

**MINUTES of the meeting of Housing Overview and Scrutiny Committee held on 30 January 2014 at 7:00pm**

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- Present:** Councillors Sue Little (Chair), Wendy Curtis, Oliver Gerrish, Sue Gray (substitute for Clare Baldwin), Sue MacPherson and Sue Shinnick (substitute for Steve Liddiard).
- Apologies:** Councillors Steve Liddiard and Clare Baldwin
- 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  
M. Jones – Management Accountant (in attendance for minute number 21).  
Councillor V Morris-Cook – Portfolio Holder for Housing (in attendance for minute number 21).  
S. Young – Senior Democratic Services Officer
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The Chair informed those present that the meeting was being recorded and that the recording would be made available on the Council's website.

The Chair agreed to change the order of business so that item 9 'Housing Revenue Account Base Estimates, Rents and Service Charges 2014/15' was exchanged with item 5 'Cleaning, Caretaking and Environmental Services Review.'

**18. MINUTES**

The Minutes of Housing Services Overview and Scrutiny Committee, held on 20 November 2013, were approved as a correct record.

**19. URGENT ITEMS**

There were no urgent items.

**20. DECLARATIONS OF INTEREST**

a) Interests

No interests were declared.

b) Whipping

No interests were declared.

**21. HOUSING REVENUE ACCOUNT BASE ESTIMATES, RENTS AND SERVICE CHARGES 2014/15**

Officers introduced the report, which set out the position of the Housing Revenue Account (HRA) for 2014/15 and outlined recommendations for the setting of the rent, service charges increases and other charges.

A Member queried the figures on the central management forecast pressures to which it was confirmed that there had been a saving in the region of £600,000.

A Member noted that there was a large showman community in Buckles Lane in the Belhus ward and asked for clarification in relation to the request to consider a 3.2% increase a Travellers Site Rent, specifically that an explanation was not provided further in the report. The Member further reported that the sites should be referred to as showman sites and that particularly in relation to those residents in Buckles Lane the use of this terminology could be found offensive and that sensitivity should be exercised in this matter.

Officers apologised for the omission and provided an explanation of the proposed charges, which were constrained by housing benefit rules and the tightly bound definition of housing accommodation, and also a need for the sites to be self financing. Officers reported that if the charges were introduced they would affect everyone who paid traveller site rents, however it was anticipated that the majority of those payments would be obtained through the housing benefit system.

Officers further noted that it was thought that the Housing department were not responsible for the income derived from Buckles Lane; however officers confirmed that that this point would be clarified after the meeting.

Members asked for an explanation as to what was being done in order to reduce the numbers of void losses. Officers stated that in the previous year voids had been turned around within a 100 day period, however since this time ambitious targets had been established and that for the current year the service area was on target to turn void properties around in approximately 30 days.

It was reported that the team were re-letting properties within 34 days and that 600 priorities were usually re-let within a one year period. However for the current year there was an additional 200 properties re-let due to a backlog, downsizing and the new allocations policy that had been introduced. This increased total of over 1000 properties caused a natural increased voids loss. Despite this fact officers cited the

improved turnaround times which brought in additional revenue and that this was a positive news story.

The Portfolio Holder for Housing explained how it was unachievable to obtain a voids loss figure of zero as there would always be a turnover of properties, but the time for refurbishments were significantly down.

Members asked whether there was increased turnaround in tenants as a result of the bedroom tax. Officers replied that there had been an increase in the number of people who had transferred properties but that changes in allocations policy had also attributed to this fact. It was noted that approximately 90 people had transferred properties in order to downsize.

The Committee were informed that a contract had been negotiated with Anglian Water that secured an increase in income of £200,000.

Officers provided a more detailed analysis of the rent setting options and explained that following the governments rent restructuring policy there was a convergence target that needed to be achieved. This target ensured that tenants of any social landlord living in similar properties in the area paid a similar level of rent.

It was reported that officers had considered the options and had consulted tenants at a tenants meeting on 20 January 2014, and as a result the option of RPI + 0.5% + £5 affordability constraint was recommended to the Committee for approval.

Members were concerned of the impact that the proposed rent increase would have on tenants and questioned whether there was anything the service could do to further support tenants. Officers explained that the upper £5 affordability constraint was the most that could be applied; however there would be many tenants who would see a lower increase if the rent that they paid was already near the outlined convergence target.

Officers further reported that a sensitivity test would be exercised during the rent setting process in relation to concierge charges.

The Committee were assured that the proposed rent increase was below Housing Benefit level so that tenants could still collect the full rent entitlement in this way.

The Committee were advised that Thurrock had a very good collection rate and a low number of evictions. Officers hoped that this would be maintained and positively encouraged sustainable tenancies. It was reported that the service had collected above 97% on rents.

Officers explained that there was also a plan to introduce differential rent setting rates in relation to Transformed Homes and the voids programme which would maintain an element of fairness.

A Member asked for clarification as to what the development reserve of £2.7 million was used for and whether this was all spent. Officers explained that the development reserve supported the capital programme and property improvements and that the budget had been allocated to projects which would be used by the end of the financial year.

A Member noted how they often received complaints about the poor condition of garages and whether the capital programme funded repairs to garages. Members felt that it was particularly unfair to increase garage rents especially if the garages were in a state of disrepair. Officers explained that the capital programme funded updates to garages and that they aimed to repair and bring back into use 500 empty garages across Thurrock. It was anticipated that this would create additional income as there was 600 people on the garage waiting list.

The Committee asked for a report on garages to be brought back for discussion in the new municipal year in order to monitor progress as it was felt that garage repairs were often not prioritised. Officers agreed that they would prepare a report for the new municipal year and that this was to be included on the work programme.

#### **RESOLVED:**

##### **That the Committee:**

- 1. Note the Housing Revenue Account (HRA) is estimated to generate a surplus of £0.311million as at 31 March 2014.**
- 2. Note the cost pressures included in the base budget for 2014/15.**
- 3. Agree and recommend to Cabinet that the rent increase option of RPI + 0.5% + £5 affordability constraint is applied.**
- 4. Agree a 3.7% increase in de-pooled service charges.**

## **22. UPDATE ON RESPONSIVE REPAIRS POLICY CONSULTATION**

Officers introduced the report, which provided an update on the consultation and benchmarking of the responsive repairs policy. It was explained that the consultation had involved engagement with tenants in the following ways:

- Online.
- A survey by post to all council tenants and leaseholders.
- An advert in the local paper which invited tenants to local meetings.
- Telephone surveys.
- If residents called the council and reported a repair they were informed of the consultation and asked to take part.

Officers explained that through the transforming homes programme and a proposed differential repairs policy, all those tenants who had experienced updates were given increased responsibility for upkeep and maintenance thereafter.

It was explained that Thurrock offered more repairs than its neighbours and a colour copy of Appendix 1 was circulated to the Committee.

Officers reported that the consultation was due to conclude on the 28 February 2014 and the responses that had been received so far stated that an enhanced service should continue to be provided to vulnerable residents, however for those non-vulnerable residents tenants should take more responsibility. Officers noted that the consultation was useful in order to gauge the level of importance tenants placed on minor repairs.

The Committee were advised that Thurrock had a significant volume of reported repairs, which was on average 4 repairs per property. It was felt this was a result of the breadth of the repairs policy and that the quality of repairs and housing stock needed to be improved.

A Member felt that with the introduction of Local Area Coordinators an increased number of vulnerable tenants within a local area would have been identified and that they expected that this would have informed the work of the housing service.

Officers explained that Adult Social Care had brought in Local Area Coordinators and although they had not been in post very long they provided valuable information to the team, particularly in relation to maintaining new tenancies.

A Member explained that a local resident who had moved into a new council property had broken floor tiles and asked for assurances from officers that repairs should be completed before properties were handed over to the new tenant. Officers assured Members that a number of quality controls were in place and that the new tenant was required to conduct inspections before the property was handed over to ensure that issues were reported and appropriate action taken.

Officers noted that they worked hard to introduce a level of standardisation and that tenants could not transfer to another property unless their home had been appropriately maintained. Members

questioned how many transfers had been stopped because of poor maintenance and whether this had an adverse effect on void times. Officers agreed that they would provide an update to the Committee on the volume of transfers that had been prevented until the necessary maintenance work had been completed by the tenant.

A Member welcomed the review that had been undertaken and felt that although a council property was a tenants home, ultimately the property was owned by the Council and should be treated with care in the same way as private landlord properties would be. It was asked why skirting boards required repair and why this was included in the consultation. Officers stated that repairs to skirting boards featured in repairs demand which is why it was included in the consultation process.

A Member reported that damage had been caused to garden fences by council grass cutters and reiterated the importance of the Council to maintain its property boundaries. Officers stated that under current proposals boundary fences would continue to be repaired.

A Member asked whether there were any further public meetings planned, to which officers confirmed that the schedule of public meetings had concluded although there was a further information session for Members planned.

**RESOLVED:**

**That the Committee note the content of the report.**

**23. IMPACT OF WELFARE REFORM**

Officers introduced the report, which provided an update on Welfare Reforms such as 'bedroom tax', the benefits cap and highlighted the impact of the changes on Thurrock Housing Tenants.

It was explained that the welfare reform changes had the potential to have a serious impact on the Council's collection rates.

Officers reported that the service had seen an increase in the number of cases where legal action was taken for non-payment of rents despite trying to help and support tenants through payment plans and other measures but that the evictions rate had been consistent.

The Committee were informed that a lot of good work was being done to support tenants through the difficult process to ultimately keep tenants in their properties. It was noted that Family Mosaic offered crisis support and that referrals were made from the rents team.

The Committee were advised that the housing department had introduced a downsizing initiative to support tenants to downsize to a smaller property so that they would not be impacted by Social Sector

Size Criteria (SSSC). A target was set to downsize 65 tenants for 2013/14 and to date 93 tenants had downsized.

Officers reported that Central Government had awarded the Council a greater fund to assist tenants through the transition with Discretionary Housing Payments and that at the end of December 2013 the authority was on target to meet rent collection figure of 97% for the Housing Revenue Account.

Officers explained the uncertainty around the Universal Credit system and that a guaranteed income to the Housing Revenue Account of up to £20 million would in future need to be collected directly from tenants under the new system.

Particular attention was drawn to the case studies in the report which highlighted how the authority was working with tenants to claim the correct benefits and support them through the transition of welfare reform.

The Committee welcomed the work that had been undertaken by officers and were pleased to see that tenants were being well supported through the welfare changes.

A Member added that the dedicated welfare benefit advisor in the Ockendon Community Hub had been a great benefit to the residents in the area.

Members were pleasantly surprised that only 130 tenants from 10,200 had been affected by the welfare changes.

The Committee were assured that the authority had not topped up the Discretionary Housing Payments reserve and that this had been fully funded by Central Government.

#### **RESOLVED:**

**That the Committee note the content of the report.**

#### **24. HOUSING CAPITAL AND REVENUE PROGRAMME PROCUREMENT UPDATE**

Officers introduced the report which provided an update on housing procurement activities in order to ensure better value for money to the service. It was reported that the service wanted to achieve the right balance between cost and quality and to ensure that contracts could be exited without paying significant amounts of money to break the agreement if the contractor performed poorly.

Officers explained how contracts were expected to have a local performance element included to ensure that local supply chains were

used and that local people were offered employment or apprenticeship opportunities. It was reported that from the Transforming Homes contract 82 Thurrock residents and 10 local apprentices were now employed which had a benefit to the local economy.

It was felt that going forward the authority had much more scope to set out improvements and to manage the delivery of contracts to ensure that obligations were being met.

A Member asked whether they could be informed of who the shortlisted companies were. Officers explained that they could not confirm the names of the shortlisted companies due to procurement procedures but assured Members all those that had been shortlisted were reputable companies.

A Member remarked whether the tendering process had to go through EU thresholds and whether this delayed the process. In response it was explained that the contracts fall into EU thresholds and so would be procured via EU procedure.

The Committee were advised that under the procurement for the Capital and Development Programme framework there were two lots being procured, one specifically which targeted smaller local companies and encouraged them to bid for work and one for larger companies.

**RESOLVED:**

**That the Committee note the contents of the report.**

**25. CARETAKING & CLEANING AND ENVIRONMENTAL SERVICES REVIEW**

Officers introduced the report, which advised on the outcome of a quality and cost review of the caretaking, cleaning and ground maintenance services that were delivered for the Housing Directorate.

A benchmarking exercise had been undertaken which compared quality and costs to a benchmark group of authorities. Following which officers confirmed that it was clear there was an opportunity to increase value for money and quality on all these services.

Members welcomed the work that had been undertaken and were encouraged to learn that the new Director was undertaking a zero based accounting exercise to examine the actual costs of the environmental services contract to the housing department.

Members further asked in relation to the £1.4 million total spend, if officers had identified one or two areas where the housing team were paying more than the market rate. Officers stated that it was difficult to



confirm whether there were particular areas that were above what the local authority would expect to pay until the proposed more in depth review was carried out. This difficulty was compounded by the fact that some environmental services teams shared machinery and that some activities were included as part of a broader spectrum of work.

Members welcomed the review and emphasised that the authority should be tougher in ensuring it achieved the best value for money and service for its residents.

A Member was particularly concerned that the current Service Level Agreement had only been introduced within the last 2 years and wanted assurances that any revised agreement would be more long-lasting and effective.

Officers explained that the last Service Level Agreement had been a markedly significant step forward from a starting place with no service level agreement and therefore no strength to question the grounds maintenance services. It was felt although an improvement, the current SLA was too tightly bound and focused on frequency rather than outcomes, for example the frequency of cutting grass rather than the desired outcome for grass to be no more than a specified height.

Officers anticipated that by the end of January 2014 they would receive an update from Environmental Services in relation to charges and services provided, following which a full options appraisal could be undertaken.

A Member asked for clarification on the role of caretakers, after she had experienced a caretaker who had not changed a light bulb in a communal stairwell in a block of flats because of supposed health and safety issues. Officers felt that since the management change caretaking had improved but assured Members that this matter would be investigated and an update provided listing caretaking duties. It was reported that a full list of caretaking duties could also be found inside the community notice boards.

Members questioned whether any savings made in caretaking services would be passed onto tenants who paid for the service in their rent. Officers confirmed that any savings for caretaking would be passed on to tenants although horticultural services would be unaffected and still be included as part of rent setting.

The Committee asked for further explanation on the financial implications should the Environmental Services team be asked to deliver the service at a lower cost. Officers stated that this would be explored in more detail during the proposed options and risk analysis process.

**RESOLVED:**

**That the Committee:**

- 1. Agree that officers should undertake a full option appraisal of the delivery of grounds maintenance services to include:**
  - a. That a new Grounds Maintenance Service Level Agreement (SLA) is implemented and that Environmental Services are given the opportunity to price for this work.**
  - b. That the Grounds Maintenance SLA should be tendered to a private contractor.**
  - c. That the possibility of sharing Grounds Maintenance services with adjoining boroughs is explored.**
- 2. Agree that officers should undertake a more detailed review of the caretaking service to ensure better value for money is achieved.**
- 3. Agree that officers develop and implement a new Environmental Services SLA from April 2014.**

**26. WORK PROGRAMME**

The Committee noted the work programme and agreed that a report on Garages would be included on the work programme for the next municipal year.

The Committee were invited to visit a refurbished home under the transforming homes programme and a void home for information purposes. The Committee welcomed this suggestion and it was noted that Members were keen to visit a number of different properties at the opposite ends of the scale in order to gain a clearer understanding of housing stock in Thurrock.

At the request of the Chair it was agreed that a photo book used for estate inspections would be circulated to the Committee.

**RESOLVED:**

**That the Committee:**

- 1. Agree that report on garages be included on the work programme for the following municipal year.**
- 2. Agree the work programme be noted.**

**The meeting finished at 8.50pm**

Approved as a true and correct record.

**CHAIRMAN**

**DATE**

**Any queries regarding these Minutes, please contact  
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