

CABINET (HOUSING) COMMITTEE

30 June 2015

Attendance:

Councillors:

Horrill (Chairman) (P)

Byrnes (P)*

Miller (P)

Deputy Members

Councillor Pearson (Deputy Member for Councillor Byrnes)*

Other invited Councillors:

J Berry (P)

Scott (P)

Dibden (P)

Tait (P)

Izard (P)

Thacker

TACT representatives:

Mrs J Steventon Baker

Mr D Chafe (P)

Mr D Light (P) (Standing Deputy for Mrs Steventon Baker)

**NB: Councillor Byrnes present until 10.50am when he left the meeting and Councillor Pearson then acted as deputy*

1. **MINUTES**

RESOLVED:

That the minutes of the previous meeting of the Committee held on 25 March 2015 be approved and adopted.

2. **PUBLIC PARTICIPATION**

There were no questions asked/statements made.

3. **TIMING OF FUTURE MEETINGS**

RESOLVED:

That meetings of the Committee commence at 4.00pm for the remainder of the 2015/16 Municipal Year, with meeting dates to remain as previously scheduled.

4. **HOUSING REVENUE ACCOUNT 2014/15 OUTTURN**
(Report CAB2696(HSG) refers)

The Committee noted that Report had not been made available for publication within the statutory deadline. The Chairman agreed to accept the Report onto the agenda as a matter requiring urgent consideration to enable its contents to be considered prior to The Overview and Scrutiny Committee on 7 July and Council on 15 July 2015.

The Assistant Director (Chief Housing Officer) responded to detailed questions from Members and, in particular, the following points were raised:

- a) 24 houses were sold under the Right to Buy scheme in 2014/15, with a further 16 predicted to be sold in 2015/16 and 12 to 16 houses predicted to be sold annually thereafter;
- b) Members expressed concerns about the possible cost implications of delays in the New Homes Build schemes. The delays were potentially exacerbated by the Council's current selection of smaller, brownfield sites which tended to be more complicated to develop. One Member suggested the Council should concentrate on larger areas of land to develop to mitigate this. The Head of New Homes Delivery advised that building costs were increasing by approximately 10-15% per annum so the impact of any delays in tendering for schemes was potentially significant. Officers were seeking to obtain planning consents for as many future schemes as possible in order to maintain flexibility in the programme (i.e. if one scheme was delayed, another scheme could be progressed in its place).
- c) The Assistant Director confirmed that Appendix 4 of the Report did reflect some extra spending required following the results of the Stock Condition Survey. He also confirmed that relevant Housing and Finance Officers were closely monitoring budgets with regard to the potential significant negative impacts discussed above. However, the Government had recently confirmed a positive impact in that the Council would be able to retain an extra £900,000 from Right to Buy receipts, provided they were used for the New Build Programme within the next three years.
- d) The Head of New Homes Delivery advised that tenders were due on the Victoria House scheme in early August 2015 and a Report would be submitted to Cabinet and/or Cabinet (Housing) Committee in September.
- e) The possibility of including shared ownership properties was being examined for both the Victoria House and the Extra Care Scheme in Chesil Street, Winchester.
- f) In response to concerns expressed by a Member regarding the Government's proposals on extending the Right to Buy scheme, the Assistant Director emphasised that proposals were at an early stage and confirmed that a Report on the impact would be prepared for Members as soon as more definite information was available.
- g) In response to questions regarding the possibility of extending energy efficiency measures to Council homes, the Assistant Director advised that a Member Briefing would be organised shortly to consult on priorities within the maintenance programme, including such measures. It was anticipated

the Briefing would be arranged for July with a Report back to Committee in the Autumn 2015.

The Committee agreed to the following for the reasons set out above and outlined in the Report.

RECOMMENDED:

THAT THE REVENUE BUDGET CARRY FORWARDS AMOUNTING TO £62,860 BE APPROVED, AS SET OUT IN PARAGRAPH 4.1, NOTING THAT THESE ARE IN ADDITION TO THE GENERAL FUND CARRY FORWARD REQUESTS DETAILED IN CAB2698 (REPORT TO BE CONSIDERED BY CABINET ON 6 JULY 2015).

RESOLVED:

1. That the financial performance information be noted.
2. That the amount of housing debt at 31 March 2015 at £156.722m be approved, as explained in Paragraph 5.3 of the Report.
3. That the capital budget carry forwards amounting to £998,880 as detailed in paragraph 4.1, which have been included in the overall capital carry forward recommendation in CAB2697 (Report to be considered by Cabinet on 6 July 2015).
4. That, subject to it not being called in by The Overview and Scrutiny Committee, a virement of £150,000 be approved to fund the year 3 programme of loft conversions and extensions, not included in the budget report CAB2652 (HSG) in February 2015, as detailed in paragraph 5.3. The virement is funded from the £1 million originally allocated to the Winnall flats EW1 scheme.

**5. NEW BUILD RENTS INFORMAL POLICY GROUP (IPG) REVIEW
(Report CAB2701(HSG) refers)**

The Committee noted that the report has not been included in the Forward Plan for June and under the Council's Access to Information Procedure Rules (Rule 16 – Special Urgency), the Chairman of the Overview and Scrutiny Committee has agreed to the matter being considered at this meeting.

The Committee also noted that Report had not been made available for publication within the statutory deadline. The Chairman agreed to accept the Report onto the agenda as a matter requiring urgent consideration to enable the recommendations of the IPG to be considered without delay.

The Chairman stated that following informal discussions with other Members of the IPG, it was proposed that Recommendation 3 of the Report be

amended to request that the rent policy be reviewed on an annual basis. This was agreed by the Committee and the Assistant Director suggested it could be tied in with the Report on the annual review of rents.

In response to questions, the Assistant Director advised that the possibility of selling some units to mitigate land purchase price on some sites had been discussed at the IPG and Members were of the view that the proposed recommendations would not prohibit this approach.

One Member highlighted that, as a member of the IPG, she had not agreed with the proposed 70% of market rent assessment level. In summary, she did not believe that this would result in properties being genuinely affordable, particularly given the high private sector rent levels in Winchester which were expected to continue to rise. She drew the Committee's attention to a recent report commissioned by the Rowntree Foundation which recommended Councils should adopt a "living rent" based on local wages.

However, whilst recognising these concerns, other Members emphasised the overriding importance of building new homes to address the current shortage. In addition, they highlighted that the high build specifications of new homes increased their efficiency and resulted in reduced running costs for tenants.

The Committee agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

1. That the rent policy for new build schemes be amended so that rents for future dwellings are assessed at 70% of the market rent for that area and type of property, subject to the rent not exceeding the local housing allowance or universal credit cap for the area.
2. That it be recognised that viability assessments would need to be viewed over a 35 year period for most schemes to produce a positive net present value.
3. That the rent policy be reviewed on an annual basis to ensure that the future new build programme can be achieved whilst maintaining the viability of the HRA and not exceeding the debt cap.

6. **2014/15 PERFORMANCE MONITORING OUTTURN – HOUSING REVENUE ACCOUNT SERVICES**
(Report CAB2705(HSG) refers)

The Assistant Director (Chief Housing Officer) drew Members' attention to Appendix 5 of the Report which summarised the results of the recent Tenant Satisfaction Survey.

The Assistant Director responded to detailed questions from Members and, in particular, the following points were raised:

- a) In response to some concerns regarding continuity of staffing, the Assistant Director advised that recent staffing structure changes aimed to ensure more than one member of staff were able to deal with a particular query or issue. He acknowledged that there were some current problems with transfer of queries from the Council's Customer Service Centre, but these were being addressed.
- b) With regard to changes to Sheltered Housing, the Assistant Director advised that weekly sessions were being organised in each team to meet tenants and allow them to raise any concerns.
- c) The Assistant Director acknowledged the difficulties caused when the Council's contractors did not perform to the required standards and confirmed that performance was kept under continual review. For example, TACT groups monitored the performance of grounds maintenance contractors on some estates. However, it was recognised that it had not been possible to establish groups in all areas.
- d) One Member expressed some concern about the proposal to move towards exception reporting. The Assistant Director stated that this was a generally accepted way of reporting, but he could continue to bring any information to Committee that Members considered to be useful.
- e) Members emphasised the importance of tenant involvement across the District. The Assistant Director confirmed that Officers continued to seek new methods of engaging with tenants, including social media and the new on-line reporting facility for tenants.
- f) In response to questions, the Assistant Director confirmed that there was further potential for tenants in properties too large for their requirements to move into smaller properties, as part of the Council's Wise Move initiative. No tenants had been evicted as a result of the Government's Welfare changes relating to the number of bedrooms and further information would be brought to Members on the impact of the proposed further new Welfare Reforms once available.

The Chairman congratulated the Assistant Director and Team for their work and achievements over the previous year.

The Committee agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

That the performance information be noted.

7. **DECENT HOMES AND INVESTMENT PLANNING TO COUNCIL HOUSING – KITCHENS AND BATHROOMS**

(Report CAB2677(HSG) refers)

The Assistant Director (Chief Housing Officer) advised that the Report had been brought to Committee following queries raised by some Members regarding the Council's current approach to the refurbishment of kitchens and bathrooms. This Report gave greater detail on this matter and Members' attention was particularly drawn to the Report's Appendices which summarised the implications of different approaches to refurbishment, including financial costs.

The Chairman emphasised that the matter would be discussed at the Member Briefing referred to above regarding spending priorities on maintenance of Council properties.

The Assistant Director explained that the 2013/14 Stock Condition Survey had highlighted that the Council would be unable to meet the targets set at that time regarding refurbishment of kitchens and bathrooms. Consequentially, the Council had decided to focus more on condition rather than date of installation.

The Committee agreed to the following for the reasons set out above and outlined in the Report.

RESOLVED:

That the detail contained in the Report be noted.

The meeting commenced at 10.15am and concluded at 12.15pm.

Chairman