

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 January 2023 at 7:30pm.

PRESENT: Councillors Pursehouse (Chair), Evans, Gaffney, Groves, Hammond, Montgomery, Robinson, Shiner, Stamp and Swann

ALSO PRESENT: Councillors O'Driscoll, Allen, C.Farr and S.Farr

ALSO PRESENT (Virtually): Councillors Steeds

214. MINUTES OF THE MEETING HELD ON 17 NOVEMBER 2022

The minutes were approved and signed as a correct record.

215. ELECTION OF VICE-CHAIR FOR THE REMAINDER OF 2022/23

RESOLVED – that Councillor Shiner be elected Vice-Chairman for the Committee for the remainder for the 2022/23 municipal year.

216. TO DEAL WITH ANY QUESTIONS SUBMITTED UNDER STANDING ORDER 30

A question was submitted under Standing Order 30. The question and response were provided at Appendix A to these minutes.

217. HOUSING REVENUE ACCOUNT – 2023/24 DRAFT BUDGET

The Committee considered a report outlining the proposed Housing Revenue Account (HRA) revenue budget and capital programme for 2023/24. The report recommended:

- that in accordance with Government social rent policy, social and affordable rents be increased by 7%, and that garage rents, service charges and Sheltered and Older Persons service charges also be increased by 7%; and
- the approval of the draft Capital Programme for 2023/24 of £15.4m and the 2023/24 draft Revenue Budget with a net operating surplus of £2.7m.

The Committee received a presentation from Jeremy Cookson, the Council's HRA Consultant, which illustrated:

- the budget changes for 2023/24 in terms of the variation in costs and savings relative to the current year, as set out in section 3.12 of the report.
- the HRA Capital Programme and the provision for £15.4m for 2023/24
- base projections for debt and balances to 2051/52 and the impact of alternative new development schemes on the debt and balances in 2051/52, so that Members could understand the potential scope for investment over a 30 year period.

In response to Member questions, Officers explained that:

- the Committee would be consulted on options for development over the course of the business plan
- the Council was lacking in areas where new homes can be built.
- the HRA profile was healthy and resulted in excess income each year. However, this could change if inflation or interest rates increased.

RESOLVED – that:

- A. social Rents (excluding service charges) and Affordable Rents (including service charges) for 2023/24 be increased by 7% in accordance with government social rent policy guidance;
- B. the Draft Capital Programme for 2023/24 in the sum of £15,397,600 and the subsequent years, as shown at Appendix B, be agreed;
- C. the Draft revenue budget for 2023/24 with a net operating surplus of £2,711,600 before allowing for revenue contributions to capital expenditure and interest charges, as shown at Appendix C, be agreed;
- D. the rent for garages to be increased by 7% for 2023/24 to produce a standard weekly rent of £14.48 to tenants, or £17.39 (including VAT) for let to private tenants;
- E. service charges be increased by 7% for 2023/24 to produce an average weekly charge of £7.62;
- F. Sheltered and Older Persons Service Charges be increased by 7% for 2023/24 to £15.33 and £3.35 respectively;
- G. the PWLB HRA Loan of £3.150m due for repayment in 2023/24 be re-financed and programmed funding of £9.836m (£6.386m in 2023/24 and £3.450m in 2024/25) to finance the capital programme be financed by either internal and / or PWLB borrowing.

218. HOUSING COMMITTEE – 2023/24 DRAFT GENERAL FUND BUDGET AND MEDIUM-TERM FINANCIAL STRATEGY

A proposed 2023/24 revenue budget and capital programme for the Housing Committee was presented as part of the overall Council's budget. The proposed budget was part of a balanced overall budget for 2023/24 which included savings of £1.7m. The budget would be presented to the Strategy & Resources Committee on 31 January and Full Council on 9 February.

The report set out a proposed revenue budget of £0.684m for 2023/24, and proposed Fees and Charges for 2023/24. A 2023/24 capital programme of £503k was also proposed.

Officers responded to questions from Members during the debate and explained that:

- The budget proposals corrected a practice in previous budgets which had not made provision for homelessness funding from Government and had presumed full

Government funding for the costs of housing benefit. There would be no change to the service provided in these areas as a result of the budget proposals.

- The budget contained provision for administering the Government schemes for Afghan, Syrian and Ukrainian resettlement. The Council worked alongside Reigate and Banstead Borough Council to support resettlement from other countries.
- The £7k Environmental Health Shared Service cost pressure was an assumption of the increased costs that Mole Valley District Council would pass onto the Council for providing the Environmental Health Shared Service.

Regarding the recommendation to increase rentals for plots at the Meadowside mobile home park by 7% (in line with HRA rents for Council tenants) Councillor Groves, seconded by Councillor Hammond, moved an amendment that the increase be capped at 3.5%, offset by the assumption that income from sales of Meadowside plots be adjusted accordingly. Arguments for and against this amendment were discussed. Upon being put to the vote, the amendment was lost on the Chair's casting vote.

RESOLVED – that:

- A. the Housing Committee's draft revenue budget for 2023/24 of £0.684m, as shown in Appendix D and Appendix E, taking account of pressures and savings to the committee be agreed, and it be noted that further allocations will be made to distribute an amount equal to the agreed Council pay award, subject to approval at Strategy & Resources Committee and Full Council;
- B. the Housing Committee's General Fund Fees and Charges for 2023/24 as shown in Appendix F be agreed;
- C. the Housing Committee's General Fund Capital Programme for 2023/24 being the sum of £503k for 2023/24, as shown in Appendix G be agreed;
- D. the Subjective Revenue Budgets in Appendix E, showing movements from 2022/23 to 2023/24 and an estimated movement to 2024/25 be noted.

219. PRIVATE SECTOR HOUSING ENFORCEMENT – DAMP AND MOULD

The Committee received a report following the Coroner's finding in November 2022 that the tragic death of a two-year-old boy in Rochdale, was as a direct consequence of high levels of damp and mould growth in the housing association property.

The report provided information about the work undertaken by the Environmental Health Shared Service in response to concerns about damp and mould in properties within the private rented sector, which accounted for 14% of the housing in the District.

Damp and mould growth were the largest source of private housing complaints, accounting for over 60% of all complaints. The Council offered a reactive response through one full time equivalent (FTE) Officer. Enforcement action was taken through serving Improvement Notices, of which twelve had been issued in the year to November 2022. In some cases, Prohibition Orders had been required for works requested to be carried out.

In response to questions from members, Officers confirmed:

- The team responsible for enforcing housing standards employed one permanent FTE officer, which was being covered by a contractor. A permanent officer had been recruited to the permanent position. It was likely the Contractor's role would be extended to May to handle the high level of cases. A joint approach between Housing and Legal would help ensure cases were dealt with appropriately.
- The Council employed a number of methods of educating landlords and tenants, including verbal and written communications and information on the Council's website. This advice consisted of how to use heating effectively and information on retro fitting insulation and trickle vents.
- The Council was fulfilling its statutory obligations but would need to monitor cases to ensure sufficient resources.
- The specific time on an Improvement Notice for works to be completed was down to circumstances with due consideration given works required, having taken into account a number of variables.
- Where residents were forced to leave their private rented accommodation, the Council ran the Private Sector Access scheme which provided rent deposits and rent advance demands for residents. Housing and Environmental Health officers would take action to ensure landlords release funds to tenants where necessary.

RESOLVED – that the contents of the report are noted.

220. RESIDENT (TENANT AND LEASEHOLDER) ENGAGEMENT STRATEGY

The Regulator of Social Housing required landlords to ensure Tenants were given a wide range of opportunities to influence and be involved in the development of policy and decision making.

The Social Housing White Paper, which informed the upcoming Social Housing Regulation Bill, was published November 2020. It outlined proposals to strengthen the consumer standard and required landlords to listen to tenants through effective communication. It was anticipated that registered social landlords must demonstrate that they have sought out and considered ways to improve tenant engagement and tailored their approach to engagement to meet circumstances.

The proposed Tenant and Leaseholder Engagement Strategy, as set out in appendix A to the report, would improve the Council's approach to listening to and working with leaseholders and tenants. The Strategy would be subject to a six-week consultation period.

RESOLVED – that:

- A. Officers consult on the Engagement Strategy and Action Plan for tenants and leaseholders as set out in appendix A of the report for a six-week period.
- B. Each political group, nominate a member to attend and participate in the Engagement Working Group to review performance.

221. UPLANDS SCHEME COMPLETION – BUDGET APPROVAL

The Committee considered a report which sought approval to procure a contractor to complete the development of Uplands, Warlingham, following the administration of the previous contractor, W Stirland Ltd in September 2022. The report also sought approval for an increase to the budget of £660k, which included contingencies.

Officers explained that 4 units had been completed and 17 units were incomplete. It was estimated it would cost £1.25m to complete the scheme. The Council had reappointed its Employer's Agent to assist with the administration process, the claiming of £418k against the performance bond upon completion of the scheme, and administration of the contract to completion. It was hoped the new contractor would be on site in April with works completed in June or July.

In response to Member questions, Officers explained that:

- the performance bond was to be paid through the sale of W Stirland Ltd's assets.
- inspections by the Clerk of Works and the Local Authority Building Control had been halted when W Stirland Ltd went into administration. These would start again before the works began.

RESOLVED – that:

- A. the procurement of a contractor to complete the redevelopment of Uplands, Warlingham, be approved
- B. authority be delegated to the Executive Head of Communities (or their successor) in consultation with the Chairman and Vice Chairman of the Housing Committee, to award the Contract to the most economically advantageous tenderer.
- C. the increase in project budget from £4.64m to £5.3m, be approved.

222. OUTTURN REPORT ON BUY-BACK PROGRAMME AND ADDITIONAL WORKS TO BUY BACK PROPERTY AT 240 GODSTONE ROAD, WHYTELEAFE

A report was considered by the Committee which provided an update on the Council's buyback programme. The Council had bought back 10 ex-Council properties sold under the Right to Buy. This included 5x 2 bed flats, 4x 3 bed flats and 1x 4 bed house. The properties had been let within 6 weeks on average. The estimated budget surplus was approximately £220k.

The report also sought approval to use some of the budget to undertake pre-approved façade works to 240 Godstone Road, Whyteleafe, the final buyback property purchased. This would improve the street scene and create a better quality accommodation for the new tenants. A surveyor would cost the works with final budget approval agreed in consultation with Group Leaders and the Chair of the Committee.

RESOLVED – that:

- A. the use of the budget surplus within the buyback programme to fund the façade works to 240 Godstone Road, be approved;

- B. final budget approval be delegated to the Executive Head of Communities (or their successor), in consultation with Group Leaders and the Chair of this committee once a specification and Rough Order of Costs Estimate has been produced.
- C. in the case of A., approval to proceed includes the appointment of an Employer's Agent to act as contract administrator and any other consultants or surveyors to act for or advise the Council, all subject to the Council's Standing Orders and Financial Regulations

223. ANY OTHER BUSINESS WHICH, IN THE OPINION OF THE CHAIR, SHOULD BE CONSIDERED AS A MATTER OF URGENCY

The Chairman agreed for an item of business to be considered as a matter of urgency due to the short timeframe by which the Council had to submit a validation form to the Department of Levelling Up, Housing and Communities' (DLUHC) if it wished to proceed with the scheme under discussion. The Chairman explained it was better for the matter to be considered by the Committee rather than a decision be taken by Officers under delegated authority.

The Committee considered the proposal which involved the receipt of an indicative funding allocation from DLUHC to provide accommodation to families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. The Council would receive £996k of funding as 40% of the purchase cost for a minimum of 6 homes for the Ukrainian scheme, and £364k as 50% of the cost for the purchase on 1x 4 bed property for the Afghan scheme. The Council would provide the remainder of the costs, which were expected to be £1.9m.

Following the purchase of the properties, once they were not required by Afghan or Ukrainian refugees, they would become part of the Council's housing stock, which would ease pressure on the housing register.

Members debated the proposal and, in response to questions, Officers confirmed that:

- The proposal would result in additional capacity within the stock
- There was a lack of developable land in the District, and so it is preferable to buy additional units on the open market rather than use the funding for units already accounted for in the development programme.
- Information about whether other authorities are proposing to be part of this scheme would become clear following the indicative interest process.

Members spoke in favour of the scheme as it would ease the pressure on the housing register, ensure some refugees were not being added to the housing register, there was a moral duty to help and there were financial benefits for the Council.

RESOLVED – that:

- A. the submission of a validation form to DLUHC by midday on Wednesday 25th January to confirm that the Council is willing and able to participate in the Local Authority Housing Fund scheme, be approved;
- B. the Section 151 Officer agree to and sign the Memorandum of Understanding, attached as Appendix A to the report, no later than 1st March 2023.

- C. Officers to indicate the authority may be able to provide accommodation in excess of the indicative allocation and that should more funding become available the Section 151 Officer, in consultation with the Chair and Group Leaders, is authorised to amend the MOU accordingly.

Rising 10.02 pm