

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Housing Review Board held at Council Chamber, Exmouth Town Hall, Exmouth EX8 1AW on 23 January 2020

Attendance list at end of document

The meeting started at 2.30 pm and ended at 4.20 pm

45 Public speaking

There were no matters raised by the public.

The Chairman welcomed two newly co-opted members to the Board, Cindy Collier and Christine Morrison, and invited those present to introduce themselves. It was noted that one vacant independent community representative position remained on the Board and the Democratic Services Officer and the Housing Service Lead updated the recruitment process so far.

46 Minutes of the previous meeting

The minutes of the Housing Review Board meeting held on 19 September 2019 were confirmed and signed as a true record.

47 Declarations of interest

Councillor Dan Ledger: Personal interest – employed by a third party contractor for the current repairs and maintenance service.

Cat Summers: Personal interest – housing tenant.

Pat Gore: Personal interest – housing tenant.

Cindy Collier: Personal interest – housing tenant.

Christine Morrison: Personal interest – housing tenant.

Peter Sullivan: Personal interest – housing tenant and vice chair trustees of Sidmouth Consolidated Charities.

48 Matters of urgency

There were no matters of urgency raised at the meeting.

49 Confidential/exempt item(s)

There were no confidential or exempt items.

50 Housing Review Board forward plan

The Housing Service Lead presented the forward plan and advised Members that the forward plan acted as a reminder of agenda items to come forward to future meetings. Members were reminded that they could add further issues to the next forward plan by informing either herself or the Democratic Services Officer.

The following items were added to the forward plan:

- Climate change action plan.
- Year two of Your Home, Your Wellbeing study.

- Regulators Consumer Standards:
 - Neighbourhood and community.
 - Tenancy.
 - Tenant involvement and empowerment.
- Homes (Fitness for Habitation) Act 2018 and disrepair claims.

RESOLVED: that the forward plan be noted and updated.

51 **Housing Service Plan 2020/21**

The Strategic Lead – Housing, Health and Environment presented the draft Service Plan for the Housing Service covering the period 2020-2021, for consideration by the Board.

The Service Plan was a working document produced annually by all EDDC services and set out the key achievements over the past year and the forthcoming issues to be faced by the service. It linked closely with the Council Plan and the aim of the process was to produce a work plan for the coming year with a realistic view of the challenges and risks ahead. Producing a Service Plan presented a good opportunity to look back and reflect and also the ability to forward plan. A range of service improvements were identified through a number of SMART objectives (specific, measurable, achievable, relevant, time bound). The Plan linked closely with the Housing Strategy and was designed to complement a number of other housing plans and policies as part of how the Council managed its own housing stock, managed homelessness, and the services it delivered in the private sector. The Plan also considered service challenges and pressures over the next three years, as well as climate change implications. Performance should be monitored constantly against the 'live' document. The Service Plan was coordinated annually with budget planning.

Headlines from the Housing Service Plan were:

- A focus on delivering our housing purpose(s).
- A commitment to tackle homelessness.
- Recognition of poverty as a significant factor in people's lives.
- Revision of the HRA Business plan with updated stock condition data.
- A focus on new development opportunities with the need to review the current acquisition programme.
- Emphasis on the importance of compliance and keeping tenants safe in their homes.
- A focus on mental health and how we are addressing the challenges this is presenting us as a landlord.
- Embedding the Integrated Asset Management Contract.
- The need to raise our profile in the private sector around the work of the private sector housing team.
- Mapping the future of Home Safeguard with a realistic view of risks ahead including digital switchover, refresh of the marketing strategy, relocating the service, review of the staffing rota.
- An emphasis on evidencing value for money with the need to scrutinise some areas to satisfy ourselves that we are achieving what matters most to the customer, in line with our systems thinking purpose.
- Acting on the climate change agenda and building towards a carbon neutral council.

The service planning day involved powerful input from frontline staff on the day to day challenges of the job, ideas for service improvement and the needs of the customers. The Service Plan would be presented to the tenant groups over the next few months and cascade to housing staff. The Board's input into the Service Plan was welcomed, before it was finalised and reported to Cabinet.

The Vice Chairman explained that he was vice chair trustees of Sidmouth Consolidated Charities, which provided grants to those in hardship. Such charities had been impacted on the number of people requesting support. Although EDDC were providing people with a home, these properties were unfurnished and some people were unable to furnish it. He felt that the Council should not be putting people into empty/unfurnished homes. The Strategic Lead – Housing, Health and Environment replied that the housing options team had reported that the number of people moving into properties with absolutely nothing was increasing. Even after living in council housing for one or two years, some people still had nothing. This was referred to as furniture poverty. Staff were being resourceful and helping tenants out where possible. It was important to ensure that the Council's tenants were comfortable and had well-furnished homes. Reference was made to the objective in the forthcoming Service Plan that looked at a feasibility study of the housing service increasing resources and support in that area in order to explore the provision of furnished tenancies.

RECOMMENDED: that Cabinet approve the Housing Service Plan for 2020/21.

52 **Housing Revenue and Capital Budgets 2020/21**

Consideration was given to the Housing Accountant's report which presented the draft HRA revenue and capital budgets for 2020/21. At the same time as preparing the draft budget, draft Service Plans had been prepared and aligned, and linked back to the Council Plan.

The draft budget had been adopted by Cabinet and was now for consideration by the Housing Review Board. Recommendations from the Board would be presented to Cabinet on 5 February 2020, when members would finalise budget proposals to be recommended to Council.

The Housing Revenue Account (HRA) currently had 4,190 dwelling and 738 garages. It was underpinned and influenced by the business plan. This plan needed to be refreshed to consider:

- The implication of a new maintenance contractor.
- To reflect additional work on asset management planning and to further develop management information from the Housing IT system.
- The end of rent reductions.
- Implication of Universal Credit rollout.
- A need to reconsider the debt level and use of Right to Buy Receipts linked to future development ambitions.
- The implications of the climate change action plan.

This work was planned for 2020/21 to be included in the budget. The draft 2020/21 budget continued to invest in and maintain existing properties to a high standard with a comprehensive planned programme of expenditure, adaptations and routine repairs. It also provided an acceptable surplus (£.0927m) which would need to be prioritised between:

- contributing to the purchase programme to counteract the impact of continuing Right to Buy (RTB) sales and ensuring capital receipts were spent and not returned to government
- the ambitions in the Council Plan on climate change.

The Housing Accountant demonstrated some future financial modelling and evaluation for the Board to consider. This showed that:

- Financing all elements of the budget was possible.
- There needed to be a different approach to debt management.
- There was a requirement of a detailed asset management strategy to underpin the revised business plan.
- Stress testing, scenario analysis and other investigations were required to ensure all objectives could be met and influence decision making.

Concern was expressed whether there was sufficient funds in the budget for roof repairs. The Strategic Lead – Housing, Health and Environment advised that the new stock condition survey would provide more up to date information on this need. The current Business Plan was based on the old stock condition survey. Following the conclusion of the new survey it was possible that additional money would be needed in the budget.

The Council's Solicitor raised concerns about the number of disrepair cases that could come forward as a result of private lawyers encouraging tenants to take the Council to court, under the Homes (Fitness for Habitation) Act 2018. It was noted that a disrepair report would be presented to the Board at its next meeting. The Housing Accountant replied that there was no specific allocated budget, but that landlord services had funds available for such issues. Monitoring of the situation would enable it to be budgeted for if necessary. Reference to disrepair had been made in the Service Plan and training was being provided for staff.

RECOMMENDED:

1. that the HRA draft revenue and capital estimates are approved.
2. that the future considerations be noted.

53 Housing Revenue Account budget update 2019/20

The Housing Accountant's report provided the HRB with the current position to December 2019 and details of the year end forecast of the draft Housing Revenue Account (HRA) for 2019/20. The HRA showed the main areas of anticipated income and expenditure on landlord activities for the year ahead. Producing a HRA was a statutory duty for councils who managed and owned their housing stock, and therefore a key document for the Board to influence.

The report also provided the position of the HRA capital programme for both affordable housing and other capital items outside of the HRA. The Housing Revenue Account (HRA) was underpinned and influenced by the HRA Business Plan. The budget process utilised the principles contained within it, notably, to maintain an acceptable surplus whilst at the same time maintaining stock levels through the purchase programme to counteract the impact of continuing right to buy sales.

It was noted that income was expected to be marginally lower than previously anticipated primarily due to an increase in lost rent resulting from voids. Responsive repairs was significantly overspent due to the transition from the old cost plus contract to the new price per property contracts. The old contract caused issues due to the erratic nature of

invoicing. The new contract provided more stability and timely invoicing through data sharing. There had been a number of underspends and savings made across the HRA and these were explained in the report.

The revenue reserves position at year end was expected to stay at the adopted levels and still included the volatility reserve, with the surplus being used to fund new homes in future years. It was noted that no revenue contribution to capital through the HRA would be required within the year.

The current business plan included a programme of expenditure to replace properties lost through Right to Buy (RTB) sales and ensure that RTB receipts were invested and not returned to central government.

RECOMMENDED: that Cabinet approve the Housing Revenue Account update to December 2019.

54 **Future Right to Buy spend**

The Housing Enabling Officer's report sought delegated authority to continue the programme of property acquisitions in 2020/21 using Right to Buy receipts and borrowing from public works loans board (PWLB). The report also set options for spending the receipts going forward and considered a number of options.

The Board considered the amount of receipts that needed to be spent in the 2020/21 financial year and it was noted that this was a significant increase from the previous two year. There were five options for spending Right to Buy receipts, explained in the report were:

1. Buying from the open market.
2. Building Council housing.
3. Use the receipts as grant to give to registered providers (RPs).
4. Return the receipts.
5. A blend of the above.

The Council were congratulated on purchasing 61 properties since 2017.

RECOMMENDED:

1. that delegated authority be given to the Strategic Lead – Housing, Health & Environment, Portfolio Holder for Sustainable Homes & Communities and Chair of Housing Review Board to approve purchases to meet the 2020/2021 spending requirements using Right to Buy receipts and borrowing from public works loans board together with any commuted sums that may become available.
2. that following consideration of the options put forward for spending Right to Buy receipts in the future, that option 5 be pursued; a combination of purchasing stock and to look at developing new build.
3. that it be noted that paying back some Right to Buy receipts may be a possibility.

55 **Integrated asset management contract update**

The Property and Asset Manager's detailed report updated the Board on progress with the new Integrated Asset Management Contract (IAM) with Ian Williams Ltd which commenced on 1 July 2019.

After a good mobilisation phase, where the energy and focus had been high, performance had struggled to be consistently high. There had been issues with IT integration and staffing and training difficulties. It was noted that resident feedback on the service was paramount, and although there had been some teething issues, positive comments had also been received. Three areas were now being targeted to improve performance:

- Voids process and delivery.
- Reactive repairs processes.
- Key performance indicators/contract management.

It was noted that much higher than anticipated numbers of reactive repair requests and voids, and the poor condition of voids had also impacted service delivery.

The Vice Chairman thanked the Property and Asset Manager for attending the Repairs Service Review Group meeting earlier in the week so that involved tenants had the opportunity to understand the current position. He reported that he had been involved in the IAM project since the early stages and challenges had been expected. There was a need to ensure that the contract was being run as expected, but tenants on the whole were happy with the work that was being undertaken.

It was reported that the Citizen's Advice Bureau (CAB) had experienced problems reporting repairs on behalf of vulnerable tenants. The Housing Service Lead explained that this issue had now been resolved, with guidance being reiterated to staff, and improved working in partnership with CAB.

The Solicitor advised that he had received an offer of staff training from Devonshire Solicitors on contract management. HRB members could also attend if required. It was noted that staff were also being re-trained by Echelon consultants.

It was suggested that Ian Williams Ltd be invited to the next meeting of the Housing Review Board for an update on progress and to allow them to give their views on performance.

RESOLVED:

1. that the update report be noted.
2. that Ian Williams Ltd be invited to the next meeting of the Housing Review Board to discuss the Integrated Asset Management contract.

56

Homes standard

The Housing Service Lead explained that the Council had undertaken a self-assessment of current service delivery against the Social Housing Regulators Home Standard. There would be a series of reports for the HRB that would focus on each of the Regulators Consumer Standards in order to ensure that the Housing Service was meeting all regulatory conditions.

The Homes Standard set out the minimum requirements for what must be achieved to ensure tenants remained safe in their homes and specifically incorporated all compliance legislation across a range of areas including fire safety, gas safety, electrical safety, lifts and legionella.

The remaining three standards were:

- Neighbourhood and community.
- Tenancy.

- Tenant involvement and empowerment.

The Board noted the Council's current position, evidence and actions for further consideration. The Housing Service Lead suggested that some external assessment be sought to test the Council, in addition to the self-assessment.

RECOMMENDED:

1. that the contents of the self-assessment document appended to the report be noted.
2. that a budget of approximately £20,000 be approved to fund an external consultant to undertake a health check/audit of all areas of statutory compliance.
3. that the Property and Asset Manager consider options for combining the final two years of electrical inspections (due to finish 2021/2022) into the coming year 2020/21 in order to finish the programme one year early.

57 **Review of fire safety policy**

The Housing Review Board noted the amendments to the fire safety policy. The Housing Service Lead explained that the policy had been reviewed and updated, with very little changes made.

RECOMMENDED: that the fire safety policy be approved.

58 **Grenfell Tower inquiry phase 1 report October 2019**

The Compliance Surveyor had prepared a report to brief Housing Service Management team on the outcome/findings of the Grenfell Tower inquiry, phase 1 report, as well as the Council's current position and recommendations. This was presented to the Board, who were reassured that the Council was in a good place in respect of fire safety. The Council was:

- up to date with fire risk assessments,
- had no high rise blocks of flats,
- had no external Aluminium Composite Material (ACM) cladding,
- had a good partnership working relationship with the Fire Service,
- all blocks of flats had a red fire boxes which the fire service were aware of,
- had a five year electrical programme,
- had fire resisting composite doors.

East Devon District Council would continue to fully adopt all the recommendations in the inquiry report and would continue to update the HRB on progress. Officer reassured the Board that they were never complacent and would embrace good practice in the field.

RESOLVED: that the report be noted.

59 **Extension to gas servicing contract**

The Housing Review Board considered the report of the Senior Technical Officer (Asset Management and Compliance) which outlined the option to extend the existing gas servicing contract (due to expire on 30 September 2020) by a further year. The extension was allowed within the procurement process of the contract (there was the option to expend for a further two years on an annual basis and by agreement of both client and contractor).

Reasons for extending the existing contract included:

- To maintain properties to a good standard and compliant whilst achieving good value for money.
- To assist in achieving continuity of components and services across the property & asset service.
- To assist in achieving statutory 100% compliance in relation gas servicing across all our stock with gas components all in line with the gas policy.
- To assist in continuing to attend to all gas related breakdowns including carrying out all required remedial work.

RECOMMENDED: that the existing gas servicing and repair contract is extended for one further year.

60 **Extension to asbestos surveying contract**

The Housing Review Board considered the report of the Senior Technical Officer (Asset Management and Compliance) that explained the option to extend the existing asbestos surveying contract by a further year.

RECOMMENDED: that the existing asbestos surveying contract be extended by a further year.

61 **Performance monitoring report - quarter 2**

The Board was presented with the Housing Service performance indicator report for quarter 2 2019/20, with details of selected indicators measuring performance across the Housing Service.

RESOLVED: that the Housing Review Board note the performance of the Housing Service.

62 **Poverty - a local picture**

The Housing Review Board received the report which had been presented to Overview Committee on 14 November 2019, providing information on poverty within East Devon. The evidence based report focused on areas that the district council could influence and outlined work that was already undertaken. The four main areas were:

- Debt and financial vulnerability.
- Homelessness.
- Employment and earnings.
- Health and wellbeing.

The Board noted the nine recommendations contained in the report that had gone from Overview Committee to Cabinet, particularly the creation of an East Devon Poverty Strategy. They also noted how many of the issues linked closely with areas considered by the HRB.

Attendance List

Board members present:

Councillor Tony McCollum (Chairman)
Peter Sullivan, Tenant
Cat Summers, Tenant
Councillor Dan Ledger
Councillor Helen Parr
Cindy Collier, Tenant
Christine Morrison, Tenant

Councillors also present (for some or all the meeting)

M Armstrong
S Gazzard
P Millar

Officers in attendance:

Sue Bewes, Landlord Services Manager
Michelle Davidson, Property and Asset Management
Vicki Farrow, Property and Asset Manager
Amy Gilbert-Jeans, Service Lead Housing
John Golding, Strategic Lead Housing, Health and Environment
Tim Laurence-Othen, Housing Projects Officer
Andrew Mitchell, Housing Needs and Strategy Manager
Giles Salter, Solicitor
Melissa Wall, Housing Enabling Officer
Rob Ward, Accountant
Alethea Thompson, Democratic Services Officer
Sophie Davies, Senior Repairs Advisor, Property & Asset Management

Councillor apologies:

Christine Drew, Independent Community Representative
Pat Gore, Tenant
Councillor Ian Hall
Councillor Kim Bloxham

Chairman

Date: