



Leicester
City Council

Minutes of the Meeting of the
HOUSING SCRUTINY COMMISSION

Held: TUESDAY, 9 JANUARY 2024 at 5:30 pm

P R E S E N T :

Councillor Joel (Chair)
Councillor Zaman (Vice Chair)

Councillor Adatia
Councillor Mahesh

Councillor Waddington

Councillor O'Neill
Councillor Singh Patel

In Attendance

Deputy City Mayor, Councillor Cutkelvin – Housing and Neighbourhoods

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48. APOLOGIES FOR ABSENCE

Apologies for absence were received by Cllr Aqbany.

49. DECLARATIONS OF INTEREST

The Chair asked members of the commission to declare any interests for which there were none.

50. MINUTES OF THE PREVIOUS MEETING

The Chair highlighted that the minutes for the meeting on 28 November 2023 were included within the papers and asked members for comments. The Chair highlighted that the minutes for the meeting on 28 November 2023 were included within the papers and asked members for comments.

AGREED:

- It was agreed that the minutes of the meeting held on 28 November 2023 were a true and accurate record.

51. PETITIONS

The Monitoring Officer noted that none had been received.

52. QUESTIONS, REPRESENTATIONS OR STATEMENTS OF CASE

The Chair noted she had received a copy of the letter sent to the Deputy City Mayor for Housing and Neighbourhoods from the Centre Project and invited the questioner to ask his question.

The Chair of Trustees of the Centre Project, Martin Gage, asked:

Whilst appreciating the financial problems that Leicester City Council faces, does the City Council appreciate that scrapping relatively small grants to voluntary and community groups like the Centre Project, with a track record of preventing homelessness and isolation across the city, is only increasing problems for themselves further down the line? Housing is such a big issue for the Council that reducing the prevention services seems like a false economy.

The Director of Housing responded to the question in which it was noted that:

- The good work and positive impact the Centre Project have in supporting the community was recognised.
- Grant funding is provided to the Centre Project for day centre activities where a direct link to preventing homelessness is not easily identifiable. The authority provides similar activities such as warm spaces and other organisations who offer day centre support do not receive housing funding which is inequitable.
- Discussions between the housing division and Centre Project have been ongoing for several months to mitigate the loss of the grant funding and identify alternative funding that supports the good work of the organisation.
- The authority has offered the Centre Project the opportunity to operate from the Dawn Centre to work alongside other organisations to tackle homelessness and whilst this has been considered the Centre Project, this is not being pursued given their wider work.

In response to Members comments and questions it was noted that:

- The Centre Project receive a £24,500 grant fund from homelessness services from the general fund. The proposal is to withdraw the grant funding at the end of the current financial year along with other efficiency savings due to the significant financial pressures on the budget which will be scrutinised by OSC before Council.
- The Centre Project receive other sources of funding and officers are working with the organisation to identify appropriate funding for the great work in preventing social isolation and signposting residents to relevant services.

The Chair invited the questioner to respond in which it was noted that:

- The Centre Project has received £24,500 over the last 10 years which they are grateful of, although it has not increased with inflation.
- The withdrawal of funding will not threaten the existence of the Centre Project as it does receive funding from elsewhere although they may be year reduction of services and staffing to support vulnerable people.
- The Centre Project cannot relocate to the Dawn Centre due to its holistic approach, including provision of a food bank, tea and coffee and listening ear to prevent people from despair which may lead to homelessness.
- Some individuals are banned from organisations that offer homeless services and referrals can be made to the Centre Project.

The Chair highlighted that she had previously visited the Centre Project to observe the good work of the organisation and noted the Commission's thanks for the support provided to residents. It was further noted that the Commission were assured that withdrawal of funding will not put the Centre Project at risk and agreed that officers continue to liaise with the organisation to secure alternative funding.

53. CHAIRS ANNOUNCEMENTS

It was noted that the Chair had no announcements to make.

54. WHO GETS SOCIAL HOUSING

The Director of Housing introduced the item, noting that an update is provided every quarter to the commission and all members regarding the current position of the housing register, the number of lets and wait times incurred. It was highlighted that the overall position continues to worsen, and additional pressures are expected given homelessness challenges in the city.

The Head of Service presented the report, and it was noted that:

- The number of applications on the housing register has increased by 7% since the previous update. The number of lets and new applicants to the register usually balances, the number of lets has increased but new applicants has also increased due to the housing crisis.
- Applicants across all bands have grown with the increase in applicants and band 1 has grown by 2%. The primary reason for joining the register has not changed with overcrowding and homelessness the main reasons.
- Demand for type and size of property has not changed with houses the higher demand to flats or maisonettes. 2 bedroom properties is demanded most followed closely by 3 bedroom properties. The highest demand is for the east of the city, including Belgrave, North Evington, Wycliffe and Stoneygate but Troon and Eyres Monsell have the highest need with applicants waiting in band 1.
- Overall lettings increased by 5% over the last six months but 53 additional nominations to housing associations. The number of council

owned available stock fell by 28.

- The housing division continue to utilise the acquisitions programme to increase available housing stock in addition to strengthening available private rented sector schemes for alternative solutions. The division support residents to bridge the gap to make private rented sector housing affordable whilst retaining their banding priority if active.
- Waiting times for band 1 increased by 4months for applicants seeking 2 or 3-bedroom properties but waiting times reduced or remained the same for bungalows and 1-bedroom properties. On average 1-bedroom property waits is between 3-6 months and families may be waiting between 12-18month. Band 2 waiting times increased for family accommodation but reduced for 1-bedroom properties and bungalows.
- Wait times for adapted houses reduced due to an increase of supply of fully wheelchair accessible properties and a proactive approach with housing working closely with occupational therapists to assess individual needs. The adapt-to-let initiative enables adaptable properties to be let and adapted to meet the tenants needs.
- 27% of lettings over the 6month period were direct allocation which is consistent with previous reports.

In response to questions and comments from Members, it was noted that:

- Demand for wheelchair adapted housing has been higher than supply for some time which instigated the adapt to let work programme that enables adaptable properties to be offered to applicants on the housing register and adapted to meet the needs. It was agreed that information would be shared with the commission relating to wheelchair adapted property data.
- Private rented schemes enable the service to work with landlords and perspective tenants to provide alternative housing solutions to residents on the housing register. Four tiers are available to landlords offering a different level of service, including platinum, gold, silver, and bronze. Around 120 properties were utilised in the private rented sector last year and increased to 204 this year. It was agreed that further details would be circulated regarding the schemes and number of landlords the service work with.
- Private rented schemes have eligibility requirements, but if eligible residents are likely to secure a property quicker than waiting on the housing register. There is an expectation that individuals source potential accommodation and share the details with the housing service to liaise with the landlord to secure a tenancy.
- The housing division is allocated funding to award discretionary housing payments to bridge the gap between the local housing allowance (LHA) and rent to support residents to source accommodation in the private rented sector. The amount of support is tiered depending on need with up to LHA+35% for those with higher need and LHA+20% for lower housing need. Applicants retain their position on the housing register if they are active whilst support is being provided in the private rented sector as this is not perceived to be a long-term solution.
- Demand on the housing register is highest for 2bedroom properties,

followed closely by 3bedroom properties. National bedroom standard criteria is followed to identify bedroom need for applicants.

- The housing register is able to respond to demand and level of need but does not account for urgency of need. Direct allocations form part of the housing allocations policy and enable complexity and urgency of an application to be considered. Around 80% of direct lets for families is to prevent homelessness.
- Applicants can refuse three properties before removal from the housing register. Homelessness legislation is different, and refusal of a suitable property could cease the authority's duty and impact banding priority.
- Tenants can mutually exchange properties but will depend on criteria required to be met to successfully proceed.
- Advice is provided to applicants when they join the housing register about alternative solutions and average wait times which is updated on the website. It was agreed that consideration be given to the communication to applicants to share information whilst managing expectations.

The Chair invited the representative from the tenants and leaseholders forum to comment on the discussion and it was noted that management cases are included in the band 1 criteria for the housing register.

AGREED:

- The Commission noted the report.
- Additional information be circulated to Members.
- Consideration be given to communication with applicants on the housing register.

55. TENANCY SUPPORT

The Director of Housing introduced the item, highlighting the role of the Housing Revenue Account to fund services that provide support to tenants who live in council properties to enjoy their lives.

The Head of Service presented the report, and it was noted that:

- There are around nineteen thousand council tenancies in the city and a key responsibility as a social landlord is to provide support to tenants and prevent homelessness where possible as set out in a national tenancy standard which is monitored by the ombudsman and housing regulator.
- More residents are being identified with complex needs although not all council tenants require the support from services as they may be able to manage independently or have a support network. This enables services to be targeted to tenants.
- Support is provided to tenants by officers from various teams, including homelessness, tenancy management, support for tenants and residents (STAR), and income management.

- A homelessness assessment will be carried out for tenants who present as homeless or at risk of homeless and enable officers to identify whether an individual may require support. Risk assessments and sensitive information can be considered to establish whether an individual may need a direct let to ensure suitable accommodation to settle and sustain their tenancy and meet their needs.
- The housing service undertake visits within six weeks of a tenant moving into a property and can identify whether tenancy support is required. Referrals for support can also be made by officers throughout the tenancy, such as when visiting a property to complete a repair. Other organisations such as the police or health services may identify needs. Housing officers usually provide initial support and oversee the case to identify the appropriate support services are provided to the tenant, although not all tenants are willing to receive support and there may be pressures in services that delay support.
- Welfare visits are undertaken by housing officers, 1,500 visits were conducted between April 2022-23. Tenants identified to require support will be supported by STAR to ensure individuals are able to build confidence in order to sustain their tenancy and prevent homelessness. Between April 2022-23, over one thousand referrals were received and STAR supported 987 cases.
- STAR AMAL support refugees, including Syrian, Afghan and Ukrainian individuals.
- Funding has been secured for a drug and alcohol team and trainer accommodation will be provided to support individuals to build life skills and confidence to sustain their own tenancy. A consistent supported housing offer is also being developed with the appointment of a supported housing manager.
- The income management team includes eight rent advisors to support vulnerable tenants. Last year the team received 938 referrals – much higher than previously which correlated to the cost-of-living crisis. The team proactively work with tenants to collect rent through repayment plans and identify eligible benefits to maximise income for tenants. Rent arrears last year reduced by £206k.

The Commission endorsed the good work of tenancy support service. In response to questions and comments from Members, it was noted that:

- Tenants may receive support from a temporary accommodation officer or a transitions worker whilst they are homeless but if longer-term support is required their case will be passed to the STAR team when resource is available.
- There are over 30 officers within the STAR team and additional officers supporting refugees. Support is targeted to tenants with the most needs - officers currently have around 20 cases each but additional supported housing is being explored to allow tenants to be appropriately supported and enable STAR officers to support other residents.
- The STAR team is funded through the HRA whereas the STAR AMAL team is funded by the general fund or government grants. Temporary accommodation officers primarily support homeless services and

therefore funded by the general fund.

- Five teams operate across the city within STAR and officers utilise multi-use centres such as Beaumont Leys Library.
- There are pressures across the housing division including the HRA and other services such as homelessness. An uplift to support homelessness is proposed and is due to be discussed at Overview Select Committee on Thursday 11 January.

AGREED:

- The Commission noted the report.

56. HOUSING REVENUE ACCOUNT BUDGET (INCLUDING CAPITAL PROGRAMME) 2024/25

The Director of Housing presented the report in which it was noted that:

- The Housing Revenue Account Budget is associated to the income generated through rent and service charges for around nineteen thousand council homes in the city. It is a legal requirement that the income generated be ringfenced to be spent on services for council property tenants and that the account must balance.
- Around £100m is generated through rent and service charges each year but a £10m budget pressure exists relating to pay inflation, running costs, loss of income through the Right to Buy scheme and other pressures as outlined in the report.
- To ensure the HRA budget can balance in 2024/25 it is proposed that core rent be increased to its maximum CPI+1% and the capital programme be suppressed.
- The proposed rent increase equates to 7.7% which on average will be a £6.58 per week higher and an overall average rent of £85.48 which remains the lowest rent in the city and surrounding area. A lower percentage increase in core rent would create a shortfall and consequently prevent programmes of work and investment to be reduced to balance the budget. Other proposed increases to rent include garage rent by 7.7%, hostel and service charges by 5%, and Gipsy and Traveller plot rent by 5%.
- A reduction to charges for tenants and leaseholders is proposed for waylighting by 10% due to a fall in electricity costs. District heating charges are also proposed to be reduced given forecasted lower gas costs – for properties with metres, fixed costs will reduce by 24% and variable costs by 29%. The annual charge to properties supplied by the district heating system without a metre will also see an average reduction of 9.4%.
- The proposed capital programme for 2024/25 is £25.86m, including £15m for investing in new council homes and £10.86 to improve housing stock. Budgets will be increased for capital programmes such as kitchen and bathrooms, boiler replacements, re-wiring properties, re-roofing, soffit and facias as well as disabled adaptations.

- A £0.9m unallocated reserve is forecasted but due to ongoing pressures it is proposed not to utilise it for the 2024/25 budget.
- The tenants and leaseholders forum have been consulted on the proposals who acknowledged them to be fair given the financial pressures and to ensure the capital investment and delivery of services can be maintained.
- Further discussions will be held with members at the Executive and Overview Select committee before Full Council.

The Commission expressed their concerns with the proposed increased rent charges to tenants but acknowledged the difficult financial situation to ensure the budget can balance whilst providing services and investing in housing stock.

In response to questions and comments from Members, it was noted that:

- Around 60% of council tenants receive housing benefits that will increase in line with the proposed rent charges. The income management team proactively work with tenants to maximise income and identify sustainable and affordable repayment plans if they find themselves in financial difficulty. Receipt of rental income remains on track to be almost 100% with few evictions that are usually associated to abandonment and refusal to engage with the income management team.
- The increase to rent is proposed to come into effect in the new financial year, 1 April 2024.
- The capital programme is utilised to acquire and build new council homes. The service will also continue to bid for eligible government grant schemes to maximise funding to increase housing stock to alleviate pressure on the housing register and generate rental income for the HRA.

The Deputy City Mayor for Housing and Neighbourhoods noted that other housing services are also delivered through the general fund and agreed to liaise with the Chair to ensure the Commission are able to scrutinise the HRA and wider budget moving forward.

The Chair invited the representative from the tenants and leaseholders forum for comments in which it was noted that the forum had been consulted on the proposals and overall in support. The Commission and Deputy City Mayor for Housing and Neighbourhoods expressed thanks to the Forum for their vital contribution and engagement.

AGREED:

- The Commission noted the report.
- The Chair to liaise with the Deputy City Mayor for Housing and Neighbourhoods and Director of Housing to determine how the Commission can scrutinise all budgets for housing services moving forward.

57. WORK PROGRAMME

The Chair encouraged Members to share items of interest for consideration on the work programme.

58. ANY OTHER URGENT BUSINESS

There being no further business, the meeting closed at 19.46.