

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 18 March 2025 at 2.15 pm

Present

Councillors

S Robinson (Chair)
C Adcock (Vice-Chair), J Cairney, C
Connor, A Glover and H Tuffin

Apologies

Councillors

F W Letch and N Letch

Also Present

Councillor

S J Clist

Also Present

Officers

Simon Newcombe (Head of Housing & Health), Dean Emery (Head of Revenues, Benefits & Leisure), Sophie Richards (Customer Engagement Co-Ordinator, Mid Devon Housing) and Sarah Lees (Democratic Services Officer)

Councillors

Online

J Buczkowski and J Lock

Officers Online

Dr Stephen Carr (Corporate Performance & Improvement Manager), Mike Lowman (Operations Manager for Building Services) and Carole Oliphant (Housing Policy Officer)

61 APOLOGIES AND SUBSTITUTE MEMBERS

Apologies were received from Cllrs F Letch and N Letch.

62 PUBLIC QUESTION TIME

The following questions were received from the one member of the public attending the meeting:

Paul Elstone

Question 1

My questions relate to Agenda Item 7 Housing Service Delivery Report Q3
Specifically, Paragraph 2.4

Quote: "Councillors also have a responsibility to ensure that Mid Devon Housing is being open and accountable with regard to how the organisation meets its objectives and regulatory requirements". Unquote.

I have provided Homes PDG and Scrutiny Members with a document and related "as built" drawings. Drawings that confirm and beyond doubt that the MDDC Social Housing modular build developments at both Shapland Place, Tiverton and St Andrews House, Cullompton, fail to fully comply with the UK Government's Nationally Described Space Standards. This despite what Members of this Council have been told several times previously that they did.

How can this Council justify spending extremely high and limited funds on social housing developments that are built smaller than the Government's described space standard requires and to the detriment of the residents of these dwellings?

Question 2

How can this Council enter into a partnership arrangement with a developer that designs then builds and installs social homes developments that fail to comply with very basic Government standards?

Question 3

Why are MDDC Officers including those in Housing, Planning, and of real concern Building Control, not identifying these standards failings and at various stages of the development program?

Question 4

How can this Council apply for and receive grant funding from a UK Government funded entity i.e. Homes England and for developments that fail to comply with the Governments own space standards?

Question 5

Is there not a case of Homes England being made aware of these space standard non-compliances?

Question 6

How can this Council, as well of the developer, routinely "trumpet" even this past week that these developments have won multiple awards given they fail to meet the most basic of standards?

Question 7

Is there not a case that the various entities making these awards being made aware of the standards non-compliance failings?

The Chair stated that as the questions had not been received in advance the questioner would receive written replies within 10 working days.

63 DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

No interests were declared under this item.

64 MINUTES

The minutes of the meeting held on 28 January 2025 were approved as a correct record of the meeting and **SIGNED** by the Chair.

65 CHAIR'S ANNOUNCEMENTS

The Chair had no announcements to make.

66 PERFORMANCE DASHBOARD Q3 (00:07:00)

The Group were presented with, and **NOTED**, a slide * showing performance information in the Mid Devon Housing area both under the Housing Revenue Account (HRA) and the General Fund (GF).

The dashboards aimed to give an 'at a glance' understanding of how services were performing in terms of performance measures, finance and risk. Any measures that were also part of the Corporate Plan were listed in yellow text.

The indicators were presented with current performance, the annual target and a RAG (red/amber/green) rating to indicate whether or not the Council was on track to meet its target. Overall performance was presented in a pie chart which combined the RAG ratings for both of the performance and the finance measures.

The following red and amber indicators were referred to:

- The projected outturn for the General Fund was showing as red. In part this was due to the cost of upgrades to the community alarm kit following changes in technology.
- The delivery of new social housing was showing as red and new net zero properties was also showing as red. There had been delays to live projects as well as difficulties awarding contracts for some projects which had contributed to these ratings.
- Complaints responded to within the complaints handling timescale was showing as amber, however, there had been 100% compliance in quarter three and indeed in quarter two before that, therefore performance was improving.
- Housing stock occupancy rate was shown as amber. There were a number of long term development voids awaiting redevelopment and this was continuing to lower the occupancy rate.
- HRA projected tenant income was showing as amber and this was related to the inclusion of the forecast 24/25 refunds for the overcharges arising from a historic rent calculation error.
- Projected capital outturn was showing as amber. Capital slippage of development projects was also amber. There were a number of different reasons behind some of the project delays. For example, delays around utility companies and their failure to adhere to project time scales and challenges with Devon County around road closures and their preference for these to be within school holidays. These factors had affected the Council's ability to deliver new social housing in the district. However, the pipeline of projects remained strong.

A brief discussion took place regarding:

- Whether there could be a target in relation to 'Unoccupied and unfurnished empty homes'? It was explained that several years ago the Council had employed an Empty Homes Officer as part of a discretionary service. However, this post had been removed as part of budgetary savings in this area. The imminent Tenancy Strategy would include a number of initiatives which would address some of these issues.
- 'Empty Homes' could have numerous classifications.
- The delays being experienced as a result of utility companies failing to meet desired timescales. Some new development was ready to go but needed a power supply. The reliance on Government funding was also frustrating. These were key blocking factors preventing development from moving forward at a quicker pace.
- The Group sought reassurance regarding staffing levels and were informed that Mid Devon Housing was going through a process of restructuring and more staffing resource would exist going forwards.
- It was not in the Council's interest to build unsafe developments or fail to meet the requirements of the building regulations.

Note: * Slide previously circulated.

67 MID DEVON HOUSING SERVICE DELIVERY REPORT FOR Q3 2024-25 (00:25:00)

The Group had before it, and **NOTED**, a report * from the Head of Housing & Health providing a quarterly update to Members of the Policy Development Group on activity undertaken by Mid Devon Housing (MDH) including some relating to enforcement.

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

- The report covered a multitude of areas across Mid Devon Housing, ranging from Tenant Satisfaction Measures (TSM's), enforcement, building repairs and maintenance to rent recovery.
- Timing wise, the report was slightly behind with the data. Performance was holding up well, however, there continued to be recruitment challenges and long term sickness was putting pressure on the service.
- It was confirmed that safety works would always take priority.
- Rental income collection figures continued to improve on what was already a positive position.
- Tenants who presented as being repeatedly or longstanding in arrears were dealt with on a case by case basis. Officers worked hard to support tenants falling into this category by offering early advice and support where they could, for example, were tenants claiming all the benefits they were entitled to? Officers also signposted tenants to other support agencies such as food bank providers. It was accepted however that some tenants would never engage with the Council as their landlord. Sometimes properties were left unoccupied with the Council not knowing where the tenant had gone.
- It was confirmed that all the houses at St George's Court in Tiverton were now let. The 29 flats had needed adapting, for example, installing level flooring in the bathrooms. All but one of these adaptations had now taken place. The flats

were therefore very nearly ready to be let. There was an ongoing issue with the lifts but the Council was trying to resolve this with the manufacturer.

- The Council could not legally rent the flats until they had been valued by a Government appointed District Valuer for the purposes of setting the correct formula rent and arranging for them to do this was proving to be a lengthy process.

Note: * Report previously circulated.

68 **VERBAL UPDATE ON TENANT SATISFACTION MEASURES (00:46:00)**

The Group received, and **NOTED**, a verbal update on the Tenant Satisfaction Measures (TSM's) by the Customer Engagement Co-ordinator which included the following information:

- This year the Council had opted for quarterly surveys rather than one annual survey for the Tenant Satisfaction Measures.
- The service were nearing the end of the surveys for Q4, there were approximately 15 more surveys to be completed to hit the target of 501 responses. This 501 responses gave the service the compliance it needed and would satisfy the Regulator. This was about 1 in 6 tenants who took the survey, so these were good numbers.
- The service was seeing an uplift in many areas of satisfaction this year.
- Full data would be provided at the next meeting. In the meantime, this data would be reported back to the Regulator and some tenant friendly communications would be put together to share the results.
- Tenants had been contacted throughout the previous quarters to follow up on any concerns that they may have raised in their survey and the service would continue to do this once the data for the final quarter came through.

69 **MID DEVON HOUSING (MDH) TENANCY MANAGEMENT POLICY (00:48:00)**

The Group had before it a report * from the Head of Housing and Health. The Mid Devon Housing (MDH) Tenancy Management Policy had been reviewed and amended due to the Cabinet decision to end the use of Flexible tenancies. It was last reviewed in 2022 and therefore not many changes were required. The revised Tenancy Management Policy removed any reference to Flexible tenancies.

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

- The policy set out the requirements of tenants and the landlord.
- This had been updated in 2022.
- Because of the Cabinet decision to move away from Flexible Tenancies, any reference to this now needed to be removed from the policy hence why this had been brought before the Policy Development Group and as such this was merely a practical exercise.

Discussion took place regarding 'rights to succession' after the death of a tenant. It was explained that this was a historic concept which may no longer exists in specific circumstances but if a tenant had signed up to a tenancy when 'rights of succession' were in existence historically then that concept remained for that tenancy after the death of the tenant who had signed up to it.

RECOMMENDED to the Cabinet that:

The updated Mid Devon Housing Tenancy Management Policy and Equality Impact Assessment contained in Annexes A and B respectively be approved.

(Proposed by Cllr J Cairney and seconded by Cllr A Glover)

Reason for the decision

As a registered provider (RP) of social housing, the Council was obliged to take account of the standards contained within the revised regulatory framework which was administered by the Regulator of Social Housing (RSH). This stated that RPs should publish clear and accessible policies which outline their approach to tenancy management, including interventions to sustain tenancies and prevent unnecessary evictions, and tackling tenancy fraud.

Note: * Report previously circulated.

70 VARIATION TO STANDARD MID DEVON HOUSING TENANCY AGREEMENT (00:55:00)

The Group had before it a report * from the Head of Housing and Health. It was stated that the current Tenancy Agreement was launched in 2016 and was due for a review. However, as the Cabinet approved the Homes PDG recommendation that the use of Flexible Tenancies be halted further changes were required to the Tenancy Agreement to reflect this change and therefore there was a requirement to undertake a broad review of the agreement now.

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

- Lots of work had been going on in the background to update the Tenancy Agreement after Cabinet approved the Homes PDG recommendation to halt the use of Flexible Tenancies. There had been many changes since the last Tenancy Agreement was reviewed in 2016, in terms of legislation, regulation and internal policies and this new tenancy agreement, reflected that. There had been a delay due to extended legal review. However, the service was now at a stage where it could go out for the Section 103 Consultation.
- There were specific provisions related to this consultation in the Housing Act 1985, tenants would be sent a preliminary notice of variation which would inform them of the Council's intention to serve a Notice of Variation. In a nutshell, this was a 28 day consultation period where tenants would have the opportunity to comment on the Council's proposed Tenancy Agreement. The service would be including a 'changes at a glance' document to make things more tenant friendly. Drop in sessions would take place across the district as well as doing the usual online consultation through 'Lets' Talk Mid Devon' and shared across social media.
- The consultation would run after approval was provided by Cabinet in April, it would run for 28 days and would be sent to Members and partners at the same time.
- There would be more steps to follow after the consultation in line with the Housing Act 1985 with regards to sending notice of variation letters to secure

and introductory tenants and there would need to be a 4 week wait between sending these and the implementation date. This meant the Council would plan to go live with the new tenancy agreement hopefully by September time.

RECOMMENDED to the Cabinet that:

The procedure for the variation of tenancy conditions and updating the standard Tenancy Agreement, including formal consultation with tenants, commence in line with the Housing Act 1985 (sections 102 & 103).

(Proposed by Cllr J Cairney and seconded by Cllr H Tuffin)

Reason for the decision

As a registered provider (RP) of social housing, the Council was obliged to take account of the standards contained within the revised regulatory framework which was administered by the Regulator of Social Housing (RSH). This stated that RPs should meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements or terms of occupation.

The Social Housing (Regulation) Act 2023 was designed to strengthen the regulatory framework for social housing and to introduce a new proactive, consumer-led regulation regime focussed on meeting the needs of tenants.

Section 102 and 103 of the Housing Act 1985 provided that in England and Wales the terms of a secure tenancy (other than those implied by statute) may be varied, therefore correct compliance with legislation was a requirement to prevent any legal challenges.

Section 105 of the Housing Act 1985 sets out the Council's duties relating to consultation with tenants on matters of housing management. Following any consultation, the MDH would be obliged to give a minimum notice period of 4 weeks in advance of any change.

Note: * Report previously circulated.

71 DOWNSIZING WORKING GROUP REPORT (00:58:00)

The Group had before it a report * from the Head of Housing and Health. The Homes PDG established a Downsizing Incentives Working Group to investigate potential incentives that might encourage tenants to move from larger properties. The Group was tasked with gathering tenants' perspectives on desirable incentives and providing recommendations for an incentive scheme.

The contents of the report were outlined by the Chair of the Working Group, Cllr A Glover, with particular reference to the following:

- Feedback had been sought from tenants, there had been 76 responses and 70% of those had agreed that incentives should be offered for downsizing.
- All options had been considered by the Working Group and the ones recommended below had seemed the most helpful.
- It was confirmed that a budget could be found within the Housing Revenue Account to support these proposals.

- A number of difficult conversations had had to be had to reach this point.
- Officers thanked the Working Group for their hard work and dedication in conducting this exercise.

RECOMMENDED to the Cabinet that:

The Downsizing Incentives be developed by Officers and added as an addendum to the Allocations Policy with the following provisions:

- a) A maximum financial incentive of £1,000 for tenants downsizing by one bedroom.
- b) A maximum financial incentive of £2,000 for tenants downsizing by two or more bedrooms.
- c) Tenants could use the financial incentive to offset any recharges they might owe on their current property or to cover costs for moving, new carpets and/or redecoration in their new property. If no recharges are owed, they would receive the full incentive amount to use at their discretion.
- d) A direct let option for existing tenants to allow MDH to consider downsizing moves into newly void properties in specific circumstances in accordance with wider allocation policy.
- e) A communication plan including targeting of hard-to-reach tenants.
- f) One-to-one support for completing Devon Home Choice applications if relevant.
- g) A 12-month pilot scheme, followed by a review to assess the scheme's success and determine next steps.

(Proposed by the Chair)

Reason for the decision

Formulation of a Downsizing Incentive Scheme would encourage and support tenants to move to suitable accommodation. Tenants who were in receipt of benefits were affected by the 'bedroom tax' which provided a financial disincentive to remaining in a home which was larger than they needed. Promotion of mutual exchange scheme will encourage moves. Improved data collection on households would enable targeted contact with tenants under occupying.

Risks associated with this scheme had been considered although assessment would need to continue throughout the early life of the scheme. Whether the payment was sufficient to incentivise downsizing remained to be seen, although with the number of tenants looking to reduce numbers of bedrooms in their properties expected to increase, another risk was that the HRA resource was being paid to support moves which would have happened anyway.

Note: * Report previously circulated.

72 TENANT INVOLVEMENT STRATEGY (01:05:00)

The Group had before it a report * from the Head of Housing and Health. Under the Regulator of Social Housing's Transparency, Influence and Accountability Standard Registered Providers (RPs) must take tenants' views into account in their decision-making about how landlord services are delivered.

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

- The Tenant Involvement Strategy for 2025-2030 set out a clear vision for strengthening tenant engagement over the next five years, ensuring tenants have a meaningful role in shaping the services they receive.
- Tenant involvement was at the heart of delivering an excellent housing service. The Transparency Influence and Accountability Standard, introduced in April 2024 required the Council to work more closely with tenants to ensure their voices shaped the way the Council delivered services. This was not just about meeting regulations but about building stronger, more engaged communities and ensuring the Council was accountable to our tenants.
- The strategy was built around four core principles which were strengthening engagement and participation, communication and insight, accountability and fairness, respect and diversity. This built on progress made since 2021. The Council had come quite far since its last strategy, engagement had improved, it was more meaningful, tenants were being listened to who had never had interactions with the Council before. The year ahead would see co-opted tenants joining the Homes PDG. All round the service was better aligning its commitment to continuous improvement. However, there was still more to do to ensure all tenants felt engaged and able to participate in a way that suited them. The hope was that this strategy would help support that.
- Included as well was a one year action plan, this would be updated yearly as the next 5 years progressed to ensure the service was implementing this strategy as agreed.

RECOMMENDED to the Cabinet that:

The updated Mid Devon Housing Tenant Involvement Strategy and Equality Impact Assessment contained in Annexes A and B respectively be approved.

(Proposed by Cllr A Glover and seconded by Cllr J Cairney)

Reason for the decision

As a registered provider (RP) of social housing, the Council was obliged to take account of the standards contained within the revised regulatory framework which was administered by the Regulator of Social Housing (RSH). This stated that RPs must take tenants' views into account in their decision-making about how landlord services were delivered.

Note: * Report previously circulated.

73 MID DEVON HOUSING RENT ERROR UPDATE (01:08:00)

The Group had before it a report * from the Deputy Chief Executive (S151) and the Head of Housing and Health updating it on the corrective measures completed and next steps in order to rectify an identified historic rent setting error.

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

- The PDG were asked to note the number of actions which had already been commenced to correct this issue and which were ongoing. There had been substantial progress and dedicated resource had been provided to correct this issue.
- Current and ongoing rent had now been corrected and updated bills sent out to tenants. The current rent formula had been reviewed externally and assurance provided it is now wholly correct.
- There were up to 70 historic evictions for rent arrears (all or in part) which may have involved tenant who overpaid rent. These would be investigated individually against the mitigation set out in the report.
- It was explained that the Regulator would like to see a clearer Member decision on this process hence the report before the PDG with a recommendation to the Cabinet on the overarching approach.
- The Revenue and Benefits team worked very closely with the Department of Work and Pensions (DWP) to obtain and deal with the relevant data.
- It was confirmed that some other local authorities were in the same position. It may not be known at this stage whether or not the DWP assisted a tenant with their rent via their benefits. The Council needed to bear this in mind when assessing the refund position in each case. More informed and complex discussions needed to be had with DWP reflecting the importance of their role in this process.
- A refund policy had been drafted and every effort would be made to refund those tenants owed money in as timely a manner as possible.
- An update would be provided to tenants in April, as well as the media.
- There had been limited contact from tenants on this matter, information provided through the various media channels had been good.
- The complexities involved could not be under estimated in the determining of each case, for example, some tenants had gone into and out of the benefit system during the course of their tenancy. Issues in relation to Housing Benefit and Universal Credit would also come into play and need to be factored in.
- There were FAQ's on the website and officers were always there to offer advice and support to housing tenants.
- Sometimes it took new auditors to do a deep dive in order to pick issues up and this is what had happened on this occasion.
- Local DWP officers had been extremely helpful but it was understood that there are DWP system issues preventing the easy resolution of these matters. The Universal Credit system was initially created at pace and there were limitations to the type of data retained. The Council would still push forward to the best of its ability so that nobody was prejudiced by unlawful delay.
- Members were advised that if any of their constituents had any concerns then they needed to contact the Council as soon as possible. Tenants needed to be advised in the appropriate manner and letters did not always get read.

RECOMMENDED to the Cabinet that:

1. The tasks that have been further progressed in order to correct this situation be noted.

2. Approval be given for the overarching approach to the review of historic MDH possession proceedings (evictions) where rent overpayments were made as set out in section 2 of this report.

(Proposed by the Chair)

Reason for the decision

The activity of MDH is funded through the Housing Revenue Account (HRA). The HRA is ring fenced and subject to specific financial controls.

Significant financial modelling has been undertaken in order to reach some of the key decisions being put forward in the Cabinet report in December 2024. We have also reflected on current balances and reserves held by the HRA and other legislative requirements that have to be delivered when evaluating how to correct this historic rent setting error. This modelling continues to be refined and further work is largely now dependant on further guidance and advice from the DWP as set out within the report.

While the current analysis shows that the majority of those affected have been historically undercharged, the position previously agreed is unchanged and there is no intention or ability to recover lost funds.

Therefore, it continues to be the case that the totality of the impact is experienced as a cost to the HRA rather than a rebalancing.

Note: (i) * Report previously circulated.

(ii) Cllr A Glover declared a personal interest as she was a Council tenant.

74 **CHAIR'S ANNUAL REPORT FOR 2024/2025 (01:47:00)**

The Group had before it, and **NOTED**, the Chair's annual report * for 2024/2025.

This report along with all other Chair's reports for 2024/2025 would be presented at full Council on 23rd April 2025.

Note: * Report previously circulated.

75 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:48:00)**

The items already listed in the work programme for the next scheduled meeting were **NOTED**. In addition to this the following was requested to be on the agenda for the next or a future meeting:

- A report outlining the value for money of 'modular builds' versus 'traditional builds'.
- An update on the Rent Error issue.
- An update on workforce issues / Apprenticeships / contractors.
- Private VOIDS and any progress?
- An update on the Downsizing recommendations.
- An update on the St George's development.

It was **NOTED** that the newly Co-Opted tenants would be joining the Policy Development Group for their first meeting in June.

(The meeting ended at 4.07 pm)

CHAIR