

CABINET (HOUSING) COMMITTEE**22 March 2017****Attendance:**

Councillors:

Horrill (Chairman) (P)

Miller (P)

Weston (P)

Other invited Councillors:

Berry (P)

Scott (P)

Burns

Tait (P)

Elks (P)

TACT representatives:

Mrs M Gill (P)

Mr M Fawcitt (P)

1. CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed to the meeting Councillor Elks who had replaced Councillor Izard as an invited representative to the Committee.

The Chairman announced the intention to refresh the Housing Strategy later in the year in the context of the newly agreed Council Strategy. The aim was to examine different tenures across the whole housing market. A series of Member briefings would be arranged, in addition to consulting with TACT and other interested parties. It was anticipated that the revised Housing Strategy would be submitted to the Committee in July.

One Member suggested that an informal group of Councillors from the Committee meet to discuss the proposals prior to the Report being submitted. The Chairman agreed to this approach.

2. MINUTES

RESOLVED:

That the minutes of the previous meeting of the Committee held on 1 February 2017, be approved and adopted.

3. **ESTABLISHING LOCAL HOUSING COMPANIES TO SUPPORT NEW HOMES DEVELOPMENT**

(Report CAB2911(HSG) refers)

The Chairman stated that the Report had been considered by The Overview and Scrutiny Committee at its meeting on 20 March 2017 where it was generally supported by Members. That Committee had requested assurance that particular regard be had to the potential risks involved and that the Council fully understood the implications of “right to buy”. In addition, Members’ had sought assurances regarding the requirement for transparency and good governance of decision making.

The Assistant Director (Chief Housing Officer) advised that Members at The Overview and Scrutiny Committee meeting had queried whether housing companies would be subject to Freedom of Information (FOI) provisions and he confirmed that the Head of Legal and Democratic Services had provided advice that such companies would be subject to FOI.

The Report set out two possible options for establishing local housing companies, one to focus more on the provision of affordable housing and the other to focus on developing new homes that provide the Council a form of capital and ongoing receipts. More legal and financial advice was required on these two vehicles and a further Report would be submitted to Committee. In addition, a request had been made to the Government that the Council’s debt cap be raised to enable it to build more homes, providing suitable land was available.

In response to Members’ questions, the Assistant Director advised that each scheme would be separately assessed to test viability. Further work would be undertaken into the proposals and in particular the potential risk involved. It was envisaged that the new companies could enable delivery of different types of housing tenure, including private rented sector. Members’ comments that the further Report to Committee should be less technical and more illustrative were also noted.

The Assistant Director confirmed that the Council would consider purchasing former Council houses, subject to resources and an assessment as to whether this would offer the best use of limited funds. He also confirmed that the Council would be examining whether it would be appropriate to reclassify or redevelop some sheltered housing schemes.

During discussion, Members emphasised the requirement of sufficient land being available for new homes to be built and the importance of the Local Plan in enabling this. The Committee noted that the Local Plan had been found sound by the Inspector and was recommended for approval at Council on 5 April 2017. The review of the Plan would commence in 2018. The Assistant Director advised that there was the potential for more sites to be identified when the Plan was reviewed in the light of revised housing need calculations.

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

RESOLVED:

1. That the Assistant Director (Chief Housing Officer) be authorised to prepare a detailed financial appraisal of the model proposed in the report and to commission finance detailed legal advice to support this as set out in the report.

2. That a part time Project Manager be recruited to support this work and provide additional capacity/skills.

3. That a Direction be made under Rule 2.4 a) of the Contracts Procedure Rules and the Assistant Director (Chief Housing Officer), in consultation with the Head of Legal and Democratic Services and the Head of Finance, be authorised to negotiate terms and enter into contracts with Trowers and Hamlins LLP for the provision of additional detailed legal advice to support the preparation of the relevant contract and legal documentation for establishing a Housing Company and a Community Benefit Society as detailed in the model and as set out in the report.

4. That authority be given to fund the financial and legal advice as set out in the report up to £100,000 , funded from the Housing Revenue Account (HRA) "Unallocated Sites" provision (50%) and from General Fund (Homelessness Prevention Earmarked reserve - 50%).

5. That a further report be brought to this Committee, setting out the detailed business case and draft governance agreements for each element of the proposed model.

4. **AUTHORISATION FOR AWARD OF CONTACT FOR CATERING SERVICE AT CHESIL LODGE EXTRA CARE SCHEME (LESS EXEMPT APPENDIX)**
(Report CAB2912(HSG) refers)

The Assistant Director (Chief Housing Officer) advised that Chesil Lodge was due to open in November 2017 and a catering service was regarded as an essential element of the extra care offer. He clarified that the contract was for the provision of lunch in the restaurant and teas and coffees through the week days. However, the contract would allow the provider to offer additional food provision outside of these times, for example, themed evening meals or Sunday roast lunches. The cost of service provision etc would be built into the residents' service charges and residents could then opt to purchase meals from the restaurant at an additional charge. The restaurant would also be open to non-residents (who would pay a higher rate for meals etc).

The Assistant Director advised that although only one tender had been submitted, the evaluation of the contractor had demonstrated that they met the Council's procurement requirements, together with demonstrating value for money and high quality services. This had included Council officers visiting another extra care site where the contractor already provided catering.

In response to questions about whether there would be adequate parking for non-residents to use the restaurant, the Assistant Director advised that this would be available at the adjacent multi-storey car park and that there was also a bus stop directly outside the development.

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

RESOLVED:

That the Assistant Director (Chief Housing Officer) be authorised to enter into a contract to provide a catering service at Chesil Lodge, Extra Care scheme as set out in Exempt Appendix 1 to the Report.

5. **HEATING APPLIANCE SERVICING AND RESPONSIVE REPAIRS – CONTRACT AWARD (LESS EXEMPT APPENDICES)**

(Report CAB2907(HSG) refers)

The Chairman welcomed to the meeting Steve Ruggles who was the Chairman of the Tenant Scrutiny Group which had been tasked to examine the performance of Liberty Gas (the current contractor). A previous Report had recommended that the contract with Liberty not be extended and that contractors be invited to tender for a new contract to commence in October 2017 (Report CAB2814(HSG) refers).

The Assistant Director (Chief Housing Officer) advised that the tender focus had placed a greater focus on quality of service. The quality submissions had been assessed by a team involving Council Officers and Mr Ruggles who were not provided with information regarding the price submissions.

In response to questions, the Assistant Director confirmed that the issues with the previous contractor had related to reliability and the requirement for repeat visits. However, the submission from the preferred bidder had addressed these concerns. He emphasised that the contract requirements stipulated that there would be no extra payment from the Council if a second visit was required and it was therefore in the contractor's interest to minimise this as far as possible.

In response to further comments about difficulties incurred under the existing contract, the Assistant Director stated that a review of responsive repairs would be undertaken with TACT and tenants being involved. This review would be completed prior to the start of the new contract.

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

RESOLVED:

1. That approval be given to enter into a term maintenance contract with the preferred bidder, as detailed in the exempt appendix, to carry out appliance servicing and responsive repairs for an initial term of three years (1/10/2017 to 30/9/2020).

2. That, should the preferred bidder withdraw prior to contract, delegated authority be given to the Assistant Director (Chief Housing Officer), in consultation with the Head of Legal and Democratic Services and the Head of Finance, to proceed to enter into a term maintenance contract as detailed in Resolution 1 with the next highest scoring bidder.

6. **EXEMPT BUSINESS**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

<u>Minute Number</u>	<u>Item</u>	<u>Description of Exempt Information</u>
##	Extra Care Catering Contract Award (Exempt Appendix)) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)
##	Heating Appliance Servicing & Responsive Repairs – Contract Award (Exempt Appendices))

7. **HEATING APPLIANCE SERVICING AND RESPONSIVE REPAIRS –
CONTRACT AWARD (EXEMPT APPENDICES)**

(Report CAB2907(HSG) refers)

The Committee agreed that Mr Ruggles could remain in the meeting for consideration of the exempt appendices of this Report only due to his prior involvement in the review process as Chairman of the Tenant Scrutiny Group.

The Committee considered the exempt appendices which provided a quality matrix, price matrix and evaluation summary for the various contractors and the Assistant Director (Chief Housing Officer) responded to questions regarding the preferred bidder.

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

RESOLVED:

That the contents of the Exempt Appendix be noted.

8. **AUTHORISATION FOR AWARD OF CONTACT FOR CATERING SERVICE
AT CHESIL LODGE EXTRA CARE SCHEME (EXEMPT APPENDIX)**

(Report CAB2912(HSG) refers)

The Committee agreed to the following for the reasons outlined in the Report.

RESOLVED:

That the contents of the Exempt Appendix be noted.

The meeting commenced at 4.05pm and concluded at 6.00pm.

Chairman