

TANDRIDGE DISTRICT COUNCIL

HOUSING COMMITTEE

Minutes and report to Council of the meeting of the Committee held in the Council Chamber, Council Offices, Station Road East, Oxted on the 24 March 2022 at 7:30pm.

PRESENT: Councillors Pursehouse (Chair), Lockwood (Vice-Chair), Gaffney, Gillman, Mills, Morrow, Ridge, Shiner, Steeds, Swann and Connolly (Substitute) (In place of Hammond)

ALSO PRESENT: Councillor Duck

APOLOGIES FOR ABSENCE: Councillors Groves and Hammond

298. MINUTES OF THE MEETING HELD ON THE 25TH JANUARY 2022

These minutes were approved and signed as a correct record.

299. HOUSING COMMITTEE - 2022/23 BUDGET – TRANCHE 2 PRESSURE AND SAVINGS DISTRIBUTION

As explained during the previous cycle of meetings, the following approach had been taken to the allocation of pressures and savings to the respective policy committees as part of the 2022/23 budget setting process:

Tranche 1 – savings and pressures which were straightforward to allocate (these had been agreed by the respective policy committees during the previous cycle of meetings)

Tranche 2 – pressures regarding inflation (£174k), salary increments / National Insurance staffing costs (£193k) which were being held as 'corporate items', pending allocation to policy committees during the March / April 2022 cycle of meetings

Tranche 3 – the more complex cross-cutting savings (also being held as 'corporate items') which would require service reviews and business cases to ensure accurate distribution to policy committees during the June 2022 cycle of meetings.

A report was submitted which proposed that this Committee's:

- share of Tranche 2 pressures be £8k as per Appendix A; and
- fees and charges be as per Appendix B.

The recommended fees and charges had, where appropriate, been uplifted by inflation.

It was noted that paragraph 3.1 should have read 'Housing' instead of 'Community Service's'.

In response to Members' question, it was confirmed that:

- uncertainty existed around future funding from Central Government, due to the delay of a Government Funding Review, which affected future budget years. There was no impact on 2022/23.

- following the Committee's decision in June 2021 to set an application fee for Mobile Home Sites, this fee had been split up in the proposed fees and charges. These were calculated in line with other local authorities and had been set on a cost basis.
- usually the fees and charges would have been brought to Committee during the setting of the budget in January and February. Capacity constraints made that difficult to achieve this year. However, the budget had been set on finite funding and relied upon the proposed fees and charges.

RESOLVED – that:

- A. subject to further consideration by the Strategy & Resources Committee on the 7th April 2022 regarding the overall allocation of Tranche 2 pressures and savings, the revised 2022/23 net budget for the Housing General Fund Committee at **Appendix A** be approved; and
- B. the uplifted Fees & Charges for the Housing General Fund Committee (**Appendix B**) be approved.

In accordance with Standing Order 25, Councillors Connolly, Gaffney, Morrow, Ridge and Steeds wished it recorded that they abstained from voting on resolution B above.

300. HOUSING COMMITTEE Q3 2021-2022 PERFORMANCE REPORT

Members were presented with an analysis of progress against the Committee's key performance indicators, together with an updated risk register for the third quarter of 2021/22 and an update on the Council's House Building programme.

Officers drew the Committee's attention to:

- the omission of KPIs HO7 – HO10 relating to the repairs service. This was due to a systems issue which meant it had not been possible to extract the data. This issue had been resolved with a permanent fix and officers were working through the data to update the systems. An update would be circulated to Members in April and full details would be included in the Quarter 4 update in June.
- a new risk, H4, relating to the Council's gas contract with Gazprom.

In answer to Member's questions about the Council's gas contract, it was confirmed that:

- the contract was set to expire in September 2024. There was no immediate mechanism to end the contract earlier than this date. If the Council were to terminate the contract in advance, it would be in breach of contract and would be liable for the full fixed term costs.
- if the Government were to terminate all Gazprom contracts, the Council would incur costs through an emergency procurement exercise to source an alternative provider.
- the budget set aside for the gas contract was £148,000 for 2021/22. Not all of that related to the Housing General Fund. The budget set aside for electricity was £460,000. This covered central and communal facilities and residencies which had one central heating system.

- a report would be brought to the September meeting of the Committee to give Members an opportunity to look in more detail at the Council's gas and electricity contracts.

In response to Member's observations, it was confirmed that:

- the high RAG rating for risk H1 (overspend on housing repairs) was related to the systems issue. Officers were able to monitor the bottom line spend on housing repairs, but not allocate these to budget heads. Following comments from Members, the RAG rating would be reviewed and reduced prior to the next meeting.
- in relation to the mitigating actions for risk H1, external contractors supplemented the work of Council staff, but it was not felt that there was an over reliance on third party contractors.
- in relation to the affordable rented scheme at Dormansland station, a decision was due from the Planning Authority over whether the change of tenure from rented to low cost home ownership would satisfy the test for very special circumstances. The proposals did meet the definition for affordable housing.
- the Council is on track to deliver the Council's current house building programme.

Councillor Morrow proposed an additional resolution to confirm that the Committee had considered risk H3 and noted that a solution to the issue was being worked on that would resolve the issue imminently.

RESOLVED – that:

- A. the Quarter 3 2021-2022 performance and risks for the Housing Committee be noted; and
- B. the Committee had considered risk H3 and notes that a solution to the issue was being worked on that would resolve the issue imminently.

301. INCOME MANAGEMENT POLICY REVIEW

A report was presented to the Committee to consider updates to the income management policy. The report highlighted areas that were recently reviewed, along with recommendations made to maximise income to the Housing Revenue Account. During the review, new legislation and supporting processes had been assessed to ensure they were fit for purpose.

The updated policy would prevent the build-up of rent arrears over a prolonged period of time, allowing officers to focus on proactive income management.

In response to a question from a Member it was confirmed that there would be no extra work for officers in relation to the requirement to issue a different notice when seeking possession of a property for flexible tenancies.

RESOLVED – that:

- A. the content of the report be noted; and
- B. the updates to the income management policy be agreed.

302. COUNCIL HOUSE BUILDING PROGRAMME - NEW SCHEME UPDATE

A report was presented which recommended Officers prepare proposals for a new scheme at Pelham House, Caterham. The report also sought approval for land appropriation at Pelham House and an increase in budget for the proposed Featherstone, Blindley Heath development due to increasing construction costs.

Officers explained that, to facilitate the re-development of Pelham House, it was proposed that Pelham House residents be re-housed and those with a sheltered housing need would be moved to Wadey Court, the new sheltered housing scheme at the Bronzeoak site, which was due for completion in the autumn.

Members welcomed the proposal to redevelop Pelham House and noted that Wadey Court would provide modern accommodation better suited to the needs of sheltered housing residents.

In response to a question from a Member, Officers explained that Lingfield and Dormansland had been grouped together in the Housing Strategy to identify a sheltered housing scheme to serve both areas.

RESOLVED – that:

- A. officers prepare proposals for and seek pre-application planning advice for the redevelopment of Pelham House, Caterham for a mix of 1, 2 and 3-bedroom dwellings making best use of the site; and approve a budget for the pre-application stage of £50,000.
- B. the approved budget for the proposed Featherstone development be increased by £350,000 from £4,759,030 to £5,109,030 to reflect the increase in build costs since the original approval following advice by the Council's external building surveyor.
- C. in the case of recommendation A, approval to proceed includes the appointment of an architect, Employers Agent and other specialist consultants and surveyors to act for, or advise, the Council and commissioning of necessary reports to take the proposal to pre-application advice stage, all subject to the Council's Standing Orders and Financial Regulations.
- D. in the case of recommendation A, authority also be given for Officers to commence the process of appropriating the land from housing to planning purposes in accordance with Section 122 (1) of the Local Government Act 1972.

303. HOUSING STRATEGY 2019-2023 - ACTION PLAN UPDATE

The Committee considered a progress report against the Housing Strategy action plan agreed in 2019. In working towards the agreed actions, there had been cross departmental working and collaboration between Officers. Officers highlighted that the Strategy is for a 5 year period and some of the actions had not been progressed since the last update. Members would continue to be informed of progress annually.

In response to Members' questions, Officers commented on particular action points as follows:

No. 1 – Monitor the number of new homes, affordable homes, size of new homes (number of bedrooms), type of new homes and specialist units through the Authority's Monitoring Report.

It was noted that the targets in the action plan were set by planning and monitoring was in response to planning applications. The outcome wasn't balanced, but it showed the importance of the Council's house building programme. Officers would seek further advice from the Planning department and report back directly to Members.

No. 7 – Support Registered Providers to reduce rents below Local Housing Allowance (LHA) levels (and/or including social rented housing) and consider reflecting the additional cost through a reduction in the percentage of affordable units for rent required on a site. In addition (and where applicable) seek funds from Homes England to support development.

Officers confirmed that rents relating to new housing association properties were within the LHA levels. This requirement was secured within Section 106 applications. Registered Providers were aware of the financial circumstances of tenants and kept their rents at a level which meant that if a resident was made redundant, assistance would ensure their rent could be continued to be paid.

No. 17 – Explore opportunities to develop/improve the database recording facility and review the data capture processes relating to private sector.

Officers confirmed that the new platform for monitoring stock condition across the private sector was run by Mole Valley District Council as part of the shared environmental health service. It was hoped that Officers would have use of that system in the future. Officers would clarify the data that had been captured on the system so far and would circulate it to Members following the meeting.

No. 20 – Develop an Empty Homes Strategy and targeted action plan.

Officers confirmed that a draft Strategy would be presented to the Committee for consideration no later than September 2022. The Committee were informed that 3 owners had recently confirmed they would be interested in renting their empty properties, which had bolstered the private sector landlord stock.

No. 23 – Explore the introduction of an accredited property scheme, and;

No. 24 – Explore ways to reach out to private landlord fora and groups to make even stronger connections with them. This could include the Council setting up a lettings agency.

Officers confirmed that resource and in-house expertise had delayed actions 23 and 24. Officers had been diverted to other projects and priorities but it was hoped that progress would be made within the next year. This would include consideration of how the Council's housing company could be utilised to progress these actions. The Council was working well with private landlords.

It was noted that it was necessary for the Committee to ensure attention was paid to stock condition due to increasing financial challenges. Officers confirmed that a new Community Surveyor would be starting employment in April, with new posts also being recruited to.

RESOLVED – that the Committee notes the contents of the report and progress made to date.

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Appendix A - Revenue Budget 2022/23

Housing General Fund Budget

	2021/22 Updated Annual Budget £k	2022/23 Tranche 1 Budget £k	Movement £k	2022/23 Tranche 2 Budget £k
Meadowside Mobile Homes	(117)	(127)	(4)	(131)
Westway	100	50	0	50
Private Sector Enabling	111	111	10	121
Housing of the Homeless	110	110	4	114
Other Housing Renewal Functions	65	65	0	65
Syrian Refugees	15	15	0	15
Afghan Refugees	0	10	0	10
Redstone House	(49)	0	0	0
Housing Benefits	233	233	(2)	231
Care In The Community	1	1	0	1
Other Variances less than £10k	0	0	0	0
Alarm Systems	0	0	0	0
Housing General Fund	469	468	8	476

	Tranche 2:			
	Pay £k	Non Pay £k	Income £k	Net Budget £k
<u>Organisational:</u>				
Meadowside Mobile Homes	3	44	(178)	(131)
Westway		50		50
Private Sector Enabling	37	215	(131)	121
Housing of the Homeless	174	201	(261)	114
Other Housing Renewal Functions	13	55	(3)	65
Syrian Refugees		15		15
Afghan Refugees		10		10
Redstone House				0
Housing Benefits	300	18,041	(18,110)	231
Care In The Community		1		1
Other Variances less than £10k				0
Alarm Systems				0
Housing General Fund	527	18,632	(18,683)	476

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Appendix B: Fees & Charges

Housing Services - Fees & Charges	Gross Charges (incl VAT if applicable) Current Charges 2021-22 £	Proposed Gross Charges (incl VAT if applicable) 2022-23 £	Percentage Increase 2022-23 %	Budgeted Income 2021-22 £	Proposed Budget 2022-23 £	Statutory /Discretionary Service
Meadowside Plot Fees (per week)	32.43	33.76	4.1%	120,600	125,500	D
Meadowside Garages (per week)	7.53	7.84	4.1%	11,000	11,500	D
Total Budgeted Income Meadowside				131,600	137,000	
HMO Licence Fee (Private Sector Housing)	450.00	700.00	55.6%	0	0	D
Caravan Site Licensing Fees	386.00			0	0	D
Change of charge Method						
New Site Licence Application		486.75	n/a	n/a		
New Site Licence Application - Additional Fee per unit		2.87	n/a	n/a		
Annual Licence Fee		294.42	n/a	n/a		
Annual Licence Fee - Additional Fee per unit		2.15	n/a	n/a		
Variation of the Licence Conditions		264.92	n/a	n/a		
Variation of the Licence Conditions - Additional Fee per Unit		1.08	n/a	n/a		
Transfer of Licence to a New Owner		150.00	n/a	n/a		
Deposit of Site Rules		34.00	n/a	n/a		
Total Housing Services Fees and Charges				131,600	137,000	

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