTB	588,363.46	438,652.06	-149,711.40
Capital Receipts HRA Other	805,000.00	379,767.39	-425,232.61
Client Contributions	0.00	22,300.25	22,300.25
CERT Funding	0.00	21,820.43	21,820.43
S106 - SG4017	0.00	19,825.00	19,825.00
Major Repairs Allowance	20,003,000.00	18,594,643.10	-1,408,356.90
<b>Total</b>	<b>24,658,459.00</b>	<b>21,889,937.86</b>	<b>-2,768,521.14</b>

8.1.1 It can be seen that, in light of the savings/slippage within the programme, the forecast funding requirements have been reduced to match outturn spend. The main variances to funding are as follows:

### 8.1.2 Grants - Regional Housing Board Element

This funding stream has been decreased to reflect the withdrawal from negotiations at Monksbridge Terrace Dinnington. This money will be held in reserves until the project review has been completed.

### 8.1.3 Revenue Contribution to Capital Outlay (RCCO)

RCCO is the application of revenue monies to fund capital spending. The minor additional spend resulted from the inclusion of a revenue contribution from a minor fencing scheme being subsumed into a larger capital programme of works.



#### **8.1.4 Prudential Borrowing HRA**

Due to the lower than anticipated completions of strategic dwelling acquisitions for new council housing, the level of prudential borrowing against the Housing Revenue Account has been reduced. This funding stream is in line to support the budget in 2013/14.

#### **8.1.5 Prudential Borrowing – General Fund and Capital Receipts RTB**

Aids and adaptations in the private sector are supported by a number of funding streams; the level of prudential borrowing against the General Fund and value of capital receipts from RTB, identified at the start of 2012/13 to support this area of work, is less than the outturn. The level of borrowing is therefore reduced and receipts return to reserves.

#### **8.1.6 Capital Receipts HRA Other (JG)**

As a result of the delayed progress on site at Bellows Road Rawmarsh, the use of capital receipts in 2012/13 was less than forecast, a saving of £-425,232.61 which will be carried forward to meet commitment in 2013/14.

#### **8.1.7 Client Contributions**

Client contributions account for private sector aids and adaptations which attract a contribution from the recipients. They are not forecast at the beginning of the year as this is a demand led service. Income is a direct contribution to the cost of the works undertaken.

#### **8.1.8 CERT Funding**

This contribution to the capital programme was made in-year to accommodate works to new homes delivered in 2011/12. Accruals had been allowed for the retention to the projects however unforeseen works beyond the retention amounts were identified. CERT funding was one of the original funding mechanisms and a residual amount held in reserves was used to support the costs.

#### **8.1.9 Section 106**

A previous planning application in Swallownest had a Section 106 provision to erect fencing around a neighbouring greenspace, Alexandra Park. The deadline for achieving the project was in-year and the immediate cost of meeting the project was met from the capital programme; this line records the replacement of that money.

#### **8.1.10 Major Repairs Allowance (MRA)**

It can be seen that the £18.6m of MRA applied in year is substantial below the original budget of £20m.

This is as a result of the savings and slippage within public sector spending as identified elsewhere within this report.

The £1.4m un-utilised MRA will be carried forward into 2013/14.

## **9.0 Risks and Uncertainties**

The 2012/13 Indicative Outturn position will be subject to external audit Policy.

## **10.0 Policy and Performance Agenda Implications**

The HIP supports the new Corporate plan priorities and is central to the longer term Housing Strategy:

- Making sure no community is left behind
- Helping to create Safe and Health Communities
- Improving the environment

## **11.0 Background Papers and Consultation**

Dave Richmond, Director of Housing and Neighbourhoods,  
Stuart Booth, Director of Financial Services and Budget Holders have been consulted during the preparation of this report.

Reports to Cabinet Member for Safe and Attractive Neighbourhoods 2 July, 12 November, 2012 and February 2013.  
Year-end Working Papers.

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HIP PROGRAMME 2012-13 POSITION AS AT PERIOD 12					
2012/13 Programme					
	Budget	Outturn	Variance	%age	
	£	£	(Over + / Under -)	(Over + / Under -)	
			£	%	
<b>REFURBISHMENT / IMPROVEMENTS</b>					
Refurbishment	10,884,000	9,718,434	-1,165,566	-10.71%	
Windows	183,004	40,651	-142,353	-77.79%	
Replacement of Central Heating / Boilers	920,000	2,580,605	1,660,605	180.50%	
<b>REFURBISHMENT / IMPROVEMENTS TOTAL</b>	<b>11,987,004</b>	<b>12,339,690</b>	<b>352,686</b>	<b>2.94%</b>	
<b>OTHER CAPITAL WORKS</b>					
Empty Homes	1,588,000	1,300,882	-287,118	-18.08%	
Replacement of Communal Doors (High Security)	112,000	120,137	8,137	7.27%	
Environmental Works	500,000	422,161	-77,839	-15.57%	
Electrical Board & Bond	140,000	65,226	-74,774	-53.41%	
Community Centre Improvements (5 Year Programme)	250,000	207,040	-42,960	-17.18%	
Asbestos Removal & Testing	370,000	378,051	8,051	2.18%	
Flat Door Replacement	506,000	401,638	-104,362	-20.62%	
District Heating Conversions	300,000	198,797	-101,203	-33.73%	
One-Off Properties	150,000	49,198	-100,802	-67.20%	
EPC Improvements	446,000	369,024	-76,976	-17.26%	
New IT System	454,678	475,268	20,590	4.53%	
General structures	400,000	421,987	21,987	5.50%	
Lift Replacement	100,000	83,153	-16,847	-16.85%	
<b>OTHER CAPITAL PROJECTS TOTAL</b>	<b>5,316,678</b>	<b>4,492,562</b>	<b>-824,116</b>	<b>-15.50%</b>	
<b>ALL WORKS TO PROPERTIES TOTAL</b>	<b>17,303,682</b>	<b>16,832,252</b>	<b>-471,430</b>	<b>-2.72%</b>	
<b>FAIR ACCESS TO ALL</b>					
Disabled Adaptations (Public Sector)	1,513,409	1,582,736	69,327	4.58%	
Disabled Adaptations (Private Sector)	1,596,115	1,671,730	75,615	4.74%	
<b>FAIR ACCESS TO ALL TOTAL</b>	<b>3,109,524</b>	<b>3,254,466</b>	<b>144,942</b>	<b>4.66%</b>	
<b>REGEN. / NEIGHBOURHOOD RENEWAL</b>					
<b>PUBLIC SECTOR</b>					
Non-Traditional Investment	820,385	847,690	27,305	3.33%	
Garage Site Investment	207,405	309,684	102,279	49.31%	
<b>Public Sector Sub Total</b>	<b>1,027,790</b>	<b>1,157,374</b>	<b>129,584</b>	<b>12.61%</b>	
<b>PRIVATE SECTOR</b>					
Maltby Transformational Change (RHB)	50,000	49,845	-155	-0.31%	
Dinnington Transformational Change (RHB)	160,000	10,318	-149,682	-93.55%	
Canklow Phase 1 & 2	560,000	370,539	-189,461	-33.83%	
Bellow s Road Service Centre Clearance	30,000	29,194	-806	-2.69%	
Private Sector Support (RHB)	0	-2,398	-2,398		
Ship Inn Demolition	1,203	-222	-1,425	-118.45%	
<b>Private Sector Sub Total</b>	<b>801,203</b>	<b>457,276</b>	<b>-343,927</b>	<b>-42.93%</b>	
<b>REGEN. / NEIGHBOURHOOD RENEWAL TOTAL</b>	<b>1,828,993</b>	<b>1,614,650</b>	<b>-214,343</b>	<b>-11.72%</b>	
<b>OTHER PUBLIC SECTOR</b>					
<b>HCA NEW BUILD</b>					
Site Development	100,000	0	-100,000	-100.00%	
Opportunity Acquisition	435,000	166,750	-268,250	-61.67%	
Carry Over from 11-12 New Builds	0	21,820	21,820		
<b>OTHER PUBLIC SECTOR TOTAL</b>	<b>535,000</b>	<b>188,570</b>	<b>-346,430</b>	<b>-64.75%</b>	
<b>SUB TOTAL 2</b>	<b>5,473,517</b>	<b>5,057,686</b>	<b>-415,831</b>	<b>-7.60%</b>	
<b>TOTAL CAPITAL PROGRAMME</b>	<b>22,777,199</b>	<b>21,889,938</b>	<b>-887,261</b>	<b>-3.90%</b>	

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