

## **ECONOMY AND HOUSING POLICY COMMITTEE**

**Tuesday, 17 September 2024**

Attendance:

Councillors  
Batho (Chairperson)

Achwal S  
Chamberlain  
Eve

Morris  
Miller  
White

Apologies for Absence:

Councillor Scott

Deputy Members:

Councillor Aron (as deputy for Scott)

Other members in attendance:

Councillors Murphy, Thompson, Tod and Westwood

[Video recording of this meeting](#)

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1. **APOLOGIES AND DEPUTY MEMBERS**

Apologies for the meeting were noted as above.

2. **DECLARATIONS OF INTERESTS**

Councillor White advised that agenda item 8: Winchester District Economy Review, page 50 contained a bullet point relating to the allocation of land for data centres. As a director of a company that builds data centres, she advised that if the discussion this evening centred around the bullet point then she would leave the room and take no further part in the discussion.

3. **APPOINTMENT OF VICE CHAIRPERSON FOR THE 2024/25 MUNICIPAL YEAR.**

RESOLVED:

That Councillor Chamberlain be appointed Vice-Chairperson for the 2024/25 municipal year.

4. **CHAIRPERSON'S ANNOUNCEMENTS**

No announcements were made.

5. **MINUTES OF THE PREVIOUS MEETING HELD ON 20 FEBRUARY 2024**

RESOLVED:

That the minutes of the previous meeting held on the 20 February 2024 be approved and adopted.

6. **PUBLIC PARTICIPATION**

Councillor Horrill and Councillor Cook addressed the committee regarding the agenda item: Housing, Repairs and Maintenance Contract Procurement and their contributions were captured within the agenda item below.

7. **REVIEW OF ECONOMY AND HOUSING POLICY COMMITTEE RESOLUTIONS**

Councillor James Batho, Chairperson, introduced the report which set out a review of the Economy and Housing Policy Committee resolutions from the previous 12 months. The introduction included the following points:

1. Officers had compiled a summary of meetings held over the past 12 months, encompassing both housing and economy policy agenda items.
2. The report documented the recommendations and resolutions made, the officers' responses, and the progress of these policies through the council.
3. The Chairperson proposed to examine these updates and invited members to raise any questions, which could then be addressed by officers.
4. For items requiring more detailed responses, it was suggested that they be brought forward to a subsequent meeting.

Members were asked to note the responses to the Economy and Housing Policy Committee's previous resolutions. Several questions were asked arising from the contents of the report, and in summary, the following matters were raised:

1. Questions were raised regarding whether the impact of resident demand for window retrofits had affected any planned activities, and if so, what was the impact.
2. A point was raised about the potential to work with utility bill providers to distribute communications to residents, enhancing engagement in the retrofit housing programme, noting that this suggestion did not seem to be reflected in the action taken.
3. Clarification was sought on the current council position regarding the carbon credit trading scheme, specifically whether it was proceeding or not.
4. A suggestion was made to involve private homeowners and landlords in the retrofit project, particularly when neighbouring houses were involved, to improve efficiency—for example, offering asbestos clearance to private properties adjacent to council houses being retrofitted.
5. Clarification was sought on when the next future review of the festivals, events, and programming policy would be, as many of the action taken responses referred to it.
6. Assurance was sought that the council was adequately recovering costs for cleaning up and restoring locations after large events, particularly in areas like River Park, ensuring that the council was compensated for these expenses.

7. Clarification was sought on the process for informing ward councillors, especially in rural areas, about the local impacts of festivals and events, and what measures would be put in place to facilitate communication with councillors for events affecting their wards.
8. Clarification was sought on whether dates had been set for bringing forward the Older Persons Accommodation Strategy, or if it was still under discussion.
9. Clarification was sought regarding the absence of a response to item number seven of the Green Economic Development Strategy Action Plan.
10. Clarification was sought on the status of the partnership group mentioned in the Cultural Strategy, specifically whether it had been formed and if the terms of reference had been agreed.

These points were responded to by Simon Hendey, Strategic Director and Susan Robbins, Corporate Head of Economy & Community accordingly.

RESOLVED:

The committee noted the report.

8. **WINCHESTER DISTRICT ECONOMY REVIEW (PRESENTATION)**

Councillor Lucille Thompson, Cabinet Member for Business and Culture introduced the agenda item which set out a presentation regarding the Winchester District Economy Review, (available here). The introduction included the following points.

1. The presentation contained a wealth of information and data that would inform the council's position on various policy initiatives moving forward.
2. That there had been significant growth in the district's population between the 2011 and 2021 census data, noting an increase of almost 9.4%.
3. Despite the population growth, the number of economically active individuals had decreased by a similar percentage.
4. Councillor Thompson emphasized the district's ageing population, highlighting it as an imbalance that needed to be addressed.
5. She referred to the council's quarterly economic dashboard, which provided up-to-date statistics and insights into the district's economy, noting its usefulness for keeping track of ongoing changes.

Susan Robbins, Corporate Head of Economy & Community and Professor Suzanne Dixon, Economic Development Officer (Green Growth) provided a presentation which gave an overview of the Winchester District Economy Review which could be summarised as follows:

1. The review aimed to provide high-level data and insights, and it discussed emerging policies, the changing economic landscape, and aligned council priorities with plans.
2. While the presentation offered a flavour of key performance indicators, they noted that more detailed data was available from the Office of National Statistics.

3. The district had experienced a slight decrease in economic activity and an increase in economically active retired individuals, reflecting the ageing population.
4. Although the number of people claiming out-of-work benefits was relatively low, over half were in the 25 to 49 age group, indicating a specific demographic concern.
5. The district boasted a diverse mix of jobs across sectors such as the public sector, retail, technical, and professional roles, which helped guard against economic shocks in any single sector.
6. There were over 8,000 enterprises in the district, approximately 82% were micro-enterprises (0 to 9 employees), highlighting the importance of small businesses to the local economy.
7. The presence of high-quality educational institutions contributed to residents being highly qualified and consistently performing well in skills and qualification levels.
8. Residents earned slightly more than those working in the district, with recent data showing a slight divergence that could affect affordability and cost of living.
9. There was a decrease in people commuting by car and an increase in home working, possibly influenced by COVID-19 and changing work patterns; this had resulted in fewer people both entering and leaving the district for work.
10. Winchester had a high number of jobs per working-age population, attracting more people into the district for employment.
11. Vacancy rates on the High Street remained low, and business sentiment showed optimism despite external challenges like the cost of living and rising energy costs.
12. Businesses faced challenges in retaining and recruiting staff, rising operational costs, and difficulties unique to rural areas such as transport and digital connectivity.
13. They concluded that while the Winchester economy was performing well, certain areas required monitoring to ensure sustained and improved performance, particularly considering the ageing population and changes in commuting and work patterns.

The committee was asked to note the contents of the presentation, provide any comments for the Cabinet member and officers to consider further and are asked to support:

1. Using the proposed priorities to target and focus our approach to achieving the best economic outcomes for the district.
2. The “business as usual” approach of delivering green economic growth from the council’s work.

The committee proceeded to ask questions and debate the report. In summary, the following matters were raised:

1. A question was asked to clarify the meaning of the phrase "business as usual" in the context of developing the green economy.
2. Clarification was sought on how the council was measuring the green impact and the projected carbon savings from businesses, including the impact of the green development plan.
3. Questions were raised about encouraging the necessary skills for people to be trained in retrofitting, addressing the current insufficiency of resources to meet demand.
4. Further information was requested on whether enough sites had been identified across the district for employment, considering the potential lack of employment sites in rural areas where new housing was planned.
5. A question was asked on how the council planned to allocate land to businesses, given that significant employment sites seemed limited to areas like Bushfield.
6. Clarification was sought on strategies to encourage visitors to spend longer in Winchester, thereby increasing tourism revenue and sustainability.
7. A question was raised on how to create jobs where people are living, particularly in rural areas lacking designated employment sites in the local plan.
8. The committee questioned whether the data on market towns and rural areas was sufficient and if these areas were receiving enough priority in the proposed measures.
9. Further clarification was sought on whether the potential devolution of business rates to local authorities had been considered in future planning, especially regarding levelling the playing field between local independent businesses and large online retailers.
10. Questions were asked about persuading owners of offices in areas like Whiteley, not owned by the council, to adopt policies such as installing solar panels.
11. Clarification was requested on how to introduce hydrocarbon-free heating systems in offices currently using electrical or gas heating, and whether the council could insist or organise conversions to more sustainable systems.
12. A question was asked about whether data on High Street performance, such as vacancy rates and business confidence, was being collected for retail areas in other parts of the district, such as Weeke, Harestock, and the retail park in Winnall.
13. Concern was raised that relying on the presence of two universities for economic opportunities might be a weakness if future government higher education policies change, and whether this reliance had been considered.
14. Questions were raised about ensuring career pathways in Winchester for those trained in green or creative skills to prevent graduates from leaving for opportunities elsewhere.
15. The committee sought to understand if there was a risk that market towns and rural areas were dependent on a small number of large businesses, and if this should be considered a threat in the SWOT analysis.
16. Further clarification was sought on how to support the majority of businesses in the district, which are micro-businesses, given their diversity and varied needs.

17. A question was asked about other aspects, beyond incubator hubs and start-up spaces, which should be considered to support graduate retention in the Winchester district, possibly involving the wider council plan.

These points were responded to by Susan Robbins, Corporate Head of Economy & Community, Suzanne Dixon, Economic Development Officer (Green Growth), Councillor Lucille Thompson, Cabinet Member for Business and Culture and Councillor Martin Tod, Leader and Cabinet member for Asset Management accordingly.

**RESOLVED:**

1. That the committee noted the contents of the Winchester District Economy Review presentation.
2. That the committee provided comments on the presentation as requested.
3. The committee agreed to ask the Cabinet Member to consider the following:
  - a) To continue supporting work on skills development, particularly in retrofitting and digital support.
  - b) To ensure that rural areas remain a focus, providing more detail and understanding of how businesses in these areas are operating and identifying additional areas of support they may need.
  - c) To continue and expand work in the solar energy sector, working with businesses on commercial implementation, conversion from gas, and assessments related to these initiatives.
  - d) To prioritise efforts that align with the 'Greener Faster' initiative, recognising its importance in improving the district's performance.
  - e) To support using the proposed priorities to target and focus the council's approach to achieving the best economic outcomes for the district.
  - f) To continue with the business-as-usual approach in delivering green economic growth through the council's work.

9. **HOUSING, REPAIRS AND MAINTENANCE CONTRACT PROCUREMENT (PRESENTATION)**

Councillor Chris Westwood, Cabinet Member for Housing introduced the agenda item on the Housing, Repairs and Maintenance Contract Procurement. He highlighted that the repairs and maintenance contract with Cardo had been in place for around 13 years, during which much had changed. He emphasised the necessity of reviewing the council's requirements and identifying the best partner to deliver these services moving forward. Acknowledging that 80% of tenants were satisfied with the repairs and maintenance service and 78% were happy with its timeliness, he expressed that there was still room for improvement.

He stated his desire for Winchester City Council Housing to be easier to do business with, noting that this could mean different things to different people and outlined several key outcomes desired from the new contract:

1. Establishing a partnership rather than a supplier relationship, with the chosen partner representing the council's values in tenants' homes.

2. Improving customer service and experience, including a strong digital offering and continuous customer feedback at all interactions.
3. Enhancing the quality of service to ensure repairs were done right the first time, every time.
4. Ensuring transparency and visibility for both tenants and internal management to effectively oversee operational processes and the contract.
5. Reducing repair costs to deliver value for money to the council and tenants.
6. Fostering continuous innovation to improve services and drive further value.
7. Expanding services beyond repairs and maintenance to potentially include planned upgrades, retrofit activities, decarbonisation of housing stock, voids management, and other future services.

He emphasised that this contract was one of the most important and valuable for the council and sought feedback on the work completed to date to inform the procurement process over the next 18 to 24 months.

Simon Hendey, Strategic Director, Yvonne Anderson, Service Lead - Housing Landlord Services and Jamie Butt, Procurement Officer further introduced the item and provided a presentation and explained the procurement process planned for the next two years leading up to the selection of a new contractor. They detailed the stakeholder engagement activities undertaken:

1. Conducted a resident survey sent to all households in the council's stock, receiving 823 responses, which was considered a positive level of engagement.
2. Hosted resident workshops, although attendance was lower than anticipated, with efforts made to encourage participation.
3. Held discussions with Cardo and CCS to understand what worked well and areas needing improvement.
4. Engaged with housing staff to gather their insights, given their close involvement with the service.
5. Consulted with members to obtain valuable feedback.
6. Reached out to contractors to gauge their interest in the contract, following an advertised invitation and an online event to attract further interest.

They further described the proposed scope of the contract, which would include:

1. Repairs and maintenance services.
2. Voids management to prepare empty homes for new tenants promptly.
3. Compliance services, particularly focusing on the "big six" regulatory requirements.
4. Cyclical and planned programmes.
5. Potential inclusion of the retrofit programme.
6. Consideration of whether the repairs hub would continue to be operated by the council or managed by the provider.
7. Co-location of the provider's team within the city offices to maintain close collaboration.

They emphasised the shift from a traditional "master and servant" contract model to a strategic partnership approach, favouring the TAC - 1 contract for its collaborative nature, as supported by feedback from contractors. They discussed various pricing mechanisms, highlighting the preference for a "price per repair" model over others like "price per property" or "schedule of rates" due to fairness and risk management.

Finally, an overview of the procurement timeline, noting key milestones was provided which included the completion of the research phase and preparation of tender documents, the publication of the contract notice and bid evaluations, with the intention to award the new contract in December 2025, with the contract expected to commence in July 2026. They concluded by emphasising the importance of this contract and the council's commitment to improving services for tenants through this procurement process.

Councillor Horrill addressed the committee regarding the procurement of the Housing, Repairs and Maintenance Contract and raised several points for the committee to consider, including the following. She questioned the proposal of a ten-year contract without a break clause and suggested incorporating a full review for flexibility. She expressed concern about relying on a single contractor for such a significant investment and asked whether multiple contractors had been considered. Additionally, she emphasised the importance of understanding the council's repair requirements, suggested including commitments to apprenticeships and local job opportunities in the contract, and inquired about the expected social value outcomes.

Councillor Cook addressed the committee regarding the procurement of the Housing, Repairs and Maintenance Contract and raised several points for the committee to consider, including the following. She raised concerns about previous questions related to housing that remained unanswered, referring to an earlier email. She was concerned if the council had been paying invoices without verifying completed work, as revealed in a previous meeting. She also highlighted low resident attendance at workshops which could be due to inadequate notice, and expressed concerns about the management of the repair hub and lack of scrutiny on rates for voids.

The committee was asked to note and comment on the contents of the presentation and the views and comments of the committee were sought to inform the Cabinet Member for Housing prior to the Cabinet meeting on the 20th of November 2024.

The committee proceeded to ask questions and debate the report. In summary, the following matters were raised:

1. A question was asked about the social value assessment criteria part of quality evaluation, was this a minimum and if there was potential to increase this percentage as part of the evaluation. Clarification was also sought on how delays in legislation might have affected this level and how transparency would be ensured regarding the social value delivered.



2. Clarification was sought on the pricing mechanisms currently in use, their effectiveness in terms of value for money and resident outcomes, and how the proposed mechanisms would differ.
3. A question was raised regarding the recommendation to enter into a Term Alliance Contract (TAC-1), questioning whether this should be explicitly included in the recommendations to Cabinet.
4. Concern was expressed about the end of the current contract, specifically what would happen if the current contractor lost staff or interest before the new contract commenced, and how any potential additional costs would be managed.
5. Further clarification was requested on contingency plans if the new contract was not in place before the current one ended, including the possibility of extending the existing contract.
6. An inquiry was made about the perceived advantages to the council of having a ten-year contract.
7. Questions were asked about the open book reviews proposed at years three, five, and seven of the contract, including what aspects would be reviewed and what would constitute severe failings.
8. Clarification was sought on when KPIs would be developed and included in the contract, and what they might encompass.
9. Questions were raised about the "price per void" approach, specifically why there was no requirement to scrutinise rates and how costs would be controlled under this model.
10. An inquiry was made about whether penalties would be included in the contract for failures to meet specifications or timelines, and how the council would enforce these.
11. Clarification was sought on how annual works would be managed within a ten-year lead contractor arrangement, and how flexibility would be maintained to go to the market if necessary.
12. A question was raised about whether retrofit works under the contract would cover measures to prevent flooding in properties at risk.
13. Concern was expressed about inflation risk over the ten-year period, particularly how indexation would affect the "price per void" and "price per repair" models, and how this risk would be managed.
14. An inquiry was made about residents' ability to raise faults directly with the contractor, how the council's systems would interact with the contractor's systems, and how oversight and record-keeping would be maintained to ensure transparency and accountability.
15. Questions were asked about whether there was sufficient time to ensure system integration between the council and the contractor before the contract commenced.
16. Concern was raised about complaints being made directly to the contractor and the potential risk of lack of oversight or discrepancies in records between the resident and contractor.
17. A question was asked about the 823 resident responses received, specifically whether it was possible to quantify the percentage of responses from the city area versus the rural areas.

These points were responded to by Councillor Chris Westwood, Cabinet Member for Housing, Simon Hendey, Strategic Director, Yvonne Anderson, Service Lead - Housing Landlord Services and Jamie Butt, Procurement Officer accordingly.

**RESOLVED:**

1. That the committee noted the contents of the presentation on the Housing, Repairs and Maintenance Contract Procurement.
2. The committee agreed to ask the Cabinet Member to consider the following:
  - a) To ensure that clear and detailed KPIs were developed and included in the report to Cabinet, as they were essential for guaranteeing the performance of the contract.
  - b) To focus on defining and maximising the social value aspects within the contract, acknowledging that this significant contract presented an opportunity to improve the social aspects of the local communities.
  - c) To consider the comments provided by the committee.

10. **COUNCIL PLAN 2025-30 (PRESENTATION)**

Councillor Martin Tod, Leader and Cabinet Member for Asset Management; introduced the agenda item which set out proposals for the Council Plan 2025-30, an overarching high-level document covering what the council wanted to achieve and informing other strategies and plans, including the Local Plan and individual service plans.

Councillor Tod explained that the two policy committees and Scrutiny Committee were being asked to look at their relevant responsibilities of the current plan, he specifically, wanted to reassure the Cabinet, that each committee had considered:

1. Their thoughts on the future challenges faced.
2. How the current plan had performed.
3. Where the committee thought the council needed to be by 2030.

He stated that this committee was asked to focus on:

1. Homes for All.
2. Vibrant Local Economy.
3. Pride in Place.

Simon Howson, Senior Policy and Programme Manager provided the committee with a presentation and introduced the process for developing the next council plan, he highlighted the following key points:

1. The presentation included a quick look back and a look forward, outlining challenges, knowns, and unknowns, and sought councillors' input on priorities, focus areas, and evaluation of what had worked or had not.
2. The current council plan was adopted in January 2020 and runs until 31 March 2025; from 1 April 2025, a new plan would commence.

3. This was an opportunity to review outcomes and priorities for the council and the district, with priorities being evidence-based, using data from the recently completed resident survey.
4. Engagement was ongoing with councillors, parish councillors, businesses and the voluntary sector to gather input for the new plan.
5. The engagement phase aimed to listen to residents and businesses in the district in order to input into the next council plan.
6. The draft council plan would be considered by the Cabinet in December 2024, before going to full Council for adoption in January 2025.
7. He reminded the committee of the current council plan and vision, and the current priorities: tackling the climate emergency, homes for all, living well, vibrant local economy, your services your voice.
8. The focus for this evening was on homes for all, vibrant local economy, and pride in place.
9. He outlined the roles of various committees in the plan review and presented key questions for the committee to consider, including how challenges had changed since 2020, expected future challenges by 2030, and what success would look like.

The committee was asked to review and comment on the direction of the Council Plan, including the vision, themes and priorities.

The committee proceeded to ask questions and debate the report. In summary, the following matters were raised:

1. A question was asked about what evidence would be used to formulate the new council plan, referencing the corporate peer review feedback that highlighted perceptions of the council being too focused on the city at the expense of the wider district.
2. Further information was requested on the potential to better utilise the voluntary and community sectors.
3. A question was raised regarding how housing challenges had changed since 2020, noting that private landlords were leaving the market in large numbers, leading to potential increases in evictions and how the council plans to cope with this issue in the current or next plan.
4. A question was asked about the support to the growing elderly population, as indicated by the 2021 census data, and whether considerations had been made for disabled residents, such as incorporating suitable features in new housing developments or care homes.
5. Further clarification was sought on how the upcoming older persons strategy could be incorporated into the council plan.
6. An inquiry was made about addressing housing infrastructure issues, specifically how the council could alleviate flooding caused by inadequate pipes and water networks due to population growth.
7. An observation was made about the increasing need for a diversity of housing to meet emergent needs, such as emergency or short-term housing due to changes in circumstances like poor health, and whether this represents a change since 2020.

8. A question was asked about how the council can address the lack of affordable housing, which was crucial for encouraging young people to stay in the district, noting that this issue had become even more significant since the previous council plan.
9. An inquiry was made about whether policies could be implemented to encourage downsizing among the ageing population, thereby freeing up larger properties for families and helping address housing needs within the district.
10. A question was raised about how the council was addressing the need for housing to be more resilient to extreme weather events caused by the climate emergency, such as wind, rain, flooding, and extreme heat, particularly considering that well-insulated homes may lack air conditioning during extreme heat.
11. An inquiry was made about what more the council could do to support small businesses, particularly those with 0–9 employees, in terms of digital connectivity, considering future reliance on satellite and 5G connectivity, especially in rural areas where fibre connectivity was unlikely.
12. A question was raised about how the council could encourage farmers to adapt to changing farming practices due to a warmer climate, such as growing grapes, as part of promoting a vibrant economy.
13. An inquiry was made about how emerging technologies like artificial intelligence would affect various activities over the next five years—including the economy, transport, and banking—and how the council should focus on these areas.
14. A question was asked about what more the council could do to encourage and support small businesses in the rural economy, both to help existing businesses succeed and to support new businesses and ideas coming forward, recognising their significant contribution to employment and the economy.
15. An inquiry was made about how the council can address the trend of fewer young people starting businesses due to numerous rules and regulations, and how to encourage younger people to start businesses.
16. A concern was raised about the ageing workforce in trades such as plastering, carpentry, and bricklaying, with not enough young people entering these industries.
17. A concern was expressed about the lack of public transport in rural areas, limiting employment opportunities for residents without cars—particularly for retail jobs with shifts.
18. A question was raised about challenges experienced by Hampshire County Council, leading to reduced road repairs and potential closure or increased charges for Household Waste Recovery Centres, which would affect Winchester, particularly regarding pride in place, and how much of the slack the council would be expected to pick up.
19. A question was asked about how the council would ensure it balances its budget and manages dwindling finances over the next five years, given potential insufficient funding to maintain current service levels.
20. An inquiry was made about how the council can empower communities—particularly village halls and community centres wishing to become community hubs.

These points were responded to by Councillor Martin Tod, Leader and Cabinet Member for Asset Management and Simon Howson, Senior Policy and Programme Manager accordingly.

**RESOLVED:**

That the Committee requested that the cabinet member consider the committee's comments raised during the discussion of the item.

11. **TO NOTE THE WORK PROGRAMME FOR SEPTEMBER 2024**

**RESOLVED:**

The current work programme was noted.

The meeting commenced at 6.30 pm and concluded at 10.10 pm

Chairperson