

## MINUTES

### HOUSING AND COMMUNITY OVERVIEW AND SCRUTINY

7 NOVEMBER 2018

#### Present:

#### Councillors:

Adeleke	Howard
Armytage	Imarni (Vice-Chairman)
Banks	Mahmood (Chairman)
Bassadone	Pringle
England	W Wyatt-Lowe

#### Portfolio Holders

Councillor Griffiths (Housing)

#### Officers:

Fiona Williamson	Assistant Director (Housing)
Fiona Jump	Group Manager (Financial Services)
Matt Rawdon	Group Manager (People, Performance & Innovation)
Cassy O'Neil	Corporate Support Team Leader (Minutes)

The meeting began at 7.30 pm

#### **239**            **MINUTES**

There were no minutes for consideration; the Clerk to the meeting has unfortunately been absent due to sickness following the previous meeting. The minutes of the Housing and Community OSC meeting on 10<sup>th</sup> October 2018 will be made available as soon as possible and brought for consideration at the next meeting.

#### **240**            **APOLOGIES FOR ABSENCE**

Apologies received from Cllrs PHearn and Mills

#### **241**            **DECLARATIONS OF INTEREST**

There was no declaration of interest.

#### **242**            **PUBLIC PARTICIPATION**

There was no public participation.

**243**                    **CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO CALL-IN**

None

**244**                    **BUDGET MONITORING Q2 REPORT**

FJump introduced the report, explaining the purpose is to present the forecast financial position for the Council as at the end September 2018.

Section 2 (pg 4) contains summary table of areas of pressure for Council as a whole.

Overall position for the whole Council is summarised in Section 2.5 of the report.

Section 3 (pg 6) summaries pressures related to this Housing OSC area.

Detailed appendices refer; General Fund (Appendix A), HRA (Appendix B) and Capital Programme – Housing and Community (Appendix C).

Summary; overall pressure of £249k (£15k within H&C). Pressure of £19k against HRA. Slippage £195k against Capital Programmes.

FJump invited questions on the report.

Cllr England asked; is it correct to say there is a link between slippage on Capital Programme and the lost in rent revenue where builds are not completed?

F Williamson responded no, that is not the case. Slippage is mainly attributed to the two garage sites (temp accommodation). Initial discussions with Planning Dept identified there were potential issues with the original designs due to the proximity of Garages to local residents, and wanted to ensure these issues were addressed so the revised designs are sympathetic to nearby residents. Also some party wall issues that have caused some delay. Finally, programming of delivery meant work would start on site just before the Christmas shut down which would incur a 2 weeks delay in programming in various trades, so made decision to start at beginning of calendar year. Those factors have impacted timeline so caused the slippage.

Cllr England asked; when that development is done it will bring in income? So therefore the delay will cause slippage? F Williamson advised the forecast for that rental income was not included for in this financial year so should not have any slippage impact. The rents were impacted by the timeline for the delivery of Kylna Court, which will be completed week commencing 10<sup>th</sup> December, so only the final quarter of the year will rental income be received.

Cllr Griffiths highlighted the point that the money from the Garage sites will go into General Fund account as this will be temporary accommodation. Rents from Kylna Court will go into HRA as it is Housing Rental.

Cllr Bassadone asked, where did the name Kylna Court come from?

Cllr Griffiths responded that it came from historical data relating to Kilns in area, however we could not have that name due to it already being in use so this was selected from one of the other options put forward.

Cllr W Wyatt Lowe raised a query regarding main sub contracts with Sunrealm and Osbornes, specifically the figures around gain share.

F Williamson referred to the final Qtrs 3 & 4 for last year, commenting that by time gain share was audited we were already in next financial year. Decision was therefore made with colleagues in finance that rather than accounting for it in year and trying to spend it in year, we instead forecast an accrual at the end of the year when we have the audit reconciliation.

Cllr W Wyatt Lowe commented that he did not feel that was reflected in the figures.

FJump added that gain share will be included in the forecast, but that she would confirm and go back to the Cllr to clarify.

Cllr Armitage referred to Appendix C, item 52 - creation of new units – and asked for clarification as to what that referred to.

F Williamson confirmed it is the the 2 new garage sites as referred to previously; with development of 6 temp accommodation units on each of the sites.

Cllr England asked about the garage shortfall, asking what data do we have about our garage stock and what condition they are in, commenting that the data does not seem to be as good as it could be.

F Williamson confirmed an audit has been undertaken on the garage management. A draft report has been prepared and is with management for comments. The report contains some recommendations that will be shared with Audit Committee when finalised. In terms of ongoing work – there is a garage project ongoing looking at improving information on all our sites.

Cllr Imarni asked; for a future scrutiny meeting could we look at the whole Osborne contract, commenting that it comes up often with Leaseholders and would be good for Members to have a better understanding of it.

The Chair advised this would be covered under Item 8 on the agenda so will discuss then.

Cllr England referred to item 4.3; £240k underachievement of income due to voids not being as estimated and asked; what is the rationale for the voids being higher?

The Chair advised that this will also be covered under Item 8 so will discuss at that item.

The Chair commented that he understands there is a strategy in place to look at garages and how we can increase income and look at the £160k slippage pressure under Item 2.2?

F Williamson advised that with the online portal to access where garages come available we have seen an increase in interest. There was a concern that we had reached a peak rental level and that may be causing people to end their garage tenancies, so we are now doing some work when tenants return keys to understand why people end their tenancy. Also tracking some work on which sites are more attractive than others, so that we can work with Estates to identify low income level sites to look at viability for disposal.

The Chair referred to the cost of £80k on Adventure Playgrounds; why has that cost increased?

MRawdon advised it was a one off cost relating to redundancy and pension strain of staff.

The Chair referred to Appendix B, noting that rent charges have doubled and queried how, with rents and rates fixed at beginning, how such a large variance?

FJump advised that although grouped with rent and rates, this actually refers to Council Tax on voids; because voids are higher the Council Tax impact is also higher.

Cllr England referred to Adventure Playgrounds and the one off cost due to transition and asked; should that not have been factored in last year when we decided the budget and took the decision on the Adventure Playgrounds?

MRawdon responded that he believed it was factored in but he would have to check that as he was not managing the service at that time. Adding that we had to forecast the redundancy cost as that was an unknown at the time.

Cllr England queried; so when we were looking at savings there, we should have been looking at range of possible savings?

MRawdon advised that the savings still stand, this is year 1 costs only.

Report noted.

## **245**                    **PERFORMANCE, PEOPLE AND INNOVATION Q2 PERFORMANCE REPORT**

MRawdon introduced the paper which highlights achievements over Q2; overall a positive outturn. Officer comments are contained within report.

The 2 amber items relate to CSU and are caused by some staff turnover to other jobs within the Council. To re-train a new starter can take up to 12 months for them to be fully up to speed on all services.

Achievements & updates also contained in report.

MRawdon invited questions on the report.

The Chair referred to item 7.3 – MASK programme, querying what is that?

MRawdon advised it is a youth programme for youngsters who maybe have some confidence or mild mental health issues. This is the 4<sup>th</sup> cohort, working with a company using masks that builds to a performance at the Old town Hall at end of programme.

The Chair referred to summer grants, item 7.2 and asked; is that all we give out during the year?

MRawdon advised that figure only refers to Qtr 2. Overall the figure is in the region of £60k for grants, we ensure that by end of year all grants are allocated. Grants are available to Community & Voluntary Groups.

Cllr W Wyatt Lowe referred to indicator CSU 11 on pg 17 and asked; can you explain what the numbers under RAG are? This does not seem to equate correctly.

MRawdon advised that he would check and come back with the background figures.

Cllr England sympathised with difficulty around staffing and referred to the comment regarding 12 months for training, asking; in that space of time are some new starters are moving on to new roles? Is there anything that can be done to keep people in the roles?

MRawdon responded that whilst it is good that staff are moving within Dacorum, it has a negative impact on the service. Currently looking at introducing a longer notice period (currently 1 month). The CSU staff are attractive to back offices as they are multi service skilled and have a lot of the background knowledge that helps them to gain roles in back office. CSU is also a tough working environment due to the nature of the role.

Cllr England asked, could those staff that have moved on be kept in a 'pool' of draw down staff to help CSU?

MRawdon advised that it is difficult to work with the other managers to facilitate that as they have a service to deliver also.

Cllr Griffiths commented that as a CSU manager in her day job, you have to be careful not to make it too onerous in terms of notice period; you don't want people to be deterred from applying for roles because they will be tied in too tightly.

MRawdon advised that at this time CSU are also not able to work flexibly. Have been trialling them working from home more, adding that it is easy to monitor performance but up until now technology has prevented work from home in this department.

Cllr England suggested overstaffing the CSU area to avoid the situation of going to amber.

Report noted.

F Williamson introduced the report. Critical performance indicators are noted in Appendix A and each includes comments from the managers involved in those services.

With regard voids – have been looking into the reasons why we are exceeding the 0.8% void rate that the Finance Team had set out at beginning of year. The report on this has not been finally concluded, but in terms of understanding detail around refusal rates, the report gives figures around number of applicants on active register and how many of those have bid for properties in the last 3, 6 and 12 months to understand association between housing need and frequency and type of bids.

Suffering pressures from staff being sick or on leave, which impacts allocations.

The trend is continuing on key to key times; doing everything we can to assess the evidence and target interventions. Also looking to use some additional people from Housing to provide some support.

In terms of other areas of performance; the % of dwellings with Gas Safety Certificate is amber because the target is set at 100%. Access to properties is often down to issues such as tenants being in hospital etc.

Satisfaction with medium level ASB cases seems to be linked to the level of evidence we are actually able to obtain and often having to act in a mediatory capacity between neighbours.

In terms of positives; reassessed for ISO9001 accreditation, had some very positive feedback from auditor – awaiting final report but they are indicating that we will be recertified and we have met the new 2015 standards.

F Williamson invited questions on the report.

Cllr W Wyatt Lowe referred to pg 24 and asked for clarification in description of SH37 - number of rough sleepers approaching. What does that mean?

F Williamson advised that we have a number of people that approach the Council as homeless. There are a variety of circumstances that fulfil the homelessness criteria; rough sleeping is one of them. Others could be parental eviction, sofa surfing, domestic violence or Landlords serving notice. That indicator definition is the number of people that have identified by the Council as sleeping rough; they may have been picked up by DENS outreach but they still are recorded.

Cllr W Wyatt Lowe clarified; this is only those who have been identified as approaching us as a rough sleeper or DENS outreach workers have approached them and they have agreed to be classified as homeless?

F Williamson advised some rough sleepers are identified but do not have recourse to public funds.

Cllr W Wyatt Lowe referred to voids and commented that he has found a lot of people who are on the housing list but do not know how bidding works. Can we be more

proactive in contacting people (be it a text or similar) to advise them that an available property meets their requirements and they may want to consider having a look?

F Williamson responded that Choice Based Lettings is predominantly online and some people can find that process challenging, particularly those seeking sheltered accommodation. Have freed up half a post in the tenancy involvement team and we will be using that role to dedicate to supporting people that are on the housing register that would be looking at sheltered accommodation and working with them to bid on their behalf.

Cllr W Wyatt Lowe asked have you thought about use of text?

F Williamson responded that she would look into that, not sure if it is being used at this time.

Cllr W Wyatt Lowe referred to pg 62, bottom row – appears to be a typo – should be 'good' not 'food'?

F Williamson noted.

Cllr W Wyatt Lowe referred to the item on funding and bad debt provision/Universal Credit as pg 73 and asked; how are those estimates derived?

F Williamson responded that a number of measures have been used – one looking at pilot authorities and looking at number of people in Dacorum already on Universal Credit and the arrears accrued through transitioning to Universal Credit. Looking at calculations from our own tenants and the numbers that will transition later this year, we were able to identify what the bad debt provision max and min levels would be. The Income Team are in process of appointing a dedicated officer to assist those transitioning to universal Credit and help them understand the need to put some money away to contribute toward that debt.

Working very closely with Benefits Team to ensure support is available to everyone that will be transitioning and provide some presence in CSU to be able to provide advice; this will impact private tenants, not just our tenants.

Cllr England referred to pg 20 – number of days since last bid and asked; is it correct to say that there are 125 more people who are bidding in the 3 month period than in the next window up and then 244 more than in the over 12 months?

F Williamson responded that we have not yet carried out full analysis of the figures.

Cllr Howard asked; is it the case that that if you apply for one property and do not accept the offer, you have to wait a certain amount of time before you can apply again?

F Williamson confirmed that if someone bids on a property, are successful and the property is suitable for their needs but they refuse the offer, they have to wait 6 months before they are able to bid again.

Cllr England referred to the Housing Register, asking; is 5800 on the register a figure that is going up or down?

F Williamson responded that it fluctuates; often when people know there is a new build programme going online there is an influx of applications. They still have to go through the process and some may not meet the threshold but certainly, it increases interest in registering.

Cllr Armytage referred to pg 73 and the disposal of non-traditional housing stock and asked for more detail.

F Williamson confirmed that non-traditional does not refer to construction type. We have some Victorian and period properties in the villages; these properties are not new town build properties as most of our stock. They often attract a higher market value but are also more expensive to maintain due to insulation and heating costs etc. If one of these properties becomes void we go through a matrix to decide if we would consider them for disposal.

Cllr England referred to the sheltered housing stock; the over 60 population is increasing; shouldn't that make it easier to let that stock?

F Williamson advised that it is also about whether or not people would want to move to sheltered accommodation, it is something that needs to be looked into more. At the moment there is no penalty for anyone over 60 to be under occupying a larger home such as a 3 bed. As well as the under occupancy, as people age in a larger property they may also struggle to maintain over a period of time and when the property does become void it takes more work to bring it up to a lettable standard.

We are doing more work to identify people in those positions and support them in deciding if a sheltered accommodation property might be more suitable for their needs.

Cllr Griffiths added that a lot of work is done by the department to try to encourage people. But as a nation we are encouraging and supporting people to stay in their own homes. We need to be supporting people to plan for their future.

Cllr England asked; do you have a category of hard to let properties?

F Williamson responded that not under the national definition of 'hard to let'. But we do look at the schemes where we have a constant level of maybe 3 or 4 flats void at any given period. General needs properties get allocated quickly, 2 bed properties have the highest demand. We have no defined hard to let.

The Chair commented that the key point is the void issue one so looking forward to receiving the report on how that will be tackled.

Report noted.

**247**                    **GAS SERVICING AND TOTAL ASSET MANAGEMENT CONTRACT PERFORMANCE YEAR 4**

F Williamson apologised that the formatting of the report has overlapped on pages 89/90. This is due to desktop refresh to new laptops in Housing but not in Member



Support so some compatibility issues. It has been agreed that Housing will provide PDF version of reports to Member Support to avoid this happening in future.

Appointed Alan Mortimer as new Group Manager of Property & Place; he will be presenting any detail around contracts moving forward.

Report refers to Sun Realm and Osbornes and relates to Yr 4 performance, so we are looking at last year's performance.

Sun Realm continue to provide a good level of service. They are proactive in installing new boilers before multiple repairs occur. In previous contract running at 60% of our boilers being replaced due to category 1 breakdowns. Now down to 16.61%.

Osborne performance overall against key performance indicators has remained strong. In terms of key strategic indicators, there have been some areas of concern around two of the indicators.

Transparency of cost and IT integration of systems are both to be discussed at the next Strategic Core Group meeting. They need to satisfy all the key strategic indicators in order to be awarded contract extensions when reviewed moving forward.

Cllr Imarni referred to pg 94 – open book policy, commenting that in meetings she has been involved in, both in and out and about in Borough, Osbornes pricing doesn't seem to be that competitive against private contractors. When we are setting these contracts, who are we setting these against? This comes up a lot at TLC meetings; leaseholders challenge the costs. Are we getting the best for our money?

F Williamson advised there is an opportunity at Yr 5 of contract for a full benchmarking review, which has already commenced and we are compiling benchmarking information. Met with Welwyn Hatfield Council recently, who have shared their costs for all their major planned work components. It is more difficult in areas such as small works and ground works. The schedule of rates provides the cost base for industry.

The monthly invoices are scrutinised against prior year costs and any external pricing we have from framework agreements; there is a non-exclusivity clause in the contract. We do continually market test.

F Williamson suggested arranging a Member Training session to look at the contract framework and how it works.

Chair confirmed that would be a good idea.

Cllr W Wyatt Lowe supported what Cllr Imarni had said; it is a regular cause of complaint on costing. Be interested to know how many such complaints come in from leaseholders.

Cllr W Wyatt Lowe asked; could you please change the fonts on 67 and 68 of the report – difficult to read.

F Williamson confirmed that it has distorted due to the computer compatibility and will be addressed by Housing providing reports in PDF in future.

Cllr England agreed with the frustrations around cost disparity.

The Chair referred to electrical checks and asked; who does that?

F Williamson confirmed that they are delivered through Osbornes; we want to get into all properties within 2 years so we have a baseline of stock condition for electrical safety.

The Chair referred to Item 17.5 on pg 95; can you clarify what the auditors are saying?

F Williamson advised that one of their concerns was how the build-up of costs are able to be identified against the jobs; they made recommendations about how that information is provided to them.

Report noted.

## **248**                    **WORK PROGRAMME**

The Chair referred to the budget meeting on 4<sup>th</sup> December and asked that the committee please ensure that if they cannot make the meeting, apologies are tendered. To that end, the Chair advised his apologies for the 4<sup>th</sup> December meeting.

Cllr England requested that someone gives a report to this committee on Everyone Active and Sports & Leisure Contract on performance levels (service levels not financial).

The Chair confirmed he would need to speak to Cllr Harden, Cllr Collins & Linda Roberts who will need to advise on this.

The Meeting ended at 9.15 pm