

Minutes of the Meeting of the HOUSING SCRUTINY COMMISSION

Held: MONDAY, 27 JULY 2015 at 5:30 pm

# PRESENT:

Councillor Newcombe (Chair)
Councillor Alfonso (Vice Chair)

Councillor Aldred Councillor Aqbany

Councillor Byrne Councillor Joshi

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# 1. APOLOGIES FOR ABSENCE

Apologies were received from Ann Branson, Director of Housing.

### 2. DECLARATIONS OF INTEREST

Members were asked to declare any interest they had in the business to be discussed on the agenda.

Councillor Aldred declared that family members were council tenants.

Councillor Byrne declared that she and family members were council tenants.

Councillor Joshi declared that a member of the family was a council tenant.

Cllr Newcombe declared that family members were council tenants.

In accordance with the Council's Code of Conduct, the interests were not considered so significant that they were likely to prejudice the Councillors' judgement of the public interest. Councillors were not therefore required to withdraw from the meeting during consideration and discussion of the agenda items.

### 3. MEMBERSHIP OF THE COMMISSION 2015/16

Members were asked to note the membership of the Housing Scrutiny Commission for 2015.

#### RESOLVED:

that the membership be noted.

#### 4. DATE OF COMMISSION MEETINGS 2015/16

Members were asked to note the meeting dates for Housing Scrutiny Commission meetings for 2015/16.

### **RESOLVED:**

that the meeting dates be noted.

Councillors Aldred and Joshi asked that their apologies for the meeting scheduled for 8<sup>th</sup> September 2015 be noted.

### 5. MINUTES OF THE PREVIOUS MEETING

### Minute 57. Declarations of Interest

Councillor Newcombe asked for an amendment to be made, as he was not a council tenant but members of his family were council tenants.

### RESOLVED:

that the minutes of the meeting of the Housing Scrutiny commission held on 18 March 2015, subject to the above amendment, be confirmed as a correct record.

# 6. PETITIONS

In accordance with Council procedures, it was reported that no petitions had been received by the Monitoring Officer.

# 7. QUESTIONS, REPRESENTATIONS OR STATEMENTS OF CASE

In accordance with Council procedures, it was reported that no questions, representations or statement of case had been received by the Monitoring Officer.

## 8. TERMS OF REFERENCE

Members were asked to note the Terms of Reference for the Housing Scrutiny Commission attached to the agenda for information.

#### RESOLVED:

that the Terms of Reference for the Housing Scrutiny Commission be noted.

# 9. COMMUNAL CLEANING: DEPARTMENTAL RESPONSE

The Director of Housing submitted a report which provided formal feedback to the Housing Scrutiny Commission on the recommendations made by the Communal Cleaning Task Group on 18th March 2015. The Housing Scrutiny

Commission was invited to approve the steps taken and set out within the report, which was presented by the Head of Service, Estate Management and Tenancy Support.

The Scrutiny Policy Officer provided Members with a briefing note on the background of the review, what prompted it and the way in which it was undertaken, and it is attached to the minutes for information. A link to the task group report was included in the agenda. It was recognised the people were undertaking a difficult job in all hours. Management of the cleaning work had been strengthened, but had been badly stretched, and Members were sympathetic to the conditions cleaning staff had to work in. it was also felt that there had been a lack of investment in cleaning equipment, but problems had been exacerbated by the ending of deep cleaning of surfaces across many estates.

The Head of Service referred to the short and long-term recommendations contained within the report. The meeting was informed that the current contractor for cleaning was City Cleansing, and there was a charge for tenants for cleaning. It was also noted that there were some poor surfaces in communal areas, mainly concrete, which were difficult to clean. It had been agreed by the Assistant Mayor that a programme of works be undertaken to improve the surfaces of the worst blocks on a yearly basis through a combination of a programme of deep cleaning, and Environmental and Communal Area budget. A separate bid for Capital Investment, separate from other housing Capital Investment, would be made to the Council.

Members were reminded that many tenants did not know how much their charge for cleaning was. The meeting was informed that Housing would look at reintroducing a breakdown of rent and charges for tenants on rent cards under the new Northgate IT system when in place.

The Assistant Mayor had indicated there would be no increase in service charges for cleaning and a working group be established to look at a number of issues identified in the report. It would include representatives from Housing, City Cleansing and members of the Tenants Forum. It was also suggested that the drying areas also be looked at by the working group. The Chair said he would await the report from the working group, and if necessary, would reconvene the task group at that stage.

The Assistant Mayor thanked the Task Group for the useful piece of work. He said that the recent budget statement by Government to introduce a 1% reduction in rent would impact heavily on the Housing Revenue Account. He added that the forecast for 2016 would see a reduction of £2.2million in rent income, rising to an £11.8million reduction in four years. He added that difficult decisions and savings would have to be made to balance the budget.

The Chair agreed to the recommendations included in the report, and asked for a six-month update from the working party and officers. He requested that a representative from City Cleansing attend the next meeting of the Housing Scrutiny Commission to give their response to the review.

#### AGREED:

that:

- 1. the Scrutiny Commission approve the recommendation in the report;
- 2. a six-month update be brought to a future meeting;
- 3. a representative from City Cleansing be invited to the next Commission meeting on 8<sup>th</sup> September 2015 to give their response to the review.

#### 10. RENT ARREARS

The Director of Housing submitted a rent arrears progress report for the financial year April 2014 to March 2015, and was presented by the Head of Service, and Income Collection Manager.

The Chair read out information reported online by the Office for Budget Responsibility (OBR), that rent reforms would cost councils £2.6bn over the next five years, and estimated that those funds could have been used to build 19,000 homes. The OBR also forecasted that social landlord rents in five years' time would be 12% lower than they had expected as a result of the changes, and that this could force some housing associations into insolvency and trigger writedowns of the value of their housing portfolios. Figures obtained from the Local Government Association indicated the move would also hit councils which own and manage social housing, and by 2019-20 the annual funding gap would hit £1bn, or 60% of the councils' total housing maintenance budget.

The Income Collection Manager reported that arrears were down by approximately £7k compared to the end of 2013-14 despite the welfare reforms. The number of cases of those in arrears increased by 1.4% over the previous year-end figure, but the number of more serious cases fell by 21.9%. It was reported that £1.34m in extra rent as a result of bedroom tax was collectable, and the arrears among those affected by the Bedroom Tax fell by just under £20k for the financial year 2014/15.

The meeting was informed there had been a 51% rise in evictions to 103 households for the financial year 2014-15. Of those evicted, 28 were family cases, 2 were childless couples and 73 were single people. Officers had looked at some benchmarking figures on evictions for local authorities in England, and Leicester's eviction rate was slightly higher than average. Members were informed that of those evicted, 34.5% single people had been in contact with the council for further housing need, but the figure was lower for families. 39 people sought assistance from housing options and 13 went into council hostels.

Members were informed that debt which remained following evictions was reported centrally, and those figures would be provided for Members' information. Members also enquired about a reported £6-7million overpayment, and were informed the figure would be reported separately by Revenues and Benefits team, and figures would be provided to Members.

The Head of Service said anyone could contact the housing options service after eviction. The authority had a duty to look at individual circumstances, and would provide temporary accommodation while an investigation took place. Each case would be judged on its own merits, but duty would vary between assistance for families, vulnerable people and single people.

Members drew attention to the glossary in the report and asked if the council would be penalised by Government for having a £2million void loss, and said it would be useful to know if the figure was up or down on the previous financial year. The Head of Service said there was no government penalty, just the council tax liability that had been introduced by Government last year. She added the Council had a remit to bring properties to standard in the shortest time possible to minimise rent loss to the authority, but some homes required more work than others. The council would undertake an inventory when tenants left a property and record malicious damage as a rechargeable debt. It was reported that a voids progress report would be brought to the Scrutiny Commission meeting on 8<sup>th</sup> September 2015.

Members asked how credible was the introduction of mandatory direct debits for new tenants, as a lot of people on benefits struggled with cash flow. The Head of Service said welfare reforms and the Chancellor's budget announcement to reduce rents by 1% were a serious challenge, and it would be harder to collect the same amount of money. She added that the rules for Universal Credit made it clear people must have a bank account for payment, paid on a monthly basis. The Council would engage with tenants to ensure they were aware of the issue. It was acknowledged that some people could not have a bank account and would be introduced to Clockwise at no cost to the tenant. A Clockwise account could also assist with the payment of some other bills. It was also noted that vulnerable people would be identified, and rent paid direct to the landlord on their behalf.

The Assistant Mayor said that as an authority there was some concern with mandatory direct debits. He said that in the pilots for the introduction of UC, rent arrears and evictions had risen. There was also less money to spend on housing.

The Chair requested a report be brought to a future meeting of the Commission on the impact of the 1% decrease in rents.

The Chair thanked officers for keeping rent arrears as low as possible through their hard work.

# **RESOLVED:**

# that:

- 1. the report be noted;
- 2. figures on debt remaining following eviction be provided to members;
- 3. a voids progress report be brought to the Commission meeting on 8<sup>th</sup> September 2015;

4. a report on the impact of 1% decrease in rent be brought to a future Commission meeting.

#### 11. WORK PROGRAMME

Members were asked to note the draft Housing Scrutiny Commission Work Programme for 2015-16, and the items to be timetable into the programme.

The Scrutiny Policy Officer asked if there were any issues Members wished to see included in the programme, to contact either himself or the Chair, and they would discuss the issues with officers.

The Scrutiny Policy Officer agreed to draft a letter to Members from the Chair.

Members mentioned that leaseholders had been billed with the repair element of the service charge removed. It was requested that the Scrutiny Policy Officer contact the responsible officer in the Finance Section for clarification on the service charge.

The Assistant Mayor said a report on evictions would go the Executive, and brought to the Housing Scrutiny Commission.

### AGREED:

1. that the Scrutiny Policy Officer would write Members from the Chair asking for additional items for the Scrutiny Commission Work Programme.

# 12. CLOSE OF MEETING

The meeting closed at 6.57pm.

# Housing Scrutiny Commission

# 27<sup>th</sup> July 2015

### Communal Cleaning Review

# 1. Purpose of report

1.1 To provide an introduction to new members about this review, what prompted it and the way in which it was undertaken, as well as a summary of future actions relating to the report's conclusions and recommendations.

# 2. Current position

2.1 A task group set up by this commission reported to the March 2015 meeting of the Commission. The report to tonight's meeting is the Housing Department's response to the report.

# 3. Background

- 3.1 A long-running concern of councillors, tenants and tenant and leaseholder representatives has been the quality of cleaning in common areas across the council's housing estates.
- 3.2 Complaints had been made about the frequency, quality and cost of the service, which was provided by the council's cleaning services team.
- 3.3 The Housing Commission agreed to look into the issue and set up a task group made up of councillors and tenant representatives, and taking evidence from a range of witnesses.
- 3.4 A key feature of the work done by the task group was the determination of the Chair and Vice chair that it would involve the active co-operation with and input from tenants throughout the course of its work.
- 3.5 The scope of the meeting was agreed in August 2014 and task group meetings were held in October and December 2014, and in January 2015, before the final report was agreed in March 2015.
- 3.6 The work of the task group included a number of visits to housing estates across the city, talking to tenants and estate management staff. The visits were also used to conduct surveys with tenants. The results of the survey formed part of the evidence to the task group.

### 4. Conclusions and recommendations

- 4.1 These can be found through the link to the Commission meeting on 18<sup>th</sup> March 2015. There were general concerns about the variable quality of the cleaning service. But this was in part due to the deteriorating surfaces on many estates.
- 4.2 The cleaning service itself was felt to be stretched, and during the review the management of the work was strengthened by the department.
- 4.3 There was also felt to be a lack of investment by the cleansing department in upgraded cleaning equipment. But the problems were made worse by the ending of deep-cleaning of surfaces across many estates.

# 5. Looking ahead...

- 5.1 The housing department will continue to develop its responses to the report and its findings. This is most likely to be through the Tenants' and Leaseholders' Forum, which has been seen as a key partner for the Commission and the department.
- 5.2 Update reports will continue to come to the Housing Scrutiny Commission over the next few months.

# 6. One other thing...

- 6.1 What is a task group? Task groups have been developed as a way for Scrutiny Commissions to conduct in-depth reviews outside the normal cycle of commission meetings.
- 6.2 They are held in private, but report to the Commission, both while the work is in progress and produce a final report for consideration by the Commission.
- 6.3 They take evidence, both in the form of written evidence and evidence from witnesses, who can be asked to provide a written paper as well.

Jerry Connolly Scrutiny Support Officer 13<sup>th</sup> July 2015