

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 15 January 2019 at 2.15 pm

Present

Councillors

W J Daw (Chairman)
Mrs H Bainbridge, D R Coren, Mrs G Doe,
R J Dolley, F W Letch and J D Squire

Apologies

Councillors

Mrs E M Andrews and P J Heal

Also Present

Councillor

R L Stanley

Also Present

Officers

Andrew Pritchard (Director of Operations), Claire Fry (Group Manager for Housing), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Joanne Nacey (Group Manager for Finance), J P McLachlan (Principal Accountant), Michael Parker (Housing Options Manager) and Sarah Lees (Member Services Officer)

50 **APOLOGIES AND SUBSTITUTE MEMBERS**

Apologies were received from Cllrs Mrs E M Andrews and P J Heal.

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

No interests were declared under this item.

52 **PUBLIC QUESTION TIME**

There were no members of the public present.

53 **MINUTES**

The minutes of the meeting held on 13 November 2018 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

54 **CHAIRMAN'S ANNOUNCEMENTS**

It was announced that the Housing Service had been shortlisted for the TPAS Awards 2019 in the 'Community Focused Service/Product of the Year Award' category. This was in relation to work that had been undertaken in the repairs procurement service review.

55 PERFORMANCE & RISK FOR 2018-19 (00:02:47)

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.

It was noted that the average number of days to re-let remained below target and the service was congratulated for this. This was reflected in the 'Dwelling rent lost due to voids' which had decreased steadily throughout the year and was now at the same level as this time last year i.e. 0.5%.

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

56 FINANCIAL MONITORING (00:04:05)

The Group received a verbal update from the Group Manager for Finance presenting a financial update in respect of the income and expenditure so far in the year.

It was reported that the previously predicted overspend for the year had reduced from £168k to £94k. This had been achieved through an amalgamation of car park income, a slight reduction in legal work in relation to Section 106, a windfall of £75k in relation to housing benefit subsidy and a slight improvement in Planning fee income. There had also been some savings in Customer Services salaries. However, the figures remained challenging and the Group would be updated at the next meeting.

57 GENERAL FUND BUDGET 2019/20 - UPDATE (00:07:42)

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) reviewing the revised General Fund budget changes identified and seeking further discussion on any changes required in order for the Council to move towards a balanced budget for 2019/20.

The draft budget gap for 2019/20 had reduced from £662k to £253k. This was in part due to the provisional settlement received from central Government in December 2018 which had brought in some additional funding such as Business Rates and Levy Account Surplus Draft Allocation. There had also been a reduction in an allowance for vacancies and other salary saving in the Waste Service.

However, it was not expected that the current gap would reduce any further and therefore it was likely that the balance would need to be found through a one off transfer from Ear Marked Reserves. However the underlying issues would need to be addressed and 2021 would present a very challenging set of financial circumstances.

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

58 DRAFT 2019/20 HOUSING REVENUE ACCOUNT (HRA) BUDGET (00:11:53)

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) and Director of Operations considering the options available in order for the

Council to set a balanced budget for 2019/20 and agree a future strategy for further budgetary planning for 2020/2021 onwards.

The following was highlighted within the report:

- The Housing Revenue Account (HRA) was a ring-fenced account within Mid Devon's financial accounting system meaning that a balanced budget had to be set each year. This included all income and expenditure pertinent to the Council's landlord function.
- The appendices attached to the report showed the previous year and current year movements as well as the proposed budget for 2019/20.
- Various assumptions had been made in setting the proposed budget including a 1% decrease in all rents.

Consideration was given to the proposed increase with regard to garage rents. However it was felt that the increase proposed was so small that it would have a detrimental effect.

RECOMMENDED to the Cabinet that the proposed HRA budget for 2019/20 be approved subject to garage rents being frozen for 2019/20 and that from 2020/2021 onwards garage rents be increased by the Consumer Prices Index plus 1%.

(Proposed by Cllr R J Dolley and seconded by Cllr Mrs G Doe)

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

59 **HRA MEDIUM TERM FINANCIAL PLAN (00:24:30)**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) providing an estimate of the budget required for the operation of the Housing Revenue Account (HRA) from 2019/20 – 2022/23.

Further to the proposed draft budget for 2019/20 assumptions had been made for the forthcoming years which were listed in the report. This had been necessary in order to determine a reasonable forecast of the financial position of the HRA in the coming years.

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

60 **MEETING THE HOUSING NEEDS POLICY (00:27:00)**

The Group had before it a report * from the Housing Options Manager. Homelessness legislation stated under the Housing Act 1996, as amended under the Homelessness Act 2002 Part V11, that the Housing Options Service should have a Supply and Demand Policy. This had also been stated in recent Supreme Court cases.

RECOMMENDED to the Cabinet that:

- a) The revised Housing Options Supply and Demand Policy be approved;

- b) It notes the Housing Options Service will continue to make best use of its temporary housing resources when accommodating homeless households.

(Proposed by the Chairman)

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

61 **REVIEW OF THE VOID MANAGEMENT POLICY (00:28:10)**

The Group had before it a report * from the Group Manager for Building Services advising Members of the revised Void Management Policy.

The contents of the report were outlined with reference to a number of minor changes to the policy.

A brief discussion took place regarding the Council needing to spend £324,304 on repairing 'major' voids between 1 April and 30 November 2018. There was a requirement on the Council to adhere to the Decent Homes Standard and this resulted in inevitable costs.

RECOMMENDED to the Cabinet that it approves the revised Void Management Policy and that the term of the policy be extended to 10 years.

(Proposed by the Chairman)

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

62 **HOUSING SECTOR UPDATE (00:32:57)**

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

It was explained that the briefing paper only ever represented a 'snap shot in time' and that housing policy nationally was evolving very quickly. The following was highlighted within the report:

- Comments from the Housing Minister in relation to social housing tenants feeling 'disenfranchised'.
- League tables and the fact that in some areas the Council was performing in the top quartile particularly in relation to Tenant Involvement.
- Housing supply nationally remained a major area of concern.
- Housing Association mergers were creating larger organisations in some cases.
- Impending changes in relation to Universal Credit.

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

In addition to the items already listed in the work programme for the next meeting it was requested that the Group receive feedback from the Cabinet Member for Housing and the Director of Operations following their meeting with the Housing Minister in early February. The previously arranged meeting in December had been cancelled.

It was also requested that the Group review the situation regarding Band E in the near future.

(The meeting ended at 3.00 pm)

CHAIRMAN