

MID DEVON DISTRICT COUNCIL

MINUTES of a MEETING of the DECENT AND AFFORDABLE HOMES POLICY DEVELOPMENT GROUP held on 20 January 2015 at 2.15 pm

Present

Councillors

P J Heal (Chairman)
Mrs E M Andrews, W J Daw (Vice Chairman), D J Knowles,
R F Radford, Mrs J Rendle and R Wright

Also Present

Councillors

R L Stanley and K D Wilson

Present

Officers:

Nick Sanderson (Head of Housing and Property Services),
Helen Carty (Housing Policy Officer), Sarah Lees (Member
Services Officer), Andrew Cawdron (Finance Manager),
Catherine Yandle (Internal Audit Team Leader), Sandra Hunt
(Tenant Involvement Manager), David Snape (Supported
Housing Manager) and Hedley Steele (Private Sector Housing
Lead Officer)

Member	Minute No	Type of Interest
Cllr Mrs E M Andrews	47	Personal

42 APOLOGIES AND SUBSTITUTE MEMBERS

There were no apologies for absence.

43 PUBLIC QUESTION TIME

There were no members of the public present.

44 MINUTES

The Minutes of the Meeting held on 25 November 2014 were approved as an accurate record and **SIGNED** by the Chairman.

45 CHAIRMAN'S ANNOUNCEMENTS (00:01:31)

The Chairman updated the Group on the recent Cabinet decision in relation to the Devon Home Choice Working Group report which was presented to them with the Group's recommendations on 8 January 2015.

The Cabinet had considered that the recommendations were phrased more as questions rather than strong recommendations needing a decision from them. They had therefore resolved to refer the matter back to the Head of Housing and Property Services to consider the matter further. A meeting was scheduled to take place between the Head of Housing and Property Services and the Working Group on 11th February. The Chairman confirmed that the Working Group's conclusions would remain the same but that the recommendations would be brought forward again having been more constructively reworded.

46 **GENERAL FUND BUDGET 2015/16 - UPDATE (00:03:53)**

The Group had before it, and **NOTED**, * a report from the Head of Finance considering the options available in order for the Council to move towards a balanced budget for 2015/16. Since the last meeting the Council had received formal confirmation of its Formula Grant Settlement for 2015/16 which was £83K better than anticipated. However, there had been no provisional notification for 2016/17 making financial planning very difficult. The Council Tax freeze grant offered for 2015/16 was 1% which if accepted by Council would increase the budget gap by £25K. The referendum limit for 2015/16 had been agreed at 2%.

The budget gap for 2015/16 had reduced since the last meeting from £650K to £99K. This was principally due to predicted savings in the new Waste and Recycling Scheme, an increase in Development Control fees and a Revenue Contribution to Capital reduction.

Discussion took place regarding the possibility of further savings in relation to waste as a result of future reductions in diesel costs. It was predicted that the majority of savings in relation to running this service area would be due to charging for the collection of garden waste. More accurate data would be presented to Members once the results of the trial were known.

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

47 **HRA BUDGET 2015/16 (00:17:43)**

The Group had before it * a report from the Head of Finance and the Head of Housing and Property Services providing an estimate of the budget required for the operation of the Housing Revenue Account (HRA) in 2015/16. It included a proposal on the rent increase and a schedule of other fees and charges.

The Principal Accountant explained to the Group how the proposed increases in rent worked out across all of the Council's properties and explained that the target was to converge all rents with the Formula Rent as soon as possible. For the vast majority of tenants there would be a 3.4% increase in order to bring them in line with Formula Rent. There were no proposed increases in community alarm charges, however, a 2.3% increase was proposed for garage rents and a £20 increase in garage ground rents.

Discussion took place regarding:

- The restrictions in place to prevent local authorities from imposing huge rent increases where they were currently lagging behind Formula Rent.

- Charging for parking on sites previously occupied by garages would need to be looked at on a case by case basis since some housing estates had wide roads and opportunities to park on the roadside were numerous whereas other sites provided less opportunities.
- The proposed increase of 25p per week to rent a garage was not thought to be beneficial given that many garages were proving difficult to rent out.

RECOMMENDED to the Cabinet that:

- a) The HRA budget proposals within the report be approved.
- b) The property rent increases within the report be approved, that garage ground rents be increased by £35 per year but that there be no increase in garage rents.
- c) Investigations be made into the feasibility of creating a Special Purpose Vehicle for further development opportunities.

(Proposed by the Chairman)

Notes: (i) *Report previously circulated; copy attached to the signed minutes;

(ii) Cllr Mrs Eileen Andrews declared a personal interest as she was a Council tenant.

48 **PROPOSED REVIEW OF TENANCY AGREEMENTS (00:36:17)**

The Group had before it, and **NOTED**, a report * from the Housing Services Manager informing Members about the proposed review of tenancy agreements used by Housing Services when letting Council homes. This included a timetable of the tasks needed to be completed and a proposed action plan. Introductory and secure tenancy agreements were reviewed late in 2009/early 2010. Since that time, flexible tenancies (2 and 5 year terms) had been introduced and this had now created an opportunity to revisit the existing conditions of tenancy and amend them where appropriate to be in line with statutory requirements and good practice.

Discussion took place regarding any future clauses in relation to offensive weapons, these needed to be fair and mindful of the fact that some Tenants may need them in order to carry out their employment, for example, a tenant owning a gun to assist a farmer with pest control. Licenses would be needed and the correct procedure for holding such weapons complied with. Such eventualities would need to be fairly dealt with by any new Tenancy Agreement.

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

49 **AFFORDABLE HOMES UPDATE (00:51:15)**

The Group received a verbal update from the Head of Housing and Property Services regarding the projected delivery of Affordable Housing between 31 March 2014 and 1 April 2015. 58 would properties would be delivered by the end of this financial year. The Corporate Plan target had been to deliver 80 but the Council were in the hands of the developers in delivering housing schemes. There had also been

limitations on Section 106 monies and in the future smaller sites would not have to provide affordable housing.

A report would be brought to the next meeting of Group providing more information in relation to the social housing proposed at Birchen Lane, Palmeston park, Beech Road, Tiverton and Burlescombe.

50 SPECIAL PURPOSE VEHICLE (00:57:22)

The Group received a verbal update from the Principal Accountant. It was explained that this concept did not relate to an actual motorised vehicle but the potential for the Council to set up a separate company with its own financial accounts which could open up more opportunities, not be subject to so many limitations and have the ability to attract extra funding. Discussions were in the very early stage and all eventualities needed to be considered before moving forwards. All the implications would need to be understood in terms of set up and running costs. An informed decision would need to be made in consultation with all Members.

Mid Devon District Council Officers could be employed to carry out maintenance and repairs but this would be a chargeable cost against the Special Purpose Vehicle. Lettings would also be conducted through the current mechanisms but there would also be a charge against the company. However it was repeated that these considerations were in the very early stage.

51 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING - 17 MARCH 2015 (01:10:58)

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

- Chairman's Annual Report
- Changes to the Scheme of Delegation within the Constitution to allow the Head of Housing and Property Services to apply for funding to develop new homes
- Update on Affordable Homes development proposals

(The meeting ended at 3.27 pm)

CHAIRMAN