



Leicester
City Council

Minutes of the Meeting of the
HOUSING SCRUTINY COMMISSION

Held: MONDAY, 7 NOVEMBER 2022 at 5:30 pm

P R E S E N T :

Councillor Westley (Chair)
Councillor Chamund (Vice Chair)

Councillor Ali
Councillor Aqbany

Councillor Fonseca
Councillor Pantling

Also Present:

Councillor Cutkelvin, Assistant City Mayor
Joe Carroll, Tenants' and Leaseholders' Association
Peter Hookway, Tenants' and Leaseholders' Association

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38. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Gee.

39. DECLARATIONS OF INTEREST

Members were asked to declare any interests they had in the business on the agenda.

Councillor Aqbany declared that a large number of his constituents were on District Heating.

40. MINUTES OF THE PREVIOUS MEETING

AGREED:

That the minutes of the meeting held 22 September 2022 be confirmed as a correct record.

41. PETITIONS

The Monitoring Officer reported that none had been received.

42. QUESTIONS, REPRESENTATIONS OR STATEMENTS OF CASE

The Monitoring Officer reported that none had been received.

43. RENT ARREARS REPORT (APRIL 2022 TO SEPT 2022)

The Director of Housing submitted a report providing information on the progress of steps taken to manage rent arrears during the period April 2022 to September 2022.

The Head of Service for Housing presented the item, it was noted that:

- At the end of September 2022, the cash amount outstanding from rent arrears was £2.4m, this was 5% higher than the same point last year. There was an upwards pattern for rent arrears in the September period.
- The rising cost of living was putting many tenants under increased financial pressure.
- The current rent collection rate stood at 100%.
- Currently there were 1,400 tenants who owed more than 7 weeks rent. This was a reduced value from pre-Covid.
- The total value of the top 500 arrears cases had declined by 16% when compared to the same time last year.
- 6k tenants were claiming UC and 72% of those tenants were on rent arrears.
- Housing Officers worked closely with the DWP to support employment for tenants.
- The Rent Management Advisers had received 440 referrals, 35% of those required longer-term support.
- Only 2 evictions had been carried out over the last 6 months, a significant reduction of pre-Covid numbers.
- The team supported tenants in applying for Discretionary Housing Payments. In recent months many applications were being rejected due to limited funding. Therefore, alternative sources of funding would need to be considered.
- A rise in rent arrears was expected due to the cost-of-living crisis, there was confidence in the resilience of the team regardless of this. The priority would remain early intervention.

In response to Members' questions, it was noted that:

- Given the incoming reduction in DHP, other sources of funding would be considered. The potential use of the Household Support Fund was an option.
- 2% of housing stock was currently void, many properties were void for extended periods due to needing to fix damage. Capital works were also undertaken during void periods.
- When language barriers were present, many tenants used friends and

family to translate. The Council could also provide translators. The income management team featured Officers with a variety of languages.

The Chair praised the work of the department in this area and noted that this work would get harder.

AGREED:

That the Commission notes the update.

44. HRA CAPITAL PROGRAMME AND HOUSE BUILDING UPDATE

The Director of Housing provided a presentation giving details of the HRA Capital Programme and house building.

The Head of Service for Housing presented the item, it was noted that:

- The HRA Capital Programme was responsible for property refurbishments, electrical upgrades, and other property upgrades.
- Works were decided by looking at the life cycle data of different house facilities. Legislation changes also updated housing regulations so that also informed works. Survey work was undertaken to determine if works were actually required once a life cycle was complete.
- Work was carried out by a variety of contractors who were procured or appointed via corporate frameworks.
- Projects were often a response to new legislation such as sprinkler installation. Projects also included acquisitions and demolitions.
- Various house building projects were currently ongoing.
- The work for 6 sites had been contracted to Robert Woodhead Construction who had recently gone into voluntary liquidation. A procurement plan for the sites affected was in the process of being agreed.
- A scheme was being designed for a development at the Forest Lodge Education Centre.
- The Stocking Farm redevelopment would bring 45 new affordable homes.
- The development on the Southfields Newry site would bring 50 new affordable homes.
- A delivery plan was being developed for the next 4 years, this delivery plan would be more weighted towards development whereas previous plans were focused more on acquisitions.

In response to Members' questions, it was noted that:

- The Robert Woodhead liquidation did not present a financial risk as only completed work had been paid for.
- It was hoped that the changing landscape in the construction industry would mean that there was more opportunity for more competitive

pricing.

- The Hydra Walk development was one of the sites affected by the Robert Woodhead liquidation. The work would now be carried out by a refurbishment contractor. Residents would be informed of the development.
- All new homes covered in the presentation would be affordable.
- Preston Lodge was a building of interest but the current status could not be disclosed.

AGREED:

1. That the Commission requests that Ward Councillors be briefed on developments in their areas so that they can give that information to enquiring constituents.
2. That the Commission requests that a further update be brought in 6 months.
3. That the Commission requests that Members' comments be taken into account by Officers.

45. HOMELESSNESS REVIEW 2022 REPORT

The Director of Housing submitted a report providing information on the Homelessness Review and the formulation of a Homelessness Strategy.

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

- The current Homelessness Strategy would come to an end in 2023 after 5 years. At that point a new Strategy would be launched.
- A public consultation took place between July and September taking feedback about existing Homelessness Services. 91 responses were received in total with a large number coming from the Voluntary Sector. This consultation informed the 2022 Homelessness Review on which the Strategy would be based.
- The main challenges highlighted in the review were centred around the supply of affordable and social housing. Due to this there were increased wait times for Council homes meaning longer time spent in temporary accommodation. The other key issue was the affordability of the PRS.
- Whilst there was success with getting rough sleepers off the street, there were increasing numbers of new rough sleeps still going onto the streets.
- The Council were usually unable to assist those with no recourse for public funds so other move on accommodation was needed for them.
- For ex-offenders there had been good progress with the launch of the new LLR wide protocol but there needed to be effective pathways across LLR with the upcoming opening of HMP Fosse Way.

- Work was ongoing with Public Health to undertake the healthcare needs assessment for homeless people.
- The main gaps in the Service highlighted by the consultation were on the need for more assistance accessing the PRS, the supply of temporary accommodation, and increased support for those with mental health and substance abuse issues.
- Work had begun on drafting the new Strategy. The Strategy would include an action plan. The final proposed Strategy would be brought back to the Commission after public consultation.

In response to Members' questions, it was noted that:

- The Council worked with housing associations, with vacant properties being put through the choice based letting system. Therefore, registering with housing associations was not needed for getting those homes.
- The priority for homelessness groups was getting people off of rough sleeping, therefore certain donations that sustained a street lifestyle might not be wanted. It was suggested that items such as warm clothing could be donated to foodbanks or other suitable charities.
- Over winter there would be an arrangement where nobody would need to sleep rough.
- There were arrangements to ensure quality in the private rented sector for those on the homelessness pathway. Including ensuring a minimum 12-month contract and that properties were fully checked. Landlords were also encouraged to get in touch with the Council when issues occurred with those on the homelessness pathway.
- The Government intended to reform Section 21 to stop no fault evictions. The Council supported this.
- There were pressures with staff shortages and the number of family cases.
- Tenants needed to play their part once the Council was informed of a possible conviction including potentially looking for other accommodation as part of their agreed plan.
- The Service was successful in preventing homelessness in 70% of cases.

AGREED:

That the Commission notes the update.

46. DISTRICT HEATING SERVICE CHARGES PROPOSALS REPORT

The Director of Housing submitted a report on the District Heating Service Charges proposals which included an overview of the charging arrangements for tenants and leaseholders in receipt of heating and hot water through the District Heating network and the recommendations which would be presented to Full Council for an in-year increase to service charges.

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

- The District Heating (DH) network provided a low carbon source of heat and hot water to 2500 tenants, private leaseholders, and other organisations.
- Since the last budget had been set in February 2022, gas prices had increased by 95%, this was caused by many factors including the war in Ukraine. When the budget was set only a 20% rise in prices was forecast.
- To help offset energy bills, the Government was providing a £400 rebate to all on energy bills. There was also a £150 council tax energy rebate and low-income households were also eligible for a £650 payment to assist in general with the cost of living.
- The Government energy price cap was only linked to unit price, so many would be paying more based on their energy usage.
- The HRA was legally required to be ring fenced and to be balanced. If prices were not increased there would be a shortfall on the HRA of £1.7m by the end of the financial year, extending to over £8m by 2024.
- The incoming Government rent cap would mean that a rent rise would not be able to cover the extra pressures of gas prices.
- If DH prices were not increased, then there would have to be a significant reduction in Housing Services in order to balance the HRA.
- The Council had no obligation to subsidize energy costs for private leaseholders at the expense of tenant rents.
- Therefore, an in-year DH price increase of 70% was proposed, this would lead to an average monthly price increase of £10.31 depending on the level of energy usage and the size of properties.
- The price increase for the rest of the financial year could be covered by the Government's various support.
- Even with the new price increase, DH users would still have much cheaper prices than customers on the open market.
- Other Councils such as Hull were proposing to raise their gas charges by as much as 300%.

Joe Carroll from the Tenants' and Leaseholders' Forum raised concerns about the ability of residents to pay the new prices with extra cost of living pressures. He also noted that the prices were not linked to use as there was no metering in DH properties.

Peter Hookway from the Tenants' and Leaseholders' Forum stated that he would not be happy if Housing Services were cut due to the Council subsidizing DH prices for private leaseholders and tenants on DH.

There was discussion regarding the possibility of installing meters into DH properties. It was noted that meters would be trailed in the St Peters area as it would be easier to install them there, and then once the success of that was understood the metering of other areas could be considered. It was noted that it would be very hard to install meters into certain areas due to the piping infrastructure not being compatible. It was also noted that installing meters would not necessarily lower prices for DH users and could lead to price increases for some.

The Chair stated that although a DH price rise was regrettable, the extra burden on Council tenants of cuts to Housing Services would be unacceptable.

The Chair moved that the Commission support the proposed price rises to DH, this was seconded by Councillor Pantling, and upon being put to the vote, the motion was CARRIED.

AGREED:

1. That the Commission supports the proposed price rises for District Heating.
2. That the Commission requests that comments from Members and Tenant Representatives be taken into account by Officers.

47. PRIVATE RENTED SECTOR (PRS) STRATEGY PROGRESS REPORT

The Director of Housing submitted a report providing a summary update on the implementation of the Council's Private Rented Sector Strategy objectives.

The Assistant City Mayor for Education and Housing introduced the item, noting that since the selective licensing scheme had been brought in, there had been a case of unsafe windows being highlighted to a landlord. Despite the landlord only owning 1 property in the selective licensing area, he fixed the windows across all 19 of his properties.

The Head of Regulatory Service presented the item, it was noted that:

- As part of this work, 6 high-level priorities had been identified. All of these priorities had either been implemented or were pending implementation and an action plan oversaw multiple tasks being delivered to improve the sector.
- The work took a holistic approach to both tenants and landlords.
- Since the launch of the selective licensing scheme there had been 126 applications and 4 licenses had been issued. There would soon be more communications to landlords regarding the scheme.
- If a landlord received accreditation with a landlord organisation, then they could be offered a discount on the selective licensing scheme.
- A bid for £200k funding had been put in for the Repayable Home Repair Loan scheme.
- The Draft Local Plan looked to have a clearer policy on HMOs and flat conversions.
- Work was progressing to substantially expand the Article 4 area in the city, tackling overconcentration of HMOs.
- The activity level of the Planning Enforcement team was higher than many other similar Local Authorities.
- A grant had been received to help identify low energy efficiency properties and support landlords improving that energy efficiency.
- A new online portal to support landlords was in progress, this would be

launched alongside a similar portal for tenants.

- Landlord forums were ongoing, smaller liaison groups had also recently been launched to maintain close dialogue with landlords.
- There was a dedicated Homelessness team for private sector tenants.
- Progress had been made in taking forward work to tackle non-compliant landlords.
- An overarching principle was the need for improved intelligence and monitoring in order to have more joined-up services.

In response to Members' comments, it was noted that:

- The selective licensing scheme was in its infancy but there had been no unexpected outcomes so far.
- Meetings with landlords regarding the scheme were ongoing. Despite some opposition to the selective licensing scheme, relations with landlords were generally positive.
- Pressures in the private rented sector were more related to national issues as opposed to local issues.
- The number of applications received were proportionate to the level of staffing.

Members of the Commission raised concerns about the levels of rent rises in the private sector.

AGREED:

1. That the Commission requests that the benchmarking data from other Authorities be presented to the Commission.
2. That the Commission requests that regular updates on the private sector housing team be brought to the Commission.
3. That the Commission requests that data on the Local Housing Allowance be circulated to Commission Members.

48. WORK PROGRAMME

The Chair requested that an update on empty homes be brought to a future Commission meeting.

49. ANY OTHER URGENT BUSINESS

There being no other business, the meeting closed at 8pm.