

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 26 September 2023 at 2.15 pm

Present

Councillors

C Adcock (Chairman)
J Cairney, S Chenore, A Glover, F W Letch,
N Letch, S Robinson and H Tuffin

Apology

Councillor

C Harrower

Also Present

Councillors

D Broom, J Buczkowski, B Holdman, S Keable and D Wulff

Also Present

Officers

Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Claire Fry (Operations Manager for Housing Management Services), Dr Stephen Carr (Corporate Performance & Improvement Manager), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Sophie Richards (Customer Engagement Officer, Mid Devon Housing), J P McLachlan (Principal Accountant), David Parker (Democratic Services & Policy Research Officer) and Sarah Lees (Democratic Services Officer)

28 APOLOGIES AND SUBSTITUTE MEMBERS

Apologies were received from Cllr C Harrower.

29 PUBLIC QUESTION TIME

Mr Paul Elstone asked the following questions in relation to Agenda Item 6 - Medium Term Financial Plan.

Question 1

At the Cabinet Meeting of the 19th September 2023 the Cabinet Member for Finance said the following and in response to a question from a Member of the Public:

“It is currently estimated that the soft closure of the 3 Rivers will be delivered during the remainder of the financial year 2023/24 and therefore previous impairment provision and any further write-off considerations will be completed in the current year. Therefore, no impact will need to be carried forward to future budgets in the Council’s Medium Term Financial Plan”.

Can the S151 Officer please confirm that he fully concurs with this statement?

Question 2

When preparing the MDDC Budget for Years 2023 – 2024 an impairment of £790,000 was provisioned for. This against 3 Rivers bad debt. That an additional impairment of £4.5 million for 3 Rivers bad debt was only added in June 2023 and 3 months after the 2023 - 2024 budget was approved by Full Council.

It is on public record that the Council S151 Officer anticipates a loss of around one third of the total loan amount to 3 Rivers. As the loan amount stated is £21.3 million this is currently a loss of over £7 million.

Given these numbers can it be fully explained how a budgeted impairment amount of just £790,000 can cover a loss of over £7 million and rising and that no 3 Rivers bad debt will be carried forward to following years?

Question 3

Regarding Appendix 2 of your papers reference 'HRA Medium Financial Plan 2024 to 2029', assumptions point 9 says the following "relating to impairment to be charged to HRA in 2023/24".

Please can you tell me what is the full amount of this impairment?

Question 4

What exactly it is the impairment for?

Question 5

Is it anything to do with 3 Rivers or Post Hill ?

It was stated that written answers would be provided after the meeting.

30 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT**

Cllr A Glover declared a personal interest in that she is a Council tenant.

No other interests were declared under this item.

31 **MINUTES**

The minutes of the meeting held on 8 August 2023 were approved as a correct record of the meeting and signed by the Chairman.

32 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made the following announcements:

- He thanked the officers for providing such comprehensive reports to the meeting.
- He stated that the Group had a long agenda before it and he hoped Members would be concise and stay on topic during their discussions.

33 **MEDIUM TERM FINANCIAL PLAN - GENERAL FUND (GF) AND HOUSING REVENUE ACCOUNT (HRA) (00:10:00)**

The Group had before it a report * from the Deputy Chief Executive (S151) and Corporate Manager for Public Health, Regulation and Housing presenting the updated Medium Term Financial Plan (MTFP) which covered the period 2024/25 to 2028/29 for both the General Fund (GF) and the Housing Revenue Account (HRA) and which considered initial budget savings options.

The following was highlighted within the report:

- The MTFP was not a budget, it was a plan covering five years.
- It was based upon some significant assumptions and predictions.
- The Group were asked to identify options to address the current shortfalls within the proposed budget.

Consideration was given to:

- Any transfers from Reserves would need to be replenished within the MTFP time frame (5 years).
- The provision for the repayment of borrowing was explained.
- The interest payable with regard to the Public Works Loan Board and its connection to the HRA development programme.
- 'Cost pressures' were explained including the ambitious development programme and regulatory pressures to meet certain standards such as fire safety.
- Garages and garage ground rent income.
- Membership fees to professional organisations and the risks of reducing these.
- Balancing the desire to maintain services against a need to close the budget gap given that the Council was not in control of increasing its own rents.
- Shared Procurement Services.

RECOMMENDED to the Cabinet that:

- a) The savings options identified in relation to Corporate Management (cost centre PS733 / HO130) and Building Services (cost centre HO130) be approved.
- b) Membership fees in relation to professional organisations (cost centre HO320) be retained at current levels.

(Proposed by the Chairman)

Further **RECOMMENDED** to the Cabinet that officers are encouraged to explore shared services with other local authorities in Devon wherever possible in order to maximise services and minimise costs.

(Proposed by Cllr F Letch and seconded by Cllr S Robinson)

Reason for decision:

By undertaking an annual review of the MTFP the Council could ensure that its Corporate Plan priorities are affordable. The implications of the revised budget gap were set out within the paper. Many areas required greater clarity, particularly around national funding and the possibility of additional funding to offset the implications of the Cost of Living Crisis. Therefore a number of key assumptions underpinned the reported position, which would be refined as greater clarity was received through the budget setting process.

Notes:

- (i) * Report previously circulated; copy attached to the signed minutes.
- (ii) Cllr F Letch requested that his vote against (b) retaining professional membership fees, be recorded.

34 **MID DEVON HOUSING DAMP AND MOULD POLICY (00:47:00)**

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing setting out how Mid Devon Housing will address issues of damp, mould and condensation within the Council's tenanted and leasehold housing stock.

The following was highlighted within the new policy:

- The new policy set out the Council's approach following all recent government recommendations and legal provisions regarding damp and mould.
- There had been some recent high profile cases nationally that had led to a tightening up of responsibilities in this area. Long term exposure to damp and mould was a health issue, particularly for children.
- Damp and mould could often be quite complex to diagnose and could be due to a number of factors
- Damp and mould could never be eradicated completely but every reasonable effort would be made to treat it.
- The policy needed to include an additional paragraph regarding a follow up visit following any improvement work.

Discussion took place regarding:

- A request was made that the treatment and management of damp and mould be reflected in a Key Performance Indicator so that Members could better monitor work in this area.
- A further request was made that Members have sight of the Tenants Repair Handbook.

RECOMMENDED to Cabinet that it recommends to Council the adoption of the new Damp and Mould Policy with the addition of the following paragraph:

'To ensure that treatment has been effective, and damp and mould has not reappeared, any improvement work will be accompanied by a follow up visit to the property. MDH will allow at least 6 weeks after the initial treatment to revisit the dwelling. Any issues reported by tenants in the meantime will be acted upon

promptly. If damp and mould have reappeared, further investigation and intervention will be pursued.'

(Proposed by Cllr A Glover and seconded by Cllr S Chenore)

Reason:

The policy would set out how the Council intended to comply with its legal responsibilities and with the Housing Ombudsman's recommendations in 'The Spotlight on Damp and Mould' report and well as its wider health, safety and wellbeing requirements towards its tenants under the statutory Homes Standard published by the Regulator of Social Housing and the new Social Housing Regulation Act 2023.

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

35 REVIEW OF MID DEVON HOUSING (MDH) RECHARGES POLICY (01:00:00)

The Group had before it, a report * from the Corporate Manager for Public Health, Regulation and Housing. Mid Devon Housing (MDH), as a social landlord, incurred costs that arose from works and other activities which were normally the responsibility of the tenant, including repair of deliberate damage, pest control and property cleans and clearances. The MDH Recharges Policy sought to define the circumstances where such recharges occurred and make clear MDH's intention to recover such costs.

The officer outlined the contents of the report with particular reference to the following:

- This was a light touch review with minor changes. It set out the responsibilities of both landlord and tenants.
- The service did incur costs where recovery was required, such as deliberate damage to property and missed appointments.
- Opportunities to recover costs were sometimes limited especially where tenants disappear without notice.

Discussion took place with regard to:

- A variety of methods we used to keep tenants informed including home visits, hard copies of the policy and inspection works.
- A request was made that all tenant specific letters or other correspondence included contact details of their Ward Member/s going forwards.
- The new Customer Relationship Management (CRM) system might be able to have a facility to quickly identify a tenant's Ward Member.

RECOMMENDED to the Cabinet that the revised Mid Devon Housing (MDH) Recharges Policy be approved.

(Proposed by Cllr S Chenore and seconded by Cllr S Robinson)

Reason for the decision:

The Council was (and must be) a registered provider of social housing and therefore was required to comply with the regulatory framework and consumer standards operated by the Regulator for Social Housing (RSH).

As such, it is necessary to ensure that the Recharges Policy addresses all the relevant legal obligations the Council has as a landlord for the housing estate. Consequently, the policy has been produced to ensure MDH has a clear basis for compliance with the relevant statutory consumer standard, which is the Home Standard in this case.

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

36 **TENANT INVOLVEMENT AND ENGAGEMENT STRATEGY ACTION PLAN (01:10:00)**

The Group had before it, and **NOTED**, a report * from the Corporate Manager for Public Health, Regulation and Housing. All Registered Providers of social housing (RP's) were required to ensure that tenants were given a wide range of opportunities to influence and be involved in policy development work; decision making in relation to service delivery; scrutiny of their landlord's performance and the setting of strategic priorities.

The following was highlighted within the report:

- The Housing Service had always had a programme of tenant engagement but this had been brought to the fore since the Grenfell disaster.
- Tenants were at the heart of everything the Housing Service did.
- The Communications Strategy was key.
- Staff training would be enhanced and there were many ways Members could also get involved, for example, by attending neighbourhood walkabouts.
- There were 7 objectives within the Action Plan including timescales and expected outcomes.
- There was a dedicated Tenant Involvement Team.
- The digital approach was being expanded as well as opportunities for tenants to meet officers and other agencies face to face.
- The team were reviewing their approach to surveys and the data collected.
- Facebook was a very popular medium used by tenants to interact with the Council.

Discussion took place regarding:

- Members were encouraged to email feedback to the team by email if they wished.
- A 'Housing Matters' meeting had recently been held at the Leisure Centre in Crediton, a lot of other ad-hoc meetings had also been held, however, the team felt that not a great number of tenants were coming forwards to engage in this way anymore. Social media forums were proving more popular.
- Training online would be developed further to assist tenants with accessing information.

- There are Tenant Champion roles for tenants.
- Regular and ongoing engagement with tenants at an early stage was key.
- The escalation process.
- Expectations had to be managed, the Housing Service still needed to prioritise issues such as Health & Safety and Anti-Social Behaviour (ASB).

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

37 **CONSULTATION ON CHANGES TO THE FEES REGIME OPERATED BY THE REGULATOR FOR SOCIAL HOUSING**

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing. If adopted, the Council, as a Registered Provider of Social Housing, would be required to make a payment, based on the numbers of homes in the housing stock. This would represent a significant change due to the fact that up until now, local authorities had not been required to make any payments to the regulator in support of the regulatory function.

This was a new requirement under the Government's consumer regulation regime which was overseen by the Regulator of Social Housing. The Council was being given an opportunity to respond to the consultation. There were a number of options the Council could take from wholly disputing the proposed charges to providing no comment at all.

Consideration was given to the following:

- The Regulator was likened to Ofsted in that they were a statutory body of the Government with whom the Council had to comply. They had powers to impose legal sanctions for non-compliance, however, there was an opportunity to push back on the principle or level of charging through the current consultation.
- The payment of fees is not currently budgeted for within the Housing Revenue Account. Increasing rents in order to cover these additional costs would not be an option so this would be a further budget pressure going forward.

RESOLVED that the Homes Policy Development Group wholly dispute the changes to the fees regime operated by the Regulator for Social Housing and wished for this to be considered as part of the Council's response to the consultation.

(Proposed by the Chairman)

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

38 **BRIEFING ON NEIGHBOURHOOD MANAGEMENT (0152:00)**

The Group received a presentation from the Operations Manager for Housing providing information on how MDH managed its social housing neighbourhoods. This included the following information:

- What was included within Neighbourhood Management.
- The Landlord Service and its objectives.
- The Regulatory Framework.

- The external factors impacting the work of the Housing Service such as the cost of living crisis.
- Allocations and Lettings.
- Maximising income.
- Estate management and walkabouts.
- Fire Safety.
- Tenancy Home Checks.
- Complaints.
- Risk Management.
- Tenant Rights.

39 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (02:20:00)**

In addition to the items already listed in the work programme for the next meeting the Group requested that it receive the following:

- Quarter 2 Service Performance update.

It was also requested that an all Member briefing take place on Devon Home Choice sometime in the future.

(The meeting ended at 4.39 pm)

CHAIRMAN