

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

Minutes of a meeting of the Housing Portfolio Holder's meeting held on
Thursday, 5 February 2009 at 2.00 p.m.

Portfolio Holder: SM Edwards

Councillors in attendance:

Scrutiny and Overview Committee monitor and Mrs EM Heazell
Opposition spokesman

Officers in attendance for all or part of the meeting:

| | |
|---------------|---------------------------------------|
| Steve Annetts | Housing Assets and Investment Manager |
| Steve Hampson | Executive Director |
| Mike Knight | Housing Strategy Manager |
| Gwynn Thomas | Principal Accountant (Housing) |

59. APOLOGIES

Apologies were received from Cllr Mrs JM Guest, and Stephen Hills, Corporate Manager, Affordable Housing.

60. MINUTES OF PREVIOUS MEETING AND MATTERS ARISING

The minutes of the meeting of 20 January 2009 were agreed as a correct record.

Matters arising.

It was confirmed that the Formal Offer Document was amended to reflect the needs of disabled tenants in respect of the proposed handyman service.

The Portfolio Holder requested that a Housing Futures risk log be circulated at every meeting.

Action: Denise Lewis

Revenue and Capital Estimates

Dealt with as a separate item.

See minute 67.

61. HOUSING PLANS

Following a review of the HRA Business Plan, and the 5 Year Housing Maintenance Plan, minuted at items 62 and 63, and subject to minor wording amendments as identified, the Housing Portfolio Holder **ENDORSED** in principle the HRA Business Plan and its appendix the Five Year Housing Maintenance Plan.

62. HOUSING REVENUE ACCOUNT: BUSINESS PLAN

The Executive Director presented the Housing Revenue Account Business Plan for 2009/10 to 2013/14.

The Housing Portfolio Holder was advised that the plan was highly detailed and would be critical should the housing stock transfer not go ahead.

The Principal Accountant, Housing, tabled a revised HRA Expenditure Projection to replace that shown on page 36 of the plan. Since the publication of the Portfolio Holder meeting agenda the inflation rates used for the Medium Term Financial Strategy had been reviewed and, as a consequence, the business plan projections had been adjusted to take account of the reduction in the rates of pay and general inflation from 2.5% to 1% in 2009/10 and from 2.5% to 1.5% in 2010/11. The Portfolio Holder was advised that the revised projection deferred the requirement to make revenue savings until 2012/13 (a year later than the original projection of 2011/12), but overall there remained the need to save in excess of £500,000 from the Revenue Account and £4 million from the Capital Account.

Questions and Comments

Concerns were expressed that expenditure on tenant participation events could be reduced by more rigorous transport planning and cancelling catering arrangements. The Portfolio Holder noted the comments, but observed that such benefits encouraged tenant attendance at participation events. It was also observed that there were a multiplicity of tenant groups and that rationalisation of these groups could be considered as a cost saving opportunity.

The Portfolio Holder confirmed that the development of private sheltered housing was a corporate objective to be developed through planning policy.

The Portfolio Holder was advised that there had been no use of bed and breakfast facilities in the year 2007/08.

The Portfolio Holder was advised that there were a number of properties with timber framed double-glazing due for window replacement.

The Portfolio Holder was advised that there was no data available for rent collection and rent arrears recovery for the year 2008/09 at this stage.

Wording amendments

Agenda page 18: Forth bullet point under key issues include, end the first sentence after Airey Properties. Delete the wording 'or the older, small sheltered units with shared facilities'.

Agenda page 25: Under *Improvements* amend the final sentence to read 'before the end of its useful life'.

Agenda page 26: Second line from bottom of page, replace the word 'inputted' with 'input'.

Agenda page 29: Note against BV183b amend to read '26.8 days against target of 24 but improved from 34.9 in previous year.

Agenda page 33: Second paragraph, final sentence, amend to read 'The TMV is based on a revenue stream valuation rather than a capital valuation hence the difference in the figures produced.

63. 5 YEAR HOUSING MAINTENANCE PLAN

The Executive Director presented the 5-Year Housing Maintenance Plan and advised the Portfolio Holder that the plan presumed that the housing stock would remain in the ownership of the Council.

Comments and Questions

The Portfolio Holder was advised that proposed spend changes for cyclical works such as internal paintwork and welfare gardens would be debated again in 2010/11.

The Portfolio Holder was further advised that the thermoseal survey was a one-off and that there was no legal requirement to do so. The survey would target electrically heated properties, with surveys of gas and oil heated properties being undertaken at a later date.

The Portfolio Holder was advised that the costings in the plan for kitchen refurbishments were averages based on the actual costs of previous work, however the figures included an element of structural work, for instance removal of pantries, or replacement of flooring, which could inflate the figures. The Portfolio Holder was further advised that the kitchen refurbishment contract had been put out to tender in 2007 and a five-year contract awarded which would be monitored by technical services. An inflation rate of 2.5% had been factored in for future years.

The Portfolio Holder was advised that a subscription to the web based 'Housemark' service had been purchased by the council and this would allow for costs of services and contracts to be benchmarked against national averages.

64. CONSULTATION - CHANGES TO THE REVENUE AND CAPITAL RULES FOR NEW COUNCIL HOUSING

The Housing Strategy Manager presented a report to advise the Portfolio Holder of a government consultation document and to suggest an appropriate response.

The Portfolio Holder was advised that the government was not changing the rules for existing council housing only new build properties. The Portfolio Holder was further advised that the proposed changes would have no significant implications for the council as the Council for reasons identified within the report.

Suggested replies to the questions in the consultation document:

Question 1: The Portfolio Holder was advised against using this question as an opportunity to request that the Secretary of State exempt the council's existing equity share properties from the requirement to pool a share of the receipts. The Housing Strategy Manager advised that a further consultation exercise on the wider HRA subsidy system was expected.

Question 2: No new properties should be excluded from the proposed HRA subsidy and pooling exemptions.

Question 3: Section 80B exclusions should allow for local discretion to be used to identify the quickest, most flexible, processes.

Question 4: The Secretary of State in considering whether to enter into an agreement to exclude properties should take no further factors into account over and above those in the consultation document.

Question 5: Terms and conditions should be locally determined, and there should be as

few as possible.

Question 6: Properties excluded from the HRA subsidy system under section 80B should also be exempted from the requirement to pool capital receipts.

Question 7: The proposed conditions should be expanded to include any legitimate capital expenditure.

The Housing Portfolio Holder **AGREED** to instruct officers to respond to the consultation in support of the government's proposals with detailed comments that recommend maximum flexibility and local discretion, and requested that the draft response be presented at the next Portfolio Holder meeting.

65. FORWARD PLAN

The following Housing Services items were added to the Forward Plan for consideration at the March meeting:

- Response to the consultation document 'Changes to the Revenue and Capital Rules for New Council Housing'
- Allotment land off Cranes Lane, Kingston, transfer to the Parish Council.

The following Housing Futures item was added to the Forward Plan as a standing item:

- Housing Futures Risk Log.

The Forward Plan was **NOTED**.

66. DATE OF NEXT MEETING

The date of the next meeting was moved forward to avoid difficulties for the Scrutiny and Overview monitors in attending the Scrutiny and Overview meeting.

The date and time of the next meeting was confirmed as 10am, Tuesday 3 March. Venue to be confirmed.

67. ADJUSTED HRA SUMMARY

At the last Housing Portfolio meeting, held on 20th January 2009, the Portfolio Holder endorsed the Housing Revenue Account (HRA) estimates and recommended them for consideration by the Cabinet.

The inflation rates to be used for the Medium Term Financial Strategy have recently be reviewed and, as a consequence, the rates for pay and general inflation to be used for the 2009/10 estimates have been reduced from 2.5% to 1%.

At the meeting the Portfolio Holder endorsed the Housing Revenue Account Summary adjusted to reflect a reduction in the anticipated 2009-10 inflation rates from 2.5% to 1.0%, in line with the Medium Term Financial Strategy, and a revised estimate of the DLO deficit for 2008-09, in accordance with the latest trading position estimate. The reduction in the 2009-10 estimate being £135,000 and the adjustment to the deficit being £17,530, bringing the revised estimate for the DLO to £35,000.

The Portfolio Holder also endorsed the Alarm Charges for 2009-10, adjusted to reflect the change in anticipated inflation.

The Meeting ended at 3.15 p.m.

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