



Leicester
City Council

Minutes of the Meeting of the
HOUSING SCRUTINY COMMISSION

Held: TUESDAY, 7 JANUARY 2025 at 5:30 pm

P R E S E N T:

Councillor O'Neill - Chair

Councillor Bajaj
Councillor Gregg
Councillor Modhwadia

Councillor Gopal
Councillor Halford
Councillor Waddington

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In Attendance

Deputy City Mayor, Councillor Cutkelvin – Housing & Neighbourhoods

108. WELCOME AND APOLOGIES FOR ABSENCE

None were received.

109. DECLARATIONS OF INTERESTS

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

110. MINUTES OF PREVIOUS MEETING

The Chair highlighted that the minutes for the meeting on 12 November 2024 were included within the papers and asked members for comments.

AGREED:

- It was agreed that the minutes of the meeting held on 12 November 2024 were a correct record.

111. CHAIRS ANNOUNCEMENTS

The Chair invited Members of the commission to attend a site visit to the development on Saffron Lane.

112. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE

Mr N. Patel asked the following question:

“Hospital close in Evington has been a ghost town for over 5 years, filled with antisocial behaviour and fly tipping. Whilst there is a housing crisis within the city why is the council not prioritising completing the property ready for tenants? Can we have an update and a concrete deadline for this project please?”

The Director of Housing responded that:

- The property had been empty for far too long. It had been empty since before it was purchased by the council.
- Finance had been set aside from previous budgets for this project.
- Security for the site had been provided by the contractor at no cost to the local authority, and since the security had been in place there had been no reports of anti-social behaviour.
- The properties were in a state of neglect, so they have had to be made of an acceptable standard, all necessary surveys had to be conducted and the relevant planning permissions gained.
- There was 2 distinct phases to this project. The first of the family homes were to be ready for occupancy in March 2025. All 35 family units should be occupied by June 2025.
- Single accommodation was phase 2 due to the complexities in configuring the layouts to ensure suitability.
- The contract for phase 2 was much harder to secure but the first of the single accommodation should be ready March 2026.
- Contractors had been working hard to meet timescales. Separate contractors were used for specific aspects such as roofing to speed the process up.
- A bid had been placed to the Warm Homes Social Housing Fund to ensure the properties were as green as possible.

The Deputy City Mayor for Housing, Economy and Neighbourhoods commented that there have been many factors that have created additional barriers which had held this development up and it had been frustrating for residents and officers.

The Chair thanked Dr Patel for his question.

113. PETITIONS

It was noted that none had been received.

114. HOUSING REVENUE ACCOUNT BUDGET (INCLUDING CAPITAL PROGRAMME) 2025/26

The Director of Housing introduced the item, and it was noted that:

- Positively it was a balanced budget.
- The suggested rent increase was the maximum of 2.7% which equated to an average increase of £2.49 per week. Any increase below this level would have created a shortfall in the budget meaning cuts would have had to be made to the budget.
- Gypsy and traveller rent increase was higher as this had to fund itself.
- The service charges were only covering the cost of the services.
- The forecasted price of gas was significantly lower, so a reduction had been proposed to reflect this for those on meters.
- Properties with no meter have had a proposed reduction of fixed charges by 26%.
- The capital budget included £30 million for new housing. Pg 22 of the agenda pack gives a full breakdown of this.
- A consultation with tenants occurred which utilised online resources and 2 days of face-to-face responses. This had a good response rate, and the majority of tenants supported all proposals. The outcome of those who supported the rent increase compared to those who did not was a close call, however.

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

- There are 37 Gypsy and Traveller households split across 3 sites. The main site had 21 units. The rent increase was higher due to the account not sitting in the Housing and Revenue Account, meaning it needed to be self-funding. Any increase below 4% meant it would not cover the costs incurred.
- The Gypsy and Traveller Team supported the community. Most of the households received housing benefit, and this would cover the increase.
- There was a waiting list for the sites due to the quality of them and the support received by households on them.
- The service charge rise of 1.7% had increased in line with inflation to cover increased running costs. If the charge was not increased, there would have to be a reduction in services offered.
- There have been some miscommunications around meter installations. The meters weren't compulsory and if residents are not answering or say no, they have not been installed. However, most residents are making significant savings when they have moved to a meter.
- Where savings have not been made or high use is identified, officers have investigated to establish why and provide advice and support to tenants and leaseholders to help address this.

- The move to meters had been a success and the topic may want to come to the commission. The biggest issue faced was misinformation and communication.
- It was important to acknowledge that to reduce bills, it may mean changes were needed in behaviour.
- If there had been instances where meters had been thought to be faulty reported to Councillors, Councillors should take contact details so it can be addressed.
- It was important to highlight that the evidence had demonstrated that the vast majority of bills had reduced following the installation of a meter.
- The Income Management Team had demonstrated excellence in supporting tenants, maximising incomes and providing help in accessing services and schemes which had assisted tenants.
- The team collected 99% of rent, with only 7 evictions last year. There were 5 evictions in the previous year. Although classed as evictions, there were often instances where the property had been abandoned opposed to an eviction.
- 60% of tenants were on housing benefit so the increase would be covered. 10% of tenants were on partial housing benefit so will also be covered. The team had been working closely with the other 30%.
- The £30 million was to have covered the cost of a mixture of new builds and acquisitions to provide more homes.
- There had been over 750 applications for Right to Buy since changes had been announced by Government before the scheme change. The service had to estimate how many sales are likely to complete so it could be factored into the budget.
- Some Right to Buy receipts were unlikely to complete due to forms not being completed adequately.
- Due to the large number of applications, the time frame for responses was unclear but housing officers were to find out more from the corporate team responsible if addresses were provided for individual cases by Councillors.
- The increased number received was likely to have a negative impact initially, however it was hoped that because of the discount changes that there would be a slowing in applications which may protect the budget moving forward.
- To protect the Housing Revenue Account, all Right to Buy's would have had to cease.
- There had been a consultation ongoing by the Government on Right to Buy.
- Social housing demand means that both new builds and acquisitions had been required. The extent of new builds had been constrained by the industry surrounding house building.
- Alternative construction methods had been constantly reviewed and the most suitable methods were considered on a site-by-site basis.
- In relation to the block of flats, The Leys, procuring contractors had been difficult for renovating accommodation. The procurement failed twice which had meant that alternative methods were considered.

Proposals on a larger scheme had been taken forward following consultation with ward councillors that it was what was needed and wanted in the area and would have more success in attracting a contractor.

Agreed:

- The Commission noted the report.

115. DRAFT GENERAL REVENUE BUDGET AND CAPITAL PROGRAMME 2025/26

The Head of Finance presented the item which focused on the strategy for balancing the council budget over the next 3 years. It was noted that:

- The financial outlook was the most severe the council had ever faced.
- This financial challenge stemmed from a decade of austerity, as well as recent cost pressures that had not been matched by corresponding grant income.
- Following the Chancellor's budget in October 2024, further budget constraints had been anticipated.
- Some authorities had issued Section 114 notices, and the budget strategy had aimed to avoid this and ensure financial sustainability until at least 2027/28.
- The council's financial strategy had 5 strands:
 1. Releasing one-off funds totalling £110m to buy time.
 2. Reducing the approved capital programme by £13m
 3. Selling non-residential assets to secure an additional £60m.
 4. Constraining growth in those statutory services under demand-led pressure.
 5. Making ongoing savings of £20m per year in the revenue budget.
- The financial strategy was heavily reliant on one-off funds and additional savings would be required after the first three years.
- Risks, such as government policy changes, must be considered, and with one-off monies being used, ongoing savings were critical.
- The strategy reflects estimates of 2025/26 government funding, since the Finance Settlement was not available when the report was written.

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

- The draft Local Government Finance Settlement had been received, and officers were digesting the detail.
- Whilst the settlement appeared to provide slightly more funding than expected, this did not affect the overall financial situation or alter the direction of the strategy.

Regarding the rationale for the figures quoted under the 5 strands, it was noted that:

- The capital programme had been financed through various means. £90m is the maximum amount of the 'capital fund' which had accumulated over previous years.
- The £13m reduction in the capital programme followed a full review of all uncommitted budgets and represents the maximum reduction from areas that were not of the highest strategic priority. Any deviation from the current strategy could undermine the ability to navigate the next three years.
- To realise the £60m one-off funds, the council had various assets/buildings currently used for commercial purposes or underutilised pieces of land etc. which could be disposed of, without impact on services or the community.
- Asset sale had to be considered strategically, considering the value of assets, potential future uses, loss of income etc.
- Directors and the Executive were working on ways to achieve the £1m savings target from housing.

Agreed:

- The Commission noted the report.

116. DISTRICT SERVICES

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

- The city was divided into 3 districts, each managed by a District Manager.
- The profile of tenants had changed significantly in recent years with many people having had multiple needs and requiring additional support.
- The vision of the service was to help tenants sustain successful tenancies.
- Many different functions were carried out by the service.
- In 2023/24, Housing Officers completed 927 first visits and 1500 welfare checks. Housing officers had a varied role due to the needs of tenants.
- There had been an increase in complaints related to domestic abuse and food poverty concerns. The team had been working with public health and domestic abuse services to ensure delivery of key services.
- The STAR service had been crucial in bringing in other services to support tenants in sustaining their contracts.
- Within the STAR team is the STAR AMAL, which had been set up to resettle Syrian refugees.
- Next steps included improving customer care, fire safety, communal work and carrying out some environmental projects.
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In response to questions and comments from Members, it was noted that:

- The report demonstrated positive work.
- Fly tipping had been found to be most prevalent in areas of council housing.
- There had been confusion around the role of City Warden and Estate Wardens and the responsibilities that each had. It was established that Estate Wardens did not hold enforcement powers.
- Photos from a patch walk showing fly tipping were shared with the Head of Service.
- Customer engagement exercises revealed that some residents prefer direct contact to other forms of IT-related communication.
- Housing Officer roles had evolved to them being field-based and first responder to issues, meaning they were not able to answer a phone at a desk as had been done historically.
- The Council had been exploring better ways of facilitating communication and engagement with residents such as 'pop up' housing offices.
- The goal had been for people to engage directly with the appropriate service.
- Tenants can contact the council through customer services or the emergency repairs line if needed.
- The numbers of calls received by the service had remained static, but the workload had increased due to the complexity of cases.
- Continued work has occurred on developing specialist housing to meet tenants needs.
- Working with ward councillors would be important in communicating the 'pop up' offices to generate engagement from tenants. It was hoped that this move will be refreshing for the tenants hoping for more direct contact following the move to online services.

Agreed:

- The Commission noted the report.
- A housing officer was to attend Belgrave ward meeting.

117. WORK PROGRAMME

The Chair noted that any suggestions made during the meeting were to be added to the work programme.

118. ANY OTHER URGENT BUSINESS

There being no further business, the meeting closed at 19.13.