

**REPORT TO: Housing Executive
City Council**

**19 July 2007
9 October 2007**

**REPORT BY: Strategic Director for Health, Housing & Social
Care & Strategic Director for Corporate Resources & Services**

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HOUSING INVESTMENT PROGRAMME (HIP) 2007/08 TO 2013/14 & COUNCIL HOUSING REPAIRS & MAINTENANCE BUDGET 2007/08

PURPOSE OF THIS REPORT

1. The main purpose of this report is to explain the Housing Investment Programme process, advise on issues of significance, outline changes proposed for Council Housing revenue budgets & make recommendations on how to proceed.

RECOMMENDED THAT:

- I. The revised 2007/08 programme set out in appendix 4 & the associated capital financing set out in Appendix 3 be approved in the sum of £31.1 million.
- II. The programmes of £27.5 million, £27 million, £23.5 million, £24 million, £24.6 million and £26.7 million for the six financial years 2008/09 to 2013/14 be approved for use in providing information Government as required.
- III. The Prudential Indicators set out in Appendix 6 and the Budget Principles shown at Appendix 1 be approved.
- IV. That for the purposes of the Local Authorities (Capital Finance) (Amendment) Regulations 2003 the City Council resolve to spend £20 million on affordable housing in both 2007/08 & 2008/09. Furthermore that the capital receipts arising in each year from the disposal of surplus HRA assets be used 100% for the provision of affordable housing.
- V. The Strategic Director for Health, Housing & Social Care be given delegated authority in consultation with the Strategic Director for Corporate Resources & Services to approve arrangements for the joint City Council & Housing Corporation Programme for 2007/08 to 2009/10.
- VI. Authority be delegated to the Strategic Director for Corporate Resources & Services to alter the mix of capital funding sources used to finance the HIP to maximise the resources available to the Council.
- VII. The following changes to 2007/08 Council Housing revenue budgets be approved:
 - Repairs & Maintenance of dwellings – increase by £1.9 million
 - Revenue transfer to capital reserve – reduce by 1.9 million

PAPERS ENCLOSED WITH THIS REPORT

2. The following papers are attached:

Appendix 1 – Budget Principles adopted in preparing the revised programme.

Appendix 2 - A copy of our top strategic priorities for action.

Appendix 3 - A comparison of the revised capital spending proposals & estimated capital resources with those approved in February 2007.

Appendix 4 - The revised HIP spending proposals for 2007/08 to 2013/14

Appendix 5 – A summary of major changes to the programme approved in February 2007.

Appendix 6 - The “Prudential Indicators” including details of the estimated revenue effects of the proposed capital programme.

Appendix 7 - A brief outline of the new prudential system of capital controls.

BACKGROUND

3. Up until last year Housing authorities had to submit by the 31st July financial & statistical data drawn from their forward plans for housing to the Department of Communities & Local Government (DCLG) but this year for the first time the DCLG has confirmed that no submission is required. However it is still necessary to report this programme to both the Housing Executive & City Council due to the volume of changes in what is a very substantial programme and the related changes to the Housing Revenue Account revenue budgets described below.
4. The City Council completed the “Options Appraisal” process required by Government two years ago & decided that the City’s council homes should be retained and managed by the City Council. The Strategic Director for Housing, Health & Social Care (SD-HH&SC) will keep under review the options for future management of council homes with a view to achieving the best possible service for our tenants & leaseholders.

LINKS BETWEEN THE COUNCIL’S CORPORATE PRIORITIES & THE BUDGET

5. The Council’s Corporate Strategy drives the Housing Strategy which in turn drives the budget process. A copy of our top Housing Priorities for Action is attached for reference at appendix 2. In order to emphasise the links between the strategy & the budget the capital schemes on appendix 4 are grouped according to which of the five strategic priorities they make most contribution towards.

6. The five strategic priorities are as follows:

- 1 - Affordable Housing & Regeneration
- 2 – Private Housing Renewal & Standards
- 3 – Managing our council homes
- 4 – Supported & Special Housing
- 5 – Housing Choices

BUDGET PRINCIPLES

7. A copy of our top strategic priorities is attached (Appendix 2). After discussion with Residents Consortium representatives & the Housing, Health & Social Care Portfolio holder the budget principles detailed at Appendix 1 were adopted. The main changes from the Budget Principles approved by the Housing, Health & Social Care Executive in February are shown in italics.

NEW CAPITAL CONTROLS & PRUDENTIAL INDICATORS

8. Appendix 7 attached sets out the regulations governing local authority capital investment including the “Prudential borrowing” controls whereby councils set their own borrowing limits after deciding what level is affordable over the long term. To ensure the system is prudently applied councils must approve & publish a set of “Prudential Indicators”. The indicators cover the two main council income streams of council tax (the General Fund) & council housing rents (the Housing Revenue Account). The prudential limits for the Housing Revenue Account, approved by the SD-CRS, are set out in Appendix 6. Prudential indicators for the General Fund for all services including private housing were included in the report on the City’s overall capital programme to City Council on 20 February 2007.

“DECENT HOMES”

9. **Council Housing** - The Government have issued a “Public Service Agreement” which defines a “Decent home” & seeks to ensure that “.. all social housing meets a set standard of decency by 2010 ...”. This has been welcomed by residents representatives who, together with staff from the Strategic Directorate for Health, Housing, & Social Care, have created a “Decent Homes Strategy” which includes standards for the environment surrounding homes as well as ensuring that the Government Target for 2010 is achieved.

10. Plans to achieve the standard by 2010 have been prepared & budgets have been prepared for the next four years (2007/08 to 2010/11) to include all anticipated spending as set out in Appendix 4.

11. **Private Housing** - The Government have also issued a “Public Service Agreement” for Decent Homes in private housing setting a target of housing 70% of vulnerable people in decent homes by 2011, rising to 75% by 2020. The budgets within this programme seek to achieve those aims, though the limited resources available will make the targets very difficult to achieve.

REGIONAL HOUSING BOARD

12. Central Government allocate their contribution towards capital resources for Councils via organisations called “Regional Housing Boards” (RHB’s). The RHB’s for each region have prepared Regional Housing Strategies, which link with planning, economic, transport & other government strategies. The RHB’s allocate resources for investment in housing to both council’s & a QuANGO called the Housing Corporation. Allocations by the Housing Corporation to Housing Associations to provide new social housing are driven by the Regional Housing Strategy rather than local council’s strategies.
13. From next financial year 2008/09 onwards the way in which resources are to be allocated will change. For this year resources for private sector housing are in the form of a capital grant allocated by the South East Regional Housing Board (SERHB) to support only the 22 local authorities in the region with the most acute unfitness problems, of which Portsmouth’s share is £2 million. However in May the South East RHB decided that for the next three years a new basis of allocation will apply on a “sub regional basis” i.e. by partnering with other authorities showing how their plans will address the following three main SERHB priorities:
 - Reduce the number of vulnerable people living in non-decent homes
 - Reduce the number of households living in fuel poverty
 - Support regeneration to create sustainable communities
14. It is not possible to estimate how the change will effect the level of capital grant we will receive over the next three years 2008/9 to 2010/11. Opening up the grant allocation process to all authorities in the region could have an adverse effect, however Portsmouth’s performance on tackling the SERHB’s three priorities above has been of a high standard in comparison with other authorities in the region so hopefully that will be an advantage in the new bidding process. Unfortunately the SERHB timetable indicates that we won’t know the actual level of support until February 2008. For the purposes of this report the level of resources up to 2013/14 have been assumed to remain at the same £2 million cash level as for the current year 2007/8.

SINGLE CAPITAL POT

15. In addition to the allocation of resources for private housing described above, the Government also allocates capital resources to councils for five other main services, i.e. Council Housing, Education, Social Services, Transport & Other Services. Councils can use these capital resources as they see fit to best achieve corporate aims. Councils must also prepare a Corporate Capital Strategy & a Corporate Asset Management Plan. The Capital Strategy shows how capital resources will support the Corporate Plan objectives. The Asset Management Plan assesses what assets are owned, what assets are required to deliver services & provides a detailed plan for managing & maintaining those assets. Whilst continually under review, Portsmouth’s Capital Strategy has recognised the important role played by the Housing Investment Programme and currently provides that the allocation for Council Housing should all be made available to the Housing Investment Programme.

LOCAL PAY REVIEW

16. Provision of £1 million as a prudent estimate of the likely “back pay” impact on Council Housing budgets arising from the Local Pay Review has been made (Appendix 4, Item 101).

COUNCIL HOUSING REPAIRS & MAINTENANCE BUDGETS

17. Since Autumn last year the Housing Management Service has been carrying out a series of reviews with the aim of improving services to our customers & eliminating waste caused by ineffective & inefficient systems. Amongst others the reviews have covered planned maintenance works & also response maintenance services for Council tenants & leaseholders.
18. The planned maintenance reviews are estimated to save over £500,000 a year from 2008/9 onwards. The response repairs review, which covers the processes followed where a tenant contacts the service to report a problem with their home, has shown that previous systems failed to meet tenants needs properly. The works required to address the resulting suppressed need are estimated to cost an additional £1.9 million for the current financial year 2007/8. At this stage it is not possible to assess the effects on future years budgets with any certainty, however based on the best information available it is estimated that spending on response repairs will fall back to the current levels over the two following years.
19. A review of the HIP budgets for 2007/8 has shown that it is possible to identify savings sufficient to offset the increase required for response repairs described above. Those savings in capital budgets, which are reflected in the programme at Appendix 4, enable a reduction in the Council Housing revenue budget for direct Revenue Transfers to the Capital Reserve, so there would be no net increase in Council Housing revenue spending. It is therefore recommended that the budgets approved in February 2007 be revised as follows:

Repairs & Maintenance – increase by £1.9 million to £17.5 Million

Revenue Transfer to capital reserve – decrease by £1.9 million to £3.3 Million

20. The revised Revenue Contributions are reflected in the latest assessment of resources & based on the estimates described above the reduction in revenue contributions across the period 2007/8 to 2012/13 is just under £208,000 (Appendix 3, line 33, column S).

BUDGETS FOR RESOURCES AND SPENDING UP TO 2013/14

21. In February 2006 the City Council approved a programme for 2006/07 to 2012/13. That has now been revised to take account of subsequent slippage and changes and in consultation with residents representatives & the Housing Executive a programme has been prepared within the revised estimated spending ability (appendix 4). **We would like to thank the residents representatives for their patience & invaluable help & assistance during the budget process.**

BUDGETS FOR RESOURCES AND SPENDING UP TO 2013/14 (Continued)

22. Set out at the top of appendix 3 (lines 4 to 6) is a comparison of the February 2007 programme with the latest revised programme together with the actual resources for last financial year 2006/07 & latest estimates of capital resources for 2007/08 to 2013/14. Overall after revising the programme to take into account all known factors budgeted resources up to 2012/13 have increased by just under £1.3 million (line 35, column S). Budgeted spending has reduced by just over £0.9 million (line 6, column R) and the main changes are detailed in Appendix 5.
23. The net effect of increased resources & reduced spending is a £2.2 million rise in overall balances at 31 March 2013 (line 36, column S). It is recommended that authority be delegated to the SD-CRS to alter the mix of capital funding sources used to finance the HIP to maximise the resources available to the Council. The most significant changes are set out below.

Resources

24. Total resources for 2007/08 include a significant receipt from the disposal & re-provision of the Leigh Park Area office site. In addition both spending proposals & capital resources include provision for a scheme to acquire mobile homes, site them on PCC's mobile home sites then sell them on the private housing market. It is hoped that this will both generate badly needed new homes & also show a surplus to be re-invested in the HIP, though for the moment the effects are assumed to be neutral with sales covering the costs of acquisition & installation.
25. The resources estimated assume that borrowing of £1.9 million for council housing occurs each year up to the "Supported Capital Expenditure" (SCE) level approved by the Regional Housing Board (RHB). The reason for this is to be able to clearly demonstrate to the RHB that the Supported Capital Expenditure given has been used directly on achieving Decent Homes by 2010. It is anticipated that SCE for council housing will cease after 2010/11 when Decent Homes for council housing has been achieved so no borrowing is shown from 2011/12 onwards.
26. The SD-HH&SC has been working with the City's Planners to ensure that where developers are unwilling to provide new social housing on development sites they are required to make a contribution sufficient to provide the required number of dwellings elsewhere. Such schemes will require approval via the City Constitution process, including a financial appraisal approved by the SD-CRS.
27. Appendix 3, column S shows the analysis of the overall £1.3 million increase in estimated resources, the most significant of which are:
- £2.8 million increase - Capital receipts up as right to buy sales not now expected to fall in later years.
 - £1.0 million increase – additional fees for agency work undertaken in connection with improving private housing conditions.

BUDGETS FOR RESOURCES AND SPENDING UP TO 2013/14 (Continued)

Resources (Continued)

- £0.5 million increase – Higher contributions from leaseholders
- £1.1 million reduction – Private Sector Renewal Grant fall
- £1.9 million reduction – Budgeted Prudential borrowing for Private Housing in 2006/7 not taken to help tackle the serious budget pressures on General Fund revenue budgets.

Spending programme

28. Appendix 5, Major changes shows all the main changes since the programme was approved In July 2006, the most significant of which are set out below:

- £4.2 million reduction – overall underspending for the whole programme in last financial year 2006/7 (Appendix 3, line 6, column C).
- £0.5 million increase – decent environment works to Communal Areas, Crown Court, Landport.
- £1 million increase – Provision for development of new homes starting 2009/10.
- £0.27 million increase – Disabled Facilities Assistance loans for private housing.
- £0.65 million increase – Decent Homes Assistance works for private housing.
- £0.45 million increase – improvements to energy efficiency/sustainability for council homes.
- £1.8 million reduction – internal refurbishments to council homes
- £1 million increase – provision for back pay for staff working on council housing arising from the Local Pay Review.

29. The full Executive have agreed a report recommending that approval in principle be given to transferring (“appropriating”) a number of Community Facilities & a Part 3 Residential Social Care home into the council housing account (HRA). £1.6 million is included in this programme to bring the Community Facilities up to a decent standard (Appendix 4, item 87) & £0.5 million to convert the residential home to an Extra Care facility. The transfer is conditional upon both approval in principle from the residents budget panel, which has been given, and a financial appraisal on each property to see if the HRA & HIP can afford to take them on. Approval is now being sought from the Secretary of State and if that is received the transfer will take place this financial year.

JOINT CITY COUNCIL/HOUSING CORPORATION PROGRAMME

30. In February 2007 the City Council delegated to the SD-HH&SC & SD-CRS authority to approve arrangements with the Housing Corporation, Housing Associations and other interested parties. It is recommended that the delegation continue for 2007/08 to 2009/10.

LOCAL AUTHORITIES (CAPITAL FINANCE) (AMENDMENT) REGULATIONS 2003

31. These regulations provide that where capital receipts are generated from the sale of council housing assets, other than from "right to buy" sales, 100% of the receipts can be used for capital spending provided they are used to meet the costs of affordable homes. However the Council must make a formal declaration that receipts up to a specified amount will be used in this way, hence recommendation (iv) to this report is required. If this resolution were not passed, or if receipts were to be used other than for affordable housing, or if receipts greater than the specified amount were received then half of the receipt would have to be paid to the Government. If the specified amount is set at a high figure there should be no risk of receipts exceeding that limit & triggering payments to Government. It is therefore recommended that the specified amount be set at £20 million for both 2006/07 & 2007/08.

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Margaret Geary - Strategic Director for Health, Housing & Social Care

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Roger Ching - Strategic Director for Corporate Resources & Services

BACKGROUND LISTS

The information on which this report has been based was drawn from many different sources, however details of some of the information used is held in budget files prepared by the Housing Accountancy section. Please contact Peter Pennekett Finance Manager - Health, Housing & Social Care Finance Team if required.

HHSC BUDGET PRINCIPLES - 2008/9 to 2010/11 Budgets

Budgets to be driven by HHSC Strategies to meet PCC Corporate Priorities with particular emphasis on regeneration & creation of sustainable communities to achieve safe, secure, independent & healthy living for our residents, tenants & leaseholders, *including the following:*

- *ensuring there is appropriate home care to those who need it*
- *offering access to respite care and other support for carers and service users*
- *assessing individuals needs and developing care/support to those needs*
- *contributing to effective rehabilitation for people leaving hospital*
- *promoting healthy eating and healthy lifestyles*
- *enabling and contributing to the provision of good quality low cost homes with well-planned infrastructure*
- *delivering and promoting high quality house design combined with exceptional environmental performance.*
- *tackling fuel poverty*
- *working to reduce carbon emissions and to eliminate negative environmental impacts from all areas of work.*

Consult with residents, tenants & leaseholders & reflect their views

Balanced budgets to be prepared for a minimum 3 years for revenue budgets & 5 years for capital budgets

Work with suppliers & partners, particularly the Health Service, to try & co-ordinate services in the best interests of residents, tenants & leaseholders.

Support effective preventive measures wherever possible

Maintain & improve homes by:

- Tackling disrepair in private housing to meet the target of 70% of vulnerable people housed in decent homes by 2011.
- Reducing the number of unfit and inaccessible private sector homes
- Maintaining the cycle of planned external inspection & repair of council dwellings.
- Improving the quality of council dwellings to meet decent homes standards by the 2010 Government target.
- Working towards a “Decent Environment” for all council dwellings.
- Improving energy efficiency *and opportunities for microgeneration.*
- *Encouraging the reduction, reuse and recycling of materials.*

Maintain high management standards for council dwellings

To be affordable and avoid an unreasonable burden on rents, charges and Council Tax.

APPENDIX 1

Get the best return possible from non-core activities i.e. provision of garages

Achieve continuous improvement through systems thinking methods, designing services against customer demand

Comply with the law.

THE EXECUTIVE SUMMARY

This summary presents the highlights of the city council's strategy for housing in Portsmouth. The emphasis is on identified priorities which require immediate attention, but key background information is also described. Topic headings in these two pages follow the sections in the main text.

THE STRATEGIC CONTEXT

Portsmouth's distinctive characteristics influence our response to the city's housing needs:

- The number of households is increasing
- Household incomes in Portsmouth are the lowest in Hampshire, thereby affecting property prices, among the lowest in the S E Region
- Portsmouth shows sharp economic contrasts: while some areas are affluent others score highly on the Government's Deprivation Indices
- Portsmouth's geography constrains housing development which is limited to 'brownfield' sites
- Portsmouth's housing market is one of the most active in the south Hampshire sub region, especially for the sale of terraced houses
- Portsmouth has strong employment and housing market links with communities in SE Hampshire.

Strategic links with other policies and strategies are many and complex but those with the Portsmouth Local Strategic Partnership (LSP) and its *Community Strategy* are especially marked.

Consultation has been extensive involving techniques such as surveys, seminars, meetings and questionnaires with residents, the LSP Housing Partnership, city council tenants & lease-holders, elected Members, and housing and social care providers.

Sub regional housing policy is reflected in this Housing Strategy as the city council contributes to the activities of PUSH, the Partnership for Urban South Hampshire, and also responds to the Regional Housing Strategy and the South East Plan.

INFORMING THE STRATEGY

Four principal sources inform this Strategy: new data from commissioned research, existing data from public and Government agencies, city council management information, and discussions with residents, service users and housing & service providers. Details are presented in the Appendices.

Housing reviews include a study commissioned from Fordham Research in 2004. Fordham found that Portsmouth has an estimated shortfall of nearly 3,000 affordable homes every year for the next five years. They concluded that it would be reasonable for planning policy to include a site target of up to 50 percent affordable housing.

2005 began with an assessment of the south Hampshire housing market by consultants DTZ Piedad and one of their conclusions was that between 30 and 40 percent of new homes should be affordable.

Home ownership and private renting markets are thriving in Portsmouth. Home purchase prices averaged £153,000 in 2004 compared to £223,000 for the South East Region. But affordability is still an acute issue as these prices are six times average household incomes. Private renting comprises 13 percent of the city's housing and is an essential source of accommodation, bolstered by demand from the University's student population.

Demand for affordable housing, especially low cost social renting, remains huge, although interest in alternative housing solutions (shared ownership for example) is now very great. Applications to the Portsmouth Housing Register have increased by nearly one third in a generation, with families feeling the pressure most as the supply of larger rented homes has declined. Homelessness requests still exceed regional averages.

The need for supported and special housing is immense. Managing *Supporting People* contracts confirms that demand for specialist housing and support services is well in excess of current levels of supply. A strategic priority is to review and revise data collection for each of the main client groups.

Managing council housing involves the repair and maintenance of over 17,000 rented and leasehold properties which must reach the Government's *Decent Homes* standard by 2010. Successive stock surveys demonstrate that at present half the city council's housing met the standard in March 2005.

Private housing renewal refers to the repair and standards agenda for an estimated 70,000 privately owned dwellings in Portsmouth. The 2003 housing condition survey is the main evidence source which informs us that three quarters of the private stock dates before World War II while 9 percent of dwellings are legally unfit, twice the national average.

Regeneration schemes in recent years at Wecock Farm and the John Pound Centre at Portsea have provided invaluable information and expertise about creating mixed and sustainable communities – and new housing - which will be applied to future projects at Somerstown and Leigh Park.

FINANCE AND RESOURCES

Resources for this Strategy are summarised on pages 26 to 30 and presented by two main themes:

- Community housing – many activities including new homes provision, Portsmouth Housing Register, homelessness, housing renewals etc
- Managing the city council's stock of housing.

OUR PRIORITIES FOR ACTION

Our proposals for implementation are presented as five themes which commence on page 33 of the Strategy. The subject matter and objectives are wide ranging and backed up by operational detail in a number of business planning documents. Readers wanting an understanding of where responsibility lies for particular functions may wish to refer to the tables commencing on page 46.

Affordable housing and regeneration

The immediate priority is to ensure a greatly increased supply of housing of all kinds to meet the undoubted gap between demand and supply in the housing market. However the city council, as strategic housing authority, must ensure an increased supply of *affordable* homes. By affordable we mean social renting at lower, usually subsidised, prices by the city council and housing associations. It can also mean *intermediate* tenures of which shared ownership purchase is just one example.

We therefore aim to commission at least 2,000 affordable homes in the six years to March 2011, an average of at least 300 each year. We will expect a significant proportion of these homes to be created for larger families. Delivering this programme will require the co-operation and good will of many, including our housing association partners and house builders. But the city council will contribute in a number of ways for example by revising its planning policies to create more opportunities for affordable housing using planning agreements. Regeneration programmes will be the catalyst and vehicle for achieving more homes. Inter authority working across the south Hampshire sub region will also create opportunities which have become more evident with publication of the Regional Housing Strategy in 2005. Principal actions and targets are listed on page 35.

Private housing renewal & standards

Using the long established home improvement agency, the city council will continue assisting with repairing and improving Portsmouth's private housing, work that is mainly focused on older home owners with limited incomes. It is a long term programme with the aim of reducing the percentage of legally unfit dwellings or those in serious disrepair. Monitoring the health and safety of privately rented housing will also continue, as will grant aided works for disabled customers. **A key priority for this Strategy is to attain the Decent Homes standard by 2011: so that 70 percent of vulnerable households live in homes that reach the decency standard.** One of the tools for achieving this will be a new home loans scheme created with the South Coast Money Line, a community bank, and a number of South Coast local councils. Principal actions and targets are itemised on page 37.

Managing our council homes

The Stock Options Appraisal has been completed and the city council's report submitted to the Office of the Deputy Prime Minister. However the outcome of this process will not be known for some time. Nevertheless our plans for the housing management service have been devised against the background of extensive consultation with residents during 2004 in which they expressed a preference for their homes to remain in the city council's ownership. Our proposals for this Strategy are based on this premise. Central to our planning is continuous service improvement managed in close consultation with residents. **The repair and maintenance of over 17,000 tenanted and leasehold dwellings is an essential element in this programme of activities, linked to attaining the Decent Homes standard by 2010.** We have identified the cost of works and have the necessary financial resources within the Housing Revenue Account budget. Principal actions and targets are listed on page 41.

Supported and special housing

The planning and provision of housing and support services is a growth area, in part due to the substantial *Supporting People* programme, and this Strategy has assessed the current and future requirements of many specialist needs. They are too diverse and complex to summarise here but the reader may wish to review our proposals on pages 42 and 43. Principal actions and targets are listed on pages 47 and 48.

Housing Choices

This is the term we have chosen to describe a collection of services managed for everyone in Portsmouth who requires affordable housing (sometimes with support), or help with the upkeep of their existing home. The gateway to these services is often through the city council's Housing Options team which is part of a network of organisations who have specialist expertise in their particular field.

Our proposals in this Strategy cover a range of activities: advice and assistance in obtaining accommodation; the homelessness service; managing the Portsmouth Housing Register; improving access to private renting; and giving support to people in their home with services such as Home Check and community alarms. **A key proposal over the next two years will be to design and implement a *Choice Based Lettings* system which will be more flexible and quicker for many applicants than the present housing register.** Other plans include

- An on-line Internet housing information service
 - Preparing a new Homelessness Strategy
 - A lettings agency for private accommodation.
- Principal actions and targets are listed on page 45.

HIP REVISED CAPITAL SPENDING PROPOSALS & ESTIMATED CAPITAL RESOURCES 2006/07 TO 2013/14

APPENDIX 3

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
1	(1) Change in HIP Programme	2006/07		2007/08		2008/09		2009/10		2010/11		2011/12		2012/13		2013/14	Totals 2006/7 - 2012/13		
2					£		£											£	£
3	Detailed Capital Programme as now revised	24,653,872		31,139,638		27,467,328		27,018,264		23,541,031		24,059,656		24,621,508	26,656,286			182,501,297	
4	Approved by City Council Feb 2007	28,861,092		29,344,934		28,117,454		26,385,764		23,151,531		23,480,156		24,092,008				183,432,939	
5	Increase/(Decrease)	-4,207,220		1,794,704		-650,126		632,500		389,500		579,500		529,500	26,656,286			-931,642	
6																			
7																			
8																			
9	(2) Capital Resources	2006/07		2007/08		2008/09		2009/10		2010/11		2011/12		2012/13		2013/14	Totals 2006/7 - 2012/13		
10		Feb 2007	Actual	Feb 2007	July 2007	Feb 2007	July 2007	Feb 2007	July 2007	Feb 2007	July 2007	Feb 2007	July 2007	Feb 2007	July 2007	July 2007	Feb 2007	July 2007	Change +/-
11																	£	£	£
12	Borrowing including Supported Capital Expenditure Council Housing	1,913,000	1,913,000	1,913,000	1,913,000	1,913,000	1,913,000	1,913,000	1,913,000	1,913,000	1,913,000	0	0	0	0	0	9,565,000	9,565,000	0
13	Disabled Facilities Grant (SCA to 2003/4)	528,000	528,040	528,000	553,098	528,000	553,098	542,784	568,585	557,982	584,505	573,605	600,871	573,605	617,696	634,991	3,831,977	4,005,893	173,916
14	Private Sector Renewal Discretionary Fund	2,200,227	2,200,227	2,200,227	2,024,900	2,200,227	2,024,900	2,200,227	2,024,900	2,200,227	2,024,900	2,200,227	2,024,900	2,200,227	2,024,900	2,024,900	15,401,589	14,349,627	(1,051,962)
15	Unsupported Prudential Borrowing - Council Housing	1,913,000	0									1,913,000	1,913,000	1,957,764	1,957,764	2,003,576	5,783,764	3,870,764	(1,913,000)
16	John Pounds Grants Comm Energy/Sport England	7,500	7,500														7,500	7,500	0
17	Capital Receipts																		
18	- Usable in hand at 1 April	1,120,535	1,120,535	4,568,749	6,148,115	3,877,638	3,689,800	1,782,839	2,165,432	665,577	947,432	14,862	351,045	981,364	1,170,030	1,466,458	1,120,535	1,120,535	0
19	- Received in the year	5,650,892	7,737,322	6,068,564	4,313,317	2,397,574	2,832,290	2,263,675	2,759,941	2,018,298	2,518,962	2,072,948	2,585,520	2,133,194	2,655,362	3,222,291	22,605,145	25,402,714	2,797,569
20	Grants & Contributions																		
21	- HRA Disabled Facilities Grants	4,064	9,527	4,210	9,870	4,328	10,147	4,449	10,431	4,574	10,723	4,702	11,023	4,805	11,257	11,495	31,133	72,978	41,844
22	- Sold flats - contributions by leaseholders	700,000	759,594	748,919	812,677	793,011	860,523	839,199	910,643	887,571	963,133	938,222	1,018,096	991,249	1,075,638	1,135,868	5,898,170	6,400,303	502,133
23	- Loan Repayments					45,000	0	50,000	0	55,000	0	60,000	0	65,000	0	0	275,000	0	(275,000)
24	- Developers contributions B/F	395,272	395,272	0	353,434	0	0	0	0	0	0	0	0	0	0	0	395,272	395,272	(0)
25	- Milton Campus/Futchers School	310,000	309,637	750,000	690,000												1,060,000	999,637	(60,363)
26	- Kings Road/Gunwharf/Broadstreet				294,000												0	294,000	294,000
27	- Renovation grants agency fee income	237,490	372,578	243,427	381,892	249,513	391,440	255,751	401,226	262,145	411,256	268,698	421,538	275,416	432,076	442,878	1,792,439	2,812,006	1,019,567
28	- Renovation grants NHER income	15,274	18,180														15,274	18,180	2,906
29	Other Contributions etc																		
30	- Housing Grant Contribution	0	70,950														0	70,950	70,950
31	Revenue Contributions																		
32	- HRA - Balance Brought Forward	2,146,762	2,146,763	1,106,691	3,828,221	1,315,485	999,356	201,681	58,996	168,885	441,452	1,931,263	2,802,765	2,253,364	3,738,518	5,200,983	2,146,762	2,146,762	(0)
33	- HRA - Normal Contribution for the year	6,352,865	6,352,865	5,200,000	3,300,000	5,341,590	4,988,047	5,487,044	5,929,724	4,436,280	4,974,939	4,555,791	5,090,170	4,677,329	5,207,158	5,325,859	36,050,898	35,842,904	(207,994)
34	- HRA - Major Repairs Allowance (MRA)	11,041,652	11,041,652	11,206,270	11,206,270	11,436,607	11,429,155	11,679,578	11,664,271	11,928,117	11,904,538	12,181,564	12,149,276	12,440,001	12,398,551	12,652,430	81,913,789	81,793,713	(120,076)
35	Total spending ability for the year	34,536,533	34,983,642	34,538,058	35,828,794	30,101,974	29,691,756	27,220,226	28,407,148	25,097,656	26,694,840	26,714,881	28,968,203	28,553,318	31,288,949	34,121,729	187,894,248	189,168,737	1,274,489
36	Detailed Capital Programme as now revised	28,861,092	24,653,872	29,344,934	31,139,638	28,117,454	27,467,328	26,385,764	27,018,264	23,151,531	23,541,031	23,480,156	24,059,656	24,092,008	24,621,508	26,656,286	183,432,939	182,501,297	(931,642)
37	RESOURCES IN HAND AT 31 MARCH	5,675,441	10,329,769	5,193,124	4,689,156	1,984,520	2,224,428	834,462	1,388,884	1,946,125	3,153,809	3,234,725	4,908,547	4,461,310	6,667,441	7,465,443	4,461,310	6,667,440	2,206,131
38	ANALYSIS OF RESOURCES:																		
39	HRA Cap receipts held in General Fund	4,568,749	6,148,115	3,877,638	3,689,800	1,782,839	2,165,432	665,577	0	14,862	0	981,363	1,170,030	1,404,662	1,466,458	2,444,787			
40	HRA Cap Reserve Revenue Contributions	1,106,691	3,828,221	1,315,485	999,356	201,681	58,996	168,885	1,388,884	1,931,263	3,153,809	2,253,362	3,738,517	3,056,647	5,200,983	5,020,656			
41	Developers contributions in hand		353,433																
42	RESOURCES IN HAND AT 31 MARCH	5,675,441	10,329,769	5,193,124	4,689,156	1,984,520	2,224,428	834,462	1,388,884	1,946,125	3,153,809	3,234,725	4,908,547	4,461,310	6,667,441	7,465,443			
43	Capital Receipts spent on Council Housing	67,265	7,737,322	1,525,525	3,883,207	869,200	244,062	120,536	470,957	14,862	285,250	981,363	1,094,458	1,404,662	1,122,132	1,071,291			
44	Capital Receipts spent on Private Housing/Other	2,135,413	2,709,742	2,430,353	2,888,425	1,477,046	4,112,596	2,413,651	3,506,984	1,931,263	2,830,099	2,253,362	672,077	3,056,647	1,236,802	1,172,671			

HOUSING PORTFOLIO (SUMMARY)

APPENDIX 4

	July 2007 Estimate for 2007/08	July 2007 Estimate for 2008/09	July 2007 Estimate for 2009/10	July 2007 Estimate for 2010/11	July 2007 Estimate for 2011/12	July 2007 Estimate for 2012/13	July 2007 Estimate for 2013/14	July 2007 Total Cost to 2013/14
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>HOUSING AIMS:</u>								
1 AFFORDABLE HOUSING & REGENERATION	5,161	4,465	3,958	4,135	3,635	3,635	4,210	29,199
2 PRIVATE HOUSING & RENEWAL STANDARDS	5,804	5,787	5,180	4,850	4,929	5,562	5,547	37,659
3 MANAGING OUR COUNCIL HOMES	19,414	16,475	17,144	14,005	14,942	14,867	16,342	113,189
4 SUPPORTED & SPECIAL HOUSING NEEDS	0	0	0	0	0	0	0	0
5 HOUSING CHOICES	760	740	737	551	554	557	557	4,456
TOTAL HOUSING INVESTMENT PROGRAMME	31,139	27,467	27,019	23,541	24,060	24,621	26,656	184,503
Council Housing (Housing Revenue Account)	23,954	20,385	20,517	17,690	18,427	18,352	20,377	139,702
Private Housing (General Fund)	7,186	7,082	6,502	5,851	5,632	6,269	6,279	44,801
Total spending	31,140	27,467	27,019	23,541	24,059	24,621	26,656	184,503

HOUSING PORTFOLIO

APPENDIX 4

Item No.	Description of Scheme	July 07 Estimate for 2007/08	July 07 Estimate for 2008/09	July 07 Estimate for 2009/10	July 07 Estimate for 2010/11	July 07 Estimate for 2011/12	July 07 Estimate for 2012/13	July 07 Estimate for 2013/14	Total Expenditure 2007/08 to 2013/14
		£	£	£	£	£	£	£	
HOUSING PORTFOLIO (AIM 1 - AFFORDABLE HOUSING & REGENERATION)									
Council Housing									
1	Beverston / Hillsley Rd, Paulsgrove	93,161	0						93,161
2	Prevention of Homelessness	75,000	75,000	75,000	75,000	75,000	75,000	75,000	525,000
3	Compulsory Purchase	0	200,000						200,000
4	Repurchase ex council homes	300,000	300,000	300,000	300,000	300,000	300,000	300,000	2,100,000
5	PCC Homebuy	110,000	110,000	0					220,000
6	Under Occupation Scheme	50,000	50,000	38,000					138,000
7	Regeneration - All areas	126,422	100,000	100,000	100,000	100,000	100,000	100,000	726,422
8	Regeneration of Leigh Park	127,635	350,000	400,000	400,000	100,000	100,000	100,000	1,577,635
9	Regeneration of Somerstown	527,827	100,000	100,000	100,000	100,000	100,000	100,000	1,127,827
10	Cumberland St area Community Design	0							0
11	Residential Enhancement Schemes	488,234	500,000	800,000	1,250,000	1,400,000	1,400,000	1,400,000	7,238,234
12	Management & security of Housing Estates	250,000	450,000	450,000	500,000	500,000	500,000	500,000	3,150,000
13	John Pound Centre development	1,176,500	335,374						1,511,874
14	John Pound Centre Improvements	0			100,000	50,000	50,000		200,000
15	Communal areas, Crown Court, Landport	300,000	250,000						550,000
16	Wimpey blocks improvements, Landport	100,000	100,000						200,000
17	Portsea Adventure Playground - Contribution to upgrading	3,351							3,351
18	Mobile Home Sites	50,000	50,000	50,000	50,000	50,000	50,000	150,000	450,000
19	Purchase of Mobile Homes	100,000	200,000	300,000					600,000
20	Developments/Houses	120,000	180,000	250,000	250,000	250,000	250,000	750,000	2,050,000
21	Professional Charges	200,000	260,000	210,000	260,000	260,000	260,000	260,000	1,710,000

HOUSING PORTFOLIO

APPENDIX 4

Item No.	Description of Scheme	July 07 Estimate for 2007/08	July 07 Estimate for 2008/09	July 07 Estimate for 2009/10	July 07 Estimate for 2010/11	July 07 Estimate for 2011/12	July 07 Estimate for 2012/13	July 07 Estimate for 2013/14	Total Expenditure 2007/08 to 2013/14
		£	£	£	£	£	£	£	
Private Housing									
22	Support for Empty Property Campaign	100,000	250,000	350,000	450,000	450,000	450,000	450,000	2,500,000
23	Support for Registered Social Landlords	510,000							510,000
24	Furnished lettings	10,000							10,000
25	Brunel Court contribution	33,095							33,095
26	Travellers Contribution (Homes Act)	50,000							50,000
27	Renovation of Social Services Homes	260,000	255,000	250,000	300,000			25,000	1,090,000
28	Nursing and Extra Care Provision	0	350,000	285,000					635,000
Total	AIM 1 - AFFORDABLE HOUSING & REGENERATION	5,161,225	4,465,374	3,958,000	4,135,000	3,635,000	3,635,000	4,210,000	29,199,599
	@ - Financed from Developer's Contributions								
HOUSING PORTFOLIO (AIM 2 - PRIVATE HOUSING & RENEWAL STANDARDS)									
Council Housing									
29	Stamshaw & Fratton Improvement & Regeneration Areas - purchase & repair	341,678	300,000	300,000	300,000	300,000	300,000	300,000	2,141,678
Private Housing									
30	Affordable warmth grants	261,984	296,200	296,200	296,200	296,200	296,200	296,200	2,039,184
31	Home energy assistance	83,370	100,000	100,000	100,000	100,000	100,000	100,000	683,370
32	SCML - Home Loan Scheme	34,142	25,000	25,000	25,000	25,000	25,000	25,000	184,142
33	Home Warmer packages - rented sector	47,752	50,000	50,000	50,000	50,000	50,000	50,000	347,752
34	Empty Homes Assistance	50,000	50,000	50,000	50,000	50,000	50,000	50,000	350,000
35	Disabled persons equipment replacement	54,368	50,000	50,000	50,000	50,000	50,000	50,000	354,368
36	Disabled facilities grants - in progress	1,048,418	1,030,000	1,060,900	1,092,700	1,125,500	1,159,265	1,194,043	7,710,826
37	Disabled Facilities Assistance (loan)	140,000	100,000	100,000	100,000	100,000	100,000	100,000	740,000
38	Home Repair Assistance	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,400,000
39	Grant (Adaptation) to Private Landlord	25,000							25,000

HOUSING PORTFOLIO

APPENDIX 4

Item No.	Description of Scheme	July 07 Estimate for 2007/08	July 07 Estimate for 2008/09	July 07 Estimate for 2009/10	July 07 Estimate for 2010/11	July 07 Estimate for 2011/12	July 07 Estimate for 2012/13	July 07 Estimate for 2013/14	Total Expenditure 2007/08 to 2013/14
		£	£	£	£	£	£	£	
40	Decent Homes assistance packages	620,000	550,000	550,000	550,000	550,000	550,000	550,000	3,920,000
41	Facelift Assistance packages	100,000	100,000	100,000	100,000	100,000	100,000	100,000	700,000
42	Renovation grants	414,900	385,200	364,000	393,700	424,300	574,300	574,300	3,130,700
43	Renovation grants Loan element	463,280	477,400	491,700	506,500	521,700	521,700	521,700	3,503,980
44	Action Area 14	25,000							25,000
45	Action Area 14 loan element	20,000							20,000
46	Action Area 15	315,500	367,950						683,450
47	Action Area 15 loan element	100,000	131,950						231,950
48	Action Area 16 onwards	65,000	200,000	333,000					598,000
49	Action Area 16 onwards loan element	80,000	80,000	80,000					240,000
50	Rented accommodation grants to landlords	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
51	Stamshaw & Fratton Improvement & Regeneration Areas	350,000	350,000	60,000	60,000	60,000	460,000	460,000	1,800,000
52	Stamshaw & Fratton loan element	90,000	114,000	114,000	114,000	114,000	114,000	114,000	774,000
53	Private Sector Housing Survey	70,000					50,000		120,000
54	Professional charges - Community Housing	784,000	809,000	835,000	842,000	842,000	842,000	842,000	5,796,000
Total	AIM 2 - PRIVATE HOUSING & RENEWAL STANDARDS	5,804,392	5,786,700	5,179,800	4,850,100	4,928,700	5,562,465	5,547,243	37,659,400
#	- Financed from Private Sector Renewal Discretionary Fund								
HOUSING PORTFOLIO (AIM 3 - MANAGING OUR COUNCIL HOMES)									
Council Housing									
55	Improvements to energy efficiency/Sustainability	100,000	100,000	200,000	200,000	250,000	250,000	250,000	1,350,000
56	Review of business software	550,270	492,920	585,570	354,270	354,270	354,270	354,270	3,045,840
57	Hard wired smoke detectors	20,000							20,000
58	Disabled access	50,000	50,000	50,000	50,000	50,000	100,000	100,000	450,000
59	Disabled facilities grants	825,000	850,000	865,000	850,000	850,000	900,000	900,000	6,040,000

HOUSING PORTFOLIO

APPENDIX 4

Item No.	Description of Scheme	July 07 Estimate for 2007/08	July 07 Estimate for 2008/09	July 07 Estimate for 2009/10	July 07 Estimate for 2010/11	July 07 Estimate for 2011/12	July 07 Estimate for 2012/13	July 07 Estimate for 2013/14	Total Expenditure 2007/08 to 2013/14
		£	£	£	£	£	£	£	
60	Buckland reception area	100,000	65,000						165,000
61	Sheltered Block Upgrade	148,337	350,000	350,000	350,000	400,000	250,000	250,000	2,098,337
62	Somerstown Office	304,180	155,000						459,180
63	Provision of Mobility Units	25,000	75,000	100,000	200,000	200,000	225,000	250,000	1,075,000
64	Leamington House, Somerstown	412,117							412,117
65	Horatia House, Somerstown	134,254							134,254
66	New lift - Grosvenor House, Southsea		300,000	60,000					360,000
67	New lift - Omega House		280,000	80,000					360,000
68	TV aerials/estate communications	374,828	300,000	150,000	100,000	50,000	50,000	50,000	1,074,828
69	Electrical rewiring	685,267	700,000	700,000	700,000	700,000	700,000	800,000	4,985,267
70	Video security & door entry	150,703	150,000	150,000	150,000	150,000	200,000	250,000	1,200,703
71	Improvements/major repairs-single units	1,037,726	750,000	650,000	650,000	650,000	650,000	750,000	5,137,726
72	Multi Storey Survey/Repairs - 5 year cycle	207,777	200,000	250,000	250,000	300,000	300,000	300,000	1,807,777
73	Multi Storey fire upgrade	100,000	150,000	150,000	150,000	150,000	200,000	200,000	1,100,000
74	Multi Storey Mechanical Plant Upgrade	50,000	75,000	100,000	100,000	100,000	100,000	100,000	625,000
75	Underpinning - Foundation Improvements	250,000	200,000	200,000	200,000	200,000	200,000	250,000	1,500,000
76	Underpinning - 415-425 Eastern Road	220,000	20,000						240,000
77	Roof renewals	460,000	600,000	700,000	700,000	1,000,000	1,000,000	1,000,000	5,460,000
78	Window Replacements	1,100,000	600,000	600,000	568,000	550,000	500,000	500,000	4,418,000
79	Internal refurbishment's	4,308,736	4,750,000	5,550,000	2,500,000	2,500,000	2,300,000	2,300,000	24,208,736
80	Internal Refurbishments (Bathrooms & Toilets)	0	0	750,000	1,300,000	1,800,000	2,000,000	2,000,000	7,850,000
81	Garage Demolitions & Improvements	150,000	100,000	100,000	100,000	100,000	100,000	100,000	750,000
82	Jellicoe & Beatty Houses - Structural Improvements	235,522	30,000						265,522
83	Replacement of Water Services/Drainage Modernisation	138,966	100,000	100,000	100,000	100,000	100,000	250,000	888,966
84	Sound Insulation	0	0	100,000	100,000	100,000	100,000	150,000	550,000
85	Estella Road/Grafton Street - Upgrade of Water Services & Booster Pumps	130,000	0						130,000

HOUSING PORTFOLIO

APPENDIX 4

Item No.	Description of Scheme	July 07 Estimate for 2007/08	July 07 Estimate for 2008/09	July 07 Estimate for 2009/10	July 07 Estimate for 2010/11	July 07 Estimate for 2011/12	July 07 Estimate for 2012/13	July 07 Estimate for 2013/14	Total Expenditure 2007/08 to 2013/14
		£	£	£	£	£	£	£	£
86	Appropriation of Community Centres (Cond Survey)	30,000							30,000
87	Renovation of Community Centres	150,000	250,000	250,000	250,000	250,000	250,000	200,000	1,600,000
88	Conversion of Part 3 Home to Extra Care	300,000	200,000						500,000
89	HHSR Energy and Surveys	100,000	150,000	200,000	200,000	200,000	200,000	200,000	1,250,000
90	Heating partnership	2,500,000	1,900,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	11,900,000
91	Lifts	470,973	600,000	600,000	600,000	600,000	500,000	500,000	3,870,973
92	Asbestos survey	275,000	250,000	250,000	175,000	175,000	175,000	75,000	1,375,000
93	Leigh Park Wecock Farm: Purchase of Rubbish Bins	33,000							33,000
94	Wilmcote House Concierge	375,000	115,000						490,000
95	Paulsgrove office/Allaway Ave	425							425
96	Leigh Park Office - Provision of IT/Costs of Move etc	283,000							283,000
97	Improvements to Area Offices	50,000	50,000	50,000	50,000	50,000	50,000	150,000	450,000
98	High Rise Block Refurbishment							1,000,000	1,000,000
99	Professional charges - Housing	1,200,000	1,280,000	1,320,000	1,400,000	1,450,000	1,450,000	1,450,000	9,550,000
100	Professional charges - Other	278,000	237,000	433,000	158,000	163,000	163,000	163,000	1,595,000
101	Local Pay Review	1,100,000							1,100,000
Total	AIM 3 - MANAGING OUR COUNCIL HOMES	19,414,081	16,474,920	17,143,570	14,005,270	14,942,270	14,867,270	16,342,270	113,189,651
HOUSING PORTFOLIO (AIM 4 - SUPPORTED & SPECIAL HOUSING NEEDS)									
<u>Private Housing</u>									
		0	0	0	0	0	0	0	0
Total	AIM 4 - SUPPORTED & SPECIAL HOUSING NEEDS								

HOUSING PORTFOLIO

APPENDIX 4

Item No.	Description of Scheme	July 07 Estimate for 2007/08	July 07 Estimate for 2008/09	July 07 Estimate for 2009/10	July 07 Estimate for 2010/11	July 07 Estimate for 2011/12	July 07 Estimate for 2012/13	July 07 Estimate for 2013/14	Total Expenditure 2007/08 to 2013/14
		£	£	£	£	£	£	£	
HOUSING PORTFOLIO (AIM 5 - HOUSING CHOICES)									
<u>Private Housing</u>									
102	Review of business software	572,730	565,080	557,430	368,730	368,730	368,730	368,730	3,170,160
103	Standalone units - Community Alarm	63,010	48,100	48,100	48,100	48,100	48,100	48,100	351,610
104	Push button toilet systems (Homecheck)	17,400	17,900	18,400	18,900	19,400	19,900	19,900	131,800
105	Minor disabled adaptations	29,000	29,600	31,400	31,400	31,900	32,400	32,400	218,100
106	Homecheck - Purchase of New Vehicles	16,000	16,000	16,000	16,000	16,000	16,000	16,000	112,000
107	HID Equipment	61,800	63,654	65,564	67,531	69,556	71,643	71,643	471,391
Total	AIM 5 - HOUSING CHOICES	759,940	740,334	736,894	550,661	553,686	556,773	556,773	4,455,061
TOTAL									
		31,139,638	27,467,328	27,018,264	23,541,031	24,059,656	24,621,508	26,656,286	184,503,711

HOUSING PORTFOLIO								APPENDIX 5
Item No.	Description of Scheme	Changes in 2007/08	Changes in 2008/09	Changes in 2009/010	Changes in 2010/011	Changes in 2011/012	Changes in 2012/13	Change in Final Cost
AIM 1 - AFFORDABLE HOUSING & REGENERATION								
Council Housing								
1	Beverston / Hillsley Rd, Paulsgrove	93,161	0	0	0	0	0	93,161
2	Prevention of Homelessness	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(150,000)
5	PCC Homebuy (Cash Incentive Scheme FA approved in 04/05)	0	110,000	0	0	0	0	110,000
6	Under Occupation Scheme	0	0	38,000	0	0	0	38,000
7	Regeneration - All areas	26,422	0	0	0	0	0	26,422
8	Regeneration of Leigh Park	27,635	0	0	0	0	0	27,635
9	Regeneration of Somerstown	177,827	0	0	0	0	0	177,827
11	Residential Enhancement Schemes	138,234	(300,000)	0	0	0	0	(161,766)
13	John Pound Centre development	(25,374)	190,374	0	0	0	0	165,000
15	Communal areas, Crown Court, Landport	275,000	245,000	0	0	0	0	520,000
17	Portsea Adventure Playground - Contribution to upgrading	3,351	0	0	0	0	0	3,351
18	Mobile Home Sites	0	0	0	0	50,000	50,000	100,000
20	Developments/Houses	0	0	250,000	250,000	250,000	250,000	1,000,000
21	Professional Charges	36,000	35,000	0	0	0	0	71,000
Private Housing								
22	Support for Empty Property Campaign	(250,000)	(200,000)	(100,000)	0	0	0	(550,000)
23	Support for Registered Social Landlords	441,000	0	0	0	0	0	441,000
25	Brunel Court contribution	(116,905)	0	0	0	0	0	(116,905)
26	Travellers Contribution (Homes Act)	(150,000)	0	0	0	0	0	(150,000)
27	Renovation of Social Services Homes	(140,000)	(245,000)	(250,000)	0	0	0	(635,000)
28	Nursing and Extra Care Provision	0	350,000	285,000	0	0	0	635,000
Total	AIM 1 - AFFORDABLE HOUSING & REGENERATION	311,351	360,374	198,000	225,000	275,000	275,000	1,644,725
AIM 2 - PRIVATE HOUSING & RENEWAL STANDARDS								
Council Housing								
29	Stamshaw & Fratton Improvement & Regeneration Areas - purchase & re	291,678	0	0	0	0	0	291,678
Private Housing								
30	Affordable warmth grants	96,984	0	0	0	0	0	96,984
31	Home energy assistance	23,370	0	0	0	0	0	23,370
32	SCML - Home Loan Scheme (See Financial Appraisal)	4,142	0	0	0	0	0	4,142
33	Home Warmer packages - rented sector	22,752	0	0	0	0	0	22,752
34	Empty Homes Assistance	20,000	0	0	0	0	0	20,000
35	Disabled persons equipment replacement	14,368	0	0	0	0	0	14,368
36	Disabled facilities grants - in progress	48,418	0	0	0	0	0	48,418
37	Disabled Facilities Assistance (loan)	20,000	50,000	50,000	50,000	50,000	50,000	270,000
38	Home Repair Assistance	25,000	0	0	0	0	0	25,000
40	Decent Homes assistance packages	200,000	100,000	100,000	100,000	100,000	50,000	650,000
41	Facelift Assistance packages	25,000	0	0	0	0	0	25,000
42	Renovation grants	(70,020)	(150,000)	0	0	0	0	(220,020)
43	Renovation grants Loan element	100,000	0	0	0	0	0	100,000
51	Stamshaw & Fratton Improvement & Regeneration Areas	(70,000)	(110,000)	0	0	0	0	(180,000)
53	Private Sector Housing Survey	70,000	(40,000)	0	0	0	50,000	80,000
Total	AIM 2 - PRIVATE HOUSING & RENEWAL STANDARDS	821,692	(150,000)	150,000	150,000	150,000	150,000	1,271,692
AIM 3 - MANAGING OUR COUNCIL HOMES								
Council Housing								
55	Improvements to energy efficiency/Sustainability	0	0	100,000	100,000	150,000	100,000	450,000
56	Review of business software	18,620	11,005	37,505	(41,895)	2,205	2,205	29,645
61	Sheltered Block Upgrade	48,337	0	0	0	0	0	48,337
62	Somerstown Office	149,180	155,000	0	0	0	0	304,180
64	Leamington House, Somerstown	412,117	0	0	0	0	0	412,117
65	Horatia House, Somerstown	134,254	0	0	0	0	0	134,254
66	New lift - Grosvenor House, Southsea	(200,000)	150,000	60,000	0	0	0	10,000
67	New lift - Omega House	(100,000)	60,000	50,000	0	0	0	10,000
68	TV aerials/estate communications	74,828	0	0	0	0	0	74,828
69	Electrical rewiring	10,267	0	0	0	0	0	10,267
70	Video security & door entry	703	0	0	0	0	0	703
71	Improvements/major repairs-single units	237,726	0	0	0	0	0	237,726
72	Multi Storey Survey/Repairs - 5 year cycle	7,777	0	0	0	0	0	7,777
75	Underpinning - Foundation Improvements	50,000	0	0	0	0	0	50,000
76	Underpinning - 415-425 Eastern Road	40,000	0	0	0	0	0	40,000
77	Roof renewals	(90,000)	0	0	0	0	0	(90,000)
78	Window Replacements	100,000	0	0	0	0	0	100,000
79	Internal refurbishment's	(1,191,264)	(700,000)	50,000	0	0	0	(1,841,264)
81	Garage Demolitions & Improvements	50,000	0	0	0	0	0	50,000
82	Jellicoe & Beatty Houses - Structural Improvements	5,522	0	0	0	0	0	5,522
83	Replacement of Water Services/Drainage Modernisation	38,966	0	0	0	0	0	38,966
85	Estella Road/Grafton Street - Upgrade of Water Services & Booster Pump	20,000	0	0	0	0	0	20,000
86	Appropriation of Community Centres (Cond Survey)	10,000	0	0	0	0	0	10,000
91	Lifts	20,973	0	0	0	0	0	20,973
102	Professional charges - Other	12,000	0	0	0	0	0	12,000
94	Wilmcote House Concierge	25,000	0	0	0	0	0	25,000
95	Paulsgrove office/Allaway Ave	425	0	0	0	0	0	425
96	Leigh Park Office - Provision of IT/Costs of Move etc	50,000	0	0	0	0	0	50,000
103	Local Pay Review	1,100,000	0	0	0	0	0	1,100,000
Total	AIM 3 - MANAGING OUR COUNCIL HOMES	635,431	(923,995)	297,505	58,105	152,205	102,205	321,456

Item No.	Description of Scheme	Changes in 2007/08	Changes in 2008/09	Changes in 2009/010	Changes in 2010/011	Changes in 2011/012	Changes in 2012/13	Change in Final Cost
AIM 5 - HOUSING CHOICES								
Private Housing								
102	Review of business software	19,380	63,495	(13,005)	(43,605)	(57,807)	(57,807)	(89,349)
103	Standalone units - Community Alarm FA approved 05/06	6,850	0	0	0	0	0	6,850
Total	AIM 5 - HOUSING CHOICES	26,230	63,495	(13,005)	(43,605)	(57,807)	(57,807)	(82,499)
		1,794,704	(650,126)	632,500	389,500	519,398	469,398	3,155,374

PRUDENTIAL INDICATORS FOR COUNCIL HOUSING (HOUSING REVENUE ACCOUNT)

(1) Capital expenditure	Actual 2006/07 £000	Estimate 2007/08 £000	Estimate 2008/09 £000	Estimate 2009/10 £000	Estimate 2010/11 £000	Estimate 2011/12 £000	Estimate 2012/13 £000	Estimate 2013/14 £000
Private Housing	5,778,396	7,185,749	7,082,034	6,501,694	5,850,761	5,632,386	6,269,238	6,279,016
Council Housing	18,875,477	23,953,889	20,385,294	20,516,570	17,690,270	18,427,270	18,352,270	20,377,270
Total HIP spending	24,653,872	31,139,638	27,467,328	27,018,264	23,541,031	24,059,656	24,621,508	26,656,286

(2) Capital financing costs as a % of the net revenue stream	Actual 2006/07 £000	Estimate 2007/08 £000	Estimate 2008/09 £000	Estimate 2009/10 £000	Estimate 2010/11 £000	Estimate 2011/12 £000	Estimate 2012/13 £000	Estimate 2013/14 £000
Council Housing	34.4%	28.3%	30.6%	31.2%	29.1%	28.9%	28.6%	28.3%

(3) Capital Financing Requirement	Actual 2006/07 £000	Estimate 2007/08 £000	Estimate 2008/09 £000	Estimate 2009/10 £000	Estimate 2010/11 £000	Estimate 2011/12 £000	Estimate 2012/13 £000	Estimate 2013/14 £000
Council Housing	29,258	31,171	43,084	44,997	46,910	48,823	48,823	48,823

(4) Estimated incremental effects of HI capital investment plans on council and council rents	Actual 2006/07 £	Estimate 2007/08 £	Estimate 2008/09 £	Estimate 2009/10 £	Estimate 2010/11 £	Estimate 2011/12 £	Estimate 2012/13 £	Estimate 2013/14 £000
Council Housing								
- Effect expressed as a Weekly Rent	£54.79	£47.02	£55.63	£60.74	£57.49	£22.59	£23.20	£23.83

THE CURRENT SYSTEM OF CAPITAL CONTROLS

- 1 The current capital finance system was introduced by the Local Government and Housing Act 2003 on 1 April 2004. In summary the system does not impose any limit on the amount of capital expenditure that can be incurred in any year but does impose limits on how expenditure can be financed. Only spending meeting a definition of capital expenditure can be capitalised. The schemes included within the housing capital programme have been examined to ensure that they come within this definition.
- 2 The new systems do not impose fixed borrowing limits but allow "Prudential Borrowing". Council's must approve & publish a set of "Prudential Indicators". The indicators cover the two main council income streams i.e. council tax (the General Fund) & council housing (the Housing Revenue Account) and seek to ensure that borrowing is only entered into where it is prudent to do so. The Prudential Indicators for Portsmouth's Housing Revenue Account are shown at Appendix 6.
- 3 Capital expenditure not met by borrowing can be financed from:

- (a) Revenue Contributions to capital resources - There is no legal limit set for the amount that can be spent from this source. Note that in 2001/2 the Government introduced a new grant for council housing called the Major Repairs Allowance (MRA) which is over £11 million per year & greatly increased the City's ability to make revenue contributions.
- (b) Capital Receipts remaining after the reserved proportion has been set aside for debt redemption or credit arrangements as follows:

	Reserved Proportion	Usable Proportion
Sale of Council Houses	75%	25%
Other Housing Revenue Account sales **	50%	50%
Non Housing Revenue Account sales	0%	100%

** Note where these receipts are used on affordable housing the reserved proportion is now zero.

- (c) "Specified" Capital Government Grants (SCG's) - i.e. the Government contribution towards Disabled Facilities Grants for private housing. SCG's are used to finance capital expenditure providing valuable cash to reduce the revenue effect of Disabled Facilities Grants.
- (d) Specific Capital Grants - these include Single Regeneration Budget grant, Neighbourhood Renewal Fund grants, Community Fund grants & European grants amongst others. These grants provide capital resources to finance the capital scheme being supported.
- (e) Grants and contributions towards capital schemes - the regulations provide that Grants and contributions towards a capital scheme can be used 100% to finance capital spending. An example of a contribution is a payment made by a leaseholder in a block of council flats to meet their share of the costs of capital works carried out to the block of flats or a Section 106 contribution from a developer towards the provision of affordable housing.