

Minutes of the Meeting of the
HOUSING SCRUTINY COMMISSION

Held: MONDAY, 10 JANUARY 2022 at 5:30 pm

P R E S E N T :

Councillor Westley (Chair)
Councillor Chamund (Vice Chair)

Councillor Ali Councillor Aqbany
Councillor Byrne Councillor Gee
Councillor Rahman

In Attendance:

Councillor Cutkelvin – Assistant City Mayor (Housing and Education)

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Prior to the commencement of the formal business of the meeting, the Commission observed a minutes silence in reflection of the recent sad loss of Councillor Govind.

58. APOLOGIES FOR ABSENCE

There were no apologies for absence.

59. DECLARATIONS OF INTEREST

The Chair declared an interest as members of his family lived in Council accommodation.

The Vice-Chair declared an interest as a member of her family lived in Council accommodation.

Councillor Aqbany declared an interest as members of his family lived in Council accommodation.

Councillor Byrne declared an interest 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. The Members were not, therefore, required to withdraw from the meeting.

60. MINUTES OF THE PREVIOUS MEETING

The Assistant City Mayor (Housing and Education) advised that in respect of the Empty Homes Update item, the enhanced legislative powers would be 'welcomed' and not 'expected' as recorded in the Minutes.

AGREED:

That subject to the above clarification, the Minutes of the meeting of the Housing Scrutiny Commission held on 29 November 2021 be confirmed as a correct record.

61. CHAIR'S ANNOUNCEMENTS

The Chair referred to the attendance of Jerry Connolly (Scrutiny Policy Officer) following a period of absence, having recovered from serious illness. Jerry was welcomed back to his role in supporting the work of the Commission and thanks were expressed to Francis Connolly (Scrutiny Support manager) for his work during Jerry's absence, on the Anti-Social Behaviour Review, which would be disused later on the agenda, and on the wider work of the Housing Scrutiny Commission.

The Chair also commented that in respect of the call in of the decision to acquire a portfolio of properties that will increase the Housing Revenue Account stock by 371 units of accommodation, this was submitted to Overview Select Committee (OSC) on 16 December 2021. It was reported that OSC did not require the Council to take any further or different actions than those already considered by the Executive and this Commission. The Chair welcomed that outcome.

62. PETITIONS

The Monitoring Officer reported that no Petitions had been received, in accordance with Council procedures.

63. QUESTIONS, REPRESENTATIONS OR STATEMENTS OF CASE

The Monitoring Officer reported that no Questions, Representations or Statements of Case had been received, in accordance with Council procedures.

64. TENANTS' AND LEASEHOLDERS' FORUM ACTION AND DECISION LOG

The Tenants' and Leaseholders' Forum Action and Decision Log from the meeting held on 25th November 2021, was submitted for information and comment.

The Chair expressed his thanks to the tenant representatives and officers for the report and it was acknowledged that a number of issues would be submitted to the Commission in due course, either directly or through separate reports as they develop.

AGREED:

That the actions and decisions arising from the Tenants' and Leaseholders' Forum meeting held on 25th November 2021 be received and noted.

65. TENANCY AND RENT SUPPORT

The Director of Housing submitted a report, which outlined the support offered and provided to Leicester City Council and HomeCome tenants. It was reported that support was provided by Homeless Services to applicants prior to a tenancy being offered.

The Tenancy Management and STAR service provided support to tenants usually once they were in their tenancy, to help them sustain and maintain their accommodation.

The Income Management Team (IMT) supported tenants in paying their rent and claiming benefits in order to help them sustain their tenancies.

In respect of income management, it was noted that arrears prevention was a top priority for IMT, and staff were highly trained in a range of areas including Welfare Benefit regulations, the legal framework for rent recovery and the sensitive approaches to debt collection.

It was reported that in preparation for a Rent Management Advisor pilot scheme, staff had undertaken specialist training, delivered by external partners which supplied them with the right skills and knowledge to enable them to support Council tenants. A procedure for the pilot was also designed to help provide a framework and outlined responsibilities and expectations. For each referral a support plan had been designed which mapped out the support required and timescales to deliver the actions. This could only be designed for those tenants that engaged with the service.

The Chair asked the Assistant City Mayor (Housing and Education) to comment. Councillor Cutkelvin advised that she did receive regular updates, and that individual cases were often considered to ensure that appropriate action was taken.

It was noted that the levels of need and complexity of cases were increasing, due to austerity and the international pandemic. Tenants' job insecurity and isolation had meant that it was difficult for some individuals to receive external support, leading to the service being under increased demand and pressure.

In response to questions from Commission members, it was confirmed that the changes in staffing and responsibilities had allowed for the IMT to be best placed to deal with income collection. The STAR service had seen the demand and number of cases increasing and dealt with the most vulnerable and more complex cases. The assessment criteria was defined, which demonstrated the prioritisation policy to ensure that people in need did receive help, despite the ongoing housing shortage.

The Chair referred to the increasing support needs and access to services to cope with living independently, and that social housing was prioritised and allocated to applicants in the greatest housing need. It was noted that there were now more vulnerable people being rehoused from challenging backgrounds and that the profile of tenants has changed with people often having multiple support needs. It was also acknowledged that with the 'Everyone in Initiative' there had been an increase in people being re-housed who had complex needs.

It was suggested by the Chair that the Tenancy Support Procedure be scheduled as an update report to the Work Programme.

AGREED:

That the report be noted and update on the Tenancy Support Procedure be added to the Work Programme.

66. HOUSING REVENUE ACCOUNT BUDGET (INCLUDING CAPITAL PROGRAMME)

The Director of Housing submitted a report, which described the City Mayor's draft Housing budget for 2022/23, prior to consideration at Full Council on the 23 February 2022.

It was reported that the financial landscape of the four-year period from 2016 to 2020 had been dominated by the Government requirement that rents be reduced by 1% each year. Despite this pressure, the HRA delivered balanced budgets.

It was noted that for the 5 years from 2020 rents the Council are permitted to increase by up to CPI+1% and whilst that relaxation would help 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 Chair commented on the Government's policy and referred to the increased pressure on tenants, including rising cost of living expenses, fuel prices and inflation, leading to increased poverty.

The Assistant City Mayor (Housing and Education) was invited to comment.

Councillor Cutkelvin referred to the difficult outcome and reluctance to propose a 4.1% rent increase and stated that this had been the third year that such difficult and challenging decisions had been necessary, due to Government policy. In terms of consultation with the Tenants and Leaseholders Forum it was confirmed that although not in favour of the proposed core rent increase, there had been no suggestions or proposals of reduced services to allow for a reduced rent increase. This situation was acknowledged by Commission members and would be explained further in the pending presentation to be given by the Director of Housing.

The Director of Housing then gave a presentation, which identified a proposed core rent increase of 4.1% and confirmed previous increases in 2020/21 of 2.7% and in 2021/22 of 1.5%. It was noted that this was an average rent increase of £3 per week. In this regard the Director of Housing pointed out that 50% of tenants were on full Housing Benefit / Universal Credit (HB / UC), and 20% of tenants were on partial HB / UC.

The ongoing significant provision offered to ensure tenancy sustainment support through the Income Management Team, Rent Management Advisors, Housing Officers, welfare visits and ASB, STAR and Discretionary Housing Payments were welcomed and noted.

The tenure comparison with the average rents nationally and with other East Midlands Authorities were presented and it was noted that Leicester's position remained favourable as one of the most inexpensive authorities.

In terms of the equivalents and reduction in the proposal to 3.1% were described and it was noted that this would result in a loss of £675k to the HRA each year, with a total loss of £22m in 30 years.

It was reported and noted that the impact could be:

- 85 fewer new roofs each year, or
- 125 fewer kitchens and bathrooms each year, or
- 250 fewer boilers per year, or
- 17 less repairs operatives, or
- 15.5 less Housing Officers

The impact on garages, service charges and hostel rents and the district heating charges were also reported, it being noted that over 2,400 tenants and 800 leaseholders were on the district heating scheme. A considerable increase in energy wholesale prices nationally with a 20% increase in energy bills, due to advanced purchasing proposed 7.29% increase for district heating charges was proposed, with an average increase of £1 per week to tenant's bills.

In terms of the proposed changes to the Capital Programme the budgets concerning kitchen and bathroom replacements, boiler replacements and window and door replacements were noted.

Further projects concerning door entry system upgrades (to be suspended) district heating maintenance and communal and environmental works were described and accepted. In respect of future works and projects into 2022/23, details were provided of adaptations for incoming tenants, fire risk work, property conversions and extensions, affordable Housing Programme, and the Dawn Centre reconfiguration.

As reported previously by the Assistant City Mayor (Housing and Education), the Tenants Forum feedback had suggested that the proposed rent increase of 4.1% was too high, although support was given the proposed Garage (4.1%) and service charges (2%) increases. To mitigate a lower rent increase, it had been suggested that garage rents could be increased.

The Director of Housing provided details on the minor impact this would have, given the number of garages in the Council's ownership, compared to the much greater housing stock.

In concluding the presentation, it was confirmed that the report would be submitted to Overview Select Committee on 10 February 2022, prior to Full Council on 23 February 2022.

Councillor Byrne left the meeting at 6.20 pm and indicated her support to the recommendations to increase the rent and service charges.

Councillor Ali left the meeting at 6.48 pm and indicated her support to the recommendations to increase the rent and service charges.

AGREED:

To support the recommendation to Full Council to:

1. Note the financial pressures on the HRA and comment on the proposals for delivering a balanced budget;
2. Note the comments from the Tenants' and Leaseholders' Forum at Appendix G, the Housing Scrutiny Commission at Appendix H, and the Overview Select Committee at Appendix I;
3. Approve the Housing Revenue and Capital budgets for 2022/23;
4. Approve rent and service charge changes for 2022/23 as follows:
 - i. 4.1% increase to core rent;
 - ii. 4.1% increase to garage rent;
 - iii. 2.5% increase to Hostel rent and service charges;
 - iv. 7.29% increase in District Heating charges;
 - v. 2.0% increase to all other service charges;

5. Note the equality impact assessment of the proposed revenue and capital reductions required to present a balanced budget, at Appendix J;
6. Note that the scheme of virement (included within the General Fund Revenue Budget report which is also on your agenda) applies also to the HRA budget with total expenditure and total income acting as budget ceilings for this purpose;
7. Note that the capital strategy in that report applies also to the HRA; agree that the delegations and determinations applicable to the main capital programme (which is also on your agenda) shall also apply to the capital programme in this report.

67. FINAL REPORT OF THE HOUSING TASK GROUP: EXAMINING THE PROPOSAL TO ESTABLISH A CENTRAL HOUSING ANTI-SOCIAL BEHAVIOUR TEAM

The Chair presented the final report of the Housing Task Group “Examining the Proposal to Establish a Central Housing Anti-Social Behaviour (ASB) Team”.

He commented on the previous discussions concerning the review which arose from previous scrutiny on the proposal, where it was felt that much more detail was required for the Commission to be able to provide a viewpoint.

It was noted that previously, the Commission had made clear the requirement of officers thanks were expressed to those the staff within the Directorate and from CrASBU for the information they had provided and for their level of engagement in the work. It was noted that there was also input from other key witnesses including tenant representatives and the police and thanks were also extended to those partners.

It was reported that 11 recommendations had been formed, which would provide ongoing confidence in addressing the needs of tenants faced with ASB, and the recommendations were seen as helpful and were strongly considered for when the new structure was being finalised.

The Chair asked the Assistant City Mayor (Housing and Education) to comment

Councillor Cutkelvin reiterated thanks to those involved in and emphasised the importance of monitoring the impacts of the review’s recommendations. Reference was made to debate earlier in the meeting where the instances and reports of ASB were increasing.

The Director of Housing commented that the recommendations of the review and confirmed that the reconfiguration to ensure that services were appropriate were welcomed. In response to a question, the Director clarified that separate staff structures of CrASBU team and members of his staff.

AGREED:

That the final report of the Housing Task Group: "Examining the Proposal to Establish a Central Housing Anti-Social Behaviour (ASB) Team" be endorsed for onward submission to City Mayor Briefing

68. WORK PROGRAMME

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

a) Housing Crisis

The Assistant City Mayor (Housing and Education) asked to add the housing crisis as a future item for discussion, as it was noted that some authorities had formally declared a housing crisis and had made representations to Government. The potential for a Motion being put to Council was recognised.

b) Succession Rights

The Chair asked that an item be added concerning 'Succession Rights' and suggested that a Task Group be established.

AGREED:

1. That the Work Programme be noted.
2. That a Task Group be established to consider 'Succession Rights', comprising; Councillor Rahman (Chair), and Councillors Gee and Chamund. Other Commission members would be invited to join the Task Group in due course.

69. CLOSE OF MEETING

The meeting closed at 7.05pm.