



Leicester  
City Council

Minutes of the Meeting of the  
HOUSING SCRUTINY COMMISSION

Held: THURSDAY, 11 JULY 2024 at 5:30 pm

P R E S E N T:

Councillor O'Neill – Chair  
Councillor Zaman (Vice Chair)

Councillor Bajaj  
Councillor Gregg

Councillor Gopal  
Councillor Waddington

In Attendance

Deputy City Mayor, Councillor Cutkelvin – Housing and Neighbourhoods

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**69. WELCOME AND APOLOGIES FOR ABSENCE**

The Chair welcomed new and returning members to the Commission and noted that apologies for absence had been received from Cllr Halford and Cllr Modhwadia.

**70. DECLARATION OF INTERESTS**

The Chair asked Members of the Commission to declare any interests. Cllr Gregg declared that his company look after young people, some of whom have applied council housing as care leavers.

**71. MINUTES OF PREVIOUS MEETING**

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

AGREED:

- It was agreed that the minutes of the meeting held on 12 March 2024 were a true and accurate record.

**72. MEMBERSHIP OF THE COMMISSION 2024-25**

The membership for the Housing Scrutiny Commission for 2024-2025 was noted.

### **73. DATES OF THE COMMISSION 2024-25**

The dates of the meetings for the Housing Scrutiny Commission for 2024-2025 were noted.

### **74. SCRUTINY TERMS OF REFERENCE**

The Commission noted the scrutiny terms of reference.

### **75. CHAIRS ANNOUNCEMENTS**

The Chair highlighted that in discussion with the Chair of the Public Health and Health integration Scrutiny Commission it is intended that an informal scrutiny inquiry day will be arranged to explore homelessness and the impact on health. Members across both Commissions will be invited to participate in the task group and further details of the scope and arrangements will be circulated in due course.

In response to Members comments, the Chair confirmed that the terms of reference for the task group will be shared for comment and can include mechanisms for regular check-ups for homeless individuals who may not have access to medical treatment.

The Chair reminded Members to consider their role and responsibilities as councillors and the role of scrutiny to serve residents in its capacity as a social landlord. The Deputy City Mayor for Housing and Neighbourhoods confirmed Leicester City Council as the largest landlord in the city and with the biggest housing stock of any Local Authority.

### **76. QUESTIONS, REPRESENTATIONS AND STATEMENTS OF CASE**

It was noted that none had been received.

### **77. PETITIONS**

It was noted that none had been received.

### **78. HOUSING OVERVIEW**

The Director of Housing presented an overview for the Commission, and it was noted that:

- Leicester City Council is the largest landlord with around 19.5k properties of the 145k homes in the city and is within the top twenty authorities in the country with the most housing stock.
- Council homes generate over £90m through rent and service charges with an excellent rate of income collection. The Housing Revenue Account budget is ringfenced to provide services to tenants and enable investment in housing stock and estates through the capital programme and such things as the public realm & environmental budget. Services include tenancy management, support and advice services, repairs, voids etc. The housing division also provide additional services including homelessness, rough sleeping, private rented sector support and advice as well as an empty homes team but these are not funded through the HRA.
- The ratio of council properties has significantly reduced over recent decades

due to the Right to Buy scheme and demand for affordable housing is at a record high with over 6k people and families on the housing register. The Authority is however proud to be delivering additional housing to meet need in the city, providing 1,100 new affordable homes in the last term and on track to deliver the commitment of 1,500 affordable homes throughout 2023-2027.

- The housing division receives around 5k approaches each year from individuals and families facing homelessness and has a 60% success rate with its aim to prevent people becoming homeless by continuing to remain in their accommodation. If this is not possible, temporary accommodation is provided by the Authority and the service develop a plan to find suitable permanent accommodation.
- In 2022 the Authority declared a housing crisis due to the lack of suitable affordable housing to meet demand in the city & with over 500 families and 100 individuals currently now living in temporary accommodation. Full Council recently approved £45m to deliver 225 new temporary accommodation units and 125 leased units in addition to the acquisition and new build programme to alleviate pressures of people staying in temporary accommodation for long periods.
- Leicester has established strong positive partnership working with other public sector organisations and the VCSE sector to work collaboratively to provide support and services in the city, including a strong rough sleeper outreach offer as well as homelessness and drug and alcohol services.
- Around 45k-50k of the 145k homes in the city are privately rented and the Authority has built relationships to ensure the market is driven to provide good quality and affordable homes through the development of the Private Rented Sector Strategy. The Local Housing Allowance has been adjusted nationally and should provide more opportunity for people on low incomes or benefits to acquire properties up to the thirtieth percentile of market rent in the PRS.

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

- The service aims to identify suitable properties for individuals and families to provide temporary accommodation in the locality they need for education and employment etc. The stark and sudden increase in people requiring temporary accommodation due to economic conditions and S21 notices can sometimes make it difficult to achieve but additional properties are being acquired to increase availability of stock.
- On average people remain in temporary accommodation for around four months although this can vary significantly depending on the permanent accommodation being sought and is worsening due to increasing demand. It was further highlighted by the Deputy City Mayor for Housing and Neighbourhoods that temporary accommodation is a rising trend with families in some parts of the country living in temporary accommodation for years.
- Internal resource is utilised where possible to enable voids to be brought back into use although external contractors are sometimes used. There are over 400 craft staff internally although there have been challenges with recruitment as seen consistently across the wider construction sector - although the 50 vacancies last year have now reduced to 12 vacancies.
- Declaring a housing crisis has made the need for affordable housing a corporate priority with internal processes and boards established to enable cross divisional working to review possible opportunities for increasing affordable housing stock. The viability must be considered alongside the legal parameters of what is possible as there are restrictions on how the Authority can use Right to Buy receipts.

- It is too early to determine the impact of the new government's commitment to deliver 1.5m homes as to whether they will be affordable or social, but changes have been made with the creation of the Ministry of Housing, Communities and Local Government. Leicester City Council have joined with the other top 20 largest local authorities in the county in writing to the Secretary of State and launching an interim report on demands to protect the Housing Revenue Account and influence development of homes.
- The housing register has not decreased despite investing to increase housing stock with over £150m during the last term and £200m committed for 2023-2027 as demand for affordable homes continues to grow. The people waiting in temporary accommodation are included in the numbers waiting on the housing register, and those who present as at risk of homelessness generally make an application too.
- The additional £45m approved by Full Council is being utilised to acquire properties to meet demand. The service continues to identify and assess viability to purchase properties, including recently a large building of 134 units that will serve as homes for 126 individuals and remainder for families as well as a flow of two and three bedroom property acquisition each month.
- The waiting times on the housing register varies dependent on banding and size of property. Information is regularly updated on who gets social housing and waiting lists and it was agreed that the latest information would be circulated to Members.
- Repairs to broken lifts serving council properties are generally fixed within two working days but may occasionally take longer is waiting for parts etc. The service has a vulnerable tenants list to identify if there are risks in properties and Members were encouraged to ensure tenants are known to the service and that issues with lifts not operating are reported.
- The housing allocations policy states the conditions of who is eligible to apply to the housing register. It was agreed that information would be shared with the commission on data of applications who are not eligible.
- The introduction of the selective licensing scheme has not reduced the levels of privately rented homes in the city.

It was agreed that further information could be shared and discussed with the Commission on progress of lobbying central government and the allocation of the £45m to acquire additional temporary accommodation units.

#### AGREED:

- The Commission noted the report.
- Additional information requested to be circulated to the Commission.
- Items be added to the draft work programme.

## 79. HOUSING REGULATOR

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

- A new social housing regulator was introduced in April 2024 following tragedies such as Grenfell and the death of Awaab Ishak, to inspect all providers over a four-year period to assess against new standards. The Local Authority will therefore be subject to review and assessment of all activities delivered by the Housing Revenue Account with full details of the social housing regulator included in the report.
- Social landlords will be graded following inspection and can range from C1 as

the best to C4 the worse. C1 and C2 being the social landlord is compliant, C3 requires improvement and C4 if the social landlord is in serious detriment. The regulator has new powers and if a social landlord is found to be in serious detriment can undertake direct inspections, issue enforcement notices and unlimited penalties.

- The Local Authority has and continues to work to prepare for the introduction of the social housing regulator and pending inspection. It has been challenging to undertake a self-assessment as the standards were issued in February 2024 and the regulator introduced shortly after in April 2024.
- The housing division has many strengths but has identified areas for improvement. The regulator has made it clear to social landlords that they may not be expected to be fully compliant but require improvement plans for identified areas of improvement and processes are in place to provide assurance the division can meet the standards to the Deputy City Mayor for Housing and Neighbourhoods and can be reported to the Commission if requested.

The Deputy City Mayor for Housing and Neighbourhoods further highlighted that it had taken time for the detail of some out of standards to be issued which was important to benchmark against and commence development of an action plan of learning and priorities.

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

- The Local Authority is committed to ensure properties meet the decent homes standard and is 99.5% compliant by continuing to invest in housing stock to provide quality affordable homes for future generations. The service has robust safety and standards arrangements in place with a good intelligence that stock is of a good standard overall compared with others. However, the service is not complacent in its awareness that an aging stock can result in issues and some properties are sometimes returned in poor condition.
- A robust process in place to address damp and mould in council homes and work is also undertaken as part of the private rented sector strategy to support tenants in the private sector. Generally, there has not been widespread issues with damp and mould in the housing stock, although there are a small number of properties due to their design that have had problems. A specialist team has been created to manage cases including undertaking technical inspections and required work. Members were encouraged to ensure any cases of damp and mould be referred to the service.
- Criteria is set to determine decent homes standards, including age of the building and whether it is of reasonable condition subject to time installed of bathroom, kitchens etc. The division hold data of the housing stock and use for programming capital investment.
- The installation of metres for property on district heating has generally generated significant savings for tenants. There have been some cases reported where bills are higher and a process has been put in place to inspect infrastructure and provide advice for using heating thermostats as most case relate to these types of issues. Members were encouraged to share cases with the service if tenants are experiencing higher bills.
- The regulator will be inspecting all social housing landlords, including registered providers. Members were asked to share details if regular concerns are raised about external housing providers.
- High rise building owned by the Local Authority were inspected and none were found to have cladding to require remediation. Works have been completed at

high rise buildings in the city, including the demolition of Goscote House and installation of sprinkler systems at towers in St Peters and St Leonards Court. Three high rise buildings were categorised as 'high risk buildings' and therefore required a building safety case to be submitted to the building safety inspector which is being reviewed but the service is assured on inspections by the Leicestershire Fire & Rescue Service that council owned high rise buildings are safe.

Councillor Waddington raised concerns about communication and proposed that housing enquiries from tenants, councillors and members of the public be responded to in ten working days which was seconded by Councillor Bajaj. The Chair allowed for discussion in which Members were informed of tenant engagement sessions being developed that will also facilitate Member involvement to identify different practices for communication moving forward. The Deputy City Mayor for Housing and Neighbourhoods also highlighted varying processes for enquiries to be received by the housing division and indicated that a piece of work be undertaken to determine the viability. Councillors Waddington and Bajaj continued to move the proposal and following a vote the recommendation was carried.

AGREED:

- The Commission noted the report.
- Members to be invited to participate in tenant involvement discussions.
- The Commission recommended that housing enquiries from tenants, councillors and members of the public be responded to in ten working days.

## **80. RENT ARREARS ANNUAL REPORT**

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

- The Local Authority collect around £90m from tenants in rent and service charges each year for its housing stock. As of 31 March 2024, there was around £1.97m rent arrears – 14% higher than the previous year. This is likely to have been attributed to the cost-of-living crisis but when compared to other Authorities with similar housing stock, rent arrears in Leicester was lower.
- Tenants are supported by the income management team who have been successful in collecting rent and preventing areas fully utilising discretionary housing benefits and the household support fund. Further support has been provided to tenants who may be experiencing financial difficulties with grants for fuel, water and white goods.
- The cyber incident in March was an additional challenge that significantly impacted access to IT systems and impacted rent arrears.
- The total value of the top 500 cases was 18% higher than the previous year and there had been an upward trend in people not engaging or vulnerable people needing support.
- The migration to Universal Credit is expected to impact around a further six thousand tenants and is a possible challenge forecast for this year. The team continue to successfully work with vulnerable tenants with the highest arrears and will ensure tenants are in receipt of eligible benefits in a timely way as part of the migration to Universal Credit.
- The Local Authority has trusted partner status with the Department for Work and Pensions to secure alternative payments for vulnerable tenants and if identified to be struggling to seek support of the DWP quicker.
- Seven evictions were carried out during 2023/24 for non-payment of rent which

- is much lower than the national rate.
- Challenges remain for 2024/25 but the team will continue to support tenants and allocate discretionary payments where available and Members were encouraged to share concerns with officers to investigate and identify possible support.

Members of the Commission thanked officers for their positive work and in response to questions and comments, it was noted that:

- Rent management advisors work with tenants who may be struggling to pay their rent to identify eligible benefits and support applications. Advisors can also make referrals if seeking work to the Jobcentre to help find employment.
- Evictions are rare and a robust process is in place to ensure all support has been provided to tenants from all relevant services, including children and adult social care. Final agreement for eviction is required from the Deputy City Mayor for Housing and Neighbourhoods. No families have been evicted from council properties and Members were encouraged to always share details with officers if they know of cases where families have been evicted.
- Rent increases have not yet been considered for the coming year but there are a number of budget pressures on the service that will need to be considered when they are proposed. Assurance was provided that the Commission will be updated as part of budget discussions at the January 2025 meeting.

AGREED:

- The Commission noted the report.

## **81. HOUSE BUILD & ACQUISITIONS UPDATE**

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

- The Local Authority has a commitment to deliver 1,500 new social homes through a mix of acquisitions and developing new builds over the four-year term – both are progressing. The Saffron Velodrome development is now on site; Lanesborough Road development is awaiting badger survey results; the Forest Lodge Education Centre site has been demolished and a planning application submitted with the intention of being on site in 2025; the Southfields Newry site has been demolished and tender expected to enable to be on site in the New Year; and the Stocking Farm development has had the shops and garages demolished to prepare for new housing development and conversion of the farmhouse for adult social care.
- A limited amount of Right to Buy receipts has limited the delivery of new affordable housing but the service continues to look at funding mechanisms including Homes England funding to source additional funding and deliver more homes.
- Acquisitions generally correlate with the purchase of former council properties as they align with existing infrastructure and are suitable to meet the affordable needs of tenants. Other properties are considered for purchase through acquisition dependent upon demand on the housing register.
- A robust process is in place to enable the Local Authority to consider building and land not in its ownership for potential viability; examples included land behind Welford Road; land development at the former Sainsburys site; the leys site and the purchase of Hospital Close with contractors now on site and anticipated to complete refurbishments in the New Year.

- The Local Authority also support and encourage other affordable homes in the city including extra care provisions. Larger developments, such as Ashton Green, have a requirement for a percentage of new builds to be affordable and accessible and the service work to support registered providers to ensure developments in the city are suitable to current demand.
- The New Local Plan is currently progressing which includes provisions sites for possible development of affordable housing although it should be remembered that this is likely to be for future allocation and not immediate.
- Increasing costs continue to be a challenge and developments therefore require affordability and viability to be properly assessed to ensure the Housing Revenue Account balances.

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

- Various developments are commencing on site and expect to have delivery of new homes over the coming year.
- There is a strategic commitment to provide 1,500 new homes over four years. There are risks associated to development and acquisitions, including procurement, stability of the construction industry etc. but addressing the housing crisis is a strategic priority in the city enabling review and assessment of land to determine viability for all possible development or acquisition opportunities.
- New build and acquisition provision is determined on demand of the housing register and financial viability. When developing itself, the Local Authority is able to address gaps that private providers do not, for example delivering adapted properties and ensuring properties meet national space and environmental standards.

The Commission commended the work of the division and requested a site visit be arranged to see some of the housing developments and acquisitions discussed.

AGREED:

- The Commission noted the report.
- The Commission to conduct a site visit to see the development of new council homes.

## **82. ENVIRONMENTAL BUDGET & PUBLIC REALM WORK 2024/25**

The District Manager presented the report, and it was noted that:

- The environment budget has historically been set at £750k but due to pressures on the Housing Revenue Account it was reduced in 2023/24 to £200k and will remain at the reduced level for 2024/25. The budget is equally divided across the three districts and consultation with ward councillors is undertaken to identify improvements and projects.
- Schemes delivered in 2023/24 were contained within the report, including installation of metal gates at Flora Street and additional maintenance of greenery and fences. Limited resources in the green team meant there was an underspend on green projects, but the budget was utilised on the Burns Flats in Western Ward.
- Consultation had concluded with ward councillors to review existing projects and new priorities for 2024/25. Identified proposals across districts were contained within the report and include low level ground maintenance and



weed spraying across, external PIR lighting and security around bungalows and a community growing project.

- A prioritisation process was undertaken to identify proposals to be taken forward as a result of the reduced budget. The prioritisation table was included within the report and proposals scoring three or above were identified for 2024/25.
- The east and west districts have allocated projects to meet their budget and the underspend in the south will be utilised to deliver other priorities.
- Community engagement is important and district managers continue to engage with residents to ensure work is being delivered and undertake patch walks to identify issues and new priorities.

Members were supportive of seeking ward councillor suggestions and feedback for determining the allocations of the environmental budget and the Chair reminded Members that they should contact officers of any issues identified in their wards.

In response to questions and comments from Members, it was noted that the community growing project in Saffron ward will be a pilot but there may be potential with public health to broaden the scheme across the city and in different communal areas.

AGREED:

- The Commission noted the report.

### **83. WORK PROGRAMME**

The Chair highlighted that the work programme will be developed, and Members were invited to make suggestions for consideration.

### **84. ANY OTHER URGENT BUSINESS**

There being no further business, the meeting closed at 20.09.