

MINUTES of the meeting of Housing Overview and Scrutiny Committee held on 20 November 2013 at 7:00pm

Present: Councillors Steve Liddiard (Chair), Clare Baldwin, Wendy Curtis, Oliver Gerrish, Tunde Ojetola (substitute for Rob Gledhill) and Andrew Roast.

Apologies: Councillor Rob Gledhill
Gemma Riddles

In attendance: B Brownlee – Director of Housing
R Parkin – Head of Housing
K Adedeji – Head of Housing, Investment and Development
D Moloney – Business Improvement Manager
S Young – Senior Democratic Services Officer

The Chair informed those present that the meeting was being recorded and that the recording would be made available on the Council's website.

10. MINUTES

The Minutes of Housing Services Overview and Scrutiny Committee, held on 17 July 2013, were approved as a correct record.

11. URGENT ITEMS

There were no urgent items.

12. DECLARATIONS OF INTEREST

a) Interests

Councillor Wendy Curtis advised the committee that she would not comment on the Derry Avenue housing project by virtue that she was a member of the Planning Committee that would be discussing the scheme the following evening.

b) Whipping

No interests were declared.

13. UPDATE ON RETROFIT THERMAL EFFICIENCY PROGRAMME AND DAMP AND MOULD REDUCTION IN COUNCIL HOMES

Officers introduced the report and highlighted the positive work that had been undertaken, in that Thurrock Council had managed to secure ECO (Energy Company Obligation) funding at a time when ECO funding programmes were coming to an end and increasingly difficult to obtain. It was thought Thurrock was in the top 5 local authorities in the country for securing the highest amount of ECO funding which was a very good news story.

Members were informed that there were issues specific to Thurrock in terms of damp, condensation and associated Mould which were being tackled through the retrofit programme. It was reported that the approximately £4 million pounds in external funding had been secured, which would allow the Council to retrofit around 700 homes in order to address this problem. It was further reported that there was also a strand of work that had been undertaken with ECO partners to robustly examine damp, condensation and mould in order to determine how many properties were affected and where the most investment was needed to address this and improve thermal efficiency.

In terms of funding, Members were advised that there was an approximate split of 70% of funds received from energy companies to 30% of council investment and that it was key that this project was integrated with the wider transforming homes programme which installed new kitchens and bathrooms in council housing stock. The Committee were advised that the net benefit to residents was to reduce the costs to heat their homes to a reasonable standard and to improve overall management and support in reducing damp, mould and condensation thereby ensuring that homes were increasingly energy efficient.

Members recognised that damp, mould and condensation was a problem that effected many residents of Thurrock but questioned how successful the counter measures were, for example thermal boarding and cleaning walls. Officers stated that there was not one size fits all solution and that it was important to understand the reason and identify an appropriate solution on a case by case basis.

It was noted that private householders had the opportunity to buy into the retrofit programme at subsidised costs and officers were asked to clarify this process and whether private households would be subject to financial criteria. It was confirmed that the Council would not undertake a financial assessment but there was a requirement for the private householder to make a contribution towards the total cost, although what the actual financial contribution was to be determined and agreed between the contractor and private householder.

Members asked for further explanation if a home was scheduled for retrofit work but the householder was simultaneously purchasing their council house through the right to buy scheme. Officers confirmed that Section 125 notices were issued on all properties going through the right to buy scheme and that this detailed all the work the Council intended to undertake at the property before the sale occurred. It was reported that the Council had the right to recoup any money back from the schedule of works detailed in the notice once the sale of the property had been completed.

A Member questioned whether the success of the scheme would be externally verified, for example whether damp and mould counter measures were successfully reducing health problems of residents. Members were informed that Council Surveyors visited properties following the work to ensure the project had been successful and that damp and mould had not returned. The committee were informed that good knowledge had been acquired during the pilot study and that the Housing and Public Health team had learned a lot of lessons which they were carrying forward. It was further reported that officers had been working closely with residents who had come forward during the pilot study and, although no detail was available yet on any tangible health benefits, it was confirmed that this would be investigated and an update provided at the next Committee meeting.

Members asked how old the statistic that 8.2% of households were in fuel poverty was and whether the energy company fuel price increases were expected to have a greater impact on these residents this winter. Members were informed that the statistic was from the most recent 2012 survey and the three factors that had an impact on residents falling into fuel poverty were the energy efficiency of the property, the cost of energy and household income. It was reported that the Council planned to target the residents deemed most at risk of experiencing fuel poverty and where it was known the biggest difference could be made.

The Committee were informed that the analysis of repairs indicated that a total of 759 properties had reported a damp or mould issue. Members queried whether there had been an analysis on all other council properties that had not reported the problem and it was confirmed that approximately 95% of all council stock had reported a repair of some kind, of which 759 of the reports were damp and mould related. Therefore, it was felt that this figure was accurate and representative of all householders who experienced these issues.

RESOLVED:

That the Committee:

- 1. Note the multi million pound funding agreement in place to support delivery of thermal efficiency retrofit.**

- 2. Note the progress made in agreeing a programme to tackle damp and mould in Council homes.**
- 3. Note the findings of the Green Study and the steps taken to incorporate the findings into the housing capital programme.**
- 4. Note the reduction in fuel poverty and other additional ancillary benefits of improving the thermal efficiency of Council homes.**

14. SHELTERED HOUSING REVIEW

Officers introduced the report, which set out options for the future delivery and management of the sheltered housing service. It was reported that the review covered 3 issues:

- demand for sheltered housing stock
- the current service model
- how service charges could be (and should be) applied.

The Committee were informed that the service was keen to promote independent living and the adaption of homes, of which the Derry Avenue scheme was a good example. Members were informed that some sheltered housing schemes had become increasingly harder to let due to the lack of lifts, poor access to amenities (such as shops and doctors surgeries) and because of the fact that some schemes had been built on hills and slopes and so were difficult to access. It was noted that 83% of sheltered housing accommodation on a 1st floor or above did not have lift access.

The Committee welcomed the report and recognised the need for good quality sheltered housing. Members praised the report for highlighting that there would be an increased demand over the next 10 years but questioned how well equipped the Council was to deal with the increased numbers of an ageing population.

In response, officers summarised a joint piece of work that had been undertaken with colleagues in Adult Social Care but advised that there were no simple projections available at this time. However, Members were informed that it was evident that in addition to increasing numbers of sheltered housing provision a thorough examination was needed into tenure type to cover the entire spectrum of needs, from mixed tenure or highly supportive accommodation to the new HAPPI Scheme (Housing our Ageing Population: Panel for Innovation) which enabled independent living.

The Committee were informed that it was clear that some of the current stock would need to be altered as it was not working for residents at either end of this spectrum, but that it was important to consult with residents on this matter so they could help shape the decision making

process and final outcomes. Some Members expressed concern that without knowing the projections of Thurrock's ageing population and future accommodation needs an appropriate decision could not be made. The Committee stressed that they would not like to see a reduction in the number of sheltered accommodation at this time and this was a concern in changing the use of current stock to general needs.

Members raised concerns of mixed tenure use and the Committee agreed that young people and families should not be placed within blocks of accommodation with older people who may feel vulnerable in this situation. Officers reiterated that sensitivity was required and that lifestyles would play a factor. It was noted that the current proposal was to ensure that only those aged over 45 years would be eligible for letting in a mixed tenure sheltered housing scheme.

A discussion took place on the following points:

- **Wardens:** Members questioned whether wardens lived in sheltered housing accommodation. Officers stated that the programme of wardens living onsite had ceased and that there were no longer any residential wardens/caretakers, rather wardens were tenants living onsite and paying rent for the property. As a result wardens were no longer expected to work on call out of hours and therefore could be more mobile, for example by bidding on a new property but working on the same scheme.
- **Residents buy in:** Members asked how current sheltered housing residents would benefit from the proposed changes. Officers replied that the current service was variable as the 29 sites had mixed delivery on the ground and no one structure for training and development for wardens. With a standalone structure the consistency of the service to residents would be improved.
- **Charging:** Members debated at length why charges should be introduced. Officers highlighted the fact that sheltered housing services should be charged for and that despite the cessation of the weekly service charge for the previous year due to the withdrawal of the Supporting People fund there was still a cost for providing these services. Officers argued that charging was necessary to ensure fairness, as Thurrock tenants were all making a contribution, irrespective of whether or not they derived a service benefit. As a result the service was keen to undertake a consultation with residents and Members were assured that an update would be provided in January with proposed charges and consultation plan for debate before any changes were introduced.
- **Affordability:** Members were concerned with the affordability of the weekly sheltered housing payment and questioned what would happen if service users fell into financial difficulty. Officers

confirmed to Members that if a service user was unable to meet the required payments they technically could be evicted, however this was a very last resort and all options and offers of help would be explored before it reached this stage.

- Number of voids on 2nd and 3rd floors: Members sought clarification on the number of empty properties in sheltered housing schemes. Officers explained that there were approximately 13 difficult to let properties as some schemes received more bids than others and for those properties that were receiving few – if any – bids there was a need to look at changing use to general needs. Members asked why lifts could not be installed but officers confirmed that it was untenable to install lifts at all sites due to the nature and age of buildings.
- Reduction of sheltered housing accommodation provision: Members were particularly concerned that the number of sheltered housing stock should not be reduced, and should be increased over the longer term. Officers assured the Committee that they were not looking to reduce the volume of properties rather careful decisions needed to be made in order to better utilise the current stock and meet residents changing requirements and demand. Officers assured the Committee that an update would be provided on supply and demand numbers.
- Criteria as set out by the Department for Work & Pensions: In response to Members questions about the set criteria and if Thurrock had any flexibility in this matter, officers reiterated that as a local authority charges should be set, however a new general needs Tenancy Agreement needed to be introduced in order meet the criteria for Housing Benefit applications. This would result in any charges being housing benefitable which would affect 69% of current sheltered housing residents.
- Future proofing schemes: Members raised the importance of meeting future needs of older people, for example in 10 years time residents may expect Wi-Fi as standard. It was agreed by officers that it was important to balance current resident's views and needs with those that future residents may expect.

Following debate on the above issues, Members requested that recommendation 1.1 be split into two parts, (a) and (b), and that each part be voted on separately.

Upon being put to the vote, Members voted unanimously in favour of recommendation 1.1(a), whereupon the Chair declared the recommendation to be carried.

In relation to recommendation 1.1(b), 4 Members voted in favour and 1 voted against, whereupon the chair declared the recommendation to be carried.

Members requested that recommendation 1.2 be amended to include the provision that any change from sheltered to general needs housing

included a policy of only letting accommodation to those who were 45 plus years and above.

Members voted unanimously in favour and the revised recommendation, whereupon the Chair declared this to be carried.

In relation to recommendation 1.3, 4 Members voted in favour and 1 voted against, whereupon the chair declared the recommendation to be carried.

In relation to recommendation 1.4, 3 Members voted in favour and 2 voted against, whereupon the chair declared the recommendation to be carried.

RESOLVED:

That the Committee:

- 1. a) Note that some of our current supply of sheltered housing properties are becoming increasingly harder to let.**
b) Agree the proposal to consider and consult on some change of use.
- 2. Agree the proposals to introduce a new model for sheltered housing and agree the consultation model for the engagement with tenants and all other key stakeholders with any new general needs accommodation to be let to those who are over age 45 plus years and above.**
- 3. Agree to consult on the proposal to reintroduce service charges for users of the service.**
- 4. Agree to the introduction of a new Tenancy Agreement, in line with the introduction of a new general needs Tenancy Agreement, which will include the requirement to pay service charges and meets the criteria for Housing Benefit applications set out by the Department for Work Pensions.**

15. PRIVATE SECTOR HOUSING STRATEGY

Officers introduced the draft private sector housing strategy. It was reported that despite the savings agenda faced over the next few years the strategy was comprehensive and although going forward the Council may not be able to afford all elements, officers felt that it was important to agree an overall vision on how private sector housing should go forward in the future and aim high.

The key points to note were:

- Thurrock Council had a statutory duty for private sector housing.
- 80% of homes in Thurrock were privately owned.
- Increasingly more residents were privately renting but it was important to ensure that the accommodation was to a higher standard.
- A number of priority areas were identified through the Well Homes Index and this allowed resources to be targeted to specific areas which had the lowest standard of living conditions with the poorest related health outcomes in the Borough. This would be done through the '10 steps' pledge.

Members were informed that a lot of work had been undertaken with colleagues in Council Tax, following which 288 properties that had been classed as empty were, on inspection, found to be occupied. It was reported that this had secured the Council £2.2 million in New Homes bonus over 6 years which equated to approximately £300,000 additional income per year. The Committee were informed that further work was then identified and Officers had been attempting to tackle the 20 perceived 'worst' derelict properties by working with landlords to bring these back into use through loans, grants and in some situations compulsory purchase orders.

The Committee acknowledged the fantastic work that had been completed and the innovative approach to tackle persistent issues.

A Member questioned whether the various grants schemes that were accessible by private landlords were subsidised by the Thurrock taxpayer. It was clarified that many schemes were half grant, half loan and that if an empty property was successfully occupied the Council would receive additional funds through council tax and the New Homes bonus. It was noted that some of the grant schemes were completely funded by central government or sub-regional funds and none came through Thurrock's general fund money. Furthermore, it was noted that the disabled facilities grant was match funded with £400,000 from central government and £250,000 funded from local authority.

RESOLVED:

That the Committee:

- 1. note the content of the draft private sector housing strategy.**
- 2. support the approach to improving private sector housing.**
- 3. support the strategy as being a priority for funding.**
- 4. agree the pilot wards for initial intervention as set out in paragraph 2.6 of the report.**

16. HOUSING RENT SETTING & STRATEGIC FINANCIAL REPORT

Officers introduced the report which updated Members on the financial position and refreshed Housing Revenue Account (HRA) business plan, since the two year budget had already been fixed in the previous year. It was reported that there had been a significant change from Central Government, who determined how rent should be set, which crucially moved away from the Retail Price Index (RPI) + £2 to the Consumer Price Index (CPI).

Particular reference was made to the perceived unfairness of rent setting that it was felt existed between two standards of Council property, as the difference between the standard of properties which had been subject to an upgrade under the Transforming Homes programme with those that had not, was large. The Committee were advised that, as a result, the service area wanted to explore the possibilities for differential rent setting or cash arrangements, for example by offering a larger decorations allowance to those who had not yet received an upgrade. It was reported that this would be a move away from the system which was based upon size rather than standard.

Members praised the Transforming Homes project and detailed first hand on the positive difference this had made to properties and residents they had recently visited. It was felt that variable rates would be good and a fair process, if a little difficult to manage. The Committee welcomed further investigation and for detailed options to be brought back to the January Committee.

A Member asked for clarification of whether any planned Council owned new build developments were to be managed outside of the local authority once completed. Officers confirmed that there were new build schemes that were being funded by the Housing Revenue Account (HRA) but these would be managed by the Council and Council employees.

The Committee were informed that this was different to the recently established Wholly Owned Company 'Gloriana' which was a scheme that attempted to kick start the private housing development sector in Thurrock by borrowing money from the local authority to build new homes on Council land. It was noted that the homes would be for sale, rent or purchase under the affordable homes scheme but all rented accommodation would remain under the management of the Council.

RESOLVED:

- 1. That the recent rent setting guidance and the latest update to the HRA Business Plan projections, including the key drivers to those projections and the bids for further funding which are being made, be noted.**

2. That officers be asked to investigate a number of possible rent setting scenarios and bring the resultant modelling to January Overview & Scrutiny committee.
3. That officers be asked to further investigate a deposit scheme which could give help to home ownership for Council tenants.

17. WORK PROGRAMME

Officers assured Members that an update on the items and issues discussed would be provided in January. Furthermore, an update on the financial position would also be provided in January. It was noted that the Environmental Services Review will be brought to the Committee at January's meeting for discussion.

RESOLVED:

That the work programme be noted.

The meeting finished at 9.10pm

Approved as a true and correct record.

CHAIRMAN

DATE

**Any queries regarding these Minutes, please contact
Stephanie Young, telephone (01375) 652831
or alternatively e-mail syoung@thurrock.gov.uk**