

REPORT TO THE EXECUTIVE MEETING OF 14TH MARCH, 2011

Status: For information
Title: BUSINESS RESILIENCE REPORT
Originator: Sue Smith, Chief Executive

1 **Purpose of Report**

- 1.1 To update members on the impact of the economic downturn on council services and the wider local community.

This report is one of a series that has been reporting on the Economic Downturn since December 2008. However, the UK has now officially lifted out of recession. The Comprehensive Spending Review announcements were made on 20th October. The Council has been monitoring the impact of this.

2 **Recommendations:**

- 2.1 That members note this report.

3 **Summary of effects on HDC services**

Local Land Charges

Income

Income for January 2011 was 39% down on that received for January 2010.

Monthly averages for 2010/11 are 16.4% down on the monthly averages for 2009/10.

Building Control

Income

Year on year figures show that income was 38.1% down in January 2011 compared to January 2010.

However, monthly averages for 2010/11 are only 1.7% down compared with the monthly averages for 2009/10.

Applications

Year on year figures show that applications were 17.9% down in January 2011 compared to January 2010.

Monthly averages are 5.1% down compared with the monthly averages for 2009/10.

Planning

Income

The income received for January 2011 was 93% up on that received for January 2010.

The average monthly income received for 2010/11 was 17% up on the monthly averages for 2009/10.

Numbers of applications

The number of applications received for January 2011 was 29.5% down on the number received in January 2010.

Monthly average applications for 2010/11 are 8.5% down on the monthly averages for 2009/10.

Benefits Live Caseload

The benefits caseload for January 2011 was 5.2% up on that for January 2010.

The monthly averages for 2010/11 are 4.8% up compared to the monthly averages for 2009/10.

Car Parking

Market Harborough

Income for January 2011 was 48.4% up on that received in January 2010.

Monthly averages for 2010/11 are 32.4% up on those for 2009/10.

Lutterworth

Income for January 2011 was 45.8% up on income received in January 2010.

Monthly averages for 2010/11 are 27% up on the monthly averages for 2009/10.

Number households in urgent housing need

The number of households in urgent housing need seeking assistance was 15.4% down in January 2011 compared to January 2010.

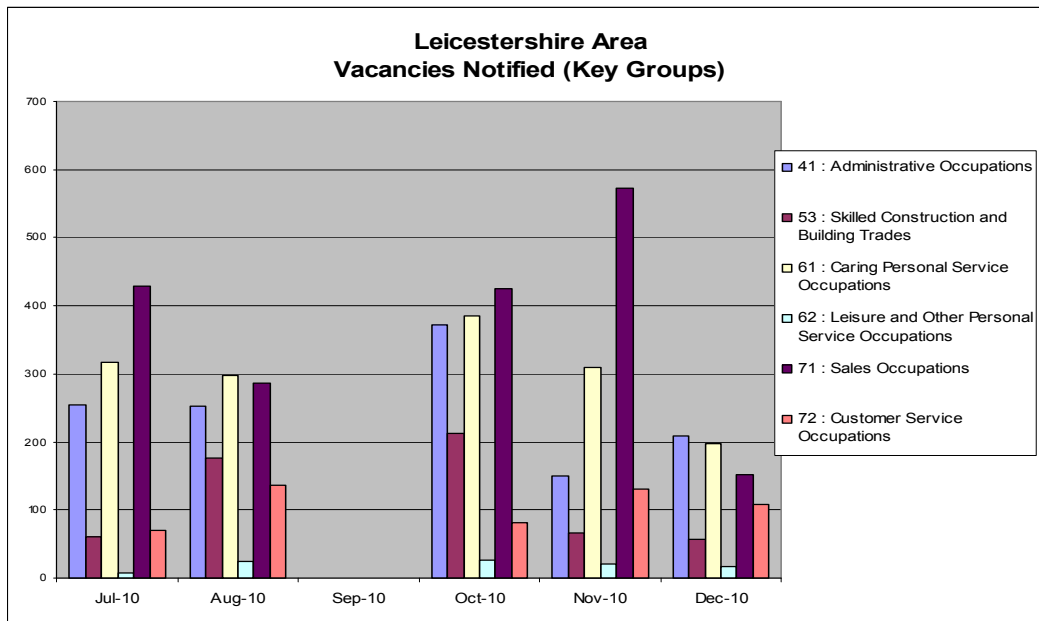
The monthly averages for 2010/11 are 4.5% down compared to the monthly averages for 2009/10.

4. Impact on Communities

4.1 Unemployment in Leicestershire

The **Unemployment Bulletin** for January 2011 is attached at Appendix A. This report is produced by Leicestershire County Council's Policy, Performance and Research Team.

The types of vacancies in Leicestershire are shown below:

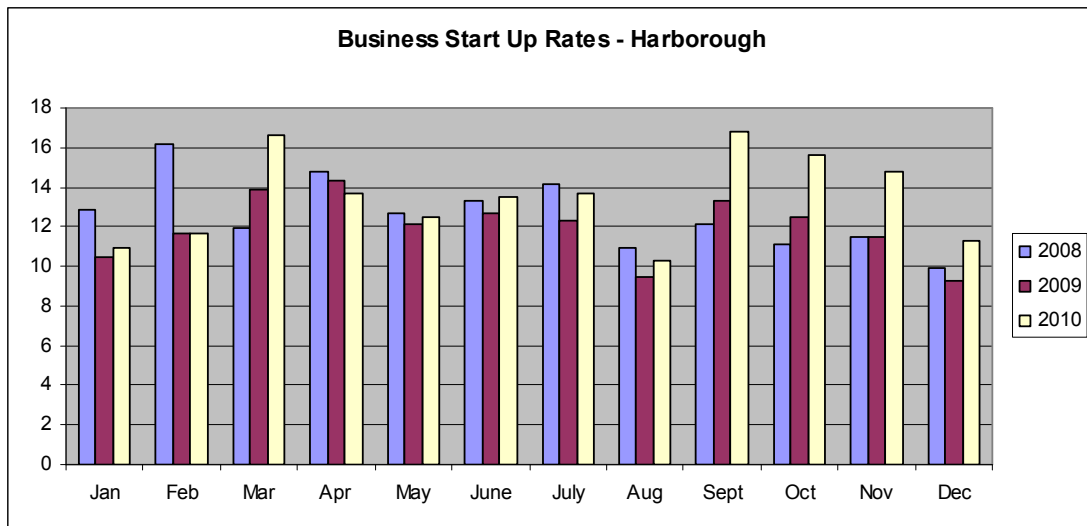


4.2 Employment

Insider Media Limited recently reported (7th Feb) that the new care village at Peaker Park, due to open later this year, is set to create 150 new jobs.

4.3 New Business Start-Ups

New Business Start Up Rates are as follows:



The 'Local Authority Business Support Forum – Leicestershire' reported the following information in relation to Harborough District for the period 1st April 2010 to 31st December 2010:

- Support for new start businesses - 33 new starts created
- 45 jobs created
- The number of new businesses surviving for a minimum of 12 months was 47

5 Legal Issues

5.1 There will be increased demand on the Corporate Debt Team and following on from this, the HDC Legal Services team in pursuing cases of defaults on payments.

6 Resource Issues

6.1 In line with the general lack of confidence in the economy, the Council continues to be concerned about monies owed to it. The Council is itself a business organisation and therefore, to safeguard the monies owed to it, is reviewing all the options to secure the payment of outstanding debts.

7 Equality Impact Assessment Implications/Outcomes

7.1 It will be important to identify and support vulnerable groups of people within the community during the economic downturn.

8 Impact on the Organisation

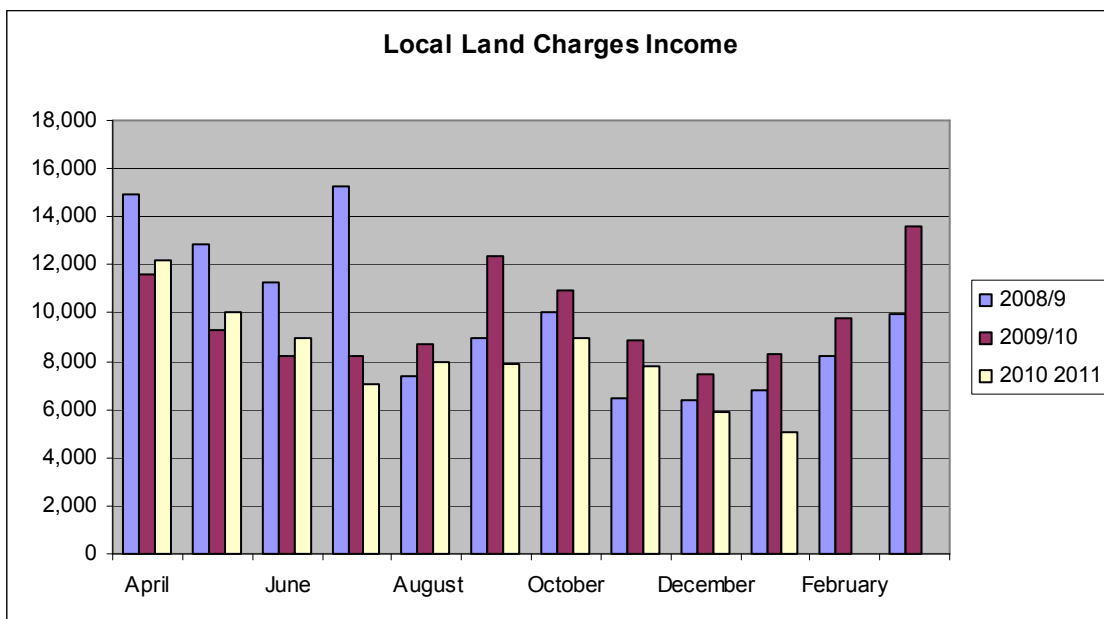
8.1 Local Land Charges

Income

Income for January 2011 was 39% down on that received for January 2010.

Monthly averages for 2010/11 are 16.4% down on the monthly averages for 2009/10.

Month	2008/9	2009/10	2010/11
April	14,921	11,631	12,193
May	12,822	9,297	10,014
June	11,255	8,211	8,938
July	15,280	8,210	7,035
August	7,371	8,674	7,941
September	8,964	12,326	7,913
October	10,043	10,971	8,938
November	6,462	8,871	7,771
December	6,384	7,433	5,924
January	6,805	8,295	5,059
February	8,225	9,804	
March	9,989	13,610	
Total	118,521	117,333	81,726



Types of Search

Local authorities are required to maintain the statutory register of local land charges and to facilitate local searches against this register. These are either carried out by local authorities or by personal searchers. A search of the register undertaken by a local authority is done using form LLC1. With effect from 18th August 2010 the government withdrew the statutory fee for carrying out a personal search of the local land charges register as it is deemed to be incompatible with the provisions of the Environmental Information Regulations 2004. The statutory fee had previously been set at £11.00 but was increased to £22.00 with effect from January 2010. Component data supplied to personal searchers (unrefined data requests) also constitutes Environmental Information as defined by the Environmental Information Regulations and

therefore no charge can be made for inspection. It is anticipated that based on current search numbers these changes will equate to an annual loss of income of in excess of £26,000.

In addition to the information required to be held on the register of local land charges, additional questions are answered by means of an additional form - CON29. A full local authority search includes both forms LLC1 and CON29.

Personal searchers answer the questions on form CON29 by using their powers of inspection of public registers although not all of the information required to complete form CON29 is available on public registers (see Unrefined Data Requests).

Local Authority Searches (LLC1 & CON29)

	2008/9	2009/10	2010/11
April	147	101	107
May	117	82	92
June	106	104	92
July	125	103	101
Aug	72	95	84
Sept	76	125	118
Oct	93	116	109
Nov	65	100	109
Dec	63	82	55
Jan	67	83	57
Feb	79	113	
Mar	93	136	
Total	1103	1240	924

Local Authority Searches (LLC1 only)

	2008/9	2009/10	2010/11
April	1	5	18
May	1	7	11
June	1	6	3
July	1	3	1
Aug	1	4	2
Sept	4	1	0
Oct	2	2	1
Nov	4	3	1
Dec	1	4	1
Jan	1	17	4
Feb	0	19	
Mar	2	21	
Total	19	92	42

Personal Searches

	2008/9	2009/10	2010/11
April	190	129	78
May	124	105	73
June	136	107	15
July	121	107	13
Aug	82	113	33
Sept	104	107	39
Oct	96	121	43
Nov	65	90	38
Dec	44	70	26
Jan	62	58	16
Feb	78	95	
Mar	113	141	
Total	1215	1243	374

Unrefined data requests

	2008/9	2009/10	2010/11
April	-	66	78
May	-	102	64
June	-	111	11
July	-	101	12
Aug	-	103	29
Sept	-	104	30
Oct	-	113	36
Nov	-	82	35
Dec	-	65	18
Jan	-	55	16
Feb	-	80	
Mar	-	139	
Total	-	1121	329

8.2 Planning Applications & Fee Income

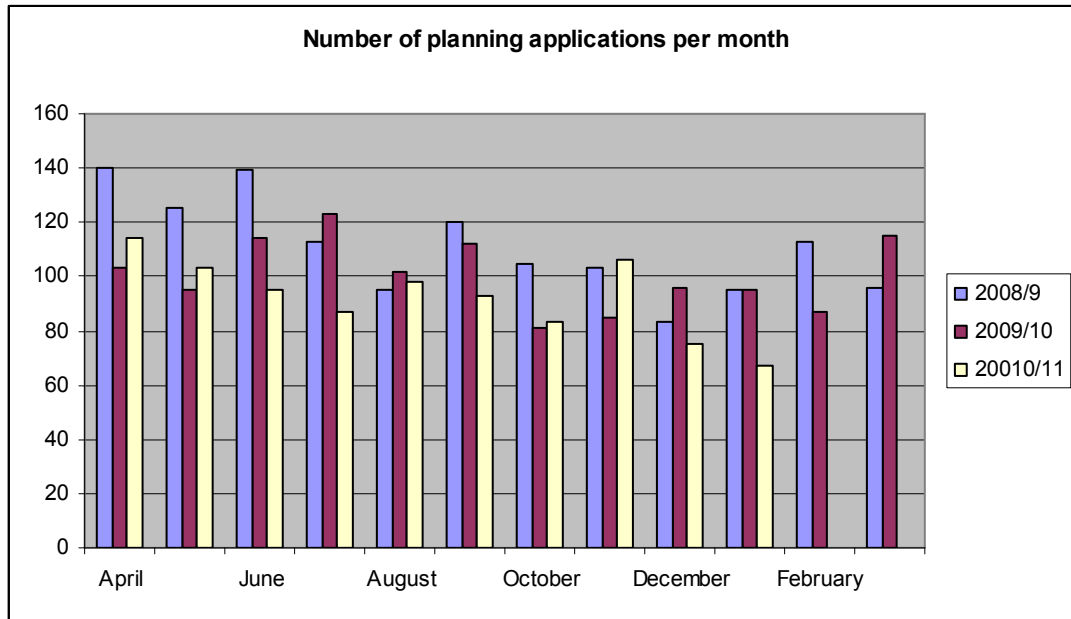
Numbers of applications per month

The number of applications received for January 2011 was 29.5% down on the number received in January 2010.

The monthly average for 2010/11 is 8.5% down on the monthly average for 2009/10.

Month	2008/9	2009/10	2010/11
April	140	103	114
May	125	95	103
June	139	114	95
July	113	123	87
August	95	102	98

September	120	112	93
October	105	81	83
November	103	85	106
December	83	96	75
January	95	95	67
February	113	87	
March	96	115	
Total	1327	1208	921



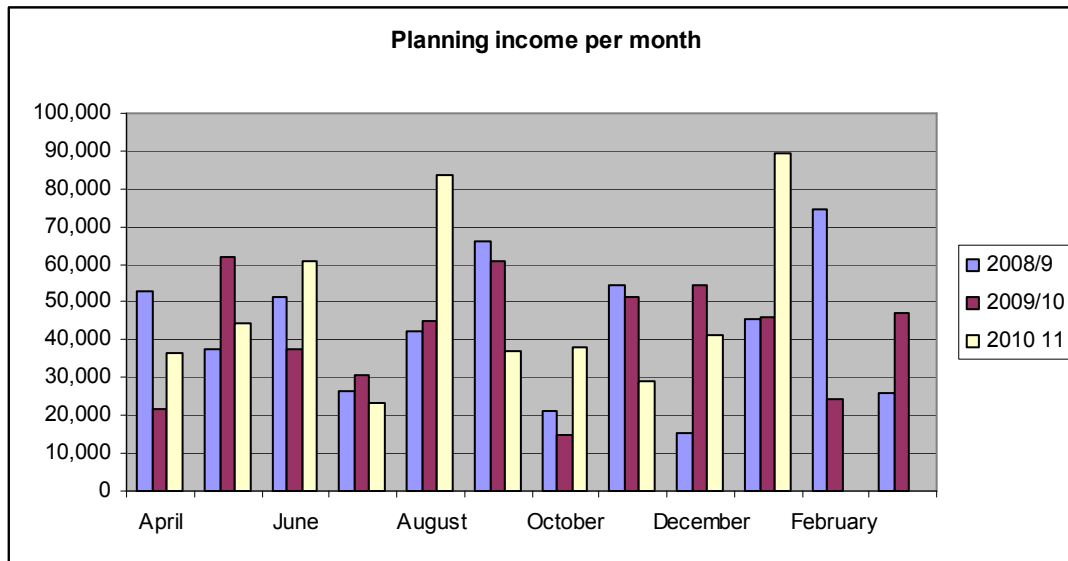
Fees per month

The income received for January 2011 was 93% up on that received for January 2010.

The average monthly income received for 2010/11 was 17% up on the monthly average for 2009/10.

Month	2008/9	2009/10	2010/11
April	53,022	21,875	36,685
May	37,815	61,685	44,615
June	51,310	37,425	60,782
July	26,196	30,435	23,498
August	42,510	44,960	83,385
September	65,885	60,915	36,957
October	21,390	14,955	38,715
November	54,735	51,510	29,265
December	15,445	54,560	41,437
January	45,300	46,267	89,262
February	74,780	24,600	

March	25,690	47,277	
Total	514,078	496,464	484,061



8.3 Building Control Levels of Activity

Income

Year on year figures show that income is 38.1% down in January 2011 compared to January 2010.

Monthly averages for 2010/11 are 1.7% down (£24,933 for 09/10 & £24,511 for 10/11) compared with the monthly averages for 2009/10.

Applications

Year on year figures show that applications are 17.9% down in January 2011 compared to January 2010.

Monthly averages are 5.1% down (70 for 09/10 & 66.4 for 10/11) compared with the monthly averages for 2009/10.

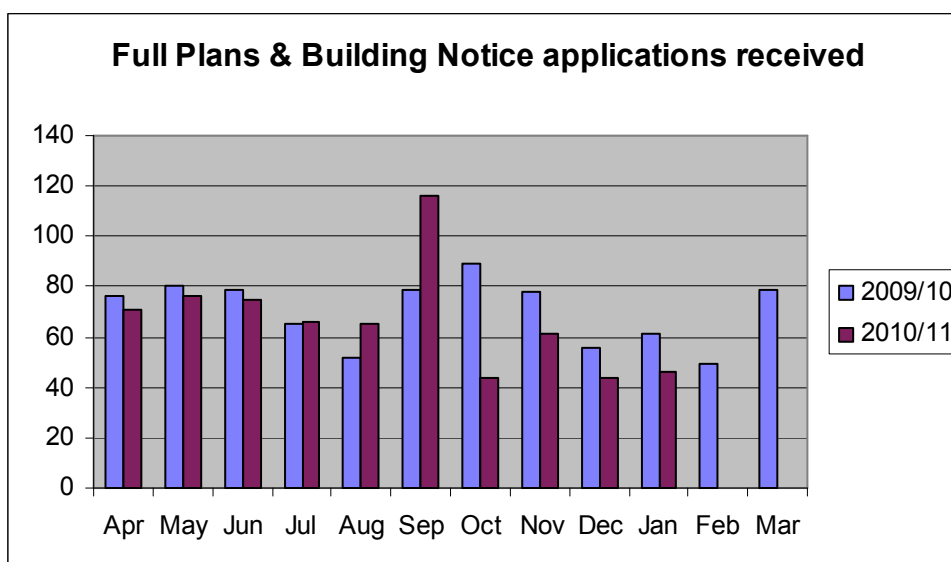
The number of Initial Notices (applications dealt with by Approved Inspectors) received is averaging at 12.3 per month which is 32.2% up on the 8.33 monthly average for 2009/10. This is possibly due to them aggressively cutting their charges and under cutting Building Control's fees.

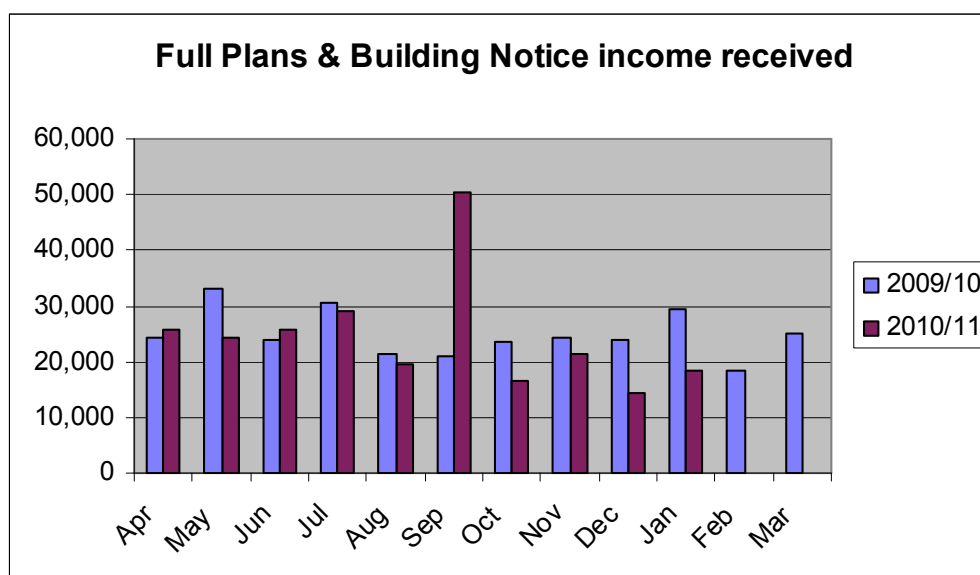
Full Plans and Building Notice applications received:

The reduction in monthly averages is attributed to the severe weather in December which prevented construction work from being carried out in most circumstances.

The substantial increase in applications and income in September and subsequent drop in following months was due to both a major change in the Building Regulations and the method by which charges are determined, all being implemented on 1st October 2010. The transitional provisions of the regulations, allows applications deposited before the implementation date to commence work within the next twelve months and still be built to the old standards. As the new regulations will increase construction costs considerably, builders hoped that by submitting applications in September they would be able to reduce the financial impact this will have on the industry.

Month	Applications		Income (£)	
	2009/10	2010/11	2009/10	2010/11
April	76	71	24,418	25,674
May	80	76	33,071	24,442
June	79	75	23,804	25,741
July	65	66	30,507	28,907
August	52	65	21,331	19,341
September	79	116	20,977	50,349
October	89	44	23,495	16,458
November	78	61	24,362	21,452
December	56	44	24,086	14,447
January	56	46	29,591	18,304
February	51		18,439	
March	80		25,118	
Total	841	664	299,199	245,115



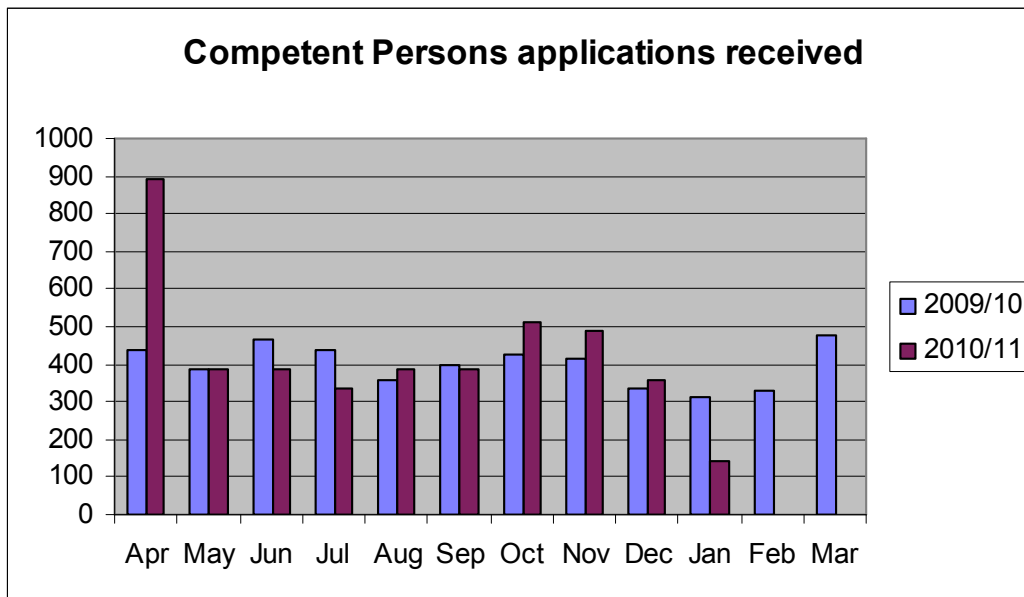


Competent Persons Applications Received:

Competent Persons are adjudged to be sufficiently competent in their work to self-certify that their work has been carried out in compliance with all applicable requirements of the Building Regulations - if a company or individual chooses to join a competent persons scheme they are vetted to ensure that they meet the conditions of membership, including appropriate and relevant levels of competence. The Council is legally obliged to record these applications against its property database and due to the technical nature of the operation, the applications are processed by the sections Technical Assistant.

The number of applications shown for previous months is not the true figure as Building Control continues to receive notification for anything up to six months after the work has been carried out.

Month	Applications	
	2009/10	2010/11
April	436	892
May	389	386
June	466	389
July	438	336
August	360	385
September	400	388
October	426	510
November	412	491
December	333	356
January	310	143
February	331	
March	478	
Total	4779	4276

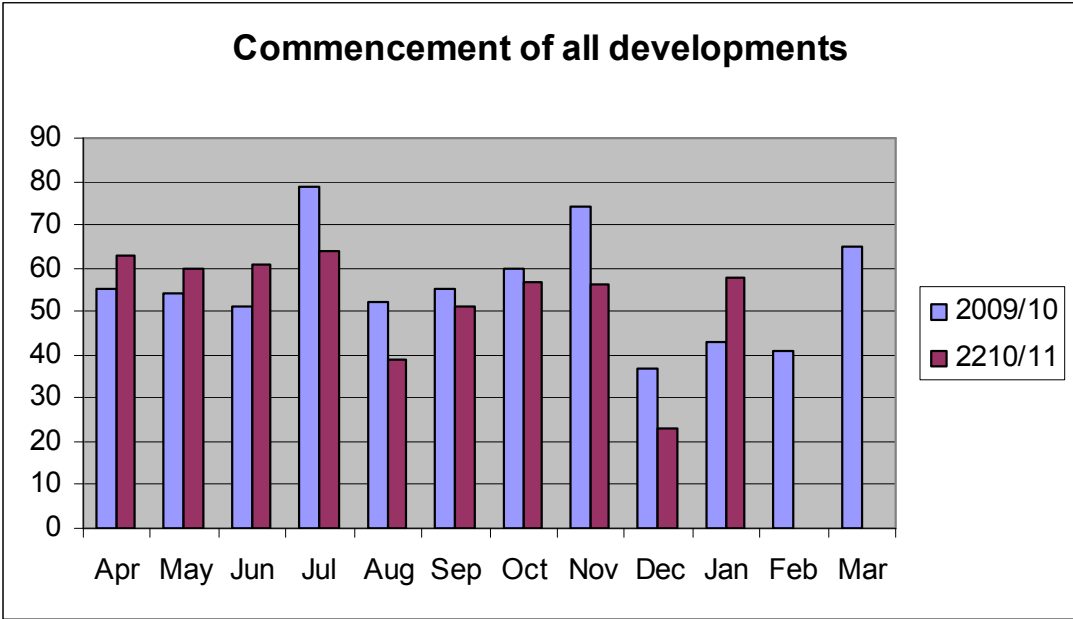


Commencement of developments

The table below is an indication of all new Building Control developments that have commenced under the supervision of both Local Authority Building Control and Approved Inspectors. The figures are as accurate as possible, given that not all Approved Inspectors notify Building Control of commencements of work, despite it being a requirement.

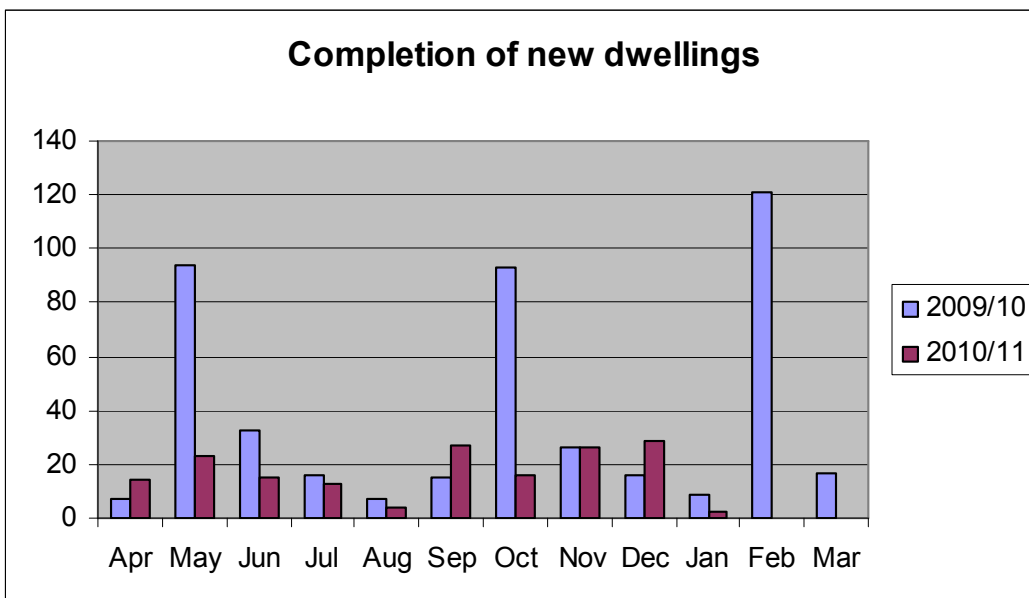
The monthly average of commencements for 2009/10 was 55.5 and for 2010/11 it is 53.2. This reduction in the monthly average is attributed to the severe weather in December which prevented construction work from being carried out in most circumstances.

Month	2009/10	2010/11
April	55	63
May	54	60
June	51	61
July	79	64
August	52	39
September	55	51
October	60	57
November	74	56
December	37	23
January	43	58
February	41	
March	65	
Total	666	532



The table below indicates numbers of new dwellings completed under the supervision of both Local Authority Building Control and Approved Inspectors. This is a more accurate representation of the condition of the housing market than looking at commencements, as builders tend to leave commenced properties at the foundation stage in times of recession. The monthly average of completion of new dwellings for 2009/10 was 37.8 and for 2010/11 it is 16.9. However it should be noted that the figures for 2009/10 have been loaded by 75 completions at the Harboro Rubber development in May, 69 in October and 109 in February 2010.

Month	2009/10	2010/11
April	7	14
May	94	23
June	33	15
July	16	13
August	7	4
September	15	27
October	93	16
November	26	26
December	16	29
January	9	2
February	121	
March	17	
Total	454	169

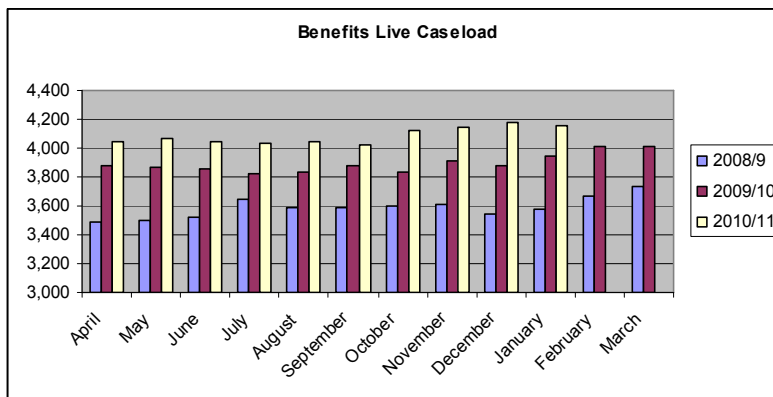


8.4 Revenues & Benefits

Benefits Live Caseload

The caseload for January 2011 was 5.2% up on that for January 2010. The monthly averages for 2010/11 are 4.8% up compared to the monthly averages for 2009/10.

Month	2008/9	2009/10	2010/11
April	3,492	3,880	4,044
May	3,500	3,872	4,066
June	3,526	3,853	4,039
July	3,649	3,817	4,029
Aug	3,586	3,838	4,040
Sept	3,584	3,809	4,017
Oct	3,600	3,835	4,124
Nov	3,612	3,912	4,143
Dec	3,550	3,880	4,175
Jan	3,583	3,947	4,154
Feb	3,667	4,008	
Mar	3,733	4,013	
Total	43,082	46,735	40,831



Collections

Items of Post

	08/09	09/10	10/11
April		2,349	1,662
May		1,221	1,399
June		1,495	1,313
July	1,400	1,600	1,211
August	1,200	1,400	1,279
September	1,600	1,500	1,359
October	-	1,563	1,501
November	1,184	1,463	1,249
December	1,075	1,304	1,075
January	1,047	1,248	1,245
February	1,006	1,087	

March	1,940	2,334	
Total	10,452	18,564	13,293

Reminders issued:

	08/09	09/10	10/11
April		2,364	-
May		1,315	1,325
June		1,337	897
July	1,281	1,359	1,129
August	1,200	1,400	537
September	681	727	352
October	1,448	1,643	1,181
November	933	951	846
December	-	1,101	414
January	1,732	874	1,148
February	-	400	
March	700	578	
Total	7,975	14,049	7,829

Summonses:

	08/09	09/10	10/11
April		-	288
May		146	146
June		571	94
July	750	796	595
August	-	-	-
September	159	304	213
October	-	299	299
November	-	367	254
December	-	-	266
January	-	171	
February	-	200	
March	-	-	
Total	909	2,854	2,155

Long term empty properties (over 12 months)

Domestic properties (total 35,235)

9.2.10	442
5.3.10	439
14.4.10	444
15.5.10	441
7.6.10	455
7.7.10	444
6.8.10	432
2.9.10	432
4.10.10	424

8.11.10	434
8.12.10	536
6.1.11	530
3.2.11	531

Non-domestic properties (2633 properties)

9.2.10	297
8.3.10	299
14.4.10	299
5.5.10	314
7.6.10	320
7.7.10	311
6.8.10	320
2.9.10	334
4.10.10	335
8.11.10	328
8.12.10	333
6.1.11	331
7.2.11	325

Insolvencies (bankruptcies & liquidations relating to business premises) since 1st April 2010 - 26

Small Business Rate Relief Cases – 752

8.5 Car Parking Income

Car Park usage figures are still not available, due to computer system failure. However, income figures are detailed below.

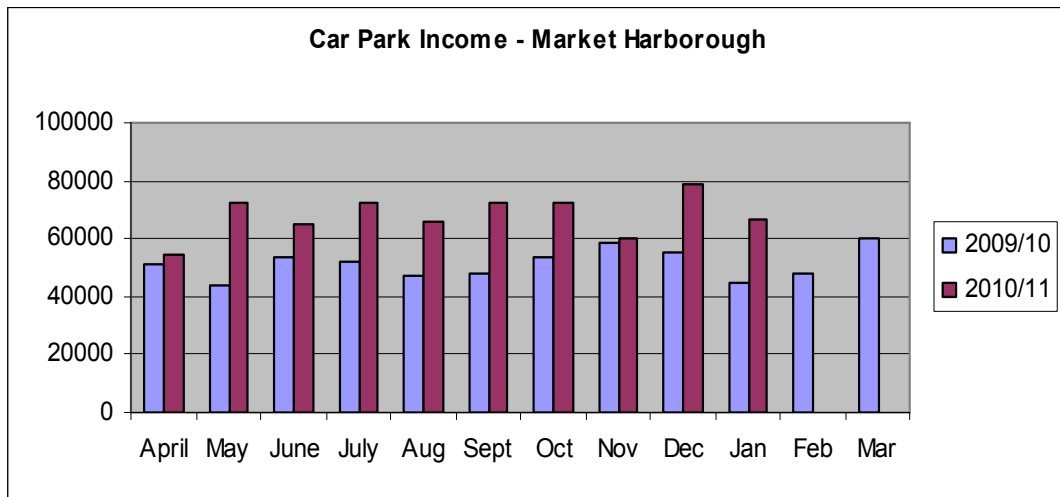
Market Harborough

Income for January 2011 was 48.4% up on that received in January 2010.

Monthly averages for 2010/11 are 32.4% up on those for 2009/10.

Month	2009/10	2010/11
April	51,534.20	54,542.45
May	44,240.30	72,699.45
June	53,392.65	64,672.90
July	51,647.50	72,664.10
August	47,375.80	66,121.95
September	48,220.45	71,987.35
October	53,979.10	72,127.05
November	58,202.75	59,919.45
December	54,885.58	79,029.50
January	45,115.57	66,934.40
February	47,840.75	

March	60,306.45	
Total	616,741.10	680,698.60

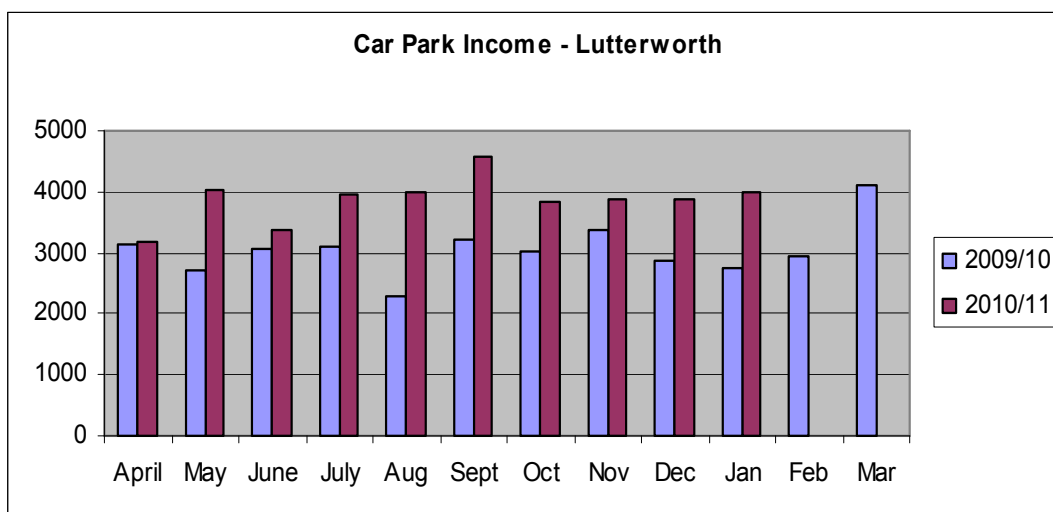


Lutterworth

Income for January 2011 was 45.8% up on income received in January 2010.

Monthly averages for 2010/11 are 27% up on the monthly averages for 2009/10.

Month	2009/10	2010/11
April	3,128.30	3,180.15
May	2,695.05	4,044.40
June	3,051.85	3,353.50
July	3,093.60	3,966.10
August	2,279.50	3,977.80
September	3,226.25	4,587.70
October	3,029.30	3,838.35
November	3,375.10	3,871.65
December	2,866.25	3,861.05
January	2,750.80	4,011.60
February	2,933.35	
March	4,115.85	
Total	36,545.20	38,692.30



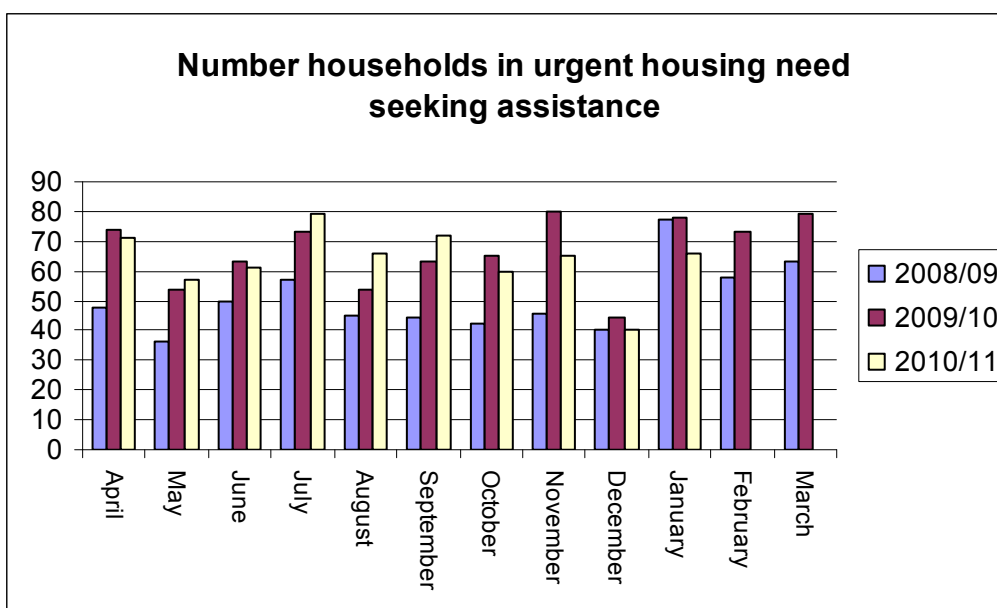
8.6 Homelessness

The number of people seeking urgent housing advice has remained at a very high level. The number of home owners seeking advice regarding their mortgage arrears has increased in January, the number seeking assistance with Court Action remains constant (this could be as a result of increased promotion of this advice service). Homelessness declarations have risen sharply this month but still remain relatively low mainly due to the utilization of prevention initiatives.

Number households in urgent housing need seeking assistance

The number of households in urgent housing need seeking assistance was 15.4% down in January 2011 compared to January 2010. The monthly averages for 2010/11 are 4.5% down compared to the monthly averages for 2009/10.

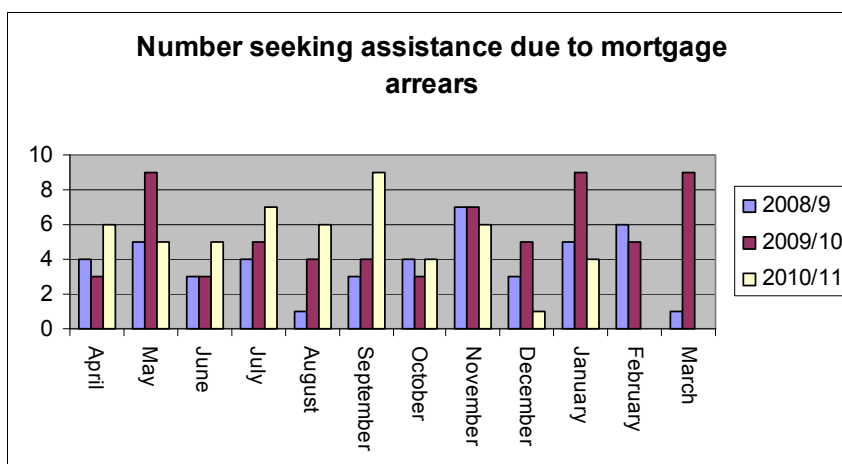
Month	2008/9	2009/10	2010/11
April	48	74	71
May	36	54	57
June	50	63	61
July	55	73	79
August	45	54	66
September	44	63	72
October	42	65	60
November	46	80	65
December	40	44	40
January	77	78	66
February	58	73	
March	63	79	
Total	606	800	637



At the end of July Harborough Homesearch began offering a housing advice surgery comprising two half days at the Lutterworth Service Shop. This gives customers an increased opportunity to access the service on a Wednesday afternoon and Thursday morning each week rather than just a Thursday as before.

Number seeking assistance due to mortgage arrears

Month	2008/9	2009/10	2010/11
April	4	3	6
May	5	9	5
June	3	3	5
July	4	5	7
August	1	4	6
September	3	4	9
October	3	3	4
November	7	7	6
December	3	5	1
January	5	9	4
February	6	5	
March	1	9	
Total	45	66	53



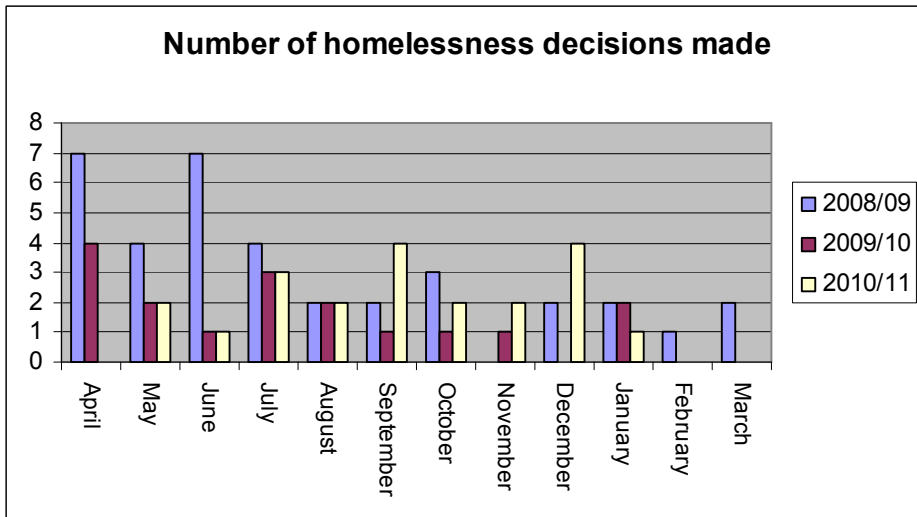
The first household to complete the equity release option for Mortgage Rescue completed in December. A further household has successfully completed the buy and rent back option taking the number of households who have been successfully assisted since the scheme began to five. Two further households have been referred under the Scheme, one for the purchase and rent back option and the other for the equity release option.

The number of households seeking advice due to mortgage arrears remains at a high level. Lenders pursuing possession through the County Court are obliged to inform the Local Authority of the proceedings. The number of notifications received is increasing steadily.

A poster campaign advising of the need to seek advice at an early stage, and where to access this help, has been launched. Smaller leaflets have been produced and distributed to collection points within the district. Posters have been distributed to the four local County Courts and the Market Hall.

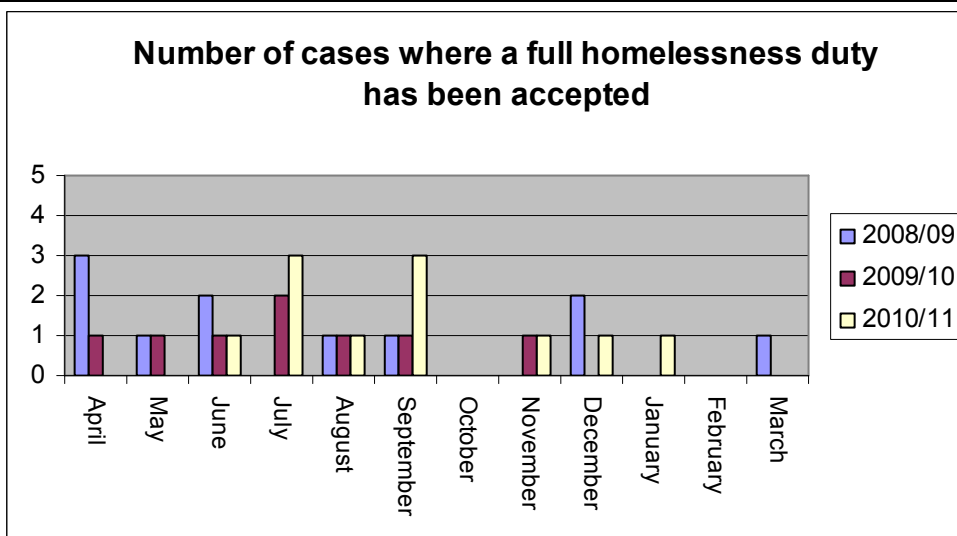
Number of homelessness decisions made

Month	2008/9	2009/10	2010/11
April	7	4	0
May	4	2	2
June	7	1	1
July	4	3	3
August	2	2	2
September	2	1	4
October	3	1	2
November	0	1	2
December	2	1	4
January	2	2	1
February	1	0	
March	2	1	
Total	36	19	21



Number of cases where a full homelessness duty has been accepted

Month	2008/9	2009/10	2010/11
April	3	1	0
May	1	1	0
June	2	1	1
July	0	2	3
August	1	1	1
September	1	1	4
October	0	0	0
November	0	1	1
December	2	0	1
January	0	0	1
February	0	0	0
March	1	0	0
Total	11	8	12



Housing Register

The number of home seekers recorded as active on the housing register have been reported as set out below:

1.02.10	1763 applicants
1.03.10	1847 applicants
1.04.10	1882 applicants
1.05.10	2202 applicants
1.06.10	1959 applicants
1.07.10	2012 applicants
1.08.10	2042 applicants
1.09.10	2091 applicants
1.10.10	2213 applicants
1.11.10	2154 applicants
01.01.11	2226 applicants

The annual review and re-registration process is nearing completion and new figures will be available shortly

Homelessness Prevention Schemes

Because of the long waiting time to be re-housed through the housing register, households who are being threatened with homelessness, and who would be considered to be vulnerable if homeless, are being assisted through a number of homelessness prevention schemes. This includes the loan of the deposit to secure a tenancy with a private landlord - Rent Deposit Scheme.

As part of the Enhanced Housing Options Action Plan Harborough Homesearch is promoting properties for rent from Private Landlords as an alternative housing option from Housing Association properties for rent or shared ownership. 7 properties for rent from Private Landlords have been advertised through Harborough Home Search this month.

In addition to the above, working in partnership with the Citizens Advice Bureau, Harborough Homesearch offers an Enhanced Housing Options Service, which includes advice on:

- debt management
- benefit entitlement
- employment
- education
- skills/training
- mortgage and rent arrears

Awareness of this service has been raised in the following ways:

- advertising in Talk Back, and various village publications
- distributing promotional material to Housing Association partners, Parish Councils, Churches and all HHS display/collection points in the district

- informing members of the Harborough Social Inclusion Network
- sending details to all new home seekers joining the housing register

9 Community Safety Implications

Year on year figures are showing a 32% increase in theft from stores.

10 Consultation

10.1 Informal discussions have been held with some local businesses. A Recession Business Event was held on 3rd April. Further follow on Business Networking Events were held on 4th August 2009, 22nd February 2010, 28th June 2010 and 20th January 2011.

11 Options Considered

11.1 None at this stage.

12 Background Papers

None

Previous report(s): Economic Downturn Reports to Executive 15.12.08, 26.1.09, 30.3.09, 20.4.09, 27.5.09, 29.6.09, 20.7.09, 10.8.09, 21.9.09, 19.10.09, 16.11.09, 14.12.09, 18.1.10, 15.2.10, 15.3.10, 12.4.10, 24.5.10, 7.6.10, 12.7.10, 16.8.10, 21.9.10, 8.11.10, 20.12.10, 17.1.11, 14.2.11

Information Issued Under Sensitive Issue Procedure: Y/N

Ward Members Notified: Y/N