

ITEM 4

Commenced: 6.00 pm

Concluded: 7.40 pm

PLANNING, HOUSING AND LEISURE BOARD 19 February 2013

Present: Councillor Redfern (Chair)
Councillor Allen (Absent for part of minute number 59/12)
Councillor Ingall (Present for minute numbers 52/12 - 58/12 inclusive.)
Councillor Jackson (Present for minute numbers 52/12 – 58/12 and part of 59/12)
Councillor S. Khan (Absent for minute numbers 52/12 – 57/12 inclusive)
Councillor Nawaz
Councillor Troup

52/12 Apologies for Absence

Apologies for absence were received from Councillors Hillier and Holmes.

53/12 Late Items

There were no late items.

54/12 Declarations of Interest

There were no declarations of interest.

55/12 Minutes of the Meeting held on 7 January 2013

The minutes of the meeting held on 7 January 2013 were agreed as a correct record and signed by the Chair.

56/12 Call-in

There were no items.

57/12 Forward Plan

The board discussed the Forward Plan which was published on 15 January 2013.

Resolved to:

- 1. add the review of housing management (46/12) to the work programme;**
- 2. add the strategic plan for delivery of affordable housing (56/12) to the work programme;**
- 3. request an update in relation to management of the council's golf courses in Allestree and Sinfen, together with the pitch and putt course at Markeaton park (61/12); and**
- 4. request an update in relation to a new cemetery for Derby (45/12).**

58/12 Homelessness Review

The board received a report from the Strategic Director of Adults, Health and Housing. The Head of Housing Options and Advice Services, together with the Single Point of Entry Manager, outlined the report. The report updated members on the available homeless provision in the city ahead of the Housing Related Support reductions, which were due to be implemented in April 2013. Members were informed of the successful Homelessness Transition Fund (HTF) bid submitted by Riverside ECHG to Homeless Link to tackle rough sleeping and single homelessness in Derby and Derbyshire.

The board questioned the severe weather provision in place in the city during the winter months. The Head of Housing Options and Advice Services explained that the severe weather provision was a 'sit-up' service, where spaces made available were often located in reception areas did not automatically include the provision of a bed. A hot drink, together with some food and bedding was provided. The following morning, people were directed towards the single point of entry service.

The board discussed the effects of budget cuts on services and the decommissioning process. The officers explained that talks were being held with contract providers to ascertain who would be able to provide accommodation in light of the reduced funding. It was already clear that a number of providers would not be able to continue their services without funding. Due to this, the officers anticipated a significant and concerning increase in demand on the remaining services. The board understood that the implementation of Welfare Reform would also impact adversely upon the services. The introduction of a bedroom tax in April 2013, together with universal credit in October 2013 would create an added dimension to the problems already experienced. Consequently, it was reported that the full effect of Welfare Reform in Derby would not become apparent until at least 2017.

The board acknowledged that without an adequate and effective 'move-on plan' to assist people who were considered ready for independent living, the emergency housing system would strain under the burden, and 'silt-up' with these individuals continuing to occupy temporary beds required for others. Due to the complex issues, which often affected people using the services, it was not always possible to automatically expect every individual to move on.

The Head of Housing Options and Advice Services, together with the Single Point of Entry manager detailed the systems in place to assist people with emergency accommodation. The demand for bed and breakfast accommodation was discussed, together with the statutory obligations upon the council. The board discussed the difficulties inherent in assisting people who did not have access to state funds and the council's duty to reconnect them with their place of origin.

The board questioned how anybody, who was suddenly and unexpectedly homeless, would know how to access help, with a view to establishing how the council advertised its services. The officers explained that the Police service, together with partner agencies such as Careline, were in possession of the council's emergency accommodation contact information and would signpost people accordingly. Services

were also advertised to the public on the council's website and on leaflets which were available through partner organisations. The officers suggested, however, that most information was disseminated through word of mouth.

The board expressed its concern that the impact of reduced budgets, together with the implementation of Welfare Reform and reduced public sector housing would result in significant additional pressures on the homelessness services. The board was keen to ensure that everything possible was being done to make contact with people in need, maximise the effectiveness of services provided and in so far as possible, prevent homelessness.

Resolved to:

- 1. note the potential impact of the reduced budgets on homelessness provision and partnership working in the city;**
- 2. note the successful HTF bid to Homeless Link;**
- 3. note the severe weather provision for rough sleepers from 1 December 2012 to 31 March 2013;**
- 4. request a report on the marketing strategy for homelessness services in June 2013;**
- 5. request a report update on homelessness in September 2013;**
- 6. request an update on the implementation of changes arising from welfare reform, at such a time as is appropriate to provide an accurate reflection.**

59/12 Housing Revenue Account Business Plan 2013/14

The board received a report from the Strategic Director of Adults, Health and Housing. The Head of Strategic Housing outlined the report, which presented a strategy to the board for comment, in anticipation of the Council Cabinet meeting on 20 February.

It was reported that subject to the longer term risks inherent in the new system (notably welfare reform, right to buy sales and long term interest rates) there was sufficient resources within the system to maintain council housing into the future, provided that rents increased in line with planned targets.

The key features of the updated business plan were:

- 300 additional homes proposed to be delivered through the Housing Revenue Account over the next three years, to replace most of the homes expected to be lost through the right to buy scheme.
- Continuation of the Estates Pride programme by adding a £0.5m a year capital budget to existing plans, with a higher amount of £2.1m spread over the next couple of years
- Continuation of the reduction of Derby Homes' management fee in real terms.

In response to questions from the board, the Director and Company Secretary of Derby Homes explained that the debt cap of £240million equated to five per cent and thus, the £12million surplus, which was built into the 30 year plan was still required. The board understood that the ultimate consequences of welfare reform remained uncertain. Once the figures became stable, officers would look to reduce the amount

of surplus factored into the plan. The director further explained that the council had divided its debt between the Housing Revenue Account and the council's own fund meaning that £180million of debt was fixed on average, over 38 years, at an approximate rate of 4.5% and the remainder was subject to a variable rate. To date, the variable interest rate was low. Should the rate change, however, only a set amount of money (approximately £50million) would be exposed to that change.

The board discussed the service and repair charges specified in the plan, together with the updated guidance published by the Department for Work and Pensions. The board further discussed the cap, imposed by government, on the building of new homes through the Housing Revenue Account. The cap limited the provision to 300 homes. The board debated the key differences between houses and flats in terms of financial viability, and the lack of land available in the short term. The Head of Strategic Housing confirmed that business plan was restricted by a contradiction in government policy, which did not account for the fact that there was a growing need for one bed flats, but the construction of flats was not a financially viable option.

Resolved to:

- 1. recommend amendment of the final paragraph of the executive summary contained within the Housing Revenue Account (HRA) business plan (set out in appendix 2 of the report) to read 'Overall, the plan proposes the largest scale renewal of council housing for the last 30 years...' thereby clarifying that the HRA provided for a renewal, rather than expansion of housing provision;**
- 2. note the proposed 30 year HRA business plan (as amended) particularly the average rent increase of 5.2% as set out in section 5 of the plan;**
- 3. note the principle of approving increases to service charges at the level of cost, with exceptions requiring specific approval.**

60/12 Rents and Service Charges 2013/14

The board received a report from the Strategic Director of Adults, Health and Housing. The Head of Strategic Housing, together with the Director and Company Secretary of Derby Homes outlined the report which conveyed that rents were effectively required to increase, thereby reaching target rent by 2015/16. The increase would be subject to an individual maximum level of Retail Price Index (RPI) plus 0.5% plus £2 a week. The board was advised that should the policy be continued for 2013/14, the average increase for tenants would be 5.2% or £3.56 a week, bringing the average weekly rent to £72.05 a week.

The proposed rents and service charges were presented to the board for comment in anticipation of the Council Cabinet meeting on 20 February. The Head of Strategic Housing explained that service charges were proposed to be increased in line with inflation, with the exception of those specifically referred to within the report.

Resolved to note the proposed:

- 1. increases to council house rents, which are in line with the previous policy of rent restructuring, as set out in the report;**

2. **service charges, which if approved, would be set in line with inflation (with the exception of those specifically mentioned in the report);**
3. **increases to other council rents, set in line with the Retail Price Index (RPI) at January 2013.**

61/12 Work Programme

The board received a report from the Strategic Director of Resources. The Overview and Scrutiny Officer outlined the report.

Resolved to:

1. **add the review of housing management (FP 46/12) to the work programme;**
2. **add the strategic plan for delivery of affordable housing (FP 56/12) to the work programme;**
3. **request an update in relation to management of the council's golf courses in Allestree and Sinfen, together with the pitch and putt course at Markeaton park (FP 61/12);**
4. **request an update regarding private sector housing at a future meeting;**
5. **note that a report regarding governance arrangements for the multi-sport area will be presented at a future meeting; and**
6. **note the progress of the Homelessness Topic Review.**

MINUTES END