

Panel feedback by partnership bid

I. South East Region Local Authority Lending Partnership (SERLALP)

- I.1 An ambitious and innovative bid that will require effective management. The bid is based around the establishment of a financial intermediary – a company guaranteed by all 17 partnership authorities to lend up to £7.5m a year in equity release loans. The company involves local authority staff providing the financial advice to clients and an established financial administration company providing a day-to-day management service. The firm will apply for registration with the Financial Services Authority.
- I.2 The evidence base presented is extensive and the new activity is designed to complement existing local authority across other related issues such as empty homes.
- I.3 Given the amount of funding directed to this loans-only initiative, and the current public culture of expectation of grant assistance it was expected that a proactive marketing plan and budget would be identified in order to begin altering public perceptions of loan products. The bid - and response to a subsequent enquiry - made general statements of intent but did not include a dedicated marketing element.
- I.4 Evaluation
 - a) Need and rationale: strong and evidence-based
 - b) Value for Money: in principle strong as it concentrates on loans as opposed to grants
 - c) Delivery plan and track record: while all authorities have recent experience of the work the intention to spend significant sums through the new loan company isn't underpinned by a marketing-led delivery plan. It is recommended that support is conditional upon receipt of a marketing strategy.
 - d) Innovation and collaboration: an impressive gathering of authorities that could have the ability to define partnership working in a new way.
- I.5 Points allocation: 10
- I.6 Recommendation: Support (subject to paragraph I.4c)

2. West Sussex Partnership

- 2.1 A constructive bid that decisively takes forward this area of work from a relatively low starting point. The bid is for £1.122m in order to provide top-up funding for Warmfront Grants and energy audits utilising a common delivery mechanism.
- 2.2 The aim of the programme is to improve 900 homes occupied by vulnerable households to Decent Homes standard and to undertake energy efficiency works to 7785 households, which will also contribute towards the Decent Homes standard. The project includes an element of innovation by targeting hard to reach groups in Houses of Multiple Occupation, rural communities and park homes.
- 2.3 Evaluation
- a) Need and rationale: a modest programme in relation to overall needs, good insofar as it seeks to increase outputs and concentrate on rural areas, hard to reach households.
 - b) VfM: very good in terms because of the modest sums used to top-up much larger amounts. The energy savings will be significant as well as cost savings to households.
 - c) Track record and delivery plan: the enhanced programme will largely be delivered by an existing agency. From this entry point the future may include consideration of enhancing the capacity of the authorities to increase their delivery programmes.
 - d) Innovation and collaboration: the innovation is in the collaboration between the authorities in making the bid.
- 2.4 Points allocation: 8
- 2.5 Recommendation: Support

3. East Kent Private Sector Housing Partnership

- 3.1 A strong bid that suggests the authorities know what they are doing, where they want to go and are building on a substantive partnership with links to successful Home Improvement Agencies and Energy Advice and delivery agencies.
- 3.2 The bid is for £19.5m for a series of measures both to enhance grant and loan funding within the partnership in order to improve properties towards decency; improve energy efficiency and reduce fuel poverty; provide support for alternative technologies in hard to treat properties; improve delivery in rural locations and encourage landlord accreditation among others.

3.3 The track record of each of the authorities is laid out and is commendable given the scale of resources hitherto available for PSR in the region. The programme aims to build substantially on existing programmes and on the strengths of the existing authorities in the partnership. Annual expenditure across the authorities would double if the bid were successful and would amount to a meaningful improvement in standards across the private sector housing stock. The authorities appear alert to the opportunities for leveraging in additional public and private sector resources, whether through CERT funding or by recycling loan-based finance. The sharing of expertise between the authorities is impressive as is the standardisation of approaches across local authorities such as licensing arrangements. There is much by way of innovation in the bid including the use of loans, landlord training schemes, partnership working arrangements and the adoption of a joint marketing strategy.

3.4 Evaluation

- a) Need and rationale: a strong case for investment in the private sector stock with very high levels of vulnerable households living in non-decent homes. The partnership approach both between authorities and with external agencies is exemplary
- b) VfM: resources from the bid will be used to attract additional funds.
- c) Delivery plan and track record: in both cases very clearly set out and thought through
- d) Innovation and collaboration: well-designed and energetic

3.5 Points allocation: 13

3.6 Recommendation: Support

4. **Partnership for Urban South Hampshire (Southern Home Loans Partnership)**

4.1 A bid that seeks to support the existing Southern Home Loans Partnership (operated by South Coast Money Line) in the PUSH and neighbouring area. The bid is for over £10m for a variety of activities including the scaling up of loans through South Coast Money Line, increased inter-authority working and the sharing of good practice, assistance packages to landlords and better marketing arrangements. Portsmouth is an excellent authority in this field, and if it were taking on agency arrangements across these authorities this may be a significant bonus of the bid.

4.2 The major part of the resources in the bid (around 80%) is to provide assistance by means of grants and loans using Portsmouth's financial assistance policy.

£1.2m is provided to assist South Coast Money Line to develop other products including an equity release loan and to promote and expand its geographical coverage on a sub-regional level. There are a variety of small amounts of funding to provide top-ups for Warmfront Grants, other energy efficiency measures, provide resources for landlords and an useful preventative initiative.

4.3 Evaluation

- a) Need and rationale: not very clearly presented but given the numbers of vulnerable households in non-decent accommodation there is a clear need to increase activity, especially in the authorities other than Portsmouth.
- b) VfM: largely for assistance through grants and recycled loans, some modest expenditure to increase lending by SCML.
- c) Delivery plan and track record: Portsmouth has a fine track record and is committed to sharing effective practice with its partners. The delivery plan relies upon tried and tested systems at Portsmouth.
- d) Innovation and collaboration – there are elements of innovation in the bid including the sharing of expertise and resources and the promotion of South Coast Money Line.

4.4 Points allocation: 10 points

4.5 Recommendation: Support

5. Partnership for Urban South Hampshire excluding SHLP

- 5.1 A clear bid that brings together all other PUSH and central Hampshire authorities. The bid is for £11.2m largely to provide home improvement loans to vulnerable households to bring them up to decent homes standard (£8.2m). There are additional loan products developed as variants to assist those with Disabled Facilities Grants (£1.395m), landlords (£340k), Empty Homes (£385k) and other associated support costs (including marketing, a Home Improvement Agency post).
- 5.2 There is evidence of a genuine partnership arrangement through the previous track record of authorities other than Southampton and in the willingness of Southampton to share its knowledge and expertise over products and processes. The bid also sets out clearly how the resources are expected to be allocated and the measures in place to monitor and reallocate in the event that things do not run smoothly. Good features are the proposals on energy efficiency, renewables and partnership arrangements with The Environment Centre and BERR; the collaboration and sharing of documentation, procedures and good practice between local authority partners; attempts at standardisation of delivery through In Touch, an independent HIA charged with managing repair and improvement

works; and the forward planning with SCML.

5.3 Evaluation

- a) Need and rationale: outlined clearly.
- b) VfM: providing the loans system can be made compliant (currently in progress) the loans- based programme will ensure the recycling of funds.
- c) Delivery plan and track record: robust with the combination of local authority HIAs and other agencies.
- d) Innovation and collaboration: a lot of effort invested in the loans scheme and variations and good collaboration between the partnership authorities and other agencies.

5.4 Points allocation: 10

5.5 Recommendation: Support

6. East Surrey Private Sector Renewal Partnership

6.1 A bid for around £1m over the three years, at the same time the bid expects that existing local authority grant budgets will continue (at around £660k over the three years) and the councils expect to leverage another £1m through CERT and Warmfront funding.

6.2 The nature of the bid is essentially to undertake a comprehensive coverage of targeted areas in each borough to ensure that an inspection is undertaken and the appropriate works, both to ensure affordable warmth and the amelioration of category I hazards, are undertaken. Forms of assistance largely comprise grant aid, but Reigate and Banstead does subscribe to Houseproud and it also offers a small loan scheme. Hence, the bid is substantially grant-based and anticipates much of the work being for heating, insulation and sustainable water heating. The promotion and inspection work will be undertaken by an organisation called GLEEN which will also monitor the works and provide reports “on demand”. Implementation will be by Reigate and Banstead's Home Improvement Agency (Anchor Staying Put) and various contractors and supervised by HIA partners (Tandridge Care and Repair).

6.3 Evaluation:

- a) Need and rationale: the bid shows significant levels of vulnerable households in non-decent accommodation (5,000 households) and clearly the authorities have worked hard in the past to impact on these problems. The bid would make a significant impact on these needs.

- b) VfM: almost all grant aid, but for energy and cost savings for vulnerable consumers. The leverage potential for further public sector resources is regarded locally as very high.
 - c) Delivery Plan and track record: there is a track record of private sector renewal activities in each of the boroughs and good partnership arrangements with other agencies. Details have been received about GLEEN and its significant experience in the field.
 - d) Innovation and collaboration: the local authorities have established partnerships with EAGA and Energy Advice agencies and with delivery agencies such as Anchor and Care and Repair Home Improvement Agencies. They have also worked well together in the past.
- 6.4 Points allocation: 9 points
- 6.5 Recommendation: Support

7. Brighton & Hove, East Sussex Together (BEST)

- 7.1 A strong bid for £22.6m combining a strong element of leverage, (a further 65.7m in total, £5.7m of which is likely to come from the authorities themselves), and the opportunity for this leading group of authorities in the region to achieve the government's PSA7 target for 2010. The scale of local need is set out clearly and all of the authorities have a track record in at least some aspect of private sector renewal. The aim of the partnership is to share good practice and extend the influence of the larger and more experienced authorities to those having a more rural coverage.
- 7.2 The bid is for a variety of different approaches - £6.3m for decent homes targeting vulnerable households; £7.2m for a range of energy efficiency measures, (heating, insulation and £1.5m for the use of 'renewables'); £2.65m for 'disabled assistance'; £2.5m for empty homes and £1.7m which seeks to address difficulties in over 2,500 HMOs. The remaining part of the bid seeks funding for minor works (£850k) and a variety of projects largely for the Hastings Regeneration Area and Eastbourne. There are some interesting innovative approaches within the range of initiatives proposed. The bid demonstrates effective coordination and includes a useful list of definitions as to what counts as works and an exacting system of monitoring progress.
- 7.3 Evaluation
- a) Need and rationale: as the bid sets out this partnership area exhibits the highest concentration of non-decent accommodation in the region, as well as dispersed patterns of deprivation in the rural areas. The up-to-date stock condition survey and use of GIS technology also means the authorities have the means to address the problems in a systematic way.

- b) VfM: joint working across authorities, shared experience and joint procurement are noteworthy, as is the leverage figure. Working with South Coast Money Line is also positive to establish an equity release lending mechanism (which will significantly increase the potential for loans).
 - c) Delivery plan and track record: the track record of the partnership authorities is excellent.
 - d) Innovation and collaboration: an excellent bid on both counts
- 7.4 Points allocation: 13
- 7.5 Recommendation: Support

8. Surrey and Hants Improvement Partnership (SHIP)

- 8.1 A bid from a new partnership of eight authorities with a modest track record of activity in the field. There are three elements; the establishment of an equity loans fund for all the authorities; a grant aided scheme (potentially administered by EAGA) to tackle fuel poverty and a programme for bringing empty homes back into use which builds on existing expertise in the authorities.
- 8.2 The equity loans fund is to be established at arms length with South Coast Money Line utilising its existing loan products (capital and interest repayment loans, interest only loans and rolled up interest loans) and development is to take place throughout the three year programme to establish an equity release product and a halal finance product. This scheme has an added advantage that the set-up costs are to be shared with the BEST bid.
- 8.3 The fuel poverty scheme seeks to focus on hard-to-treat properties in the partnership area. This is to be administered by EAGA and will draw in other funds including Warmfront and CERT.
- 8.4 The empty properties initiative is an important one and builds on the experience of the authorities – authorities have found grants and other forms of incentives not to have had much impact in bringing forward properties and have opted for the systematic use of EDMOs to try to precipitate action. This initiative and the partnership arrangements with Hyde Housing Association and the associated website would seem to be a valuable local approach.
- 8.5 The bid also refers to three innovative features; the establishment of the partnership itself; the extension of financial services by SCML to include other aspects of financial exclusion and a ‘skills to build’ project to avert local skills shortages and generate local employment.

8.6 Evaluation

- a) Need and rationale: a welcome partnership in areas where the needs are there and private sector renewal has not hitherto been highly active. Perhaps something of a small renaissance; a strong bid on this basis.
- b) VfM: good, enhancing the loans agenda to recycle funds and drawing in other sources of public finance for the fuel poverty initiative.
- c) Delivery plan and track record: the track record of the authorities is variable; delivery plan seeks to foster consistency.
- d) Innovation and collaboration: good - the establishment of the partnership and the innovative elements.

8.7 Points allocation: 10

8.8 Recommendation: Support

9. The North and West Kent Private Sector Renewal Partnership

- 9.1 A bid by a newly- formed partnership of 8 authorities for £11.896m but with a significant contribution from the authorities themselves (£2.996m). An ambitious bid as well as an exciting one.
- 9.2 The bid involves a range of initiatives (11 in all) involving partnership with other agencies and different management roles for local Home Improvement Agencies, EAGA and ESTAC. The key elements of the bid include £6.75m for improving non-decent homes for vulnerable households; £2.96m for Coldbuster grants; £1.18m for first-time buyer grants; and £1.08 for hard-to-treat properties. Other parts of the bid include a specific rural homes initiative; the “scoping and development” of a loans scheme with SCML and a ‘Renewables’ initiative, all of which are both innovative and appropriate to the partnership. The bid emphasises a funding priority scheme which is important to the loans agenda and refers throughout to a system of “repayable grants”
- 9.3 There is to be a management board and regular monitoring of performance and the promise of a reallocation if things don’t go according to plan
- 9.4 The bid is cautious about innovation but as well as the partnership itself, there are innovative elements such as the appraisal grants service and the focussing of initiatives on rural homes.
- 9.5 The bid also clearly spells out the intended distribution of resources which are spread across the authorities roughly consistently with the scale of the problems in the boroughs. This means a meteoric increase in resources for a couple of

the authorities, a tall order even allowing for the advice and guidance of experienced neighbours.

9.6 Evaluation

- a) Need and rationale: the bid is a strong one.
- b) VfM: good – seeking additional funds from other public sources and using recycled grants or loans.
- c) Delivery plan and track record: a change of gear for some of the authorities with a modest track record; with many different elements and a new partnership, this is a large programme and a delivery challenge.
- d) Innovation and collaboration: Appraisal grants and rural focus are welcome, and the bid deserves congratulation on the new partnership arrangements

9.7 Points allocation: 11

9.8 Recommendation: Support