



Leicester  
City Council

Minutes of the Meeting of the  
HOUSING SCRUTINY COMMISSION

Held: MONDAY, 11 JANUARY 2021 at 5:30 pm

P R E S E N T :

Councillor Westley (Chair)  
Councillor Nangreave (Vice Chair)

Councillor Gee  
Councillor O'Donnell

Councillor Pickering  
Councillor Willmott

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**108. APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor Aqbany.

**109. DECLARATIONS OF INTEREST**

The Chair declared an interest in item 7 “Housing Revenue Account 2021-2022 – Consultation” as members of his family lived in Council accommodation.

The Vice-Chair declared an interest in item 7 “Housing Revenue Account 2021-2022 – Consultation” as her partner lived in Council accommodation.

Councillor Pickering declared an interest in item 7 “Housing Revenue Account 2021-2022 – Consultation” as she lived in Council accommodation.

In accordance with the Council’s Code of Conduct, these interests were not considered so significant that they were likely to prejudice the Councillors’ judgement of the public interest. They were not, therefore, required to withdraw from the meeting.

## **110. MINUTES OF THE PREVIOUS MEETING**

AGREED:

That the minutes of the meeting of the Housing Scrutiny Commission on 23 November 2020 be confirmed as a correct record.

## **111. PETITIONS**

The Monitoring Officer reported that there were no Petitions, in accordance with Council procedures.

## **112. QUESTIONS, REPRESENTATIONS OR STATEMENTS OF CASE**

The Monitoring Officer reported that there were no Questions, Representations or Statements of Case, in accordance with Council procedures.

## **113. COVID-19 IMPACT - UPDATE**

The Director of Housing gave a verbal update in order to provide the most up to date information to members on the impact of the Covid-19 pandemic.

He commented on the recent award of funding and the launch of the 'Rough Sleepers Next Steps Strategy' which would be utilised to combat homelessness and other related issues arising from the Covid pandemic, including increased availability of temporary accommodation.

The continuing work with partners, involving outreach work with the homeless had been enhanced in view of the winter arrangements and 'project pathway'. It was also noted that around 100 occupants had been moved from Bed and Breakfast accommodation to more permanent accommodation and that there had been ongoing new demand for services who would also need temporary accommodation.

The initiative to increase support and the positive ambition to offer secure solutions was welcomed.

The Chair asked that the Commission's thanks and appreciated be recorded to all those concerned with the bid and the ongoing work following the launch.

In response to questions the separate allocations, including short-term and long-term revenue and capital funds were clarified. Support to complex cases at individual units was also explained, as some issues had been reported to Ward members. It was recognised that cases required proper assessment prior to more permanent accommodation being offered.

The purpose of the strategy was to ensure that rough sleepers were offered temporary accommodation at an early stage and the suitability of ongoing support and accommodation options required a longer timeframe.

The Director of Housing also confirmed details of the ongoing monitoring of the issues and the suitability of accommodation, leading to enhanced working arrangements with the police, landlords, hoteliers and their staff, tenant groups and other partners. The need to ensure adequate security and management of the accommodation was highlighted and the enhanced engagement with landlords was particularly welcomed.

It was confirmed that the joint procurement of service to assist the psychological issues arising from the pandemic continued to be discussed with the Clinical Commissioning Groups. This was welcomed and it was expected that progress could be made in the near future.

The update was noted.

#### **114. HOUSING REVENUE ACCOUNT 2021-2022 - CONSULTATION**

The Director of Housing and the Director of Finance submitted a report, which asked the Commission to consider the proposed Housing Revenue Account (HRA) budget for 2021/22. It was confirmed that the draft report to Council, which was attached as an appendix, would be considered in February 2021.

The Director of Housing reported that the financial landscape of the four-year period from 2016 to 2020 was dominated by the government requirement that rents be reduced by 1% each year. Despite this pressure, it was noted that the HRA delivered balanced budgets.

It was reported that for the 5 years from 2020, rents were permitted to increase by up to CPI+1% and that whilst this relaxation helped to sustain a financially viable HRA and support investment in the housing stock, the continuing impact of Right to Buy (RTB) sales on rental income persisted.

The Commission was asked to;

- i) Note the financial pressures on the HRA and comment on the proposals for delivering a balanced budget;
- ii) Note the comments from the Tenants' and Leaseholders' Forum; and
- iii) Note rent and service charge changes for 21/22 as follows:
  - 1.5% increase to core rent;
  - 1.5% increase to garage rent;
  - 2.0% increase to service charges;

To provide further context, the Director of Housing referred to detailed information in the appendixes attached to the report to Council, including the comparison of council house rents to private rents in the city.

It was also clarified and emphasised that 60% of the council's current tenants would not be affected by any rent increase, as they were in receipt of Universal Credit or other benefit. The average rent increase would only be £1.11 a week.

A breakdown of capital items was submitted and explained, with the continued investment in stock and the significant programme of Council House building /acquisitions being noted. The changes within the capital programme were summarised, and it was noted that the housing team worked closely with the Council's energy team in the delivery of the de-carbonisation agenda. Work with DeMontfort University in relation to ongoing research in this area of activity was also noted.

The Chair thanked the Director for his report and asked the Assistant City Mayor (Housing and Education) to comment. Councillor Cutkelvin stated that the achievement to deliver a balance budget year on year was remarkable, particularly alongside ongoing financial pressures and stated that the money from this increase goes straight back in to investing in properties. Cllr Cutkelvin reiterated that 60% of the most vulnerable tenants being unaffected. She also commented on the effect of Covid-19 on the service. In conclusion Councillor Cutkelvin emphasised that income from the HRA was utilised within the department, with expenditure in the capital programme being invested in property improvement, including access to the STAR Service.

In response to comments, Councillor Cutkelvin also reiterated that the 40% of tenants facing a rent increase were also considered to be vulnerable, but that the most vulnerable would be unaffected. The issues of 'in-work poverty' becoming a greater issue and the increased use of foodbanks and additional external support was recognised.

Councillor O'Donnell suggested that the effect of rent increases on full-time workers with already stretched family budgets would be significant and should have received greater reference and consideration.

Councillor Willmott supported the view that the 40% affected would find the increase hard to find in family budgets. He also commented on the investment proposals and advised that he was not convinced of the requirement to invest further in IT provision, or to accelerate the work being undertaken in relation to climate change. He informed the Commission that if these items were removed from the programme, or had reduced ambitions, the recommended rent increase could be reduced to 1%.

The Director of Housing was asked to respond. He reminded the Commission that should there be no increase approved over 1% then this would impact on potential for further investment in the housing stock and the budget would be required to be balanced. It was highlighted that rent increases could not be made retrospectively, and the investment capability would be permanently lost.

The Chair then commented on the severe impacts of the governments decisions and he thanked officers for their efforts in delivering a balanced budget year on year. He advised that he supported the recommendation

adding that some tenants' representatives supported the proposed level of rent increases to ensure that future repairs and maintenance could be undertaken on the stock.

In conclusion the Commission noted the response circulated from the Tenants and Landlords Forum as part of the consultation.

**AGREED:**

That Council be informed that this Commission supports the budget for 2021/22 being set as a balanced budget, with a core rent increase of 1.5%.

#### **115. ANTI-SOCIAL BEHAVIOUR SERVICE OFFER PROPOSAL**

The Director of Housing gave a verbal update in order to present the most up to date information to Members, in particular in respect of the continuing consultation with tenant representatives.

It was reported that the proposal required further consideration by the Tenants and Leaseholder Forum and would therefore be submitted to the next Housing Scrutiny meeting.

The Chair commented on the unfortunate delay. It was confirmed that the previous funding proposals remained one of the aspects for future discussion and agreement with the Forum, and that other significant changes remained outstanding. It had not been considered appropriate to submit a report to the Commission before that agreement.

It was expected that a further meeting with the Forum would be convened shortly, with an update being submitted to the next meeting of the Commission.

The update was noted.

#### **116. WORK PROGRAMME**

The Commission's Work Programme was submitted for information and comment.

The items relating to future ecological and IT strategies arising from the previous discussion concerning the HRA consultation would be added.

**AGREED:** That the Work Programme be noted and update accordingly.

#### **117. CLOSE OF MEETING**

The meeting closed at 7.00pm.