

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 10 November 2020 at 2.15 pm

Present

Councillors

R J Dolley (Chairman)
Mrs E M Andrews, J Cairney, S J Clist, D R Coren,
L J Cruwys, C J Eginton, S J Penny and Mrs C P Daw

Also Present

Councillors

R M Deed, R Evans and B G J Warren

Present

Officers

Jill May (Director of Corporate Affairs and Business Transformation), Simon Newcombe (Group Manager for Public Health and Regulatory Services), Claire Fry (Group Manager for Housing Services), Ian Chilver (Group Manager for Financial Services), Tristan Peat (Forward Planning Team Leader), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Roderick Hewson (Principal Accountant) and Sarah Lees (Member Services Officer)

27 Apologies and Substitute Members

There were no apologies for absence.

28 Protocol for remote meetings

The protocol for remote meetings was noted.

29 Public Question Time (00:03:00)

Nick Quinn, a local resident, asked the following questions:

Firstly, regarding Agenda item 5, Minutes of the last meeting:

The last time you met in normal session, back in September, I asked you what you intended to do about the £600,000 that was being taken from the Housing Revenue Account to settle a 'long running contractual dispute'. My question was not answered.

There is an error in the minutes. For the Financial Monitoring report, the minutes state: *"With regard to the Housing Revenue Account, the predicted deficit was just over £1m with the vast majority of this being related to the loss of housing rental income"*.

I have listened to the recording of the verbal statement. The Officer said "the previous reported deficit of £410,000 (for potential Covid-19 loss of rental income)

has been raised to just over £1 million. The reason for this is the £600,000 settlement of the contractual dispute.”

These draft minutes are incorrect. The settlement amount was the major figure, not the loss of housing rental income. The sentence should end: *the majority of this being related to the settlement of a long running contractual dispute.*

My question to you is: **Please will you correct the minutes to reflect this?**

Secondly, regarding Agenda item 10 – HRA Budget:

I should like an explanation of two of the entries in the ‘Homes PDG HRA Budget and MTFP Report’ – Appendix 1.

In the ‘*Analysis by service*’ table, there are two entries, both for the same amount:

In Income:

Code: SHO11 *Capital Contributions relating to Palmerston Park* for £733,519

And in Accounting entries ‘below the line’:

Code: SHO44 *Capital Grant Unapplied Cr Hora* for £733,519

My question to you is: **Please would you explain, in ‘layman’s terms’, what these two entries mean?**

In relation to Mr Quinn’s first point about a question regarding £600k not being answered at the previous meeting, the Chairman stated that he was responsible for this in that the matter was a ‘confidential area’.

He also indicated that the question regarding the draft minutes from the previous meeting would be dealt with at item 5.

Note: A response to Mr Quinn’s second question regarding the HRA Budget was provided by the Accountant at item 10 on the agenda.

30 **Declaration of Interests under the Code of Conduct (00:07:00)**

The following interests were declared:

- Cllr Mrs E Andrews declared a personal interest in that she is a council tenant.
- Cllr S Clist declared a personal interest in that he had received correspondence from members of the public regarding items on the agenda.
- Cllr Mrs C Daw declared a personal interest in that she lives in Palmerston Park.
- Cllr R J Dolley declared a personal interest in that Palmerston Park is in his Ward.

31 Minutes (00:10:00)

Discussion took place regarding the accuracy of the minutes in relation to an issue raised in Public Question Time.

It was **AGREED** that the minutes of the meeting held on 15 September 2020 were a correct record subject to the following amendments:

a) Minute 21 – last bullet point to be amended to state:

“With regard to the Housing Revenue Account, the predicted deficit was just over £1m. This relates to the settlement of a long standing contract dispute and the potential loss of housing rental income due to the pandemic”.

b) Minute 17 be amended to state that “Cllr Mrs Eileen Andrews **is** a council tenant.”

32 Chairman's Announcements (00:19:00)

The Chairman had no announcements to make.

33 Performance and Risk Report (00:19:10)

The Group had before it, and **NOTED**, a report * from the Group Manager for Performance, Governance and Data Security providing Members with an update on performance against the Corporate Plan and local service targets for 2020/2021 as well as providing an update on the key business risks.

The Group were asked to consider and comment upon the draft Key Performance Indicators (KPI's) in Appendix 4. It was explained that these were listed since they were relevant to the new Corporate Plan. The KPI's particularly relevant to this Group, being at lines 28 to 43, were highlighted.

It was further explained that the Environment Policy Development Group had considered the same report and appendices and had made the following recommendation to the Cabinet regarding KPI's within the housing area:

- The Corporate Plan Performance Framework be approved with the exception of the following measures in the Homes Portfolio which should be reset to 100%:
 - KPI Item 40 – Emergency repairs
 - KPI Item 41 – Urgent repairs
 - KPI Item 42 – Routine repairs
 - KPI Item 43 – Repairs appointments kept

The Group Manager for Public Health and Regulatory Services explained that there were sound reasons as to why the targets for these particular indicators were currently set at 95%. Many different factors affected performance such as an ability to gain access to a property which was often outside of the control of the Council. He further explained that the regulator did not expect a performance target of 100% and in fact would become suspicious if it were so. However, with regard to the

Emergency repairs KPI, it was possible to support a move from 95% to 100% since this was realistically achievable.

It was therefore:

RECOMMENDED to the Cabinet that:

- i. The KPI in relation to 'Emergency repairs' be amended from 95% to 100% but that the KPI's in relation to 'Urgent repairs', 'Routine repairs' and 'Repairs appointments kept' be retained at 95%.
- ii. All other KPI's within Appendix 4 be approved.

(Proposed by Cllr C Eginton and seconded by Cllr S Penny)

Reason for the decision:

Performance indicators needed to be realistic and if performance was not monitored the Council might fail to meet its corporate and local service plan targets or to take appropriate corrective action where necessary. If key business risks were not identified and monitored they could not be mitigated effectively.

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

34 **Financial Monitoring (00:31:00)**

The Group Manager for Finance provided the Group with a verbal month five monitoring report. This included the following key pieces of information:

- Month 5 reporting showed a forecast deficit reduction of £1,177k to £41k.
- These were uncertain times and the forecast would fluctuate from month to month.
- The various tranches of government funding were explained including additional furlough monies. This needed to be evaluated against forecast income losses.
- An increased deficit in relation to the Lifeline Alarm System was forecast.
- There was a small increase in the deficit on the HRA of approximately £20k relating to salary costs.

It was **AGREED** that in future a written financial monitoring report be provided with the agenda pack for each meeting and that any late or updated information be provided verbally at the meeting itself.

35 **Draft 2021/2022 General Fund and Capital Budgets (00:43:00)**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) considering the initial draft 2021/2022 budget and the options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2022/2023 onwards,

The contents of the report were outlined with the following pieces of information being highlighted:

- The initial aggregation of all service budgets currently indicated a General Fund budget gap of just over £3m, however the Council had a statutory duty to set a balanced budget.
- The Medium Term Financial Plan would be presented to the Cabinet on 3 December 2020.
- The budget for the current year had been set without consideration of the Covid 19 effects, however, the budget for next year would take account of this.
- The Group were referred to a detailed breakdown of the service areas that reported to it.
- There were budget pressures on all sides including income and government funding as well as a Business Rate reset.
- Central government funding for next year was expected to be announced in early December.
- The draft budget before the Group had been put together before the announcement of a second lockdown.

A brief discussion took place with regard to the difficulties involved in trying to forecast predicted income losses from car parking which were currently stated as being £58k. However, it was stated that parking had recovered far better than expected.

The next iteration of the draft budget would take a fresh look at all the numbers and would also take into consideration the effects of the second lockdown.

The Chairman thanked the Group Manager for Financial Services and his team for all their hard work in trying to bring the budget forward.

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

36 **Housing Revenue Account (HRA) Budget 2021/2022 and onwards (00:54:00)**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) and the Group Manager for Public Health and Regulatory Services presenting proposals for the first draft of the Housing Revenue Account budget for 2021/22 and the HRA Medium Term Financial Plan for 2021 to 2026.

The contents of the report were outlined with reference to the following:

- Currently the draft HRA budget was showing a balanced position.
- Rent policy set out by central government stated that existing rents must be increased annually by the previous September's Consumer Price Index (CPI), plus an additional 1%. Applying this calculation would give a rent increase next year of 1.5%.
- The full effect of the pandemic on the HRA was unknown.

In response to the question posed during Public Question Time, the Accountant explained that the two equal and opposite entries of £733,519 were required by statute and were for presentational purposes only. The entries represented grant funding received from Homes England to support capital expenditure that occurred in 2019/20. Since the entries cancelled one another out, there was no financial impact on the HRA itself, although it was an accounting requirement that Mid Devon show

these amounts as a credit in the top section of the HRA and a debit in the bottom section.

Consideration was given to the proposed freezing of garage rents and the general poor condition of some garages within particular Wards. It was explained by the Group Manager for Public Health and Regulatory Services that the overall plan for garages, as part of a revised programme, would take place shortly. This would include consideration of factors such as current levels of rent, re-lets, voids and development opportunities. The matter needed to be thoroughly considered in its entirety and preliminary proposals would be brought back to the Group for consideration.

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

37 **Community Led Housing Fund Grant Policy and Project Group (01:04:00)**

The Group had before it a report * from the Group Manager for Housing and the Forward Planning Team Leader. The contents of the report were outlined with reference to background and context of the Project Group.

It was explained that the Council had received a Community-Led Housing Fund grant of £131,359 of which £108,360 remained unallocated.

Discussion took place regarding:

- Possibly extending the membership of the Project Group to include the Chairman of the Homes Policy Development Group and one other member of the Group.
- The need for a Rural Housing Policy versus the mechanisms already in place to address this issue.

RECOMMENDED to the Cabinet that:

Section 11.1 of the Community-Led Housing Fund Guidance and Criteria (Appendix 2), which provides the framework for the allocation of grants, is amended so that the Community Housing Fund Project Group membership includes:

The Cabinet Member for Housing, the Cabinet Member for Planning and Economic Regeneration, the Group Manager for Housing Services, the Head of Planning, Economy and Regeneration and the Housing Enabling and Policy Officer.

(Proposed by Cllr C Eginton and seconded by Cllr R J Dolley)

Reason for the decision:

The Homes PDG had set up the Community Housing Fund Project Group in 2018 to consider requests made to the Council for financial support from the Community Housing Fund. There is a need to amend the membership of the Community Housing Fund Project Group to reflect that the Council's housing enabling role has been moved from the Housing Service to the Planning Service.

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

- (ii) A proposal to add the Chairman of the Policy Development Group and a member of the Group to the membership list of the project Group was not supported.
- (iii) Cllr S Clist requested that his vote against the recommendation be recorded.

38 **Housing Policy Framework Report (01:33:00)**

The Group had before it, and **NOTED**, a report * from the Group Manager for Public Health and Regulatory Services providing an update on plans to deliver a shared policy framework bringing together policies owned and operated by the Building and Housing Services. The new arrangements relating to policy should ensure that it is more closely aligned to the Regulatory Framework for Social Housing and deliver greater consistency in approach.

It was explained that the Building and Housing Services had developed a large number of policies which had been adopted by the Council. Many of these now needed updating in order to bring them into line with new legislation and/or regulatory requirements. A significant programme of service improvement was being commenced to bring those services responsible for improvement and maintenance of the Council housing stock more closely together. It was proposed to create 'One Housing' service. A shared policy framework was an important strand of that improvement work because it would deliver consistency across the services accounted for within the HRA.

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

39 **Housing Service Delivery Report (01:40:00)**

The Group had before it, and **NOTED**, a report * from the Group Manager for Housing Services and the Group Manager for Public Health and Regulatory Services providing an update on enforcement and other activity undertaken by officers in the Housing Service.

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

- The service was currently reaching out to all its tenants to check they were okay during the pandemic. The most elderly were being contacted first and Leisure Service staff were providing support to the Housing Service with this process.
- An increase in work due to anti-social behaviour.
- A pause in pursuing evictions at the current time.
- Income recovery had been less affected than expected as a result of the pandemic.
- There had been more safeguarding referrals.
- Housing staff were receiving very positive feedback for the support and understanding they were showing tenants.

The Group **AGREED** that they were happy with the current format of this regular update.

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

40 **Housing Tenant Census Report (01:50:00)**

The Group had before it, and **NOTED**, a report * from the Group Manager for Housing Services and the Group Manager for Public Health and Regulatory Services providing feedback from the tenant census which was recently undertaken in line with the specific expectations of the regulatory framework. The results of the survey will inform the direction of travel with regard to the future review of the strategy and policy relating to tenant involvement and also proposals relating to internal changes to the structure of the landlord service.

Further information within the report was summarised with particular reference to:

- There had been a response rate of 42%, meaning that 1276 responses had been received out of a possible 3000 tenants.
- Those responding to the survey had been asked a number of questions relating to diversity which could provide some useful feedback.
- Analysis of the data supplied was being undertaken. 9% had responded by email and it had been noted that the majority of those who had had been younger tenants..
- Repairs and maintenance continued to be viewed as the most important service.

Members of the Group had received very positive feedback from constituents about the work and support of housing officers. Comments had been made that tenants were being listened to. The Group wished for their thanks and congratulations to be passed back to staff within the service. The Group Manager for Housing Services said that she would do this and that she was very proud of her staff.

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

41 **Identification of items for the next meeting (02:04:00)**

In addition to the items already identified in the work programme the following was requested to be on the agenda for the next (or a future) meeting:

- Condition and future use of Council owned garages
- Rural Housing Development Policy
- Access to housing for homeless people

(The meeting ended at 4.26 pm)

CHAIRMAN