

REPORT OF HOUSING COMMITTEE

(Meeting held 17 November 1998)

1. CONSULTATION ON THE PROPOSED SINGLE ALLOCATION TO HOUSING AUTHORITIES FOR CAPITAL INVESTMENT IN HOUSING (REPORT A) (MINUTE NO 32).

The Committee has considered its response to the Department of the Environment, Transport and the Regions (DETR) Consultation Paper on proposed new arrangements for the allocation of housing capital resources from the financial year 2000/01.

It is proposed that from the 1999 Housing Investment Programme (HIP) round, all the Department's capital resources will be allocated to Councils through the Housing Annual Capital Guidelines (ACG) mechanism. This would replace the current separate allocations of Basic Credit Approvals (BCA), Private Sector Renewal Support Grant and Capital Receipts Initiative Supplementary Credit Approvals.

Members noted that the financial implications are not quantifiable but that the proposals were likely to result in a reduction in national resources allocated to this Authority.

The Committee approved the following response to the DETR:

“Whilst the Government's desire to allocate resources to areas with greatest need is understood, Members believe that the need should be satisfied by the provision of additional resources and not by switching resources from areas with a relative lesser need. This Authority's Housing Strategy has identified a significant shortfall in resources for both private and public sector capital expenditure and Members would not wish to see any further reduction in resource allocation.

This Authority is currently considering large scale voluntary transfer to a Local Housing Company, as it is believed that this would be of benefit to tenants. Under the consultation paper's proposals however, after transfer this is likely to lead to the Council receiving no allocation of BCA. Members believe that having already been affected by the decision to withdraw the transfer levy holiday, these proposals will further jeopardise the process, due to their overall effect on the Authority. Members are concerned at the implication of having to use capital receipts from the sale of council houses to finance private sector renewal and the consequential impact on the General Fund from the loss of potential interest from the investment of those receipts. They feel, therefore, that Authorities who pursue transfer are penalised and this should be taken into account in the review of the Receipts Taken Into Account mechanism.”

2. LOCAL TAXATION AND BENEFITS CONTRACT – COST OF HOUSING BENEFITS SERVICES (REPORT C) (MINUTE NO 34).

The Committee considered a report on a change in the allocation of expenditure between the administration of Council Tax (Central Services) and Housing Benefit (Housing Committee). Both have become an integrated service over the past few years. Although the incidence of cost between Committees has changed, the cost still falls on the General Fund and not on the Housing Revenue Account.

The contract for the provision of Local Taxation and Benefits services was awarded to the Council's in-House business unit "New Forest Tax and Benefits Service" earlier this year. The contract, which commences on 1 January 1999, includes the administration of Council Tax, National Non-Domestic Rates, Housing Benefits and Council Tax Benefits.

The allocation of costs to Housing Benefit administration contained within the successful bid has resulted in a significant increase from that previously charged to this service. A corresponding decrease has resulted for the administration of Council Tax. The bid submitted by New Forest Tax and Benefits Service reflects the changing nature of Tax and Benefits administration.

The Committee has endorsed the action taken by the Director of Finance and Administration in the allocation of costs to the Housing Benefits Service.

3. NORTH POULNER MOBILE HOME PARK (REPORT E) (MINUTE NO 36).

Over the last few years the residents at the North Poulner Mobile Home Park have been concerned about the level of their rents and the long-term investment required for the site. In January 1998, the Committee asked for a more detailed report on the financial future on the site.

The Committee has now considered a report on action taken in relation to the financial position of the Park and has examined issues regarding a possible change of name of the site. The Committee has approved the commissioning of a report by Consultants to investigate the future options for the Park and approved the principle of changing the name of the site to "Stillwater Park". The change would be implemented only if the Residents' Association, in consultation with officers, wish to proceed with the change after tenants have been provided with full details of costs.

4. CONSULTATION ON AFFORDABLE HOUSING SCHEMES (REPORT F) (MINUTE NO 37).

The Committee has considered ways of involving members in the design element of affordable housing schemes coming forward under Planning Policy Guidance Note No. 3 (PPG3), where it is not possible to submit schemes to the Housing Project Control Sub-Committee.

The Committee has authorised the Housing Development Manager in consultation with the Chairman and the Vice-Chairman of Housing Committee and local member(s) to respond to schemes which cannot conveniently be placed before the Housing Project Control Sub-Committee.

5. HOUSING COMMITTEE'S PORTFOLIO OF SHOPS (REPORT H) (MINUTE NO 41).

The Committee has considered a report giving an update on the disposal and transfer of shops in Totton, Hythe, Holbury and Calmore and proposals for future action.

The Committee has agreed that units at Testwood Crescent, Totton be sold and that negotiations for the sale of shops at Knightwood Road, Hythe and Faircross Close, Holbury should continue subject to the terms of disposal containing provision for additional payment to the Council in the event of the properties being redeveloped for other uses. The Committee has also agreed that discussions be entered into with one of the Council's partner Housing Associations for the transfer and conversion of the shops at Mortimer Close, Calmore for affordable rented housing.

**Councillor Mrs M J Robinson
CHAIRMAN**