

## **EXECUTIVE – 30 JANUARY 2013**

### **REPORT OF CHIEF OFFICER (HOUSING, COMMUNITY SAFETY AND PARTNERSHIPS)**

#### **RE: COMMUNITY HOUSES AND NEIGHBOURHOOD MANAGEMENT**

**WARDS AFFECTED: PRIORITY NEIGHBOURHOODS OF EARL SHILTON, BARWELL, BURBAGE ST CATHERINE'S, HINCKLEY TRINITY, HINCKLEY WESTFIELDS**

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#### **1. PURPOSE OF REPORT**

- To update members on the current arrangements for delivery of neighbourhood management provision including associated service provision via our community houses
- To seek support for the growth funds required to be funded from HRA, to support the ongoing delivery and development of neighbourhood management arrangements across all three community houses.

#### **2. RECOMMENDATIONS**

- (i) That the approach proposed be adopted
- (ii) That the agreed growth be funded from the HRA
- (iii) From this HRA fund, £32,000 to be ring fenced for delivery of services for Wykin Community House, via a SLA with CAHB
- (iv) The development fund arising from savings in the General Fund be ring-fenced as a community development fund and transferred to Hinckley and Bosworth VCS Community Hub Commissioning Board.

#### **3. BACKGROUND TO THE REPORT**

- 3.1. In October 2010 a report was bought to SLB regarding Neighbourhood Management arrangements and an agreement reached to support a transitional model for 2011/12 which would enable further work to take place towards a sustainable approach for the delivery of neighbourhood management from April 2012.
- 3.2. Part of the agreed transitional arrangements concerned the Community Houses and it was agreed that the Barwell Community house, whose funding ended on 31st March 2011, would be funded for a further year.
- 3.3. Included in the transitional arrangements were proposals to transfer one of the Community houses into the voluntary/community sector. This proposed transfer was reflected in the preliminary budget discussions, where savings of £27,000 (the costs associated with Wykin Community House), were required for 2012/13.
- 3.4. However, as set out in a further SLB report in November 2011, the setting up and establishment of the Social Enterprise Organisation during 2011, and the anticipated transfer of one of the community houses to the S.E. by April 2012, would be delayed, owing to the legal and financial complexities and associated risks, which would need considerable time to work through.
- 3.5. Therefore, the savings of £27,000 for 2012/13 could not be realised through this arrangement, and were subsequently met as follows:
  - Cost reduction to £21,240 due to savings on staff made through the SLA with Community Action Hinckley and Bosworth, for delivery of the services for the Wykin Community House

- Through savings made across all three community houses, an additional £16,680 was identified and carried forward into 2012/13
  - The remaining shortfall of £4,560 through a contribution from the HRA
- 3.6. The above funding arrangements, paragraph 3.5., were one off savings to be used to support the community houses for one year only during 2012/13.

#### 4. **CURRENT POSITION**

- 4.1. Performance across all three Community Houses has continued to show success, including management and delivery of the Wykin Community House, (delivered via a SLA with CAHB), which has gone from strength to strength in terms of community engagement and ownership of community activity.
- 4.2. However, owing to the ongoing ill health of the lead officer for the Social Enterprise Organisation, this has not been realised during 2012, and during October 2012 the officer concerned made a decision to permanently withdraw from the position for ill health reasons.
- 4.3. The setting up of the Social Enterprise Organisation is now subject to a longer term plan, outlined in a separate report, which should be considered in conjunction with this report, setting out a proposal for the establishment of a Hinckley & Bosworth Voluntary and Community Sector Hub.
- 4.4. Going forward there is no provision in the base budget for the Wykin Community House. Furthermore, there are no development funds to enable the well placed community houses to further embrace the evolving strategic agendas; for example, supporting vulnerable communities, including, the Leicestershire Families programme, Localism agenda, etc.
- 4.5. It is proposed, therefore, that 50% of the costs of each of the Community Houses is off set by income from the HRA, which equates to £72,500.
- 4.6. From this HRA fund, £32,000 to be ring fenced for delivery of services for Wykin Community House, via a SLA with CAHB. **N.B.** The allocation of funding to CAHB will be subject to the requirements set out under Financial Implications paragraph 6.4.
- 4.7. The subsequent savings from the General Fund, £40,500, to be ring-fenced as a community development fund and transferred to Hinckley and Bosworth VCS Community Hub Commissioning Board. **N.B.** This proposal should be considered in conjunction with a separate report, setting out a proposal for the establishment of a Hinckley and Bosworth VCS Hub.
- 4.8. The overall management responsibility for the Community Houses will be retained by HBBC.

#### 5. **Recommendations**

- 5.1. That the approach proposed be adopted
- 5.2. The growth funds are met by income from the HRA, to meet 50% of the costs of each Community House
- 5.3. From this HRA fund, £32,000 to be ring fenced for delivery of services for Wykin Community House, via a SLA with CAHB, subject to the requirements set out under Financial Implications paragraph 6.4.

- 5.4. The development fund arising from savings in the General Fund are ring fenced as a development fund and transferred to the Hinckley and Bosworth VCS Community Hub Commissioning Board

## 6. **FINANCIAL IMPLICATIONS (KB)**

- 6.1. As at October 2012, the Housing Revenue Account was forecasting a surplus of £261,210 at year end. This would increase the Housing Revenue Account balance to around £2million. In addition to this, the flexibilities under self financing will allow the Council to create a "Regeneration Reserve" and a transfer of £2.8million to this reserve was approved by Council in September 2012.
- 6.2. On the basis of the fund available, there is adequate resource within the HRA to fund the £72,500 recommended in the report. That said, a consultation on spending on the HRA under self financing is due to be issued in January 2013. This will examine the appetite for community initiatives such as Community Houses in addition to prospects for capital projects and new build. Following conclusion of this process and decisions on future spend, the availability of HRA balances will be reviewed for the period of the HRA Business Plan. This funding request should be considered in conjunction with this process.
- 6.3. Funding for the Community Houses from the HRA is permitted under the HRA ring fence, on the basis that the property is within the HRA and the provision serves Council tenants.
- 6.4. **N.B.** The allocation of funding for 2013/14 to Community Action Hinckley and Bosworth will be confirmed following a full review of the organisations financial standing and forecasts. This will be obtained through a review of CAHB's 2011/12 accounts and pending issue of a "going concern" conclusion from the organisations external auditors.

## 7. **LEGAL IMPLICATIONS (LH)**

None arising directly from this report.

## 8. **CORPORATE PLAN IMPLICATIONS**

The contents of the report relate to and support the following strategic aims:

- Cleaner and Greener Neighbourhoods
- Safer and Healthier Borough
- Strong and distinctive communities

## 9. **CONSULTATION**

This report has taken account the ongoing consultation undertaken by the community houses, to inform community priorities.

## 10. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project

have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Reputational risk should Community Houses close, and impact on ASB and associated factors	Funding arrangements agreed from HRA for 2013/14	Sharon Stacey

11. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**  
Positive contribution to the community if all three community houses are sustained and services enhanced in 2013/14.

12. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

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Background papers: None

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