

## NORTHAMPTON BOROUGH COUNCIL

### CABINET

Your attendance is requested at a meeting to be held at the Jeffery Room,  
Guildhall on Monday, 5 March 2007 at 6:00 pm.

**M. McLean**  
Chief Executive

### AGENDA

#### K= Key decisions

1. APOLOGIES
2. MINUTES
3. DEPUTATIONS/PUBLIC ADDRESSES
4. DECLARATIONS OF INTEREST
5. ISSUES ARISING FROM OVERVIEW AND SCRUTINY COMMITTEES  
None
- .K.. 6. DELAPRE PARK BUND; RESULTS OF PUBLIC CONSULTATION (CPFSP) S. Dougall  
x 8177  
Report of Asset Manager (copy herewith)
- .K.. 7. PROPOSED POLICY FOR THE OCCASIONAL DISPOSAL OF LAND AT DISCOUNT TO MARKET VALUE (CPFSP) S. Dougall  
x 8177  
Report of Asset Manager (copy herewith)
- .K.. 8. HOUSING STRATEGY (EI) C.  
Cavanagh  
x 8461  
Report of Corporate Manager, Regeneration, Growth and  
Community Development (copy herewith)
- .K.. 9. ALLOCATIONS POLICY REVIEW (RO) F. Rodgers  
x 7595  
Report of Corporate Manager, Housing Services (copy herewith)
- .K.. 10. REVISED SEVERANCE SCHEME (BIPSE) H.  
Crabtree  
x 7377  
Report of Corporate Manager, Human Resources (copy herewith)
- .K.. 11. BUDGET OUTTURN 2006/07 (CPFSP) I  
Thompson  
x 8339  
Report of Director of Finance (copy herewith)
- .K.. 12. GROSVENOR/ GREYFRIARS; PROGRESS (CPFSP) C.  
Cavanagh  
x 8461  
Report of Corporate Manager, Regeneration, Growth and  
Community Development (copy herewith)
- .... 13. MEETINGS CYCLE 2007/08 (CPFSP) F.  
McGown  
x 7101  
Report of Solicitor to the Council (copy herewith)

- .K.. 14. KINGSTHORPE RECREATIONAL GROUND AND  
KINGSTHORPE MIDDLE SCHOOL (CEDs)

S. Dougall  
x 8177

Report of Asset Manager (copy herewith)

15. EXCLUSION OF PUBLIC AND PRESS

THE CHAIR TO MOVE:

“THAT THE PUBLIC AND PRESS BE EXCLUDED FROM THE  
REMAINDER OF THE MEETING ON THE GROUNDS THAT  
THERE IS LIKELY TO BE DISCLOSURE TO THEM OF SUCH  
CATEGORIES OF EXEMPT INFORMATION AS DEFINED BY  
SECTION 100(1) OF THE LOCAL GOVERNMENT ACT 1972 AS  
LISTED AGAINST SUCH ITEMS OF BUSINESS BY  
REFERENCE TO THE APPROPRIATE PARAGRAPH OF  
SCHEDULE 12A TO SUCH ACT.”

## SUPPLEMENTARY AGENDA

**Exempted Under Schedule  
12A of L.Govt Act 1972  
Para No:-**

- |      |     |   |     |                          |
|------|-----|---|-----|--------------------------|
| .K.. | 16. | GROSVENOR/ GREYFRIARS; PROGRESS (CPFSP)<br>Report of Corporate Manager, Regeneration, Growth<br>and Community Development (copy herewith) | (3) | C.<br>Cavanagh<br>x 8461 |
| .K.. | 17. | TRADE WASTE (LE)<br>Report of Corporate Manager, Street Scene and<br>Property Maintenance (copy herewith)                                 | (3) | C. Grimmer<br>x 7464     |

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**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Committee</b> CABINET	
<b>Directorate:</b>	Governance and Resources
<b>Corporate Director:</b>	Ian Thompson
<b>Date:</b>	5 March 2007

<b>Report Title</b>	Delapre Park Bund – Report on Consultation process
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<b>Key Decision</b>	YES
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**1. Recommendations**

**1.1 That Cabinet notes the results of the consultation process undertaken concerning the future of the Delapre Park Bund, summarised in the attached report at Appendix 1 by the former interim Corporate Communications Manager. Cabinet in particular notes the balance of opinion expressed against the need to remove the bund and the weight of expressed views against the Council incurring costs in removing the bund.**

**1.2 That Cabinet, in light of the outcome of the consultation exercise, resolves not to take any further action concerning the removal of the bund.**

**2. Summary**

- 2.1 At a Cabinet Meeting on 19 December 2006, it was noted that planning permission for the removal of the Delapre Park Bund had been granted. It was reported that the estimated costs of removal and subsequent making good of the land were calculated to be between £148,000 and £294,000, depending upon the percentage of material that might have to be disposed of in a landfill site. It was further noted that the provisional costs of installing timber bollards, as an alternative measure to prevent unauthorised access of cars onto the park, were £28,000 to £37,000.**
- 2.2 At the same meeting it was noted that a consultation exercise with local**

residents was to be undertaken concerning their views about the potential removal of the park bund and the prevention of unauthorised vehicular access.

- 2.3** The consultation exercise has been completed and the results have been analysed in the attached report at Appendix 1. These show that 61% of respondents living in areas closer to the bund considered that the bund should be left in place. This increased to 67% of all respondents (when the views of Borough residents in other parts of the Town were included).
- 2.4** The consultation exercise found that 77% of respondents living in areas closer to the to the bund felt that it was not a good use of public funds for the Council to remove the bund. This figure was almost exactly the same as that for the overall sample of respondents (including those from other areas of the Town).
- 2.5** Some complaints were received about the conduct and methodology of the consultation process. All of the complaints were addressed and the comments made by the individuals concerned have been included in the "COMMENTS AND FEEDBACK" section of the Report at page 6.

### **3. Report Background**

In 2005 a bund was installed running parallel to London Road along the Delapre Park frontage, as part of a larger scheme (including Delapre Golf Club), to prevent the entry of unauthorised vehicles. The installation of the Bund has been unpopular with some residents.

At full Council on 26 June 2006, a resolution was passed requiring officers to make a planning application for the removal of the bund and to investigate the costs of doing so (and funding sources) and the costs of possible alternative measures to protect the park.

### **4. Options and Evaluation of Options**

**4.1** The first option is to leave the bund in situ. The bund does presently serve its original purpose of preventing unauthorised vehicular access to the park. This is unpopular with some local residents, particularly some of those who live on the London Road. This option involves no action and no additional cost to the Council.

**4.2** The second option is to continue discussions with English Partnerships (EP) and any other development organisations, concerning their potential requirement elsewhere for some of the material making up the bund. As reported to Cabinet on 19 December 2006, there would still be a substantial cost in removing to landfill any residual inert material of a type not required by a third party and for making good the land. There would also be considerable noise and disturbance to residents during the civil engineering

**process that would be required to remove the bund, make good the land and put in place alternative protection measures.**

**4.3 The third option is for the Council to choose to make capital resources available to arrange for the removal of the bund material to landfill, to make good the land and to put in place alternative security measures. This would involve disturbance and noise to residents as per 4.2 above and would necessarily require the Council prioritising this use of capital funds over other schemes.**

## **5. Resource Implications (including Financial Implications)**

**Option 4.1 would involve no additional use of Council resources.**

**Option 4.2 would involve continued officer time in trying to identify and discuss potential arrangements with third parties for the removal by them of part or all of the bund. Upon the assumptions made in the report to Cabinet on 19 December 2006, the likely residual costs of the Council in dealing with the remnants of the bund after 80% removal (assuming willing party found), after making good the ground and the installation of softwood bollards would total c. £180,000. There would thereafter be maintenance costs in connection with the bollards installed.**

**Option 4.3 would involve officer time in preparing and supervising a scheme of removal of the bund, making good the land and installing alternative security measures. The likely total costs, as identified previously, would be in the region of £330,000. There would be ongoing maintenance liabilities with any alternative system of park protection installed.**

## **6. Risk and Opportunity Issues**

**There are no substantive risks associated with leaving the bund as existing.**

**The removal of the bund would require the Council to meet substantial costs - possibly in excess of those estimated above. Any major removal works would involve causing significant disturbance to local residents.**

**7. Consultees (Internal and External)**

<b>Internal</b>	<b>Parks; Regeneration</b>
<b>External</b>	<b>Borough Residents; Delapre Park Action Group; Ward Councillors</b>

**8. Compliance Issues**

**A: How Proposals Deliver Priority Outcomes**

<b>Recovery Plan</b>
N/A
<b>Corporate Plan</b>
<b>Priorities for 2006/2007:</b>
1.Listen to Local People and provide the services they need.
4. Make Northampton a cleaner, safer and greener place to live.
5. Manage the Council's finances effectively.

**B: Other Implications**

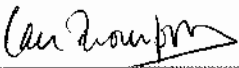
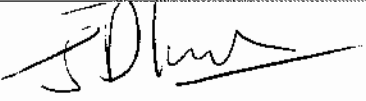

<b>Other Strategies</b>
<b>Corporate Capital Strategy</b> <i>n/a</i>

<b>Finance Comments</b>
<i>fine</i>

<b>Legal Comments</b>

**9. Background Papers**

<b>Title</b>	<b>Description</b>	<b>Source</b>
<b>Full Council 26 June 2006</b>	<b>Council Minutes</b>	<b>Council archive on modern.gov/internet</b>
<b>Cabinet 19 December 2006</b>	<b>Cabinet Report &amp; Minutes</b>	<b>Council archive on modern.gov/internet</b>

<b>Name</b>	<b>Signature</b>	<b>Date</b>	<b>Ext.</b>
<b>Author</b>	<b>Simon Dougall – Asset Manager</b>		<b>8177</b>
<b>Corporate Manager</b>	<b>N/A</b>	-	-
<b>Director</b>		13/2/07	8744
<b>Monitoring Officer or Deputy (Key decision only)</b>		28/2/07	8335
<b>Section 151 Officer or Deputy (Key decision only)</b>			





**NORTHAMPTON  
BOROUGH COUNCIL**

## **Northampton Borough Council**

# **Results of Delapre Park bund consultation survey December / January 2006**

## **1. INTRODUCTION**

In 2005 a bund was installed running parallel to London Road along the Delapre Park frontage, as part of a larger scheme by the Delapre Golf Club to protect the golf course similarly, with the view to preventing entry of unauthorised vehicles. The installation of the bund has been unpopular with some residents.

At Full Council on 26<sup>th</sup> June 2006, a resolution was passed, in summary, that a planning application for the removal of the park bund be lodged, to identify the likely costs of the work and potential funding and to look at alternative protection measures for the park and their costs. Any future decision to remove the bund will be a cabinet decision. As part of Cabinet's decision-making process, a consultation survey was commissioned to canvass a broad spectrum of public opinion. This report describes the methodology and outcomes of that survey.

## **2. METHODOLOGY**

The primary survey sample was drawn from residents of Far Cotton and Cotton End<sup>1</sup>; some residents living in the northern part of Merefield, and Hardingstone were also included. The number of households registered for council tax within that area number approximately 4,000. The sample size was 400 and represents approximately 10% of all households. To ensure that the distribution of addresses was both random and uniform, one in ten addresses (every tenth address) was selected from the council tax register.

A second random sample of 300 addresses throughout the entire town was also surveyed. The rationale for the second sample is that the financial consequences of the council removing the bund would affect the entire town in terms of the financial provision the council was able to make for other services, amenities and facilities.

To ensure that the survey met rational and objective criteria and was not prejudiced by subjective influence, the samples were made using automated selection methods and were not screened or filtered by any officer of the council.

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<sup>1</sup> The area demarcated by London Road, Towcester Road and Mere Way.

### Statistical significance and bias

A response rate of 27% for the primary sample and 24% overall was achieved. The sample was biased statistically through the addition of a group of 17 complainants whose views were already known to the council. The complainants' group as a proportion of the sample and responses is:

<b>Sample</b>	<b>Number</b>	<b>Number of complainants</b>	<b>% of complainants</b>
Overall	717	17	2.4%
Primary	415	15	3.75%
Whole town	302	2	0.67%
<b>Responses</b>	<b>Number</b>	<b>Number of complainants</b>	<b>% of complainants</b>
Overall	169	15	8.86%
Primary	111	13	11.71%
Whole town	58	2	3.45%

The responses to the question of whether the bund should be removed or left in place are analysed below with and without the complainants.

A number of respondents (mainly the complainants) commented that they felt the survey questionnaire to be loaded or biased towards keeping the bund in place. They claimed that by focussing on finance rather than other considerations, the council was trying to prejudice the outcome in favour of leaving the bund in place. Some of the complainants also alleged that the council had deliberately inflated costs in order to prejudice public opinion against their cause. It was decided to use the upper limit of costs in the survey since engineering projects of this size frequently over-run cost estimates and that the higher cost should be used as a budget should the project proceed. The range of costs for the removal of the bund and the installation of fencing was between circa £194,000 and £330,000. It might be argued that in surveys of this type there is little difference in public perception of such large amounts and that the use of the lower figure would probably have produced the same survey result.

### 3. RESULTS

1. We asked, "Should the bund be removed or left in place?"

<b>Sample with complainants</b>	<b>Removed</b>		<b>Left in place</b>	
	<b>Number of respondents</b>	<b>%</b>	<b>Number of respondents</b>	<b>%</b>
Overall	52	30	113	67
Primary sample	43	39	67	61
Whole town	9	15	46	79

Of the overall sample with complainants, 21 respondents, who wished the bund to be removed, stated that bollard fencing or some other suitable barrier should be erected in place of the bund.

<b>Sample without complainants</b>	<b>Removed</b>		<b>Left in place</b>	
	<b>Number of respondents</b>	<b>%</b>	<b>Number of respondents</b>	<b>%</b>
Overall	37	22	113	67
Primary sample	30	27	67	61
Whole town	7	12	46	79

2. We asked if the respondents believed that the removal of the bund represented good use of public funds or if they were opposed to public funds being used in this way.

<b>All respondents</b>	<b>Good use of public funds</b>		<b>Good use</b>		<b>Opposed</b>	
	<b>Number of respondents</b>	<b>%</b>	<b>Number of respondents</b>	<b>%</b>	<b>Number of respondents</b>	<b>%</b>
Overall	24	14	131		131	78
Primary sample	18	16	85		85	77
Whole town	6	10	46		46	79

**Note**

Not all respondents answered all questions hence the percentages do not total 100%.

## 4. COMMENTS AND FEEDBACK

Comments from those in favour of removing the bund	Number of comments
Inadequate prior public consultation	16
Damage to scenery (aesthetics), trees, wildlife, environment, drainage	11
Golf club should pay for its removal	10
Costs of removal inflated in survey - biased or loaded survey questionnaire	8
Bad planning (planning permission for erection of bund should not have been granted)	5
Does not do the job for which it was intended	5
Makes access difficult for elderly and disabled	3
Increases traffic noise	1
Increases bikers nuisance	1

**Comments from those in favour of leaving the bund in place**

	<b>Number of comments</b>
Council should put its funds to better use	33
Does the job intended (in part or in whole)	28
Aesthetics acceptable; Bund does not damage environment	14
Campaigners reflect the interests of a small number of local residents	6
Inadequate prior public consultation	5
Plant bulbs, flowers, grass seed	4
Improves personal safety	1

## **5. COMPLAINTS AND VOIDS**

### **Complaints**

Four complaints were received about the survey all of which came from known complainants. Three complaints were received from Mrs Pamela Varnsvery of the Delapre Park Action Group. Of these, two were received by the council directly and one via the ombudsman. All of Mrs Varnsvery's complaints were addressed and resolved to her satisfaction and a response was made to the ombudsman (who had referred the complaint back to the council) by the complaints' unit that described how her complaints had been resolved. A further complaint was made by Mr W J Clifton and his comments were included in the analyses above.

### **Voids**

Three responses were void. Their receipt was recorded in the number of responses received but their detail was excluded from the analysis. One response answered all questions "yes" and was meaningless. Another was from a councillor who had been inadvertently included in the whole town sample. We believed that it was best to exclude the response as the councillor was privileged and able to participate in the council decision. A third questionnaire had been photo-copied and passed to someone who had not been included in the original sample.





**NORTHAMPTON  
BOROUGH COUNCIL**

**Name of Committee**  
**CABINET**

**Directorate: Governance and Resources**

**Corporate Director: Ian Thompson**

**Date: 5 March 2007**

<b>Report Title</b>	<b>Disposal of Council Land and Property at market value – Policy criteria for exceptions</b>
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<b>Key Decision</b>	<b>YES</b>
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**1. Recommendations**

- 1.1 Cabinet to note the presumption that all disposals of Borough owned land and property, whether freehold or by the grant of lease, will be at market value (other than sales under "right to buy").
- 1.2 Cabinet to agree that in exceptional cases that meet the criteria set out in this report at Appendix 2, Cabinet may give consideration to the disposal of land and property for non-commercial uses only at less than market value. It is further recognised that, albeit rarely, sometimes disposals at undervalues of very low amounts, even to private parties, can support specific Council strategies (e.g. as illustrated at 8B of this report). Consequently, for the purposes of this proposed policy, "less than market value" shall be defined as being either a maximum of £5,000 below actual market value in respect of a freehold disposal, or a maximum of a £5,000 cumulative rental reduction from open market rental over the whole term of years in respect of a leasehold disposal. In such latter cases, any such disposal would nevertheless still have to be approved by the portfolio holder acting in accordance with the Constitution of the Council.
- 1.3 Cabinet to agree that in cases which satisfy the criteria set out in Appendix 2, there is no obligation to dispose for less than market value, but that such cases may be given consideration, subject to affordability.

- 1.4 That any exceptional disposal of land or property at less than market value will ordinarily be assumed to be by way of grant of a leasehold interest, to ensure that the Council can properly control the future permitted use of the land or property.
- 1.5 A freehold disposal at less than market value may only be considered where for specific reasons made clear in a report to Cabinet, the grant of a leasehold interest will not allow the proposed disposal/scheme to proceed or will be inappropriate. In these circumstances, Cabinet must be wholly satisfied before agreeing to any freehold disposal that legal mechanisms will ensure that proposed restrictions on future use will be sufficiently robust and enforceable.

## **2. Summary**

- 2.1 Councils have a general duty to achieve best value for disposal of their property assets. This can however be modified under specific circumstances to permit sale at less than market value.
- 2.2 Northampton Borough Council has in the past in special cases occasionally sold or leased property at less than market value. The Council is now coming under increasing pressure to act in this way more frequently. A clear policy is required to support consistent decision-making in this important area.

## **3. Report Background**

- 3.1 Appendix 1 sets out the legal framework for the sale or lease of Council properties and specifically for capital receipts.
- 3.2 Appendix 2 sets out the proposed NBC criteria for disposal at less than market value, for non-commercial uses. An abbreviated flowchart is also included. In outline, the proposed disposal must deliver council priorities, be of benefit to a significant section of the community, lever in external funds and have a sustainable future without further funding from NBC.
- 3.3 It is proposed that schemes that fail to meet all of the criteria stated will be presumed not to qualify for disposal at less than market value. It remains possible that Cabinet may nevertheless exercise their discretion to approve a disposal that does not meet all of the criteria. Cabinet would be expected to explain clearly why they had come to this decision.
- 3.4 Conversely, whilst a proposed disposal may satisfy all of the criteria, Cabinet may nevertheless still decide to withhold approval to the proposed disposal at less than market value.

- 3.5 Previously the only policy guidance on permissible reasons for sale at a discount was that houses requiring over £20,000 of repairs should be offered to a Registered Social Landlord (RSL) at nil Price. The proposed policy supersedes this.

#### **4. Options and Evaluation of Options**

The options would be:

- 4.1 Never to dispose of property at below market value. This option would have the advantage of simplicity and clarity, but would deprive Northampton of some beneficial developments.
- 4.2 To continue to dispose of land and property occasionally at less than market value, but without a policy framework, taking each case completely on its own merits. This is the present position, and it is unsatisfactory in that it does not support transparent and consistent decision-making. This lack of a policy framework may potentially leave Members' decisions open to challenge.
- 4.3 To approve and work within the proposed policy framework that will guide Members and Officers towards consistent decisions on disposals, for non-commercial purposes whilst allowing a measure of discretion against the framework.

#### **5. Resource Implications (including Financial Implications)**

- 5.1 Council Priorities. The disposal of property at less than market value deprives the Council of an income or potential capital receipt which could have been used to support Council priorities. However if that disposal meets the criteria set out in this report, it will itself be supporting Council priorities and have been tested for best value.
- 5.2 English Partnerships' Clawback. In some specific cases, there will be additional technical implications: for example, former Northampton Development Corporation land transferred to NBC in 1985 and subsequently disposed to other parties is affected by a tapered "clawback" to English Partnerships (EP) of the market value at disposal, for fifty years reducing at 2% pa, so in 2007 the clawback is 56%. This typically affects parkland and community facilities.

The Council would not be able to afford to pay the clawback in cases where it receives no or little receipt. However in some special cases, English Partnerships will, subject to certain approvals, agree to re-invest the clawback where the capital receipt is being used to support a scheme of community benefit. English Partnerships have been consulted on the proposed report, and say that where a disposal at less than market value meets the criteria in this report, then it is likely (but not guaranteed) to also satisfy EP's criteria for re-investment. Each such case must however be checked with English Partnerships prior to bringing to Cabinet for approval.

- 5.3 **Housing Pooling.** In the case of land and property within the Housing Revenue Account (typically surplus houses, garage court sites, small development sites on municipal housing estates), part of the receipt is subject to "pooling" which is a form of central government clawback. 75% of the receipt from house/flat sales and 50% of the receipt from other types of disposals must be paid to the Government unless NBC can demonstrate (in certain cases only) that it is using the receipt to deliver "affordable housing" and/or "regeneration".

The calculation of non Right to Buy pooling is based on the value of the property not the size of the receipt, so like the EP Clawback described above, it would be possible for the Council to not only give up the right to some or all of a capital receipt but also have to pay over to central government resources it did not receive. To prevent this happening, the pooling criteria have been built into the NBC proposed policy criteria.

- 5.4 Where a lease is granted at less than market value, the notional loss of income will need to be recorded as a note to the annual accounts.

## **6. Risk and Opportunity Issues**

- 6.1 The agreement and use of a consistent policy on disposal at less than market value for non-commercial purposes reduces the risk that the Council will have such a disposal decision criticised or legally challenged.
- 6.2 The agreement and use of a consistent policy on disposal at less than market value for non-commercial purposes should permit the Council to take up occasional special opportunities to deliver benefits to the community.
- 6.3 The agreement and use of a consistent policy on disposal at less than market value should reduce the possibility that the Council will inadvertently agree a disposal at below market value that makes the Council liable to pay clawback to English Partnerships or pooling to central government without the benefit of any receipt from which to pay it.

## 7. Consultees (Internal and External)

<b>Internal</b>	Legal Regeneration and Growth Housing
<b>External</b>	English Partnerships

## 8. Compliance Issues

### A: How Proposals Deliver Priority Outcomes

<b>Recovery Plan</b>
N/A
<b>Corporate Plan</b>
Priorities for 2006/2007:  3. Invest in the regeneration of the town, providing economic regeneration and growth.  5. Manage the Council's finances effectively.

### B: Other Implications

<b>Other Strategies</b>
Transfer of small areas of land at an undervalue can be used to support the Northampton Community Safety Strategy, for example at Thorplands where gating off of alleyways and transfer of gated areas to adjacent owner occupiers will reduce crime and disorder.

<b>Finance Comments</b>
<i>None</i>

<b>Legal Comments</b>
<i>Included in report</i>

## 9. Background Papers

<b>Title</b>	<b>Description</b>	<b>Source</b>
Procedure for Disposal of Council (Housing) Property	Paper (2001) on procedure for option appraisal and disposal of occasional void HRA houses	Housing files

**Simon Dougall, Asset Manager, ext 8177**

**Legal background to local authority property disposals**

1. In general all local authorities have the power to dispose of land for the best price that can reasonably be obtained; but they need the consent of the Secretary of State to dispose of it for less than that best price (Section 123, Local Government Act 1972). Local Authorities are also under a general fiduciary duty to local taxpayers, which means that they should not transfer assets for less than their value without good reason.
2. A General Consent to dispose of land at less than best price was issued by the Secretary of State under section 123 of the 1972 Act in Circular 6/03. This consent enables local authorities to dispose of land at an undervalue where they consider this will contribute to the promotion or improvement of the economic, social or environmental wellbeing of their area. The discount from full value must not exceed £2m per transaction.
3. Disposal at an undervalue of over £2m requires specific consent from the Secretary of State. Such disposals are very rare: in the three years ending June 2006, there were only six such disposals approved nationwide. (They included a site for a sixth-form college, a City Academy, two residential development sites, a science park site and one covenant release.)
4. Different rules apply to housing land. Here any disposal, even at full value, needs the consent of the Secretary of State under section 32 of the Housing Act 1985. However a number of general consents (the General Housing Consents 2005) have been issued covering a variety of situations, some of which allow for disposal at undervalue. Some of the General Housing Consents also take account of section 25 of the Local Government Act 1988. This requires the consent of the Secretary of State before local authorities can give assistance towards privately let housing. Transferring land (whether housing land or not) at an undervalue counts as such assistance and requires consent under this section. The two consents which are most relevant to this report (and which include consent under section 25) are that in summary:
  - Land may be transferred freehold or on long lease to Registered Social Landlords (RSLs) for housing development at an undervalue, providing various conditions are met and no more than £10 million of total undervalue is given by the authority in one year.
  - A local authority may transfer freehold or by long lease a dilapidated vacant house to an RSL at an undervalue, but only if it meets specific criteria concerning the value of the work required.
5. Note that the consents are enabling – they do not oblige a council to sell at undervalue in the specified circumstances, only allow it to do so if it wishes.
6. European Union State Aid rules: Public subsidy of more than 100,000 Euros (about £70,000) to any one Enterprise in a rolling 3 year period will trigger the State Aid rules. Disposing of land at an undervalue can amount to a subsidy for this purpose and consideration of the possible application of the State Aid rules will need to be given as cases arise.

**Criteria to guide the approval of disposals by Northampton Borough Council of property for non-commercial use, at less than market value\* (excluding Right to Buy sales)**

**NOTE - This policy is intended to apply purely to proposed disposals to a registered charity, registered social landlord, or other properly constituted not-for-profit organisation. Even if disposals meet all criteria, each transaction must be approved by Cabinet in order to proceed, and Cabinet may choose not to approve.**

- **N.B. “less than market value” shall here mean in the case of a leasehold disposal a maximum of a £5,000 cumulative rental reduction from open market rental over the whole term of years granted OR in the case of a freehold disposal a maximum of £5,000 below actual market value.**
- 1. The project/disposal must support specific current Council priorities.**
  - 2. The project/disposal must create benefit for a significant section of the community in Northampton.**
  - 3. The amount of discount must provide value for money for the Council in relation to the Council priority outputs the project/disposal will deliver.**
  - 4. The project/disposal could not proceed without the proposed discount.**
  - 5. The project/disposal levers in significant additional investment from sources other than Northampton Borough Council. “Significant” in this context will normally be interpreted to mean a sum at least equal to the amount of the discount given.**
  - 6. The project/disposal must have a robust and realistic plan for capital funding to completion.**
  - 7. The project/disposal must have demonstrated a sustainable business plan that does not rely upon additional revenue or capital funding from Northampton Borough Council.**
  - 8. There must be a proven need for the proposed facility in the locality it will serve.**
  - 9. Where the land or property in question is held partly or wholly within the Housing Revenue Account, the proposed disposal at less than market value must be for the purposes of either “affordable housing” or “regeneration”, or other updated criteria required to avoid the loss of resources via “pooling” payments to central government.**
  - 10. Where the land or property in question was transferred partly or wholly from the former Northampton Development Corporation in 1985 and is**

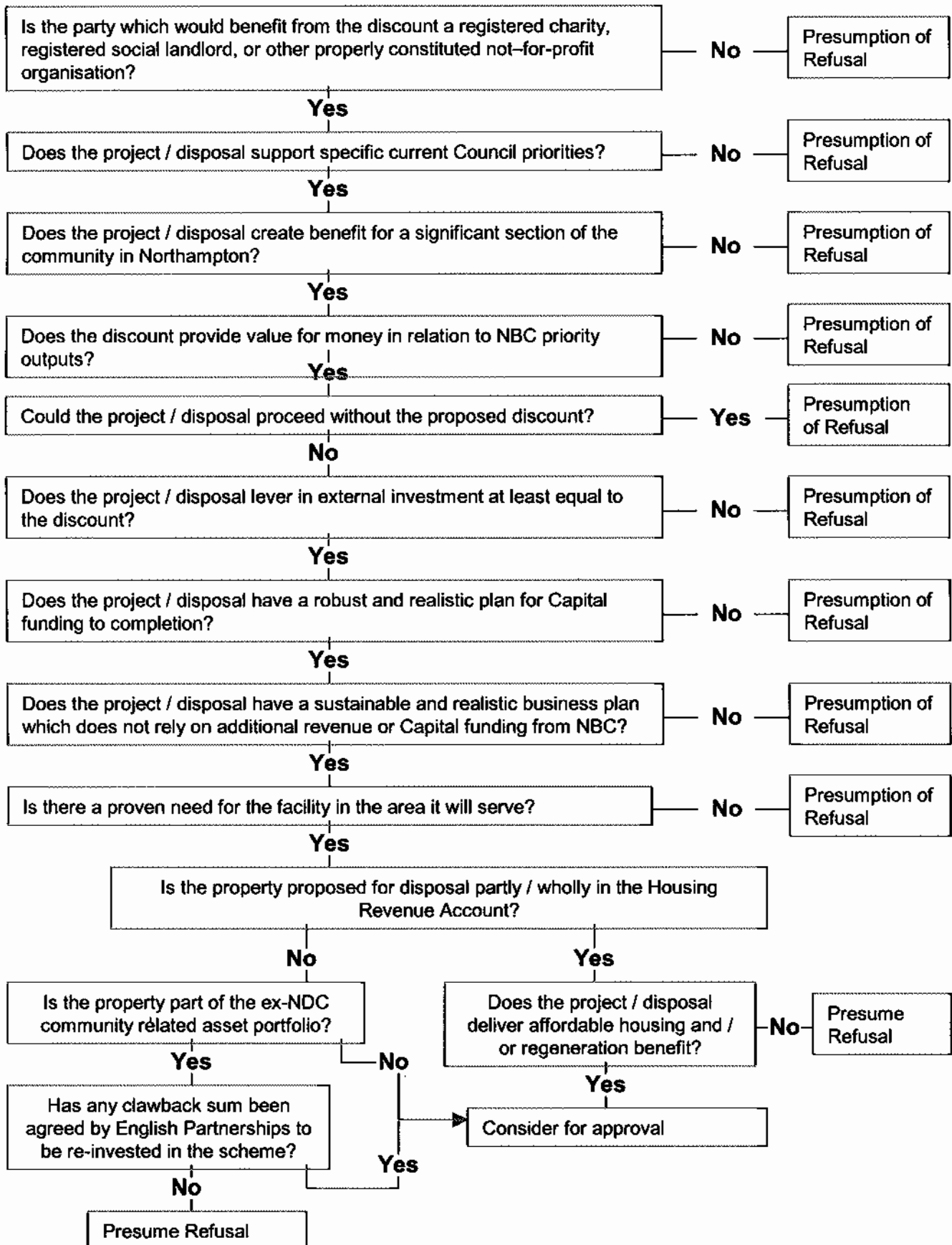


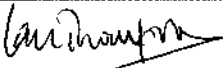


**subject to potential clawback on future disposals, the total reinvestment of the claw back amount in the proposed disposal must have been approved by English Partnerships (NDC's successor) prior to reporting to Cabinet.**

- 11. The proposed disposal at less than market value must be approved specifically by Cabinet, and the extent to which it meets the criteria above must be demonstrated in the report. It is not sufficient for the disposal to appear to satisfy the criteria above, without a Cabinet approval.**

## Northampton Borough Council

### Criteria for exceptional disposal of NBC property for non commercial use, at less than market value (excluding right to buy) – Flow Chart



Name	Signature	Date	Ext.
<b>Author</b>	Simon Dougall		8177
<b>Corporate Manager</b>	na		
<b>Director</b>		13/2/07	8477
<b>Monitoring Officer or Deputy (Key decision only)</b>		28/2/07	7325
<b>Section 151 Officer or Deputy (Key decision only)</b>			



**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Committee</b>	<b>CABINET</b>
<b>Directorate:</b>	Regeneration and Growth
<b>Corporate Manager:</b>	Christopher Cavanagh
<b>Date:</b>	5 <sup>th</sup> March 2007

<b>Report Title</b>	Enabling and Delivering Housing Choice Housing Strategy 2006-2011
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<b>Key Decision</b>	<b>YES</b>
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**1. Recommendations**

Cabinet members consider and approve the draft Housing Strategy 2006-2011 "Enabling and Delivering Housing Choice" (Appendix A) for submission to Government Office for the East Midlands (GO-EM).

**2. Summary**

The draft Housing Strategy 2006-2011 was completed in December 2006. This has now undergone extensive consultation and amendments take into account suggestions and comments made.

A summary of the consultation is enclosed and Cabinet are requested to approve this to enable it to be submitted to GO-EM who will then consider its acceptance as a fit for purpose document. This would then enable the strategy to be operated as fit for purpose across the Council as required by the Local Government Act 2003.

### **3. Report Background**

#### **Introduction / purpose**

3.1 The Local Government Act 2003 introduced a requirement for Local Authorities to produce a fit for purpose housing strategy. An initial draft was produced in 2005, however this was deemed by GO-EM to be not fit for purpose.

3.2 The Housing Strategy Team commissioned a senior housing and planning consultant, Jon Watson, to assist in revising the strategy and address the issues raised by GO-EM. To ensure matrix working across corporate areas a Housing Strategy Project Board was set up to include representatives from Housing Services, Housing Repairs, Customer Services, Citizen Engagement and Private Sector Housing. In order to ensure political engagement a Housing Strategy Steering Panel was also formed with representatives from the corporate areas above, Members from the three political parties and external agencies i.e. Housing Corporation, WNDC and NCC.

3.3 Following a meeting of the Housing Strategy Steering Panel on 7<sup>th</sup> December 2006, the draft document was completed and the Executive Summary, the Strategy and the Appendices were circulated widely and also posted on the Council's website as part of a consultation programme. Members of the Housing Strategy Team have attended meetings with the following organisations and groups to consult on the draft Strategy:-

- Registered Social Landlords
- LSP Board
- LGB Forum
- N-Tact
- Community Forums
- Housing Corporation
- Developers and Estate Agents
- WNDC Growth Delivery Plan Housing Infrastructure Sub-Group
- Northampton Volunteer Service
- Private Sector Landlords

3.4 The responses received are tabulated in Appendix 12 to the Strategy.

3.5 As part of the consultation a meeting was held with GO-EM on 1<sup>st</sup> February 2007 to discuss the draft Strategy. GO-EM confirmed that the strategy was expected to achieve fit for purpose status subject to suggested amendments. The strategy has now been revised to take into account these suggested amendments and other comments from the broader consultation as agreed at a meeting of the Housing Strategy Steering Panel on 13<sup>th</sup> February 2007. The final version of the Strategy is attached to this report.

3.6 Cabinet approval is sought to submit the Housing Strategy to GO-EM in order to achieve fit for purpose status.

#### **4. Options and Evaluation of Options**

The available options are as follows:

1. Not to produce a Housing Strategy
2. defer approval
3. Adopt the Strategy and keep it under review

1. The option of not producing a fit for purpose housing strategy is not viable since all local authorities are required to produce a housing strategy under the Local Government Act 2003

2. The option of deferring approval is also not recommended since the Strategy has been in preparation since early 2005 and it is an essential component of the improvement of the Council in general and the Housing Service in particular.

3. The option of adopting the Strategy and keeping it under review is the most preferable option since it enables an up to date strategic direction for housing to be published, taking account of community involvement and keep it under review through the preparation and monitoring of an annual Action Plan .

Option 3 is the option which should be followed

#### **5. Resource Implications (including Financial Implications)**

The Strategy refers to the need to effectively manage the housing assets of the Council and ensure that the housing stock is managed and maintained in the most effective way, taking into account the financial implications to the authority and on going consultation with tenants.

#### **6. Risk and Opportunity Issues**

If the Housing Strategy is not submitted to GO-EM it will not achieve fit for purpose status by 31<sup>st</sup> March 2007. A Fit for Purpose Strategy, It is an important element in demonstrating improvement of the Council by stating medium term strategic housing priorities, responding to the growth agenda for Northampton and having been revised through an improved corporate and partnership process.

#### **7. Consultees (Internal and External)**

<b>Internal</b>	Housing Services, Environmental Health, Asset Management, via a Housing Strategy Project Board and Steering Group
<b>External</b>	Amongst others - West Northamptonshire Development Corporation, Housing Corporation, Registered Social Landlords,

Local Strategic Partnership, Developers and Estate Agents, Private Sector Landlords, N Tact, Northampton Volunteer Service, MPs, Northamptonshire County Council, adjoining District Councils, English Partnerships, Northampton Federation of Residents Associations.

## 8. Compliance Issues

### A: How Proposals Deliver Priority Outcomes

#### Recovery Plan

Improving the effectiveness of our Housing Services  
 Improve our work with partner organisations  
 Delivering sustainable growth that meets the aspirations of current and future generations

#### Corporate Plan

Priority 2 - improve Northampton's housing by focusing on and improving our weakest services

Priority 3 – Invest in the regeneration of the Town, providing economic development and growth

### B: Other Implications

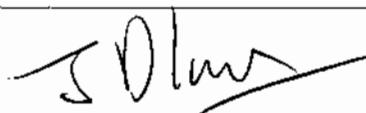
#### Other Strategies

Emerging LDF

Emerging Regeneration and Economic Development Strategy

#### Finance Comments

#### Legal Comments

Name	Signature	Date	Ext.
Author	Yvonne Faulkner/Stephen Pointer		
Corporate Manager	Chris Cavanagh		
Director			
Monitoring Officer or Deputy (Key decision only)		1.3.07	7335

**Section 151 Officer  
or Deputy  
(Key decision only)**

*Bill Lewis*





**NORTHAMPTON**  
**BOROUGH COUNCIL**

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# **Enabling and Delivering Housing Choice**

## **Housing Strategy 2006 – 2011**

## **FOREWORD**

*This is the Housing Strategy for Northampton 2006-11 and has been produced at a time of major change and challenge for the Borough.*

*Northampton is part of the Government designated Milton Keynes-South Midlands Growth Area which means new houses and new jobs are required as the borough grows to a town of 300,000 people by 2021. This is a rate of growth the town has some track record of dealing with; and following the work of the Northampton Development Corporation, we have come full circle in again being identified for growth in the Government's Sustainable Communities Plan for accommodating the economic growth requirements of the South East of England.*

*We need to ensure that the right accommodation is being provided to meet the changing needs of the current and future residents of Northampton. Increasing house prices, the supply of affordable and decent accommodation, housing investment, support for vulnerable people, safe neighbourhoods and customer choice all are all important considerations in understanding and responding to the wide range of housing needs.*

*Northampton Borough Council wants to produce a Fit For Purpose Housing Strategy – this means it is capable of achieving exactly what needs undertaking. As your Council continues on its journey to recovery, we have considered how best we can produce an effective and robust housing strategy that responds to the housing needs of the borough. Councillors of all parties and key partners have come together to form the Housing Strategy Steering Panel to demonstrate political and partner commitment and ownership to the success of the housing strategy. We are supported by Northampton Borough Council officers, who are undertaking corporate working through a Housing Strategy Project Board to ensure that we are providing an effective corporate response to the challenges of the housing strategy. We intend to increase our partner and customer engagement in the development and delivery of the housing strategy.*

*The Council has developed a clear understanding of its overall priorities, and the role of housing, regeneration and growth are featured prominently in our new documents such as our Service Improvement Plan and the Corporate Plan. We intend to show that our Corporate working is, and can, translate into service improvements on the ground in key areas such as housing.*

*We hope that you agree with our Vision, our strategic priorities, our objectives and proposals for implementation of the Strategy.*

### **Councillor John Caswell**

Portfolio Holder, Regeneration and Growth  
Chair of Housing Strategy Steering Panel

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## **Appendices**

These are published in a separate document

- 1 Development of the Strategy**
- 2 Issues Tabulation**
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- 4 Progress Against Existing Targets**
- 5 West Northamptonshire Housing Market Assessment**
- 6 Northampton Housing Market Study and Needs Estimates 2006**
- 7 Affordable Housing Programme**
- 8 Stock Condition Survey Results**
- 9 Asset Management Strategy for the Council's housing stock**
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- 11 Consultation Plan**
- 12 Consultation Responses**
- 13 Glossary**
- 14 References**

# 1 INTRODUCTION & SUMMARY

## 1.1 Purpose

This Housing Strategy sets out our goals, objectives and action plans to deliver the housing vision of Northampton Borough Council over the next five years. We have worked with partners, customers and other stakeholders to develop this strategy.

There are many drivers, feeders and influencers for the Housing Strategy which are described and analysed in detail throughout the strategy and appendices. Appendix 1 Strategy Development explains our processes in detail. It demonstrates that Northampton is working in a dynamic and changing environment, with a range of opportunities open to us to develop and deliver a transformational housing strategy.

We have developed a vision for housing in Northampton to 2011 based upon consideration of our aspirations and alignment with other key strategic plans and vision statements.

## 1.2 Legal Status

We are tasked to develop a Fit For Purpose Housing Strategy. Development of a Housing Strategy has been a statutory duty for local authorities since the 2003 Local Government Act. The Government introduced Fit For Purpose Criteria to assess the effectiveness of local housing strategies.

## 1.3 Our Vision

This Housing Strategy sets out our aspirational goals for the next five years, which are supported by a series of strategic priorities, for which objectives and annual action plans are set. Our vision for housing and the strategic priorities to support that are summarised below.

### **Our Vision for housing in Northampton**

**We will promote the provision of well-maintained, affordable and environmentally sustainable homes of all tenures, and communities where people choose to live. We will provide excellent customer services and additional support where required.**

## **1.4 Our Strategic Priorities**

- Increase the supply of affordable housing
- Create sustainable communities
- Improve the Housing Service
- Provide support to the most vulnerable people
- Meet the Decent Homes Standard

## **2 WHERE ARE WE NOW?**

### **2.1 Introduction**

2.1.1 In this part of the Housing Strategy we consider the current context for housing in Northampton, both internal and external. The purpose is to analyse and understand the current market and operations. We consider the Northampton context and wider strategic priorities, the housing market in terms of supply and demand, and partnership working/consultation with a range of our stakeholders.

### **2.2 The Borough Council Context**

#### *2.2.1 The Borough Council*

Northampton Borough Council is one of seven district and borough councils in Northamptonshire, and although the town of Northampton sits in the East Midlands Region, it is also part of the Milton Keynes South Midlands Growth Area and has an important role to play in delivering the West Northamptonshire Development Corporation strategies.

The Council is the largest district/borough council in Northamptonshire, with a population of approximately 194,500 people living in 85,000 households. Northampton has the fastest growing population in the East Midlands – 5.9% growth since 1991. 8.5% of the population are from minority ethnic communities.

#### *2.2.2 Comprehensive Performance Assessment*

The Council was classified a poor performing authority following the 2003 Audit Commission's CPA inspection. Since then we have implemented a series of changes and restructurings which are moving the Council towards improvement.

#### *2.2.3 Our Response to the CPA*

The Council is striving to improve services and performance across all services. A Recovery Plan was developed immediately following the CPA inspection, which enabled action to be taken on the key priorities. The Recovery Plan has now been replaced by the Strategic Improvement Plan for 2006/2009, which incorporates and integrates all CPA, Inspection and Audit recommendations and actions into one comprehensive improvement plan. This Plan is supported by an Improvement Delivery Plan.

The Audit Commission's first review assessed us as having made slow but visible progress in our recovery. A further report will be issued shortly.

#### *2.2.4 Corporate Plan*

The Northampton Borough Council Vision is:

*We will work with, and for, the people of Northampton to build an increasingly prosperous, healthy, safe and attractive town of which we are all proud. We will strive to maximise and sustain opportunities for all.*

The Corporate Plan sets out the Council's ambitions and priorities for the town. The plan for 2006/2007 focuses upon continuing our recovery, as recognised above, and develops six strategic priorities. The Plan can be accessed using the links in our references at Appendix 14.

#### *2.2.5 Strategic Improvement Plan*

The Strategic Improvement Plan (SIP) replaces the Recovery Plan, and brings all of our improvement requirements together. The SIP is available from the Council on request.

#### *2.2.6 Best Value Performance Plan*

This is the fourth key strategic plan for the Council, linking with the Corporate Plan, Community Strategy and SIP. The priorities are those set within the Corporate Plan, and targets are set for achievement of those priorities.

#### *2.2.7 Housing Services Inspection*

The Housing Service provided by the Council was inspected by the Audit Commission in October 2004 and awarded One Star with uncertain prospects for improvement. Amongst the key areas identified for improvement were:

- The housing strategy is not fit for purpose and the strategic approach to respond to the growth agenda is not yet developed
- Investment plan to deliver decent homes not yet in place.
- Performance in the key areas of homelessness decisions, income recovery, responsive repairs and letting empty properties, although showing some improvement, remains weak.



We have invested considerable resources already in improving areas of poor performance, for example in respect of planned and responsive maintenance, and specifically in terms of void re-let times, and also in respect of customer care. The specific improvements are reported in Appendix 4, Progress Against Existing Targets. We have taken the outstanding issues into account when developing the Strategic Priorities for our Housing Strategy and will consider the outcomes of the 'Light Touch' Housing Inspection of October 2006.

### *2.2.8 Asset Management Strategy*

We have commissioned consultants to help us formulate an asset management strategy and investment plan in order to deliver the decent homes programme. The Investment Plan identified a funding gap and the final report will include options to address this. The Asset Management Strategy will be completed during 2007/08.

### *2.2.9 Conclusions and Implications for the Housing Strategy*

There are several themes running through all of the Council's contextual plans and issues, which develop as a golden thread and which we have taken into account when developing the Strategic Priorities for housing.

The themes are:

- Improving our weakest services
- Decent Homes
- Communities
- Tackling deprivation and inequality, and supporting the most vulnerable members of our communities.

## **2.3 The Wider Strategic Context**

### *2.3.1 Introduction*

We work in a complex strategic environment and a range of national, regional and sub-regional issues and drivers were identified as influencing the development of this Housing Strategy. Affordable housing supply, sustainable communities, decent homes and support to vulnerable people are all national and regional issues as well as being local to us. The Housing Strategy sets out our priorities and objectives to support the national regional and sub-regional agenda as well as the local priorities.

There are major opportunities for the town of Northampton to grow and develop – as part of the Milton Keynes South Midlands growth strategy, 30,000 new homes were planned for Northampton between 2001 and 2021 but this figure has been subject to a legal challenge. The current revised target is 31,500 new homes, phased so that 6,500 will be delivered during 2001 – 2006, 7,250 during 2006 – 2011, and 8,875 during 2011 – 2016 and 2016 – 2021. West Northamptonshire Development Corporation (WNDC) will support the delivery of economic, social and housing growth in West Northamptonshire, including Northampton.

There are also major challenges for us in Northampton – housing demand is rising, house prices are increasing and there are affordability issues for many of our citizens. There are 5,355 households on our register for social housing allocations, whilst our stock continues to reduce because of Right to Buy.

### *2.3.2 Sustainable Communities Plan*

The Sustainable Communities Plan (February 2003) established a programme for sustainable growth in housing supply in the wider South East to 2021 and beyond. The key messages for the Council were that the provision of new homes should keep pace with the numbers of new households and that radical action is needed now. The Housing Strategy aims to support the achievement of the growth targets and demonstrates our commitment to mixed, successful and sustainable communities.

### *2.3.3 Decent Homes Standard*

We have a target, set by Government in 2000, to achieve the Decent Homes Standard (DHS) in all social rented homes by 2010. In 2002 the Government Spending Review confirmed the DHS target for social homes and further extended the target for local authorities to achieve DHS in the private sector, with a focus upon vulnerable households.

The current target is:

*by 2010, to bring all social housing into decent condition, with most of the improvement taking place in deprived areas, and increasing the proportion of private housing in decent condition occupied by vulnerable groups.*

Our estimate of non-decent homes in Northampton is:

- Council rented housing stock 20%
- Private sector 28%
- Number of vulnerable households in the private sector occupying non-decent homes 4770 (equal to 4.99% of the stock).

#### *2.3.4 The Barker Review*

The Barker Review of Housing Supply was published by the Government in March 2004. The clear point emerging from the review is that a step change in housing supply is essential.

The implications for development of this Housing Strategy are that the current rate of completions in Northampton is insufficient to meet needs and demands and that more homes of all tenures and price levels are needed within a relatively short timescale.

#### *2.3.5 Regional Spatial Strategy*

The Regional Spatial Strategy (RSS) provides a broad development strategy for the East Midlands to 2021. The strategy identifies Northampton as one of five Principal Urban Areas in the East Midlands. It sets targets to increase supply of affordable homes to 2021 and provides a further target to 2031 as an uncommitted planning assumption. The target for Northamptonshire is to provide 4,975 new homes annually to 2021 – this target is consistent with the detailed figures included within the Milton Keynes South Midlands sub-regional strategy (MKSM).

#### *2.3.6 Regional Housing Strategy*

The Regional Housing Strategy (RHS) for the East Midlands aims to deliver national housing priorities in a way that is appropriate for the East Midlands. We have worked with the Regional Housing Board in preparing the RHS, and we are playing a leading role in developing better working relationships at both a regional and sub-regional level.

### 2.3.7 *Planning Policy Statement 3: Housing (PPS3)*

The recent publication of PPS3 and its accompanying related guidance to local authorities *Delivering Affordable Housing* is a valuable contribution to the issues facing us. It introduces a new definition of affordable housing which is designed to ensure that genuinely affordable housing is produced for households in need over the long term. Local authorities are required to set an overall target for the amount of affordable housing to be provided across the plan, with the aim of ensuring provision meets the needs of both current and future occupiers. There are three themes running through *Delivering Affordable Housing*: -

- The provision of high quality homes in mixed sustainable communities for those in need.
- Widening the opportunities for home ownership.
- Offering greater quality, flexibility and choice to those who rent.

We are well-placed to respond corporately to this agenda. The responsibility for Housing Strategy and Planning Policy are already integrated within one team in the Council. Further, the themes within *Delivering Affordable Housing* are themes which have run throughout the development of this Housing Strategy.

### 2.3.8 *English Partnerships National Brownfield Strategy*

Published for consultation in October 2006, the new National Brownfield Strategy aims to help councils to bring more land forward more quickly for development. The new Strategy will be published early in 2007, and we will reconsider the emphasis within this strategy following its publication. We are well-placed in relation to land supply, and in fact already have in place a joint Brownfield Initiative Board with English Partnerships (EP). EP has a large landholding in Northampton following transfer of the Council's residential land bank. The land bank was originally Commission for the New Towns land which was transferred to Northampton Borough Council. The Commission was later incorporated into English Partnerships and the land was effectively transferred back.

### 2.3.9 *Milton Keynes South Midlands Sub-regional Strategy*

Published in March 2005 the Milton Keynes and South Midlands Sub-Regional Strategy (MKSM) sets out the growth plans for the sub-region. The sub-region sits at the intersection of three regions – East Midlands, East of England and South East.

Northampton is a key location in the sub-region, and is identified as one of the locations for growth. It will develop as a Principal Urban Area for the MKSM and the wider region. We will need to significantly increase the rate of housing completions to meet the MKSM allocated growth figures.

### *2.3.10 West Northamptonshire Development Corporation (WNDC)*

WNDC has been established as an Urban Development Corporation to help deliver sustainable growth in West Northamptonshire. The core area of WNDC is situated in Northampton, Daventry and Towcester. It sets out a vision for Northampton as a world class sustainable city at the heart of a dynamic west Northamptonshire economy.

WNDC has a range of powers which impact upon, and drive and influence our housing strategy. Development Control powers and land assembly powers mean that WNDC can use compulsory purchase powers and can also extract a proportion of the land value created by development. WNDC also have a new Regeneration and Strategic Development Control Team which is available to supplement our capacity.

### *2.3.11 Infrastructure*

Funding for the infrastructure which is an essential component of growth and sustainable communities will be drawn from both private and public sources, and there is an emerging and changing policy context for us to deal with.

This is an agenda which we are observing with interest, and will develop objectives and action plans to address over the coming year. It is important that we are able to understand the likely nature and timings of private sector contributions and that we endeavour to secure funding for early delivery of infrastructure.

### *2.3.12 Supporting People*

Supporting People (SP) is the funding programme which now plans and pays for the provision of housing related support to the elderly and vulnerable people. Northamptonshire County Council is the commissioning body for SP funded services in Northampton and so this Housing Strategy complements their role accordingly. The Supporting People Strategy 2005-2010, which identifies the priority groups in need of support, is a key driver in our priorities. We will develop a Supported Housing Strategy specifically for the housing needs of our customers in those priority groups in Northampton.

### 2.3.13 *Northamptonshire Local Area Agreement*

The Local Area Agreement (LAA) has been developed in partnership with the County Council and the seven local authorities with the aim of working together to:

*Strengthen communities, deliver significant improvements in quality of life for people and provide equal life chances, by working through purposeful partnerships that are grounded in a clear common performance framework.*

LAAs aim to improve local public service delivery, by providing a new framework for the relationship between central and local government. This has enabled us to develop a set of priorities for service delivery across the county. We have negotiated and agreed them with Central Government.

The Northamptonshire LAA has four priority blocks. The Economic Development, Enterprise and Growth block, which is the block linked to housing, focuses on:

- Tackling deprivation in line with the Neighbourhood Renewal Strategy
- Increasing the affordability, supply, quality and condition of housing
- Increasing accessibility.

### 2.3.14 *Northamptonshire Neighbourhood Renewal Strategy*

The County Council and the seven district and borough councils in Northamptonshire have a responsibility for community planning, as well as delivering many of the services that are important contributors to neighbourhood renewal.

The strategy develops three distinct but interlinked approaches for planning and action in Northamptonshire's Neighbourhood Renewal Strategy. These are:

- Priority intervention areas
- Sustaining and developing neighbourhoods
- Support for specific issues in rural neighbourhoods.

### 2.3.15 *Local Strategic Partnership*

The Community Strategy *Aim 4 Northampton* is developed by the Local Strategic Partnership (LSP). Development of the LSP has been led by the Council, and the Community Strategy, aims to be a comprehensive and cross-cutting strategy developed to improve the economic, social and environmental health of the town by supporting the delivery of first class services.

The long term housing aim from the Community Strategy is to increase the supply and range of housing and provide care and support services to those who need them. Housing priorities resulting from the Community Strategy are:

- Achievement of the Decent Homes Standard
- Improving the Supply of affordable housing
- Provision of support to vulnerable groups
- Sustainable communities and regeneration.

### *2.3.16 Conclusions and Implications for the Housing Strategy*

Analysis of the wider strategic context and priorities develops further themes which are taken into consideration when developing the housing strategy:

- Northampton is a key location both on a regional and sub-regional basis, and as such is a sub-regional leader.
- Northampton has a further geographical significance, in terms of being within both the East Midlands and the MKSM sub-regions, and also being effectively part of the Greater South East, therefore
- We must ensure that Northampton fulfils this key role by pursuing a Housing Strategy which recognises:
  - The need for an increase in the supply of housing
  - The need to make home ownership more affordable
  - The need for swift action
  - The need to tackle inequalities
  - The need to ensure delivery of infrastructure to support new homes and communities
  - The opportunities offered by our Housing and Planning functions working corporately in the delivery of homes
  - The opportunities offered by our existing, close working relationships with EP to bring forward brownfield sites for development.

## **2.4 The Local Housing Market**

### *2.4.1 Introduction*

This section considers the housing market in Northampton in terms of supply and demand and also the current and projected future housing needs in the borough. We have invested in our housing market knowledge over the past year as a strategic priority and have assembled the knowledge in this section from the following sources and research programmes:

- Northampton Housing Market and Needs Study (2006)
- West Northamptonshire Housing Market Assessment (2006)
- BME Housing Study (2006)
- Northamptonshire Key Workers Study (2005)

### *2.4.2 Regional and Sub-regional Market Context*

The Northampton housing market, like the housing and corporate strategies, has a growth agenda and trajectory, with strong demand side pressures, due to demographic growth and the fact that within Northampton, relative to other urban areas in the East Midlands and beyond, prosperity is high and deprivation low. The strong housing market and price rises of recent years mean that housing affordability is now a big issue in Northampton.

Northampton is part of a sub-regional housing market which also encompasses Daventry and South Northamptonshire with Wellingborough on the “border”. Under the Milton Keynes South Midlands growth plan Daventry will grow by 10,800 homes between 2001 and 2021, whilst South Northamptonshire will develop 6,600 homes.

### *2.4.3 Market Drivers*

The key driving influences upon the Housing Strategy are:

- Population growth projections – 198.3k 2001 – 221.8k by 2021.
- Households on the register which have increased from 4,356 in 2002 to 5,355 in 2006.
- Homelessness stood at between 400 and 450 households per year in Northampton and was increasing year on year. Homeless acceptances were:
  - 2001/02 356
  - 2002/03 414
  - 2003/04 420
  - 2004/05 455

In addition there are many households who face street homelessness and do not figure in the figures for statutory homelessness



- However, preventative measures have led to a reduced trend with 368 acceptances in 2005/06 and we are currently experiencing our lowest quarterly acceptances in the last five years.
- The Housing Needs study estimates that 4135 new affordable homes for let are needed in 2006 against a supply from all sources of 2950. This means a crude annual shortage of 1185 affordable units for let per year. These figures are for new *lets* required, not necessarily new properties.
- The mix of property types and tenure types currently available does not match aspirations.
- House prices are creating affordability problems, in particular for entry level housing.
- Income levels in the Borough are low, in particular key workers and first time buyers.

#### 2.4.4 *West Northamptonshire Housing Market Assessment*

The Housing Market Assessment was commissioned during 2006, and is a key tool for aligning our housing strategy with the overarching sub-regional agenda to balance housing markets.

#### 2.4.5 *Northampton Housing Market Study and Needs Estimates 2006*

This study was also commissioned during 2006, and provides a robust assessment of Northampton's housing needs and markets. As a result of the two housing market studies we now have a comprehensive and up to date knowledge of the housing markets in which we operate. Full details of the studies and their findings are outlined in Appendices 3 and 4. A summary of the key findings is outlined below.

<i>Issue</i>	<i>Findings</i>	<i>What this means for us</i>
Population and household growth	<ul style="list-style-type: none"> <li>• Population growth in West Northamptonshire will be faster than the East Midlands</li> <li>• The average household size in the sub-region is predicted to decrease to 2.20 from 2.41 by 2026</li> <li>• Northampton has a relatively small geographical area and a relatively large population</li> <li>• The sub-region has failed to attract or retain young people</li> <li>• The level of mature working age population has increased</li> </ul>	<ul style="list-style-type: none"> <li>• Demand for housing will continue to be strong and we need to support a step change in housing supply across all tenures</li> <li>• There will be more demand for smaller units in new build developments across all price ranges</li> <li>• The size and type of affordable housing provision should be decided by priority needs</li> <li>• Population densities will continue to increase</li> <li>• We need to take action to encourage young people to live in Northampton</li> <li>• The economic activity rate might reduce</li> </ul>

<i>Issue</i>	<i>Findings</i>	<i>What this means for us</i>
House Sales and Prices	<ul style="list-style-type: none"> <li>• Northampton has slightly higher than average levels of owner-occupation</li> <li>• Entry level price for Northampton is £109,250</li> <li>• Average household income for 2006 for Northampton estimated to be £28,000</li> </ul>	<ul style="list-style-type: none"> <li>• Even entry level housing is beyond the reach of many households who aspire to home ownership.</li> <li>• Therefore house prices are prohibiting households from entering the housing market</li> <li>• Affordability will be a key consideration for our housing strategy in the long term</li> </ul>
Sub-regional and sub-markets	<ul style="list-style-type: none"> <li>• Northampton has a variety of house types, prices and tenures in submarkets</li> </ul>	<ul style="list-style-type: none"> <li>• A single borough-wide approach to new housing provision is not appropriate</li> </ul>
Housing Needs	<ul style="list-style-type: none"> <li>• 3,400 households moved within Northampton during 2004/205 who could not afford entry level house prices</li> <li>• 6,681 households on the register 2005</li> <li>• Study estimates needs for 4135 new affordable homes for 2006</li> <li>• Study estimates that from a total supply of 1500 homes per year for the next five years, the proportion which should be affordable should be 78% in 2006, reducing to 46% by 2010</li> </ul>	<ul style="list-style-type: none"> <li>• A growth in demand for social rented housing</li> <li>• A growing need for affordable housing</li> <li>• We will need to support the timely provision of affordable housing</li> <li>• It would be unrealistic for us to demand these percentages and the draft HMA recommends continuation of the current 35% target</li> </ul>
Housing Supply	<ul style="list-style-type: none"> <li>• Delivery rates have been less than planned in Northampton to 2005</li> <li>• Estimates for current year suggest 1500 completions</li> <li>• Amount of supply designated as affordable has been below the target rate, but it is gradually improving, from 9.1% 2002/2003 to 14.6 2003/2004</li> <li>• Occupation levels of +2 rooms for 50+ in Northampton – 54% in the owner-occupied sector, 1.4% in the social sector, 1.4% private rented</li> <li>• 3.1% of the housing stock empty according to census 2001</li> </ul>	<ul style="list-style-type: none"> <li>• A step change in housing supply is needed to meet the challenges of our agenda</li> <li>• A target for affordable housing on new developments is important and we have proposed a 35% target</li> </ul>

## **2.5 Partnerships**

### *2.5.1 Introduction*

This section outlines the communications and consultation strategy which we have employed in developing the strategy. It demonstrates our commitment to partnership working. We want partners and customers to be direct participants in the development and implementation of the housing strategy, in addition to being consultees and recipients of information Community Development and Community Forums, LSP facilitation and Neighbourhood Renewal all sit alongside Housing Strategy within the Regeneration and Growth corporate area, following a recent restructure.

### *2.5.2 Existing and Emerging Partnerships*

We are working to a challenging change agenda, and the housing strategy is developed in a wider strategic context. We work jointly with the Local Strategic Partnership, Northamptonshire County Council and the West Northamptonshire Development Corporation (WNDC). We contributed to the development of the Northamptonshire Local Area Agreement, with the County Council and other local authorities. We worked with the LSP to develop the Community Strategy and the emerging revised Community Vision for the town and with WNDC in contributing to the Growth Agenda. As a local authority we already work closely with the Police and other partners to tackle crime and disorder, within the remit of Section 17 of the Crime and Disorder Act.

We have established an RSL Management Group and an RSL Development Group which meet regularly. We have existing tenant representative structures which will be improved during 2007/2008. We also meet regularly with developers, and have involved developers in the consultation process for this Strategy.

This partnership working has given the housing strategy a greater strategic fit and a more enhanced sense of ownership and responsibility from all key partners.

However, we know partnership working needs to extend further as the housing strategy translates into further action points. This strategy is supported by a one year action plan, but the increased involvement of partners and customers – facilitated by increased resources into this area – will enable further planning resulting in longer-term future action plans. We plan to work more closely with NTaCT, including inviting a representative to join the Housing Strategy Steering Panel (which will be renamed as the Strategic Housing Partnership). A Tenant Participation Strategy was adopted in December 2006 and implementation of that strategy will be a key

objective for the 2007/2008 Housing Strategy Action Plan (see Section 5).

### *2.5.3 The Role of Partnership Working*

We have agreed Terms of Reference for our Housing Strategy Steering Panel, and believe it is important that Member and partner strategic thinking are able to come together for the benefit of our work. Rather than imposing solutions on our customers and partners, we want to see the further integration of the 'top down' and 'bottom up' approaches to enable joint solutions and to facilitate a partnership based on shared values, trust, joint obligation and mutual respect. We have started this process by setting up the Housing Strategy Focus Group, consisting of Council tenants representatives, which met in February 2007, during the consultation period for this strategy. We also consulted with a number of other partners during the consultation period. We know some partners need to have further involvement in the housing strategy, including private developers and estate agents, and this will be facilitated as we embark on the consultation plan for the housing strategy

### *2.5.4 Influence on the Housing Strategy*

The involvement of our partners and stakeholders needs to be recognised through evidence of their influence on the housing strategy. Appendices 11 and 12 to this document highlight how our partners have influenced the development of this housing strategy.

### *2.5.5 Consultation Plan*

The Consultation Plan proposed for this strategy is attached at Appendix 11. We aim to increase the consultation on previous years in terms of quality and duration, and to make best use of electronic government. We will work more closely with the LSP, and a range of other partners, and we will develop consultation arrangements with groups whose views have been under-represented in the development of the housing strategy, such as private developers.

We recognise the importance of working closely with groups whose specific needs must be considered – such as disabled people, BME groups, and young people – and we will ensure that this input is used to provide services that reflect equality and diversity.

The consultation process was used to develop the draft of this Housing Strategy and has further informed the completion of this final version.

## 2.6 Progress Against Existing Commitments

### 2.6.1 Introduction

Northampton developed a Housing Strategy for 2005 – 2010 “Enabling and Delivering Housing Choice” in Consultation Draft Form. Although deemed not Fit for Purpose by the Government Office, the consultation draft, and the subsequent internal consultation draft did produce strategic aims and commitments, and developed action plans for the delivery of those commitments. We have considered those strategic priorities and commitments developed in previous iterations of the Housing Strategy as part of the process of developing options and objectives within this Strategy.

2.6.2 Since drafting our previous housing strategy, we have delivered a number of key changes as part of our journey to recovery. Following the appointment of a new Corporate Management Team, a Root and Branch restructure has been implemented which has seen new Managers and Team Leaders appointed, and new resources employed. In this context, the new action plan is more closely aligned with what is achievable than previous action plans, even though a considerable amount of progress has been made.

2.6.3 There are key themes which have influenced the development of this Housing Strategy:

- Affordability and choice
- Decent homes, across all tenures
- Support to vulnerable people
- Renewal, regeneration and communities

2.6.4 We have made progress in the development of each of these key themes. In terms of affordability and choice, we have improved our knowledge of housing markets and housing needs, through the commissioning of a number of surveys, and we have launched the New Build HomeBuy Initiative for local people. We have also implemented initiatives to help people access decent accommodation in the private rented sector – such as the rent deposit guarantee scheme.

2.6.5 Achieving the Decent Homes Standard is important across all tenures. A stock condition survey has been completed for our council housing stock, framed around the decent homes criteria. We are developing our work in the private sector to target households who are vulnerable, whilst recognising the importance of Disabled Facilities Grants (DFGs).

- 2.6.6 The key focus for support to vulnerable people has been the development of preventative measures to reduce homelessness. The introduction of these measures has resulted in the reduction of homeless cases accepted to their lowest level for five years. We have also worked with the Northamptonshire Supporting People Team to identify and respond to the housing needs of a range of vulnerable groups.
- 2.6.7 We have worked closely with, and supported, local CASPAR initiatives recognising the links between housing and community safety and antisocial behaviour. In particular, the transfer of two medium rise blocks to Leicester Housing Association generated approximately £8 million of housing investment onto the Spring Boroughs estate.

### **3 WHERE DO WE WANT TO BE?**

#### **3.1 Our Vision**

##### *3.1.1 Introduction*

Our Housing Strategy sets out goals, objectives and action plans to deliver the vision over the next five years. We have worked with partners, customers and other stakeholders to develop this strategy.

#### **Our Vision for housing in Northampton**

**We will promote the provision of well-maintained, affordable and environmentally sustainable homes of all tenures, and communities where people choose to live. We will provide excellent customer services and additional support where required.**

##### *3.1.3 Context*

There are many drivers, feeders and influencers for the Housing Strategy which are described and analysed in detail throughout the strategy and appendices. We are working in a dynamic and changing environment, with a range of opportunities open to us to develop and deliver a transformational housing strategy.

We have developed a vision for housing in Northampton to 2011 based upon consideration of our aspirations and alignment with other key strategic plans and vision statements.

##### *3.1.4 Corporate Plan: Working for Northampton*

We will work with, and for, the people of Northampton to build an increasingly prosperous, healthy, safe and attractive town of which we are proud. We will strive to maximise and sustain opportunities for all.

##### *3.1.5 Northampton Community Strategy: Vision 2012*

In 2012 Northampton will be a safe, clean and healthy town with an excellent environment, facilities and services. Its communities will be confident, educated, skilled and united. The town will be proud, prosperous and progressive, a place where history and innovation co-exist. All will enjoy a high quality of life and decent home within a diverse and inclusive community.

3.1.6 *Best Value Performance Plan: Housing Priority:*

Improve Northampton's housing by focusing on and improving our weakest services – revenue and benefits, void properties, decent homes standard, homelessness.

3.1.7 *Joint Core Strategy: Vision for Northampton:*

The Joint Core Spatial Strategy for Northampton is a Development Plan Document that is being produced jointly between the Councils of Daventry, South Northamptonshire and Northampton, as part of a Core Spatial Strategy for West Northamptonshire. It will set out the spatial vision, spatial objectives and strategy for the development of the Northampton Implementation Area.

Their vision for Northampton is currently in draft:

*The principal town of Northampton will be a dynamic, regional, commercial, cultural and tourist centre with high quality residential accommodation which meets the needs of the existing and future population. There will be high performing academic and vocational education and training to enable those who live and/or work there to lead fulfilling lives. There will be a locally vibrant economy, supported by a well-educated and trained populace, and it will be noted for its excellent transport infrastructure. It will be a healthy town with higher than average life expectancy, contributed to by an energetic and integrated community in which poverty is eliminated.*

3.1.8 *Northampton Borough Council: A Community Vision for 2031*

This is currently in draft:

*By 2011 it will: be safer: be cleaner: be healthier: be recognised for good quality, environmentally friendly housing: be well-served by modern and efficient local government.*

*By 2021 it will: be a city: be a place made up from caring communities:*

*By 2031 it will: be defined by its excellent transport system: be a major regional cultural and economic centre.*



## 3.2 Strategic Priorities

### 3.2.1 Introduction

We will achieve the Vision for the Northampton Housing Strategy through our five strategic priorities, which will direct our activities and resources for 2007/2008 and beyond. Our priorities are:

- Increase the supply of good quality affordable housing
- Create sustainable communities
- Improve the Housing Service
- Provide support to the most vulnerable people
- Meet the Decent Homes Standard

Our strategic priorities are supported by a number of Specific, Measurable, Achievable, Realistic and Timely objectives.

In developing a set of strategic housing priorities for Northampton we have conducted a thorough analysis of our environment and options, and have worked with a set of guiding principles:

- Taking all available opportunities to increase the supply of decent affordable homes across all tenures.
- Working to ensure that all homes are “decent” across all tenures.
- Working to improve the housing service, especially those aspects of it which are poor.
- Supporting the development of sustainable communities which will take Northampton into the future as a vibrant and successful town which is part of the greater South East.

### 3.2.2 Increase the Supply of Affordable Housing

- The Northampton Borough Council Housing Market and Needs Study estimates a net affordable housing requirement annually of 1,185, based upon total estimated need of 4,135, against a supply of 2,950 affordable homes from various sources.
- This *affordability* requirement of 1,185 is set against a background of 1,350 recorded completions during 2004/2005 (i.e. 87% of total completions).
- Northampton is a growth area with high population increases planned.
- The Council must enable and support a step change in housing completions in order to meet the targets set by the Milton Keynes South Midlands strategy (30,000 new homes by 2021).
- The number of affordable homes available to households in need has been reducing through right to buy.
- We are unable to finance the number of new affordable homes needed from our own resources. We will set a target of 35% affordable housing provision on all Section 106 sites.

- Even though Northampton is seen as a cheaper place to live in the south east, an increasing proportion of the local community cannot afford to access the housing market.
- The number of households registered in need has increased to 5,355 in 2006 (Housing Market and Needs Study).
- We have seen an increase in statutory overcrowding in our council stock and also an increase in applications from private rented sector tenants who are applying for social housing due to overcrowding in their existing homes.
- Evidence suggests that home ownership is the aspirational tenure of choice for most households.

### 3.2.3 *Create sustainable communities*

- The Northampton Borough Council Community Strategy aims to “regenerate the poorest areas of the town through supporting community based economic development” and “to develop a prosperous, vibrant, safe and attractive town centre”.
- This priority supports the Northamptonshire Local Area Agreement (LAA) with its four blocks of: Safer and stronger communities; economic development, enterprise and growth; children and young people; healthier communities and older people. It will support the delivery of the LAA targets. The economic development, enterprise and growth block is the relevant block for this Housing Strategy
- The potential for growth arising from the Milton Keynes South Midlands Sub-regional strategy means that it is vital that we secure investment in infrastructure – roads, transport and community infrastructure and the integration of new people and communities into our town.
- Northampton Borough Council Anti-social Behaviour Strategy: *Working with partners to reduce crime and disorder across Northampton.*
- Northampton is in a growth area with high population increases expected.
- 34,341 people in 9 wards in Northampton live in SOAs (Super Output Areas) that are in the most deprived 20% in the country.

### 3.2.4 *Improve the Housing Service*

- Audit Commission Inspection 2005 – One Star.
- As a council rated as poor, we must focus upon improving the weakest services.
- Stock retention is currently the favoured option for our council housing stock therefore a full and efficient landlord service is required.

### *3.2.5 Provide support to the most vulnerable people*

- Supports the Northampton Community Strategy aims to “help to develop and provide care and support to meet the needs and choices of all sectors of the community”.
- Supporting people.
- Elderly people – the elderly population is projected to increase.
- Homelessness.

### *3.2.6 Meet the Decent Homes Standard*

- Stock retention is currently the favoured option for the Council.
- The Council therefore needs to bring its own housing stock up to DHS by 2010.
- The Stock Condition Survey shows that 20% of the stock does not meet the standard.
- The Council also has to meet the DHS in the Private Sector.

## **4 HOW DO WE GET THERE?**

### **4.1 Resources**

#### *4.1.1 Introduction*

We are currently developing an Asset Management Plan and a Corporate Capital Strategy, both of which will impact on the housing strategy. We have put the staff resources in place to develop and deliver the housing strategy, which includes the creation of a Regeneration and Growth corporate area that includes a housing strategy and enabling team.

We work to identify all potential sources of capital finance to maximise investment. Potential sources include Supported Borrowing, Unsupported Borrowing, Capital Receipts, Disabled Facilities Grant and Major Repairs Allowance. The use of borrowing to finance the HRA Capital Programme will need to be re-assessed in the light of the revised Housing Revenue Account business plan. The government also provides grants for specific purposes such as electronic government, and improvement of the benefits system. We make use of our powers under Section 106 of the Town and Country Planning Act 1990 in pursuit of our priorities.

West Northamptonshire Development Corporation (WNDC) is the local planning authority for all housing sites in the town centre and sites over 50 units elsewhere. We will be working with WNDC to use their powers under Section 106 on these sites.

We need to ensure that resources are maximised to support housing strategic objectives, and this includes use of the above and further external funding.

#### *4.1.2 Capital resources*

Capital resources to help fund housing investment consist of the HRA Capital Programme and elements from the General Fund capital programme. The HRA Capital Programme 2006/7 amounts to £9.6m with £3.1m now allocated to voids repairs. A draft programme for 2007/8 onwards has been prepared which shows indicative levels of capital expenditure which are expected to be achievable each year. Total annual programme is around £9.6m over years 2007/8 - 2009/10 with a focus on voids repairs, disabled adaptations, re-roofing, appliance replacement and re-wiring. There is a capital budget of £4.6m in 2007/8, £5.3m in 2008/9 and £6m in 2009/10 which has not been allocated to specific schemes. The detail of this element of the HRA capital programme will be informed by the stock condition survey and the Decent Homes Standard. Private Sector Housing Capital Schemes currently total £1.6m for 2006/7 with £1.6m budgeted for 2007/8, targeted at the delivery of

Decent Homes in the private sector, Disabled Facilities Grants and Renovation Grants.

The following table outlines the resources available in developing the housing strategy.

<b>Options for inward investment</b>	<b>Priorities for resources</b>
Housing Corporation Approved Development Programme	Housing Corporation's investment priorities
East Midlands Regional Housing Strategy Single Capital Pot	Regional Housing Strategy Priorities
Provision of land for affordable housing development including releasing land for housing purposes and securing Section 106 agreements. WNDG is the planning authority for town centre sites and others over 50 units	Housing Corporation priorities Local priorities
Maximise number of private sector empty properties brought back into use	Support priorities in Council's Empty Homes Strategy
Reduce council and RSL voids and re-let times	Choice-based letting
RSLs debt-finance developments, whether linked to Section 106 discounted package deals, SHG gap funding or beneficial land deals	Any new residential sites where a need for affordable housing provision is identified
Investment funding in local authority stock through use of MRA, HRA, capital receipts and the single capital pot.	Improving local authority stock and bringing empty properties back into use

#### 4.1.3 *Asset Management*

Savills have been commissioned to update our existing stock condition information and to prepare an Asset Management Strategy for the Council owned housing stock which will enable a robust options appraisal to be undertaken. The Asset Management Strategy information will be published during 2007/2008 and will require a consequential review of the Housing Strategy and the 2007/2008 Action Plan. It will look to categorise our Council owned housing into:

- Retain and invest
- Dispose of most problematic stock
- Dispose of most valuable to cross-subsidise

- Dispose to increase management efficiency.

The strategy will be developed within the context of Northampton having undertaken an earlier option appraisal to retain our housing stock. The completed data will be ready during 2007/2008.

#### 4.1.4 *Housing Revenue Account (HRA) Determination*

The HRA subsidy budget is based on a determination received from DCLG. The negative subsidy entitlement (meaning NBC makes a payment to the Government) has increased from £7.1m in 2006/07 to £8.7m in 2007/08, an increase of £1.6m. The guideline rent has increased by £2.1m while the estimated actual rent will increase by £1.4m. The maintenance allowance for 2007-08 is £1,038.09 per property (2006-07 £964.20). The management allowance for 2007-08 is £508.04 per property (2006-07 £477.60).

#### 4.1.5 *Housing Corporation National Affordable Housing Programme and Single Housing Pot*

The East Midlands region has a National Affordable Housing Programme which is expected to deliver around 5,300 new homes with around £166 million of grant money. In terms of grant allocation for Northampton schemes, the Housing Corporation allocated just over £20 million for the delivery of over 500 new affordable homes between 2006/08. The Council is currently liaising with the Registered Social Landlords who are delivering the homes to ensure there is a smooth, structured delivery for the Programme.

#### 4.1.6 *Use of Section 106 Agreements for Affordable Housing*

We will continue to monitor the delivery of affordable housing through the planning system. West Northamptonshire Development Corporation (WNDC) has established several Infrastructure sub-group which feed into the Growth Delivery Plan, one of which will focus upon housing. This sub-group aims to develop a definition of affordable housing and a uniform approach.

In partnership with WNDC (the development control authority) we will develop new Local Development Documents to maximise the opportunities presented by the new policy guidance in PPS3 *and Delivering Affordable Housing*.

We will:

- Continue to work closely with WNDC and our Local Authority partners to ensure the consistent delivery of affordable housing targets within Northampton and across West Northamptonshire.
- Ensure that an appropriate range of affordable housing options and models is offered, creating genuine housing choice

- Ensure affordable housing is delivered and managed in such a way as to create balanced, mixed tenured communities.

Following the completion of a local Housing Needs Study in October 2006 and the Housing Market Assessment in December 2006, we will commence preparation of a new Supplementary Planning Document (SPD) for securing affordable housing. Public consultation is scheduled for September 2007 and adoption of the SPD in December 2007. This SPD will eventually supplement a new policy framework to be published in the Core Spatial Strategy for West Northamptonshire, but will act to deliver current saved policies in the Structure Plan and Local Plan.

#### *4.1.7 Use of Section 106 Agreements for Physical and Social Infrastructure Costs*

Provision of both social and physical infrastructure is essential in order to deliver sustainable growth and therefore improving the approach to funding and delivery of key infrastructure is being explored in the growth areas.

We will support the continuing development of this work, through the pooling of developer contributions, calculating strategic and local infrastructure requirements and supporting the West Northamptonshire Development Corporation as the strategic development control authority and as managers of the process. The process which will produce a set of standard “charges” which will apply to each development dependant on its type, and will both streamline the present system and seek to ensure consistency and enhance the funding stream for new infrastructure. We will ensure that the requirement for affordable housing, which is often a key factor in the viability and deliverability of schemes, is fully taken into account in the new system.

There is a likelihood of a “scaling back” in the use of Section 106 Agreements to fund physical and social infrastructure. We expect that they will be replaced by Planning Gain Supplements as suggested in the Barker Review of Housing and DCLG consultations.

#### *4.1.8 Land Availability*

This Strategy may be supported by using appropriate, Council-owned land to facilitate the delivery of affordable housing. Consistent with the new guidance contained within PPS3, we will give consideration to opportunities for affordable housing provision on surplus public sector land. This can be used as a lever to attract funding as the Housing Corporation are more likely to fund schemes where land is provided at a discount. We are currently working on an Asset Disposal Strategy which will include a set of criteria which

can be used to judge projects in order to recommend whether or not they can be transferred to a non-profit organisation at a discount or nil consideration.

We are well placed in terms of land supply suitable for development within Northampton. We transferred our residential land holdings to English Partnerships, and have set up a joint Brownfield Initiative Board. We await the publication of the National Brownfield Strategy early in 2007, and will respond proactively.

We are also developing our Corporate Capital Strategy. In draft this recognises the importance of the role of housing to us. A set of draft criteria is currently being prepared to determine how future Council funds are allocated.

## **4.2 Options Appraisal**

### *4.2.1 Introduction*

We have taken a thorough and robust approach to analysing the options available to us both in developing the strategic priorities, and then in terms of our options for meeting those strategic priorities.

The key issues were:

- Does the option fit well with the strategic context?
- Do stakeholders understand and agree with the options?
- Do we have the resources and/or enablers to deliver or support delivery of the option?

### *4.2.2 Review of Progress Against Existing Commitments*

Progress in terms of existing commitments is set out in Appendix 4. Progress has been good in some areas, but has been hindered by lack of resources in others in the earlier stages of the last housing strategy. Most resources are now in place and progress has been made, particularly in terms of homelessness, income management, commissioning research and the delivery of affordable homes.

We considered progress against existing commitments, and the need to carry forward some outstanding objectives and actions when appraising the options for objectives for this strategy.

### *4.2.3 Clarification of Resources Issues*

We have invested considerable resources in the development of this strategy and in the appraisal of the options available to us to support achievement of the strategic priorities. We have worked with colleagues across the Council and within our partner



organisations such as WNDG to ensure we have a comprehensive understanding of the resources available to us.

We have ensured that where an objective has been agreed, and an action plan developed to achieve it, that we have the resources available to deliver on that objective. We will seek to raise funds to achieve those objectives which are beyond our resource capacity, but where there are external funds available to us to deliver.

#### 4.2.4 *Selection of Options*

This Strategy forms part of an on-going process of strategic development and change within the Council. It builds on a number of decisions which we have made, and policy changes introduced by Government, over the last two years. Most significant amongst these are:

- The decision in 2005 to pursue a strategy based on retention of our housing stock.
- Our ineligibility to apply for Arms Length Management Organisation (ALMO) status for the stock.
- Inclusion of Northampton within the Milton Keynes South Midlands Growth Zone.
- Establishment of one core spatial strategy covering the administrative areas of Northampton Borough, Daventry District and South Northamptonshire Councils.
- Establishment of the West Northamptonshire Development Corporation.

We selected options and are subjecting them to a rigorous Options Appraisal process. The results of this process are set out below.

#### 4.2.5 *Conclusions of Options Appraisal*

We have determined our strategic objectives based upon their fit with our strategic priorities and with the environmental analysis of the context in which we work. We have considered issues such as the maximisation of resources and the capacity to provide a better service or product for our customers, as well as scenario considerations of not undertaking certain objectives at all.

The resulting set of objectives will feed into the action planning process for 2007/2008 which will support achievement of our strategic priorities.

### **4.3 Delivery**

#### 4.3.1 *Introduction*

Our strategic priorities complement our housing vision and are the aspirational goals for Northampton's housing. The objectives and Action Plan for 2007/2008 are our battle plan which will deliver the

strategic priorities. These are challenging but achievable for the Council, and they will guide us in monitoring progress and performance.

We will monitor and support delivery of the action plan and strategic priorities by:

- The Housing Strategy Steering Panel and Board will monitor achievements on a quarterly basis
- The council will target available resources to progress strategic housing priorities
- We will continue to build upon our strategic improvement plan to ensure we are providing cost-effective and customer-focussed service.

We summarise below the key objectives and delivery priorities for each of the strategic priorities. They are set out in more detail in the Action Plan at Section 5..

#### *4.3.2 Increase the Supply of Affordable Housing*

We will:

- Widen the opportunities to home ownership and improve the quantity, quality and choice of rental accommodation.
- Support the completion of 1450 new homes annually 2006 – 2011 (MKSM) by maximising inward investment, by working with all our partners to plan for growth and by selling land to facilitate new development.
- Continuously review the use of Section 106 agreements to make best use of the opportunities presented to us by PPS3
- Agree a new Section 106 policy and standard terms with WNDC in light of their development control role.
- Develop an Asset Disposal Strategy to support provision of affordable housing on Council-owned sites.
- Support the development of brownfield sites

#### *4.3.3 Create sustainable communities*

We will:

- Contribute to regeneration initiatives that will revive the most deprived neighbourhoods.
- Maximise the role of RSLs in developing communities.
- Secure investment in community infrastructure to support the integration of new people and communities into our town.
- Support the development of mixed tenure and mixed income communities.
- We will develop a policy in the Local Development Framework that all new housing must achieve Code for Sustainable Homes Level 3, with an aspiration towards Level 6, using our experience at Upton as an exemplar neighbourhood.

#### 4.3.4 *Improve the Housing Service*

We will:

- Work to reduce homelessness by providing excellent advice services and assistance and by working in partnership.
- Produce a Homelessness Strategy highlighting the need for affordable housing solutions. The Strategy will cover pathways, rough sleepers, assessment and referral, and housing benefits.
- Ensure vulnerable groups have access to services to provide access to suitable accommodation and housing related support.
- Continue to reduce void levels and the time taken to relet empty properties in our council-owned stock.
- Take direct action to deal with the other weak housing service services.

#### 4.3.5 *Provide support to the most vulnerable people*

We will:

- Ensure vulnerable groups have access to suitable accommodation and housing related support, by working in partnership with providers and alongside the Supporting People Strategy to develop positive outcomes.
- Reduce homelessness, through an emphasis on preventative measures.
- Set up a County wide supported housing working group to address priorities in the Supporting People Strategy.
- Reflect the needs of vulnerable groups such as young people, travellers, people with disabilities and people fleeing violence.
- Create a sustainable environment where the rights and responsibilities of both travellers and the settled community are respected, by developing legitimate sites for travellers.
- Take action to enable vulnerable home owners to remain in their own homes, e.g. by providing maintenance grants or disabled adaptations, or by the provision of appropriate advice.

#### 4.3.6 *Meet the Decent Homes Standard*

We will:

- Develop and implement the asset management strategy, and the Decent Homes Standard Implementation Plan.
- Facilitate achievement of Decent Homes Standard in the private sector by home owners by 2012, by reviewing eligibility criteria for grants and secure improvement to homes in the private sector which are unfit or in poor repair for vulnerable households.

- Improve energy efficiency across all tenures, e.g. by developing a fuel poverty strategy and/or promoting grants and initiatives for owner-occupiers to improve the energy efficiency of their homes.

#### 4.3.7 *Implementation*

The Action Plan at Section 5 outlines the work that is proposed for 2007/08. This Action Plan will be subject to revisions through the consultation period particularly in the context of audit commission inspection and stakeholder views.

Implementation is a key focus of the housing strategy given concerns over delivery in previous years. This Action Plan is subject to continuous monitoring and review.

#### 4.3.8 *How will we monitor our performance?*

The Housing Strategy Board and Steering Panel will remain as standing groups after this Housing Strategy is approved and attains Fit for Purpose Status. The Housing Strategy Board will be renamed the Strategic Housing Monitoring Group (SHMG), and the Steering Panel will become the Strategic Housing Partnership (SHP). They will each meet quarterly to review progress against the action plans, to review strategic priorities and to support decision-making. They will undertake a review and reforecast exercise on a half-yearly cycle throughout the life of this strategy. The review and reforecast will consider progress to date against the strategy, and a reforecast of achievements to the next half-year point. It will also consider other corporate strategies or priorities which have arisen to ensure the housing strategy maintains alignment and integration with the wider Council agenda. The Government Office for the East Midlands will be invited to attend alternate meetings of the Strategic Housing Partnership.

The SHMG will also ensure that the recommendations of the SHP are implemented and to provide corporate working particularly in the context of housing responsibilities divided over a number of key corporate areas.

#### 4.3.9 *How Northampton monitors performance*

We monitor our performance against statutory BVPIs and national targets, together with locally defined indicators specific to each service area. In April 2006 we increased the number local indicators to inform the public and managers more about the quality of services we provide.

Our priorities are outlined in the Corporate Plan, the Service Improvement Plan, and the supporting Improvement Delivery Plan.

Our performance management framework has the following elements:

- Weekly team meetings in each service area
- Monthly reporting by Service Areas on Relevant Targets, Projects and Actions
- Analysis of Performance at Improvement Board
- Quarterly Performance Reviews
- Service Review Programme
- Corporate Appraisal Scheme

The Housing Strategy is further strengthened by the Housing Strategy Steering Panel and the Housing Strategy Project Board.

#### **4.4 Conclusions**

4.4.1 The housing “scene” is changing rapidly in Northampton. This Strategy aims to:

- Meet the challenges flowing from those changes
- Make the most of the opportunities presented by them
- Secure resources to deliver our strategic priorities
- Establish systems to ensure that they are delivered.

4.4.2 We hope that you agree with our Vision, our strategic priorities, our objectives and proposals for implementation of the Strategy.

## 5. ACTION PLAN FOR 2007/2008

### 1 Increase the supply of affordable housing

Options for Objectives	Measure/Action	Start Date	Responsible Officer	Completion Date	Resources
1.1 Provide council owned land or assets to support new affordable housing development, and retain a strategic management role to facilitate the provision of affordable housing, e.g. by retaining nomination rights.	Measure – the number of affordable housing schemes enabled through provision of land. Action – research the feasibility of providing capital grant to RSLs from S106 monies to provide affordable housing.	April 2007	S. Pointer	March 2008	Housing Strategy and Enabling Team
1.2 Ensure 35% requirement of affordable homes on new developments from April 2007 for the life of this strategy by reviewing the arrangements for delivering affordable housing.	Action – review Section 106 Affordable Housing policy. Action – with WNDCCdevelop new fit for purpose Section 106 policy Action – investigate impact of WNDCC as development control Measure the number of affordable homes achieved through Section 106 agreements	January 2007	S. Pointer	March 2007	Planning Policy, and Housing Strategy and Enabling Teams
1.3 Support the completion of 1450 new homes annually 2006 – 2011 (MKSM) by maximising inward investment and by working with all our partners to plan for growth	Action – develop partnership working to plan for growth Measure - Number of annual completions on new homes. Measure -Year end performance	Ongoing	S. Pointer	Annual returns	Housing Strategy and Enabling Team/WNDCC

Options for Objectives	Measure/Action	Start Date	Responsible Officer	Completion Date	Resources
1.5 Widen the opportunities to home ownership	Measure - Reduce the percentage to 30% of the affordable units on new schemes. (Large number of Homebuy properties currently being developed by RSLs) Action - Investigate the introduction of Social Homebuy for Northampton Borough Council tenants	June 2007	S. Pointer	August 2007	Housing Strategy and Enabling Team
1.6 Ensure supply of affordable housing addresses need for affordable housing as regards mix of type and size. Draft HMA recommends that 25% of all new housing is social rented and suggests analysis of need from housing register to determine type of properties required	Action – implementation of 70% rented and 30% shared ownership split for new affordable housing schemes Action - Analyse Housing Register figures to develop guidelines and/or targets for the best mix of size on developments Measure - Reduction in number of people on Housing Register	April 2007	S. Pointer	March 2008	Housing Strategy and Enabling Team
1.7 Maximising inward investment to develop affordable housing across all tenures by maximising bids to local, regional and national bodies to fund new homes	Action Carry out research into range of grant availability in relation to affordable and market housing Measure – inward investment increased	February 2007	S. Pointer	June 2007	Housing Strategy and Enabling Team
1.8 Make best use of the resource implied by under-occupation in the council stock by taking action to reduce under-occupation, for example by introducing incentives to move including type of move-on property available which may require revision of allocations procedures	Action Completion of research into this activity Action – establish a working group to develop proposals to act upon the research findings Measure – increase in number of under occupied properties available for re-letting	October 2007	S. Pointer	March 2008	Housing Strategy and Enabling Team, and Housing Services

Options for Objectives	Measure/Action	Start Date	Responsible Officer	Completion Date	Resources
1.9 Work with the housing service to reduce the length of time properties are void	Measure -Reduction in the average time taken to re-let a Council property	Ongoing	R. Fitzhenry	March 2007, and ongoing	Property Maintenance Services
1.10 Investigate ways to bring empty private and commercial properties back into use to meet affordable housing needs	Action - Investigate possibility of CPOs and then transferring the properties to RSLs	To be advised	S. Eley	To be advised	Private Sector Housing Service
1.11 Develop and implement an asset management strategy, which will identify council-owned buildings suitable for sale or conversion to residential	<p>Action - Completion of an Asset Management Strategy</p> <p>Action – review this objective and associated actions when the Asset Management Strategy is completed</p> <p>Action – develop systems for monitoring and review of Asset Management Strategy once implemented</p> <p>Action – Investigate the effectiveness of transferring land and assets at nil value to RSLs in order to provide more affordable housing</p> <p>Action - Disposal Strategy Plan (Housing) is tackling domestic properties and garages</p>	Ongoing	S.Dougall	To be advised	Estates



<b>Options for Objectives</b>	<b>Measure/Action</b>	<b>Start Date</b>	<b>Responsible Officer</b>	<b>Completion Date</b>	<b>Resources</b>
1.12 Develop targets for energy efficiency in new affordable homes	Action Work towards attaining Housing Corporation Standards on all affordable units Currently Eco Homes 'very good' Develop a policy in the Local Development Framework that all new housing must achieve Code for Sustainable Homes Level 3, with an aspiration towards Level 6	March 2007	S. Pointer	Ongoing	Housing Strategy & Enabling Team
1.13 Set appropriate design guidance for the development of new affordable homes	Action – Work towards attaining Housing Corporation Scheme Development Standards on all affordable units	March 2007	S. Pointer	Ongoing	Housing Strategy and Enabling Team
1.15 Support the development of environmentally friendly and sustainable homes on new development	Action - Introduce a requirement that all new properties must attain Level 3 of the Code for Sustainable Homes	March 2007	S. Pointer	Ongoing	Planning Policy and Housing Strategy and Enabling Teams
1.16 Influence early infrastructure contributions by working with WNDC on infrastructure interest area sub-groups, and the viability of a roof tariff as an alternative to PGS	Action - Involvement in the WNDC Growth Delivery Plan Steering Group Infrastructure Sub-Groups	Ongoing	C. Cavanagh	To be determined	Regeneration and Growth Corporate Area/Housing Strategy and Enabling Team
1.17 Examine the possibility of flexibility for affordability on larger sites to compensate for the higher implied tax burden on the development of smaller brownfield sites	Action - Review of Supplementary Planning Guidance subject to outcomes of revised monitoring arrangements which will demonstrate whether there is a need for this	March 2007	S. Pointer	December 2007	Planning Policy, and Housing Strategy and Enabling

Options for Objectives	Measure/Action	Start Date	Responsible Officer	Completion Date	Resources
1.18 Agree new Section 106 policy and standard terms with WNDC in light of their development control role.	Action – Development and agreement of new policy, following consideration with partners	February 2007	C. Cavanagh and C Stevenson	April 2008 (provisional)	To be determined
1.169 Work with our RSL partners to ensure that recycled capital grant is used within Northampton	Action -Work with RSLs to ensure that recycled capital grant is used within Northampton. Measure -Amount of grant recycled and new affordable homes developed.	October 2007	S. Pointer	Ongoing	Housing Strategy and Enabling Team

## 2 Create sustainable communities

Options for Objectives	Measure	Start Date	Responsible Officer	Completion Date	Resources
2.1 Plan for the Renaissance of the town centre (MKSM)	Action - Agreement of Central Area Action Plan	Ongoing	S.Pointer/Regeneration Manager	CAAP – estimated completion 2009	Regeneration & Growth; Partnership Working
2.2 Contribute to regeneration initiatives that will revive the most deprived neighbourhoods	Action - Neighbourhood Management/CASPAR + initiatives	Ongoing Programme CASPAR +	Regeneration Manager	March 2008	Multi-Agency CASPAR+ Neighbourhood Renewal funding £4 million for next four years (Spring Boroughs)
2.3 Maximise the role of RSLs in developing communities. Evaluate RSLs practice and performance. Ensure 100% nomination rights are achieved on new schemes and agreed percentage thereafter.	Action - produce an action plan for this objective following consideration at RSL housing management group,	March 2007	S. Pointer	March 2008	RSL Management Group
2.4 Support crime and anti-social behaviour reduction	Action - Partnership working with the Northants Hate Crimes Unit CASPAR+ Neighbourhood Renewal funding expenditure (Spring Boroughs Anti-Social Behaviour Unit work/Action Plan Northampton Borough Council Anti-Social Behaviour Strategy Action – maintain an effective PR and Communications Strategy	Ongoing	T. Ansell	March 2008	Home Office Funding – Respect Agenda

<b>Options for Objectives</b>	<b>Measure</b>	<b>Start Date</b>	<b>Responsible Officer</b>	<b>Completion Date</b>	<b>Resources</b>
2.5 Secure investment in community infrastructure to support the integration of new people and communities into our town	Action – Secure agreement for Neighbourhood Management structures, and subsequent implementation plan	Ongoing	S. Silver and J. Tinker	March 2007 for Structure	Local Strategic Partnership, multi-agency synergies
2.6 Confirm the strong emphasis of neighbourhood management on our estates	Action - Consider the role of neighbourhood management areas in the context of the housing landlord service	To be determined	T. Ansell	March 2008	Housing landlord service; tenant representatives
2.7 Develop tenant participation strategy	Action - Tenant Participation Strategy adopted Dec 2006 to be implemented	Ongoing	S. Silver	December 2007	Tenant representatives, Community Development Team
2.8 Support the development of mixed tenure and mixed income communities	Action - Implementation of 70% rent and 30% shared ownership (following HMA report)	February 2007	S. Pointer	March 2008	Housing Strategy and Enabling Team
2.9 Support the development of brownfield sites	Measure - Percentage of brownfield developments	Ongoing	S. Pointer	Ongoing – Year end figures	Planning Policy

### 3 Improve the Housing Service

Options for Objectives	Measure	Start Date	Responsible Officer	Completion Date	Resources
3.1 Work to prevent homelessness by providing excellent advice services and assistance and by working in partnership	Measure - Reduction in number of homeless cases made and accepted Action - Development of a robust and effective homeless strategy	Ongoing – Quarterly improvements in place. Ongoing	M. Spencer	Quarterly reporting from 31 March 2007.  December 2007	Homeless Team and Housing Advice; partnership working
3.2 Ensure vulnerable groups have access to services to provide access to suitable accommodation and housing related support	Action - Re-launch of Supported Housing Group. Action - Identification of priority groups in order to target resources	March 2007	S. Pointer	April 2007	Northampton Borough Council Corporate Working
3.3 Work to reduce the amount of time properties are void to maximise use of available resources	Measure - Reduction in the amount of time taken to re-let empty Council properties	Ongoing - Voids Project Manager appointed	R. Fitzhenry & T. Ansell	Annual target – March 2007, and ongoing	Housing Services and Property Maintenance
3.4 Work to improve the revenues and benefits performance, e.g. by reviewing staffing structures, policies and procedures and working practices	Measure - An improved customer service in Housing Benefit Claims	Ongoing	I. Tyrer	November 2006, and monthly	Housing Benefits and Customer Services
3.5 Implement and monitor the Housing Action Plan which sets the priorities for improving the housing service	Action - To produce a revised Housing Improvement Plan following the Audit Commission 'Light Touch' housing inspection of September 2006 Measure - Month on month improvement in housing VIPs performance	November 2006 for report production – phased implementation	F. Rodgers	Monthly targets to be monitored	Corporate, and tenant representatives
3.6 Use choice-based lettings to increase accessibility	Action - To produce an Action Plan for the implementation of Choice-Based Lettings Action - To implement Choice-Based Lettings	October 2006  November 2006	M. Spencer/Alison Hacking	Complete  Pilot May 2008	Housing Services, RSL Management Group

<b>Options for Objectives</b>	<b>Measure</b>	<b>Start Date</b>	<b>Responsible Officer</b>	<b>Completion Date</b>	<b>Resources</b>
3.7 Upgrade IT systems to provide more improved services to customers	Action - Introduction of integrated Housing IT system (IBS)	Module implementation from March 2007,	P. Nock	Full implementation by July 2007	Corporate
3.8 Undertake tenant satisfaction survey to ascertain our customer needs, and to ensure that customer feedback is recorded, reported and used to inform service delivery.	Action - To complete a STATUS tenant satisfaction survey Improved BVPI 74 & 75 scores – tenant satisfaction with landlord service, and opportunities for participation in the housing service	November 2007	I. Mortimer	March 2007	Housing Services
3.9 Communicate more effectively with customers	Measure - Target for answering calls through new Automatic Call Distribution (ACD) Service 96% Target for Grade of Service 80% Review access to services Target for waiting time, One Stop Shop 90% of customers wait less than 20 minutes  Qualitative performance assessment framework for customer services officers – 90% to achieve this standard	Ongoing	C. Doran	March 2007 March 2007  March 2008	New systems, Customer Services Team
3.10 Improve telephone contact for housing services	Action - Implementation of Phase 3 of the contact centre	Ongoing	C. Doran	March 2007	As above

<b>Options for Objectives</b>	<b>Measure</b>	<b>Start Date</b>	<b>Responsible Officer</b>	<b>Completion Date</b>	<b>Resources</b>
3.11 Improve telephone contact for Housing Benefits service	Action and Measure - Ensure waiting times hit interim targets – 50% of calls to be answered within 15 seconds, and 85% calls answered overall  Final targets – 80% of calls answered within 15 seconds and 96% overall	Ongoing	C. Doran	March 2007, and regular monitoring  September 2007	As above
3.12 Ensure mutual exchange information is accessible to customers	Action – ensure mutual exchange information is available on the Northampton Council website	July 2006	C. Doran	April 2007	Customer Services Team

#### 4 Provide support to vulnerable people

Options for Objectives	Measure	Start Date	Responsible Officer	Completion Date	Resources
4.1 Ensure vulnerable groups have access to suitable accommodation and housing related support, by working in partnership with providers and alongside the Supporting People Strategy to develop positive outcomes	Action - Set up of Countywide Supported Housing Group <i>In order</i> to identify priority groups and their different needs	March 2007	S. Pointer	To be advised	Cross-authority pooling of resources
4.2 Create a sustainable environment where the rights and responsibilities of both Gypsies and Travellers and the settled community are respected, by developing authorised sites for travellers	Action - Countywide Gypsy and Traveller Accommodation Assessment commissioned in January 2007 which will feed into a Gypsy and Traveller Strategy Action - Production of Gypsy and Traveller Strategy	Feb 2007 January 2008	S. Pointer	December 2007 June 2008	Countywide Travellers Unit, cross-authority working.
4.3 Work in partnership to prevent homelessness, for example by working with private sector landlords to enable homeless households to access private rented accommodation	Measure - Number of additional units provided	Ongoing	M. Spencer	March 2008	Partnership working, voluntary sector, Private Sector Housing Team
4.4 Reduce reliance on temporary accommodation by supporting the provision of more secure accommodation by 2008	Measure - Number of people using temporary accommodation	Quarterly monitoring	M. Spencer	Quarterly monitoring	Partnership Working
4.5 Action to enable vulnerable home owners to remain in their own homes, e.g. by providing maintenance grants or disabled adaptations, or by the provision of appropriate advice	Action - Development of Equity Release Scheme	July 2007	S. Eley	March 2008	Income maximization, advice, Private Sector Housing
4.7 Develop more and improved supported accommodation e.g. for adults with learning disabilities and/or teenage parents	Action - Priority groups and needs identified	February 2007	S. Pointer	December 2007	Supported Housing Group, Supporting People



<b>Options for Objectives</b>	<b>Measure</b>	<b>Start Date</b>	<b>Responsible Officer</b>	<b>Completion Date</b>	<b>Resources</b>
4.8 Strengthen protocols for provision of support to vulnerable groups	Action - Completion of Process Mapping Exercise	May 2007	S. Pointer	January 2008	As above
4.9 Dealing effectively with racial harassment	Measure - BVPI 164 – Equal access to social housing Measure - BVPI 175 – Racial incidents resulting in further action	July 2007	S. Pointer	March 2008	Corporate working, and partnership & community involvement
4.10 Production of a BME Housing Strategy	Action - Completion of Strategy	Nov 2006	S. Pointer	July 2007	Corporate working and partnership & community involvement

## 5 Meet the Decent Homes Standard

Options for Objectives	Measure/Action	Start Date	Responsible Officer	Completion Date	Resources
5.1 Achieve Decent Homes Standard in the council stock by 2010	Action – achieve full spend of the Annual Capital Programme for the life of this strategy Measure - Total Council homes meeting the Decent Homes Standard (Currently 30% achieved)	Ongoing	R. Fitzhenry	Achieve by 2010 – yearly targets to be identified following asset management plan & strategic investment plan – project plan on site, delivery to start July 2007	MRA, Capital Investment, Efficiency savings, partnering arrangements
5.2 Develop and implement asset management strategy, and Decent Homes Standard Implementation Plan	Action - Production of an Asset Management Strategy for the Council's housing stock	Ongoing	R. Fitzhenry	Date to be confirmed	To be advised, but links to above
5.3* Support achievement of Decent Homes Standard in the private sector by 2010 e.g. by reviewing eligibility criteria for grants	Action – achieve full spend of available capital programme annually for the life of this strategy. Measure – increased percentage of vulnerable private sector homes meeting decency target by 2010	Ongoing	S. Eley	2010 – with annual monitoring	Private Sector grants
5.4* Secure improvement to homes in the private sector which are unfit or in poor repair	Action - Implementation of private sector renewal strategy	To follow private sector stock condition survey	S. Eley	(May 2008 for strategy implementation)	To be developed

Options for Objectives	Measure/Action	Start Date	Responsible Officer	Completion Date	Resources
5.5 Review renewal and regeneration strategies in the light of stock condition information	Action - Consideration by Knowledge and Information Management Group	April 2007 (for public sector)	S. Eley and S. Pointer	March 2008 (Prov.)	Housing Strategy and Enabling, and Private Sector Housing, and Property Maintenance
5.6* Enable vulnerable home owners to remain in their homes e.g. by investigating loans and equity schemes to enable vulnerable home owners to access funds to repair and renovate their homes	Action - Consideration by Knowledge and Information Management Group	February 2007	S. Eley and S. Pointer	June 2007	Housing Strategy and Enabling, and Private Sector Housing
5.7* Improve energy efficiency across all tenures, e.g. by promoting grants and initiatives for owner-occupiers to improve the energy efficiency of their homes	Measure - BVPI 63 – Energy Efficiency SAP Rating - Current performance 67	Targets 06/07 68 07/08 70 08/09 72 Jan 2007	S. Eley and R. Fitzhenry	Year End Figures	Private Sector programme
	Action - Two new team leaders to be recruited for gas and electrical services, who will produce strategy for energy efficiency in public sector following report by Savills and NBA consultants	Ongoing	R. Fitzhenry	March 2007	HRA
	Measure - Reduction in carbon emissions as part of the HECA requirements – no annual target	Ongoing	S. Eley	March 2007, and yearly	Private Sector programme



**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Committee</b>	<b>CABINET</b>
<b>Directorate:</b>	Customer and Service Delivery
<b>Corporate Manager:</b>	<b>Fran Rodgers</b>
<b>Date:</b>	<b>5<sup>th</sup> March 2007</b>

<b>Report Title</b>	Interim Policy Review: Allocations
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<b>Key Decision</b>	<b>Yes</b>
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**1. Recommendations**

- 1. Restrict offers of accommodation to two offers only per household (excluding homeless cases who receive one reasonable offer only). Refusal of the second offer will result in a penalty of suspension from the Housing register (i.e. no further offer for 12 months).**
- 2. Restrict choice of offers for homeless applicants to**
  - a) Choice of location for one month only**
  - b) Choice of property type for one month only**
- 3. Agree the allocation of introductory tenancy to homeless clients less than 18 years of age where no guarantor can be found, along with appropriate support package.**
- 4. Agree priority transfers for housing management transfer cases where homelessness will be prevented. Choice of property type and area will be in line with homeless client choices as at (2) above.**

## **2. Report Background**

**The Allocation Policy was reviewed in 2004. There are several areas where a change to the policy will strengthen service improvements.**

**It should be noted that a full service review is scheduled to commence April 2007 and will include policy changes to include a more transparent registration and assessment process as well as implementing Choice Based Lettings System by March 2008. This report proposes 4 amendments to the current policy ahead of the full service review as the changes will demonstrate an immediate effect on performance in the following areas: -**

**Void Turnover - BVPI 212**

**Length of time in Temporary Accommodation BVPI202 and Homeless prevention BVPI 213**

**The proposed amendments are: -**

- 1. Restrict offers of accommodation to two offers only per household (excluding homeless cases who receive one reasonable offer only). Refusal of the second offer will result in a penalty of suspension from the Housing register (i.e. no further offer for 12 months).**
- 2. Restrict choice of offers for homeless applicants to**
  - a) Choice of location for one month only**
  - b) Choice of property type for one month only**
- 5. Agree the allocation of introductory tenancy to homeless clients less than 18 years of age where no guarantor can be found, along with appropriate support package.**
- 6. Agree priority transfers for housing management transfer cases where homelessness will be prevented. Choice of property type and area will be in line with homeless client choices as at (2) above.**

**There are no current restrictions to the amount of offers that a housing register applicant can receive. This means that many clients refuse numerous offers resulting in wasted resources and particularly rent loss on empty properties. The recommendation therefore is to impose a "2 offer only" approach to clients. Officers will ensure that the offers are reasonable and meet the client's needs.**

**In 2004, the council also introduced a policy, which afforded choice of location and property type for homeless clients for a period of 6 months. If the client's choices are not satisfied within that time, then one suitable offer is made to discharge the council's legal duty to re-house.**

**The slowing up of turnover of family accommodation has meant that this amount of choice has proved impractical. Very few clients' choices have been met and there is a potential that clients time living in temporary accommodation will be prolonged unnecessarily whilst waiting for property in**

**locations where there is no turnover.**

**The proposal to limit choice for one month allows the council flexibility in the use of its stock whilst meeting its legal obligations. This results in shorter periods of time in temporary accommodation for the clients and improves overall performance for the council. (BVPI 203). It also reduces the risk of having longer void periods in areas where demand is less and therefore improves on void turnover (BVPI212).**

#### **4. Options and Evaluation of Options**

**This report is presented ahead of a full review which will give several options on the models of allocations available and recommend the appropriate course of action to lead Northampton Borough Council into the Choice based Lettings agenda.**

**Options relating to number of offers of accommodation.**

**The current policy has no restrictions on the number of offers. It has however proved problematic for Northampton where there is currently a 30 per cent refusal rate. Benchmarking with other local authorities in the county demonstrates that 4 other districts do operate restrictions either 2 or 3 offers. Daventry and Kettering do not have a restrictive policy.**

#### **5. Resource Implications (including Financial Implications)**

**There are no significant resource implications**

#### **6. Risk and Opportunity Issues**

**Opportunities to maximise rental income and improve void turn round times i.e. BVPI 212.**

#### **7. Consultees (Internal and External)**

<b>Internal</b>	<b>Housing Services;</b>
<b>External</b>	<b>Registered Social Landlords operating in Northampton.</b>

**8. Compliance Issues**

**A: How Proposals Deliver Priority Outcomes**

<b>Recovery Plan</b>
BVPI212
BVPI202
BVPI213
<b>Corporate Plan</b>
Improvement of service delivery

**B: Other Implications**

<b>Other Strategies</b>
There are none.




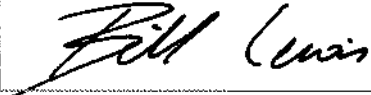
<b>Finance Comments</b>

<b>Legal Comments</b>

**9. Background Papers**

<b>Title</b>	<b>Description</b>	<b>Source</b>
<b>Allocations Scheme 2004</b>	<b>Rules for allocating council housing stock</b>	<b>Housing Services</b>

**[Report Author, title and extension]**

Name	Signature	Date	Ext.
Author			
Corporate Manager		5/3/07	
Director		2/3/07	
Monitoring Officer or Deputy (Key decision only)		2/3/07	
Section 151 Officer or Deputy (Key decision only)		5/3/07	





**NORTHAMPTON  
 BOROUGH COUNCIL**

Ward/s

<b>Name of Group:</b>	<b>CABINET</b>
<b>Meeting Date:</b>	5 March 2007
<b>Directorate:</b>	People, Planning & Regeneration
<b>Corporate Manager:</b>	Howard Crabtree
<b>Cabinet Meeting Date</b>	
<b>Agenda Status:</b>	Public

<b>Report Title</b>	<b>EARLY RETIREMENT / SEVERANCE SCHEME</b>
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<b>Key Decision</b>	<b>YES</b>
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**1. Recommendations**

1. Cabinet members consider and recommend approval of The Early Retirement / Severance Scheme (Appendix 1) for implementation from 1 April 2007 by the Employment Committee.
2. Cabinet members consider and recommend approval of the Council's Statement of Discretions (Appendix 2) for implementation from 1 April 2007 by the Employment Committee.

**2. Purpose and Summary of the Report**

1. The purpose of this report is to seek Cabinet recommendations to change the Council's Severance Policy, adopted in 2004 (Appendix 1). (This is written to show changes in italics and deletions from the 2004 scheme scored through).
2. The Council's Policy must be revised. The recent changes (29 November 2006) in the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 have amended the 2000 Severance Regulations this Council's current scheme is based on. The Government changed the 2000 regulations as a result of the Employment Equality (Age)

Regulations, which came into force in the UK on 1 October 2006. Councils must now change their policies by the 1 April 2007.

3. Other considerations regarding pensions and severance that are relevant include:
  - 3.1 The removal of the 85 year rule (with transition arrangements up to 2020).
  - 3.2 Plans by the Local Government Pension Scheme (LGPS) to introduce a new look pension scheme from 1/4/2008.
  - 3.3 The Council's 'Scheme of Discretions' needs to be amended to support the changes to the Severance Policy.
  - 3.4 There is a requirement that any severance scheme retains public confidence. The published scheme must be 'workable, affordable and reasonable, having regard to foreseeable costs'. Affordability is defined in relation to each individual Local Authority and the scheme it adopts, and can be challenged on a case by case basis. A published scheme enables a consistent approach to be taken by an Authority but should reflect the pressures and resource assumptions of the Medium Term Financial Plan and any other relevant resource constraints / risks that relate specifically to that Authority. The District Auditor will consider all these factors in reviewing the application of an Authority's Severance Scheme
- 4 The Consultative Group meeting held on 20 February 2007 reviewed in detail the options and associated costings in relation to changing the Council's Severance Scheme.
- 5 Full Council on the 21 February 2007 made a decision as part of setting the 2007/8 budget to replicate as far as possible a comparable scheme to the current severance scheme adopted in December 2004, with a review in September 2007.
- 6 This was felt to be an equitable decision as it would ensure similar treatment for staff affected by budget changes / efficiency measures compared to staff affected by Root and Branch in 2005/6.
- 7 Appendix 1 sets out such a scheme for immediate adoption by the Council. Revisions have only been made where necessary to ensure compliance with the law and the 2006 Regulations.
- 8 Statement of Discretions: The Local Government Pension Scheme (LGPS) allows each Administering Authority (in this case it is Northamptonshire County Council) and each individual Employing Authority to exercise certain discretions in relation to the pension scheme.
- 9 Appendix 2 updates this Council's Statement of Discretions in order to;
  - a. Bring them in line with the scheme in Appendix 1,
  - b. Include a statement concerning the discretion of granting flexible early retirement, a new provision which Authorities must incorporate by 1 April

2007.

- 10 Flexible Early Retirement gives employers the power to grant to an employee who is 50 or over and a member of the LGPS the right to request a reduction in hours or grade and take pension benefit. This may assist individuals with retirement planning etc. The newly published rules are complex and there are circumstances where granting such a request would incur additional cost to the Council. In any event it is anticipated non-discretionary regulations covering this will come into force next year and it is recommended that the Council applies these, as required, at that time.
- 11 The Trade Unions have been sent a copy of this report and are aware of the Council resolution of the 21 February 2007. A comment has been inserted at their request – Appendix A 3.1. The TUs will wish to make a statement about this. A copy of this report has also been forwarded to the District Auditor.
- 12 Implementation: As this is the Council's first policy under the 2006 Regulations the rule that a change in policy cannot be implemented until one month has elapsed from the date of publication does not apply. The recommendation is for the Policy at Appendix 2 and the Statement of Discretions to apply from 1 April 2007.

### **3. Relevant Background**

1. A 'new look' Pension Scheme will be launched nationally in 2008.
2. New transitional arrangements have been announced for the removal of the '85 year rule' and these have been incorporated into the scheme as a requirement.

### **4. Options**

1. Alternative approaches to making severance payments were considered by Consultative Group
2. The Council decision on 21 February 2007 provides direction to adopt the Severance scheme at Appendix 1.

### **5. Evaluation of Options**

Various options have been identified, evaluated and costed prior to this report and discussed at Consultative Group - these covered having a broadly comparable scheme, a scheme that reduced overall costs and a scheme that changed the long/short term balance of costs.

## 6. Consultees (Internal and External)

<b>Internal</b>	<ul style="list-style-type: none"><li>• Trade Unions</li><li>• Interim Director of Finance</li></ul>
<b>External</b>	<ul style="list-style-type: none"><li>• District Auditor</li><li>• Administering Body</li></ul>

## 7. Compliance Issues

### A: Links to relevant Council Priorities

<b>Recovery Plan</b>
Non direct
<b>Corporate Plan</b>
Non direct

### B: Other Implications

<b>Other Strategies</b>
Links to 2007/8 Budget and Medium Term Financial Strategy

<b>Finance Implications</b>
<ul style="list-style-type: none"><li>• Detailed in costings to Consultative Group.</li><li>• Considered as part of 2007/8 budget setting.</li><li>• The Administering Authority, changed in 2006, the way employers repay the actuarially assessed costs of augmented pension service. The costs are now to be repaid at the beginning of each financial year commencing from the financial year following that in which payment commences. The period over which the costs of augmentation are repaid is now a maximum of three years. Previously the repayment cost of added years was spread over the life of the ex-employee (and potentially at a 50% rate to any surviving spouse after their death). This means potentially significant increased short term costs to the Council that will now need to be taken into account as part of the affordability criteria for accepting VR cases.</li></ul>

<b>Legal Implications</b>
Advice was sought from the Council's Legal Team and the QC involved in advising on the 2004 scheme to ensure compliance with statutory regulations and the 2006 Discretionary Compensation Regulations.

<b>Crime and Disorder Issues</b>
N/A

<b>Children's Act Issues</b>
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N/A

### Risk Management Issues

Failure to change the policy from the 1 April 2007 would mean the Council could not award Compensatory Added Years on Redundancy as the power to do this is removed under the 2006 regulations. Failure to adopt a replacement policy would jeopardise realisation of the full savings incorporated into the 2007/8 budget.

### Equality Compliance Issues

The policy follows explicit advice on compliance with new Age Discrimination Regulations. The policy was originally written to comply with other equalities issues such as Sex and Race Discrimination. An Equality Impact Assessment has been completed (Appendix 3).

## 8. Background Papers

Title	Description	Source
New Employee Early Retirement / Severance Scheme	Sets out the case for the current scheme	Report to General Purposes Committee 9 December 2004.
Revision to Council Severance Policy and Statement of Discretions	Set out costed options	Consultative Group 20 <sup>th</sup> February 2007

Name	Signature	Date	Ext.
Author	Howard Crabtree	26 02 07	7377
Corporate Manager	Howard Crabtree	26 02 07	7377
Director	Clive Thomas	1/3/07 1/3/07.	
Monitoring Officer or Deputy (Key decision only)	Francis Fernandes	1/3/07	7335

<b>Section 151 Officer or Deputy (Key decision only)</b>	<b>Bill Lewis</b> <i>Bill Lewis</i>	7167	113/07
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## APPENDIX 1

# Early Retirement / Severance Scheme

## 1. INTRODUCTION

- 1.1 There are a number of circumstances in which early retirement, or severance, may be appropriately considered for an employee. These circumstances may be related to the individual situation of an employee, for example in the case of ill health, or arise as a result of organisation changes.
- 1.2 The Council will in all circumstances make every effort to avoid compulsory redundancies. Where the Council decides, however, that after taking all considerations into account, early retirement, flexible retirement or severance is either unavoidable or appropriate for sound business reasons, the Council will ensure that:
- The processes used will be fair, transparent, reasonable and objective
  - Any enhancements given are affordable in the short and long term.
- 1.3 Any payments made under this scheme will be subject to tax regulations in force at the time of their implementation.

## 2. SCOPE

- 2.1 The provisions of the Council's early retirement and severance scheme applies to all Council employees who meet the relevant eligibility criteria set out in the remaining sections of this document, subject to legislation and regulations in force at the time of their implementation.

## 3. LINKS TO OTHER COUNCIL POLICIES

- 3.1 This document should be read in conjunction with the following existing Council policies and procedures and any relevant future policies which replace, change or amend the existing policies:-

Redundancy Selection Policy  
Consultation Agreement  
Attendance Management Policy and Framework

## 4. CRITERIA FOR EARLY RETIREMENT/SEVERANCE

- 4.1 There are a number of different, but specific, circumstances which might lead to early retirement or severance being considered. These are as follows:
- 4.2.1 Ill Health
- 4.2.2 To be eligible for retirement on these grounds the employee must be certified as suffering from ill health which permanently affects their ability to do the job for which they are employed. In addition there must be no comparable alternative employment available which the employee is able to carry out. The Council will ensure that the decision to allow early

retirement on the grounds of ill health is made solely on medical grounds. This will be based on an assessment by the Council's Occupational Health Adviser who will follow the advice issued by the United Kingdom Steering Committee for Local Government Pensions, drawn up by the Association of Local Authority Medical Advisers.

Note: Comparable employment is that as compared to the substantive post held.

#### 4.2.3. Ill Health provision

4.2.3.1 Provided the employee is in the Local Government Pension Scheme (LGPS) with at least three months membership, or has transferred rights from another pension scheme into the Local Government Pension Scheme (LGPS) the employee receives:

- the early release of pension
- the payment of a pension lump sum

Benefits to be calculated based on the length of membership in the scheme as follows:

Length of Service	Membership used to calculate benefits.
4 months – 5 years	- actual membership
5 to 10 years	- membership is doubled
10 to 13.33 years	- membership is increased to 20 years
13.34 years plus	- actual membership service plus 6.⅓ years.

In all instances these will be subject to maximum membership of 40 reckonable years. There is no enhancement beyond the age of 65.

Employees with less than three months membership in the LGPS who have not transferred pension rights from another scheme into the LGPS receive a lump sum payment, which is equivalent to a refund of the contributions they have paid, less the statutory deductions (20% tax) and an amount to buy them back into the state pension scheme.

Where a person is or has been part time, the LGPS Regulations specify how the membership used in the calculation of benefits is to be pro-rated.

If a person is already in receipt of an ill health pension from the LGPS they will not receive an enhanced ill health pension on any subsequent ill health retirement.

#### 4.2.4 Redundancy

This applies where there is a redundancy situation as defined by the Employment Rights Act 1996:

- where business has ceased or diminished
- where the requirements for work of a particular kind have ceased or diminished



- where there has been a significant change in the place of employment and there is no suitable alternative employment available.

NB. There is provision for transferred redundancies, known as 'bumped redundancy'.

4.2.4.1 The same provisions apply whether the employee agrees to retire voluntarily or is made compulsorily redundant.

4.2.4.2 The provisions are as follows:

For employees aged 50/55\* or Over

**Voluntary/ Compulsory Early Retirement on grounds of Redundancy**

To be eligible an employee must be:

- 50/55\* or Over
- in the LGPS with at least three months membership, or with transferred service.

The Scheme gives:

- early release of pension
- the payment of the pension lump sum
- a redundancy payment in accordance with the State formula although the specific calculation in each case will be based on the employee's actual week's pay rather than on the statutory maximum. This is applicable to employees who have at least 5 years membership of the LGPS **OR**
- an enhanced redundancy payment as set Table 2 below where the employee has less than 5 years membership of the LGPS. See section 4.2.4.4 below.

**Table 1**

For each completed year of service between the ages of

18–21 and Under      ½ a week's pay

21–22 – 41–40      1 weeks

41 Plus –64      1½ weeks

64 – 65 ..... Sum payable is reduced by 1/12 for each complete month by which age exceeds 64

This is subject to a maximum of 30 weeks' pay based on the last 20 years service.

**Table 2**

For each completed year of service between the ages of

18—21 and Under	½ weeks pay
21—22 – 23	1 weeks pay
23—24 – 41—40	1.12 weeks pay
41 Plus—64	3 weeks pay
64—65	Sum payable is reduced by 1/12 for each complete month by which age exceeds 64

This is subject to a maximum of 45 weeks.

(NB: \* Proposed Pension changes will change eligibility from 50 to 55—apart from those aged 50 or over on 31<sup>st</sup> March 2005 who would retain age 50 as the earliest possible retirement date. If this change of eligibility is agreed by Parliament this framework will be changed to reflect this.)

**4.2.4.3 Regulation 52 : Awarding extra years of LGPS membership – Augmentation Provisions in the event of Compulsory / Voluntary Redundancy Added Years for Pension provision in the event of compulsory/voluntary redundancy**

To be eligible an employee must be:

- aged 50/55\* or over
- in the LGPS with at least five years membership.

In cases of compulsory redundancy or where voluntary redundancies are sought to avoid compulsory redundancy elsewhere, the calculation for augmenting pension service awarding added years will be a ratio of two extra added years for every five years continuous service at Northampton Borough Council, up to a maximum of 6 ⅔ years. e.g. 18 years continuous Northampton Borough Council service = 6 and 2\3rds added 'years'.

The number of added years granted cannot take the employee's total service to more than 40 years or to more years membership than they could have attained by the age of 65.

(Note: Breaks in service for maternity leave or reasons concerned with caring for Children or other dependants will not prevent the employees service prior to the breaks being included in the calculation of continuous service for the purposes of awarding augmented service added years, provided the break in service does not exceed 8 years and that no permanent full time paid employment has intervened .)

The Council has exercised it's discretion to enhance early retirement payments on redundancy groups for employees who satisfy the criteria outlined in this section by the award of augmented service added years up

to the maximum permitted. Employees to whom these provisions apply will receive a redundancy payment based on the statutory redundancy scheme. The Council can not legally pay an enhanced redundancy payment in addition to the award of added years.

#### 4.2.4.4 For employees under the age of 50/55\*

##### **Voluntary/Compulsory Redundancy Payments**

All employees between the ages of 18 and 65 who have not less than two years continuous service are entitled to receive a payment in accordance with the statutory provisions of the Statutory Redundancy Scheme. The payment is on the basis of the employee's actual weeks' pay and is not restricted to the statutory limit on a week's pay.

The scheme gives:

A redundancy payment based on the following state formula:

For each complete year of service between the ages of

~~18—21 and Under~~     ½ a week's

~~21 22 – 41 40~~     1 weeks

~~41 plus—64~~     1½ weeks

~~64 – 65~~ Sum payable is reduced by 1/12 for each complete month by which age exceeds 64

This is subject to a maximum of 30 weeks' pay based on the last 20 years service.

However where an employees has 2 years continuous service and has 3 months membership of the LGPS they will receive an enhanced redundancy payment based on the following formula:-

~~18—21 and Under~~             ½ weeks pay

~~21 22 – 23~~                     1 weeks pay

~~23 24 – 41 40~~                 1.1\2 weeks pay

~~41 plus—64~~                    3 weeks pay

This will be subject to a maximum of 45 weeks pay.

#### 4.2.4.5 The business case for any proposed early retirement(s) on grounds of redundancy and/or redundancy payment(s) must be demonstrated. The business case must include:-

- The costs of the proposed early retirement/redundancy payment(s)
- The on going savings to be achieved

- The timescales within which the savings will be made

The business case must clearly show that there are significant on-going savings which are achievable after all the costs associated with the early termination of employment have been met. The Business case must be endorsed by the Director responsible for the service area where proposed changes will be implemented or the Chief Executive where the proposals will be implemented on a Council wide basis. The business case will be submitted to the Section 151 Officer and another Director who will independently examine the merits of the business case and make written recommendations to the Chief Executive. The decision to approve the proposed early termination of employment and the associated severance payments will be made by the Chief Executive. A record of approved and rejected proposals will be maintained by the HR service.

~~Where the Chief Executive is responsible for initiating proposals and initially endorses the business case the Council's General Purposes Committee will agree in principle the implementation of the early termination of employment and make recommendations to Full Council for approval.~~

#### **4.2.5 Early Retirement on grounds of Efficiency of the Service**

(Employees aged 50/55\* or over)

- 4.2.5.1 This is a voluntary element of the scheme. An employee cannot be compelled to retire under this provision.
- 4.2.5.2 One of the following criteria must be satisfied for agreement to the early release of an employees' pension under this element of the scheme. In addition the financial criteria referred to in section 4.2.5.3 also needs to be met. The criteria are:
- the employee's ability to perform the job has been affected by changes which mean that it is difficult for them to adjust
  - the job requires new skills or competences which the employee does not have and where retraining or investment in future development would not be appropriate
  - early retirement would create internal job opportunities, or unblock promotion channels which succession planning could fill through an internal appointment
  - structural changes could lead to savings being achieved through appointing a replacement at a lower pay level, or where a replacement removes or avoids a pay protection
  - it avoids a redundancy situation by allowing an employee to be redeployed or transferred into the vacancy created
  - it is considered to be in the interests of the Council as well as the employee.

#### 4.2.5.3 Financial Criteria

The business case for any such proposal must be demonstrated. This must identify the relevant criteria outlined in 4.2.5.2 above which is applicable to the request. It must also identify the savings to be made and how they will be achieved. The business case must be signed by the Corporate Director responsible for the service area where the application originated. A pro forma will be available to document the required information. The signed document must then be submitted to the to the section 151 officer and a different Corporate Director who will independently examine the merits of the application and make written recommendations to the Chief Executive to approve or reject the application. The decision to approve or reject applications will be made by the Chief Executive. Reasons for approval or rejection will be recorded in writing and this information will be maintained within the HR service.

#### 4.2.5.4 To be eligible an employee must be:

- aged 50/55\* or over
- in the LGPS with at least two years' membership whilst in NBC service.

4.2.5.5 Requests for early retirement on grounds of efficiency of service where approved will entitle the employees to receive the early release of their pension. The early release of pension of pension without actuarial reduction on grounds of efficiency of the service will only be agreed where the business case demonstrates additional savings over and above the cost of funding the early retirement and any other associated costs- and to the extent that such retirement is permitted notwithstanding the abolition of the rule of 85.

#### 4.2.6 **Regulation 31 of the Local Government Pension Scheme Regulations (1997)**

##### 4.2.6.1 This is commonly known as the Rule of 85.

Employees between the age of 50\* and 59 can request early retirement and the early release of pension benefits provided that their combined length of pension-able service and their age totals 85 years. This would be at the employee's initiative and not in response to a request from managers for employees who wish to be considered for early retirement to make themselves known in which case the matter would be dealt with either as redundancy or efficiency whichever is applicable. Consideration may *also* be given to early release of pension with actuarial reduction in these circumstances provided that the business case identifies how the costs associated with the early release will be met . In addition consideration of the efficiency criteria outlined in 4.2.5.2 will be relevant to the decision – See 4.2.6.3 below.

##### 4.2.6.2 To be eligible an employee must be:

- aged 5550 or over
- in the LGPS.

#### 4.2.6.3 What the Scheme gives:

- if the employee's combined age (in whole years) and LGPS membership (in whole years) reach a total of 85 years or more, the employee will receive his or her entitlement to pension and lump sum (with no added years) without any actuarial reduction.
- if the employee's combined age and LGPS membership do not exceed 84, he or she will receive their entitlement to pension and lump sum (with no added years) but with an actuarial reduction dependent on the date when 85 years would be reached *or when age 65 would be attained, if earlier.*

(NB: Under the pension regulations a request can be made from the age of 50. From the ages of 50 to 59 this subject to management approval, which is discretionary. The efficiency criteria (see above) will be relevant in these cases and will help to inform decisions on such requests. Decisions will also need to take account of wider organisational requirements. Because of the increased burden this scheme will place on the Pension Fund, management/Member discretion will only be exercised where it can be demonstrated to be in the Council's interest.)

**The 85 year rule has been abolished with effect from 1 October 2006 as a result of the Amending Regulations 2006. There are however, transitional arrangements:**

- **providing protection for all existing contributors at 30 September 2006 on the benefits they accrue on service up to 31 March 2008.**
- **Protection for those existing contributors at 30 September 2006 who will be 60 or over by 31 March 2016**
- **A degree of protection for those existing contributors at 30 September 2006 who will be 60 or over between 1 April 2016 and 31 March 2020.**

~~In the event of proposed changes to the Pension Regulations being adopted, under Regulation 31 the rule of 85 will be deleted in respect of benefits accruing after 31 March 2005 and so an actuarial reduction will apply to that part of a person's benefits if drawn under regulation 31 before the age of 65. The rule of 85 will still apply to the benefits accrued up to 31<sup>st</sup> March 2005. However for those employees who will be aged 60 or over by 31 March 2013 and who would meet the 85 year rule by that date, the change to regulation 31 will not come into effect until 1 April 2013.~~

#### 4.2.7 **Voluntary Early retirement – Compassionate Grounds**

- 4.2.7.1 Employees who have left their employment with the Council with a deferred pension may request his/her deferred pension to be paid early on compassionate grounds. If the early release of the deferred pension is agreed the benefits will be paid in full with no actuarial reduction.
- 4.2.7.2 The Council may also consider requests to waive actuarial reduction where this would otherwise be the case in relation to the early release of pension

benefits. The Council may do so on compassionate grounds. The circumstances where the council may exercise this discretion are set out below:-

a). In relation to employees who have left employment with the Council with a deferred pension and who request early payment of benefits under Regulation 31 above on or after age 50 and before age 60, or who voluntarily opt for payment of the benefit early on or after age 60 and before the normal retirement date or

b). In relation to current employees who are seeking early retirement to the extent permitted under Regulation 31 above on or after age 50 and before age 60, or who voluntarily retire on or after age 60 and before their normal retirement date.

4.2.7.3 For current employees to be eligible she must be:

- over 50/55\*
- in the LGPS with at least two years contributions, or with transferred service.

4.2.7.4 Requests from past and current employees for the early release of pension benefits without actuarial reduction on compassionate grounds will be agreed by the Chief Executive following consultation with the Councils section 151 officer. The decision will be based on a full evaluation of the financial implications for the Council

## **5. RE-EMPLOYMENT FOLLOWING EARLY RETIREMENT**

5.1.1 Any former NBC Council employee who is in receipt of an early retirement pension on the grounds of efficiency, redundancy or at their own request, should not normally be immediately re-employed by the Council either on the basis of a contract of employment or a contract for service with the Council. If there is any doubt about the continuing need for an employee's services then early retirement should not be agreed.

5.1.2 However, it is recognised that there are some, very limited, circumstances when re-employment would be in the interests of the Council. In these cases a report should be submitted to the Corporate Director or his or her nominated senior management representative seeking approval to re-employ for a specified limited period.

5.1.3 Where an employee has been made redundant and receives a severance payment (and therefore without a pension) there should be no re-employment until the expiry of the period for which the number of weeks' severance payment has been given, e.g. if the employee has received a severance payment equal to 16 weeks pay, the earliest re-employment could be considered would be 16 weeks after the date of termination.

5.1.4 Where a former employee has retired on ill health grounds and subsequently applies for a job with the Council, this should be considered carefully bearing in mind the requirements of the Disability Discrimination Act. If it is proposed to appoint any such individual, approval must be given by the Council's Occupational Health Advisers and the relevant

Corporate Director or his or her nominated senior management representative.

NOTE If someone in receipt of a Local Government Pension is re-employed their pension will be abated if in total their pension and pay for the job exceed the pay that they received in the job that they were in before they retired.



**6. Non-fettering of the Council's Discretions**

- 6.1 The above forms the Council's "current" policy. It should be noted that:
- a. the policy confers no contractual rights, and
  - b. the Council will retain the right to change the policy at any time without prior notice or consultation (although the Council will endeavour to consult with UNISON / the recognised Trade Unions), and
  - c. only the policy which is current at the time a relevant event occurs to an employee / scheme member will be the one applied to that employee / member

**7. Review of the Scheme**

- 7.1 The provisions of this scheme will be reviewed on a regular basis to ensure their on-going sustainability and affordability. The ~~next~~<sup>first</sup> review will take place no later than 1 October 2007~~31<sup>st</sup> March 2006~~.

**8. Further Information**

- 8.1 Advice and guidance on the application of the scheme is available from HR ~~and/or the Financial support Manager or his/her nominated representative~~. More detailed written management guidance will also be developed to support the effective implementation of the scheme

**MEETING THE COSTS OF EARLY RETIREMENT/SEVERANCE**

**1. Introduction**

1.1 The aim is to ensure that:

- The costs of redundancy payments (including severance payments) and the increased cost of pension liabilities arising from the early payment of retirement benefits and any added years' enhancements are recognised and taken into account when early retirement decisions are made
- Responsibility for meeting such costs rests with the Service responsible for the early retirement decision.
- The costs of early retirement, severance and flexible retirement are taken into account against the financial benefits arising as a result of efficiency savings or workforce reductions.

1.2 When early retirements, severances or flexible retirements arise from budget or policy changes, there is still an obligation on Services (who have claimed the associated savings) to meet the additions of early retirement costs.

**2 Ill Health Retirements**

2.1 No specific charges against individual Services are made. The cost however has to be met by all Services through the employer's pension contribution set by the Actuary.

**2.2 Redundancy**

2.2.3 Services will be charged the actuarial cost arising from the early release of pension and any added years' enhancements and the one-off costs of redundancy and severance (or just the latter where there is no entitlement to pension)

**2.3 Efficiency**

2.3.1 Services will be charged for the actuarial costs arising from the early release of pension and any added years' enhancements.

**2.4 Regulation 31 (Rule of 85)**

2.4.1 Services will be charged any actuarial costs arising from the early release of pension.

**2.5 Voluntary Early Retirement - Compassionate Grounds**

2.5.1 Services will be charged any actuarial costs arising from the early release of pension.

### 3. Phasing

- 3.1 Wherever possible Services should attempt to meet early retirement and redundancy or severance costs as they arise, i.e. on termination of employment. However it is recognised that in some cases the costs are substantial. Costs in excess of £30,000 can therefore be phased over a period up to a maximum of five years, subject to any redundancy or severance costs being met in full in the year in which the employee is released. The provision to phase costs also applies in cases of flexible retirement.
- 3.2 For example, if an early retirement has the total costs of £79,700 (made up of £19,700 redundancy and £60,000 actuarial costs), the phasing, assuming use of maximum flexibility permitted, would be as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL
Redundancy	£19,700					£19,700
Actuarial		£15,000	£15,000	£15,000	£15,000	£60,000
TOTAL	£19,700	£15,000	£15,000	£15,000	£15,000	£79,700

- 3.3 When retirements take effect before 1 October, Services will be expected to absorb Year 1 costs in the same financial year and to bring forward proposals for doing so as part of the Mid-Year Review. Where retirements take effect from 1 October, the following financial year will be deemed as Year 1. For trading services, operating on a net nil basis, Year 1 will be the year following the retirement, irrespective of when it occurs. This will allow early retirement costs to be included in subsequent years' pricing.

### 4. Bumped Redundancies

- 4.1 The principle is that the Service which benefits from the retirement/severance should also bear the costs. It is acknowledged that in the case of bumped redundancies the benefits may be shared. In such circumstances the costs would also need to be shared, matched to the benefit which each Service receives. The financial arrangements for funding will need to be judged on the specific circumstances of individual cases. Managers will need to include a supporting statement for consideration.
- 4.2 The impact of organisational restructuring, e.g. outsourcing, or other discontinuation of functions needs to be taken into account as it will necessitate that costs are managed centrally.

## GUIDANCE ON THE MANAGEMENT OF TRANSFERRED/BUMPED REDUNDANCIES

- 1.1 All other options should be explored before redundancy is contemplated and the possibility of voluntary Early Retirement on the grounds of efficiency should be considered before a transferred redundancy.
- 2 **The Process**
- 2.1 This may in practice mean that a specific job is no longer needed or that a group of similar jobs is to reduce in number. Selection of employees for redundancy will in the first instance focus on those who are clearly 'at risk' and for whom there are no other reasonable alternative employment options. Volunteers should be sought.
- 2.2 If there are insufficient volunteers at this initial stage (i.e. before compulsion) then a second stage is possible – a transferred redundancy will be the subject of an organisational decision based on the need to match displaced or 'at risk' employees with the requirements of jobs occupied by volunteers. **The Council will not normally therefore seek volunteers generally : volunteers will only be sought where there is a threat of compulsion and a potential match of skills is available.**
- 2.3 The process of matching the jobs of volunteers with displaced or 'at risk' employees is likely to be a complex one involving discussions across the Authority. All potential transferred redundancies must therefore be handled by Corporate Personnel who will be responsible for facilitating the matching process within and across Directorates/Services of the Council.
- 2.4 All cases of proposed transferred redundancy must be supported by the Manager, ( or both of the two managers concerned if across sections) and reported to the relevant Corporate Director(s) Proposals should include details of the circumstances of proposed transferred redundancy and resulting redeployment.
- 3 **Criteria**
- 3.1 All proposals for transferred redundancies should be assessed against criteria of cost, level and skill when they are submitted for approval.
- 3.1.2 **Cost**
- 3.1.2.1 Extra costs arising from the proposal should be avoided. Essentially the cost of making the affected employee redundant should be weighed against transferring the redundancy to someone else (including the actuarial cost of the release of pension, excess travel costs etc).
- 3.1.2.2 The cost of any pay protections should be taken into account in the costing exercise. These may occur where the employee is being redeployed to a lower graded job or there could be a saving where the person being made redundant was protected and the new incumbent is less/not protected.

### 3.1.3 Level

- 3.1.3.1 Transferred redundancies will normally be considered where there is a direct transfer at the same grade or where the transferred employee is currently protected for the same grade of job. This will result in a saving of protection costs either where the redundancy volunteer is on protected salary and the transferred employee is not, or where the transferred employee is returning to their original grade.
- 3.1.3.2 Transferring a redundancy to a higher graded employee will be exceptional. A proposed redundancy which results in a promotion opportunity cannot be targeted for transfer at one employee – it should be subject to a normal competitive selection process. There may, however, be exceptions where the specific skill requirements of the higher graded post can only be met by a specific group of employees – into which the unplaced employee could consequently be placed. In such cases there may be a case for ring fencing the promotion opportunity to suitably qualified and experienced staff. In any event, the proposal must demonstrate that it will result in the appointment of an otherwise unplaced employee.
- 3.1.3.4 Personnel will ensure in each case that the proposals for such ring fencing are cleared through appropriate consultation with the relevant trade unions and that they are specified in the proposal to the Corporate Manager/Corporate Director.

### 3.1.4 Skill

- 3.1.4.1 There should be a specific skill match between the job that is to be filled and the person proposed for transfer into the job.
- 3.1.4.2 Where selection needs to be made either of the employees to be transferred and/or those to be made redundant, careful consideration needs to be given to issues of cost, level and skills match. If, after considering these factors, there is still a selection process required, then that process should be clarified by Personnel and must satisfy all normal legislative and local procedural requirements.

## APPENDIX 2

### NORTHAMPTON BOROUGH COUNCIL

#### LOCAL GOVERNMENT PENSION SCHEME

#### STATEMENT OF DISCRETIONS – APRIL 2007

Northampton Borough Council has decided to adopt the following discretions under the Local Government Pension Scheme (LGPS)

1. Reduction or Elimination of Employees Contribution After 40 Years Service

The Council has decided not to exercise its discretion to allow employees to pay no or reduced levels of contribution when they have reached 40 years local government service. Employees will therefore pay contributions for the whole of their period of service.

2. Early Retirement Under Regulation 31

The Council will permit retirement from age 50 without actuarial reduction where the Council's criteria for early retirement on the grounds of efficiency of the service are met and a business case identifies how the cost associated with early release will be met, and to the extent such retirement is permitted notwithstanding the abolition of the Rule of 85 and associated transitional arrangements.

To the same permitted extent, the Council will permit retirement from Age 50 without actuarial reduction on compassionate grounds.

Service enhancements do not apply to retirements under Regulation 31.

3. Increase in Membership on Cessation of Employment

The Council has agreed to exercise its discretion to allow additional augmented service as detailed in the Early Retirement / Severance Scheme.

Where an active member of the LGPS takes early retirement through redundancy and the active member is aged 50 or over with 5 or more years continuous membership of LGPS and 5 years or more continuous NBC service, the Council will allow 2 additional years for every 5 years continuous NBC service subject to a maximum of

- 6½ years
- not exceeding total service to more than 40 years or to more years membership than they could have attained by age 65

(service to be pro-rated for part time employees unless the equivalent of whole time service of 13½ years has already been accrued).

4. Compassionate Grounds

The Council may permit active members and deferred beneficiaries the right to retire from age 50 on compassionate grounds without reduction.

5. Increase in Membership on Commencement of Employment

The Council has decided not to exercise its discretion in this area.

6. Flexible Retirement

The Council has decided not to exercise its discretion in this area.

7. Shared Cost Additional Voluntary Contribution Scheme (SCAVC)

The Council has decided not to exercise its discretion in this area.

**Other Discretions (2006 Regulations)**

1. Use of Actual Pay in Redundancy Payments

The Council has decided to use actual pay instead of the statutory maximum when calculating redundancy payments.

2. Payment of Enhanced Redundancy Payments to Employees Without Immediate Access to their Pension Rights

The Council has decided to enhance redundancy payments to those under 50 who have at least 2 years continuous service and at least 3 months membership of LGPS, as stated in the Early Retirement / Severance Scheme and subject to a maximum of 45 weeks pay.

APPENDIX 3

EQUALITY IMPACT ASSESSMENT

Directorate People Planning and Regeneration	Human Resources	Section:	Person responsible for the assessment: Howard Crabtree Corporate Manager - Human Resources		
Name of the Policy to be assessed	'Early Retirement / Severance Scheme'	Date of Assessment	27/02/07	Is this a new or existing policy	New (revised)
1. Briefly describe the aims, objectives and purpose of the policy		The Policy and Statement of Discretions are required under the <u>local</u> Government (Early Termination of Employment) Regulations 2006. These govern termination / severance payments in Local Government, including aspects of pension provision.			
2. Are there any associated objectives of the policy, please explain		There is a requirement that any severance scheme retains public confidence. The scheme must be 'workable, affordable and reasonable having regard to foreseeable costs'.			
3. Who is intended to benefit from the policy and in what way		The policy enables compensation for employees whose employment is terminated by way of <ul style="list-style-type: none"> <li>• Redundancy</li> <li>• Early retirement on the grounds of efficiency</li> <li>• Early retirement of the grounds of ill health</li> <li>• Early retirement under rule 31 of the Local Government Pension Scheme (the 85 year rule).</li> </ul>			
4. What outcomes are wanted from this policy?		The provision of compensation to employees that facilitates effective organisational change and retains public confidence.			



<p>5. What factors/forces could contribute/detract from the outcomes?</p>	<p>Contribute:</p> <ul style="list-style-type: none"> <li>• Consultation with Trade Unions</li> <li>• Consultation with the District Auditor</li> </ul> <p>Detract:</p> <ul style="list-style-type: none"> <li>• The Council's financial position</li> <li>• Adverse Employee/Industrial Relations</li> <li>• Failure to manage organisational change</li> </ul>		
<p>6. Who are the main stakeholders in relation to the policy</p>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Trade Unions</li> <li>• Public (as Council Tax Payers)</li> </ul>	<p>7. Who implements the policy and who is responsible for the policy?</p>	<p>Corporate Manager – Human Resources</p>
<p>8. Are there concerns that the policy <u>could</u> have a differential impact on racial groups.</p>	<p>N</p>	<p>A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.</p>	
<p>What existing evidence (either presumed or otherwise) do you have for this?</p>	<p>No recent grievances / tribunal claims to date on this issue.</p>		
<p>9. Are there concerns that the policy <u>could</u> have a differential impact due to gender</p>	<p>N</p>	<p>A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.</p>	
<p>What existing evidence (either presumed or otherwise) do you have for this?</p>	<p>No recent grievances / tribunal claims to date on this issue.</p>		
<p>10. Are there concerns that the policy <u>could</u> have a differential impact due disability</p>	<p>N</p>	<ul style="list-style-type: none"> <li>• A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.</li> <li>• Consideration of Early Retirement on Grounds of Ill Health must meet the criteria in the Pension Scheme. The decision is solely on medical grounds undertaken independently of the Council by its Occupational health Provider.</li> </ul>	

What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.
11. Are there concerns that the policy <u>could</u> have a differential impact on people due to sexual orientation	N A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.
12. Are there concerns that the policy <u>could</u> have a differential impact on people due to their age	Y <ul style="list-style-type: none"> <li>The 2006 Local Government Regulations were produced in response to the Employment Equality (Age) Regulations 2006.</li> <li>Severance payments have included elements of age/length of service to determine amounts paid and these could be challengeable.</li> </ul>
What existing evidence (either presumed or otherwise) do you have for this?	No evidence exists as yet. The Council has had the proposed policy checked by an external QC who advised on the original scheme.
13. Are there concerns that the policy <u>could</u> have a differential impact on people due to their religious belief	N Robust HR Policies cover this aspect.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.
14. Are there concerns that the policy <u>could</u> have a differential impact on people due to them having dependants/caring responsibilities	N <ul style="list-style-type: none"> <li>Robust HR Policies cover this aspect.</li> <li>The Policy makes explicit reference to calculating service when there are breaks due to caring responsibilities.</li> </ul>
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.
15. Are there concerns that the policy <u>could</u> have a differential impact on people due to their offending past	N Robust HR Policies cover this aspect.

What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.					
16. Are there concerns that the policy <u>could</u> have a differential impact on people due to them being transgendered-or transsexual	<b>N</b>	Robust HR Policies cover this aspect.				
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.					
17. Could the differential impact identified in 8-16 amount to there being the potential for adverse impact in this policy?	<b>Yes</b>	This could occur in relation to age ; case law will need to be kept under review to check continued compliance with the law.				
18. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason?	<b>NO</b>					
19. Should the policy proceed to a partial impact assessment?	<b>NO</b>	<table border="1" style="width: 100%;"> <tr> <td data-bbox="927 595 1011 1272">20. If Yes, is there enough evidence to proceed to a full EIA</td> <td data-bbox="927 349 1011 595" style="text-align: center;"><b>N/A</b></td> </tr> <tr> <td data-bbox="1011 349 1101 1272">21. Date on which Partial or Full impact assessment to be completed by</td> <td data-bbox="1011 114 1101 349" style="text-align: center;"><b>N/A</b></td> </tr> </table>	20. If Yes, is there enough evidence to proceed to a full EIA	<b>N/A</b>	21. Date on which Partial or Full impact assessment to be completed by	<b>N/A</b>
20. If Yes, is there enough evidence to proceed to a full EIA	<b>N/A</b>					
21. Date on which Partial or Full impact assessment to be completed by	<b>N/A</b>					

Signed (completing officer) \_\_\_\_\_  
Signed (Policy Team Leader ) \_\_\_\_\_

**Impact Assessment continued.**

**Northampton Borough Council has addressed some of these issues by the following actions;**

- Seeking legal opinion on the operation of the scheme - Age

**Proposed recognised actions to monitor and overcome unjustifiable or adverse treatment**

- Keeping Case Law under review

**Stages 3 & 4 – Formal Consultation & Consultation Result**

Formal consultation with Trade Unions has been taking place as part of the consultation on collective redundancies initiated in February 2007.

**Stage 5 – Publishing of Findings**

**Stage 6 – Monitor & Review Arrangements**

In built review at September 2007.



**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Committee</b>	<b>CABINET</b>
<b>Directorate:</b>	Governance and Resources
<b>Director:</b>	Ian Thompson, Interim Finance Director
<b>Date:</b>	5 <sup>th</sup> March 2007

<b>Report Title</b>	Budget Monitoring 2006/07
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<b>Key Decision</b>	<b>Yes</b>
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**1. Recommendations**

1.1 Cabinet is invited to note the report and the continuing action to constrain expenditure and minimise the impact on the Council's reserves..

**2. Summary**

2.1 The report indicates the current year projected outturn position and the appendix provides further background information. The report also refers to management action that continues in response to the forecast and to minimise the impact on the council's general reserves at the end of the financial year.

### 3. Report Background

3.1 Cabinet received a report on the forecast outturn position for 2006/07 at the meeting of 19<sup>th</sup> December 2006. At that time there was a forecast year end net overspend of £1.9m. based on information to the end of November (period 8). Budget managers in conjunction with finance support staff have now updated the forecast in the light of information to the end of January (period 10).

3.2 Earlier indications were that net expenditure for the year was in danger of exceeding the approved budget by some £3.9m. However, responsive action taken by budget managers identified that this figure could be revised downwards to a net overspend of £1.9m. and the latest updated forecasts have affirmed this position. Management action has included identifying where there is scope for efficiencies and freezing expenditure on supplies and services where this could be achieved without detriment to public service delivery. In addition, appointment to staff vacancies remains subject to rigorous appraisal against a set of criteria in order to ensure that value for money can be demonstrated (for example, where permanent appointment would be more cost effective than the employment of temporary agency staff).

3.3 Appendix 1 provides a more detailed breakdown of the overspend and shows a comparison between the current position and that previously reported. Brief narrative explanations have also been included. It can be noted that where significant variances are expected to have a continuing effect into 2007/08 and later years, these have been taken into account in establishing the 2007/08 base budget position.

3.4 The single most significant variance identified for 2006/07 relates to concessionary fares. A new statutory scheme for England was introduced on 1st April 2006 following introduction in Scotland and Wales a year earlier. One of the underlying principles is intended to be that the bus operators should neither be worse off than before nor profit from the scheme. In setting the budget for 2006/07, in common with the other Northamptonshire district councils, officers took advice from WS Atkins who act as agents to the county council. Northampton Borough Council's scheme was based on the minimum statutory requirement with enhancement to incorporate the 'Dial A Ride' scheme. As shown by the appendix, the current forecast overspend is significant (and has increased since the December reported position) and Cabinet is reminded that officers have already given the required statutory notice to the bus operators in relation to a revised method of funding for 2007/08 (noting that this may be subject to appeal). The draft budget for 2007/08 and later years reflects the potential impact of this together with an assessment of the risks associated with it.

3.5 The overall impact of the net overspend for 2006/07 is to reduce the forecast level of general reserves at the year end to about £1m. However, the report to the December meeting also recognised that there was scope to add a further c. £1m. to the reserves by a combination of

- capitalising revenue expenditure where this has been legitimately incurred in support of capital schemes (for example, staffing costs and professional fees where this expenditure relates to regeneration schemes and where there is a

high expectation of realising future capital receipts), although noting that this is not without risk as should specific schemes not proceed, costs would have to be recharged to the revenue budget.

- reviewing Section 106 contributions currently held on the balance sheet but where the associated works have been undertaken using council resources in previous years
- reviewing a range of notionally earmarked reserves and provisions forming part of the council's balance sheet to identify where funds might be released into the general reserves without risk.

3.6 Furthermore, the approved revenue budget for 2007/08 also incorporates a contingency provision of £1m. thereby enabling the reserves target in support of the 2007/08 budget to be of the order of £3m. in total.

3.7 The December report also made reference to the position on the earmarked insurance reserve and that this was potentially over-provided (by about £1.2m.). However, the audit of the Benefit Subsidy claims for 2004/05 and 2005/06 had revealed that there may have been a significant overclaim and officers and retained external specialists were negotiating the scale of any clawback with the external auditors and the Department of Work and Pensions. It was considered prudent to retain any surplus on the insurance reserve as a provision against this until the position became clearer. As work has progressed, the scale of the potential clawback has reduced to the point where there is confidence that not all of the fund surplus will be required. This has enabled the efficiency and service reductions built into the budget for 2007/08 and later years to be managed in a phased way, recognising that the full year effect of some savings will not be realised in the first year and that therefore a one-off contribution from reserves will be required. This has been covered in more detail as part of the budget reports for 2007/08.

3.8 Cabinet is invited to note the report and the actions being taken both to contain net expenditure in the current year and to minimise the impact on the council's reserves at the end of the financial year.

#### **4. Options and Evaluation of Options**

4.1 Options for constraining expenditure have been considered and taken where this can be achieved without detriment to front line service delivery.

#### **5. Resource Implications (including Financial Implications)**

5.1 See section 3.

## 6. Risk and Opportunity Issues

6.1 These mainly relate to the ongoing impact in future years and the level of general reserves that will need to be retained to mitigate risk. This has been taken into account in setting the budget for 2007/08.

## 7. Consultees (Internal and External)

<b>Internal</b>	Corporate Managers, Directors, budget managers.
<b>External</b>	N/a

## 8. Compliance Issues

### A: How Proposals Deliver Priority Outcomes

<b>Recovery Plan</b>
N/a
<b>Corporate Plan</b>
N/a

### B: Other Implications

<b>Other Strategies</b>
N/a

<b>Finance Comments</b>
N/a

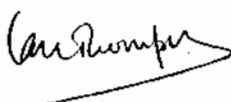
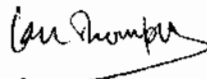

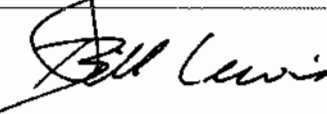


<b>Legal Comments</b>

**9. Background Papers**

<b>Title</b>	<b>Description</b>	<b>Source</b>

Ian Thompson ext 8744

<b>Name</b>	<b>Signature</b>	<b>Date</b>	<b>Ext.</b>
<b>Author</b>		22/2/07	8744
<b>Corporate Manager</b>	N/a		
<b>Director</b>		22/2/07	8744
<b>Monitoring Officer or Deputy (Key decision only)</b>		23/02/07	7334
<b>Section 151 Officer or Deputy (Key decision only)</b>		22/02/07	7167

**General Fund Revenue Budget - Forecast Outturn Variance 2006/2007**

	2006/07 Annual Budget	2006/07 Reported Outturn 19/12/06	(Improvement) / Deterioration in Forecast Outturn	2006/07 Forecast Outturn (Under) / Over Spends	Note
	£000	£000	£000	£000	
<u>Performance, IT &amp; Improvement</u>					
Information Technology		-29	-14	-43	1
	2,974	-29	-14	-43	
<u>Finance &amp; Asset Management</u>					
Other Land and Buildings		135	-77	58	2
Pensions Added Years and Severance Costs		541	-54	487	3
Markets		232	-18	214	4
Other Services		-69	118	49	5
	5,489	839	-31	808	
<u>Community Safety, Leisure &amp; Town Centre Operations</u>					
Car Parking		808	0	808	6
Balloon Festival		102	0	102	7
Town Centre Management		45	0	45	8
Leisure Centres		-80	0	-80	9
Other Services		-236	1	-235	10
	-180	639	1	640	
<u>Customer Services</u>					
One Stop Shop		420	-53	367	11
Other Services		-185	53	-132	12
	3,031	235	0	235	
<u>Streetscene &amp; Property Maintenance</u>					
Recycling		-209	67	-142	13
Domestic Refuse		-63	0	-63	14
Highways Agency		126	0	126	15
Trade Refuse		397	-135	262	16
Other Services		-207	97	-110	17
	10,816	44	29	73	
<u>Development - Building Control &amp; Environmental Health</u>					
Building Control		-80	-76	-156	18
Development Control		0	185	185	19
Other Services		-93	-17	-110	20
	2,097	-173	92	-81	
<u>Regeneration, Growth &amp; Community Development</u>					
Concessionary Fares		890	77	967	21
Other Services and Regeneration		-59	-183	-242	22
	4634	831	-106	725	
<u>Housing Services</u>	2,183	-54	-39	-93	23
<u>Human Resources</u>	1,558	72	-2	70	24
<u>Governance, Resources &amp; Communication</u>	2,741	13	-63	-50	25
<u>Chief Executives</u>	613	169	-85	104	26
Estimated Savings from In Year Recruitment Controls	0	-300	150	-150	27
<b>Outturn Variance Prior to Financing Adjustments</b>	<b>35,756</b>	<b>2,286</b>	<b>-48</b>	<b>2,238</b>	
<u>Financing Adjustments</u>					
Unallocated Section 106 Receipts	0	-250	0	-250	
Capitalisation of Revenue Expenditure	0	-70	0	-70	
	0	-320	0	-320	
<b>Revised Forecast Outturn Variance</b>	<b>35,756</b>	<b>1,966</b>	<b>-48</b>	<b>1,918</b>	

**Notes to Forecast Outturn Variance 2006/07**

1	<b>Information Technology</b> - Savings have been achieved on the running costs of the internal telephone system. Additional savings have been identified since the forecast outturn position reported in December as a result of the delay in the purchase of Performance Management Software.
2	<b>Other Land and Buildings</b> - Under recovery of budgeted income for rent. Rent was budgeted for Derngate Theatre however they were granted a rent free period. This was not reflected in the budget. The forecast outturn position has improved since December due to the receipt of a contribution for 50% of the cost of the Theatres insurance and additional savings identified for utilities and NNDR.
3	<b>Pensions Added Years and Severance Costs</b> - Overspend on Pensions due to the effect of Root & Branch. Added years and pension costs that could not be capitalised as they related to the enhanced element of the severance scheme. The forecast outturn position has improved since December due the opportunity arising to charge additional severance costs to the Housing Revenue Account.
4	<b>Markets</b> - Budget reflected historic levels of Open Market activity. In addition, income has been lost due to the vacation of the Market Hall and expenditure has been incurred in relation to compensation payments to Market Hall traders. The forecast outturn position has improved since December as a result of additional savings on utilities and NNDR.
5	<b>Other Finance &amp; Asset Management</b> - Savings have been achieved as a result of reductions in the external audit fee. In addition the Division has and will continue to hold a number of posts vacant. The forecast outturn position has deteriorated since December as a result of additional Consultancy costs required and recruitment costs for a Senior Management post.
6	<b>Car Parking</b> - The budgeted level of income for carparks will not be achieved partly because the base budget was overstated.
7	<b>Balloon Festival</b> - The budgeted profit for the festival was not achieved. Increased costs were incurred in relation to catering. Income for car parking was lower than anticipated due to poor weather.
8	<b>Town Centre Management</b> - Non achievement of the budgeted income for the Town Centre Management Partnership. This was due to the Town Centre Manager post being vacant for a significant period of time.
9	<b>Leisure Centres</b> - Additional Leisure centre income is predicted as a result of increased activity due to the new gym equipment and the post Christmas activity increase. The additional income offsets the overtime costs incurred to cover sickness/leave absence of the Duty Officer.
10	<b>Other Community Safety Leisure &amp; Town Centre Operations</b> - Savings relating to vacant posts within Community Safety, Health and Safety, Events and Arts.
11	<b>One Stop Shop</b> - Additional cost of the CAPITA Contract for the Customer Contact Centre combined with the cost of additional Customer Services Officers.
12	<b>Other Customer Services</b> - Significant savings have been achieved due to management action of holding posts vacant and reducing expenditure on Supplies and Services.
13	<b>Recycling</b> - The service is forecasting additional recycling income to that budgeted. In addition the service will not spend the Waste Performance Efficiency Grant this year. The forecast outturn position has deteriorated since December due to additional repackaging costs being incurred.
14	<b>Domestic Refuse</b> - A variety of savings have been identified due to management action to achieve efficiencies. Savings in relation to the employees budgets will be achieved due to reducing overtime and managing sickness more effectively. The cost of the Christmas Collection will be contained within the forecast.
15	<b>Highways Agency</b> - The budgeted income will not be achieved as a result of reduced trading activity.
16	<b>Trade Refuse</b> - The Trade Refuse Service is unable to achieve the budgeted income. An improvement in the position reported in December has occurred due to increased income. However the service is performing close to maximum capacity hence limiting its ability to gain any further income.
17	<b>Other Streetscene and Property Maintenance</b> - Savings have been achieved due to staff vacancies, reduction in the use of temporary staff and supplies and services expenditure within Parks and Open Spaces, Neighbourhood Wardens, Street Cleaning and Cemeteries. The forecast outturn position has deteriorated since December due to additional Graffiti removal costs of £84k being incurred combined with additional utilities costs in relation to previous years.
18	<b>Building Control</b> - Additional income will be achieved for Building Regulations. The forecast outturn position for the service has improved since December as a result the extension of vacant posts.
19	<b>Development Control</b> - The forecast outturn position for the service has changed since December due to the termination of WNDK. Additional costs for planning appeals (£146k), software licences (£16k) have been incurred.
20	<b>Other Development, Building control and Environmental Health</b> - Savings in relation to vacant posts within Environmental Health. The forecast for the service has improved since December due to additional savings being achieved due to the extension of vacant posts.
21	<b>Concessionary Fares</b> - The cost of the Concessionary Fares service is higher than budgeted. The forecast outturn position for the service has deteriorated since December as the budget holder has indicated an uptake in the service. Future reports will highlight the final position for this service.
22	<b>Other Regeneration, Growth and Community Development</b> - Savings have been achieved in relation to vacant posts. These savings have been utilised to meet the cost of consultancy staff to cover the vacant posts. The forecast outturn position for the service has improved since December due to additional savings being achieved in relation to vacant posts and consultancy costs. Reductions in anticipated expenditure on Grants has occurred due to the grants budget not being fully utilised. Savings have also been achieved on the Local Development Plan and keeping Urban Enhancement Function to a minimum
23	<b>Housing Services</b> - Savings have been achieved in relation to vacant posts. In addition, reductions in expenditure have been identified, due to the improvement in the turnaround of Void properties. The forecast outturn position has improved since December as a result of savings relating to vacant posts within Tenant Participation.
24	<b>Human Resources</b> - Additional costs of conducting the Pay and Grading Review of £112k will be incurred. This has been partially offset by savings within the centralised training budget as a result of management action to reduce additional training activity.
25	<b>Governance, Resources and Communications</b> - Additional licensing income has been received as a result of the changes in Liquor licensing. This income has been offset by additional employee costs in relation to a consultancy arrangement to cover vacant posts. The forecast outturn position for the service has been improved since December due to not publishing the Civic newspaper (£16k) and the extension of a vacant Communications Manager post (£12k). Further savings have been achieved within Meeting Services in relation to printing, general support costs and temporary staff.
26	<b>Chief Executives</b> - Additional costs have been incurred for consultancy and interim management to cover key vacancies. The forecast outturn position for this service has improved since December due to the cessation of a consultancy arrangement previously reflected within the forecast.
27	<b>Estimated Savings from In Year Recruitment Controls</b> - It is anticipated that additional savings will be achieved in relation to staff turnover, extension of vacant posts and cessation of temporary staff cover. The forecast saving has reduced since December to reflect the reduced number of months remaining in which such savings can be achieved.



**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Committee</b>	<b>CABINET</b>
<b>Directorate:</b>	Citizens, Finance, and Governance
<b>Corporate Manager / Director:</b>	Ian Thompson
<b>Date:</b>	5 <sup>th</sup> March 2007

<b>Report Title</b>	Housing Revenue Account Forecast Outturn 2006/07
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<b>Key Decision</b>	<b>Yes</b>
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## 1. Recommendations

- 1.1 At its meeting on 29<sup>th</sup> January, Cabinet accepted recommendations that::
- 1.2 The anticipated Housing Revenue Account (HRA) outturn position be noted;
- 1.3 HRA earmarked reserves be transferred back into HRA working balances;
- 1.4 The anticipated revenue impact of the financing of the HRA capital programme be noted and approved.

## 2. Summary

Cabinet approved the budgets for the HRA for 2006/07 on 16<sup>th</sup> February 2006. This report

- Indicates the updated anticipated outturn position for the HRA for 2006/07,
- Identifies the impact of capital financing on the HRA, and
- Identifies the level of HRA working balances anticipated to be available at 1<sup>st</sup> April 2007, and therefore the opening balance of HRA working balances to be considered in setting the HRA budgets 2007/08, considered elsewhere on this agenda.

### **3. Report Background**

#### **Rent Rebates Subsidy Limitation**

Up to and including the 2003/04 financial year, rent rebates were accounted for within the HRA. Each year the Government set a maximum level of rent rise on which it would pay rent rebate subsidy. This was colloquially known as the 'rent cap'. Some Councils, including Northampton, raised rents above the level specified by the Government, thus limiting the amount of subsidy received. From the 2004/05 financial year, rent rebates have been accounted for in the General Fund. Subsidy payable by the Government in respect of rent rebates has continued to be limited. In order to negate the potential adverse financial effects to the General Fund, a transfer equal to the reduced subsidy is made from the HRA to the General Fund. The methodology for calculating this transfer is set down in regulations and is based on the levels of rent rebates paid, average rent charged to HRA tenants, and the capping level for that year. The actual cost of this transfer can only be finally determined after the Housing Benefit subsidy claim has been finalised. The claims for 2004/05 and 2005/06 have yet to be finally agreed by the Government, although based on the anticipated position there will be an additional payment required for previous years of £570,000 and a reduced transfer in respect of 2006/07, compared to the budget, of £556,000. The net effect for 2006/07 is £14,000.

#### **Housing Repairs Account**

From 2006/07 Northampton has operated a Housing Repairs Account. The Housing Repairs Account sits as a separate account within the HRA ring fence. The Housing Repairs Account is intended to equalise the effect to the HRA of Housing Repairs from year to year and can carry its own balance from one year to another.

In the original budget the transfer to the Housing Repairs Account was shown within the Street Scene and Property Maintenance service area. The transfer to the Housing Repairs Account is now under the control of the Corporate Manager for Housing Services. The Housing Repairs Account itself is under the control of the Corporate Manager for Street Scene and Property Maintenance. This arrangement will provide additional control over Housing Repairs expenditure. Details of the Housing Repairs Account projections for 2006/07 are shown at Appendix 3, which also shows an indicative breakdown between different types of work. Also shown within this Appendix is the anticipated level of work to be capitalised and therefore financed through the HRA capital programme.

For 2006/07 the transfer to the Housing Repairs Account is anticipated to increase by £470,000 to cover the additional costs of voids and gas maintenance and other improvements in the delivery of Housing repairs. £225,000 is shown in Appendix 1 against the transfer to the Housing Repairs Account line and £245,000 is within the anticipated expenditure shown against the 'Improvement Fund' (detailed in Appendix 2).

#### **Interest & Financing Costs**

The HRA is anticipated to receive a slightly improved level of interest. This however has been netted off against additional revenue financing of the HRA capital programme. The Housing voids programme incorporates some substantial

improvement work which is undertaken on individual properties whilst they are empty. This work is capital in nature and therefore should be funded through the HRA capital programme. Appendix 3 indicates the anticipated level of capitalisation from the Housing Repairs Account. This work can then be financed from HRA Capital resources. As part of the financing of the HRA capital programme it is necessary to include an element of revenue funding which is anticipated to be in the region of £4m for the 2006/07 financial year.

#### **Working Balance B/f**

The final HRA position for 2005/06 was an improvement on the forecast position which was used for budget purposes. The level of balances brought forward in to 2006/07 was increased by £1,083,000 net.

#### **Improvement Fund**

The budget for 2006/07 referred to an "Improvement Fund". This included an amalgamation of a number of budgets including any additional contribution to Housing Repairs in respect of improving voids and maintenance backlogs, and any Revenue Contribution to Capital Expenditure (RCCE). Appendix 2 shows the anticipated use of this budget for 2006/07. For 2007/08 onwards this budget will be included within relevant services and shown separately as proposed levels of RCCE within the Interest and Financing Costs budget.

#### **4. Options and Evaluation of Options**

N/a

#### **5. Resource Implications (including Financial Implications)**

Included above

## 6. Risk and Opportunity Issues

N/a
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## 7. Consultees (Internal and External)

<b>Internal</b>	
<b>External</b>	

## 8. Compliance Issues

### A: How Proposals Deliver Priority Outcomes

<b>Recovery Plan</b>
N/a
<b>Corporate Plan</b>
N/a

### B: Other Implications

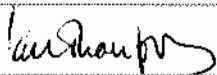
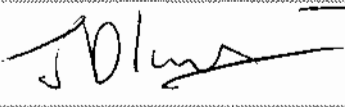

<b>Other Strategies</b>
N/a

<b>Finance Comments</b>
None additional to the above.

<b>Legal Comments</b>

## 9. Background Papers

<b>Title</b>	<b>Description</b>	<b>Source</b>

Name	Signature	Date	Ext.
<b>Author</b>	Bill Lewis Technical Finance Manager	28/02/07	7167
<b>Corporate Manager</b>	N/a		
<b>Director</b>	Ian Thompson 	28/02/07	8744
<b>Monitoring Officer or Deputy (Key decision only)</b>		1. 3. 07	7335
<b>Section 151 Officer or Deputy (Key decision only)</b>	Bill Lewis Technical Finance Manager 	28/02/07	7167



### Housing Revenue Account - Forecast Outturn Variance 2006/2007

	2006/07 Annual Budget	2006/07 Forecast Outturn (Income) / Expenditure	2006/07 Forecast Outturn (Under) / Over Spends	Note
	£000	£000	£000	
<u>Housing Services</u>				
Rent, Rates and Taxes	133	87	-46	1
General Management	2,707	2,801	94	2
Communal Heating and Lighting	501	529	28	
Caretaking and Cleaning	307	314	7	3
Lifts	58	58	0	
Maintenance of Greens and Shrubs	145	105	-40	4
Environmental Enhancement	119	119	0	
Television and Wireless	89	29	-60	5
Single Persons Accomodation	69	56	-13	6
Improvement Fund (Appendix 2)	2,948	665	-2,283	7
Transfer To Housing Repairs Account (Appendix 3)	8,235	8,460	225	8
	15,311	13,223	-2,088	
Targetted Dwellings	101	101	0	
Sheltered Housing	1,732	1,606	-126	9
Housing Rents and Other Income	-40,688	-40,688	0	
Rent Rebates Subsidy Limitation	2,457	2,471	14	10
HRA Subsidy	7,695	7,150	-545	11
	-13,392	-16,137	-2,745	
<u>Regeneration, Growth and Community Development</u>				
Community Development	82	82	0	
	82	82	0	
<b>Revenue Account Forecast Outturn</b>	<b>-13,310</b>	<b>-16,055</b>	<b>-2,745</b>	
Net Recharges to the General Fund	5,438	5,438	0	
Major Repairs Allowance	7,488	7,488	0	
Interest & Financing Costs	-278	3,701	3,979	12
<b>Net Transfer From / (To) Working Balance</b>	<b>-662</b>	<b>572</b>	<b>1,234</b>	
Working Balance B/f	-3,555	-4,638	-1,083	13
HRA Earmarked Reserves	0	-611	-611	
<b>HRA Working Balance c/f</b>	<b>-4,217</b>	<b>-4,677</b>	<b>-460</b>	

## Notes to Forecast Outturn Variance 2006/07

1	<b>Rent, Rates and Taxes</b> - The underspend on this budget of £46k relates to reduced costs that have been incurred for Council Tax on empty properties due to improvement in the speed of turnaround of Void properties (£21k) and a credit received from Anglian water (£25k).
2	<b>General Management</b> - The overspend is due to the cost of a team of staff that were previously accounted for in the General Fund and have been transferred to the Housing Revenue Account. Additional costs have also been incurred for future years pensions as a result of the Root and Branch process. This additional cost has been partially offset by vacancies within the service.
3	<b>Caretaking and Cleaning</b> - The overspend of this budget relates to the use of temporary staff in addition to the budgeted establishment as a result of increased demand on the service.
4	<b>Maintenance of Greens and Shrubs</b> - The underspend on this budget relates to the delay on the commencement of a weed spraying contract to the next financial year.
5	<b>Television and Wireless</b> - The underspend on this service is due to lower demand on the service than anticipated.
6	<b>Single Persons Accommodation</b> - The underspend on this budget relates to savings on Furniture, Equipment and Tools due to the delaying replacement of carpets at Robinson House.
7	<b>Improvement Fund</b> - This budget was intended to represent an Improvement Fund. As explained in the body of the report, much of this budget is actually required to finance the HRA Capital Programme. Appendix 2 identifies the expenditure that has been incurred against this budget.
8	<b>Transfer to Housing Repairs Account</b> - In the original budget this item was shown within Streetscene and Property budgets. From 2006/07 Northampton has operated a Housing Repairs Account. The background to this is detailed in the main body of the report.
9	<b>Sheltered Housing</b> - Sheltered Housing charges have recently been reviewed. The effects of this review will not affect 2006/07 and have been built into the HRA Budgets for 2007/08 considered elsewhere on this agenda. The savings against the current year's budget arise mainly from vacancies among the warden posts.
10	<b>Rent Rebate Subsidy Limitation</b> - This variation includes anticipated adjustments relating to previous years and a change in the anticipated costs for the current year. The background to this item is detailed in the main body of the report.
11	<b>HRA Subsidy</b> - A lower payment to the Government is required than originally anticipated in the draft subsidy determination.
12	<b>Interest &amp; Financing Costs</b> - The HRA is anticipated to receive a slightly improved level of interest. This however has been netted off against additional revenue financing of the HRA capital programme as detailed in the main body of the report.
13	<b>Working Balance B/f</b> - The brought forward working balance is improved on that originally anticipated when the estimates were compiled. This relates to an improved outturn position for the HRA for 2005/06 than anticipated when the budgets for the current year were set.

**Forecast 'Improvement Fund' Expenditure 2006/2007**

	<b>2006/07 Forecast Expenditure</b>
	<b>£000</b>
Preparation for housing inspection and HRA business planning	50
Choice Based Lettings Project Manager 18 months fixed term contract	13
Environmental Enhancements	210
Reward and Recognition Scheme	2
Tenants Initiative Scheme	10
CRE Code of Practice Assessment	10
Investment Planning and Asset Management Strategy	30
NBA Continuation of Stock Condition Survey	95
Additional Transfers to Housing Repairs Account	
Multi Skilled Training	40
Access Warrants	25
Gas Contract Uplift	180
<b>Forecast Outturn</b>	<b>665</b>

**Forecast Housing Repairs Account Expenditure 2006/2007**

	£'000	£'000
<b>Original Budget</b>		8,235
<b>Forecast Expenditure</b>		
Improvement Schemes	14	
Responsive Repairs	3,844	
Misc Communal Services	344	
Drainage	241	
External	35	
Voids	4,045	
Target Repairs	660	
External Decorations	202	
Planned Maintenance	336	
Gas Maintenance	1,405	
Fire Damage	233	
Estate Shops	49	
Operational Heat Lease	2	
	<u>11,410</u>	
<b>Expenditure to be Capitalised</b>	<u>2,950</u>	
		8,460
<b>Additional Transfer from HRA</b>		<u><u>225</u></u>



**NORTHAMPTON  
BOROUGH COUNCIL**

Item No.

11c

<b>Name of Committee</b>	<b>CABINET</b>
<b>Directorate:</b>	Citizens, Finance, and Governance
<b>Corporate Manager / Director:</b>	Ian Thompson
<b>Date:</b>	5 <sup>th</sup> March 2007

<b>Report Title</b>	Housing Revenue Account Budgets 2007/08 to 2009/10
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<b>Key Decision</b>	<b>Yes</b>
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### 1. Recommendations

That Cabinet considers and approves changes to the overall HRA budgets for 2007/08 and the forecast budgets for 2008/09 and 2009/10.

### 2. Summary

At its meeting on 29<sup>th</sup> January, Cabinet approved the following, and appropriate notices have been forwarded to tenants:

- 1.1 That an average rent increase of 4.76%, in line with the Government's rent restructuring regime, to take effect from 1 April 2007, be approved
- 1.2 That Warden and Call Care charges (excluding Eleanore House) are increased in line with the Sheltered Housing Review
- 1.3 That Heating and Eleanore House service charges are increased by 3.6%
- 1.4 That garage charges are increased by 5%
- 1.5 Cabinet also approved the HRA budgets for 2007/08 subject to the results of the HRA re-basing exercise being brought back to a future meeting of Cabinet; and
- 1.6 Potential re-prioritisation of services was also considered

### 3. Report Background

#### Background

The Housing Revenue Account (HRA) Budget for 2007/08 and the forecasts for 2008/2010 were approved at Cabinet's meeting on 29<sup>th</sup> January. Work on these budgets has continued since that meeting and changes are included within the enclosed schedules.

#### Rents and Service Charges

The Housing Revenue Account budget includes the effect of rent increases and charges increases. The detailed budget figures are contained in Appendices 1 to 2. These have been increased to reflect the fact that 2007-08 is a 53 week year (ie 53 Mondays)

#### HRA Budget 'Re-basing' exercise

An HRA budget re-evaluation exercise is currently underway. Some effects of this have been built into the budgets shown within this report. For service areas where the re-basing exercise has not been finalised, an allowance for the anticipated impact has been built in

The incidence of charges between the HRA and the General Fund is still under review and there may be some effects to budgets arising from this which will impact in future years.

#### Summary of Significant Changes

A summary of the changes to the budget approved by Cabinet on 29<sup>th</sup> January is set out below:

	2007/08	2008/09	2009/10
	£'000	£'000	£'000
Improved Opening Balance	-161	-912	-849
General Management	147	151	155
Sheltered Housing	-25	-25	-25
Housing Rents and Other Income	-773	37	-79
Reduction in Contingency	-100	-100	-100
<b>Improved Closing Working Balance</b>	<b>-912</b>	<b>-849</b>	<b>-900</b>

#### Capital Programme

The budget for 2007/08 includes £7.6m for the Major Repairs Allowance. This can only be used to finance HRA capital expenditure. Also included within the HRA budgets within the Interest and Financing Costs budget for 2007/08 to 2009/10 is an annual amount of £2m Revenue Contribution to Capital Expenditure (RCCE). A number of proposed schemes are being reviewed as part of the capital appraisal process and, when that appraisal is complete, will be submitted to a future meeting for approval.

**4. Options and Evaluation of Options**

N/a

**5. Resource Implications (including Financial Implications)**

Included above

**6. Risk and Opportunity Issues**

N/a

**7. Consultees (Internal and External)**

<b>Internal</b>	
<b>External</b>	

**8. Compliance Issues**

**A: How Proposals Deliver Priority Outcomes**

<b>Recovery Plan</b>
N/a
<b>Corporate Plan</b>
N/a

**B: Other Implications**

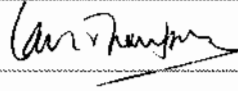


<b>Other Strategies</b>
N/a

<b>Finance Comments</b>
None additional to the above.

<b>Legal Comments</b>

**9. Background Papers**

Title	Description	Source

Name	Signature	Date	Ext.
<b>Author</b>	Bill Lewis Technical Finance Manager	28/02/07	7167
<b>Corporate Manager</b>	N/a		
<b>Director</b>	Ian Thompson 	28/02/07	8744
<b>Monitoring Officer or Deputy (Key decision only)</b>		1.3.07	7335
<b>Section 151 Officer or Deputy (Key decision only)</b>	Bill Lewis Technical Finance Manager 	28/02/07	7167



**Appendix 1:  
Housing Revenue Account**

	2007/08 £000's	2008/09 £000's	2009/10 £000's
<u>Housing Services - Appendix 2</u>			
Rent, Rates and Taxes	139	144	148
General Management	3658	3738	3831
Communal Heating and Lighting	545	567	581
Caretaking and Cleaning	322	333	341
Lifts	63	65	67
Maintenance of Greens and Shrubs	146	150	154
Environmental Enhancement	119	123	126
Television and Wireless	94	97	99
Single Persons Accomodation	71	73	75
Transfer to Housing Repairs Account	8,726	9,172	9401
	13,883	14,462	14,823
Targetted Dwellings	104	107	110
Sheltered Housing	1,787	1,844	1890
Housing Rents and Other Income	-42,823	-43,126	-44,258
Rent Rebates Subsidy Limitation	1,800	1,440	1,080
HRA Subsidy	8,729	9,763	10,797
	-16,520	-15,510	-15,558
<u>Regeneration, Growth and Community Development - Appendix 2</u>			
Community Development	85	87	89
Contingency	800	800	800
Potential Re-prioritisation Items	187	62	62
	987	862	862
Net Expenditure	-15,448	-14,561	-14,607
Net Recharges to the General Fund	6,015	6,165	6,320
Major Repairs Allowance	7,611	7,801	7,996
Interest & Financing Costs	1,772	1,772	1,772
<u>Net Transfer From / (To) Working Balance</u>	<b>-50</b>	<b>1,177</b>	<b>1,481</b>
Working Balance b/f	-4,677	-4,727	-3,550
<b>Working Balance as at 31st March</b>	<b>-4,727</b>	<b>-3,550</b>	<b>-2,069</b>

**Appendix 2**  
**Housing Revenue Account**  
**Housing Services**

	2007/08 £000's	2008/09 £000's	2009/10 £000's
<b><u>Housing Services</u></b>			
H086 Rent, Rates and Taxes	139	144	148
H087 General Management	3,658	3,738	3,831
H088 Communal Heating	305	317	325
H089 Communal Lighting	240	250	256
H090 Caretaking and Cleaning	322	333	341
H091 Lifts	63	65	67
H092 Maintenance of Greens and Shrubs	146	150	154
H093 Environmental Enhancement	119	123	126
H095 Television and Wireless	94	97	99
H097 Single Persons Accomodation	71	73	75
Transfer to Housing Repairs Account	8,726	9,172	9,401
	<b>13,883</b>	<b>14,462</b>	<b>14,823</b>
<b><u>Targetted Dwellings</u></b>			
H102 Targetted Dwellings	104	107	110
	<b>104</b>	<b>107</b>	<b>110</b>
<b><u>Sheltered Housing</u></b>			
H098 Community Rooms	77	80	82
H099 Supporting People	1,681	1,734	1,777
H100 Wardens	29	30	31
	<b>1,787</b>	<b>1,844</b>	<b>1,890</b>
<b><u>Housing Rents and Other Income</u></b>			
H021 Dwelling Rents	-39,908	-40,133	-41,186
H024 Non Dwelling Rents	-1,366	-1,400	-1,435
H026 Charges for Services	-1,749	-1,793	-1,837
H108 Provision for Bad Debts	200	200	200
H420 Rent Rebate Subsidy Limitation	1,800	1,440	1,080
	<b>-41,023</b>	<b>-41,686</b>	<b>-43,178</b>
<b><u>HRA Subsidy</u></b>			
H031 HRA Subsidy	8,729	9,763	10,797
	<b>8,729</b>	<b>9,763</b>	<b>10,797</b>
<b>Total Housing Services</b>	<b>-16,520</b>	<b>-15,510</b>	<b>-15,558</b>

**Appendix 2**  
**Housing Revenue Account**  
**Regeneration, Growth and Community Development**

**Community Development**

H083 Tenant Participation

2007/08 £000's	2008/09 £000's	2009/10 £000's
85	87	89
<b>85</b>	<b>87</b>	<b>89</b>

**Appendix 3****Potential Service Re-Prioritisation**

	<b>2007/2008</b>	<b>2008/2009</b>	<b>2009/2010</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Tenants Handbook	25	0	0
Service Training Budgets	20	20	20
NTACT Mystery Shopping	10	10	10
Satisfaction Survey	5	5	5
Advertising for Rent Income	15	15	15
Ombudsman Complaints	12	12	12
HRA Asset Management Strategy	100	0	0
<b>Total Potential Re-Prioritisation</b>	<b>187</b>	<b>62</b>	<b>62</b>



**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Committee</b>	<b>CABINET – Public meeting</b>
<b>Directorate</b>	Regeneration and Growth
<b>Corporate Manager</b>	Christopher Cavanagh
<b>Date</b>	5 March 2007

<b>Report Title</b>	Regeneration & Growth The Grosvenor Centre and Greyfriars Bus Station Regeneration Project
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<b>Key Decision sought?</b>	<b>Yes</b>
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## 1. Recommendations

### Cabinet is requested to:

- Note progress and actions to date
- Note the team is preparing a report considering the use of compulsory purchase powers and issues (to be presented in private session).
- Support the continuance of the strategy for the progression of the project agreed at the Cabinet meeting of 5 February 2007 (held in private session).
- Approve further budget of £145,000 between March 2007 and April 2007 to progress the project towards a conditional Development Agreement. Further financial resources are being considered as negotiations progress and will be reported at 16 April 2007 Cabinet.
- The approval of expenditure against the £145,000 be subject to evidence of a financially viable scheme as advised by EC Harris and Donaldsons. The Leaders and Portfolio Holder to authorise the expenditure.

## **2. Summary**

Good progress has been made since the Cabinet meeting and report of 5 February 2007, although some items were expected to be more advanced. A substantial amount of work though has been completed.

At the 5 February Cabinet meeting (private session), Cabinet requested officers also bring a progress report to the public part of the Cabinet meeting on 5 March 2007.

## **3. Report Background**

Reports were submitted to Cabinet on 19 December 2006 and 5 February 2007, although these were in private session, due to the issues of confidentiality between the parties at that stage. A collaboration agreement was entered into between NBC and L&G on the 19 December 2006 in support of partnership working aimed at jointly bringing forward a new scheme. The collaboration agreement is governing activity between the parties. Weekly project collaboration meetings are taking place. Progress is such that the timetable for meeting the challenging targets has not been revised.

### **3.1. Targets and Progress to date**

- Agreement of Heads of Terms for a development agreement between NBC and L&G before end May 2007 - work remains on course
- Enter into a conditional Development Agreement with L&G by end May 2007 – work remains on course
- Entry into an Agreement with Stagecoach for its relocation in Summer 2007 – delays encountered
- NBC to commit to the use of compulsory purchase powers to deliver the scheme – expected that a decision will be sought at the Cabinet meeting of 16 April 2007.

### **3.2. Targets for the period to 16 April 2007**

- Agreement of Heads of Terms of a development agreement between NBC and L&G
- Complete preparatory work to lead to a decision to the use of compulsory purchase powers

### **3.3. Stakeholder engagement**

**Northampton County Council:** NBC has updated NCC, who will play a key role in transportation proposals for the new centre, as to progress.

**West Northamptonshire Development Corporation:** WNDC has confirmed its readiness to commence pre-application planning enquiries from L&G and NBC. The joint client professional team is instructed to commence work and attend meetings with WNDC over the next period.

WNDC has re-iterated its willingness, in principle, to assist in progressing the project through grant aid – probably associated with the demolition of the bus station. A WNDC Board decision would be required at that stage.

**English Partnerships:** EP has confirmed that it will willingly supply its landholding at Harvey Reeves Road as a site for a new bus station if required.

**East Midlands Development Agency:** EMDA is considering an application from NBC for grant funding for a study to be carried out to determine the optimal way in which the bus station could be demolished.

**Government Office, East of England (GO East Midland):** GOEM will be engaged in the next period that it might confirm its formal support of the project.

### 3.4. Resource Implications

#### 3.4.1. Financial resources

A summary of historic expenditure, current expenditure and anticipated future expenditure is set out below.

<b>Period</b>	<b>Commitments and Expenditure</b>	
To June 2006	<b>£314,000</b>	
Total historic expenditure	<b>£314,000</b>	
<hr/>		
July 2006 to December 2006	<b>£23,400</b>	
January 2007	<b>£22,650</b>	<b>Part of this sum has been incurred but not yet billed</b>
February 2007	<b>£25,300</b>	<b>Part of this sum has been incurred but not yet billed</b>
Expenditure to date	<b>£71,350</b>	
<hr/>		
March 2007	<b>60,900</b>	
April 2007	<b>82,400</b>	
<hr/>		
Further budget requested	<b>← £145,000</b>	<b>All or most of this sum is expected to be paid to NBC by L&amp;G in the event that a development agreement is entered into. Until this is signed, NBC is at risk for all of these costs.</b>
<hr/>		

### **3.4.2. Renegotiation of fees with the Council's Advisors.**

ECH reports that neither Donaldsons nor Berwin Leighton Paisner is willing to reduce its fees in relation to the job. Both fee quotes are based on historic levels (Donaldsons 1999 and BLP, 2000) and it is considered that the fees as stated, are reasonable. The project team considers that having persuaded both advisers to 'freeze' their fees at historic levels is a positive outcome given the current fee climate.

Any development agreement entered into will include a clause requiring L&G to reimburse NBC all of its reasonable professional fees associated with the project up to a maximum level to be agreed as part of the negotiation.

It must be noted that NBC is liable for all of its costs until a Conditional Development Agreement is signed. If this is not signed then NBC are at risk for all of its costs to date.

### **3.4.3. Resource implications other than financial resources**

NBC officers' team (Legal, Asset Management, Finance) has been impacted by information requests and is responding effectively. It is expected that as the negotiation of the development agreement nears a conclusion, further resource input will be necessary.

The Corporate Manager [RGCD] and Corporate Director [PPR] will need to prioritise this project above much other work in order to meet the challenging deadlines. Major issues conflicting with this priority will, it is expected, arise and will be directed to the Portfolio Holder and Council Leader for resolution.

## **4. Options and Evaluation of Options and Risks and Opportunities**

### **4.1 Do Nothing**

In summary progress over the last 7 years up to June 2006 has not delivered a successful scheme. Negotiations have progressed since summer 2006 and sites for a relocated Bus station explored and are currently being negotiated. To do nothing would waste the effort, cost and improved communications developed since summer 06. This would set the project back, delaying the opportunity of inward investment further and putting at risk further inward investment from both public and private sectors.

### **4.2 Continue with Low Level of Resource**

To continue with a low level of resource is expected to generate very slow progress over time. To see the scheme delivered, much more needs to be done, specifically around the bus station re-location, without which the development itself cannot take place. The scheme may eventually be developed but not in the near future.

NBC would continue to incur the costs of Donaldsons appointment, as they have done for the past 6 years. It may provide the least cost option for the Council in terms of its own fees, however, it is unlikely that it would generate best value for the Council.



## Risks/Weaknesses

- NBC will very much be relying on the pro-activity of others, specifically L&G. This may not happen with L&G seeking to reinvest elsewhere.
- NBC will be unlikely to have any ownership or significant influence over any subsequent delivery of the scheme.
- Adverse publicity for scheme and Council.
- Loss of opportunity to bring forward major regeneration in Northampton town centre.
- High risk to inward investment of Town Centre and wider area.

### **4.3 NBC Apply Additional Resources**

This will enable a concentrated and fully coordinated effort to manage the scheme through the various hurdles to give the scheme the best chance of progressing on a timely basis. Resources might include, more time/priority for this work from Council officers (none for period up to June 2006 other than Corporate Manager and Director), an external Development Manager, and a proactive commercial agent. In addition specialist technical advice will be required. There is now a need to involve a wider Council officer team to consider the new proposals.

#### Alignment With Corporate Aims and Objectives

1. Will provide continuously updated reports and full understanding of the current scheme status, enabling the targeting of resources to key areas, to maintain momentum.
2. Will identify and implement a strategy and react to changing circumstances to see the scheme progress towards delivery.
3. Will offer the best chance to see the scheme being developed at the earliest practicable opportunity.

#### Timescale

Should offer the quickest timescale.

#### Cost

Will cost more in the early stages of the process, but the improved chance of seeing the scheme progress in the earliest possible time provides a business case. A properly negotiated DA would expect to recover significant costs from the developer.

The timing of these reimbursed costs is crucial to the Council's ability to continue to invest in the project, given the Council's overall financial position.

## Other Benefits

- NBC will be demonstrating leadership and being proactive in applying resources to a Priority Growth Area Project. This should receive community support. The Town Centre Commission has confirmed its support for the Council to bring this project forward as a priority.
- Should offer the best chance of securing value for money from Council resources.
- Give positive messages to public and private investors that the Council is serious about regeneration of its town centre and provide the best chance of further inward investment.
- Provide a message to potential employers that Northampton will have a more visible town centre in future to help persuade movement of high quality employers to locate in Northampton.

## Risks/weaknesses

Although offering the best chance of success there is no guarantee, as the positive assistance and goodwill of other key stakeholders is required to deliver it. However signs of goodwill are evident from partners.

As with all regeneration schemes there is no guarantee the investment will produce an agreed scheme.

## **5. Resource Implication**

Please refer to items at 3.4.

Significant resource impact is now affecting the Corporate Manager and Corporate Director in pursuing this project. In order to maximise the opportunity for the Council to meet the challenging timescales being targeted. Resource commitment is now also required from Asset Management, Legal, Finance and Regeneration & Growth.

## **6. Risk and Opportunity Issues**

No changes to those set out in report to 19 December Cabinet. These are being monitored by ECH in conjunction with Corporate Manager.

## **7. Consultees (Internal and External)**

**Internal – Asset Management, Finance, Legal**  
Discussion with all in period

**External – WNDC, EMDA, EP, NCC, GOEM at appropriate stages**

Discussion with all in period  
Discussion with GOEM in next period

## **8. Compliance Issues**

### **8a. How Proposals Deliver Priority Outcomes**

#### **8a(i). Delivery Plan**

This project is considered a major catalyst to regeneration of the Town Centre and major generator of inward investment. Positive progress of this project in the form of achieving signed conditional Development agreements will give positive confidence to both public & private sector investors and therefore should attract further inward investment. It therefore provides a major contribution to the delivery plan items relating to regeneration and economic intelligence strategies and inward investment plan. Inward investment will be vital to the long-term improvement of services in Northampton. The Councils Regeneration paper submitted to the Cabinet on 19 December identifies the Grosvenor/Greyfriars project as a key to regeneration of Northampton. This was affirmed by Cabinet at this meeting.

#### **8a(ii). Corporate Plan**

This project provides a major contribution to the Councils Corporate Plan Priorities in particular those relating to regeneration and economic development. Progressing a new shopping centre is a key recommendation of the Central Area Framework report by BDP, which is supported by WNDC, The Town Centre Commission, EMDA, EP and NCC.

### **8c. Other Strategies**

This project will positively impact other key Objectives of other key Strategies including:

- Regional Spatial Strategy
- MK & South Midlands sub regional plan
- Emerging Joint Core Strategy and Town Centre Action Plan
- NBC Draft Housing Strategy
- WNDC stated objectives

The BDP report referred to Cabinet on 19 December is supportive.

## Finance Comments

A significant cost has already been incurred on this scheme. If this scheme progresses such that the proposed Development Agreement is signed, all or a very considerable proportion of NBC's expenditure in relation to its negotiation and related work will be met by L&G. If this scheme does not progress to conclusion and a capital receipt is not achieved, any costs incurred on this scheme will have to be charged to revenue.

It is noted that this project may result in a capital receipt or a combination of capital receipt and ongoing revenue.

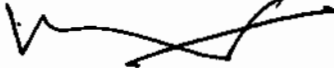
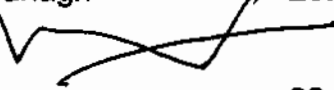


## Legal Comments

### 9. Background Papers

Title	Description	Source
<ul style="list-style-type: none"><li>• EC Harris Gateway Review (Confidential Paper)</li></ul>	Assessment of project and position with stakeholders	EC Harris
<ul style="list-style-type: none"><li>• Regeneration Paper submitted to 19 December 2006 Cabinet</li></ul>	Reviews progress of Regeneration service and recommends priorities for progress	ECH/NBC
<ul style="list-style-type: none"><li>• Report to Cabinet 5 Feb 2007 (in private session)</li></ul>	Progress report	ECH/NBC

### Abbreviations used

"NBC"	Northampton Borough Council
"NCC"	Northamptonshire County Council
"EP"	English Partnerships
"WNDC"	West Northamptonshire Development Corporation
"L & G"	Legal & General
"EMDA"	East Midlands Development Agency
"GOEM"	Government Office East Midlands
"ECH"	EC Harris

Name	Signature	Date	Ext.
<b>Author</b>	Christopher Cavanagh/Nick Duffy (EC Harris) 	<b>28.03.07</b>	<b>8461</b>
<b>Corporate Manager</b>	Christopher Cavanagh 	<b>28.03.07</b>	<b>8461</b>
<b>Director</b>		<b>28.03.07</b>	<b>7287</b>
<b>Monitoring Officer or Deputy (Key decision only)</b>	Francis Fernandes	<b>28.03.07</b>	
<b>Section 151 Officer or Deputy (Key decision only)</b>	Bill Lewis 	<b>28.03.07</b>	

**Appendices**

2



**NORTHAMPTON  
BOROUGH COUNCIL**

Item No.

**13**

**Wards: N/A**

<b>Name of Meeting:</b>	<b>CABINET</b>
<b>Meeting Date:</b>	5 March 2007
<b>Directorate:</b>	Chief Executive's
<b>Corporate Manager:</b>	FRANCIS FERNANDES
<b>Agenda Status:</b>	Public part of Agenda

<b>Report Title</b>	MEETINGS CYCLE 2007/08
---------------------	------------------------

<b>KEY DECISION</b>	NO
---------------------	----

## 1. Recommendations

That Council adopt the attached Meetings Cycle for 2007/08.

## 2. Summary

This report proposes a Meetings Cycle for 2007/08 for adoption by Council on 26 March 2007.

### **3. Report Background**

- 3.1 The attached Meetings Cycle (Appendix A) has been drawn up following the usual conventions. The main points to bear in mind being:
- 3.1.1 June and July 2007 have been reworked from the current timetable to allow for:
    - (a) a full cycle of new Neighbourhood Partnerships meetings, and
    - (b) a special meeting of Cabinet on 11 June to allow for comments on the draft Best Value Performance Plan before its adoption on 25 June.
  - 3.1.2 A monthly cycle of meetings for Cabinet. This is in recognition of the amount of business coming forward and the need over recent months to arrange a number of extra meetings.
  - 3.1.3 The numbering of the Neighbourhood Partnerships follows that agreed under the Neighbourhood Management Scheme. The five Managed Areas having been co-ordinated by the County Council and the Police are not included in this cycle but the dates of meetings, once known, could be added to the Year Book. Appendix B sets out a key.
  - 3.1.4 The cycle of budget meetings for Cabinet and Council follows established practice.
  - 3.1.5 A cycle of meetings for the Employment Committee has not been included as it is to be reviewed at Annual Council.
  - 3.1.6 A cycle of meetings for the Consultative Group has been included and allows for the deadlines set for the publication of the Cabinet Agenda.
- 3.2 The report has been consulted upon as set out in Section 7 below and any comments made taken account of.

### **4. Options and Evaluation of Options**

- 4.1 Cabinet could defer a decision to after the elections and either have no programmed meetings after Annual Council or agree the amended cycle for June, July and August. In either case this would be a unique situation. To date an incoming Administration has accepted the meetings cycle it has inherited and made any changes at the following Annual Council.
- 4.2 A decision to defer would also delay production of the Year Book and would cause uncertainty to the Council's partners in terms of the Local Strategic Partnership, Community Safety Partnership and Town Centre Partnership.

It would also make the booking of external venues (for example, for the Neighbourhood Partnerships) more difficult as many have established bookings by local groups.

4.3 Accordingly, a decision to defer is not recommended.

## 5. Resource Implications (including Financial Implications)

There will be a marginal increase in printing and accommodation costs caused by the increase in frequency of Cabinet meetings from eight weekly to monthly.

## 6. Risk and Opportunity Issues

See 4 above.

## 7. Consultees (Internal and External)

<b>Internal</b>	The Mayor Development Control Team Leader Council Tax Team Leader Community Development Manager Corporate Manager, Governance & Communications	Chief Executive & Directors Group Leaders Group Whips
<b>External</b>	Northamptonshire County Council	

## 8. Compliance Issues

### A: How Proposals Deliver Priority Outcomes

#### Recovery Plan

Not directly by this report of itself.

#### Corporate Plan

Nor directly by this report of itself.




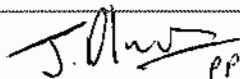
**B: Other Implications**

<b>Other Strategies</b>
The Meetings Cycle is indirectly related to the Council's governance arrangements.
<b>Finance Comments</b>

<b>Legal Comments</b>

**9. Background Papers**

Title	Description	Source

Name	Signature	Date	Ext.
<b>Author</b>	F McGown Meeting Services Team Leader 	22.2.07	7101
<b>Corporate Manager</b>	 P.P. Fernandes	22.2.07	7335
<b>Director</b>			

## APPENDIX B

### NEIGHBOURHOOD MANAGEMENT

#### KEY TO NUMBERING

##### A MANAGED AREAS

- |    |  |   |                                   |
|----|--|---|-----------------------------------|
| 1. | CASTLE   | } | NOT INCLUDED IN<br>MEETINGS CYCLE |
| 2. | SPENCER  |   |                                   |
| 3. | HEADLANDS/EASTFIELDS                               |   |                                   |
| 4. | NORTHAMPTON EAST<br>(THORPLANDS AND LUMBERTUBS)    |   |                                   |
| 5. | SOUTH WEST<br>(DELAPRE)                            |   |                                   |
| 6. | : NP 6 : KINGSTHORPE, BOUGHTON GREEN AND ST DAVIDS |   |                                   |

##### B CO-ORDINATED AREAS (NEIGHBOURHOOD PARTNERSHIPS)

- 7. : NP7 : ECTON BROOK AND BILLING
- 8. : NP8 : ABINGTON AND WESTON
- 9. : NP9 : ST CRISPIN
- 10. : NP10 : NENE VALLEY AND EAST HUNSBURY
- 11. : NP11 : ST JAMES AND WEST HUNSBURY
- 12. : NP12 : DUSTON
- 13. : NP13 : KINGSLEY AND PARKLANDS

APPENDIX A

MEETING CYCLE 2007/08

	June	July	August	September	October	November	December	January
Monday					1 CAB Pre Cab 16:30			
Tuesday					2 NP10			1 1
Wednesday			1 PL		3 OS			2
Thursday			2		4	1 PEN		3
Friday	1		3		5	2		4
Saturday	2		4	1	6	3	1	5
Sunday	3		5	2	7	4	2	6
Monday	4 NP6	2 CAB Pre Cab 16:30	6	3 CAB NP6 Pre Cab 16:30	8 CG 16:30	5 CAB NP6 Pre Cab 16:30	3 CAB Pre Cab 16:30	7 CAB LGB Pre Cab 16:30
Tuesday	5 LC CSP	3 YF	7	4	9 NP11	6 LC	4 A CSP	8 RAC
Wednesday	6 PL	4 PL	8	5 NP7 YF	10 DIS	7 YF	5 LJC	9 NP6
Thursday	7	5 NP11	9	6 WOM	11 LJC	8 LGB	6 NP10	10 LGB
Friday	8	6	10	7	12	9	7	11
Saturday	9	7	11	8	13	10	8	12
Sunday	10	8	12	9	14	11	9	13
Monday	11 Sp Cab (BVPP) Pre Cab 16:30	9 NP12	13	10 CAB NP6 Pre Cab 16:30	15	12 NP7 CG 16:30	10 NP13 CG 16:30	14 YF NP7 CG 16:30
Tuesday	12 LJC	10 STD DIS	14	11	16 NP12	13 DIS	11 OS DIS	15 NP7
Wednesday	13 OS	11 LGB	15	12 LGB CSP	17	14 NP8 WOM	12 NP11	16 PL
Thursday	14 PEN	12 RAC PEN	16	13 NP8	18 CSP	15	13 PEN	17 NP8
Friday	15	13	17	14	19	16	14	18
Saturday	16	14	18	15	20	17	15	19
Sunday	17	15	19	16	21	18	16	20
Monday	18 NP9	16 NP13	20	17	22 NP13	19 Council Pre CL 14:00	17 STD	21 Council Pre CL 14:00
Tuesday	19 NP10	17 LC	21	18 STD	23	20 NP9	18 LC	22 DIS NP9
Wednesday	20 NP7	18 CSP	22	19 NP9	24 PL	21 PL	19 PL	23
Thursday	21 WOM	19	23	20 LB PEN	25	22	20	24 NP10 PEN
Friday	22	20	24	21	26	23	21	25
Saturday	23	21	25	22	27	24	22	26
Sunday	24	22	26	23	28	25	23	27
Monday	25 CAB/Council Pre CL 14:00	23 Council Pre CL 14:00	27	24 A	29 CAB NP6 Pre Cab 16:30	26 NP12	24	28 CAB + Pre Cab 16:30
Tuesday	26 A	24	28	25 LC	30	27	25	29 LC
Wednesday	27 NP8	25 OS	29 PL DIS	26 PL	31	28 RAC	26	30 OS
Thursday	28	26	30 RAC	27 Council Pre CL 14:00		29	27	31
Friday	29	27	31	28		30	28	
Saturday	30	28		29			29	
Sunday		29		30			30	
Monday		30						
Tuesday		31					31	



14



**NORTHAMPTON  
BOROUGH COUNCIL**

<b>Name of Group</b>	<b>CABINET</b>
<b>Directorate:</b>	<b>Governance and Resources</b>
<b>Corporate Director:</b>	<b>Ian Thompson</b>
<b>Date:</b>	<b>5 March 2007</b>

<b>Report Title</b>	<b>Kingsthorpe Recreational Ground and Kingsthorpe Middle School</b>
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<b>Key Decision</b>	<b>YES</b>
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**1. Recommendations**

That further detailed discussions are authorised to take place with Northamptonshire County Council in respect of their proposed redevelopment plans for Kingsthorpe Middle School and in particular the possible inclusion in a joint scheme of adjacent Borough owned land, presently forming part of Kingsthorpe Recreational Ground. Such discussions would take into full account the proper recreational needs of the existing population and those of additional residents arising from any proposed development scheme.

**2. Summary**

- 1) Northamptonshire County Council (NCC) has made a planning application to re-develop Kingsthorpe Middle School for residential use when the school closes later this year.
- 2) NCC have approached this Council asking if we are prepared to negotiate terms for a further access be granted to the school site, over NBC land, to allow a larger overall scheme to be produced.

- 3) It has been recognised that there may be the opportunity for a capital income to be generated for the NBC by negotiating with the NCC.
- 4) Permission is requested to allow further negotiations with NCC to produce a scheme that will benefit both Councils. Any provisional heads of terms would be brought to a future Cabinet for approval and authority would need to be similarly sought at that time to advertise the proposed disposal of any public open space.

### **3. Report Background**

- 1) Kingsthorpe Middle School is scheduled to close in August 2007 and NCC has made a planning application to re-develop the land for housing (the area shown shaded pink on attached plan and amounting to 13.4 acres). If a further access can be provided over part of the Kingsthorpe Recreational Ground (shown edged blue on attached plan) the school site could be developed more intensively and this could also facilitate development of some of the Borough Council's land edged blue for residential development. Early indications are that if this Council agrees to co-operate with NCC to facilitate a more comprehensive development, it could result in a considerable financial advantage to both Councils.
- 2) Informal discussions have already taken place with the NCC's Major Development Engineer regarding access arrangements, with the Borough Council's Street Care and Environmental Manager as regards the impact upon recreational space in the locality and with the Council's Planning Department.
- 3) NCC is seeking planning permission to erect 140 residential units on their site, whilst served by the existing accesses. This could potentially rise up to maximum of 240 units if a further access could be provided. Informal consultations indicate that the only appropriate additional access that could be created would be across part of the Kingsthorpe Recreation Ground.
- 4) If a new road were to be constructed across part of the Recreation Ground one football pitch and some contiguous open space would be lost. However, NCC has indicated that part of their school site could be made available as part of an overall scheme to allow for replacement recreational space. Clearly the location, standard, access to and timing of the construction of any replacement facilities would have to be resolved satisfactorily – to permit continuity of use and to reflect the additional population of the area following the scheme.

- 5) It is requested that Cabinet allow further negotiations with NCC to produce a scheme that will benefit both Councils. Full details of any provisional terms would be reported to Cabinet prior to any final agreement being made.

#### **4. Options and Evaluation of Options**

a) NBC can choose not to participate in the scheme as a landowner and limit the scope of the proposed development. This would mean that the Borough would not benefit financially from any development scheme.

b) NBC can participate in a larger scheme of development and thereby produce a capital receipt for the Borough and influence (as a landowner) the nature of the recreational space provided as part of an overall scheme.

#### **5. Resource Implications (including Financial Implications)**

An agreement regarding development of some Borough land could produce a sizeable capital receipt for the Borough without the net loss of any recreational facility currently available for the community.

#### **6. Risk and Opportunity Issues**

N/A

#### **7. Consultees (Internal and External)**

<b>Internal</b>	NCC's Major Development Engineer
<b>External</b>	Street Care and Environmental Manager Planning Officers, Ward Councillors

**8. Compliance Issues**

**A: How Proposals Deliver Priority Outcomes**

<b>Recovery Plan</b>
N/A
<b>Corporate Plan</b>

**B: Other Implications**

<b>Other Strategies</b>

<b>Finance Comments</b>

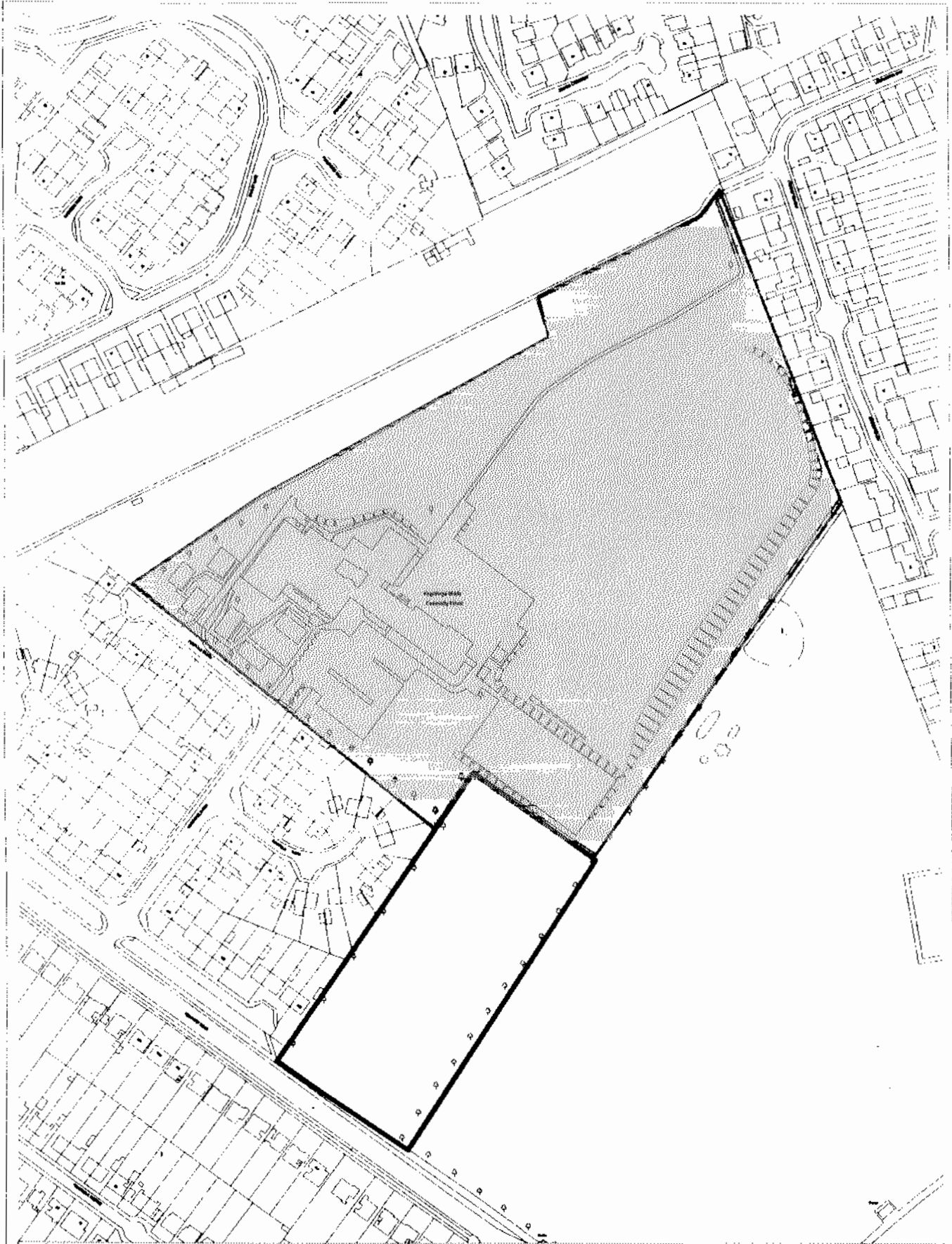
<b>Legal Comments</b>

**9. Background Papers**

<b>Title</b>	<b>Description</b>	<b>Source</b>

**[Report Author Richard Lewis, Valuer, Extension 8026]**





**Title: The Kingsthorpe Project**

DWG No.

**ESTATES & ASSET  
MANAGEMENT**

PRINTED ON: 24th January 2007



**Directorate of Governance & Resources**

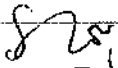
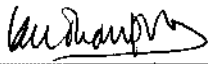


Northampton Borough Council

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Name	Signature	Date	Ext.
Author	 Richard Lewis or Simon Dougall	21/2/07	8177 (SD)
Corporate Manager	N/A		
Director		26/2/07	8477
Monitoring Officer or Deputy (Key decision only)		28/2/07	8335
Section 151 Officer or Deputy (Key decision only)			

# Agenda Item 16

EXEMPT INFORMATION BY VIRTUE OF  
PARAGRAPH(S)3 OF PART 1 OF SCHEDULE 12A  
OF THE LOCAL GOVERNMENT ACT 1972.

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# Agenda Item 17

EXEMPT INFORMATION BY VIRTUE OF  
PARAGRAPH(S)3 OF PART 1 OF SCHEDULE 12A  
OF THE LOCAL GOVERNMENT ACT 1972.

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