

# **EAST DEVON DISTRICT COUNCIL**

## **Minutes of a meeting of the Housing Review Board held at Knowle, Sidmouth on 10 September 2009**

**Present:**

Councillors:	Co-opted tenant members:
Douglas Hull (Vice Chairman)	Ted Brown (Chairman)
John Humphreys	Victor Kemp
	Christine Morrison
EDDC Officers:	Sue Saunders
Dennis Boobier, Housing Needs Manager	Co-opted independent community representative:
Emma Charlton, Housing Projects Officer	Rob Finch
John Golding, Head of Housing & Social Inclusion	
Andy Grigg, Housing Services Manager	
Alethea Thompson, Democratic Services Officer	

**Also Present:**

Councillors:

Jill Elson, Portfolio Holder, Communities  
Ann Liverton  
Graham Liverton

**Apologies**

Councillors:	Co-opted tenant member:
Vivienne Ash	Ann Bickham
Jim Knight	
Pauline Stott	

The meeting started at 6.35pm and ended at 8.40pm

\*18 **Public Question time**

There were no questions raised by members of the public.

\*19 **Minutes**

The minutes of the meeting of the Housing Review Board held on 25 June 2009, were confirmed and signed as a true record.

## **Chairman's announcements**

### **Special responsibility allowance**

The Chairman reported that a special responsibility allowance had been available to the previous Chairs of the Housing Review Board who were elected councillors. Whether or not the current Chairman who was not an elected councillor should be awarded a special responsibility allowance was being considered by the Independent Remuneration Panel at its next meeting. The Chairman asked the Board to support the payment of a special responsibility allowance to the Chairman of the Board irrespective of whether or not s/he was an elected member. The Chairman thanked the Board for their support.

### **New seating arrangements**

The Vice Chairman explained to those present the new seating arrangements for the Housing Review Board. The aim of this was to bring all members of the Board together to create a more cohesive group.

### **Chairman's vision and values**

The Chairman explained that his theme was 'working together'. He did not want a fragmented Board and hoped that the Board would demonstrate the values identified in the equality and diversity policy. The Chairman stated that he wanted there to be an openness and honesty and a genuine desire to value, and understand each other, and for that to be the foundation to build on to achieve mutual goals as a unified Board. He felt that each member brought a unique contribution to the Board and that any differences would add to the Board's strengths and effectiveness.

### **Start time of meetings**

It was agreed that due to concerns over the size of the agendas and the length of the meetings that Housing Review Board meetings would now start at 6.00pm on a trial basis.

### **Councillor Douglas Hull**

It was noted that Councillor Douglas Hull had become an Honorary Alderman that day and the Board congratulated him.

- RECOMMENDED**
- 1 that the special responsibility allowance be paid to the present Chairman and any future Chair, regardless of whether they were a councillor, tenant or independent community representative.
  - 2 that meetings of the Housing Review Board commence at 6.00pm, on a trial basis.

- RESOLVED**
- 1 that the amended seating arrangements be noted.
  - 2 that the Chairman's visions and values be noted.

## **Housing Review Board Forward Plan**

The Head of Housing and Social Inclusion presented the Forward Plan to the Board and the contents were noted. The Housing Strategy summary document and the kitchen choice brochure were circulated at the meeting for members' information.

A request was made for consideration of car parking on council estates to be brought forward. It was noted that there were a number of problems on a variety of estates across East Devon.

\*22 **Housing Revenue Account review and service transformation**

Consideration was given to the report of the Head of Housing and Social Inclusion which initiated a review of the Housing Revenue Account (HRA) and extended the service transformation exercise to the landlord activities contained within the ring fenced HRA.

The Head of Housing and Social Inclusion reported that it was timely to commence the review of the HRA and Business Plan as the Government was consulting on freedoms from the restrictive housing finance and subsidy system. The Council's ability to build council homes with Government grant, the resulting borrowing implications and the need to consider the Carbon Management Plan, review of sheltered housing and other aspirations also prompted a review of the Business Plan. The Council had run its HRA surplus down close to the minimum recommended level by spending on tenant services and homes. It was at a point where there would need to be close monitoring of expenditure and commitments to maintain the surplus.

The housing service had also been encouraged to consider service transformation issues consistent with the work of the Leader's Service Transformation Group in relation to General Fund activities.

The HRA had been closely managed, to a point where it could now meet major expenditure priorities from the income generated. There were new pressures for additional spending and opportunities for efficiencies. There were also changes being considered to the HRA regime that could benefit the Council and its tenants. It was not possible to undertake a review of the HRA in one session and it was recognised that the process needed to be undertaken having regard to the economic pressures and changing financial environment. The four main issues influencing the HRA review were building new council homes, additional HRA financial pressures, the reform of council housing finance and the service transformation agenda.

The overriding message was that there was a need to monitor and manage HRA expenditure particularly carefully. The Board would need to be very careful when identifying any new expenditure commitments; additional income would need to be found or expenditure cut from elsewhere. It was noted that the £1 million surplus needed to be maintained.

The Board were urged to think about what they wanted and where the priorities for spending should be before budget setting began at the next Board meeting. The review of the HRA would be followed by the 2010/11 budget preparations, the results of the Leader's Service Transformation exercise, the outcome of the bids for grant and the HRA consultation process.

**RESOLVED** that the first stage of a review of the Housing Revenue Account Business Plan be considered, incorporating the findings set out in the report in future budget setting arrangements.

23 **Reform of council housing finance – consultation exercise**

Consideration was given to the report of the Head of Housing and Social Inclusion on the reform of council housing finance. It was reported that in July 2009 the Government issued a consultation paper on the long awaited reform of council housing finance. This was about reform of the ring fenced Housing Revenue Account system and the subsidy regime that was widely seen as an unfair element of the current system. The main consultation paper was accompanied by a number of supporting documents.

## 23 **Reform of council housing finance – consultation exercise** (cont'd)

In response to lobbying, the Government had indicated a willingness to reform the system of council housing finance and was consulting on freedoms and flexibilities from the current HRA accounting rules. Two main options for change set out in the consultation involved local housing authorities taking on part of the national housing debt. For debt free authorities like East Devon District Council this would be likely to present a major problem of equity and principle.

The consultation paper was concerned with a review of council housing finance and aimed to find a long term, sustainable solution to improve or replace the current Housing Revenue Account subsidy system that would be fair to both tenant and taxpayer and fit with wider housing policy. The Government had signalled an intention to dismantle the current HRA subsidy system and replace it with a devolved system of self-financing for all local authorities. This would depend on a one-off allocation of housing debt, after which councils would be able to keep all their rental income. An alternative would be to retain, but improve the current system. It was noted that the consultation period would finish on 27 October 2009.

The Head of Housing and Social Inclusion reported that overall he found the consultation proposals disappointing in that they only provided freedoms if the Council was prepared to take on part of the national housing debt. The proposals were unlikely to enable the Council to reinvest its rental income into improved services for tenants, improving council homes and building new council homes. The Head of Housing and Social Inclusion requested the Board's support that he respond strongly to the consultation paper with the view that the Government should write the debt off rather than redistribute it as the Council would be no better off.

- RECOMMENDED**
- 1 that the Council respond to the consultation paper reform of council housing finance as indicated in the report.
  - 2 that the Head of Housing and Social Inclusion liaise with the Chairman of the Housing Review Board and the Portfolio Holder for Communities before sending the consultation response.
  - 3 that a copy of the consultation response be circulated to Board members before it is submitted.
  - 4 that a copy of the Council's final response to the consultation paper be sent to the Government's communities directorate, the two MPs for the district and the Council Housing Inquiry Group.

## \*24 **Bids for social housing grant**

Members of the Housing Review Board were informed that the Council had been presented with an opportunity to provide 17 new build council homes on land owned by the Council through four successful bids for social housing grant. To make the bids as attractive as possible it had been assumed that rental income from the homes would cover the loan.

The report sought to secure subsidy from the HRA to help facilitate the Council to build new council housing. If the bids were accepted then the Council would be committing to a significant level of borrowing, as well as agreeing to a short time scale as work would have to commence on site by April 2010. It was noted that there had been internal pre planning discussions but no plans had been drawn up in detail and a lot of work would be required internally. A private company or housing association could be commissioned to bring the schemes forward and manage the development process.

\*24 **Bids for social housing grant (cont'd)**

**RESOLVED**

- 1 that the Housing Review Board support the social housing grant bids made, as detailed in the report,
- 2 that the Housing Review Board approve the necessary funding from the Housing Revenue Account to enable the Council to progress the schemes.

(Rob Finch declared a prejudicial interest in the above item due to potential employer gain and left the room during the discussion and voting).

25 **Advantage S.W. procurement consortium**

The report of the Housing Services Manager proposed that the Council become a partner in the Advantage South West procurement consortium. This was consistent with the housing procurement strategy and would enable the Council's contractors to source building materials at improved rates, thereby creating efficiency savings within the HRA. It was noted that Advantage SW was used by a number of housing associations in the area and that the greater the membership, the greater the discounts would be.

**RECOMMENDED** that the Council join Advantage SW and become a partner of the consortium.

(Rob Finch declared a personal interest in the above item as an employee of Devon and Cornwall Housing Association which was a member of the consortium. He remained in the room and took part in the discussion but did not vote).

26 **Responsive repairs – contract arrangements**

Consideration was given to the report of the Housing Services Manager which took forward the process of reviewing the current arrangements for undertaking day to day responsive maintenance repairs and cyclical maintenance to Council dwellings. It was noted that the current contracts all expired on 31 March 2010. The report proposed an extension of the contracts by way of a deed of variation. The contracts were a crucial part of the Council's housing service to tenants as repair and maintenance issues were consistently rated as one of the most important landlord services by tenants.

**RECOMMENDED** that the extension of the current contracts by Deed of Variation be approved, with the contract period being extended up to a maximum of two years, but any extension be for only 12 months and reviewed in one year's time.

27 **St Paul's, Heathpark, Honiton – a review of work taking place on the estate to look at enhancing its appearance**

The Board was invited to consider and comment on the report of the Housing Projects Officer concerning a review of the work taking place on the St Paul's estate, Heathpark, Honiton, to look at enhancing its appearance.

During the 2007 Audit Commission inspection the Inspectors commented that there were problems in the area of St Paul's, Heathpark, Honiton leading to the estate having a 'neglected appearance'. A report was presented to the Housing Review Board in November 2008, following which the Board resolved that a working party be established to discuss the issue and propose ideas to improve the situation.

27 **St Paul's, Heathpark, Honiton – a review of work taking place on the estate to look at enhancing its appearance** (cont'd)

The working party met on 20 January 2009. They requested that plans be drawn up to give potential ideas and likely costs for improvement works. Following this Swan Paul Partnership Ltd was commissioned to draw up initial plans. Using the ideas from these plans a questionnaire for residents was circulated around the estate to establish exactly what local residents wished to see on the estate. The results from the questionnaire were contained in the report.

Following on from these results it was decided to investigate further what could be done regarding a safe play area for young children by the Community Flat. Further details were given in the report. It was noted that it was estimated that the improvements and alterations would cost a maximum of £10,000.

It was reported that it was unlikely that any Section 106 money would be available towards the costs. It was suggested that opportunities for contributions from elsewhere should be exhausted in order to reduce the amount of expenditure by East Devon District Council. It was felt that local people's expectations had been raised and it was important to provide something on the estate.

- RECOMMENDED**
- 1 that £10,000 be allocated for improvement works at St Pauls, Heathpark, Honiton, to meet the Audit Commission's requirements.
  - 2 that the Head of Housing and Social Inclusion agree the weekly equipment inspection with the Head of Street Scene, as well as the cost implications of increasing the frequency of weed clearance and litter picking in the area.

28 **Introductory tenancies**

Consideration was given to the report of the Housing Needs Manager which set out a proposal to commence the use of introductory tenancies under Section 124 of the Housing Act 1996. Introductory tenancies would operate for the first 12 months of a tenancy and at the expiry of this period the tenancy would 'mature' to a secure tenancy. The report provided details of introductory tenancies, when they would be used and the benefits to the Council when trying to deal with breaches of a tenancy agreement. It was hoped an introductory tenancy would create the culture at the beginning for new tenants that the Council would like them to continue.

Concern was expressed over a clause in the draft agreement regarding new tenants needing the Council's approval to keep pets. The value and purpose of this clause was debated.

It was noted that the proposed introductory tenancy agreement had been considered and agreed by the Tenant and Leaseholder Customer Panel. Further consultation with tenants would also be carried out.

- RECOMMENDED**
- 1 that the proposal for implementing introductory tenancies for all new tenants of the Council be approved.
  - 2 that tenants be consulted on the proposal to implement introductory tenancies.

29 **Equality and diversity commitments for the Housing and Social Inclusion Service**

Members of the Housing Review Board noted that equality and diversity commitments for the Housing and Social Inclusion Service had been drawn up in response to comments from the Audit Commission and were intended to replace its existing Racial Equality Policy for rented housing. The Audit Commission had recommended that there was a need to improve the sensitivity of the service to the diversity of tenants and the implementation of the proposed equality and diversity commitments was designed to achieve this.

**RECOMMENDED** that the equality and diversity commitments for the Housing and Social Inclusion Service be agreed, adopted and promoted to staff and customers.

30 **Play areas**

The report of the Housing Services Manager highlighted two play areas that were in need of urgent repairs due to health and safety issues. These play areas were at Park Close, Clyst Hydon and Turner Close, Newton Poppleford.

Fifteen play areas on council estates were currently maintained through the HRA. Members were surprised that the play areas came within the housing budget. It was explained that the play areas were historically built on council estates, however these had now become mixed tenure estates. Concern was expressed that the Council should take over responsibility for all play areas in the district. It was agreed that the Council should be asked to review where the play areas were and how they were funded. Town and Parish councils should also be made aware of the play areas and the Council asked to make Section 106 money available for improvements/maintenance where ever possible.

- RECOMMENDED**
- 1 that the budget sum of £30,000 be approved to enable essential repairs and improvements to be undertaken to two play areas at Pak Close, Clyst Hydon and Turner Close, Newton Poppleford.
  - 2 that following the improvement works the relevant parish councils be asked to take on responsibility for these play areas.
  - 3 that the Council explore the future responsibility and funding of all Housing Revenue Account maintained play areas.

\*31 **Voids**

Consideration was given to the report of the Housing Needs Manager which set out the 4<sup>th</sup> quarter performance in respect of letting void properties, for the period January to March 2009. It also provided the void performance for the financial year 2008/09.

The report showed the average length of time taken to re-let properties. Performance for the year April 2008 to March 2009 showed that it had taken on average 22 days to re-let each empty property. This compared favourably with the re-let performance in previous years, and the target of 28 days.

The Communities Portfolio Holder congratulated the Housing Needs Manager and his team for their work in reducing the amount of time taken to re-let properties and in helping people to move home. It was noted that significant adaptations had been made to some properties in the area, which had meant that these properties remained uninhabitable for longer than usual.

\*31 **Voids** (Cont'd)

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**RESOLVED** that the report be noted.

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Chairman .....

Date .....