

**West of England Partnership
Planning, Housing & Communities Board
7th September 2009**

APPOINTMENT OF SUB-REGIONAL HOUSING CO-ORDINATOR

1 Recommendation

- 1.1 That Members note the business case for the appointment of a housing co-ordinator set out in Appendix 1 and agree the appointment of this post on the financial basis described in this report.

2 Background

- 2.1 Members were presented with the rationale for the appointment of a sub-regional housing co-ordinator at the meeting of the 22nd January 2009 and agreed...

...that subject to the Business Case and budgetary arrangements being agreed, there is a need to appoint a Housing Coordinator.

Since then the West of England Housing Officer Group have finalised and graded the proposed job description, developed the business case and sought funding contribution from the existing HomesWest Partners and the HCA¹.

3 Need for Sub-Regional Housing Co-ordinator

- 3.1 Increased demands for sub-regional working have necessitated the appointment of this post. These demands relate to the need to both leverage our existing resources and reduce duplication; maximise inward investment in the sub-region, particularly from the Single Conversation with the Homes & Community Agency; and finally to take forward the commissioning and performance management of an affordable housing delivery vehicle post 2010. As such the key roles of the new post include:

1. To progress the commissioning of the post 2010 affordable housing delivery vehicle in line with the recommendations of the Housing Vision report commissioned by the West of England Housing Officer Group, and manage performance when in place.
2. Coordinate a sub-regional housing strategy which identifies the elements of the West of England local authorities' strategies which could be leveraged and enhanced by sub-regional working.
3. Coordinate the housing input into the sub-regional Local Investment Plan to engage central government funding partners to maximise the inward investment in the sub-region and thus the delivery of affordable housing within the sub-region.

¹ Homes & Community Agency

4. Lead and project manage agreed sub-regional programmes and initiatives, as directed by the West of England Housing Officer Group, for example the impending sub-regional stock condition survey and maintaining up-to-date information on the housing market and wider socio-economic data to inform the housing vision and related priorities.
 5. Service, and prepare key documents for this Board and the members, the West of England Housing Officer Group and HomesWest meetings.
 6. Enhance and maintain the housing section of the WoE Partnership website.
- 3,2 Without the appointment of this post it is hard to envisage how the four authorities can maximise the opportunities available through positive partnership working, and most importantly maximise our share of investment from Government agencies.

4.0 Business Case

4.1 The business case is detailed in Appendix 1.

5.0 Costs & Funding Arrangements

5.1 The post will be offered on a three year fixed term contract. Table 1 details the financial profile of this post over the 3 years assuming the contract starts on the 1st January 2010, the earliest realistic start date.

Table 1: Costs

Item	Cost (£)			
	2009/10	2010/11	2011/12	2012/13
Basic salary (Bath & North East Somerset Grade I)	9,604	39,186	39,969	30,576
Pension & NICs	2,498	10,193	10,396	7,953
Travel expenses*	250	1,020	1,040	795
Work space recharge & ancillaries*	2,000	2040	2,080	1,591
Recruitment costs*	2,000	0	0	0
Total	16,352	52,439	53,485	40,915

Notes:

- 1) Those items marked with an asterisk are estimates only.
- 2) Inflation has been included at 2%.

5.2 It is proposed that this post be funded jointly between the four West of England Partnership authorities, the current four Homewest Partners and the partners of the future post 2010 affordable housing delivery vehicle. In addition funding has also been sought from the HCA. Currently all four authorities contribute to an enabling funding pot which amounts to a total of £40,000 per annum, which due to an under spend last year is currently valued at £52,000. This funding has been used to jointly commission specific pieces of sub-regional research in relation to affordable housing. However, it is proposed that this annual funding contribution be used to fund the post of sub-regional housing coordinator. In addition the four Homewest Partners have also agreed to contribute £23,000 to the project to March 2011. As

such this project does not require any further funding from the four Housing authorities above that which is already being contributed. However, any additional funding from the HCA and the future post 2010 affordable housing delivery vehicle partners would further reduce the demands on the local authority partners.

- 5.3.1 In addition this budget allows for the temporary appointment of a consultant, as agreed by Members on the 16th July 2009, to progress the required work pending the appointment of the sub-regional housing co-ordinator.

Author

Graham Sabourn
Group Manager (Housing)
Bath & North East Somerset Council

BUSINESS CASE

Project name West of England Sub-regional Housing Co-ordinator

Release Draft
Date: 10 June 09

Author:	Graham Sabourn
Owner:	West of England Housing Partnership
Client:	n/a
Document Number:	1

Document History

Document Location This document is only valid on the day it was printed.
The source of the document will be found in the Project File S:Housing Services/non-team member files/Graham/Meetings/West of England.

Revision History Date of next revision: following comments

Revision date	Previous revision date	Summary of Changes	Changes marked
n/a	n/a	n/a	n/a

Approvals This document requires the following approvals.

Name	Signature	Title	Date of Issue	Version
WofE HOG				
WofE HP&C Board				

Distribution This document has been distributed to:

Name	Title	Date of Issue	Version
WofEHOG			

Purpose

To document the justification for the undertaking of the project, based on the estimated cost of development and implementation against the risks and anticipated business benefits and savings to be gained.

Contents

This Business Case contains the following topics:

Topic	See Page
Reasons	
Options	
Benefits expected	
Risks	
Cost	
Timescales	
Investment appraisal	

Reasons	<p>Significant increase in the demands for sub-regional working. This is due to a number of factors including:</p> <ol style="list-style-type: none">1) Requirement to progress the commissioning of the post 2010 affordable housing delivery vehicle in line with the recommendations of the Housing Vision report and manage performance robustly when in place.2) Requirement to co-ordinate the housing input into the sub-regional Local Investment Plan to engage central government funding partners to maximise the inward investment in the sub-region.3) Co-ordinate a sub-regional housing strategy which identifies the elements of the West of England local authorities' strategies which could be leveraged and enhanced by sub-regional working.4) The proposed new focus on successful sub-regional working in the Audit Commission's Key Lines Of Enquiry for future inspection of Strategic Housing Services. Consequently the judgment of service quality will in future increasingly rely upon the effectiveness of the joint working on strategic housing issues at of the West of England Partnership level with findings contributing to authorities' CAA ratings.
---------	--

Options	<p>Three options have been considered, these being:</p> <ol style="list-style-type: none">1) Appointment of consultant. While there are obvious benefits to this option, including a more focused commissioning led approach, it would be considerably more expensive. This option is considered financially prohibitive.2) In-house The work could be undertaken in-house by one of the West of England Authorities, possibly with some autonomous tasks being passed to the other authorities.
---------	---

	<p>However, some partners, including B&NES do not have any spare capacity to consider this approach and indeed there would also be the associated opportunity costs for senior staff. Finally, the issue of equity between partners could potentially arise with some partners contributing disproportionately.</p> <p>3) Appoint of officer on fixed term contract This is the most cost effective and equitable of the options. The fixed term contract also prevents establishment “creep”.</p>
Benefits Expected	<p>Key benefits include:</p> <ul style="list-style-type: none"> • Increasing the delivery of affordable housing within the sub-region by maximising the inward investment from the HCA and commissioning an effective post 2010 delivery vehicle. • More effective sub-regional working on common goals, thus reducing costs and/or improved outcomes. • Sustain production of affordable housing at 25% over baseline levels.
Risks	<p>Key risks include:</p> <ul style="list-style-type: none"> • Without post, the sub-regional partnership would be held back from achieving its full potential • Unable to appoint suitable person due to fixed term contract. • Post holder leaving part way through fixed term contract, making the remainder of contract unviable.
Costs	<p>The total three contract costs including basic pay, pension & NICS, travel allowances, appointment and associated office costs, assuming 2% annual inflation will be £163,191.</p> <p>It is proposed that this will be funded through contributions from</p> <ul style="list-style-type: none"> • The four West of England Housing authorities • The four existing HomesWest Partners • The post 2010 housing delivery vehicle partners • HCA
Timescales	<p>September 2009 - advertise post following PH&CB approval October 2009 – selection & appointment January 2010 - contract start December 2013 – contract end</p>
Investment appraisal	<p>Cost- benefit analysis of project over the three years using net present values. Opportunity costs are represented by the</p>

day rate of in-house staff:

Costs:

Sub-regional co-ordinator costs:

Salary, NIC & pension - £145,236

Advertising post - £2,000

Travel - £3,000

Office accommodation etc. - £6,000

Support costs:

Head of Housing interview cost

(2x 1day @ £400 per day) - £800

Management costs

½ day x 46 weeks x 3 yrs @ £400 per day - £27,600

Total NPV costs: £184,636

Benefits:

- Homeswest production of affordable housing over baseline equates to an increase of 297 units (40%) with a total value of approximately £35m, attracting HCA grant of approximately £15M and RSL funds of over £15M. More effective engagement with the HCA could further increase this figure.
- Funding from current HomesWest partners and post 2010 delivery vehicle partners.
- Higher quality outcomes, such as, more consistent landlord enforcements, property accreditation, choice-based lettings schemes etc.
- Reduced duplication by improved sharing of work and best practice. Bath & North East Somerset alone estimated that in 2008/09 this saved the equivalent of 0.75 FTE post.