

Overview and Scrutiny Committee

Thursday, 23rd February,
2023

MINUTES

Present:

Councillor Bill Hartnett (Chair), Councillor Joanna Kane (Vice-Chair) and Councillors Salman Akbar, Tom Baker-Price, Sid Khan, Timothy Pearman, Luke Court and Ann Isherwood

Also Present:

Councillor Craig Warhurst (Portfolio Holder for Housing and Procurement)

Officers:

Sue Hanley, Peter Carpenter, Guy Revans, Simon Parry and Melissa Basset (on Microsoft Teams)

Democratic Services Officers:

J Bayley-Hill and Gavin Day

99. APOLOGIES AND NAMED SUBSTITUTES

Apologies were received from Councillors Imran Altaf and Michael Chalk with Councillors Luke Court and Ann Isherwood attending as substitutes respectively.

Apologies were also received from Councillor Brandon Clayton.

100. DECLARATIONS OF INTEREST AND OF PARTY WHIP

There were no declarations of interest nor of any party whip.

101. MINUTES

The minutes of the meeting held on 1st December 2022 were submitted for Members consideration.

.....
Chair

RESOLVED that

The Minutes of the Overview and Scrutiny Committee held on 1st December 2022 be approved as a true record and signed by the Chair.

102. PUBLIC SPEAKING

There were no public speakers who registered to speak on this occasion.

103. 30 YEAR HRA BUSINESS PLAN, INVESTMENT PROGRAMME AND ASSET MANAGEMENT STRATEGY FOR COUNCIL HOUSING - PRE-DECISION SCRUTINY

The Housing Property Services Manager presented the report on the 30 year Housing Revenue Account (HRA) business plan and in doing so drew Members' attention to pages 5 to 37 of the Additional Papers 1 pack.

Officers presented an overview of the 30-year HRA business plan, the asset management strategy for housing stock and the 2023-2027 capital investment programme. These were key strategic documents for the HRA strategy for the management of the condition of the Council's stock. The HRA also enabled the Council to deliver a wide range of services to tenants including the maintenance and servicing of properties.

Officers detailed the key assumptions which the HRA needed to use for a long-term projection these included:

- The right to buy sales.
- The number of properties developed, acquired or remodelled.

Officers also detailed the sensitivity analysis which had been undertaken on the aforementioned assumptions, The analysis took into consideration, the number of void properties and the performance on turning those around, rent increases, management costs and any debt/borrowing. The plan also ensured that reserves were maintained in the eventuality of changes to those assumptions.

Officers detailed that modern facilities, such as kitchens, bathrooms, new central heating systems and electrical rewiring, were considered high priorities in the plan and these would be delivered via a contract to commence in the 2023/2024 financial year.

Overview and Scrutiny Committee

Thursday, 23rd February, 2023

Clear guidance had been received from the government to achieve a minimum of an Energy Performance Certificate (EPC) rating of C for all Local Authority housing stock by 2030.

To achieve the EPC targets and modern facility upgrades there would be £40m available over 5 years to develop existing properties, with an additional £15m for new developments.

Officers clarified the following points following questions from Members.

- That there were currently 15 void properties, and the turnaround was approximately 24 days.
- The 2019/2020 stock condition survey was very comprehensive and covered 70% of the Council's housing stock.
- A new system (Civica CX) was being implemented which had been used successfully by a number of Local Authorities. The system had only just completed Phase 1, therefore, there were still some teething problems that would be found with any new system, around training and implementation.
- An administrative assistant and a team leader were being employed to efficiently address tenant concerns.
- Regarding the financial estimates, Officers used government guidance and the assumption that the national financial situation should improve within 3 years, including interest rates returning to standard values.
- That the net loss of 600 houses over 30 years was deemed appropriate. There had been a total net gain of only 34 houses in 2021/2022, therefore, the assumption of losing 20 houses a year would be valid.
- The 30 Year HRA report was based on a standard model which had been adapted to suit the Council's trends.
- There were no plans to reduce the HRA debts, the loans were over an extended period of time and usually refreshed upon expiry. Officers could not give an exact timescale but indicated that the loans had a minimum of 20 years left on their duration.
- The £600k shortfall mentioned in respect to the right to buy sales was the net loss to the account due to the loss of rental income and already accounted for sale income, of which a portion went to the local Council.
- Officers detailed that there would be funding for garages/car parking provision under appendix 3, covered by

Overview and Scrutiny Committee

Thursday, 23rd February, 2023

“estate/environmental improvements” and
“estates/parking/paving” both under capital receipts.

- The non-standard materials used, referenced in the report, referred to funding being kept to one side to maintain buildings in the existing stock which were constructed using non-standard building materials.
- Damp and mould issues came under the repairs and maintenance budgets and this was not treated as a capital project.
- Assessments were underway on properties to assess their needs and requirements to meet EPC targets. When completed, Officers would be able to identify any additional capital projects.

Officers explained that there would be a nationally driven survey undertaken in the new financial year which would be used to get baseline data to be compared against during subsequent years. There was expected to be 500 responses required which needed to be from an adequate cross section of tenants in the Borough. Officers also detailed the strict IT guidelines that needed to be adhered to, therefore, there would be no room for adaptation to tailor the survey to the needs of the Borough. It was noted that the data could be used to form a league table of sorts for Local Authorities, however, Members expressed the opinion that the Council should not compare itself to other authorities but instead use the data to strive for improvements year on year.

Members raised concern regarding the funding to retrofit properties to an EPC rating of C. Officers detailed that some of the funding would be covered by government awards but there would be some built into the HRA. The extent of the work and any capital projects would be decided after assessments were completed. Members also expressed a view that more could be done in particular regarding solar panels with new and existing properties.

Officers outlined plans to try and manage the housing stock which included incentivising occupants to move into smaller properties to free up much needed family homes. Officers also detailed that they would decide on what type of properties to prioritise during construction based on current demand at the time.

At the end of a lengthy debate the Committee

RECOMMENDED that

Overview and Scrutiny Committee

Thursday, 23rd February, 2023

- 1) The Housing Revenue Account 30-year Business Plan 2023-2053 be approved as set out in Appendix 1.
- 2) The Housing Asset Management Strategy be approved as set out in Appendix 2.
- 3) The Housing Capital Programme 2023-2027 be approved as set out in Appendix 3.
- 4) The Executive Committee consider the following:
 - a) Providing more parking spaces or being more specific about when and where parking spaces will be provided for Council houses.
 - b) Transferring funding for handling mould and damp on properties from the Repairs and Maintenance (R&M) budget to the Capital Programme.
 - c) The Overview and Scrutiny Committee highlights the projected loss of 600 properties and the need to consider what can be done to reduce this figure.
 - d) Fitting solar panels to new build properties and / or suitable existing properties in the Council's housing stock.
 - e) Adding a provisional budget, which could be amended at a later date, to pay for works needed to improve the energy efficiency of the Council's housing stock to at least an EPC C rating.

104. EXTERNAL SCRUTINY BODIES - UPDATE REPORTS

RESOLVED that

the External Scrutiny Bodies update be noted.

105. OVERVIEW AND SCRUTINY WORK PROGRAMME

The Chair advised that two items had been added to the Executive Committee's Work Programme which were due to be considered at the meeting of the Executive Committee scheduled to take place on 21st March 2023. This included:

- The Air Quality Enhancement Monitoring Report
- The Off-Street Parking Order report

Members agreed that the Air Quality Enhancement Monitoring Report should be added to the Overview and Scrutiny Committee's Work Programme for pre-scrutiny.

RESOLVED that

Overview and Scrutiny Committee

Thursday, 23rd February, 2023

1. the Air Quality Enhancement Monitoring Report be added to the Overview and Scrutiny Committee's Work Programme for pre-scrutiny; and
2. the Overview and Scrutiny Committee's Work Programme be noted.

The Meeting commenced at 6.30 pm
and closed at 8.07 pm