

**HOUSING MANAGEMENT BOARD**

3 January 2012

5.30 - 8.02 pm

**Present:****Executive Councillor for Housing:** Catherine Smart**Councillors:** Blackhurst (Vice-Chair), Bird, Blencowe, Brierley, Price, Rosenstiel, Stuart and Znajek**Tenant/Leaseholder Representatives:** Diane Best (Chair), Brian Haywood, John Marais and Terry Sweeney**Officers:** Liz Bisset (Director of Customer & Community Services), Bob Hadfield (Head of Repairs & Maintenance), Robert Hollingsworth (Head of City Homes), Andrew Latchem (Area Housing Manager), Julia Hovells (Finance & Business Manager) and Glenn Burgess (Committee Manager)**FOR THE INFORMATION OF THE COUNCIL****12/1/HMB Apologies**

Apologies for absence were received from Councillors Pippas and Pogonowski and Tenant representative Kay Harris.

**12/2/HMB Declarations of Interest**

<b>Name</b>	<b>Item</b>	<b>Interest</b>
Terry Sweeney	12/5/HMB	Personal: Close relative resides at Ditchburn Place
Diane Best	12/8/HMB 12/12/HMB	Personal: As a Leaseholder
Councillor Rosenstiel	12/12/HMB	Personal: As a tenant of a garage in East Road

**12/3/HMB Minutes**

The minutes of the meeting held on 27 September 2011 were approved as a true and accurate record.

**12/4/HMB Public Questions**

There were no public questions.

**12/5/HMB Ditchburn Place Catering Service - Authority to Extend Catering Service contract**

**Matter for Decision:** To consider the extension of the Ditchburn Place Catering Service Contract.

**Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- I. Authorise the Director of Customer and Community Services to issue a contract to the successful bidder for three years with the option to extend on an annual basis for a further 3 years.

**Reason for the Decision:**

As per the Officer's report.

**Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

N/A

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

**12/6/HMB Demolition of two Housing Revenue Account Void Garages in Rackham Close**

**Matter for Decision:** To consider the demolition of two Housing Revenue Account Void Garages in Rackham Close.

**Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- i. Dispose, by demolition, of two empty garages in Rackham Close, Cambridge.

**Reason for the Decision:**

As per the Officer's report.

**Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

N/A

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

**12/7/HMB Draft Housing Portfolio Plan 2012/13**

**Matter for Decision:** To consider the draft Housing Portfolio Plan 2012/13

**Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- i. Note the draft Housing Portfolio Plan 2012-13

**Reason for the Decision:**

As per the Officer's report.

**Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

The Executive Councillor gave a brief overview of the 2012/13 Housing Portfolio Plan.

Members of the Scrutiny Committee were then invited to comment and discuss the Plan.

In response to member's questions the Executive Councillor and officers confirmed the following:

- i. Agreed that it was important to emphasise a clear distinction between 'affordable housing' and 'affordable rent'.
- ii. As a result of the Localism Act Cambridge City Council would be required to introduce a Tenancy Strategy by December 2012. The Strategy would respond to specific aspects of the new legislation and look at the broad relationship between social and affordable rent levels. The Strategy would act as a guidance document for social housing providers and be brought to the Community Services Scrutiny Committee in June 2012 for discussion and approval. The City Council's own Housing Strategy, which looked at all aspects of housing across the city, would also be brought to this meeting.
- iii. Noted the comment from Mr Sweeney that consideration should be given to allowing Tenant Representatives to vote on the Community Services Scrutiny Committee.

The Scrutiny Committee considered and endorsed the recommendation by 12 votes to 0 (unanimously).

The Executive Councillor for Housing approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

**12/8/HMB Housing Management Board-- Revenue Budgets 2011/12 (Revised), 2012/13 (Budgets) and 2013/14 (Forecast)**

**Matter for Decision:** To consider the Revenue Budgets 2011/12 (Revised), 2012/13 (Budgets) and 2013/14 (Forecast) for the Housing Portfolio.

**Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

**Review of Charges:**

a) Approve the proposed charges for Housing Revenue Account services and facilities, as shown in Appendix B of the committee report.

b1) Approve that council dwellings rents be increased in line with rent restructuring guidelines to seek to achieve convergence with formula rent by 2015/16, with a maximum in individual increases of inflation (RPI at September 2011 of 5.6%) plus half percent (0.5%) plus £2.00 per week with effect from 2 April 2012, in accordance with the latest government guidelines.

b2) Make representations to the DCLG suggesting that adjustments be considered for the self-financing debt settlement in view of excessive rent rises which will otherwise be imposed on council tenants.

c) Approve inflationary increases of 2.55% in garage rents for 2012/13, in line with an average of employee and building cost inflation.

d) Approve that service charges for gas maintenance, door entry systems, lifts and electrical and mechanical maintenance are increased by a maximum of inflation at 5.6% plus 0.5%, if required, to continue to recover full estimated costs as detailed in Appendix B of the committee report.

e) Approve that caretaking, communal cleaning, estate services, grounds maintenance, window cleaning, temporary housing premises and utilities, sheltered scheme premises, utilities, digital television aerial and catering charges continue to be recovered at full cost, as detailed in Appendix B of the committee report.

f) Approve revised leasehold administration charges for 2012/13 as detailed in Appendix B of the committee report.

**Revenue Budgets:**

g) Approve with any amendments, the current year funding requests and savings, (detailed in Appendix A of the committee report).

h) Approve the provisional revised revenue budget for 2011/12, as shown in Appendix E of the committee report, which currently results in a reduced use of reserves of £99,370 for 2011/12.

i) Agree proposals for revenue savings and bids, as set out in Appendix C of the committee report, which have been incorporated into the budgets for this portfolio.

j) Agree proposals for Priority Policy Fund (PPF) bids, as set out in Appendix D of the committee report.

k) Note that the Housing Revenue Account revenue budget for 2012/13 and 2013/14 and the Housing Capital Investment Plan for 2011/12 to 2016/17, will be presented to the special joint Housing Management Board and Community Services on 8th February 2012, to include the impact of all proposed bids and savings, re-allocation of existing budgets and additional re-phasing of existing projects and schemes.

**Reason for the Decision:**

As per the Officer's report.

**Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

The committee received a report from the Housing Finance and Business Manager. It was noted that a joint meeting of the Housing Management Board and the Community Services Scrutiny Committee would be held on 8 February 2012 to consider the Asset Management Plan and the final debt settlement.

Mr Marais raised concern regarding the proposed council dwellings rent increases (as specified under recommendation b) of the committee report) and the affect that this would have on tenants.

Councillor Price supported this view and highlighted that a two-year increase of 16.4% on some of the most vulnerable people in Cambridge was unacceptable. It was felt that this would result in more people having to claim housing benefit.

Mr Marais proposed the following additional recommendation:

‘The Executive Councillor is recommended to make representations to the DCLG suggesting that adjustments be considered for the self-financing debt settlement in view of excessive rent rises which will otherwise be imposed on council tenants.’

The Committee considered and endorsed the additional recommendation by 12 votes to 0 (unanimously):

In response to member’s questions the Executive Councillor and officers confirmed the following:

- i. The formula used to structure rent figures had not changed but due to higher inflation the price would increase.
- ii. The date of 2015/16 to achieve convergence with formula rent had been set nationally. In order to dampen the impact of fluctuating interest rates the Government had in the past altered that date, there was however no local discretion to do this.
- iii. After convergence with formula rent had been achieved there would be an expectation that rents would increase by RPI plus half percent (.05%). This was in recognition of expected increases in costs to maintain the current housing stock. Officers would be monitoring the impact of any changes through Sensitivity Impact Assessments.
- iv. For every £1 that rent prices did not increase the Council would have to find an additional £300,000 - £350,000 of savings.

Councillor Blencowe stated that, whilst it was understandable that the Council could not predict inflation rates in coming years, he was concerned about the affect that this uncertainty would have on council tenants.

The Scrutiny Committee thanked officers for making the details of this very difficult decision as clear as possible and agreed that each recommendation would be voted on separately:

Considered and endorsed the following recommendation by 9 votes to 0:

a) Approve the proposed charges for Housing Revenue Account services and facilities, as shown in Appendix B of the committee report.

Considered and endorsed the following recommendation by 5 votes to 0:

b1) Approve that council dwellings rents be increased in line with rent restructuring guidelines to seek to achieve convergence with formula rent by 2015/16, with a maximum in individual increases of inflation (RPI at September 2011 of 5.6%) plus half percent (0.5%) plus £2.00 per week with effect from 2 April 2012, in accordance with the latest government guidelines.

Considered and endorsed the following additional recommendation by 12 votes to 0 (unanimously):

*b2) Make representations to the DCLG suggesting that adjustments be considered for the self-financing debt settlement in view of excessive rent rises which will otherwise be imposed on council tenants.*

Considered and endorsed the following recommendation by 8 votes to 0:

c) Approve inflationary increases of 2.55% in garage rents for 2012/13, in line with an average of employee and building cost inflation.

Considered and endorsed the following recommendation by 8 votes to 0:

d) Approve that service charges for gas maintenance, door entry systems, lifts and electrical and mechanical maintenance are increased by a maximum of inflation at 5.6% plus 0.5%, if required, to continue to recover full estimated costs as detailed in Appendix B of the committee report.

Considered and endorsed the following recommendation by 9 votes to 0:

e) Approve that caretaking, communal cleaning, estate services, grounds maintenance, window cleaning, temporary housing premises and utilities, sheltered scheme premises, utilities, digital television aerial and catering charges continue to be recovered at full cost, as detailed in Appendix B of the committee report.



Considered and endorsed the following recommendation by 9 votes to 0:

f) Approve revised leasehold administration charges for 2012/13 as detailed in Appendix B of the committee report.

### **Revenue Budgets:**

Considered and endorsed the following recommendation by 9 votes to 0:

g) Approve with any amendments, the current year funding requests and savings, (detailed in Appendix A of the committee report).

Considered and endorsed the following recommendation by 9 votes to 0:

h) Approve the provisional revised revenue budget for 2011/12, as shown in Appendix E of the committee report, which currently results in a reduced use of reserves of £99,370 for 2011/12.

Considered and endorsed the following recommendation by 9 votes to 0:

i) Agree proposals for revenue savings and bids, as set out in Appendix C of the committee report, which have been incorporated into the budgets for this portfolio.

Considered and endorsed the following recommendation by 9 votes to 0:

j) Agree proposals for Priority Policy Fund (PPF) bids, as set out in Appendix D of the committee report.

Considered and endorsed the following recommendation by 12 votes to 0 (unanimously):

k) Note that the Housing Revenue Account revenue budget for 2012/13 and 2013/14 and the Housing Capital Investment Plan for 2011/12 to 2016/17, will be presented to the special joint Housing Management Board and Community Services on 8th February 2012, to include the impact of all proposed bids and savings, re-allocation of existing budgets and additional re-phasing of existing projects and schemes.

The Executive Councillor for Housing approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

## **12/9/HMB Housing Repairs Improvement plan**

**Matter for Decision:** To consider progress with the Housing Repairs Improvement Plan.

### **Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- i. Note progress made to date.
- ii. Grant an extension of one year until September 2013 for completion of the improvement plan, subsequent to which, Members will determine if sufficient progress has been demonstrated and consider future options for service delivery.

### **Reason for the Decision:**

As per the Officer's report.

### **Any Alternative Options Considered and Rejected:**

Not applicable

### **Scrutiny Considerations:**

The committee received a report from the Head of Repairs and Maintenance.

In response to member's questions the Director of Customer and Community Services confirmed the following:

- i. The proposed scrutiny panel would incorporate a wide range of officers and tenant representatives and a full list would be circulated to members of the Scrutiny Committee and the Executive Councillor for Housing.

The Scrutiny Committee considered and endorsed the recommendations in the report by 9 votes to 0.

The Executive Councillor for Housing approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

### **12/10/HMB Review of Under Occupancy grant scheme for Council tenants**

**Matter for Decision:** To consider the review of the under occupancy grant scheme for Council tenants.

### **Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- i. Instruct Officers to take steps to identify Council Tenants who are under occupying, some of whom may lose out on Housing Benefit and approach them with discussions about their Housing Options including the Under Occupation Incentive scheme. While it would be recognised that these tenants have the right to stay in their present homes, they should be clearly informed about the potential financial advantages to them of using the incentive scheme.
- ii. Instruct Officers to consider the benefits of joining the Huntingdonshire District Council "Under Occupation Partnership Agreement" or to establish a local agreement within the City of Cambridge.
- iii. Instruct Officers to report back to HMB after June 2012 following the review of the Lettings Policy.

### **Reason for the Decision:**

As per the Officer's report.

### **Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

The committee received a report from the Area Housing Manager.

In response to member's questions the Area Housing Manager and the Director of Customer and Community Services confirmed the following:

- ii. Home visits to further discuss the under occupation grant scheme would only be carried out upon request from interested tenants.
- iii. Whilst the scheme had been previously oversubscribed sufficient funding was available to meet current demand up until April 2012. Funding would then be renewed for 2012/13.
- iv. Broad data was held by the Council on the size of its housing stock, the demand for different band levels, and joint work was being undertaken with Registered Social Landlords. The Strategic Housing Market Assessment document also profiled need across the city and this translated into planning policy. It was however noted that it may be beneficial to conduct further data collection work
- v. Under their Tenancy Agreements tenants were able to let out spare rooms with the prior approval of the Council.

Mr Marais expressed concern that tenants may feel pressured into the down-sizing and highlighted the importance of a sensitive approach. Mr Marais proposed the following amendment to recommendation a) of the officer's report:

Delete and replace with:

"Instruct officers to identify those council tenants living in under-occupied homes who may be at risk of losing some of their Housing Benefit entitlement due to forthcoming changes, or who have significant long-term rent arrears, and approach them for discussions about more advantageous housing options, in particular the Under occupation Scheme. While it would be recognised that these tenants have the right to stay in their present homes, they should be clearly informed about the potential financial advantages to them of using the incentive scheme"

After further discussion regarding the importance of informing all tenants about the potential benefits of the scheme the Scrutiny Committee endorsed the following further amended recommendation by 12 votes to 0 (unanimously):

“Instruct Officers to take steps to identify Council Tenants who are under occupying, some of whom may lose out on Housing Benefit and approach them with discussions about their Housing Options including the Under Occupation Incentive scheme. While it would be recognised that these tenants have the right to stay in their present homes, they should be clearly informed about the potential financial advantages to them of using the incentive scheme”

The Scrutiny Committee considered and endorsed amended recommendation a) and recommendations b) and c) in the officer’s report by 12 votes to 0 (unanimously).

The Executive Councillor for Housing approved the amended recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

### **12/11/HMB Update on the future of Area Offices within the context of the Customer Service Strategy**

**Matter for Decision:** To receive an update on the future of Area Offices within the context of the Customer Service Strategy.

#### **Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- i. To keep both area offices open to the public pending the findings of the 2013 HMB report referred to in recommendation below.
- ii. To consider the options outlined in this report, and to request a further report to HMB in January 2013 detailing how the new developments in technology and the forthcoming changes in welfare benefits, both explained in point 3.2 and 3.6 of the officers report, are likely to impact on customer services and the future of area offices.

#### **Reason for the Decision:**

As per the Officer’s report.

**Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

The committee received a report from the Head of City Homes. It was noted that recommendation 2.2 of the officer's report should refer to 'point 3.2 and 3.3' and not 3.6.

Councillor Blencowe emphasised the need for the Area Offices to remain open and questioned the principal of the Customer Access Strategy to have a single customer access point for all residents and service users.

The Scrutiny Committee considered and endorsed the recommendations in the report by 12 votes to 0 (unanimously).

The Executive Councillor for Housing approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

**12/12/HMB Leaseholder Service Charges**

**Matter for Decision:** To consider the issues arising from the Internal Auditor report on Leaseholder Service Charges.

**Decision of the Executive Council for Housing:**

The Executive Councillor resolved to:

- i. Note the progress on achieving the actions arising from the July 2011 Internal Audit report on leaseholder charges.

**Reason for the Decision:**

As per the Officer's report.

**Any Alternative Options Considered and Rejected:**

Not applicable

**Scrutiny Considerations:**

The Committee received a report from the Director of Customer and Community Services.

Mrs Best emphasised the need for all Leasehold Service charges to be calculated and presented as openly and transparently as possible. It was also noted that the grounds maintenance charges and the estate cleaning service charges should be kept separate and consultation should be undertaken on any proposed increases.

The Head of City Homes agreed with the need to be as open and transparent as possible and confirmed that all charges would continue to be fully evidenced.

The Scrutiny Committee considered and endorsed the recommendations in the report by 12 votes to 0 (unanimously).

The Executive Councillor for Housing approved the recommendations.

**Conflicts of Interest Declared by the Executive Councillor (and any dispensations granted):** No conflicts of interest were declared by the Executive Councillor.

The meeting ended at 8.02 pm

**CHAIR**

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