

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 13 November 2018 at 2.15 pm

Present

Councillors

W J Daw (Chairman)
Mrs E M Andrews, Mrs H Bainbridge,
D R Coren, Mrs G Doe, R J Dolley,
P J Heal, J D Squire and R Wright

Apologies

Councillor

F W Letch

Also Present

Councillor

R L Stanley

Also Present

Officers

Andrew Pritchard (Director of Operations), Joanne Nacey (Group Manager for Finance), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Claire Fry (Group Manager for Housing), Rob Fish (Principal Accountant) and Sarah Lees (Member Services Officer)

40 **APOLOGIES AND SUBSTITUTE MEMBERS**

Apologies were received from Councillor F W Letch who was substituted by Councillor R Wright.

41 **PUBLIC QUESTION TIME**

There were no members of the public present.

42 **MINUTES**

The minutes of the special meeting held on 15 October 2018 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

43 **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman informed the Group that the Cabinet Member for Housing and the Director of Operations were meeting with the Housing Minister on 27th November in London to discuss issues relating to the Right to Buy Scheme and Universal Credit. They would report back to the next meeting.

44 **PERFORMANCE & RISK**

The Group had before it, and **NOTED**, a report * from the Director of Operations providing Members with an update on performance against the Corporate Plan and

local service targets for 2018/19 as well as providing an update on the key business risks.

The following was highlighted within the report and brief discussion took place regarding:

- The Housing service had hosted a very successful regional meeting for the Tenant Participation Advisory Service (TPAS). The event had been attended by 50 external attendees and four of the Council's own involved tenants. Representatives from the Regulator for Social Housing and the Ministry of Housing, Communities and Local Government were also present. Three Officers and an involved tenant, David Taylor, gave a presentation about the Council's approach to tenant involvement which was very well received.
- The risk presented by Homelessness and insufficient resources to support an increased homeless population which could result in a failure to meet the statutory duty to provide advice and assistance to anyone who was homeless. In mitigation of this risk it was explained that the Housing service had implemented a staffing restructure to build capacity and it was planning to convert an existing property to provide more temporary accommodation.

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

45 **FINANCIAL UPDATE FOR THE SIX MONTHS TO 30 SEPTEMBER 2018**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) presenting a financial update in respect of the income and expenditure so far in the year.

Consideration was given to the following:

- The forecasted General Fund deficit for the current year was £305k. A large part of this related to the under recovery of planning fees. This was a difficult area to address as it was a demand led service. It was hoped that things would pick up in the New Year and there would be more momentum to getting planning applications approved and built out. It was explained that the under recovery of planning fees reflected the national position and therefore was not impacting on this authority alone.
- For the HRA, the forecasted overspend had been £10k, however, there had been a turnaround in dwelling rents and the situation was looking more favourable.
- Whether consideration was being given to other council's building houses bordering Devon and their proximity to future possible developments within Mid Devon, for example, houses being built in the Taunton area might actually be closer in proximity to Mid Devon developments than say Bickleigh.

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

46 **DRAFT 2019/20 HOUSING REVENUE ACCOUNTS (HRA) BUDGET**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) and Director of Operations considering options for the Council to set a balanced budget for 2019/20.

It was explained that as the draft budget currently stood the HRA budget for 2019/20 had been balanced. However, the report, did outline a few high level issues affecting the HRA today, along with how they might impact when setting the final budget for 2019/20. These included Right to Buy property sales and rent decrease.

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

47 **DRAFT 2019/20 GENERAL FUND AND CAPITAL BUDGETS**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) considering the initial draft 2019/20 budget and options available in order for the Council to set a balanced budget and agree a future strategy.

Consideration was given to the following:

- The initial aggregation of all service budgets currently indicated a General Fund budget gap of £662k.
- 2019/20 would be the fourth and final year of a four year fixed funding settlement which would see a further reduction of £179k bringing the Revenue Support Grant to nil for 2019/20. The end of this four year settlement period would bring a number of uncertainties and risks.
- Pay estimates, which were linked to national pay scales, had been increased by an average of 3%.
- Council Tax had been modelled on a £5 increase.
- For 2018/19 the Council had been fortunate enough to be in the 100% Business Rate pilot which had given the Council an additional circa £200k. However, for 2019/20 this would be reduced to 75% and whilst the Devon Pool would be submitting an application to be a part of this, the chances of success were not predicted to be high. The Council would then revert back to a 50% position but still benefit from membership of the Devon Pool.
- Previously the New Homes Bonus had supported the Council's capital programme but the methodology for the calculation of this may change and this was a significant risk..
- A provisional settlement was due to be issued by central Government by 6th December 2018. As soon as this was received a briefing note would be sent to all Members providing a summary on how this would impact on the budget for 2019/20.
- Using reserves to balance the budget in 2018/19 was a one off resolution. Using reserves does not address the underlying issues and the Council would be reluctant to rely on this again for 2019/20.

Brief discussion took place regarding:

- Increased premises costs in relation to Carlu Close.
- The removal of the Crediton Office budgets.
- Reduction of income/increased expenditure in relation to Market Walk.
- Additional weed spraying as a result of the County Council withdrawing its provision of this service across the District.

It was requested that the Group receive more information regarding the removal of ragwort and what the District Council was doing about this particularly dangerous weed.

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

48 **HOUSING UPDATE**

The Group had before it, and **NOTED**, a report * from the Group Manager for Housing providing an update on the latest developments to social housing.

Reference was made to the following:

- The recent very successful TPAS event. Tenants felt that they had had an opportunity to express their views. A further event in Bristol had been attended by the Chief Executive and some tenants.
- There was still a lot in the housing press about cladding and fire safety showing that this was still a high priority.
- Following an FOI request, data had revealed that between April 2013 and March 2018 £3.87 billion had been spent by local authorities nationally on providing temporary accommodation for the homeless.
- The number of “for profit registered providers” of housing had grown in the last year and the Council had been contacted by one of these providers which was keen to work with developers in the District to build affordable homes linked to section 106 agreements, rather than developing their own homes from scratch.
- National Housing Federation Summit – the Prime Minister had attended this in September 2018 and amongst other things had referred to ‘a certain stigma’ which she claimed ‘still clings to social housing’. She had talked about housing management, as well as design and construction as being important factors in making those who live in social housing “so good that people are proud to call it home.”
- There was a growing call for reform in the area of Right to Buy.
- The use of drones by Oxford City Council to survey the roofs of its Council owned properties was cited as an example of improved technology being used to help support a Council’s business.

49 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING**

In addition to the items already listed in the work programme for the next meeting it was requested that the Group receive a report back from the Cabinet Member for Housing and the Director of Operations regarding their meeting with the Housing Minister on 27th November 2018.

(The meeting ended at 3.10 pm)

CHAIRMAN