

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Housing Review Board held at Council Chamber, Blackdown House, Honiton, EX14 1EJ on 30 January 2025

Attendance list at end of document

The meeting started at 10.05 am and ended at 12.20 pm

29 Minutes of the previous meeting

The minutes of the meeting held on 7 November 2024 were agreed.

30 Declarations of interest

Declarations of interest.

Councillor Jenny Brown, Affects Non-registerable Interest, Member of Honiton Town Council.

Declarations of interest.

Councillor Sarah Chamberlain, Affects Non-registerable Interest, Employed by Exeter City Council in the housing department.

Declarations of interest.

Councillor Steve Gazzard, Affects Non-registerable Interest, Tenant of East Devon District Council.

Declarations of interest.

Councillor Tim Dumper, Affects Non-registerable Interest, Member of Exmouth Town Council.

Declarations of interest.

Rob Robinson, Affects Non-registerable Interest, Tenant of East Devon District Council.

Declarations of interest.

Rosemary Dale, Affects Non-registerable Interest, Sheltered housing tenant of East Devon District Council.

11. Housing performance report - quarter 3.

Councillor Tim Dumper, Affects Non-registerable Interest, Non-remunerated director of a firm that worked closely with Acuity.

31 Public speaking

There were no members of the public registered to speak.

32 Matters of urgency

There were none.

33 Confidential/exempt item(s)

There were none.

34 **Housing Review Board forward plan**

The Director – Housing and Health presented the forward plan and advised members that the forward plan acted as a reminder of agenda items to come forward to future meetings. The forward plan had been derived from previous meetings and requests, as well as the housing service plan. Service managers were currently reviewing realistic timeframes against each topic. Members were reminded that they could add further reports and topics for discussion to the next forward plan by either informing herself or the Democratic Services Officer

The Director – Housing and Health advised the Board that the report on the individual garden maintenance scheme had been delayed due to staff illness, but would be brought to the next meeting of the Housing Review Board. The April Board meeting would also include reports on an update on the review and replacement of Home Safeguard equipment within the housing stock, a review of progress on the Resident Involvement Strategy and an initial draft of the Tenancy Strategy.

35 **Housing Service staffing update**

The Assistant Director – Housing (Regulated Services) gave the Board an update on the housing service staffing. He reported that he had been permanently appointed to the post of Assistant Director – Housing (Regulated Services). The Corporate Lead for Property and Assets role had gone out to advert and it was hoped that an appointment to this post would be made by mid March 2025.

A request was made for a written staffing update report and for an up-to-date housing structure chart outlining the key strategic roles. A request was also made for information on the number of officers employed across the housing service and the turnover rate. It was noted that although some of this organisational information was provided to councillors at Personnel Committee this was not readily available to all members of the Housing Review Board and that it was not housing service specific.

36 **Housing finance report**

The Director of Finance's report presented the draft revenue and capital budgets for 2025/26 relating to the Housing Revenue Account (HRA) and the financial monitoring and outturn forecasting versus budget of the current financial year to the end of December 2024. Recommendations from the Housing Review Board would be presented back to Cabinet in February 2025 to finalise the 2025/26 budget proposals to recommend to Council.

The HRA recorded expenditure and income on running the council's own housing stock and related services or facilities, which were provided primarily for the benefit of the council's own tenants. The HRA was a ringfenced account within the General Fund with strict legal and accounting rules to maintain separation from the General Fund. The HRA must always remain in surplus, and this must be considered when setting each year's budget and when planning for the future.

The HRA consisted of capital and revenue elements. Capital was typically asset enhancing items such as kitchens, bathrooms, windows etc or a project of more minor works to multiple properties. Revenue was typically low-level repairs and maintenance with regards to spend on assets plus staff and service costs, overheads etc. The Council

was allowed to borrow to fund capital expenditure, but not revenue without specifically required central government permission.

The initial budget presented to the Housing Review Board was a roll over budget from the previous year, with few changes from 2023/24. The 2023/24 HRA outturn and capital spend far exceeded the expectations that were included within that year's budget, requiring the contribution of all HRA earmarked reserves and adding an additional £2.5m to the HRA's borrowing requirement in order to maintain the £3.1 adopted level of the HRA balance. Therefore, shortly after the start of the current financial year it was established that the proposed 2024/25 budget was insufficient to meet the needs and demands of the housing service and provide the investment required to ensure regulatory compliant homes. A revised budget was approved by Council in July 2024.

During the 2024/25 financial year there had been numerous significant budget movements within the HRA (virements) which in effect had transferred significant sums from revenue to capital. This was the result of the underlying works included within the revised budget being scrutinised in detail within the regular collaborative financial management framework which had been established. This had been presented and where necessary approval given through HRA financial monitoring reports to committees. The 2024/25 budget figures presented for comparison in the report were those which were currently being reported, and monitored against in 2024/25.

Areas explained to and discussed by the Board included:

- Revenue budget.
- Income – the primary sources of income for the HRA were rents on dwellings, garages and other income including service charges.
- Repairs and maintenance – this included all major expenditure which fell into the revenue category and was segregated into general and responsive repairs and maintenance, and planned repairs and maintenance. The vast majority was covered by the integrated asset management contract (IAMC) with Ian Williams Ltd. The budgeted spend had increased by £0.05m, which could be attributed to the inflationary increase on the price per property payment under the IAMC.
- Supervision and Management – this covered a wide variety of costs related to the management and administration of council-owned housing. Key types of expenditure included all HRA direct staffing costs, property management costs, and external services and overheads. The budget for supervision and management as a whole for 2025/26 had decreased by £0.29m from 2024/5 (this factored a full staffing establishment); the most notable was a £0.12m decrease in employment costs and a £0.2m decrease in overheads/recharges.
- Capital charges – changes to the bad debt provision and depreciation/major repairs reserves/revenue contribution to capital.
- HRA financing. This was split into three areas:
 - Debt financing – the 2025/25 financing charges had increased by £0.47m
 - Interest income – the 2025/26 budget included an income amount of £0.24m.
 - Movement in reserves – this wouldn't continue in 2025/26 as all revenue and capital spend had been correctly allocated. There was an agreed annual contribution to be made to the HRA balance each year of £0.25m to reinstate the HRA balance to the adopted level of £3.1m.

The 2025/26 budget now bought a balanced budget. However, the HRA continued to face significant financial pressure in the immediate and longer term. This was from a range of factors including historic underinvestment, increased consumer and regulatory standards, general inflation, restrictions in rent increases, net zero expectations, disrepair claims, complaint resolution, high void and decant costs and other issues. Similar cost pressures were being seen in other stock holding local authorities. The

housing teams were thanked for their hard work in achieving efficiencies and savings in year.

It was noted that the proposed capital programme amounted to a significant investment in the Council's housing stock. This investment would result in a substantial level of additional borrowing and an increase in the overall HRA debt burden. The servicing of this debt would be met from within the HRA revenue budget and therefore create further pressure on revenue in future years. This additional interest expense burden would need to be offset by efficiencies, savings and income generation through strategic asset disposals. The longer-term revenue implications of capital investment would be modelled as part of the Business Plan review to ensure the HRA remained a going concern.

In response to a question about which properties were being sold under the Right to Buy scheme, the Director of Finance explained that the Council could not control which properties were sold, but would provide data on numbers sold in the next HRB finance report. Information was also requested on planned kitchen and bathroom works, as well as other planned capital expenditure that did and did not go ahead.

RECOMMENDED: that Cabinet approve the draft revenue and capital estimates and the financial modelling element presented is noted, subject to suitable key performance indicators being introduced for the Housing Review Board to be able to monitor major capital repair expenditure.

37 **Electrical compliance audit**

The Director of Finance presented the electrical compliance SWAP audit report to the Housing Review Board. SWAP (internal audit) undertook an audit of housing electrical safety, their audit report reflected the conditions seen during fieldwork which took place in early 2024. The report stated that prior to and during the review, there had been significant officer turnover in housing. The officers interviewed had now either left the council or changed role, and a new management team had been appointed. A specific Electrical Compliance Surveyor had been appointed and was working with the Assets Management Team to address concerns around the previous issues with electrical compliance records and data recording in addition to addressing issues with contractors who were not delivering against contract agreements.

The Director of Finance's report had previously been presented to the Audit and Governance Committee on 27th November 2024, and this committee would receive a further update from SWAP on the progress on the implementation of the recommendations. It was considered appropriate that the Housing Review Board were made aware of this report and satisfied itself that appropriate progress against the recommendations were made.

Housing had agreed to complete nine actions by 1 April 2025. Officers have completed one action, and work had already started on four other actions. The Housing Review Board requested that they see a list of the nine actions being referred to and that a progress report be added to the July meeting on the forward plan.

RECOMMENDED: that Cabinet approve that the Housing Review Board receive a progress report on the nine actions referred to in the SWAP housing electrical safety report at the July meeting Housing Review Board.

38 **Housing performance report - quarter 3**

The Housing Review Board were presented with key performance indicators (KPIs) for quarter three of 2024/25. The Assistant Director Housing (Regulatory Services) gave a presentation which summarised the performance and actions being taken to improve performance where targets were not being achieved. He remarked that it was an evolving report and welcomed feedback from members.

Discussion and clarification included the following points:

- Income collection – performance in this area had been excellent.
- Income lost through void properties was reducing.
- The number of re-let days had reduced by 48 days compared to quarter 2 performance, and had reduced by over 115 days from the average relet time at the end of the 2023/24 financial year.
- Compliance performance was high.
- Ian Williams were completing their repairs within target. However, there was a large discrepancy between the Council's data and that of the contractors. Works were ongoing to address this issue within One Housing, but this was a manual process that needed to be carried out by officers in partnership with the contractors. During the meeting the Assistant Director Housing (Regulatory Services) answered a number of questions relating to signing off major works and voids, the number of jobs recalled and clarification on how jobs were classified.
- Complaints handling still required some improvement. Although response times for stage one complaints had reduced (from 31 days at the beginning of the year to 13 days in quarter three), officers recognised the improvements that needed to be made in relation to improving the stage 2 complaint response times. This increase was largely due to the reduction in senior level officers to review the cases, sign-off on judgements and provide full responses.
- Tenant satisfaction measures – there had been an increase in seven of the twelve measures since quarter two, including some statistically significant changes. The tenant satisfaction surveys were carried out independently by an external company.

The performance report demonstrated the incredible hard work across the housing teams and the scale and pace of improvement.

During his presentation the Assistant Director Housing (Regulatory Services) gave the Board some examples of good news stories from the rental team, from the allocations team and void manager, and from the planned works and adaptations team. He also showed the Housing Review Board images of sewerage treatment plant upgrades, an overgrown void property garden, void clearance and a kitchen makeover.

It was noted that although community work was not included in the KPIs there were eight community hubs across the district that were a lifeline to some. They were accessible to all members of the public, not just EDDC housing tenants and provided hot meals and cold weather supplies such as blankets, hats and thick socks.

Those present thanked the Assistant Director Housing (Regulated Services) for his excellent report and congratulated the teams involved for the tremendous continuous improvement. Tenants generally felt that things were improving, but there was still a lack of communication. There was a danger in the housing service moving at pace, but forgetting to inform tenants of what was being done.

RESOLVED: that the Housing Review Board note performance at the end of quarter three, 2024/25.

Attendance List

Board members present:

Councillor Christopher Burhop
Councillor Sarah Chamberlain (Chair)
Councillor Melanie Martin
Councillor Simon Smith (Vice-Chair)
Sara Clarke, Independent Community Representative
Rob Robinson, Tenants
Councillor Jenny Brown
Councillor Tim Dumper
Rosemary Dale, Tenant

Councillors also present (for some or all the meeting)

I Barlow
C Brown
R Collins
P Faithfull
S Gazzard
D Ledger
S Westerman

Officers in attendance:

Sarah James, Democratic Services Officer
Alethea Thompson, Democratic Services Officer
Emma Congerton, Assistant Director Statutory Housing
Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Darren Hicks, Interim Tenancy Services Manager (Regulated Services)
Les Joint, Property and Asset Delivery Manager
Andrew King, Assistant Director for Housing (Regulated Services)
Liam Reading, Assistant Director - Housing Programmes, Investment and Development
Giles Salter, Solicitor
Catrin Stark, Director of Housing and Health
Rob Ward, Accountant
John Taylor, Property and Asset Manager
Gareth Wallace, Home Safeguard Project Lead
Lynsey Williams, Housing Sustainment and Resettlement Service Manager

Councillor apologies:

Councillor Aurora Bailey
Rachel Browne, Tenant

Chair

Date: