

HOUSING SCRUTINY COMMITTEE30 June 2015
5.30 - 8.30 pm**Present:**

Scrutiny Committee Members: Councillors Todd-Jones (Chair), Baigent (Vice-Chair), Avery, Ashton, Bird, Holland, Sarris, Best, Harris, Marais, Sweeney and Minns

Executive Councillor for Housing: Councillor Price

Tenant/Leaseholder Representatives: Diane Best, Kay Harris, John Marais, Diana Minns and Terry Sweeney

Officers:

Director of Customer & Community Services: Liz Bisset
Head of City Homes: Robert Hollingsworth
Head of Strategic Housing: Alan Carter
Head of Estates and Facilities: Trevor Burdon
Business Manager & Principal Accountant: Julia Hovells
Resident Involvement Facilitator: James Bull
Committee Manager: Claire Tunncliffe
Committee Manager: Sarah Steed

Other:

Chair of Housing Regulation Panel: Stan Best

FOR THE INFORMATION OF THE COUNCIL**15/57/HSC Apologies**

Apologies were received from Councillor Moore and Tenant Representative, Caroline Oriokot.

15/58/HSC Appointment of Vice-Chair (Tenant/Leaseholder Rep) for 2015/16

Diana Minns was appointed as Vice Chair (Tenant / Leaseholder Representative) for 2015/16.

15/59/HSC Declarations of Interest

Name	Item	Interest
Terry Sweeney (Tenant Representative)	15/8/HSC: Implications of Heat Network (Metering and Billing) Regulations 2014	Personal: Mother is a resident of Ditchburn Place
Councillor Bird	15/14/HSC: Cams Home Improvement Agency	Personal: Tenant of Cambridge Housing Society

15/60/HSC Re-ordering of the Agenda

Under paragraph 4.2.1 of the Council Procedure Rules, the Chair used his discretion to alter the order of the agenda items. However, for ease of the reader, these minutes will follow the order of the agenda.

15/61/HSC Minutes

The minutes of the 10 March 2015 were amended to record the attendance of Councillors Gawthrope and Pitt.

The minutes of the 10 March 2015 were then approved and signed as a correct record.

15/62/HSC Public Questions

There were no public questions.

15/63/HSC Oral report from the Executive Councillor for Housing and proposals for Lead Councillors

The Committee received an oral report from the Executive Councillor for Housing, Councillor Price.

Councillor Price stated the following:

- The single Housing Scrutiny Committee had been an improvement and worked well.

- The Government's policy on Right to Buy could be devastating for the Council and once the plans were confirmed a report would be brought back to the Committee.

Councillor Price explained that two Lead Councillors had been selected to work with Officers in the Housing Sector, for the following:

- Councillor Baigent, Lead Councillor for Private Rented Housing: To assist the Executive Councillor for Housing in advising on private rented sector issues including homes in multiple occupation (HMOs), safety and tackling unfair rental practices.
- Councillor Sarris, Lead Councillor for Homelessness: To assist the Executive Councillor for Housing to review council initiatives and the joint delivery with voluntary agencies to better meet the future needs of homeless people.

15/64/HSC Progress Report on Residents' Housing Regulation Panel

This item was chaired by Diana Minns (Vice Chair / Tenant Representative).

Matter for Decision.

To note the progress report from the Housing Regulation Panel and also note the Panel's latest inspection report on Estate Services.

Decision of the Executive Councillor for Housing:

- i. Noted the positive outcomes achieved by the residents' Housing Regulation Panel in their fourth year of activity.
- ii. Noted the panel's recommended improvements for Estate Services (Appendix 4, page 5) of the Officer's report.
- iii. Agreed to continue to support residents' co-regulation and the constructive challenge provided by a residents' Housing Regulation Panel.

Scrutiny Considerations.

This item was requested for pre-scrutiny.

The Committee received a report from the Chair of the Housing Regulation Panel and the Resident Involvement Facilitator.

In response to the Committees' comments, the Resident Involvement Facilitator stated the following:

- i. 40% of tenants and leaseholders were not online, there was a similar picture nationally. The Council offered a laptop loan scheme and also provided IT training at community centres.
- ii. A pilot IT training course had been run and the results would be reported back to Committee in the future.
- iii. Confirmed that overgrown bushes on the pavements would be cut back from 1 August 2015, as birds nesting had prevented this from taking place sooner.
- iv. Agreed that the issue of communal gardens and the problems that they brought would be addressed in the longer term.
- v. Council Officers were extremely responsive to members of the Housing Regulation Panel which was seen as a partnership.

The Committee thanked Mr Best and the members of the Housing Regulation Panel for all the hard work they undertook during the year and for the high standard of the HRP reports

The Committee:

Resolved unanimously to approve the recommendations.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/65/HSC Implications of Heat Network (Metering and Billing) Regulations 2014

This item was chaired by Diana Minns (Vice Chair / Tenant Representative).

Matter for Decision.

To note the impact of the new Heat Network (Metering and Billing) Regulations 2014 on Cambridge City Council's housing stock.

Decision of the Executive Councillor for Housing:

- i. Noted the content of the Officer's report.

Scrutiny Considerations.

This item was requested for pre-scrutiny.

The Committee received a report from the Head of Estate and Facilities. The report referred to the new Heat Network (Metering and Billing) Regulations 2014 and the impact on Cambridge City Council's housing stock.

Investigations had identified that the Council owned six properties affected by these regulations and these had all been reported to the National Measurement Office as required by the new legislation.

Technical and financial feasibility testing had been carried out on four of these sites and no further work was currently required. Two remaining sites at Ditchburn Place and School Court were due for substantial refurbishments in the next 12-24 months and heating systems at both would be revised as necessary to comply with the legislation.

In response to questions from the Committee, the Head of Estate and Facilities stated the following:

- i. The Council currently had a two year contract for the provision of energy supplies. Corporately the Council obtained a really good energy provision deal because of the amount of energy that was used. In large residential complexes some people used a lot of energy and others used less, without a separate meter it was difficult to determine an individual's usage.

The Committee:

Resolved unanimously to approve the recommendation.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/66/HSC Current & Former Tenant Arrears Write off Policy & Procedure

This item was chaired by Diana Minns (Vice Chair / Tenant Representative).

Matter for Decision

Approve the revised HRA Write-off Policy.

Decision of the Executive Councillor for Housing:

- i. Approved the revised HRA Write-off Policy at Appendix A subject to the amendment of the matrimonial write-off paragraph and typographical errors noted on p41 of the Policy.

Scrutiny Considerations

The Committee received a report from the Business Manager / Principal Accountant. The report detailed an update of the HRA Write-off policy. The Policy aimed to strengthen the Council's position in relation to the write-off of former tenant, and other HRA debts where reasonable attempts had been made to recover the debt.

In response to questions from the Committee, the Business Manager / Principal Accountant and the Director of Customer and Community Services stated the following:

- i. Was happy to amend the paragraph in the policy which related to matrimonial write-offs so that it took into account circumstances which involved domestic violence.
- ii. The Council had not seen an increase in arrears following the introduction of the recent Welfare Reforms, which included the under-occupancy charge. However it was anticipated that changes which included the direct payment of benefits to claimants may have an effect further down the line.

- iii. In relation to the costs involved in pursuing debts the Council had considered shared Legal Services, which should enable more specialist advice to be provided in-house and therefore require less use of external Legal service providers.
- iv. Once a year a report would be brought back to Committee to show the volume and type of write offs.

The Committee:

Resolved unanimously to approve the recommendation subject to the amendment of the matrimonial write-off paragraph and typographical errors noted on p41 of the Policy.

The Executive Councillor for Housing approved the recommendation subject to the amendment of the matrimonial write-off paragraph and typographical errors noted on p41 of the Policy.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/67/HSC HRA Impact of the Proposed Building Cleaning Contract

This item was chaired by Diana Minns (Vice Chair / Tenant Representative).

Matter for Decision

The agreement that the increased cost of the building and cleaning services be passed onto Tenants and Leaseholders.

Decision of the Executive Councillor for Housing:

- i. Agreed that the increased cost of building cleaning services provided on behalf of tenants of the HRA, be passed onto tenants in a phased manner, with charge increase being applicable in three stages in August 2015, April 2016 and April 2017 at which full cost recovery will have been achieved.
- ii. Agreed that the increased cost of building cleaning services provided on behalf of leaseholders of the HRA, be passed on to leaseholders through the standard estimates and actuals process, with the full cost

first appearing as part of the actual costs for 2015/16, which will be calculated and communicated to leaseholders in September 2016 and included as an adjustment in the estimates for 2017/18, at which point the full cost recovery will be achieved. The cost for any new services will be implemented as part of the 2016/17 estimates process, to be payable from April 2016.

- iii. Agreed the charges for tenants living in category II sheltered housing schemes do not receive any charge changes mid-year, but instead have the charges for services provided to them reviewed from April 2016 as part of the usual service charge setting process, with inflationary increase passed on, if applicable, in an attempt to continue to recover the full cost of providing services.

Scrutiny Considerations

The Committee received a report from the Business Manager / Principal Accountant. The report presented a summary of the financial and operational impact for the Housing Revenue Account, and its tenants and leaseholders following the procurement of a new building cleaning contractor.

The report highlighted the financial impact of the new contract for both tenants and leaseholders and made proposals for some mitigation, by passing on any increase in a phased manner over a period of time.

Diane Best, Leaseholder Representative requested the following be minuted:

- i. Agreed there had been a need to pay for the services however the contract only started in June 2015 and it was disappointing that the standard of service had regressed back to the level of service in 2009. The specification should provide value for money but unfortunately this was not what was being provided.

In response to questions from the Committee, the Business Manager / Principal Accountant and the Director of Customer and Community Services stated the following:

- i. The decision for the Committee was how the Council phased in the increases for the building cleaning contract; it was not a decision as to whether to approve the contract as a whole as this decision had already been made.

- ii. Thanked the Leaseholder/Tenant Representatives for raising concerns regarding the implementation of the new contract. A meeting would be arranged with the Contractor, the new Contract Manager and the Tenant Representatives to discuss the standards of the contract to ensure that the standards improved.
- iii. There was a break clause within the contract which could be exercised if the contractor did not perform the requirements of the contract satisfactorily.

The Committee:

Resolved unanimously to approve the recommendation.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/68/HSC 2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances – HRA

Recommendation 2a was chaired by Diana Minns (Vice Chair / Tenant Representative) and recommendations 2b-d chaired by Councillor Todd-Jones.

Matter for Decision.

The report presented a summary of the 2014/15 outturn position (actual income and expenditure) for services within the Housing Revenue Account, compared to the current budget for the year.

Decision of the Executive Councillor for Housing:

- i. Agreed that the carry forward requests, totalling £9,272,120 as detailed in Appendix C are to be recommended to Council for approval.
- ii. Approved to carry forward net capital resources of £13,758,000 from 2014/15 to fund re-phased capital spending in the Housing Capital Investment Plan, as detailed in Appendix D and the associated notes, re-profiling investment as follows:

- Re-phase £11,248,000 into 2015/16
 - Re-phase £2,408,000 into 2016/17
 - Re-phase £102,000 into the period post 2017/18
- iii. Recognised a delay into 2015/16 for receipt of the remainder of the Homes and Community Agency Grant for the affordable housing new build and re-development programme of £274,000.
- iv. Noted the resulting need to defer the use of £9,223,000 of revenue funding of capital expenditure into 2015/16 and 2016/17 as considered as part of the HRA revenue carry forward requests £2,059,000 of major repairs reserve funding into future years and the anticipated use of £1,993,000 of retained right to buy receipts, all of which will be required to fund the requested re-phasing in capital investment.

Scrutiny Considerations.

The Committee received a report from the Business Manager / Principal Accountant. The report highlighted variances from budgets and provided explanations. The report also identified requests to carry forward funding arising from certain budgets underspends into 2015/16.

The report also incorporated the position in relation to the Housing Capital Investment Plan with reported variances and any resulting requests for re-phasing of budgets in 2015/16 and beyond.

In response to questions from the Committee, the Business Manager / Principal Accountant and the Director of Customer and Community Services stated the following:

- i. The Government had introduced new regulations which ring fenced Capital and Revenue accounts. The Housing Revenue Account could only be used for housing purposes.
- ii. There had been a delay in delivering the new build housing programme, however lessons had been learnt and going forward, the Council would have a better procedure to be able to build delays into the building programme on the next new house build.
- iii. In relation to the fencing budget there had been sufficient demand to spend the money. Unfortunately during the past year there had been a change in contractors which created delay in work, jobs not being started by the old contractor and a lead in time to be able to recruit sub-contractors by the new contractor.

The Committee:

Resolved unanimously to approve the recommendations 2 (a)

Resolved unanimously to approve the recommendations 2 (b)–(d).

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/69/HSC 2014/15 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Housing General Fund Portfolio

This item was chaired by Councillor Todd-Jones.

Matter for Decision.

The report presented a summary of the 2014/15 outturn position (actual income and expenditure) for services within the Housing General Fund Portfolio, compared to the current budget for the year.

Decision of the Executive Councillor for Housing:

- i. Agreed the carry forward requests, totalling £66,900 as detailed in Appendix C be recommended to Council for approval.
- ii. Seek approval from Council to re-phase spending of £2,000 in respect of works to the shopping area in Buchan Street from 2015/16, back into 2014/15 to reflect the profile of spending for the scheme.

Scrutiny Considerations

The Committee received a report from the Business Manager / Principal Accountant. The report presented the position for revenue and capital and also detailed variances from budgets with explanations. The report also identified requests to carry forward funding arising from budget underspends into 2015/16.

No comments were made

The Committee:

Resolved unanimously to approve the recommendations.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/70/HSC To Dispose of 3 HRA Dwellings on the Open Market

This item was chaired by Councillor Todd-Jones.

Matter for Decision

To consider the open market disposal of 3 properties; 13 Shelley Row, 20 Beche Road and 2 Grafton Street.

Decision of the Executive Councillor for Housing:

- i. Approved the open market disposal of 3 properties in their current condition (as set out in paragraph 2.1 Option 2) with a view to utilising the resulting capital receipt, along with right to buy receipts to finance new build properties to let as part of the Cambridge Social Rent Programme. The capital receipt may be used to provide the top up funding required for schemes with existing approval, or could be used to fund new schemes as they are brought forward.

Scrutiny Considerations

The Committee received a report from the Director of Customer and Community Services. The report detailed a summary of the options and considerations for either the improvement or open market disposal of three void properties in accordance with the criteria laid out in the HRA Asset Acquisition & Disposal Policy where due to the current condition of the properties a significant investment was required if the property was to be re-let.

The Committee made the following comments:

- i. These opportunities rarely came forward but a degree of pragmatism was required and acknowledged better quality properties could be delivered.
- ii. It was regrettable to lose these properties because of the areas in which they were located; the retention of these properties would ensure that Cambridge had diverse communities.
- iii. Requested that overage provisions were considered as part of the sale of the properties so that the Council could share in any uplift in the value of the properties following the sale.

The Committee:

Resolved (6 votes to 1 vote) to approve the open market disposal of the 3 void properties.

The Executive Councillor for Housing approved the open market sale of the 3 void properties.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/71/HSC Cambs Home Improvement Agency

This item was chaired by Councillor Todd-Jones.

Matter for Decision

Renewal of the shared service agreement for the Homes Improvement Agency and extension of the service to cover East Cambridgeshire District Council.

Decision of the Executive Councillor for Housing:

- i. Approved the renewal of the shared service agreement in respect of Cambridgeshire Home Improvement Agency until 2018/19 inclusive.
- ii. Approved the extension of the service to cover East Cambridgeshire District Council.

Scrutiny Considerations

The Committee received a report from the Head of Strategic Housing. The report stated that the Cambridgeshire Home Improvement Agency (HIA) had been in operation for three years as a shared service between the City Council, South Cambridgeshire District Council and Huntingdonshire District Council and would terminate at the end of March 2016.

The report presented the options to renew the partnership agreement and to also consider East Cambridgeshire District Council (ECDC) as a new partner.

In response to questions from the Committee, the Head of Strategic Housing stated the following:

- i. If ECDC joined the HIA, the terms on which ECDC could join would be controlled by the partnership and any redundancy issues would be picked up by ECDC.
- ii. The share of work undertaken by the HIA was divided up so that Huntingdonshire District Council undertook 50% of the work, both South Cambridgeshire District Council and the City Council undertook 25% each.

The Committee:

Resolved unanimously to approve the recommendation.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/72/HSC Redevelopment of 9-28 Anstey Way

This item was chaired by Councillor Todd-Jones.

Matter for Decision

To consider the details of the proposed new development of Anstey Way.

Decision of the Executive Councillor for Housing:

- i. Noted the indicative mix of the proposed scheme.

- ii. Approved the scheme capital budget of £6,166,892 detailed in the report to cover the construction cost of the scheme and professional fees and other costs.
- iii. Approved that delegated authority be given to the Director of Customer and Community Services following consultation with the Head of Legal Services to seal a contract with the chosen contractor following procurement in accordance with Council regulations.

Scrutiny Considerations

The Committee received a report from the Head of Strategic Housing. The report provided details of the proposed redevelopment of Anstey Way bungalows and flats to provide 34 new homes (subject to planning). The scheme currently consisted of 23 rented properties and 5 leasehold flats. The scheme also included an underutilised amenity area to the rear of the flat block.

The existing scheme was made up of a block of flats consisting of 9 x 3 bedroom units and 3 x bedsit / studios and 16 x one bedroom one person bungalows.

The new scheme proposed a block of 12 apartments for the over 55s and a mix of 22 houses for general needs.

The report requested approval to a capital budget for the scheme based on the outlined appraisal assuming the mix stated above.

In response to questions from the Committee, the Head of Strategic Housing stated the following:

- i. If the development proceeded the Council would work with the existing individual leaseholders to find alternative accommodation within current housing policies.
- ii. The Council's Supplementary Planning Document which had been produced as part of the Local Plan, showed that the City's population was not ageing as quickly as other parts of Cambridgeshire. When new housing was provided, the Council needed to get the balance right and consider what could be provided through the existing stock.
- iii. The older population tended to be housed much quicker than others however the type of property which was in the highest demand was 2 bed properties, which the City Council had a lack of. In the future the

housing profile may change and this was something which would need to be looked at.

- iv. The Code for Sustainable Homes was in the process of being scrapped by the Government, therefore the build specification for housing was up to Officers to determine.
- v. If the development was taken forward resident neighbours would be consulted through the planning application process.
- vi. The appraisal for the funding of the development assumes that certain funding schemes were utilised but it was anticipated that the development would be funded through 50% reserves and 50% borrowing.

The Committee:

Resolved unanimously to note and approve the recommendations.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/73/HSC Social Housing 3 Year Rolling Programme

This item was chaired by Councillor Todd-Jones.

Matter for Decision

Three year rolling programme for the consideration of the development or redevelopment of housing sites in the Council's ownership.

Decision of the Executive Councillor for Housing:

- i. Approved the revisions to the Three Year Rolling Programme 2015/16 to 2017/18 in the context of the wider social housing programme.

Scrutiny Considerations

The Committee received a report from the Head of Strategic Housing. The report provided a review of the Three Year Rolling programme and

specifically sought approval of a revised Three Year Rolling programme which included sites to be investigated in 2015/16 to 2017/18.

The report set the context for the approval to the revised three year programme in the context of:

- The delivery of social housing through the planning system
- The new Council social housing programme.

In response to questions from the Committee, the Head of Strategic Housing stated the following:

- i. Not every large rear garden was able to be developed.
- ii. Each development would be considered on a case by case basis but a check would be required to make sure the processes being followed were reasonable.

The Committee:

Resolved unanimously to approve the recommendation.

The Executive Councillor for Housing approved the recommendations.

Conflicts of Interest Declared by the Executive Councillor (and any Dispensations Granted).

No conflicts were declared by the Executive Councillor.

15/74/HSC Record of Urgent Decision

17a Cambridge City Council Membership of Eastern Procurement (East of England Regional Procurement Consortium).

The decision was noted.

15/75/HSC Record of Director Delegated Decision

18a Delegated Director Decision

The decision was noted.

15/76/HSC For information the date of the Housing Scrutiny Committee in January is Wednesday 13 January 2016

The Committee noted the January meeting date as Wednesday 13 January 2016.

The meeting ended at 8.30 pm

CHAIR