

**Minutes of the Meeting of the Housing Overview and Scrutiny Committee held on 2 March 2022 at 7.00 pm**

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<b>Present:</b>	Councillors Lynn Worrall (Chair), Augustine Ononaji (Vice-Chair), Mike Fletcher, Maureen Pearce, Joycelyn Redsell and David Van Day
<b>In attendance:</b>	Keith Andrews, Housing Development Manager Peter Doherty, Strategic Lead - Housing Operations Mike Jones, Strategic Lead, Finance Ewelina Sorbjan, Assistant Director of Housing Julian Wain, Strategic Place Advisor Alastair Wood, Housing Technical Services Delivery Manager Lucy Tricker, Senior Democratic Services Officer

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Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

The Chair stated that as this meeting was being held in The Beehive instead of the Council Chamber, there was a time limit for the use of this venue which was until 9.30pm. If the items on the agenda were not concluded by 9.30pm, the meeting would be adjourned and recommenced at the next Housing O&S meeting.

#### **34. Minutes**

The minutes of the meeting held on 11 January 2022 were approved as a true and correct record.

The Chair thanked the previous clerk, Grace Le, for her hard work on the Committee and wished her every success at her new job. She welcomed the new clerk, Lucy Tricker, to the Committee.

The Chair added that at the previous meeting the Committee had agreed the transfer of the Culver Centre and ratified the recommendations, but highlighted that the previous Corporate Director Adults, Housing and Health had stated that a report of this nature would need to go to Full Council, and the Committee felt this should happen. She stated that the Committee had sent a statement to Cabinet reflecting these points, and although this had been raised by the Interim Monitoring Officer, the statement had not been read out at Cabinet. She stated that she had therefore submitted a call-in, which had been rejected. The Chair added that she had a meeting with the Interim Monitoring Officer next week to discuss the call-in, as she felt it had met the necessary criteria outlined in the Constitution.

Councillor Ononaji questioned why the statement had not been read out at Cabinet. The Chair explained that the Interim Monitoring Officer had

announced to Cabinet that a statement had been submitted by the Committee, but Cabinet felt they had discussed the points raised in the statement already. She stated that she had been nominated to sit on the upcoming Constitution Working Group and would raise these points through this process. Councillor Fletcher felt that scrutiny should have a practical role in challenging the decisions made by Cabinet, rather than noting reports.

### **35. Urgent Items**

There were no items of urgent business. The Committee agreed the briefing note regarding the Private Housing Stock Condition Survey that had been circulated.

### **36. Declaration of Interests**

There were no interests declared.

### **37. CO1 Redevelopment - Update**

The Housing Development Manager introduced the report and stated that this was a collaborative report that proposed the demolition of the current CO1 building and subsequent redevelopment into 82 new homes. He stated that this report was being brought to the Committee early in the process, but further reports would be presented as the scheme progressed. He explained that the size of the project had been analysed and the current proposals were most financially viable and were the best fit in terms of planning requirements.

The Housing Development Manager commented that the existing use of CO1 as offices had now finished, and the proposed redevelopment would meet the Council's aspirations in regards to place shaping. He added that the proposal would also contribute approximately £2.8million to the General Fund. He stated that the design would be compatible with the nearby Seabrooke Rise estate, and highlighted point 3.2 of the report which showed that the current building was nearing end of life and there was reduced demand for office space in the area. He stated that the team had looked at market sale for the site and private rented housing, but the team had found these options were not financially viable. The Housing Development Manager highlighted point 3.4 of the report and stated that the project was currently in the design development process, with consultants being appointed, and the same architects who designed the new Civic Offices building. He stated that they would be working to refine the design and cost plan, but would engage with residents through online consultations and in-person events before submitting a planning application.

The Housing Development Manager felt that this could be a challenging site due to proximity with the Network Rail line and the bridge, which could make demolition difficult, but stated that it was possible as much more challenging sites were regularly developed in London. He added that a detailed assessment of how the proposed site and the CO2 building would relate to each other would be undertaken, as well as a sustainable power strategy. He

mentioned that the design process would be iterative, and could include some under-croft parking as well as a roof garden for residents. He drew the Committee's attention to the table at 3.14 of the report which outlined the estimated costs involved, including £2.8million land cost and £21.6million construction cost. He explained that the team had considered all options for the site including sale of the land, private rented accommodation and TRL acquisition, but had found that the most financially viable option was through the HRA, as this provided more flexibility over a 30 year period. He highlighted 3.23 of the report which showed that there would be a small surplus from the project over this time period, but the units would be set within affordable housing levels and equivalent to other council properties. He summarised and stated that 3.29 of the report provided an indicative programme, which showed that construction would start in September 2023, if a planning application was agreed in summer 2022.

Councillor Fletcher thanked officers for providing a clear and concise report. He queried if officers would choose that site to build on, if they had the freedom. He also asked what safeguards would be implemented to ensure the project was delivered on budget. He felt that although the rent levels would be limited to below-market value, this might still be too expensive for some local residents, and queried how the team would ensure the new houses were utilised by local people. The Housing Development Manager replied that it was an iterative design process, but each Royal Institute of British Architects (RIBA) stage would be reviewed and cost plans would be controlled through consultants and the project management team as the scheme developed. He stated that there were risks associated with all developments, for example changes to the borrowing rate, but these costs would be tracked rigorously. The Assistant Director of Housing added that the new homes would be allocated using the housing allocation list. Councillor Fletcher stated that building regulations when CO1 had been built were not as stringent compared to modern day, and asked if this would increase the number of collateral challenges. The Housing Development Manager replied that there could be some challenges on the site due to building regulations, but the technical team had much experience with these types of challenges, due to their experience working on projects in London. Councillor Fletcher questioned if officers had decided on a rental price. The Housing Development Manager stated that the rent level would be decided based on the assumptions made within financial parameters. The Strategic Place Adviser added that there would be strict safeguards in place to ensure the project was managed on budget, and as this was an HRA scheme there would be high levels of demand and subsequent income. He stated that although there was still a level of risk this was lower than if the site went through the market sale process.

Councillor Redsell highlighted point 3.13 of the report and queried why the site would be challenging due to the proximity of the railway line. She felt that there were numerous housing projects in Grays, Stanford-le-Hope and East Tilbury that were close to railway lines, which had been completed successfully. She also questioned if the under-croft parking would be for residents only. The Housing Development Manager replied that if there was

under-croft parking included in the scheme, this would be for residents only as the scheme would sit within its own footprint. Councillor Ononaji questioned if the Council had considered the cost of maintenance of the building over a 30 year period. The Housing Development Manager replied that the cost of maintenance was included in the financial viability assessment, which used local averages and accounted for the cost of inflation. He stated that although the team could not foresee interest rate changes, the team used accurate predictions to make a best estimate. The Strategic Place Adviser added that Thurrock used standard, national methodology to predict interest rates, and although these figures could not be exact, it utilised the best economic indicators available. Councillor Pearce questioned how long it would be until residents were living on the site. The Housing Development Manager replied that the indicative programme suggested building would start in September 2023 and would welcome residents in 2025.

The Chair stated that the Leader had recently conducted a BBC Essex interview during which he had spoken about the CO1 redevelopment proposals. She explained that the Leader had indicated the number of flats could increase to 94, which would be a 15% increase, or up to 100 flats, which would be a 20% increase. She asked if a 15% increase in the number of units would affect the financial viability of the proposal, as point 2.2 of the report suggested that the original number of 82 new flats was optimum. The Housing Development Manager replied that as the design process was iterative the number of homes could change as the design was developed. He stated that as the report had been deferred from the January Housing O&S meeting, the figures dated from then, but no detailed analysis had been carried out regarding an increase in the number of units. The Chair questioned if the report would come back to the Committee if additional houses were proposed for the site. She asked if this suggestion would affect the under-croft parking or proposed roof garden. The Housing Development Manager replied that the report would come back to the Committee before a contractor was procured, but detailed design work had not yet been undertaken. The Strategic Lead Finance added that if additional houses were agreed, this scenario would be run through the financial viability model. The Strategic Place Adviser added that the figure of 82 houses was an approximation, but a report had been submitted to Cabinet which outlined this figure. He explained that an increase in the number of houses might not significantly affect the financial viability of the scheme, but could affect the planning permissions.

Councillor Van Day asked what the smallest square footage for the houses would be, and asked if additional units would make the houses smaller. The Housing Development Manager replied that the houses had to meet the minimum space standards, which were set out by national government, and was approximately 50 square metres or 500 square feet for a one bedroom flat. The Chair questioned the build cost and felt that there could not be an overspend as there would only be a surplus of £1095 per flat per year if the project was brought in on budget. She queried if the cost of demolition had been included in the build cost and if an allowance had been made for inflation. The Housing Development Manager replied that the predicted costs

included the cost of demolition, construction, contingencies, and legal fees. He added that RIBA produced cost predictions and undertook market research regarding inflation and all costs were based on their professional judgement.

The Chair asked about the timeline of the project and questioned if a report would be brought back to the Committee before the project went to Planning Committee. She felt the timescales would be tight as the next Housing O&S Committee wasn't scheduled until summer. She also felt concerned regarding the financial viability of the project as it utilised HRA monies. She stated that there were thousands of people on the waiting list of a house, and felt that Thurrock Council should be building more homes for these people, but was worried about costs associated with the project. The Housing Development Manager explained that a report would be brought back to Committee before a contractor was procured. Councillor Fletcher felt that although the report had been well put together, he felt it was a risk and could risk HRA money. He added that he would like to see more clarification regarding the additional homes that had been suggested by the Leader during his radio interview. The Strategic Place Adviser stated that the report provided officers best current advice to both O&S and Cabinet, and stated that the detail contained within the report might change as the design process was iterative. He added that any building project could be a risk, but the project could be more flexible using HRA money as it would benefit local residents.

The Chair thanked officers for the report and the Committee agreed that a report on the project would be brought to Committee at the first meeting of the municipal year.

**RESOLVED: That the Committee:**

- 1. Commented on the proposed redevelopment of CO1 to be 100% funded through the HRA.**
- 2. Noted that the scheme was to be directly delivered by the Council and the properties to be owned and managed by the Council through the HRA.**
- 3. Noted that consultants are to be appointed to take the scheme through to planning submissions, subject to approval and consultation.**

*The Housing Development Manager and Strategic Place Adviser left the meeting at 8.01pm.*

**38. Animals in Council Properties**

The Strategic Lead Housing Operations introduced the report and stated that it outlined the Council's new policy regarding pets in council houses. He stated that this was organised by the team who worked to manage and enforce terms and conditions set out within tenancy agreements. He explained that 4.4.2 of the current tenancy agreement ensured that tenants

received written permission from the Council before getting a pet, and 4.3 outlined the anti-social behaviour clause. He explained that currently if a tenant did not get written permission to own a pet, they would be in breach of their tenancy agreement and the Council could seek an injunction through the court to have the pet removed. He explained that had only happened in serious cases where the pet had been a nuisance or was dangerous. He added that it had been difficult to evidence nuisance pets, for example it was hard to evidence barking dogs. The Strategic Lead Housing Operations moved on and stated that recent studies had been undertaken that had proven the benefits of owning pets, as they had been proven to reduce blood pressure and ease loneliness, which had been particularly important during COVID. He added that the government had therefore updated their model tenancy agreement in 2021, which ensured that consent for a pet was the default position of landlords within private rented accommodation. He stated that Thurrock Council were therefore following this best practice guidance and would re-consider the need for written permission to own a pet going forward. He summarised and stated that a written policy regarding pet ownership would be developed, and the standard tenancy agreement would be updated.

The Chair asked how many residents had signed an agreement to own pets. The Strategic Lead Housing Operations replied that he did not have the figure, but would circulate this information to the Committee after the meeting. The Chair moved on and queried how many dog breeders were living in council properties. She stated that some dog breeders were selling puppies for up to £5000 in poor conditions, and were unlicensed. The Strategic Lead Housing Operations stated that he was unaware of any licensed dog breeders operating in council properties, but this would breach their tenancy agreement as residents were not allowed to operate a business from their council property. He added that if officers found an unlicensed dog breeder they could follow a path of escalation, firstly through non-legal remedies and finally through the courts if necessary.

Councillor Redsell stated that she knew of some residents who had lots of cats or dogs in small properties and asked what could be done to ensure pets in council properties lived in good conditions. The Strategic Lead Housing Operations replied that officers could only take action if the pet was dangerous or a nuisance. He stated that the team worked closely with the RSPCA if they found a neglected animal in a council property. He stated that the tenancy agreements would be reviewed over the next few years and a pet policy would be implemented that would consider the issues raised by Members and would improve the guidelines for keeping pets. He stated that a pet policy would be developed and delivered during the next year.

The Committee agreed that the pet policy would be brought to the Committee as a briefing note, and would be distributed to every Councillor for their information.

**RESOLVED: That the Committee:**

- 1. Noted the contents of the report and commented on the following**

**recommendations.**

**2. Reviewed the tenancy agreement terms and conditions relating to pets to better reflect good practice and the health and wellbeing benefits of keeping pets.**

**3. Established a pet policy to provide further guidance to tenants in keeping pets.**

**39. Update on Incident at Lionel Oxley House**

The Assistant Director of Housing introduced the report and stated that it followed on from the urgent item of business raised at the last Housing O&S Committee. She stated that the report outlined the cause of the fire and the actions taken by UK Fire Networks; the regime inspections and maintenance; the reflective learning sessions undertaken by officers; and the meetings held with residents. She explained that UK Fire Networks had checked the site and other high rises to determine any further actions. She added that officers had also developed key themes during the lessons learnt sessions and from these had worked to improve communications and rewrite emergency planning procedures. She explained that the emergency planning procedures were now clearer, and highlighted that the Communications team would take a lead on communications for all significant incidents. She added that officers had also spread awareness of the command levels, and the out of hours rota was now stored in one place online, so all officers could access it if required.

The Assistant Director of Housing explained that officers had confirmed with hotels in the borough that if residents were evacuated to their hotels, the Council would cover the cost of their meals, and company credit cards had been issued to some officers to facilitate this in case of emergency. She added that officers had also mapped out a variety of welfare sites in the borough and had updated the system for out of hour's calls. She stated that the team had received detailed feedback from residents, either through door-knocking, phone calls, or during the two focus sessions. She stated that a letter would be sent to high-rise residents this week that would invite them to sessions being run by the building safety manager that would cover safety and emergency procedures. She stated that officers had taken on board comments from residents, for example residents had wished officers to be more visible on scene, so officers would now wear hi-vis when visiting an incident.

Councillor Redsell thanked officers for their hard work on the report and felt that lessons had been learnt from the incident. She also felt pleased that Councillors had been given emergency numbers during Storm Dudley, which had ensured that issues in their ward such as fallen trees were resolved quickly. Councillor Redsell also felt that the Council should increase the level of communication during an incident. The Chair asked why residents had been informed that locks would be taken off the washroom doors. She stated that residents were concerned for the security of their washing if the doors

were not locked, and some residents may start to dry clothes in their own homes, which could increase incidences of damp and mould. She felt that the washroom locks should remain as firefighters were able to get into any room when necessary. Councillor Fletcher felt that communications during a crisis had to be different from normal communications, and felt that the Leader, Portfolio Holder and Ward Councillors should have been made aware early on of the fire at Lionel Oxley House. He felt that communications should be utilised more effectively and efficiently.

The Committee agreed an additional recommendation that read “Ward Councillors, the relevant Portfolio Holder, and directly responsible officers should be made aware of any serious incidents within their ward/remit.”

**RESOLVED: That the Committee:**

- 1. Commented on the detail contained within the report relating to the incident.**
- 2. Ward Councillors, the relevant Portfolio Holder, and directly responsible officers should be made aware of any serious incidents within their ward/remit.**

**40. Right to Buy Receipt and PHI**

The Strategic Lead Finance introduced the report and stated that it outlined how the right to buy receipts process functioned and the relationship that Thurrock Council had with PHI. He stated that in 2012 rules had changed which had allowed Thurrock Council to retain a bigger share of right to buy receipts, if they were reinvested in the borough within three years. He stated that due to the short-term length of this scheme, it had been difficult to reinvest the money and therefore Thurrock had worked with PHI to purchase homes in the area on the open market using HRA money and make use of the scheme. He stated that if the money had not been reinvested within the three year time period, the money would have gone back to central government and Thurrock would have paid compound interest. He explained that central government had then extended the deadline for reinvestment to five years, which had improved lead in times.

The Strategic Lead Finance highlighted table 1, which outlined that in 2021/22 the Council had received £21million from retained receipts. He explained that £9.2million of this had been spent on new properties for the HRA; and a further £4.8million would be spent by the end of the 2021/22 financial year. He explained that this would leave approximately £7million outstanding at the end of the year, and new receipts of £3.6million. He explained that the first stage of the process had been to acquire new homes through this scheme on the open market, and the second stage would be to invest in developments based on their financial viability. He stated that the relationship with PHI was outlined in the report, including the legal background and due diligence. He summarised and stated that at the end of the 2021/22 financial year Thurrock Council would have purchased between 130-140 houses to add to the HRA

stock, and this would help alleviate the homeless need in the borough and reduce the allocations list.

The Chair thanked officers for the report and queried why the Council needed PHI to help with the purchasing of the homes. The Strategic Lead Finance replied that the team did not have the resources or logistical time to devote to the short-term project, particularly as buying 130-140 houses on the open market had been challenging. He stated that PHI had acted as a purchasing agent, and some properties had needed adaptations and works that had been included in the lease cost. The Chair queried if this project would continue. The Strategic Lead Finance replied that central government rules would be changing on 1 April 2022 which meant that Councils would only be able to purchase 20 homes on the open market and any more would have to be a percentage of Council investment. He explained that the scheme increased the housing stock for the Council, but did not increase the overall number of dwellings in the borough, so the Council would be encouraged to develop new schemes. The Chair asked how many one bedroom properties had been purchased through the scheme. The Strategic Lead Finance replied that he did not have the exact figures, but Thurrock Council had purchased almost all one bedroom properties within Thurrock that had met the criteria. He stated that the team had therefore had to expand the criteria to larger properties as they had exhausted the market.

**RESOLVED: That the Committee:**

- 1. Commented on the retained right to buy receipts position and the partnership agreement with PHI limited.**

**41. Work Programme**

The Committee agreed that an update on garages would be brought to the first meeting of the next municipal year. The Committee also agreed that an update on Blackshots would be brought to the first meeting of the year. The Committee agreed that a report on the homeless peer review be brought forward in the middle of next municipal year.

**The meeting finished at 8.57 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

**Any queries regarding these Minutes, please contact**

**Democratic Services at [Direct.Democracy@thurrock.gov.uk](mailto:Direct.Democracy@thurrock.gov.uk)**