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**Event:** Housing Joint Overview and Scrutiny Task Group

**Place:** Committee Room V, County Hall

**Date:** Friday 13<sup>th</sup> February 2009

**Time:** 10.30am

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## 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 John Thomson (Implementation Executive Member for Housing)

**Officers:** Simon Dale (Housing Project Manager / Interim Business Manager), Karen Linaker (Scrutiny Support Officer), Nicole Smith (Housing Services Manager, WWDC), and Caroline Tiller (Finance Officer, SDC)

### 1. Apologies

Apologies for absence were received from Cllr Pat Rugg.

### 2. Minutes of the last meeting

Members agreed the minutes of the last meeting held on the 2<sup>nd</sup> December 2008. In doing so, members noted that all matters requiring further discussion were being brought to the task group's February and March meetings. However, there was one outstanding matter relating to the future governance arrangements for Salisbury's housing stock, i.e. clarity regarding the decision making process, reporting arrangements and accountability that the members would like to further pursue. The scrutiny support officer was asked to investigate this matter.

### 3. Chairman's Announcements

The chairman referred to the new Housing Reference Partnership, and to its first meeting which she had attended on the 9<sup>th</sup> February. She expressed support for the partnership's aims and objectives, particularly as it provided a forum in which all relevant parties with involvement in housing could meet to discuss matters relating to the transition of the four housing services into one.

#### 4. 2009/10 Budget Update

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

##### *Revenue Budget*

- (a) the implementation executive's revenue budget recommendation for the new housing service in 09/10 was £2.728m – this represented a cash freeze as at 08/09 revenue budget levels, combining the four housing services budgets into one
- (b) the “other” budget lines listed in Appendix A of this report related to staffing and other support costs
- (c) the impact of the £200,000 efficiency savings achieved by the Housing Directorate moving to One Council had been significantly reduced by an accounting adjustment to fund staff from the 2009-10 revenue budget, which had previously been resourced through capital budgets in the districts

##### *Capital Budget*

- (d) historically, the district councils had provided additional capital funding support for disabled facilities grants to top up the government's contribution. Initially the proposed capital programme had not included this council provision, but following further discussions, the IE was now recommending that £1.455m should be given for this purpose in 09/10. In 10/11 and 11/12, the housing service would need to reduce the cost of providing this service, despite the current demand, as the capital programme did not include council funding for years 10/11 and 11/12
- (e) the Housing Service Director had submitted a bid for £3.540m to fund affordable housing projects in 09/10, but this had not been recommended for approval by the IE. The bid had been based on the consolidated amount the district councils had previously contributed for affordable housing. However, John Thomson provided reassurance to the task group that combined with good strategic use of the new council's public land holdings and any available S106 monies, and by drawing on funding from the Homes & Communities Agency, new affordable housing projects should be possible in 09/10. In addition, John Thomson referred to the two PFI schemes being progressed for social housing.
- (f) noting this reassurance, members expressed appreciation of the fact that the prospect for new affordable development was influenced by the current economic climate
- (g) also, the task group was asked to note that the target to reduce numbers of people living in B & B was on track for the 31<sup>st</sup> March, but that more work was needed to reduce the current 23 people registered as homeless

### *Salisbury Housing Revenue Account*

- (h) Salisbury District Council had agreed the rent setting and service charges for 09/10 for the Salisbury council house tenants and this had since been recommended for approval by the IE
- (i) in following the government's rent restructuring scheme, an additional £1m of revenue would be generated next year. Once balanced by an increase in the negative subsidy payment, and other growth items (pay award, additional tenant participation officer), the HRA was better off in 09/10 by approximately £500,000
- (j) consequently, by the end of 09/10, the HRA reserves were predicted to stand at approximately £12.1m
- (k) John Thomson explained that he had not wanted the IE to approve the HRA 30 year business plan, based on the reasoning that this should be a decision of the new council, particularly due to the projected deficit to this account. He referred to the national campaign calling for the government to review the HRA subsidy system, but suggested that, even if this review resulted in a reduced negative subsidy for the HRA, its impact was unlikely to be felt until the new comprehensive spending period (2011 – 2014).

**RESOLVED to note this budget update.**

### **5. Policy Harmonisation Update**

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

- (a) 'rent arrears for council managed temporary accommodation', 'rent deposit guarantee scheme' and 'removals and storage' were the first three policies requiring harmonisation before the 1<sup>st</sup> April 2009, and these would be put to the IE for approval on the 26<sup>th</sup> February
- (b) there were a number of policies which had been identified as 'business critical' for the 1<sup>st</sup> April 2009, and these would therefore be submitted for approval as harmonised policies in the coming months
- (c) whilst respecting the need for the 'rent arrears for council managed temporary accommodation' policy, members nonetheless were keen to highlight the challenges posed by certain cases, i.e. where there was a need to comply with homelessness legislation in respect of families with children, and where people died with outstanding rent arrears
- (d) reassurance was provided that the new council's policies and practices would cover these types of difficult cases, and that there was adequate resources to cover situations where bad debt had to be written off, with sufficient in the 09/10 reserve fund to cater for unforeseen budget pressures
- (e) one of the ways in which the council could look to work in the future was to negotiate with the relevant government department to ensure that housing

benefit claimants signed an agreement before being approved for benefit assistance, which guaranteed rent payments to the council from this benefit

- (f) in addition, through working better together the council, police and other partners could help one another in sharing information about members of the public – which in turn, could help the council to identify at an earlier stage cases where tenants were likely to fall into rent arrears
- (g) in regard to the policy for 'removals and storage' it was clarified that the contract regarding the disposal of goods and furniture was with the tenant and the removal company, and therefore it was not possible for the council to recover bad debt from rent arrears through the selling off of these goods and furniture.

**RESOLVED to note this report.**

## **6. Key Issues & Risks Update**

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

- (a) the risk register had been updated and considered by the Housing Partnership and its steering group on the 9<sup>th</sup> February. One of the actions requested by the partnership was for the register to be divided into three categories – '1C4W risks', '1C4W and ongoing risks' and 'ongoing risks'
- (b) officers were currently working on improving the register to incorporate the requests of the partnership, which would include a 'direction of travel' indicator and show names against each risk, to provide reassurance that the risks were being owned and managed. Also the partnership had requested that the register be related to the tasks listed on the housing project plan
- (c) whilst there were no risks currently listed as high in terms of likelihood and business impact, there were 25 risks listed as medium and 13 as low – with any of these having the potential to escalate in their seriousness through the transition process and during the first year of the new council
- (d) the key risks that had so far been identified as 'medium' could be summarised as:
  - (i) falls in service levels and performance
  - (ii) inability to comply with new corporate IT requirements, i.e. SAP
  - (iii) insufficient staff capacity particularly to work on transformational projects
  - (iv) customers were not informed of service changes which would affect them from Day 1
  - (v) contracts and service level agreements were not reviewed

- (vi) funding was reduced for tenant participation and right to buy applicants / leaseholders
  - (vii) the homelessness strategy was not in place and approved in time for the October 09 CAA inspection
  - (viii) staff – temporary and consultancy – could not be retained or replaced in time for Day 1
- (e) the task group repeated its concern regarding the slow progress being made in recruiting staff to the new housing structure, whilst noting that the Head of the Homelessness Service and the Head of the Choice Based Lettings Service was being interviewed that day
- (f) reassurance was offered that project leads were in place to do the work of those members of staff yet to be confirmed in post and that good use was being made of temporary and ‘acting’ staff
- (g) members were assured that there were more jobs in the new structure than there were current housing officers employed across the five councils
- (h) additionally, members were assured that officers currently delivering the housing services were performing well and maintaining standards
- (i) also, the risk concerning the loss of geographical knowledge was currently classed as ‘low’, due to the considerable number of current staff who would transfer across to the new authority
- (j) despite these assurances, the task group maintained concerns regarding the speed at which the appointments’ process was being progressed, not only in terms of the risk this posed to the delivery of the housing service, but also in terms of the impact it had on staff morale.

**RESOLVED to note this report and to request a further update on key risks and issues, along with information on the related project plan, for the March meeting.**

## **7. Performance Update – Quarter 3**

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

- (a) in general, performance had improved over the quarter three period, particularly in terms of reducing the number of people in B & B
- (b) with regard to NI160 – members requested an explanation for the next meeting on how and why the methodology for measuring this target had changed.

**RESOLVED to note the report and to request an explanation regarding how and why the methodology for measuring NI 160 ‘local authority tenants’ satisfaction with landlord services’ had changed**

**8. Draft Joint Direction of Travel Report for Wiltshire District Councils 2008/09**

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

- (a) the chairman had made comments to the IE on the task group's behalf to inform its consideration of this report in January in respect of housing. In doing so she had expressed agreement with the majority of the report, but had suggested that progress in developing the new Choice Based Lettings (CBL) policy / service was better than the auditors had described
- (b) members noted that the CBL policy was due to commence on the 9<sup>th</sup> March 2009
- (c) military personnel should be encouraged to register on the council's housing list, as this would assist the council in drawing in funding to support them.

**RESOLVED to note the report.**

**9. Feedback on Separate Scrutiny Exercise on the Older People's Accommodation Strategy**

- (a) the members who had taken part in this exercise commented on how helpful the discussion had been, bearing in mind the significance and scope of this new strategy
- (b) one of the worrying statistics which was informing this new strategy was the projected rise in the number of older people with dementia over the next 20 years in Wiltshire
- (c) the strategy would provide one of the means by which housing and adult social care officers would work together to implement joint housing and social care initiatives and projects.

**RESOLVED to note that this separate scrutiny exercise had taken place and that its findings and recommendations would be submitted to the IE Members for Housing / Community Services to assist in informing the consultation phase for this strategy to be launched at the end of February 2009.**

**10. Date of Next Meeting**

Members noted that the task group's next meeting was due to take place at 2.30pm on the 12<sup>th</sup> March 2009 at County Hall. The meeting would be preceded by a members' briefing at 2.00pm.

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*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 email: karenlinaker@wiltshire.gov.uk)*