

Taunton Deane Borough Council

Executive – 13 November 2013

Revised Capital Programme Budget Estimates 2013/2014-2017/2018

Report of the Financial Services Manager (Southwest One)

(This matter is the responsibility of the Leader of the Council, Councillor John Williams)

1 Executive Summary

This report presents an updated Capital Programme for consideration by the Executive prior to recommendation to Full Council for approval.

This updated programme allocates the Council's limited capital resources to priority projects.

The **Updated General Fund Capital Programme proposes additional expenditure of £2.304m**. Previously approved schemes currently total £14.121m, therefore the updated total proposed capital programme is £16.425m. The previously approved schemes are shown in Appendix A.

Members are asked to make a number of recommendations which include:

- Approval of priority 1 and 2 non-growth schemes.
- Approval of the top priority growth project
- Approval to progress affordable housing schemes where funding has specifically been received.

2 Purpose

- 2.1 The purpose of this report is to provide updated information on the Council's capital investment priorities and funding position; and request Executive recommendation to Full Council for the approval of additions to the General Fund Capital Programme.

3 Background

- 3.1 In February 2013, Full Council approved an interim capital programme pending a more fundamental review of our capital spending priorities, including infrastructure requirements. This was felt appropriate to ensure the limited amount of funding available to the Council was targeted at the true priority areas. In order to do this, a different approach was needed than that traditionally followed at each budget setting round.

- 3.2 A comprehensive review of the Council's capital spending needs has now been undertaken, taking into account growth agenda projects, the more traditional non-growth capital projects, and infrastructure needs that won't be met via the Community Infrastructure Levy (CIL) regime. This now allows us to capture – for the first time – the scale of the spending “need” ahead, and to be really clear what projects should and shouldn't be progressed in light of our limited funding.
- 3.3 The remainder of this report sets out:
- An update on the unallocated capital resources available (section 4)
 - The principles used in the prioritisation review (section 5)
 - The outcome of the prioritisation review (section 6 and 7)
 - The proposed capital programme (section 8)
- 3.4 The report content was considered at Corporate Scrutiny on 22 October 2013. Following debate there were no specific recommendations to the Executive to change the prioritisation or scheme approvals within this report.

4 Unallocated Capital Funding

- 4.1 Funding for capital investment undertaken by the Council can come from a variety of sources including the following:
- Capital Receipts
 - Grant Funding
 - Capital Contributions (e.g. from a local authority, third party, Section 106 planning agreement)
 - Revenue budgets/reserves (often referred to as “RCCO” – Revenue Contributions to Capital Outlay)
 - Borrowing
- 4.2 The current uncommitted funding balances held in various reserve accounts are shown in the table below. This funding is available for allocation to new projects.

Table 1: Current available uncommitted funding

General Fund	Affordable Housing £k	DLO £k	Growth Funding £k	General £k	TOTAL £k
Capital Reserve				393	393
Growth Point Grant				157	157
Capital Receipts				1,014	1,014
General Fund “non additional”				197	197
Right to Buy Receipts					
Firepool Receipts				320	320
Affordable Housing Receipts (S106 / developer contributions)	624				624
DLO Vehicle Sales		7			7
Growth & Regeneration Reserve (NHB)			519		519
Total	624	7	519	2,081	3,231

- 4.3 In addition to the funding shown in Table 1 there is further estimated / projected funding availability over the next 5 years:

Table 2: Projected funding 2013/14 – 2017/18 (Illustrative Only)

RCCO Funding	13/14 £k	14/15 £k	15/16 £k	16/17 £k	17/18 + £k	Total £k
General Fund RCCO	0	200	200	200	150	750
DLO RCCO	0	203	203	203	202	811
Disabled Facilities Grant Income	0	300	310	320	310	1,240
General Fund “non additional” Right To Buy Receipts	100	100	100	100	100	500
New Homes Bonus	0	1,825	2,305	2,779	2,856	9,765
Potential Capital Receipts	1,300	500	0	0	0	1,800
Total	1,400	3,128	3,118	3,602	3,618	14,866

- 4.4 This table gives an ***indication*** of the potential future funding streams available to the Council, but Members should note that at this point in time these resources have not been received, or formally approved in the case of revenue funding, and are **not** therefore available for allocation to new projects at this stage.
- 4.5 There are a number of projects that have been traditionally funded from revenue resources (“RCCO”), and the above projections assume the funding will continue in the Council’s revenue budgets. If Members choose not to fund some of these capital projects the revenue funding could be used for other capital projects, or could be taken as a revenue budget saving.
- 4.6 The disabled facilities grant income is a yearly grant received from Central Government which has to be used to fund the cost of disabled facilities grants. The funding is not guaranteed and is not normally confirmed until the February or March for the following financial year starting in April. The projection above assumes the current funding trend continues. The grant is 100% allocated to spend on Disabled Facilities Grants in private sector housing.
- 4.7 Traditionally, Right to Buy (RTB) receipts have been used to fund housing related projects but this is not a mandatory requirement. The proposal is to split the RTB receipts between the General Fund and Housing Revenue Account. As the Council has entered the ‘One for One Replacement’ Agreement with Government, we keep a higher proportion of the income from RTB sales. The income is split to show the amount expected had we not entered the Agreement, and an “additional” amount that we can keep under the Agreement. We plan to allocate the non-additional income to the General Fund, and the “additional” income to the Housing Revenue Account.
- 4.8 **New Homes Bonus (NHB):** Members have shown a commitment to use future NHB grant funding for growth and regeneration purposes. The current projections included in the MTFP of future NHB is shown in the table below (note this has been updated since the Scrutiny report).

Table 3: Expected New Homes Bonus Funding

	2014/15 £k	2015/16 £k	2016/17 £k	2017/18 £k	Total £k
Estimated New Homes Bonus Funding	2,217	2,697	3,171	3,248	11,333
Transfer to LEP*		(510)	?	?	(510)
Assumed use for annual budget **	(392)	(392)	(392)	(392)	(1,568)
Amount unallocated	1,825	1,795	2,779	2,856	9,255

* Following the recent Spending Review the Secretary of State has consulted on a potential 40% top slice of NHB to push funding towards growth via Local Enterprise Partnerships (LEPs) in (from?) 2015/16. We await the Government's response to the consultation feedback. The amount of grant to be passed over in 2015/16 is uncertain (it could be higher than £510k, possibly up to £1m) as is the government's intentions in relation to subsequent years. NHB funding projections are therefore very risky at this stage, and our income estimates range from £5.8m to £9.3m for the period 2014/15 to 2017/18.

** There is an assumed use of £0.392m per year of NHB in the MTFP to support the annual revenue budget. This is subject to approval by Members through the annual budget setting process.

5 Prioritisation Review

- 5.1 In recognition of the challenges ahead for the Council, the Directors have reviewed and prioritised the entire list of capital schemes within the following categories:

Priority	
1	Business Continuity (corporate / organisational)
2	Statutory Service Investment (to get to statutory minimum / contractual / continuity)
3	Growth (top 5)
4	Transformation
5	Others

- 5.2 This reflects the issues flagged by Members as being important during the Corporate Business Plan review process. In addition to the above prioritisation the Directors propose the general principle that schemes will only be supported if they are "invest to save". This reflects the need for the Council to invest in schemes that will improve the Council's revenue position in light of the pressure on the General Fund Revenue Budget.
- 5.3 First priority must be given to schemes that ensure Business Continuity (BC). The Corporate BC schemes are those that ensure the doors remain open and we can function irrespective of what services we choose to deliver. The Organisational BC schemes are more around service continuity and in this regard if the Council were to choose to no longer deliver any of these services the need for capital investment would also fall away.

- 5.4 Second priority must be given to investment that is unavoidable with respect to maintaining our statutory services to a minimum level. This is not about “gold plating” but about keeping safe and legal.
- 5.5 Growth schemes are considered to be first priority (but third overall) over what is effectively our first opportunity to consider discretionary spend. This is in line with the Business Plan priorities. They must however come behind business continuity and statutory requirements however important they are to Members, businesses and the wider community.
- 5.6 Directors have given Transformation second priority (but fourth over all) over the discretionary spend again in line with the Business Plan. We need to change to not only respond to our changing environment and the demands on us, but also – bluntly – to reduce costs and generate revenue to support our ambitions.
- 5.7 The schemes included in ‘Others’ are a catch all. It is suggested that within this group the only schemes considered are those that meet “invest to save” criteria set out in the Capital Strategy.
- 5.8 So having set out this framework for the prioritisation review, the long list of schemes identified has been reviewed against this with the outcomes for Non-Growth schemes set out in section 6 below, and Growth schemes in section 7 below.

6 Prioritisation Review – Non Growth Schemes

- 6.1 The results of the prioritisation review are shown in the tables below. Tables 4 and 5 show the costs of the ongoing non-growth schemes for both general schemes and DLO schemes. This is where a bid is put in for a scheme that happens every year. These schemes have traditionally been funded from RCCO or Government Grants. For 2013/14 these schemes have already been approved but there have been no approvals beyond this financial year.

Table 4: Existing Ongoing Non-Growth Schemes

	Annual £k	Priority				
		1	2	3	4	5
PC Refresh	60	30				
Members IT Equipment	4	4				
Waste Containers (3 years)	50		50			
Grants to Clubs	46					46
Play Equip Grants to Parishes	20					20
Play Equip - Replacement	20		20			
Disabled Facilities Grants	490		310			180
Enabling (affordable housing) [see 6.6 below]	425					425
Taunton & Bridgwater Canal	10					10
Total	1,125	34	410	0	0	681

- 6.2 It is proposed that the DLO schemes should be funded from DLO resources so they effectively become 'self-financing'. The on-going DLO annual capital requirements are shown in table 5 below. Funding has already been approved for 2013/14 but there is currently no funding approved beyond this financial year.

Table 5: Existing Ongoing Non-Growth DLO Schemes

	Annual £k	Priority				
		1	2	3	4	5
DLO Vehicles	180		180			
DLO Plant & Equip	23		23			
Total	203		203			

- 6.3 Table 6 shows the bids for new non-growth schemes. These span over the next 5 years and include one off schemes and yearly schemes.

Table 6: New Non-Growth Schemes

	£k	Priority				
		1	2	3	4	5
Wellington Cemetery	50					50
Taunton Cemetery	100					100
Crematorium Cabinet	15					15
Chapel Roof	180		180			
Private Housing - Landlord Accreditation / Loans etc	1,735					1,735
Private Hsg - Category 1 Hazards	130					130
Website Development	30				30	
Cycle Path (Hankridge)	50					50
ICT Infrastructure	?	?				
Customer Access/ Accommodation	?				?	
Deane House Improvements	?				?	
B Plan – Trans & Restructuring	?				?	
Gypsy Provision	?					?
West Somerset Project*						
DLO Relocation – subject to BC						
DLO Refurb – subject to BC						
Deane Helpline – subject to BC						
	2,290	0	180	0	30	2,080

*If the West Somerset project goes ahead there will be costs which can be capitalised. Details are provided in the Business Case report to be considered by Full Council on 12 November 2013.

- 6.4 The last three schemes in the table above will be brought to Members for consideration separately as individual business cases.

- 6.5 Section 4 sets out the funding available for progressing non-growth schemes. Based on the above prioritisation exercise **it is suggested that all of the priority 1 and 2 schemes are funded**. This would mean that £180k of the £2,081k 'general' available funding would be used leaving a remaining general funding balance of £1,901k
- 6.6 The Council receives funding through s.106's that must be spent on affordable housing schemes. Through the prioritisation, affordable housing has been allocated a priority 5. Although this has not been identified as a highest priority **it is recommended that Members agree the principal that any funding received for affordable housing should be approved to spend on affordable housing**. Members cannot choose to spend this funding on other priorities.

7 Prioritisation Review – Growth Schemes

- 7.1 The growth schemes were overall allocated a **priority 3**. Within this priority group a number of potential investment needs have been considered by Directors and ranked in order to provide a steer on which schemes should be supported as funds become available. The schemes are set out in rank in order in Table 7 overleaf.

Table 7: Growth Schemes

Project	Rank	14/15 £k	15/16 £k	16/17 £k	17/18+ £k	Total £k
Firepool Access	1	1,500	0	0	0	1,500
Firepool Infrastructure and Planning	2	0	3,500	0	0	3,500
Toneway Corridor Improvements (incl Creech Castle)	3	23,120	0	0	0	23,120
J25 Improvements	4	0	0	9,240	0	9,240
Taunton Strategic Flood Alleviation Work	5	0	0	0	15,000	15,000
Total		24,620	3,500	9,240	15,000	52,360

- 7.2 The top Growth priority is Firepool Access and Members have expressed a wish to progress this.
- 7.3 Having funded priority 1 and 2 non-growth schemes (section 6 above) there is then a balance of unallocated general funding of £1,901k and £519k of Growth Reserve. Members should note that details of other priority non-growth projects will emerge over the coming weeks and there will be a need to fund some initial capital expenditure.
- 7.4 It is however, reasonable to assume that the top growth scheme identified above could be progressed within existing funding streams. This would reduce the unallocated general funding to £920k and the Growth Reserve to £0 (pending receipt of any 2014/15 New Homes Bonus).
- 7.5 It is important that this sum is not fully allocated at this point, considering the potential capital investment requirements included in the Joint Management

and Shared Services Business Case, and other Priority 1 and 2 Projects from the non-growth area.

8 Summary of Additions to Capital Programme

8.1 Assuming the prioritisation methodology is accepted by Members, the priority 1 and 2 schemes will be funded along with the affordable housing scheme (funded by s.106/developer contributions) and the top growth scheme. The additions to the capital programme and funding of additions will be as shown in the table below.

Table 8: Planned additions to the capital programme

Project	14/15 £k	15/16 £k	Total £k
Chapel Roof	90	90	180
Affordable Housing (S106 / developer conts)	450	174	624
Firepool Access	1,500	0	1,500
Total	2,040	264	2,304
Funded by:			
Capital Receipts	594	90	684
Growth Point Capital	157	0	157
Firepool Receipts	320	0	320
Growth & Regeneration Reserve (NHB)	519	0	519
Affordable Housing Receipts (S106 / developer contributions)	450	174	624
Total	2,040	264	2,304

8.2 Assuming the schemes proposed are approved remaining funding will be as shown in the table below.

Table 9: Remaining Funding

General Fund	Total £k	Funding Used £k	Remaining Total £k
Affordable Housing			
Affordable Housing Receipts (S106 / developer contributions)	624	(624)	0
DLO			
DLO Vehicle Sales	7	0	7
Growth Funding			
Growth & Regeneration Reserve (NHB)	519	(519)	0
General Funding			
Capital Reserve	393	0	393
Growth Point Grant	157	(157)	0
Capital Receipts	1,014	(684)	330
General Fund "non additional" RTB Receipts	197		197
Firepool Receipts	320	(320)	0
Sub Total: General Funding	2,081	(1,161)	920
TOTAL Remaining Funding	3,231	(2,304)	927

9 Finance Comments

9.1 This is a finance report and there are no additional comments.

10 Legal Comments

7.1 Managers have considered legal implications in arriving at the proposed capital programme.

11 Links to Corporate Aims

11.1 The capital programme has been prepared with consideration to links with the Corporate Aims and the Corporate Business Plan.

12 Environmental and Community Safety Implications

12.1 Environmental and community safety implications have been considered in arriving at the capital programme.

13 Equalities Impact

13.1 Equalities Impact Assessments have been undertaken for the capital schemes where appropriate, in line with the Council's statutory obligations. See Appendix B.

14 Risk Management

14.1 The risks associated with the proposed budget have been considered by services when preparing capital bids.

15 Partnership Implications

15.1 The private sector housing capital budget is managed on behalf of TDBC by the Somerset West Private Sector Housing Partnership (SWPSHP).

16 Recommendations

16.1 The Executive is recommended to support the Prioritisation Framework set out in this report.

16.2 The Executive is requested to recommend to Full Council the approval of Supplementary Budget in the General Fund Capital Programme of £2.304m to fund Priority 1 and 2 Non-Growth Schemes, funded Affordable Housing Schemes, and the highest ranked Growth Scheme within this report.

16.3 The Executive is requested to recommend to Full Council that the principle that future external funding received specifically for affordable housing should be allocated to affordable housing projects in line with funding conditions and automatically added to the capital programme.

Contact Officers:

Paul Fitzgerald, Financial Services Manager
Tel: (01823) 358680
Email: p.fitzgerald@tauntondeane.gov.uk

Tracey Healy, Principal Accountant
Tel: (01823) 358685
Email: t.healy@tauntondeane.gov.uk

APPENDIX A

General Fund Capital Programme 2013/14 - 2017/18		Current Budget 2013/14	Current Budget 2014/15	Current Budget 2015/16	Current Budget 2016/17	Current Budget 2017/18	Total
Cost Centre	Cost Centre Name	£	£	£	£	£	£
Community Leadership							
800058	Swim Pool PV Cells	65,000	0	0	0	0	65,000
Total Community Leadership		65,000	0	0	0	0	65,000
Corporate Resources							
800000	PC Refresh Project	131,920	0	0	0	0	131,920
800001	Members IT Equipment	8,000	0	0	0	0	8,000
800040	IT Infrastructure	25,400	0	0	0	0	25,400
800074	SCCC Loan	1,000,000	0	0	0	0	1,000,000
800075	Gypsy Site	108,470	0	0	0	0	108,470
Total Corporate Resources		1,273,790	0	0	0	0	1,273,790
Environmental Services							
800008	Canal Grant	10,000	0	0	0	0	10,000
800009	Waste Containers	106,800	0	0	0	0	106,800
800041	Mercury Abatement	239,800	0	0	0	0	239,800
Total Environmental Services		356,600	0	0	0	0	356,600
Housing Services							
800016	Energy Efficiency	27,000	0	0	0	0	27,000
800017	Landlord Acc Scheme	46,000	0	0	0	0	46,000
800018	Wessex HI Loans	8,700	0	0	0	0	8,700
800019	DFGs Private Sector	683,000	0	0	0	0	683,000
800020	Grants to RSLs	916,890	0	0	0	0	916,890
800101	Community Alarms	3,200	0	0	0	0	3,200
Total Housing Services		1,684,790	0	0	0	0	1,684,790
Ec Dev, Asset Management, Arts & Tourism							
800002	DLO Vehicles	180,000	0	0	0	0	180,000
800003	DLO Plant	22,710	0	0	0	0	22,710
800004	PT Longrun Meadow C	108,000	0	0	0	0	108,000
800007	PT High Street	82,500	0	0	0	0	82,500
800042	DLO System	388,100	0	0	0	0	388,100
800044	PT Firepool	76,700	0	0	0	0	76,700
800045	PT Castle Green	291,900	0	0	0	0	291,900
800046	PT High St Retail	34,600	0	0	0	0	34,600
800049	PT Urban Growth	28,000	0	0	0	0	28,000
800052	PT Coal Orchard	10,000	0	0	0	0	10,000
800053	PT Bus Station	3,400	0	0	0	0	3,400
800054	PT Sineage	6,900	0	0	0	0	6,900
800103	Brewhouse	120,000	0	0	0	0	120,000
800106	Thales	800,000	0	0	0	0	800,000
800105	Creech Castle Improvements	375,000	0	0	0	0	375,000
Total Ec Dev, Asset Management, Arts & Tourism		2,527,810	0	0	0	0	2,527,810
Planning, Transport & Communications							
800011	Accolaid Upgrade	20,000	0	0	0	0	20,000
800010	Orchard Car Park	508,500	126,000	126,000	125,500	0	886,000
Total Planning, Transport & Communications		528,500	126,000	126,000	125,500	0	906,000
Sports Parks and Leisure							
800012	Grants to Clubs Play	154,300	0	0	0	0	154,300
800013	Grants to Parishes	52,500	0	0	0	0	52,500
800014	Replace Play Equip	46,600	0	0	0	0	46,600
800071	Wellington Pavilion	252,400	0	0	0	0	252,400
800076	Station Road Swimming Pool	1,270,000	0	0	0	0	1,270,000
800089	Wellington Skate Park	62,000	0	0	0	0	62,000
800073	Wellington Sports Centre	115,980	0	0	0	0	115,980
800102	Blackbrook Pool	1,295,300	4,057,700	0	0	0	5,353,000
Total Sports Parks and Leisure		3,249,080	4,057,700	0	0	0	7,306,780
Total GF		9,685,570	4,183,700	126,000	125,500	0	14,120,770

APPENDIX B

EQUALITY IMPACT ASSESSMENTS 2013/2014

- **Private Sector Housing Capital Budget including TDBC contribution to Disabled Facilities Grants (See Disability)**

Equality Impact Assessment – Private Sector Housing 2013/14 Capital Bids

Responsible person	<i>Paul Harding & Vikki Hearn</i>	Job Title: Corporate & Client Lead And Strategy Officer
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	√
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	The Council is being asked to provide financial support for disabled facilities grants and other private sector housing interventions in 2013/14.	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	<i>The strategic objectives of private sector housing work are to: improve the health and well being of vulnerable people; reduce fuel poverty; bring empty properties back into use; increase the supply and affordability of good quality private rented accommodation; reduce the number of households with preventable ill health and housing inequalities; improve housing conditions; deal with inadequate energy efficiency and carbon emissions ratings; and ensure local people have sufficient choices of housing to meet their needs, at a standard and price they can afford, where they want to live.</i>	
Which protected groups are targeted by the policy?	<i>The 2013/14 private sector housing capital budget is designed to support and meet the needs of a wide customer base, and is targeted at all the protected groups including: Age; Disability. Gender Reassignment; Pregnancy and Maternity; Race; Religion or belief; Sex; Sexual Orientation; Marriage and civil partnership.</i>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	<p>Evidence and Data used for assessment</p> <ul style="list-style-type: none"> • Private Sector housing staff performance data • Joint Strategic Needs Assessment 2011 • Older Persons Evidence 2010 • Housing Market Assessment 2009 • Public Health Report 2008. <p>Fordham Research was commissioned in July 2010 to undertake a study into the housing and support needs of older people (defined as those aged 55 and over, the qualification age for Council older person services), living in the Housing</p>	

	<p>Market Area (HMA) of Taunton. The Taunton HMA includes the districts of Taunton Deane, Sedgemoor and West Somerset.</p> <p>There are about 91,000 older people in the Taunton HMA: some 35.9% of the total population, larger than the regional and national average. The number of older people in the HMA is expected to increase by 41.1% in the next 20 years. There are about 51,500 older person only households in the Taunton HMA and in Taunton Deane itself the number of older people is above average and is expected to increase. The Sustainable Community Strategy underlines the housing and support needs of Taunton’s older population. It states that Taunton Deane has a higher than average dependency ratio due to there being proportionately more pensioners, and fewer 15 - 44 year olds. The dependency ratio is a measure of the proportion of a population who are too young or too old to work. A rising dependency ratio is a concern in many areas that are facing an ageing population, since it becomes difficult for pension and social security systems to provide for a significantly older, non-working population.</p> <p>Estimates suggest that, by 2030, the number of people over 65 with mobility problems and a limiting long term illness will also increase by over 40%. More than a quarter of these older households in 2010 reported a ‘support need’, most commonly for a physical disability. For households who would prefer to stay in their homes, 40% of those who needed adaptations did not have them. One reason for this is through a lack of awareness of the adaptations service. SWPSHP will be resolving this through extensive promotion and through new and established user groups. From experience, adaptations promotion will generate an uplift of demand of around 10%. It is important to promote the service as inequalities are generated in pockets of rural outposts. The most commonly required adaptations are a downstairs toilet and handrails. Many older person households with support needs required further adaptations such as a low level shower and stair lift. This all points to a need to support adaptations funding in 2013/14, as our partners in other councils have done for next year, in response to these changing demographics and demands</p>
<p>Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality</p>	
<p>All Groups:</p> <p>If resources are limited for private sector housing activities we should be aware this will mean some groups or communities could be disadvantaged: not having</p>	

a range of effective interventions to improve private sector housing conditions will long term result in a marked deterioration of private sector housing stock, and an inability to tackle one of the key determinants of health and well being, namely the poor housing conditions of vulnerable households who cannot afford to pay repairs themselves. Inability to maintain their homes will increase applications from the older population for social housing and potentially towards expensive accommodation based supported housing services. This is at a time when relevant partner organisations are also facing extensive cuts and may not be able to provide the more costly housing support that would otherwise have been met through a simple low cost low level intervention such as a disabled adaptation.

The 2013/14 capital budget proposals, namely, disabled facilities grants, home improvement loans, energy efficiency, Somerset West Landlord and Tenants Services (SWELT) including landlord accreditation, and health and safety, are designed to achieve positive outcomes for more vulnerable people in this sector who rely on us to help them improve their living conditions, and bring their homes up to a basic standard of energy efficiency, repair and safety. If we do not do this it will leave us with a legacy of poor housing for the future which will have the potential to go beyond any financial means for rectification in the future if intervention is not made now. This will also have major and costly implications for the continuing supply of good quality private sector housing lettings and it will increase the demand for social housing, at a time when pressure on private rented housing has never been greater – through increasing housing market demand and costs and thus the likely displacement of its traditional, benefits dependant market by households who can afford to pay higher rents.

People who apply for housing, if they are unable to remain in their current homes, may be forced to seek homelessness assistance from the Council. If found vulnerable under the terms of the Homelessness Act, the Council will have a duty to house applicants if the property in which they live is not suitable. This is significant because 41% of all owner-occupied homes in the Borough fail the very basic Decent Homes standard (all social housing meets this) and 28% of all homes in this sector have a hazard that poses a serious health and safety risk to the occupant. The council has a statutory duty to identify and eliminate these hazards. There is also a significant fuel poverty issue in this sector: an estimated 17% of all owner-occupied homes have sub-standard energy efficiency ratings and an estimated 25% of private housing occupants are in fuel poverty in Taunton Deane.

The previous Home Finder Lettings Review has seen that priority awarded to those with medical conditions has increased, resulting in more people being able to qualify for a 'gold band' status, along side other vulnerable applicants who are unable to remain in their homes. The Localism Act 2011 also allows the council to house vulnerable people (such as homeless applicants) into the private rented sector with one offer of accommodation. If adequate funding is not provided to improve private sector housing standards to meet at least decent homes levels, legal challenges to the council on homelessness housing suitability grounds will almost certainly increase. Cuts elsewhere to housing support funding will also significantly affect vulnerable adults via reductions in floating support services. Combined with housing and benefit changes, financial hardship in this sector is likely to increase the number of vulnerable applicants applying to the council for housing assistance and advice.

To date, we have not had the opportunity to consult relevant service user groups, customers, and partner organisations who could be affected by a reduction in the 2013/14 private sector housing capital budget, to obtain their views on the potential impacts and outcomes – and what actions they think we should be taking to deal with negative and or unequal consequences. However, the anticipated main impacts on specific groups are:

Age:

A further reduction in 2013/14 capital funding to help vulnerable private sector housing residents will have an adverse impact on the independence, health and well-being of older people which will, in turn, increase their need for care and support services. Improvements to private sector housing properties to facilitate independent living, energy efficiency, better housing conditions, and housing functionality, will allow older people to live more meaningful lives in their own homes for longer – and thus for housing standards in this sector to move closer to those in the social housing sector, leading to a more balanced housing market. Understanding older people’s position in the housing market is important: around 75% of older people (aged 55+) in the Borough live in private sector housing and more than 25% of these reported a “support need,” most commonly for a physical disability, yet 40% of older person households did not already have an existing adaptation in their home. Health and social care policy encourages older people to remain living at home, but their living costs are under extreme pressure from fuel and food price inflation, and declining pension values in real terms.

A further reduction in 2013/14 capital funding will also be to the detriment of vulnerable younger people who have traditionally been housed in private rented sector housing, often in houses that are occupied by more than one household. This group is already being discriminated against by national changes in local housing allowances and welfare benefit reforms, and will increasingly be displaced from this sector by upward pressures on rents and the impact of the EDF nuclear power station development. Therefore, mitigating this locally is important for this group. Apart from making full use of our statutory housing powers to tackle dangerous and poorly maintained private rented homes, we should also be raising management and maintenance standards in this sector, through landlord accreditation, attracting energy efficiency funding and through “invest to save” schemes and low-interest loans to encourage owners to improve their homes.

Disability:

Disabled households benefit greatly in increased mobility and independence from disabled facilities grants. Reducing the capital budget will increase customer waiting times for adaptations and therefore cause unnecessary discomfort and distress to disabled people, when we should be doing our utmost to deal with the disadvantages faced by this group. This would be a missed opportunity for promoting equality and more equal outcomes for disabled people as those in the

Council stock would still see well maintained DFG budgets which result in Council tenants receiving a better service. The work of the County Council Independent Living Teams in assessing needs earlier and putting in place early measures has resulted in a reduction in demand for DFGs, however there is a fear that these measures provide temporary alleviation and simply delay the need for more permanent measures paid for from disabled facilities grants. It is therefore too early to properly assess the benefits of the work of the Independent Living Teams.

In 2011/12 the Council awarded 35 DFGs and 50 in 2012/13 (£366k spend). In the current year (2013/14) we are using some underspend from last year and therefore have adequate budget and expect to award 65 DFGs (£555k spend)

We estimate that the Council receives between 60-70 DFG recommendations a year from Adult Social Care occupational therapists. This takes into account historical data and the trends toward an aging population. The future budget required to address this annual demand is estimated at £456k including the fee payable to Aster Home Living. Without a future TDBC contribution toward the DFG budget (and relying on the government grant alone) we estimate a minimum of 20 applicants would need to go on a waiting list. This waiting list would double annually. The current legislation around DFGs requires the District Council to provide a DFG where the need has been identified by an Occupational Therapist. There is no requirement about the length of time before an application process is commenced by the Local Authority, however once started then it has to be completed within 12 months unless there are mitigating factors that complicate the process. In practice unreasonable delays can be challenged through an ombudsman and there is case history of councils being challenged about unreasonable delays and losing under the Humans Right Act.

Race:

It is important to be culturally sensitive when providing private sector housing services, and statutory and/or enforcement interventions are not always the not appropriate in achieving equitable equality outcomes, particularly for households living in this sector for whom English is not their first language. For example, our statutory responsibility to inspect houses occupied by multiple households could inadvertently discriminate against minority ethnic groups in private rented sector housing where Black and Minority Ethnic (BME) households have a much higher proportionate presence than in other housing sector and tenures in the Borough. It is also significant that of the private landlords surveyed in Taunton Deane, there was a relatively low level of awareness of the needs of BME groups and how discrimination against them could be avoided and/or dealt with. Consequently, reducing the 2013/14 private sector housing budget, particularly for the new landlord accreditation scheme, which is designed to promote better, more equal treatment of private rented tenants, would be racially disadvantageous.

Sex:

No obvious direct impact identified although it is recognised that women generally have longer life expectancy than men and may therefore be a group which benefit most from the interventions outlined above and any reduction in funding for these interventions could disproportionately impact more female than males.

I have concluded that there is/should be:

No major change - no adverse equality impact identified	
Adjust the policy	Actions will be identified that will help mitigate the impacts identified above.
Continue with the policy	
Stop and remove the policy	

Reasons and documentation to support conclusions
 Actions will be put in place to limit the actions as far as possible.

Section four – Implementation – timescale for implementation

Private Sector Housing Service Plan 2013/14. This will involve quarterly monitoring of: performance against budget; key service measures; and service outcomes.

Section Five – Sign off

Responsible officer: Paul Harding & Vikki Hearn Date: 16th January 2013	Management Team Date
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Section six – Publication and monitoring

Published on

Next review date	Date logged on Covalent
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Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Strategy	Date	2013/14		
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
Reduction and/or loss of 2013/14 private sector housing capital funding support	Identify alternative sources of funding and any "invest to save" projects that can increase external income, produce cashable savings, and pay back any investments	Partnership Manager	June 2013 and on going from then	Somerset West Private Sector Housing Board quarterly reports	<p>Extra money released that can be used to support and influence key private sector housing priorities beyond 2013/14</p> <p>Services maintained for vulnerable private sector residents in future</p> <p>Effective, lower cost private sector housing interventions in quantitative terms (property conditions and living standards) and qualitative terms (how satisfied residents are in this sector).</p>
Significance of age, disability, race and sex equality groups in private sector housing activities	<p>Raise awareness of characteristics of all these protected groups in relation to local housing market.</p> <p>Close monitoring of waiting lists for DFGs and impact and ensure</p>	Joint Housing Group	September 2013	Scrutiny and information reports, staff briefings and housing briefings	Easily understood and accessible data and information on protected groups and specific characteristics in private housing

Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
	councillors are kept apprised of any impact				
Ensure consistency, accessibility and equality of all advice and assistance given by council staff to private sector housing residents	Induction process for all new staff (including any temporary/agency staff); clear written procedures; effective staff supervision; and regularly reviewing all customer satisfaction returns and comments	Partnership Manager	April 2013 and ongoing from then	Quarterly Housing Partnership Board reports	Private sector housing residents receive the same level and quality of advice and assistance, irrespective of who they are, where they live, and who they deal with
The strategic need for the council to intervene in and influence the local housing market and thus ensure better private sector housing conditions, costs, and choices for local people in need	Critically assessing affordability, choices of housing, the varied housing needs of local residents, and housing conditions, in the context of changing housing market conditions, public funding, and national housing policy	Joint Housing Group	April 2013 and ongoing from then	Executive, Scrutiny and Partnership Board reports	A greater understanding and shaping of the local housing market .
Ensure effective communications, monitoring and equality protocols with relevant partner	Regular meetings with relevant partner organisations; a common understanding of priorities and pressures; initiatives to utilise complimentary work skills and	Partnership Manager	June 2013 and ongoing from then	Partnership Board	More effective joint working and focus on priorities, better use of limited resources and consensual, co-operative approach to challenges in private sector housing

Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
organisations	experience; joint awareness and information exchange sessions				
The specific needs of older home owners in the local housing market	Evaluation of housing needs and choices for older people beyond the traditional adaptations and small repairs at home approach	Strategic Housing Officer's Group	August 2013	Executive, Scrutiny and Partnership Board reports	Explore measures and potential housing options for older home owners who are equity rich but struggling with limited income and poorer quality of life

Equality Impact Assessment – HRA Disabled Facilities Grants and Adaptations (minor works) 2013/14 Capital Bids

Responsible person	<i>Paul Harding & Vikki Hearn</i>	Job Title: Corporate & Client Lead And Strategy Officer
Why are you completing the Equality Impact Assessment? (Please mark as appropriate)	Proposed new policy or service	
	Change to Policy or Service	
	Budget/Financial decision – MTFP	√
	Part of timetable	
What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)	The Council is being asked to provide financial support through the Housing Revenue Account (HRA) for disabled facilities grants and minor disabled works aids and adaptations in Council owned HRA properties in 2013/14	
Section One – Scope of the assessment		
What are the main purposes/aims of the policy?	<i>One of the strategic objectives of the HRA Business Plan 2012-42 is to tackle deprivation by continuing support for a range of vulnerable people.</i>	
Which protected groups are targeted by the policy?	<i>The 2013/14 HRA disabled facilities and adaptations budget is designed to support and meet the needs of a wide tenant customer base, and is targeted at all the protected groups including: Age; Disability. Gender Reassignment; Pregnancy and Maternity; Race; Religion or belief; Sex; Sexual Orientation; Marriage and civil partnership.</i>	
What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	<p>Evidence and Data used for assessment</p> <ul style="list-style-type: none"> • Joint Strategic Needs Assessment 2011 • Older Persons Evidence 2010 • Housing Market Assessment 2009 • Public Health Report 2008. <p>Fordham Research was commissioned in July 2010 to undertake a study into the housing and support needs of older people (defined as those aged 55 and over, the qualification age for Council older person services), living in the Housing Market Area (HMA) of Taunton. The Taunton HMA includes Taunton Deane, Sedgemoor and West Somerset.</p> <p>There are about 91,000 older people in the Taunton HMA: some 35.9% of the total population, larger than the regional</p>	

and national average. The number of older people in the HMA is expected to increase by 41.1% in the next 20 years. There are about 51,500 older person only households in the Taunton HMA and in Taunton Deane itself the number of older people is above average and is expected to increase. The Sustainable Community Strategy underlines the housing and support needs of Taunton's older population. It states that Taunton Deane has a higher than average dependency ratio due to there being proportionately more pensioners, and fewer 15 - 44 year olds. The dependency ratio is a measure of the proportion of a population who are too young or too old to work. A rising dependency ratio is a concern in many areas that are facing an ageing population, since it becomes difficult for pension and social security systems to provide for a significantly older, non-working population.

Estimates suggest that, by 2030, the number of people over 65 with mobility problems and a limiting long term illness will also increase by over 40%. More than a quarter of these older households in 2010 reported a 'support need', most commonly for a physical disability. For households who would prefer to stay in their homes, 40% of those who needed adaptations did not have them. One reason given for this is a lack of awareness of the adaptations service provided by the Somerset Private Sector Housing Partnership (SWPSHP). We will be resolving this through extensive promotion and through new and established user groups, including the Tenant Services Management Board and the Tenants' Forum. From experience, disabled facilities and adaptations promotion will generate an uplift of demand of around 10%. It is important to promote this service to deal with any inequalities that have been identified. The most commonly required adaptations are a downstairs toilet and handrails. Some older person households with support needs required further minor works adaptations such as a low level shower and stair lift. This all points to a need to continue to support HRA disabled facilities and adaptations funding in 2013/14, in response to these changing demographics and demands.

Section two – Conclusion drawn about the impact of service/policy/function/change on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality

The anticipated main impacts of a reduction in 2013/14 HRA disabled facilities grants and adaptations funding on specific groups are:

Age:

A reduction in 2013/14 capital funding to help vulnerable HRA households will have an adverse impact on the independence, health and well-being of older council tenants which will, in turn, increase their need for care and support services. Disabled facilities grants and minor works adaptations to council owned HRA housing properties to facilitate independent living will allow older, more vulnerable tenants to live meaningful, fulfilled lives in HRA homes for longer.

Disability:

Disabled households benefit greatly in increased mobility and independence from disabled facilities grants and minor works adaptations. Reducing the 2013/14

HRA budget for this will increase customer waiting times and therefore cause unnecessary discomfort and distress to disabled people, when we should be doing our utmost to deal with the disadvantages faced by this group. This would be a missed opportunity for promoting equality and more equal outcomes in the HRA.

I have concluded that there is/should be:

No major change - no adverse equality impact identified	
Adjust the policy	Actions will be identified that will help mitigate the impacts identified above.
Continue with the policy	
Stop and remove the policy	

Reasons and documentation to support conclusions

Section four – Implementation – timescale for implementation

Section Five – Sign off

Responsible officer: Paul Harding & Vikki Hearn Date: 16th January 2013	Management Team Date
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Section six – Publication and monitoring

Published on

Next review date	Date logged on Covalent
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Action Planning

The table should be completed with all actions identified to mitigate the effects concluded.

Actions table					
Service area	Strategy		Date	2013/14	
Identified issue drawn from your conclusions	Actions needed	Who is responsible?	By when?	How will this be monitored?	Expected outcomes from carrying out actions
Awareness of disabled facilities grants and disabled adaptations for HRA tenants	Promotion of disabled adaptation service provided by the Somerset West Private Sector Housing Partnership for HRA tenants	Partnership Manager	April 2013 onwards and ongoing	Monthly performance monitoring of demand for disabled facilities grants and adaptations from HRA tenants	Raised awareness amongst the Tenant Services Management Board and the Tenants' Forum of the Partnership service Identification of any inequalities
The specific equality needs of older and disabled HRA tenants	Identify housing equalities, needs and choices for older and disabled HRA tenants to supplement the grants and adaptations approach	Housing Services Manager	August 2013	Tenant Services Board, Executive, Scrutiny and Partnership Board reports	Explore measures and potential housing options for older HRA tenants struggling with limited income and poor quality of life but who want to stay put
Ensure consistency, accessibility and equality of all advice and assistance given by council staff to HRA tenants	Induction process for all new staff (including any temporary/agency staff); clear written procedures; effective staff supervision; and regularly reviewing all customer	Partnership Manager	April 2013 and ongoing from then	Quarterly Housing Partnership Board reports Tenant Services	HRA tenants receive the same level and quality of advice and assistance, irrespective of who they are, where they live, and who they deal with

	satisfaction returns and comments			Management Board	
The significance of age and disability in meeting equalities responsibilities	Raise awareness of characteristics of all these protected groups in relation to wider housing market and how this links to the local authority strategic housing role	Housing Services Manager	September 2013	Tenant Services Management Board, Scrutiny and information reports, staff briefings and housing briefings	Easily understood and accessible data and information on protected groups and their specific characteristics in the HRA Raised awareness of our responsibilities to these protected groups and how these duties can be discharged within the HRA