

CITY COUNCIL 2 FEBRUARY 2010

REPORT OF CABINET MEMBER FOR HOUSING PORTFOLIO

REPORT BY: COUNCILLOR JOHN LINES

WARD IMPLICATIONS: ALL

EXECUTIVE SUMMARY

My report for this year focuses on the following:

- Decent Places and Decent Homes. Our work with a range of partners, including members, the City Housing Partnership, tenants, leaseholders, the region and government agencies has continued to help improve the housing offer in the city and improve the quality of life for Birmingham residents.
- Delivering Excellent Services. I am pleased that we continue to strive to provide excellent services through our successful Business Transformation programme. I am particularly proud that following the introduction of the two week rent “payment holidays” at Christmas we have continued to see a reduction in rent arrears. Rent arrears have fallen to the lowest level for over 10 years.
- Our partnership with the Homes and Communities Agency (HCA) has helped to secure resources to develop new affordable housing and shape the city’s priorities with our partners. We have secured inward investment for the development of new council homes across the city through the Birmingham Municipal Housing Trust (BMHT), North-West Birmingham, Kings Norton and the Lyndhurst estate through the £100m Housing Private Finance Scheme for Erdington.
- Financial Review. Highlighting the increased pressure on many services during the year due to the current economic climate, including homelessness and the effect this also had on our planned resources from rent, disposal of land and sales under right to buy and the difficult times ahead.
- We have continued to receive recognition for the excellent services and successes in housing. I am delighted that in the first ever CAA (OnePlace) assessment of the city in December, Housing received a green flag, (one of only two for housing in the country, the other being Poole) awarded for exceptional performance or outstanding improvement. Housing also contributed substantially to the city’s second green for Tackling Climate change and Reducing Co2 Emissions.
- Our plans and aspirations for the future. We will meet the decent homes standard this year through our self funded 4th Option and will have completed our first retirement village in the next few months. We will continue with our Kitchen and Bathroom programme and our investment programme to improve sheltered accommodation.

1. PURPOSE OF THE REPORT

In accordance with the Council's standing orders, to report to the City Council on an annual basis outlining the key responsibilities, performance, policy and strategic issues for the citizens of Birmingham from the Cabinet Member for Housing.

2. EXTERNAL AND INTERNAL RESPONSIBILITIES

2.1 Cabinet Member's Roles and Responsibilities

To exercise all the strategic and operational Executive powers and duties of the Council as a Housing Authority under the Housing Acts and other relevant legislation conferring powers and duties relating to housing upon the Council (including urban renewal which is designed to encourage and facilitate the improvement and maintenance of non-Council owned housing accommodation) - except for those operational Executive powers and duties of the Council that have been delegated by the Cabinet to any relevant Constituency Committees, and in particular to:

- Ensure the provision of a comprehensive housing service for the citizens of Birmingham including both the strategic and operational management of all housing accommodation owned by the Council (except for any agricultural property or other accommodation under the control of a Council Committee, including a Constituency Committee, or within another Cabinet Portfolio) and responsibility for all aspects of housing services.
- Build and manage houses for special groups in consultation, where appropriate, with the Cabinet Member for Adults and Communities.
- Enter into arrangements with, and otherwise to assist, Registered Social Landlords and Societies to build, convert acquire and improve houses, applying the concepts of Housing Markets.
- Build houses for sale and dispose of houses by way of sale or lease.
- Enter into arrangements with builders and developers to build houses for sale to persons nominated by the Council.
- Exercise all the powers of the Council to encourage, facilitate and procure the maintenance and improvement of houses which are not owned by the Council.
- Exercise the powers of the Council to deal with the properties which are unfit for human habitation or which do not meet statutory requirements.
- Keep under review housing conditions in the City and to assess housing needs with specific reference to the achievement of the Government's Decent Homes targets.
- Develop and establish strategies for dealing with unsatisfactory housing including all tenures, within the City, and for meeting identified housing needs.
- Administer all grants given by the Council for the conversion, improvement or repair of private housing, or for the adaptation of housing for people with disabilities.
- Work with community groups, residents' associations, businesses, commerce, health authorities, health professionals and other interested persons or bodies in promoting the vision of comfortable homes in successful neighborhoods within Birmingham.

- Prosecute for failure to comply with any legal obligations regarding housing where the Council has enforcement powers.

2.2 Partnership Working/Joint Working

Partnership working has been the driving force of many successes in Housing this year. I have been encouraged by the ongoing commitment and dedication of other Cabinet Members, housing providers, residents, leaseholders, the third sector and other stakeholders in the city to improve housing services for Birmingham citizens. We are well on our way to excellence. Some examples of partnership and cross portfolio working include:

Regional Housing Roles

I have continued my position as Portfolio Holder for Housing at the West Midlands Local Government Association (became West Midlands Leaders Board in July 2009) and Chairman of the Regional Housing Executive (RHE). The RHE undertakes the Regional Housing Board function for the Region under the auspices of the Regional Assembly. The RHE has continued to implement the Regional Housing Strategy and to advise Government ministers of housing investment priorities through the Regional Housing Allocations Strategy 2008-2011.

Key investment priorities in 2009 included the allocation of resources to support the delivery of new affordable housing and capital to local housing authorities to support their regeneration and growth activities. Despite the reduction in funding from Government the RHE has also continued to prioritise the expansion of the Kick Start (equity loan) Partnership to assist local authorities in making the transition from grants to loans, to support private sector home improvements whilst maximising the efficiency of public resources. The RHE has also continued to support the Phase 2 and Phase 3 revisions to the Regional Spatial Strategy, particularly regarding housing numbers and the development of Gypsy and Traveller policy for the Region.

Going forward there will be a number of key housing challenges to address, particularly in a tighter public spending climate. New models of affordable housing delivery are required to ensure the Region meets its challenging affordable housing targets. There is also a need for recognition of the importance of the existing housing stock, particularly in terms of home improvements, fuel poverty and the needs of vulnerable households. Housing plays a key role in relation to a number of other policy areas, such as, worklessness, skills, health, climate change and it is vital that the full range of housing functions play their part in the future Strategy for the West Midlands.

City Housing Partnership (CHP)

The City Housing Partnership (CHP) vision is: “A platform that enables people to thrive and to choose to live in Birmingham”. To support this vision the partnership has launched “Planning for Housing in Later Life in Birmingham”. This is the City’s first strategy for older people and sits within the suite of strategies which form the strategic framework that supports the Housing Plan 2008+, aimed at improving housing choices and quality of life for all residents in

the city in the later phase of life, including providing support to living independently.

My Members' Forum continues to provide cross-party engagement with the partnership, looking at maximising working relationships with the Housing & Communities Agency and the Tenant Services Authority for the benefit of our residents.

There has been another successful Annual Network Event, where members of the network came together to hear about the progress the partnership is making in delivering its objectives. The event gave the housing sector as a whole an opportunity to discuss ways in which it can contribute to the emerging Total Place agenda. This year's venue was the new Retirement Village at New Oscott, the development of which supports the aims of the "Planning for Housing in Later Life in Birmingham" strategy.

Local Area Agreement

The set of housing indicators in the 2008-11 LAA reflect the priority areas for action across the housing sector and mirror the action plans relating to the Housing Plan 2008+. The LAA is the delivery vehicle for the city's Sustainable Communities Strategy. The national and local targets include:

- Increase the number of people achieving independent living (in a planned way).
- Increase the number (net) of new homes.
- Increase the number (gross) of affordable new / converted homes.
- Reduce the number of households living in temporary accommodation.
- Improve energy efficiency for low income households (private sector).
- Reduce the number of households living in overcrowding (council housing).
- Achieve the 100% Decent Homes Standard target (council & RSL homes).

The inclusion of these national and local targets demonstrates the key role of housing in shaping Birmingham's approach to delivering the Birmingham 2026 vision.

The partnership is reporting good progress in the delivery of these indicators, to provide real outcomes for our residents - despite the significant challenges presented by the current economic climate. To support delivery of the LAA and the partnerships vision, CHP used its allocation of £3 million of Working Neighbourhoods Fund to deliver a range of schemes. Emphasis was placed on addressing the very pressing issue of worklessness, progress on which is highlighted below.

Worklessness

The recession has had a marked effect on the number of people in the city experiencing unemployment and the City Housing Partnership (CHP) is well aware that it has a key role to play in doing all that it can to support households experiencing difficulties.

Prior to the onset of the economic downturn - via actions in our Housing Plan 2008+, and throughout the year the CHP has worked with Be Birmingham

colleagues to tackle unemployment and the wider causes of worklessness.

Actions include:

- The launch of the CHP Worklessness Group in March to bring together key partners to address worklessness from the Birmingham Social Housing Partnership (representing housing associations), Job Centre Plus, the Learning and Skills Council and the Economic Partnership. The group is developing a model that will optimise the contribution Birmingham's social housing sector makes to reducing worklessness, in particular advisory and sign posting services for residents will be strengthened to better aid council and housing association households enter, or get back into the job market.
- Housing's Working Neighbourhoods Fund (WNF) delivering schemes to directly assist those who need the greatest levels of support. Residents are receiving help to access training and build the skills necessary to enter the job market by gaining practical experience through our work placements. Initiatives include the Housing & Constituencies Trainee Academy, the "RIGHT" project and the Supporting People Lay Assessors.
- The Trainee Academy provided 90 young people - not in education, employment or training (NEET), with the chance to develop a work ethic in a supported working environment and complementary mentoring. Currently the academy is providing opportunities in neighbourhood management roles, but the long-term intention is to extend the approach into other public service areas.
- Our apprenticeship scheme for 16 – 18 year olds who are not currently in education, employment or training (NEET) was shortlisted at the UK Housing awards.
- RIGHT - Restoring Independence through Gardening, Horticulture and Training, is delivering employment support, vocational training and work experience to residents living in supported accommodation. This work is enabling vulnerable tenants to progress towards employment and independent living.
- The Supporting People Lay Assessors received a prestigious UK Housing Award for their work to meet the needs of vulnerable people. During the year a number of service users have successfully trained and have been recruited to act as 'critical friends' across the range of Supporting People services. We have used the WNF to provide 3 individuals with work placements with the SP team. This is a good example of how our schemes are set up to offer practical work based experience.
- Together with the Learning & Skills Council we are looking to develop a new model that will fund apprenticeships and longer term job opportunities linked to the physical development of new accommodation. In the first instance we are planning to engage 30 residents to work as apprentices and develop skills to NVQ level 2 and 3 through the Birmingham Municipal Housing Trust (BMHT) project.
- Following the launch in June of the BMHT we are carrying out a number of initiatives to maximise training and employment opportunities aligned to the building of new council homes.

Regeneration – Homes and Communities Agency (HCA)

Housing has continued to work with its partners to improve the quality of life for Birmingham citizens through a range of regeneration opportunities across the city.

Our partnership with the Homes and Communities Agency (HCA) has helped to secure resources to develop new affordable housing and shape the city's priorities with our partners. We are a designated pathfinder for the "single conversation" with the HCA - a new way of working that seeks to agree mutual priorities for investment and to accelerate delivery. This successful partnership with the HCA has already helped the city to attract over £200 million in investment to support our strategic priorities.

We have continued to regenerate key areas in the city including North-West Birmingham, through our partnership with Urban Living, the Housing Market Renewal Pathfinder for Birmingham and Sandwell and are moving forward with much needed development of Icknield Port Loop, Kings Norton, Shard End and the Lyndhurst estate through the £100m Housing Private Finance Scheme for Erdington.

Working closely with the HCA, we were the first Council in the region to start delivering new Council homes, on the anniversary of the announcement of the formation of the Birmingham Municipal Housing Trust (BMHT). Successful bids in round one and two of the Local Authority New Build (LANB) programme will see 230 new affordable homes built in the city with £29 million in HCA and council investment in addition to our own land holdings.

We are one of the national pilots for Total Place and are developing the Total Capital approach to local holistic investment, bringing public sector resources and investment together to improve the quality of life of residents in the city. I will continue to work with the Cabinet Member for Regeneration to deliver more new and affordable homes in the city and create further opportunities for work.

We are also currently working closely with the HCA on two of the final elements of the Government's Housing Pledge, Public Sector Land Initiative and the Private Sector Rent Initiative, which will result in further support for the construction of homes in the city.

Extra Care

I continue to work with the Cabinet Member for Adults and Communities to deliver real housing choice and promote independence amongst older people in the city, through innovative housing solutions. The health and well-being of our citizens is a priority and much progress has been made to transform our services to meet the demand and changing expectations of our older population.

We have undertaken a major strategic review of developing an older persons' housing strategy. Engagement with our stakeholders has been extensive with Sheltered Housing Liaison Board, Older Persons Collaborative Board (with the RSLs), Birmingham Advisory Council for Older People, Primary Care Trusts (PCTs) Third Sector, and various interest groups.

In developing our older persons' housing strategy our residents and stakeholders told us that priorities should include a better range of housing choices for people in later life; a single point of information for housing, support and care services; support services that maintain independence and better engagement with older people. It is intended to work alongside partners and key stakeholders, who were involved in the strategy's development.

Our retirement village project, the largest of its kind in the UK, has made much progress. Our first village in New Oscott is being built in partnership with ExtraCare Charitable Trust, Midland Heart and the HCA is ahead of its anticipated completion date of April 2010 and will provide a real alternative to residential care.

Working with Adults and Communities and Health I will continue to ensure Birmingham residents are able to live independently, continuing to support major adaptations and provide assistance to residents with mobility difficulties to continue to live in their home.

Scrutiny Committee

I work closely with the Chairman of the Housing and Urban Renewal Overview and Scrutiny Committee and continue to provide Committee with regular updates and share information, particularly about performance. Most of the work reviewed by scrutiny relates to the services provided by the Directorate. However, I am pleased that this now extends to reviewing our partners in the public and voluntary sectors. Having recently supported their work reviewing Housing Provision for Older People, a joint review with Adults and Communities, I now look forward to supporting a further review this year on affordable housing which is extremely timely given the current economic climate and the revised Local Area Agreement affordable housing targets. At a time of growing demand for affordable housing, I am delighted with our track record in delivering affordable homes though more can always be done.

I am also working in partnership with colleagues in Children Young People and Families to help develop appropriate services to address the specific needs of children within temporary accommodation and refuge. Through Supporting People we currently fund a range of housing related support services for adult victims of domestic violence and I am pleased that a scrutiny report that looked into child victims of domestic abuse recognised the important work which the Housing and Constituencies Directorate also funds through our Voluntary Commissioning Framework to address Domestic Violence in Birmingham. We are committed to continuing to develop effective services to address the impact of domestic violence on women, children and families.

2.3 Relationships with Stakeholders

Tenants and leaseholders continue to play an extremely important role in the development and improvement of housing services across the city. Their commitment and desire to ensure that residents receive excellent services has been clearly demonstrated this year.

I value the work of our local Constituency Tenant Groups and Housing Liaison Boards and recognise their invaluable contribution to improve all aspects of our housing service. They not only represent the views of local residents, but this year our tenant representatives have also represented the views of Birmingham residents nationally, with the election of two of our tenants onto the tenant board of the tenant national voice.

We are continually introducing new and innovative ways for residents to contribute to the improvement of our services, providing a wide range of opportunities to get involved formally and informally. I am proud that:

- We have facilitated the involvement of tenants in Phase one and two of the Tenant Services Authority (TSA) National Conversation which saw tenants given an opportunity to comment on the landlord services and comment on the proposed standards of the “Tenant Services Authority.
- Birmingham is represented on the board of the Association of Retained Council Housing (ARCH). Tenants and leaseholders are playing a proactive role in the decision making of authorities who have retained their housing stock.
- I was able to attend a very special event to mark the achievement of 51 tenant representatives who successfully worked towards the Tenant Leadership Award accredited by the Institute of Leadership and Management. The award is the first of its kind in the country and provides tenants with the confidence, skills and knowledge to work effectively in partnership with Birmingham City Council. The training was attended by members of constituency tenant groups and tenant management organisations from across the city.
- Pioneering events to introduce a new level of resident involvement through drama have been organised by tenant participation officers in some of our constituencies. The performances involved younger people and older people working together despite their differences to help develop mutual understanding and respect. Our locally based tenant participation officers, have worked in partnership with tenants, leaseholders, young people, community organizations, CTG and HLB groups and professional organizations to make these projects a success.
- Tenants are actively involved in the inspection of properties that become empty. Tenant Inspectors do this in partnership with our council officers by assessing the work carried out by our contractors.
- We have worked with Selly Oak Constituency Tenant Group to establish a Peer Mediation project in sheltered housing. Three residents from schemes have so far been trained to act as mediators to provide early intervention for various forms of antisocial behaviour. Additional tenants have been identified to take part in the training.
- The project “Second Chance” was created by one of our own tenant participation officers. The aim was to involve young people, reduce crime and deter antisocial behaviour by increasing successful life style decisions. It involved the police and local schools targeting vulnerable groups and young people who are in danger of getting involved in criminal activity and antisocial behaviour. The project was a great success with over 150 residents attending, giving them the chance to speak to the local police, get information on ways to get involved and see presentations on the facts behind guns and knife crime in the area.

2.4 Performance

Time spent on Council Business

I am responsible for an extremely busy and diverse portfolio which has seen many new developments this year. My time on Council business is used effectively to improve council services for all residents across the city and

promote the work of the council both locally and nationally. The portfolio includes Cabinet decision-making, (including Cabinet Committees) work within the wider area to support the regional role, new housing developments, partnerships and broader regeneration initiatives.

Membership of various Boards and other Public Bodies

I am a member of a number of other bodies that enhance and support my Cabinet role:

External

- Board Member and Portfolio Member for Housing at the Regional Assembly
- Member of the Executive Committee of the West Midlands Local Government Association (became West Midlands Leaders Board in July 2009)
- Chairman of the Regional Housing Executive and Regional Housing Partnership
- Executive Board Member for the Association of Retained Council Housing (ARCH)

Internal

- Executive Management Committee
- Cabinet Committee Property
- Cabinet Committee Procurement
- Cabinet Committee Achieving Excellence within Communities

3. KEY OBJECTIVES AND ACHIEVEMENTS OVER THE PAST YEAR

3.1 Outline of Key Objectives for the Portfolio for the Current Year

The key objectives of my portfolio as detailed in the Council Plan 2008/2013, for the current year, consistent with the Housing Plan 2008, are for the residents in Birmingham to:

- Succeed Economically – benefiting from education, training, jobs and investment
- Be Healthy – enjoying long and healthy lives
- Enjoy a high quality of life – benefiting from good housing
- Safe in a Clean Green City – being secure and safe in and around the home
- Make a Contribution – positive involvement of local people
- Achieving Excellence

My key priorities within the portfolio for this current year are to:

- Increase the proportion of new affordable homes in Birmingham
- Develop extra care housing for older people
- Implement a range of schemes to help people live independently
- Ensure all council housing meets the Decent Homes Standard and bringing empty properties back into use
- Prevent homelessness through a range of targeted measures
- Improve levels of decent homes in the private sector
- Deliver excellent services to be a national exemplar and, importantly, delivering the recommendations of the recent Strategic Housing Inspection
- Increase the range of support to enable tenants and local residents to access job and training opportunities

- Reduce antisocial behaviour
- Help vulnerable tenants and homeowners to keep their home warm

In order to support these priorities, the portfolio has:

- Continued to deliver affordable homes in the city and ensured that it remains a key priority for the Council and the City Housing Partnership.
- Announced further retirement villages for the city.
- Secured further funding to benefit the residents of Birmingham.
- Started on site to build new council homes through the Birmingham Municipal Housing Trust.
- Continued our Decent Homes programme through our 4th Option and continued our investment programme to replace kitchens and bathrooms
- Developed a Choice Based Lettings scheme to provide greater choice to applicants seeking a new home.
- Delivered the Home Options Service in partnership with the third sector, which has transformed the way in which we deliver housing services to those in housing need.
- Kept levels of homelessness down whilst also significantly reducing youth homelessness and rough sleeping.
- Continued to bring empty properties back into use.
- Delivered the Housing Directorate's priorities by working with our tenants, leaseholders and partners.
- Reduce levels of customer indebtedness.

More details can be found within this report

3.2 Housing Service Financial Strategy and Management of Financial Resources

Background and Context - Financial Framework

The financial framework for the delivery of council housing services and statutory housing services is separated as required by the Local Government and Housing Act 1989. The services provided to council tenants are funded from rent income and all expenditure and income is accounted in the ring fenced Housing Revenue Account (HRA). The statutory housing services including private sector housing are funded from council tax/grants (for example homelessness, supporting people, new affordable housing and regeneration of housing markets).

Housing Service Financial Strategy

Statutory Housing Services: The Housing Plan sets out the investment strategy for new affordable housing (with our development partners), regeneration of housing markets and Decent Homes for vulnerable people. The Housing Plan is supported by the Homelessness Strategy, Private Rented Sector Strategy, Elderly People Strategy and Supporting People Strategy. A total of £98m will be invested from 2009/10 to 2012/13 to support the strategies.

Council Housing Services and the HRA Business Plan: The key objectives for services provided to tenants in council housing include:

- Completion of the Decent Homes Standard under our 4th option of Positive Retention (95% of homes will be completed by March 2010).
- Commence a Decent Homes PLUS Programme (kitchens/ bathrooms).
- Maintaining 'Decent Places' for our tenants as part of the objectives of the Homes and Communities Agency.
- Ensure that all planned essential, structural and clearance work is undertaken.
- Completion of all day to day repairs and maintenance and delivery of local housing and estate services (e.g. caretaking, concierge, elderly services).
- Continued direct management of council housing as the preferred choice of tenants.
- Delivering 3 Star Excellent Services as part of our Housing Business Transformation Programme.

A total of £426m is included in the HRA Business Plan from 2009/10 to 2012/13 to support the investment plans and funding will be secured through the major repairs allowance, affordable prudential borrowing and land/right to buy receipts (this is in line with the existing Council policy to allocate these resources to Housing).

Medium Term Financial Challenges, Risks and Constraints

There are a number of medium term considerations relating to the finances of the housing service that will need to be managed. In particular these include:

- The continuing impact of the economic recession and the consequential pressure on key services, for example homelessness.
- The planned long term national reductions in public expenditure as outlined by the Chancellor on the 9 December (reflected in RHE allocations for 2010/11).
- The withdrawal of resources from existing council housing services through the current HRA subsidy system presents a major challenge. The housing subsidy deficit i.e. the contribution that tenants make to national resources will be more in 2010/11 compared to 2009/10. This is in addition to paying back to the government 75% of the right to buy receipts (over £150m since 2004/05).
- To maximise funding from the new Homes and Communities Agency (in particular for new affordable housing supply and to manage some of the immediate implications from the economic downturn).
- Implementation of a potential new Council Housing Finance Framework from 2012/13.

A national review of the current Council Housing Finance Framework was completed in July 2009 and was followed by a consultation period (concluded in October 2009). The Council and its officers are contributing to the work to secure a more equitable and transparent funding framework. In particular this includes the abolition of the current subsidy system, retention of all right to buy receipts for local investment and greater flexibility in setting rent levels in consultation with tenants.

These medium term considerations have had a major impact on the service budgets for 2009/10 and the proposals for 2010/11 (see below).

Financial Review of 2009/10

The Housing Service Budgets for 2009/10 were set in the context of a severe economic recession. In particular, for the HRA, all the rent income from the mandatory rent increase in October 2009 was clawed back by government through the subsidy system (this meant that all cost/service pressures had to be absorbed through efficiencies/savings).

In spite of this a balanced budget was approved for 2009/10 and the key highlights included:

- A public and private sector investment and repairs programme of £222m including £85m for Decent Homes, £69m for the repairs service, £35m to support private sector housing investment (affordable housing developments and regeneration of housing markets).
- A Supporting People Commissioning Programme of £52m.
- Investment of £51m in the delivery of local housing services and business support services and a further £21m for estate services (for example sheltered housing for older people, caretaking/cleaning, tenancy support services and concierge services).
- Efficiency savings totalling £14m on both the Housing Revenue Account and Housing General Fund were included in the budget for 2009/10.

The continuing economic recession during 2009/10 increased the pressure on many services including homelessness and also affected our planned resources from rent, disposal of land and sales under right to buy. Additional financial pressures have also resulted from the implementation of the pay and grading scheme in particular relating to contractual allowances for weekend/evening/shift working.

The outturn projections for 2009/10 indicate that capital investment will be managed within the approved resources and every effort will be made to ensure that the revenue expenditure is also managed within the approved budgets.

Budget Proposals 2010/11

The budget proposals for housing services in 2010/11 (for both the HRA and the Housing General Fund) will continue to reflect the national financial policy and the pressure on services from the continuing economic conditions. The key proposals are summarised below:

- The completion of the Decent Homes and funding to provide day-to-day services including repairs and estate services.
- The commencement of a new build council housing programme (a £15m scheme for Phase 1 has been approved with grant support from the Homes and Communities Agency).
- The Supporting People Programme resources will be part of Area Based Grant and will be continued at £52m (as 2009/10).
- The Housing Business Transformation Programme will be continued to support the delivery of 3 Star excellent housing services.
- Continuing to secure further inward investment for council housing stock through the PFI scheme in the north of the City (the Outline Business case will be submitted in February 2010).

- A significant level of efficiencies will be necessary to set the revenue budget for 2010/11 given the continued withdrawal of government subsidy resources - estimated at £6.5m (or 6%) for the HRA and £0.4m (or 2.7%) for the Housing General Fund.
- The HRA subsidy proposals from the government will continue to reduce resources for Birmingham council tenants and in 2010/11 this will result in tenants contributing £61m to national resources.
- The allocation proposals from the Regional Housing Executive will result in a reduction of 21% for Birmingham City Council (from £15.7m in 2009/10 to £12.3m in 2010/11) and the discontinuation of the annual borrowing approvals of £11m to support delivery of Decent Homes for council tenants.

3.3 Successes

We continue to focus on delivering excellent services for residents and are making real progress to become a 3 Star Excellent Service and deliver the outcomes of the key priorities in the Housing portfolio. I am pleased that since my last report, we have been able to make many service improvements and have achieved many successes despite the current economic climate. I have highlighted a number of these in this report.

Strategic Housing

We continue to play an increasingly important strategic housing role in the city. Last year our Strategic Housing Service was awarded Two stars, with 'excellent prospects for improvement', one of the highest results yet given by the Audit Commission. Our Housing CPA score also increased from 2 to 3 out of 4.

This year I am delighted that in the first-ever Comprehensive Area Assessment (CAA) of the city, Housing received a Green Flag, (one of only two for housing in the country) awarded for exceptional performance or outstanding improvement in a specific area of work, for improving the quality and choice of housing on offer to citizens, including those who are homeless. Partnership work with housing associations such as St Basil's and Family Housing Association was cited as being an example for other areas of the country to follow. We were also praised in the organisation assessment for more affordable homes being built than originally planned – a significant achievement given the economic downturn. Many of these improvements have been borne out of our successful Birmingham City Housing Partnership which is helping many different organisations work better together.

Housing also contributed to the city's second green flag under the CAA (OnePlace) assessment for tackling climate change and reducing CO2 emissions. We are on target to meet the decent homes standard by 2010 and our partnership with Family Housing Association to deliver the city's first Eco village is helping to make a real difference.

Once again this is a clear recognition of the hard work and determination of the city council and its partners to improve the lives of all residents and to make this city a great place to live.

Decent Homes

I am delighted that we are on track to meet the decent homes standard for all council homes in Birmingham by the 2010 deadline. To date we have invested over £500 million in decent homes which is contributing to a better quality of life for Birmingham citizens. What pleases me most is that I have been able to honour my commitment to residents to improve their homes, through our '4th option' of positive retention.

- In 2009/10 we are investing £88 million on improvements to achieve the decent homes standard through our successful Birmingham Construction Partnership of Thomas Vale, Tomlinson and Wates.
- At 30 September 2009, 93.24 per cent of our homes (60,456) reached the decent homes standard. This year, the final year of the programme will see continued investment and continued progress on renewing kitchen and bathrooms in council properties (Decent Homes Plus) across the city. £11 million is being spent during 2009/10 focussing on properties that will impact on the decency standard.
- We are also on target for all Registered Social Landlord (RSL) homes to meet the Decent Homes standard by 2010. At the end of 2008/09 96.56 per cent of RSL homes met the standard.

Repairs and Maintenance

We continue to make improvements to this valuable service, helping to provide a better quality of life and improving the health and well-being of tenants and leaseholders in the city.

Following a successful procurement exercise we were able to announce that from April repairs partner Inspace will be responsible for carry out repairs and maintenance to all council homes in south Birmingham. Gas contracts for new installations, service and repair of council homes across the city have also been awarded to Morrison Facilities Services Ltd (south), Mears Group (central) and P H Jones (north). All contracts will run until October 2015.

These contractors demonstrated exceptional quality and value for money and I am delighted that we have managed to save the city approximately £45 million over the life of the contracts. Once again our tenant and leaseholder representatives are part of the procurement team and were involved in all aspects of the tender process from initial invitations to final evaluation of tenders.

The Birmingham Construction Partnership, including their supply chain has created 72 trainee posts within the construction industry.

We also:

- Completed 100 per cent gas servicing across council homes in the city for a second year in a row. The partners delivering this work on behalf of the city are PH Jones, EGGA Heat, British Gas and Superior Plumbing Installations. Customer satisfaction with the repairs is now at 95 per cent.
- Required our repairs partners to provide a single training academy, as part of the previous tender process for the north. I am happy to say that last year

Mears opened up their Academy on the Kings Road site, which provides training in construction related works, which is available to all our partners.

- Embarked on a funding partnership with energy provider Scottish Power which attracted half a million pounds of external funding to improve energy efficiency in council homes.
- Secured over £2 million from the HCA for Cambridge and Crescent Towers, near Broad Street and Reynolds and Manton House in Newtown which are benefiting from the award winning Combined heat and Power (CHP) led district energy scheme which will contribute towards reduced energy bills and reduce the city's carbon footprint by 60 per cent by 2026. The scheme is providing cheaper and more efficient energy.

Supporting People

Birmingham's Supporting People programme continues to be a national pathfinder and has once again been recognised for involving service users in reviewing and shaping housing-related support services for our most vulnerable citizens. Our programme, the largest of its kind in the UK, provides support for up to 40,000 vulnerable people and is worth £51.9 million.

At the prestigious UK Housing Awards, our Supporting People Lay Assessors scheme took the top award for outstanding work on meeting the needs of vulnerable people. I was delighted to attend the ceremony and accept the award with staff and service users, who through the programme, were given the confidence and skills to scope, shape and assess services to make sure the Birmingham Supporting People programme meets customer needs.

Homelessness

Despite the current economic climate we have continued to work with our partners to tackle homelessness in the city.

- Levels of statutory homelessness within the city continue to be low compared with previous year's figures and we are on track to deliver the target for reducing temporary accommodation use set through the Local Area Agreement.
- We are remodelling our Homeless service to provide better quality to customers and to make it more effective and efficient.
- Our work to tackle the issue of rough sleeping secured national recognition when it was announced as an 'Ending Rough Sleeping Champion' – one of only fifteen community based champions in the UK. We are offering advice to other local authorities and agencies across the UK. Levels of rough sleeping in the city remain low with only 6 being identified at the last rough sleepers count.
- Our work to prevent homelessness continues to expand and we are developing effective responses to emerging issues. We are expanding and strengthening our Home Options service to provide an even better range of housing options available for people as alternative to presenting as homeless. We fund a large debt advice service to help those experiencing financial difficulties to resolve these before they result in homelessness and have commissioned a successful mortgage rescue scheme run by Citizens Advice Bureau.

- We continue to work to ensure that young people are able to make the transition to independent living well and continue to build upon our successful partnership with St Basils. We have developed, “Time Out” in partnership with St Basils. This pilot project aims to give 16 and 17 year olds whose family relationships have broken down, a breathing space to stay for a short while, whilst family mediation takes place.
- Our ‘Places of Change’ programme of hostel modernisation is progressing well. I officially re-opened Carole Gething House with St Basils following a £1.9 million refurbishment. This is the first ‘Places of Change’ project in the city to come to fruition. The funding will help young people to address their problems and worries in a supportive, encouraging environment. Carole Gething House in Small Heath offers supported accommodation to 16-25 year olds who are at risk of homelessness. Residents will have access to St Basils’ support services to help them to get back on their feet. Work to refurbish Midland Heart’s Snowhill hostel and the YMCA’s project at Erdington is on track.
- Working with partners we introduced the Sanctuary scheme to help victims of domestic violence to remain in their own homes. Since April 2009, this scheme has assisted 60 families to remain safely in their own homes with the provision of additional security measures. The model behind this scheme has recently been recognised via an award for successful partnership working by West Midlands Police.
- We have secured £460,000 in Working Neighbourhoods Funding to commission specialist interventions in order to improve the progression of homeless people to sustainable employment and independent living.
- Implemented cold weather provision when night temperatures hit zero degrees Celsius or lower in the city this winter. Our partnership with the Salvation Army – William Booth Centre and Midland Heart – Rough Sleepers Outreach Team helped clients to find accommodation and services after accessing the provision.

Allocating homes

We continued to improve the way homes are allocated across the city, offering more choice to local people and providing more assistance to vulnerable citizens.

- We rolled out the Under Occupancy pilot. Wise Move will help to encourage council tenants over 50 to consider moving to a smaller property, thus freeing up larger family homes to help deal with the problem of overcrowding in the city.
- Staff, Members and partners across the city have undergone a series of training sessions and briefings ahead of the launch of Choice Based Lettings (CBL) known as Birmingham Home Choice. Birmingham Home Choice, working with RSL partners and other agencies will help us to offer more opportunities and more choices for some 35,000 people who need social housing in the city. Applicants can access services directly via the internet, through text messaging, automated telephone service and other electronic services as well as more traditional face to face access routes. At last customers will be truly at the heart of the lettings process which will offer greater transparency of how homes are allocated. Choice Based Lettings will be rolled out across the city early in 2010.

- We consulted widely on our new allocations policy which was introduced in January 2009. It awards applicants priority for housing according to the severity of their housing needs.

Extra Care Retirement Villages

We continue to make considerable progress in developing and delivering our vision to provide homes that meet the needs of the city's older citizens.

- The New Oscott Retirement Village, our first in the city, is being built in partnership with The ExtraCare Charitable Trust, Midland Heart and the Homes and Communities Agency, with construction partners Galliford Try and architects Nicol Thomas. Despite testing economic times, we expect the Village to be ahead of its anticipated completion date of April 2010.
- The New Oscott Village has provided around two hundred construction jobs and will employ up to eighty local staff when the scheme is open.
- The ExtraCare Charitable Trust's £10 million 'Smile Appeal' for villages across the city, which will fund well-being and social facilities, is progressing well.
- 2,000 households have registered their interest for the 260 one and two-bedroomed self-contained apartments that are on offer for rent, sale and part-purchase. Over 600 rental applications have been received, 101 properties have already been allocated to purchasers. The village already has over 100 volunteer applications.
- A village planned for Pannel Croft will start in Autumn 2010 and I have just had the pleasure of announcing another scheme on Hagley Road planned for 2011.
- Construction has also started on two multi-million pound extra care developments with our partners Housing 21. Both sites will take on up to 6 apprentices, across Turves Green in Northfield and The Meadway in Stechford. Both sites will support and safeguard over 150 jobs in the construction industry.
- I accepted the award of the Most Outstanding Council Housing Executive in the UK in 2009 at the Over 50s Housing Awards in recognition of the progress we are making in driving forward plans to deliver real housing choices for our older people, particularly through the development of our retirement villages.

I am delighted that our vision for creating five pioneering retirement villages, a £200 million programme delivering some 1,500 affordable homes and an enriching lifestyle for older people – the largest retirement village project of its kind in the UK, has made immense progress.

The Villages will offer city residents (aged 55 plus) a range of mixed-tenure housing offering people a 'home for life' with their own support worker and access to ExtraCare's award-winning Well-being Service which is supported by qualified nursing staff. Apartments are spacious, well-appointed and have been carefully designed, combining traditional style with modern technology. The technology is designed to support residents' independence, safety and mobility in their home without being obtrusive.

Village homes surround a social hub – a village centre with 18 social and leisure facilities. Facilities are affordable and will welcome residents, their

families, visitors and volunteers from across the local community. Already future residents have joined me to view New Oscott's Village Centre. It is spacious, innovative, beautifully designed and demonstrates bold vision.

All these schemes will go a long way in offering a real housing alternative for Birmingham's older people, supporting the work being done by Adults and Communities, and demonstrate our commitment to improving services for older people.

Sheltered housing

Our improvement programme to our Sheltered Housing schemes has progressed well. We have invested over £1.1m in replacing baths with level access showers (for all tenants who wished to have them) in all of our extra care and most category 2 schemes. We have also improved communal toilets and bathrooms, ensuring communal bathrooms can be used for assisted bathing. We have improved access to external communal areas by providing new doors and ramps and are providing lifts to first floors in the majority of category 2 schemes. Also:

- We are investing £10.3 million over the next two years in the communal areas of our sheltered housing schemes.
- Our Careline services which provides support to older people 24 hours a day, 7 days a week has been accredited by the Telecare Services Association.

Affordable homes

We have an extremely good track record in delivering affordable homes, which continues to remain a key priority for us and the City Housing Partnership.

- We exceeded our affordable homes target, through the delivery of the National Affordable Housing Programme. The Council's LAA target start was set at 600 new homes in 2008/09. 727 new homes reached practical completion funded through the NAHP. In total 975 new affordable homes were completed in 2008/09 against a target of 600.
- We secured £100 million in Housing PFI credits from the HCA which will transform the Lyndhurst estate and surrounding areas of Erdington. We are one of just 10 local authorities, out of 24 councils that submitted bids, to have been awarded a place on the 6th round of the PFI scheme by the HCA. The scheme is set to deliver up to 600 new homes, including new council housing and homes for shared ownership and outright sale and will see the refurbishment of another 600 existing council homes. The demolition of the Star Members Club in November represented another key milestone in the regeneration of the area.
- The £20 million redevelopment of the Crocodile Works site in Newtown, the biggest development in the area over 50 years started last year. The redevelopment will provide 168 homes for rent, sale and rent to buy. We are leading on the project with Midland Heart, alongside our partners Urban Living and the HCA.
- The regeneration of neighbourhoods in North-West Birmingham and parts of Sandwell received a further boost following the award of £17.8 million for Urban Living, the Housing Market Renewal Pathfinder for Birmingham and

Sandwell. This will push forward work to provide create successful housing markets through improved homes and greater housing choice for local people.

- We approved a £1.3 million programme through the Working Neighbourhoods Fund to increase the supply of larger affordable homes in the city which will help to reduce overcrowding in social housing and the numbers of families living in temporary accommodation who are waiting for larger properties.
- The HCA announced a £2.3 million investment package for new affordable homes to be built on the site of the former Firebird public house in Edgbaston. The funding through the National Affordable Homes Programme will bring thirty much need new homes to the successful Attwood Green redevelopment. Twenty five will be available for rent and five for Homebuy, which offers homes on a shared equity basis to first time buyers and those re-entering the property market on a low income.

Social Housing

We have a proven track record of developing innovative housing solutions and are now seen as leaders in our field.

- I am delighted that a year after announcing our intentions to start building council homes in the city once more, we have started on site with 129 new council homes through the BMHT, a scale of house building that has not been seen in Birmingham for three decades. Our recent success in round two of the Local Authority New Build (LANB) will see a further 181 new homes for rent, sale and shared ownership built on sites across the city providing real housing choice for Birmingham residents helping to create sustainable communities. Our ambitious plans will eventually deliver over 500 new homes a year.
- Local architect companies Axis Design Collective and BM3 were selected to design the new council homes.
- Lovell Partnerships and Frank Haslam Milan will carry out the development of the new council homes at Drylea Grove, Brooklea Grove, Regent Road and Pershore Road following HCA funding of £6.7 million and £8.3 million of council funding and contribution of council land for free.

Private Sector

We continue to provide assistance to improve conditions in the private sector.

- Our successful partnership approach to share and discuss issues affecting the private rented sector with private landlords, through the Landlords steering Group has continued with regular Steering Group meetings though out the year. Additional events included participation in a forum event with Urban Living in spring and our own very successful Landlord Forum event held in October.
- We have now issued licences to over 1,300 eligible Houses in Multiple Occupation (HMO's). This year we have already carried out proactive inspections to over 200 licensed HMO's to ensure compliance and we have issued an advisory DVD and literature to inform residents about HMO's and how to report them. Where private landlords have failed to comply with

regulations we have taken action with a number of successful prosecutions in the year.

- The Private Sector Housing team continues to work hard to ensure that both tenants and landlord's rights are clearly communicated and advice on paying rent, getting repairs done to more serious issues such as harassment and illegal eviction are all covered. Work is in progress to expand our successful landlord accreditation scheme in the Selly Oak/Bournbrook area on a citywide basis.
- Working in partnership with the Birmingham led regional Kick Start partnership we provide technical advice and assistance including affordable and accessible loans to help homeowners improve their homes. In 2008/09 over 3,440 home owners were helped to improve their homes through our Homeworks and HouseProud services, over 3,735 more households have been assisted to date in 2009/10.
- Our "Safety Net" policy will also ensure that vulnerable low-income home owners can be helped where their homes need immediate work to remove health and safety risks.
- In April we reported the need to review targeting of assistance to help vulnerable homeowners. We have commissioned an updated Private Sector Housing Stock condition Survey to be undertaken in the final quarter of 2009/10 to identify progress made to improve levels of decency in the sector and assist targeting of assistance in future years.
- A proactive Affordable Warmth strategy with a cross-sector approach, including fuel utilities providers, is helping low income households to improve the thermal efficiency of their homes and tackle fuel poverty. Lack of thermal comfort or efficiency is a major cause of non-decency in housing. Working in partnership with national programmes and fuel utility partners over 9,500 residents were assisted with affordable warmth measures in 2008/09 and we aim to assist over 9,000 more households this year. Birmingham is working with national utility providers to attract Community Energy savings Project (CESP) funding and Housing is taking a lead role in the Green New Deal programme.
- We continue to improve our Independent Living Service including reducing the waiting times for major adaptations. In 2008/09 the average time from an Occupational Therapist Assessment to Disabled Facilities Grant provision was 56 weeks. This represents a reduction of 18 weeks on the previous year and demonstrates the continuing improvements the service has made over the last three years. For 2009/10 the target has been reduced to 40 weeks and I am pleased to report that this year's performance is below this at 34 weeks.
- We continue to enhance our re-housing solutions to negate the need for costly adaptations and help elderly and disabled people to live in more suitable dwellings, through our pilot "moving-on" scheme. Now known as *Wise Move* this initiative has now successfully assisted 12 households to move to more suitable accommodation for their needs.
- The number of empty properties in the private sector has hit an all-time low in the city following action by our Private Sector Empty Property Team. A further 248 dwellings were returned to use last year with a further 70 returned to use in the first quarter of 2009/10. Empty homes now stand at just under 9,000 for the first time, down from 14,000 in 2003.
- The private rented sector exhibits some of the poorest housing conditions and most vulnerable households in the City and we are committed to mandatory licensing of applicable HMOs. We have issued over 50 new

licenses in the first quarter of this year and are taking action against those landlords who believe they can avoid compliance with 2 recent successful prosecutions. To date we have issued 1,282 licences.

Development and Regeneration

The regeneration of many of our former estates across the city has continued to take shape despite the current economic climate and once again, with our partners we have gained local and national recognition. These include:

- Receiving a top environmental accolade for the Summerfield 'eco neighbourhood project' in partnership with Family Housing – the largest of its kind in the UK and the first in Birmingham. It secured the 'community involvement and engagement' award at the 2009 Inside Housing Sustainable Housing Awards. Following consultation with homeowners and the Summerfield Residents Association, bodies tasked with regenerating the area including Urban Living, Family Housing Association and the council joined forces with residents to create a £2.3 million programme designed to raise awareness of sustainability issues.
- Working in partnership, Waterloo has built ten homes at Brandwood End in Kings Heath with a special 'sun space' design feature. These rooms harvest solar energy to help reduce heat loss and heating costs for residents. The homes, built for Waterloo by Thomas Vale Construction, also feature a mix of equipment including warm air tiles, recycling units and a ground source heat pump. Special measures have been fitted so the homes can be carefully monitored to evaluate how effective the technology is.
- Summerfield Eco Village also won a prestigious European award during the EURO CITIES annual conference at Stockholm for participation and working with the Housing Education Initiative also scooped the National Housing Federation West Midlands What We are Proud of Awards 2009 and was 'favourably recommended' in the Chartered Institute of Housing's West Midlands Region Good Practice Award 2009.
- The Housing Education Initiative which engages children in their local community has a notable track record having successfully contributed to the award winning regeneration of the Summerfield Eco Village. As part of the children's engagement with regeneration issues in Lozells, the BBC filmed one of the young documentary presenters who focussed on the eco-friendly refurbishment in the area, for an education programme.
- Our housing regeneration project in South Lozells took the top award for raising the standard of customer services at the UK Housing Awards. The consultation project used an impressive 3D computer model and interactive website to improve customer service. The project was funded by Urban Living, the Birmingham Sandwell Housing Market Renewal Pathfinder.
- Ley Hill was one of several schemes in the city to secure Kickstart funding, announced in last year's budget to unlock sites unable to proceed during the downturn and support the construction of high-quality mixed tenure housing developments, including private, intermediate and social housing across the country. I am delighted that Birmingham secured more financial backing from Kickstart funding than any other city outside of London at over £20 million, to provide high quality affordable housing for our citizens. Other areas to benefit include Attwood Green, Cape Hill, The Jewellery Quarter, Northfield, Erdington and Eastside.

- £15 million to deliver the major renewal and remodelling of Kings Norton 'Three Estates' to provide more affordable and improved housing in the "Big Change" plan endorsed by local residents.
- I am particularly proud that the Audit Commission in their recent Comprehensive Performance Assessment of the City Council awarded the City a green flag for its partnership working to meet housing need.

Growth Agenda

Following a Communities and Local Government Growth Fund allocation jointly with Solihull for 2008/09 an updated submission for 2009/10 and 2010/11 was submitted in September 2008. A further £7.868m has been awarded to the two authorities which has involved close working between officers across the council and Solihull MBC.

Although the Growth Agenda is predominantly about house numbers, it is one aspect of building sustainable communities. Officers continue to work closely with colleagues across the council on supporting programmes such as Building Schools for the Future, transportation, and the workless agenda.

Housing Management

We have continued to improve our performance on providing homes for those in need and collecting rent so that we are able to maintain our homes in safe, clean and vibrant neighbourhoods.

- We are in the process of introducing a new Lettings Support Initiative which has already supported over 1,000 tenants providing important support at the start of their tenancy to help them manage their finances. We have already seen a reduction in the number of new tenancies in arrears.
- Following the introduction of the two week rent "payment holidays" at Christmas we have continued to see a reduction in rent arrears. Rent arrears have fallen to the lowest level for over 10 years to £9.2m. Tenants will benefit from two more free weeks at Easter.
- Our Former Tenancy team became a member of the Credit Services Association (CSA). The CSA is the UK's only national association for anyone who deals with unpaid credit accounts, debt recovery and tracing services. The accreditation now provides in addition to our Service Standards for former tenant debt collection and our tenancy tracing service, a nationally recognised assurance that customers receive the highest level of professionalism, support and compliance with the legal requirements in the pursuit of former and current rent debt collection.
- We have launched a new-style quarterly rent statement for all tenants to help them keep their rent balance in credit and help them to manage their finances more easily. We continue to consult tenants to make even further improvements.
- Phase 3 of our successful Neighbourhood Caretaking scheme is now operational and will increase our front-line resources to maintain our estates.
- We provided 276 trainee places (two year housing traineeship programme) for young people who are not in education, employment or training.
- Through the Future Jobs Fund (FJF) programme we will have placed 250 young people into schemes over the next year and have developed proposals for young people to carry out environmental tasks in districts

across the city, including support vulnerable people to maintain their gardens.

- Consultation on our Conditions of Tenancy is in progress. The new conditions will mean that demoted tenancies can be used as a response to serious antisocial behaviour, and additional conditions will tackle hate crime and domestic abuse. Other new obligations include making rent payments during payment holidays if tenants are in arrears or owe other housing debts, and a requirement to allow access for tenancy checks, gas servicing and safety checks.
- We launched Birmingham Local Heroes Awards in recognition of the positive contribution made by city residents of all ages.
- We have continued with our pro-active initiative of “keeping in touch visits” to help council tenants to maintain their tenancy.
- Our locally based Anti Social Behaviour Officers have continued to tackle ASB in our neighbourhoods. There have been many successful results across the city demonstrating our commitment to challenge the behaviour of a minority of people whose activities can affect others. Last year we secured over 200 legal actions against perpetrators of ASB.
- We have maintained tenant satisfaction with the council as a landlord.
- 2009 saw the repeat of last year’s Birmingham in Bloom event, over 200 tenants entered into the spirit of things! This event recognises and rewards those tenants who take a pride in their gardens, which contribute to enhancing neighbourhoods.
- We have reduced the number of long term empty council homes including those on sheltered housing schemes.

Other Successes

- We were assessed by the Improvement and Development Agency (IDeA) peer review as meeting level 3 of the Equality Standard.
- We are to deliver one of the first ever UK trials under the Government’s Pay As You Save scheme, which will improve hard to heat homes in the city with a range of ‘whole house’ heating and insulation measures including renewable energy technology with no upfront costs to residents. Householders will make repayments spread over a long period so that repayments are lower than their predicted energy bill savings, meaning financial and carbon savings are made.
- CHP has been announced as a finalist in the prestigious Community Partnerships Award 2010, in the Best Housing / Construction / Infrastructure category. The overall winner will be announced in February (2010) and I eagerly await the outcome.
- Carried out fire risk assessments on all of our 229 council tower blocks once again, making us one of the most efficient councils in terms of fire safety in the country.
- Recognised the hard work and dedication of housing staff at our annual Valuing Staff event at Highbury Hall. Celebrated the achievements of staff who have gone that extra mile and people who have served 25 years or more with the council.

3.4 Improvement and Efficiencies

- We improved better than the average for all councils on each and every performance measure last year.

- In March 2003, just fewer than 30% of our properties reached the level of the Decent Home Standard. By the end of September we achieved 93.34% and we are now on track to reach 95% by the end of March 2010.
- The average time to carry out non-right to repair work was 9.5 days at the end of November 2009, this continues our year on year improvement and is the best performance figure we have ever had in this category.
- Rent collection and rent arrears continue to improve and collection of rent including arrears was 94.82% at the end of December 2009. This is the highest performance level we have reached, in a historically difficult area.
- The number of households in temporary accommodation to whom we owe a duty and also those who we do not owe a duty to re-house, has reduced from 817 at the end of March 2009 to 747 at the end of November 2009.
- The number of empty properties in the private sector brought back into use continues to rise year on year with 248 properties at the end of March 2009. At the end of December 2009 we have brought 197 properties back into use and will achieve our target of 250 for March 2010
- We have reduced the number of section 11 claims - claims for not tackling repairs such as damp, vermin, heating, hot water or leaks – from 950 in 2004/05 to 163 in 2008/09. We have sustained continuous improvement with 124 to the end of December 2009. We have also reduced compensation paid out on section 11 from £1 million in 2005/06 to £77,000 in 2008/09 with £56,000 to the end of November 2009.

4. FUTURE PLANS AND TARGETS –

4.1 Aims, objectives and priorities for the Year Ahead

I will continue to contribute towards the Council's objectives to achieve excellence for the residents of Birmingham, which is consistent with our Housing Plan 2008, currently being refreshed. Housing will continue to make a key impact on 'Enjoying a High Quality of Life' and through securing employment opportunities, to the 'Succeed Economically' priority.

Within the next year, there will be significant changes in National Government and possibly the future financing of Housing. My priorities will need to reflect this changing landscape, in accordance with the Leader's 5 Principles for Service Delivery, set out in his address to Council on 8 September 2009:-

- a) In relation to partnership working, my priorities will be the relationship with the Tenant Services Authority the new regulator from 1st April, supporting the City Housing Partnership by offering robust member engagement through the Members' Forum and working with the Homes and Communities Agency to deliver our first Local Joint Investment Plan.
- b) Our services will need to be tailored towards the Personalisation agenda, already clear in the Supporting People regime. The Supporting People funding programme will switch to become part of Area Based Grant from 1st April, so I am determined to protect the positive outcomes we have already achieved, in partnership with the SP Citizens' Panel.

We want to increase choice, improve the customer experience and create sustainable communities. 2010 will see the launch and roll out of Choice Based Lettings (CBL) for Council tenants and some RSL tenants, enabling

them to select properties to rent for themselves. We will develop the operation over time, making this the country's largest CBL scheme offering support to social tenants via our remodelled Tenancy Support Services and via the Private Sector Landlords' Forum, which helps to ensure quality homes in the private rented sector. We are currently procuring commercial partners to provide quality, cost effective solutions for temporary housing to offer improved services to those families who unfortunately find themselves 'roofless'.

- c) Preventing problems before they arise is a key part of my philosophy for the coming year. Pioneered so well in the Home Options and Mortgage Rescue schemes, it now extends to Careline Services, protecting our elderly residents and offering them security to stay in their own homes.

Anti-Social Behaviour prevention is an integral part of our Estate based services, ensuring problems are tackled early and using effective enforcement action where appropriate. Concierge and Neighbourhood Caretaking all assist by ensuring timely intervention where problems do arise.

- d) Business Transformation has now been mainstreamed in the Directorate as "business as usual". The coming year will see the full roll out of 'Customer First' into Neighbourhood Offices, who continue to be the 'shop window' of many housing services. I wish to see this grow from strength to strength.
- e) Value for money and testing 'best value' in terms of service cost and outcomes will stand us in good stead in the next 12 months, building on the excellent work already commended by the Audit Commission in 2009. We owe it to our customers to ensure they achieve quality at the lowest cost and I am making a commitment to challenge traditional service delivery models to ensure efficiency and effectiveness go hand in hand.

All these factors will contribute to my ambition that the Housing Service in Birmingham is recognised for its determination to be a centre of excellence for Housing, using our 3 Star Action Plans as its bedrock.

4.2. Other Key Plans or Strategies

Housing Business Transformation: 'Decent Homes, Decent Places'

The Housing Directorate continues to be committed to achieving its key strategic priority of a '3 star service and a national exemplar of excellence' through business transformation. Our vision for Housing Transformation is that this is achieved this year within the context of a reducing income base of 20% over the next 3-5 years. These are the financial circumstances we now face, as a result of subsidy reductions and stock loss. This will be achieved through:

Delivering The Housing transformation programme which comprised of 27 different projects that will deliver efficiencies and service improvements. In delivering these efficiencies the programme will provide funds to:

- Meet our forecast funding shortfalls in the HRA and HGF

- Create additional revenue to fund kitchens and bathrooms by 2016; an essential part of 3 star services – and allowing capital receipts to be re-directed towards affordable housing after 2010
- Re-pay the costs of Business Transformation

Significant progress has been made in delivering against all of the key projects which include:

- Reducing the level of rent arrears by introducing hand held technology, changes to processes and by introducing rent payment holidays.
- Licensed 1300 Houses in Multiple Occupation ensuring that the tenants live in safe and secure properties.
- Our use of Customer Profiling data has enabled us to improve the services we offer to vulnerable tenants for example we have been able to improve the way in which we deliver our Decent Homes Programme to assist asthma sufferers.
- We have been able to help 20 customers move in to more suitable accommodation freeing up large homes for use by those in need on our waiting lists through the Wise Move initiative.

In the next few months I expect to see all of the BT projects move into business as usual status with my staff ensuring that our drive for continued improvements is embedded.

Housing Plan 2008+

Our current Housing Plan was approved in September 2008. It is an innovative and inclusive housing strategy, designed to address the wide ranging housing issues that are apparent in the City.

The success that we have achieved in implementing the strategy is documented throughout this report ranging from establishing the Birmingham Municipal Housing Trust to maintaining progress across the social housing sector towards the decent homes target to licensing Homes in Multiple Occupation and providing accreditation for private landlords.

We are committed to ensuring that the Housing Plan remains relevant and vital. To achieve this goal an annual review progress has been established to address emerging issues and to refresh key actions taking account of the progress made throughout the year. This review is underway – the update will be completed in Spring 2010.

Planning for Housing in Later Life

The City's first strategy for Planning for Housing in Later Life was approved by Cabinet in May 2009. In developing the strategy our residents and stakeholders told us that priorities should include a better range of housing choices for people in later life; a single point of information for housing, support and care services;

support services that maintain independence and better engagement with older people. We now face the challenge of starting to deliver the actions to achieve the outcomes. The actions cannot be delivered by Housing or indeed the Council alone. It is intended to work alongside partners and key stakeholders, who were involved in the strategy's development, to jointly deliver the strategy.

Private Sector Housing

In tandem with the Housing Plan, we published our first Private Sector Housing Strategy in September 2008. The annual review of this strategy is underway. The key issue to consider is the Government's decision to reduce funding for private sector housing renewal – this will have a direct impact upon the availability of resource for Disabled Facility Grants, affordable warmth programmes and finance to assist vulnerable home-owners to maintain their homes.

We recognise improving the energy efficiency of the existing stock is a key factor in tackling Climate Change. As such Housing is taking a lead role in the Green New Deal and we have secured funding to assist homeowners to install renewable energy micro-generators in their homes – reducing their fuel bills and cutting CO₂ emissions.

Empty Properties

Action on tackling private sector empty properties continues to be very strong. Notable successes include:

- At August 2009, the number of empty properties in the private sector hit an all time low with just under 9,000 vacant homes in the city – a drop of 5,000 from 2003.
- In 2008/09, 248 qualifying properties were returned to use, exceeding the target figure by 19%.
- In 2008/09 the city exceeded its target for returning to use family homes in Council Tax bands A-C. 158 (64 per cent) of all properties returned to use were of this type.
- We have exceeded our specific targets in the Urban Living and East Birmingham HMA areas, where concentrations of both overcrowding and empty properties are high.
- Birmingham's 2007-2012 Empty Property Strategy has been identified as a model of good practice and has led to positive attention being focused on the way the city works to return private sector properties to use.
- The Empty Homes agency recently recommended the makers of a forthcoming BBC programme, 'Britain's Empty Homes' to highlight the work of Birmingham's Empty property team.

In view of the overachievement of the headline target in years one and two, the 2009/10 Empty Property Strategy Update has increased the total number of qualifying properties to be returned to use by 2012 from 1,250 to 1,400.

In recognition of the very high demand for larger family homes in the city the strategy update introduces a new action to seek to retain larger, acquired, empty properties as social rented homes. Officers are currently progressing this action.

Clearance

The success of the Housing department's Clearance re-housing and demolition programme continues to deliver land for new affordable housing developments.

- The effective and customer focused way in which the Clearance team manage the land assembly process is helping us deliver priority regeneration and Housing development projects such as the Erdington PFI, Urban Living and the Big Change programme in Kings Norton.
- The recent Chamberlain awards win for the New Street Gateway CPO team in the 'Against the Odds' category was testament to Housings input in delivering the sensitive re-housing of residents in Stephenson Tower.
- During the last year we have introduced a set of Service Standards and information packs for Clearance so those residents directly effected by proposals knows what level of service they can expect from us and help them understand the process.
- We are now well advanced in our review of all our garage sites across the City and have developed portfolios for all Constituencies and Wards showing the outcome of our Option Appraisals.

Garage Sites

We are now consulting on these findings with all of our Housing Liaison Boards and Constituency Tenant Groups as we need to move forward on a policy to help fulfil demands for garage and parking sites and increase the financial return. We also need to offer surplus land for home-building under our affordable housing policy

Urban Living Programme

The Urban Living programme has once again focussed on North West Birmingham where partners are continuing to work with local communities to help achieve the urban renaissance of some of Birmingham's most deprived neighbourhoods.

In the last year Urban Living received £17.8 million Government funding for the period ending March 2010. This was subsequently supplemented by a further £1.7 million which will enable activities to be accelerated in the areas of greatest need. In addition, the Government has also confirmed a further £11 million to the end of March 2011.

The Urban Living partnership has once again achieved all of its targets and enabled a number of key sites to come forward in spite of the economic climate. Some of the key activities supported by Urban Living include:

- Starting construction of 168 new homes at the former Crocodile Works site in Newtown led by Midland Heart in partnership with the Homes and Communities Agency (HCA) and Birmingham City Council.
- Completing masterplans in Newtown and Lozells and producing a development brief for the Birchfield area where obsolete tower blocks have been earmarked for demolition to make way for future development.

- Contributing to the comprehensive regeneration of North East Newtown, aligning Urban Living resources with other schemes such as the Building Schools for the Future (BSF) and Lottery funded 'Myspace' to transform the area.
- Maximizing opportunities for consultation and driving forward the community cohesion agenda. This is best exemplified by the award winning Lozells 3D modelling tool and web site set up to help local residents visualise proposed plans for the area (see www.vision-lozells.org)
- Giving empty properties a new lease of life, following long periods of standing empty. The properties have been refurbished in keeping with their historical character, and eco features are being introduced so that fuel costs will be lowered before they are made available for sale.
- Winning a number of awards for the eco- regeneration of the Summerfield area of Ladywood led by Family Housing in partnership with others. This is held as an exemplar of good practice, having now also been rolled out in Lozells.
- Creating over 320 job opportunities through the regeneration programme and establishing a new employment facility in Handsworth for the hardest to reach

4.3 Challenges, Risks and Constraints

It was a year of housing announcements from government, with another new Housing Minister in charge.

My officers and I have contributed to a host of consultation papers which we hope will demonstrate Birmingham's commitment to improve the housing sector and make a valuable contribution to help shape national housing policy.

- Earlier in the year 'Building Britain's Future' set out the medium term vision for public services. Amongst establishing a nationwide choice based letting scheme and providing support for new affordable housing building programmes, proposals to dismantle the existing subsidy system and local authorities to retain all right to buy receipts and the introduction of a self financing regime for local authority housing provision. Our tenants formed part of a delegation to Westminster to state our case for reform and I am delighted that alongside our tenants and other local authorities, our lobbying of the Government was successful. However changes will not come into force until 2012/13.
- Some £57 million of our tenants rent will go back to Whitehall this year to be spent elsewhere. This is £10 million more than 2008/09 and represents £17 per week paid by our tenants. This is in addition to the council paying back 75 per cent of the right to buy capital receipts - £25 million. Almost all of the income from the rent service charge increases for 2009/10 will be clawed back by the government, the same as last year. Despite this a balanced HRA budget for 2009/10 was approved after efficiencies, while continuing to improve performance.
- The Budget announced £100 million to fund some 900 new council homes. The PM in his Housing Pledge, announced a further £1.5 billion to build an extra 20,000 affordable and energy efficient homes and encouraged councils to become once again significant providers of new housing, with further flexibility to do more, where councils can act rapidly and offer good value for money. We met the challenge head on and have now started

building our first council homes in the city on a scale of its kind in three decades.

- Although we will meet the Decent Homes target by 2010, through our '4th Option' without the assistance of government funding, we will continue to campaign for a better deal for our tenants and leaseholders in the city.
- In November we gave evidence to 'Beyond Decent Homes, Decent Housing Standards Post 2010' highlighting the excellent progress we have already made. We asked for a fairer distribution of funding across the sector in future as unlike Registered Social Landlords (RSLs) and Arms Length Management Organisations (ALMOs) we could not access extra funding to bring our homes up to the required standard. There also needs to be a level playing field in any future system and to look at how better to incentivise and enforce improvement in private sector housing, as there are few powers available to local authorities to get homes in the private sector up to a decent standard.
- We estimate that an investment of £285 million is required to eliminate basic hazards in private sector housing. We have effectively used the limited available financial resources and effectively utilised the legal and enforcement powers to continue to support to owners to reduce non decency. However government has announced a cut of £3 million for Birmingham and £10 million for the region in assistance to owner-occupiers this year.
- The safety of our tenants is paramount. This year I campaigned for Government to impose tough new housing regulations on builders and landlords to prevent tragedies such as the fire that killed six people in a London tower block. We have 229 tower blocks and approximately 4,500 low-rise blocks in the city which have all been fire checked and we will continue to ensure that this excellent record is maintained.
- The economic downturn continues to put pressure on key services for our vulnerable citizens (including homelessness and indebtedness). The Council will continue to provide as much assistance and look to secure national resources to meet the needs of Birmingham people.
- We face yet another housing inspection this year, this time our landlord function which will cover areas such as tenancy and estate management, resident involvement and access to services. With the hard work and dedication of staff across the council who deal with a range of housing related issues I am sure we will be able to demonstrate excellent and improving services for the residents across the city.
- From 1 April 2010 the Tenancy Services Authority (TSA), will become responsible for regulating all social housing providers. In future we will be required to produce a self assessment against the set of prescribed standards to judge our performance. Any concerns could lead to an inspection of our housing services by the Audit Commission. We have and will continue to engage with the TSA to develop and maintain excellent services for residents.

4.3. IN CONCLUSION

Once again I am delighted to highlight the progress we are making toward delivering excellent services for Birmingham citizens.

I am pleased that the Government recognises the excellent work that has been carried out in the city to find innovative ways of improving our housing stock.

The Pay As You Save pilots which will give households the opportunity to invest in energy efficiency and microgeneration technologies in their homes with no upfront cost will not only improve housing, it will ultimately save our people money on their fuel bills. It also helps us build on the Birmingham Declaration on climate change, agreed by Council as a way to improve the city's sustainability in the future.

I am also particularly proud that a year after announcing our intentions to start building council homes in the city once more, we have started on site with 129 new council homes through the Birmingham Municipal Housing Trust. Following the recent announcement of the second round bid, a further 181 new homes for rent, sale and shared ownership can now be built for our people.

The new homes will be built to the highest quality, meeting HCA standards, Code 4 for sustainable homes, Building for Life Silver standard and Secured by Design and most importantly will provide training and employment opportunities for Birmingham people.

The work of staff in Housing continues to receive national recognition even during these difficult times. At the prestigious UK Housing Awards, I had the great honour of accepting two awards on behalf of the City Council for our outstanding work on meeting the needs of vulnerable people and raising the standard of customer services.

We also won high praise from the Government and Chartered Institute of Housing after beating off stiff competition from across the country to walk away with the accolades, with our work being described as a true inspiration to the housing sector.

In 2010 there are will be around 12 million pensioners in the UK, rising to 16 million by 2050. And the number of people aged 100 or over will increase from around 12,000 to 280,000 in the same period. This is why our plans for five retirement villages are so crucial to the city and why I am delighted that our first village will be opened in the next few months.

We have demonstrated time and time again that through partnership working in this city, no challenge is too great. We will continue to build on past successes and look to make further improvements to the service for the benefit of Birmingham citizens for the future of our great city – a global city with a local heart.

Councillor John Lines, Cabinet Member for Housing

Motion: The City Council is invited to receive this report.