

**Report of – Neighbourhood Services - Tenant and Community Involvement Service**

**Report to – Housing Advisory Board**

**Date: 3 February 2015**

**Subject: Housing Advisory Panels (HAP) – Funding and Decision Making Arrangements**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**Summary of main issues**

1. At the beginning of 2014/15 the 11 HAPs received funding of £120k each (£1.32m) for investment in a range of environmental and community related projects. Year to date HAPs have supported 229 local projects.
2. The focus of 14/15 has been to develop consistent ways of working, in particular establishing consistent decision making practices amongst local panels. However, there remains scope to clarify the funding and decision making arrangements further.
3. The current allocation of funding is based on an equal distribution to the 11 panels and does not take into account the number of Council homes and tenants within each panel area. A proposal is therefore presented to the Board to adopt a fairer funding allocation, targeting resources to the areas with the highest number of Council homes.

**Recommendations**

4. That the Housing Advisory Board:
  - 4.1. Support the proposal for the allocation of HAP funding in accordance with option 3 in this report – allocating £60k to each HAP and then allocating the remaining half of the budget based on the proportion of Housing Leeds dwellings within the area.
  - 4.2 Support other funding arrangements to HAPs for 2015/16 as outlined in this report.

## 1 Purpose of this report

- 1.1 To update the Housing Advisory Board on Housing Advisory Panels (HAPs), in particular to outline and propose improvements to the funding and decision making arrangements.

## 2 Background information

- 2.1 At the beginning of 2014/15 the 11 HAPs received funding of £120k each (£1.32m in total) for investment in a range of environmental and community related projects. Year to date HAPs have supported 229 local projects, averaging around £4,000.

HAP	No Bids	Total Budget	Commitment to date	% committed
Inner East	23	£120,000	£118,547	98.8%
Inner North East	16	£120,000	£91,204	76.0%
Inner North West	24	£120,000	£97,715	81.4%
Inner South	17	£120,000	£90,323	75.3%
Inner West	33	£120,000	£119,599	99.7%
Outer East	17	£120,000	£79,409	66.2%
Outer North East	22	£120,000	£80,127	66.8%
Outer North West	15	£120,000	£106,553	88.8%
Outer South	30	£120,000	£96,793	80.7%
Outer South East	9	£120,000	£66,439	55.4%
Outer West	23	£120,000	£95,549	79.6%
<b>Total</b>	<b>229</b>	<b>£1,320,000</b>	<b>£1,042,258</b>	<b>79.0%</b>

- 2.2 Five HAPs have also contributed £160,000 (included in the above) to the HRA Environmental Estate Improvement Programme either for specific projects or a general contribution to help finance environmental work in their area.

- 2.3 The focus of 14/15 has been to develop consistent ways of working, in particular establishing consistent decision making practices amongst local panels. Some key areas of progress with HAPs, and in particular with the Cross City Chairs Group have been:

- The development of 11 plans on a page, listing each panels service and funding priorities. These aim to focus panel discussion and awareness on the local issues effecting tenants and to make the links between local panel activity and wider Council objectives.
- The creation of a range of key documents including terms of reference, a common funding application form and guidance notes and a single recruitment and selection process.
- The delivery of a communications plan to help raise the profile of HAPs and the first city-wide HAP event, bringing together all HAP members to share ideas, good practice and successes as well as to help us develop a training and development plan.

2.4 The Tenant and Community Involvement Service has also instigated a number of internal controls and practices to ensure appropriate support for the delivery of projects (through Internal Service Providers) by working closely with Property and Contracts.

### **3 Main issues**

#### Funding Allocations

3.1 The current allocation of funding is based on an equal distribution to the 11 panels and does not take into account the number of homes and tenants within each panel area. There is a significant difference in the number of properties within each HAP area, ranging from 2489 in the Outer North East, to 8461 in the Inner South.

3.2 Under the current arrangement the full budget is delegated to HAPs to fund projects. There have been a small number of projects, particularly environmental projects where small additional costs have been incurred after the HAP have considered the application, e.g. technical or survey related fees, and these costs have been incurred directly by the service. It is proposed that a small amount (£3k for the city) of the overall HAP budget is reserved by the Tenant and Involvement Team to cover these costs.

3.3 Consideration has been given to how HAP funding should be allocated for 2015/16 in order to ensure that funding allocations are fair and transparent. 3 options have been considered (each option is based on £3k being removed from the total budget prior to allocation to the HAP. These options are as follows:

1) Keep the budget allocation as is, that is £120k per HAP.

2) The budget allocation of £1.32m is shared proportionally based on the percentage of Council properties in each HAP area, rounded to the closest £1000(see column 3 of the below table).

3) Half of the current allocation (£60k) is allocated to each panels, and the remaining half is allocated based on the percentage of Council properties in each HAP area, rounded to the closest £1000 (see column 4 of the below table).

HAP	Properties	% Stock	(100% of £1.32m shared proportionately)	50% shared proportionately + £60k standard
Inner East	7370	12.97	£171,204	£145,595
Inner North East	3165	5.57	£73,524	£96,758
Inner North West	6311	11.11	£146,652	£133,296
Inner South	8461	14.89	£196,548	£158,266
Inner West	5771	10.16	£134,112	£127,024
Outer East	4570	8.04	£106,128	£113,076
Outer North East	2489	4.38	£57,816	£88,907
Outer North West	3719	6.54	£86,328	£103,192
Outer South	4302	7.57	£99,924	£109,963
Outer South East	5587	9.83	£129,756	£124,887
Outer West	5083	8.94	£118,008	£119,034
<b>Total</b>	<b>56,828</b>	<b>100.00</b>	<b>£1,320,000</b>	<b>£1,320,000</b>

- 3.4 Given some of the large differences in property numbers there are some panels under options 2 and 3 that would receive more funding and some less.
- 3.5 Option 1 would clearly result in the least change, but would result in some areas of the city receiving a lower proportion of funding per property than others; Outer North East receive approximately £48 per property, compared to Inner East which receives £14 per property.
- 3.6 Option 2 would result in the most change. It may be considered the fairest approach to the allocation of resources, as all HAPs would receive the same allocation of resources per Council owned dwelling within their area. However, it wouldn't take account of areas where there have been a higher proportion of Right to Buy sales, where the Housing Revenue Account retains responsibility to maintain the housing environment and delivers overall community development activity.
- 3.7 Option 3 is considered to be a balanced approach, which takes into account stock levels within areas, but also takes into account of areas where there have been higher levels of Right to Buy sales.

#### Funding Governance

- 3.8 There is a range of other finance and governance related issues which we would like to review and formalise for 2015/16. These are outlined below.
- 3.8.2 Some HAPs have offered HAP resources to support projects which are currently being considered for expenditure from the HRA Environmental Improvement Fund. As the Environmental Improvement programme will not be finalised until later in 2014/15 it will be difficult for HAPs to re-allocate resources should these environmental projects not be added to the programme. It is therefore proposed that where an Environmental project is financially supported by a HAP, but is not added to the programme, that the HAP resources roll over to 2015/16, for the HAP to spend on other HAP priorities.

- 3.8.3 As outlined in section 2.1 of this report most HAPs are on target to spend their full HAP budget allocation. However, it is projected that a small number will have some resources left at the end of 2014/15. In order to ensure that the resources are spent effectively it is proposed that any uncommitted panel budgets are rolled over into 2015/16.
- 3.8.4 During 2014/15 each HAP developed a Plan on a Page, which identified the funding priorities for the HAP. All project applications received by the HAP are considered against these funding priorities. It is proposed that the Plans on a Page are refreshed for 2015/16 to take account of emerging issues, and to ensure greater links with community committee priorities.
- 3.8.5 During 2014/15, once a decision is made at HAP meetings on which projects will be supported, a summary of the supported projects is provided to the Head of Neighbourhood Services for endorsement before the order is placed. While no projects have been rejected at this stage, some adjustments have been requested, e.g. to ensure that the project will benefit LCC tenants. The Chair of the Cross City Chairs Group has requested that the Head of Neighbourhood Services considers applications prior to them being considered by HAP to ensure that this consideration doesn't undermine the decision making of the HAP. It is therefore proposed that for 2015/16 that the Head of Neighbourhood Services (delegated to the Service Manager of Tenant and Community Development when not available) considers applications, and feeds into officer comments which are given to HAP on each application.
- 3.8.6 To date the panels have supported 229 local projects, approximately two thirds of which are environmental projects for delivery by internal service providers – principally Parks and Countryside and Civic Enterprise Leeds. These projects are often small, resource intensive and are best delivered at specific times of the year and thus test the capacity of technical staff and teams to deliver in a timely manner. Tenant Involvement Teams are developing strong working relationships with Property and Contracts and internal service providers in order to manage capacity issues, but the timely delivery of these projects remains a risk to Housing Leeds. It is a priority for Housing Leeds to fully understand the delivery issues with different scheme types over the next few months, so that the HAP can be made aware.
- 3.8.7 Over the next few months, the Tenant Involvement Team will work with the Cross City Chairs Group to review projects which have been completed during 2014/15, considering the key positive outcomes for tenants and value for money. This information will then help to inform HAPs in deciding which projects it wishes to support during 2015/16.
- 3.8.8 As part of this review, consideration will be given as to whether there are some bids which were supported individually by HAPs, would be better supported as a single city wide project in order to minimise administration, e.g. winter wellbeing packs. This approach will be developed in partnership with the Cross City Chairs Group during 2015/16.

#### **4 Corporate Considerations**

## **4.1 Consultation and Engagement**

- 4.1.9 The Cross City Chairs Group have been instrumental in developing new consistent ways of working throughout the year and are a motivated and committed group of tenants to help shape future working.
- 4.1.10 The Cross City Chairs Group were consulted on the proposed changes to HAP funding arrangements for 2015/16 at their meeting on 14/01/15. The Chairs supported the changes with the exception of the recommendation to adopt funding option 3, i.e. the allocation of HAP funds based on a set amount of 50% and 50% based on the proportion of homes in the HAP area. The group felt the reduction in some panels budgets would impact on their ability to support projects that tackled important issues such as elderly isolation. This would be especially felt in more rural geographies where there are smaller clusters of properties compared to large higher density estates.

## **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 The HAP funding application requires all applicants to 'tell us about the different types of people that will benefit and the steps you will take to make sure what you do is open and accessible to everyone.'
- 4.2.2 A number of projects supported by the panels include those impacting positively on specific customer groups, for example elderly tenants at risk of isolation and younger tenants to help with parenting or life skills. Through supporting a range of community and environmental projects the panels make a positive contribution to equality and community cohesion issues.

## **4.3 Council policies and City Priorities**

- 4.3.1 The HAPs and projects supported by HAP funding help us to deliver the Best Council objective of 'supporting communities and tackling poverty', through supporting projects which support healthy lifestyles, helping people out of financial hardship and strengthening local accountability and being more responsive to the needs of local communities.
- 4.3.2 The service also helps to support the Best City for Communities priority to increase the sense of belonging that builds cohesive and harmonious communities.

## **4.4 Resources and value for money**

- 4.4.1 A total of £1.32m funding has been made available to HAPs for 2014/15 to fund projects of benefit to local communities, and the budget has delivered many successful projects for our tenants. Housing Leeds remains committed to supporting the work of HAPs into 2015/16, but is keen that learning from the 2014/15 arrangement is built into the 2015/16 funding arrangements, to ensure that appropriate controls are strengthened and that best value for money is achieved.

## **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 The engagement structure has been developed in line with The Regulatory Framework for Social Housing 2012. In particular: ‘Providers are expected to engage meaningfully with their tenants and offer them opportunities to shape the tailoring of services to reflect local priorities. Tenants should have the ability to scrutinise their provider’s performance, identify areas for improvement and influence future delivery’.

## **4.6 Risk Management**

- 4.6.1 While the individual HAPs are responsible for deciding which projects will be supported by HAP funding, Housing Leeds is responsible for ensuring that all HRA resources are spent in accordance with HRA funding requirements, that resources are spent effectively and that risks to the HAP and Council’s reputation are minimised. Housing Leeds has worked with the Cross City Chairs Group to develop clear working practices to support the HAPs, including funding guidance notes and continues to provide support to all HAP Chairs and Vice Chairs in applying this practice.
- 4.6.2 There is a risk that the combined commitments of the local panels will be resource intensive to deliver, testing the capacity of technical staff and teams and internal service providers to deliver the many smaller scale projects in a timely manner. This risk will be minimised by the close working relationship with Property and Contracts and internal service providers.

## **5 Conclusions**

- 5.1 2014/15 has been a very positive year in the development of the relationship between Housing Leeds and the HAPs, with each HAP developing its first ‘Plan on a Page’ and supporting over 200 community projects. We are keen that learning from 2014/15 is incorporated into funding arrangements for 2015/16, to ensure that the work of the HAPs becomes further strengthened within Housing Leeds’ tenant involvement framework.

## **6 Recommendations**

- 6.1 That the Housing Advisory Board:
- 6.1.3 Support the proposal for the allocation of HAP funding in accordance with option 3 in this report –allocating £60k to each HAP and then allocating the remaining half of the budget based on the proportion of Housing Leeds dwellings within the area.
- 6.1.4 Support other funding arrangements to HAPs for 2015/16 as outlined in this report.

## **7 Background documents<sup>1</sup>**

- 7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.