



Event: Housing Joint Overview and Scrutiny Task Group

Place: Committee Room 1b, Kennet District Council Offices

Date: Tuesday 2 December 2008

Time: 10.30am

MINUTES

Attendance: Cllr Mike Fowler (Salisbury District Council), Cllr Janet Giles (Kennet District Council) [Chairman], Cllr Nina Phillips (North Wiltshire District Council), Cllr Pip Ridout (West Wiltshire District Council) and Cllr Pat Rugg (Wiltshire County Council)

Officers: James Cawley (Director of Commissioning, Department for Community Services), Graham Hogg (Director of Housing), Caroline Law (Finance Officer) and Karen Linaker (Scrutiny Support Officer)

1. Apologies

There were no apologies for absence.

2. Minutes of the last meeting

Members agreed the minutes of the last meeting held on the 4th November 2008.

3. Chairman's Announcements

The chairman confirmed two further meeting dates of the task group as the 13th February at 10.30am and the 12th March at 2.30pm – both meetings to take place in county hall, and both to be preceded by a members' briefing at 9.30am and 2pm respectively. A provisional additional meeting date (for members only) of the 16th March at 10.30am in Devizes was also announced.

4. 2009/10 Budget Update

In discussing this report, the following key comments were made:

(a) the budget setting process for all services continued to progress, but at a slower pace than in previous years, due to the complexities associated with bringing five council budgets together into one

Revenue Budget

(b) the cost of staff in the new housing service continued to be assessed through the HR evaluation process, following which appointments to the heads of service positions would hopefully begin early in 2009

(c) there was a possibility for a number of services in the new council that, if unable to recruit internally, the heads of service positions might need to be advertised externally. This could result in a delay to the overall appointments process and to the filling of positions within certain service structures

- (d) if unable to complete the appointments process by the 31st March, services would continue with their existing structures and teams as currently operating
- (e) out of the six services within the overall housing service, the new affordable housing service was the most vulnerable to this risk of the appointments process, as a significant amount of this work was currently being carried out by temporary agency staff
- (f) once staff had been confirmed in post, subject to the agreement of the district council they currently worked in, these staff would be required to begin work on developing the new housing service as soon as possible
- (g) officers had been advised to build their budgets in terms of staffing costs, by assuming that salaries would be the same as in 08/09, with an additional increase of 2.5%
- (h) whilst there would be some staff savings as a result of bringing five teams into one, the main cost pressures anticipated for the overall housing service in 09/10 were associated with staffing and structures, rather than any new scheme or project. This was partly due to a former district council accounting practice of funding some salaries from capital resources, which might not be followed in the new council, and would therefore have to be accommodated within the revenue budget
- (i) currently, the only known government grants to be received were those from the DCLG for homelessness services, and these were expected to total approximately £250,000, which was an increase of £82,000 from 08/09. This grant would not be ringfenced and could therefore be used to offset some of the increased costs elsewhere within the housing service, but in any event would be used for homelessness prevention work. This would assist in helping the service to meet its target of achieving a cash freeze budget and £200,000 1C4W savings in 2009/10
- (j) other measures which had been / would be taken to meet the savings target was
- to increase the charge of the Salisbury Care Connect lifeline scheme by 5%,
 - to develop a 'preferred development partnership' – where housing associations paid a contribution to the council to support the enabling function which provided new housing opportunities for housing associations
 - increased income from hostel rents
 - the harmonising of a number of policies and practices, i.e. creating one furniture removal / storage service from the best of the four district council services

Capital Budget

- (k) there was a very significant gap between capital resources available and capital resources required for the next three years for all services in the new council, and as a consequence, there was a real risk that all of the funding requested to help with affordable housing would not be agreed

- (l) the possibility of fewer approved capital projects in 2009/10 could have an impact on staffing, as currently a number of posts were dependent on capital funding

Salisbury Housing Revenue Account

- (m) as in previous years, and in line with the 30 Year HRA Business Plan, officers were anticipating a £500,000 increase in the negative subsidy payment the council would need to make to government
- (n) the Implementation Executive (IE) would be asked to agree the annual rent and service charge review, in line with national guidelines, in February 2009
- (o) Graham's presentation to the Salisbury District Council's Community & Housing Scrutiny Panel on the 26th November had been well received, particularly by the tenant representatives
- (p) noting the request put to the task group by the Salisbury scrutiny panel that it refer the following resolution to the Joint Overview & Scrutiny Transition Board:

"In recognising the anticipated shortfall in the HRA, officers should discuss with tenants and any other relevant parties and explore all the options that may be available to secure tenants housing standards. This to be treated as a matter of urgency".

....following officer advice, the task group agreed to refer this resolution back to the Salisbury scrutiny panel, requesting that it communicate its views on this matter directly to the IE, in consultation with the Salisbury District Council portfolio holder for housing and the Salisbury District Council IE member for housing

- (q) with regard to the urgency attached to this resolution, Graham advised members that, as the shortfall was not due to materialise until 2011/12, and as there were measures planned to mitigate this shortfall to 2018/19, whilst it would be important for the new council to consider the HRA shortfall in its first year, it was not a matter that the IE was likely to prioritise before the 31st March 2009
- (r) members noted that the IE was due to receive a report on the HRA 30 Year Business Plan in January 2009

RESOLVED to:

- (1) note this report and the further matters clarified, and to await a final report on the budget at the February meeting.**
- (2) request that the Salisbury District Council Community & Housing Scrutiny Panel communicate its views regarding the anticipated HRA shortfall, and the concern that this will detrimentally impact on tenants' housing standards, directly to the IE.**

5a. Social Housing – Private Finance Initiative – Progress Report

In considering this report the following comments were made and clarifications sought:

- (a) a new Older People's Accommodation Strategy, a draft of which was currently being finalised, formed the context for this and the next agenda item
- (b) scrutiny members would be given the opportunity to consider this new strategy prior to its submission to the IE early in the new year
- (c) the report at item 5a provided information on a cross council initiative, involving officers from finance, procurement, housing, children and families and adult social care
- (d) the £150m bid for this initiative was to provide for 375 extra care homes and 45 units of supported living for service users with learning difficulties and mental health needs
- (e) consultants had been commissioned to ensure that there was a sufficiently robust strategic vision and needs analysis supporting this bid
- (f) providing the right mix and management for supported living schemes was a complex and challenging process and consequently this bid was for 45 supported living units rather than any higher amount
- (g) currently there was very little extra care housing provision in the county, but an identified need for 1,000 units over the next 10 years, based on conservative estimates
- (h) choice for specialist care home facilities in the county was poor and, whilst the existing residential care homes met CSCI requirements, they were in need of upgrading and improving to meet modern day standards and service users' expectations
- (i) the DCLG would consider the expression of interest for this initiative during December and January and, subject to their approval, this initiative would progress to its second stage, with the invitation to submit an outline business case in February 2009
- (j) the first and second stages of the initiative included scope for the detail of the bid to be amended, i.e. to increase or decrease the numbers of extra care or supported living units
- (k) as part of the 09/10 budget setting process, officers would be requesting a total of £1m revenue funding (£300,000 in 09/10 and £700,000 in 10/11) to fund the specialist officer support required to develop this initiative through to the actual start of the development of the units in 2012
- (l) the indicative timetable for completion of the units was estimated as 4 – 5 years, i.e. 2016/17
- (m) whilst this project would not contribute to local area agreement targets in this round, it would in the next
- (n) in terms of funding needed to provide general needs social housing, James and Graham were working closely to see how this could be achieved, and were taking every opportunity to influence the new council's capital programme to assist with this

- (o) the only two viable routes for council's to secure funding for social housing was grants from the Housing & Communities Agency and PFI, and as the former would never be sufficient to help councils meet the demand, PFI schemes could help to bridge the gap in resources
- (p) the supply of extra care units would help to free up general social housing units, and the new strategic vision placed the council in a better position to meet demand
- (q) the West Wiltshire PFI project would see 400 new general needs social housing units developed in the county at a time when most other areas would see a significant decline in their build programme as a consequence of the economic downturn
- (r) social housing was likely to be a key topic of discussion for area boards in the new council, and it was therefore very important that representation from the housing service and housing associations was achieved on these boards.

RESOLVED to note and welcome the submission of this bid for PFI funding, and the new strategic vision for social housing in Wiltshire.

5b. Social Housing – Extra Care Housing Scheme

In considering this report, the following comments were made and clarifications sought:

- (a) this bid to fund an extra care housing development in Trowbridge would be developed and implemented in partnership with the Bedford Pilgrim Housing Association (BPHA), as one of the largest regional social landlords delivering specialist older people's accommodation, with a good track record and strategic partnership relations with the Order of St John – a current care home provider for the county council
- (b) following legal advice, the council understands that it would bear no financial risk from the project, as this would fall to the BPHA
- (c) the council's contribution to the project would be land which was valued at £800,000, and which would be leased to BHPA for a peppercorn rent for 80 years – based on the life expectancy of the new buildings
- (d) in addition to the re-provision of 45 extra care housing units and a variety of communal facilities, there was sufficient land available within the site for the development of 2 supported living bungalows for people with learning disabilities, for which officers were hoping to secure funding from a charitable organisation, rather than use social housing grant
- (e) the current facility to be redeveloped was a learning disability care home that was due for closure in early 2009, in line with the council's new learning disability modernisation programme.

RESOLVED to note and welcome the intention to develop this extra care housing project, subject to the approval of a bid for Department of Health funding.

6. Key Risks & Issues Update

In discussing this update, the following comments were made and clarifications sought:

- (a) staff retention and capacity continued to be monitored as a high risk factor in the transition process for housing services, with uncertainty associated with the appointments' process and the length of time it was likely to take to populate the new structure with the staff required
- (b) staff health, motivation and morale was good in some areas but not so good in others, and Graham was working hard to meet with staff face to face to provide reassurance in the transition. A staff day for housing had been organised for the 11th December which was intended to further reassure staff and to encourage staff to openly express their views
- (c) communication with key stakeholders remained a critical issue for officers to manage carefully, as the majority of housing activity carried out was delivered by other partners, i.e. housing associations
- (d) the housing service, along with all other services, continued to depend heavily on the successful development of other work streams in the transition process, i.e. the customer access strategy and BMP / SAP
- (e) lack of priority given to capital funding schemes was a real risk, as discussed at item 4
- (f) much of the work associated with reviewing the contractual arrangements with partners, in particular LSVTs would need to continue beyond Day 1, due to the complex nature of this process. The need to secure agreement in writing to the general change that was required for all contractual arrangements, i.e. that the new arrangements would be between the new council and the LSVT, rather than one of the four district councils, would need to be completed before the 31st March 2009
- (g) a report was being prepared on the governance arrangements for Salisbury's housing stock in the new council, in order that there was clarity around the decision making process, reporting arrangements and accountability of this aspect of the housing service from Day 1.

RESOLVED to note the report and to await further updates on the key issues and risks highlighted.

7. Housing Services Support for Area Boards

In discussing this report, the following comments were made and clarifications sought:

- (a) Niki Lewis continued to develop the proposals and oversee the progress of the pilot area boards, which included the production of an area board constitution, to be known as a 'handbook'
- (b) one of the suggestions arising out of this work was that a senior officer from housing should be present at each area board meeting
- (c) to ensure a strong sense of corporate understanding and presence at area board meetings, all service directors in the new council would be assigned to one area board and required to attend the meetings of those boards
- (d) Graham had always planned for his heads of service to be linked with approximately three area boards each, to attend and support as 'locality managers', acting on behalf of the housing service as a whole. To assist

heads of service in this, bearing in mind the potentially heavy workload, Graham was also planning for the 'locality managers' to delegate this responsibility to other members of their team as and when suitable

- (e) the task group expressed a concern that area boards be given the priority needed by senior officers to ensure that they did not become ineffective 'talking shops' but meetings of real purpose and action
- (f) the three main LSVTs were also planning to provide housing association representation at area board meetings in a similar way to the plan proposed in this report

RESOLVED to note the report and to watch with interest development of the proposals.

8. Future Arrangements for Overseeing the Transition of the Housing Service Towards 1C4W

In discussing this report, the following comments were made and clarifications sought:

- (a) the arrangements detailed in this report had been informed by Niki Lewis, and proposed monthly meetings of a housing reference partnership involving all council and partner representatives associated with housing, to be immediately followed by a partnership steering group meeting, tasked with developing housing related proposals and recommendations for submission to the IE
- (b) the reference partnership meetings would ensure that councillors with responsibility for housing, and their officers, were communicating / consulting regularly with partners as the transition process ensued
- (c) noting the involvement of the Housing & Communities Agency in these new arrangements, the task group requested that the new Tenants Services Authority also be involved.

RESOLVED to:

- (1) note the report**
- (2) request copies of the agendas and reports to be considered at the partnership and steering group meetings**
- (3) request that the Tenants Services Authority be invited to send a representative to the meetings of this new partnership.**

9. Date of Next Meeting

Members noted that the task group's next meeting was due to take place at 10.30am on the 13th February 2009 at County Hall. The meeting would be preceded by a members' briefing at 9.30am.

*This meeting commenced at 10.30am and concluded at 12.45pm
Karen Linaker is the Scrutiny Support Officer contact for queries concerning these minutes (01225 713056
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