

# Minutes 21 January 2014

## MID DEVON DISTRICT COUNCIL

**MINUTES** of a **MEETING** of the **DECENT AND AFFORDABLE HOMES POLICY DEVELOPMENT GROUP** held on Tuesday 21 January 2014 at 2.15pm

**Present Councillors:** P J Heal (Chairman), Mrs F J Colthorpe (substituting for R F Radford), W J Daw, Mrs J R Rendle and R Wright

**Apologies Councillors:** Mrs E M Andrews, R F Radford and P F Williams

**Also Present Councillor:** R L Stanley

**Also Present Officers:** A Jarrett (Head of Finance), N Sanderson (Head of Housing and Property Services), R Hewson (Principal Accountant), D Snape (Care Services Manager), A Barratt (Accountant) and J Stuckey (Member Services Officer)

### Declaration

of interest of

### Councillor:

Member	Minute No	Type of Interest
F J Colthorpe	54	Personal

### 47. PUBLIC QUESTION TIME

There were no members of the public present.

### 48. MINUTES

The Minutes of the Meeting held on 26 November 2013 were approved as a correct record and **SIGNED** by the Chairman.

### 49. CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements to make.

### 50. BUDGET 2014/15

The group received a verbal report from the Head of Finance updating them on the draft 2014/15 budget position and outlining the options proposed to produce a balanced General Fund and Capital Programme.

The report presented to the Committee at the November meeting was prior to receipt of the Formula Grant figure and had shown a deficit of £361K. The grant settlement figure was received on 18 December and the Head of Finance was now able to put forward a draft balanced budget.

The Officer highlighted the following:


- The Formula Grant was £66K better than expected
- The 15/16 Grant figure showed a further cut of £656K, so planning to cut operating costs by circa £2m would start in January 2014
- The draft budget included the proposed acceptance of the Council Tax Freeze

Updates from the Autumn Statement included:

- 1% pay freeze for a further 2 years
- The transfer of New Homes Bonus to the LEP would not happen yet
- Changes to Business Rates
- Further support for town centres
- Relaxation of HRA borrowing limits.

Final recommendations from the Head of Finance would be reported to the Cabinet on 6 February 2014.

## **51. HOUSING REVENUE ACCOUNT BUDGET 2014/15**

The Group had before it a report\*  [Minute 50 \[152kb\]](#) of the Head of Finance providing an estimate of the budget required for the operation of the HRA in 2014/15, including proposals for members to consider regarding the setting of rent as well as other fees and charges.

The Accountant reported that Officers had collated a draft balanced budget for 2014/15 but that uncertainty remained in rent increases.

The Officer explained three scenarios showing rent increases of 4.5%, 4.7% and 5%. Rents needed to increase in order to meet the Governments convergence target of 2015/16.

Increasing the rent by an average of 4.5% would bring Mid Devon up to the estimated level of the HBLR 2014/15. This meant that no Housing Benefit would be lost, but that a higher increase would be required for 2015/16 to meet convergence targets.

Increasing the rent by an average of 4.7% would exceed the estimated level of the 2014/15 HBLR. This would mean a similar increase could be applied for 2015/16, phasing in the increases paid by tenants each year.

Garage rents would increase by 1.9% and garage ground rents would increase by 10%, narrowing the gap with permit parking.

There were no plans to change Supported Housing charges.

Discussion took place regarding:

- Whether it would be appropriate to set a lower rise this year to help tenants but then have to set a higher rise in the following year.
- The date for convergence may change.
- The benefit cap for next year was not yet known.

**RECOMMENDED** to the Cabinet acceptance of the contents of the report and that rents be increased by an average of 4.7%.

(Proposed by Cllr W J Daw and seconded by Cllr R Wright)

Note: \*Report previously circulated; copy attached to the signed minutes.

## **52. FINANCIAL MONITORING 2013/14**

The Head of Finance outlined the financial situation at 30 November 2013 in respect of the services within this PDG's remit.

The Officer explained that there were no significant changes to report since he last updated the Group in November and that a formal report would be presented at the March meeting.

## **53. LOCAL AUTHORITY BENCHMARKING REPORT**

The Group received a verbal report from the Head of Housing and Property Services.

The Officer explained that HouseMark Benchmarking was used by Local Authorities to benchmark services in order to drive services forward and make improvements.

Mid Devon was shown as upper quartile for most value for money service areas. Areas falling in the lower quartile would be scrutinised so that improvements could be made

Of the 32 indicators assessed 9 had improved, 2 had gone down and there had been no change for 21.

The statistics would be circulated to Group Members and a copy made available in the Members Room.


Discussion took place regarding:

- The percentage of dwellings that were non-decent. The Head of Housing and Property Services explained that a grant had been obtained from the Government which would ensure that all homes would be decent by March 2015.
- Cost per property of repairs appeared expensive. The Officer was looking into how costs were reported. The rural nature of the District increased time spent travelling and therefore the cost of repairs. The housing stock was old, which also made maintenance expensive.
- There had been a significant improvement from six years ago when most Key Performance Indicators were in the bottom quartile.

The Chairman expressed his thanks to the staff who had worked hard to bring about these improvements.

It was **AGREED** that the Head of Housing and Property Services would prepare a written report regarding BenchMarking for the next meeting of this Group.

#### 54. CARE SERVICES

The Group had before it a report\*  [Minute 54 \[42kb\]](#) of the Head of Housing and Property Services presenting options for Members' consideration for the future of the Supported Housing service.

The Officer explained the four options within the report which were:

- Withdraw from the marketplace
- Tender for a new contract
- Introduce service charges to tenants when Devon County Council funding ends
- Introduce a repairs service for elderly people in the private sector

The Care Services Manager explained that:

The current contract with Devon County Council would end in April 2015. A new contract would be subject to a tendering exercise and would only provide services to a small group of tenants with high support needs.

The Housing service would need to consider how it would provide a minimal level of housing support for tenancy sustainment if the Devon County Council contract ends or was significantly reduced.

The service would move into mainstream Social Care from April 2015 and enter the Social Care Framework Agreement. This would require all providers to tender for new contracts with no guarantee of any new business.

Discussion took place regarding:

- Restructuring within the service had taken place in the previous year when six members of staff had left. Four had been redeployed. There were five remaining staff. Redundancy costs would be £27,000.
- Tenants not entitled to statutory care from Devon County Council could be vulnerable. Groups such as neighbourhood Health Watch may be able to help.

**RECOMMENDED** to the Community Wellbeing Policy Development Group that they look at ways in which vulnerable residents, who were not entitled to statutory care, could be protected by use of schemes such as Neighbourhood Health Watch.

(Proposed by the Chairman)

**RECOMMENDED** to the Cabinet that:

- i) The Council does not provide a Housing Support Service to sheltered housing tenants after April 2015, or September 2014 if a satisfactory arrangement cannot be agreed with Devon County Council;
- ii) The Council continues to provide the Lifeline Alarm service for tenants and private customers;
- iii) Service charges are introduced for Council tenants who receive the Lifeline Alarm service;
- iv) Repairs services are made available to private customers.

(Proposed by Cllr W J Daw and seconded by Cllr R Wright)

Notes: i) Cllr Mrs F J Colthorpe declared a personal interest as she is a Member of Devon County Council.

ii) \*Report previously circulated; copy attached to the signed minutes.

## **55. IDENTIFICATION OF ITEMS FOR THE NEXT MEETING - 18 March 2014**

In addition to the items already listed in the work programme, the following items were requested for the next meeting:

Chairman's Annual Report

Performance and Risk

Homelessness Strategy

Financial Monitoring

Local Authority Benchmarking

(The meeting ended at 3.30pm)

**CHAIRMAN**