

Public Document Pack

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To: Cllr Helen Brown (Chair)

Councillors: Pam Banks, Gillian Brockley, Tina Claydon, Geoff Collett,
Rosetta Dolphin, David Evans, Ray Hughes, Dennis Hutchinson, Kevin Rush,
Dale Selvester and Linda Thew

9 November 2023

Dear Sir/Madam

NOTICE OF HYBRID MEETING
COMMUNITY & HOUSING OVERVIEW & SCRUTINY COMMITTEE
WEDNESDAY, 15TH NOVEMBER, 2023 at 10.00 AM

Yours faithfully

Steven Goodrum
Democratic Services Manager

Please note: Attendance at this meeting is either in person in the Lord Barry Jones Council Chamber, Flintshire County Council, County Hall, Mold, Flintshire or on a virtual basis.

The meeting will be live streamed onto the Council's website. The live streaming will stop when any confidential items are considered. A recording of the meeting will also be available, shortly after the meeting at <https://flintshire.public-i.tv/core/portal/home>

If you have any queries regarding this, please contact a member of the Democratic Services Team on 01352 702345.

A G E N D A

1 APOLOGIES

Purpose: To receive any apologies.

2 DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Purpose: To receive any Declarations and advise Members accordingly.

3 MINUTES (Pages 5 - 24)

Purpose: To confirm as a correct record the minutes of the meetings held on 13 September and 11 October, 2023.

4 FORWARD WORK PROGRAMME AND ACTION TRACKING (Pages 25 - 34)

Report of Overview & Scrutiny Facilitator

Purpose: To consider the Forward Work Programme of the Community & Housing Overview & Scrutiny Committee and to inform the Committee of progress against actions from previous meetings.

5 HOUSING REVENUE ACCOUNT (HRA) 30 YEAR FINANCIAL BUSINESS PLAN (Pages 35 - 50)

Report of Chief Officer (Housing and Communities) - Cabinet Member for Housing and Regeneration

Purpose: To consider the proposed Housing Revenue Account (HRA) Budget for 2024/25 and the HRA Business Plan.

6 HOMELESSNESS BUDGET PRESSURE - OPTIONS PAPER (Pages 51 - 74)

Report of Chief Officer (Housing and Communities) - Cabinet Member for Housing and Regeneration

Purpose: To present the proposed mitigating measures being explored with a view to reducing the budget pressure around emergency accommodation.

7 **HOUSING RENT INCOME** (Pages 75 - 80)

Report of Chief Officer (Housing and Communities) - Cabinet Member for Housing and Regeneration

Purpose: To provide the latest operational update on the collection of housing rent and to set out proposed changes to the Corporate Debt Recovery Policy to strengthen the rent enforcement process.

8 **VOID MANAGEMENT** (Pages 81 - 84)

Report of Chief Officer (Housing and Communities) - Cabinet Member for Housing and Regeneration

Purpose: To provide a detailed update to the Committee on Void properties and the work undertaken to bring the properties back into use.

Please note that there may be a 10 minute adjournment of this meeting if it lasts longer than two hours

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COMMUNITY & HOUSING OVERVIEW & SCRUTINY COMMITTEE **13 SEPTEMBER 2023**

Minutes of the meeting of the Community & Housing Overview & Scrutiny Committee of Flintshire County Council held as a remote attendance meeting on Wednesday, 13 September 2023

PRESENT: Councillor Helen Brown (Chair)

Councillors: Pam Banks, Gillian Brockley, Tina Claydon, Geoff Collett, Rosetta Dolphin, David Evans, Ray Hughes, Dennis Hutchinson, Kevin Rush, Dale Selvester and Linda Thew

ALSO PRESENT:

Councillors: Bernie Attridge, Bill Crease and Paul Johnson attended as observers
Councillors: Mel Buckley, Gladys Healey, Dave Mackie, Hilary McGuill and Linda Thomas attended for Agenda Item 5 – Disabled Adaptations Policy, as Members of the Social & Health Care Overview & Scrutiny Committee

CONTRIBUTORS: Councillor Sean Bibby (Cabinet Member for Housing and Regeneration); Chief Officer (Housing & Communities); Senior Manager (Housing, Welfare & Communities); Service Manager – Housing Assets; Service Manager – Housing & Prevention; Strategic Housing & Programme Delivery Manager and Housing Strategy Manager

IN ATTENDANCE: Community & Education Overview & Scrutiny Facilitator & Electoral Services Officer

28. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Councillor Bernie Attridge declared a personal interest in Agenda item 5 – Disabled Adaptations Policy.

29. MINUTES

The minutes of the meetings held on 3rd and 12th July, 2023 were approved as a correct record, as moved and seconded by Councillor Rosetta Dolphin and Councillor Dale Selvester.

RESOLVED:

That the minutes of the meetings held on 3rd and 12th July be approved as a correct record and signed by the Chair.

30. FORWARD WORK PROGRAMME & ACTION TRACKING

The Facilitator presented the current Forward Work Programme for consideration and advised that the Temporary Accommodation Audit report had been moved and would be reported to the Committee at its meeting scheduled for 11th October 2023.

The Facilitator informed the Committee that a meeting between the Chair, Vice-Chair and Senior Officers within the Housing & Communities Portfolio had been arranged ahead of the next Committee meeting, to discuss items for the Forward Work Programme. An updated Forward Work Programme would be presented to the Committee at the next meeting.

In relation to the action tracking document, shown at Appendix 2 of the report, the Facilitator reported that she had received a response from Mark Tami MP, who had contacted the Department of Works and Pensions (DWP) on the Committees' behalf. Once a response had been received, this would be circulated to the Committee.

The recommendations, as outlined within the report, were moved by Councillor Rosetta Dolphin and seconded by Councillor Dennis Hutchinson.

RESOLVED:

- (a) That the Forward Work Programme be noted;
- (b) That the Facilitator, in consultation with the Chair of the Committee, be authorised to vary the Forward Work Programme between meetings, as the need arises; and
- (c) That the Committee notes the progress made in completing the outstanding actions.

31. DISABLED ADAPTIONS POLICY

The Senior Manager (Housing, Welfare & Communities) introduced the report which detailed the amendments to the policy that had been necessary to align adaptations for the private sector or with those for Local Authority Council housing.

The Housing Grants, Construction and Regeneration Act 1996 placed a mandatory duty on Local Authorities to provide disabled facilities grants (DFG's) which was available for adapting or providing facilities for a disabled person in a dwelling. The statutory limit for a DFG was set by the Welsh Government (WG) and was currently £36,000 per application within a five year period.

The Senior Manager outlined the numbers of medium and large adaptations for the private sector, along with a review of each year to explain the increases and decreases in the figures, as outlined in the report.

Councillor Dale Selvester in referring to the report asked if there was only one Occupational Therapist (OT) working within the Housing & Communities Portfolio. Senior Manager (Housing, Welfare & Communities) explained that there was one OT within the portfolio but there was the possibility of engaging with OT's within the Social Services portfolio. She advised that this did not cause a delay in the delivery of adaptations.

Councillor Rosetta Dolphin asked if the Council re-claimed costs for adaptations in private properties if the person requiring the adaptation passed away. She also

asked how many OT's worked within the Social Services portfolio. The Senior Manager advised that the Council did not reclaim the costs but put a charge on the property, so that if a property was disposed of within a 10 year period, the Council would claim back costs to a limit on the sale of a property. The Senior Manager said that she would confirm the number of OT's within the Social Services portfolio with the Committee following the meeting.

Councillor Hilary McGuill commented on the improvements made to the service and the reduction in the number of days taken for adaptations, as outlined within the report. She asked whether adaptations in Local Authority properties were means tested if a tenant moved from a property with an adaptation to a sheltered housing property and would the property be utilised by a tenants with a need for that particular adaptation. The Senior Manager advised that there was no financial reclaim from Local Authority tenants as there would be no financial benefit to the tenant for the adaptation. The Council would also look to re-allocate the property to someone who had the same adaptation requirement.

Councillor McGuill also asked if the service had close links with the North East Wales store based in Hawarden. The Senior Manager explained that the store held minor adaptation equipment and that the adaptations service carried out medium and major adaptation works. She explained that improvements had been made to reconditioning and reusing stock, such as stairlifts and advised that they were robustly tested before being reused to ensure their safety.

The recommendation, as outlined within the report, was moved by Councillor Hilary McGuill and seconded by Councillor Gladys Healey.

RESOLVED:

That the Committee support the updated Disabled Adaptations policy which covered both private homes and council stock properties.

32. HOMELESSNESS BUDGET PRESSURES

The Service Manager – Housing & Prevention provided an update on emergency accommodation budget pressures. A briefing note had been circulated to the Committee ahead of the meeting, which provided further detail.

In referring to the briefing note, the Service Manager advised that within the Housing Solutions Service, there were a number of specific budgets for homeless accommodation settings for 'interim housing'. In addition, there was a further specific budget for emergency accommodation which needed to be used when there was no remaining capacity in other budgeted temporary accommodation. The emergency accommodation used was mostly hotel rooms within and beyond the boundaries of Flintshire, together with some use of other forms of holiday lets, such as caravans and apartments. A summary of in year spend to date was outlined within the briefing note.

The Committee was advised that the projected total spend for the year was based on the spend to date with adjustments for prepaid accommodation and also for outstanding commitments. Further allowance was then made for the expected spend

for the remainder of the year using the spend to date as the initial base point, but also taking account of the full year impacts of growth in numbers in the year to date and further expected growth in numbers in the remainder of the year.

The Service Manager reported that since October 2022 there had been significant and sustained growth in the numbers of homeless people needing to be accommodated in emergency accommodation due to homelessness. As had been referenced in previous reports to Committee on homelessness, the challenging market conditions, instability in the private rented sector, tensions at home, increases in people's complexity of needs and changes to homelessness legislation were all key drivers for ongoing and sustained demand for homeless services and emergency accommodation. The lack of appropriate social housing to meet the needs of those who experience homelessness, along with affordability and availability issues within the private rented sector, continued to present significant barriers to assisting people to exit homelessness in a timely manner.

In response to a question from Councillor Gladys Healey around rough sleepers, the Service Manager reported that there were currently four rough sleepers in Flintshire and advised that these were not included within the figures presented to the Committee within the briefing note. Support was provided to the rough sleepers to ensure that they were aware of the support available to them.

In response to a question from Councillor Pam Banks on the Homeless unit within her ward, the Service Manager agreed to speak to Councillor Banks following the meeting.

In response to a question from Councillor Rosetta Dolphin on whether the homeless units at Park Lane and Duke Street had been completed, the Service Manager advised that completion was imminent.

Councillor Bernie Attridge thanked the Service Manager for the briefing note. He said that the budget pressures were very concerning and would only get worse over the next 12 months. He asked the Chief Officer and Cabinet Member what representation they were making at a national level to secure additional funding to assist the Council in meeting the requirement of Welsh Government (WG) legislation to support people presenting as homeless and providing emergency accommodation.

The Cabinet Member for Housing & Regeneration agreed that there seemed to be a mismatch between WG aspirations and resources being provided to deal with issues at a local level. He gave an assurance that he was meeting regularly with counterparts across Wales, as this issue was not limited to Flintshire, to be very clear to WG that new legislation required adequate resources to be provided.

Councillor Hilary McGuill asked if the service communicated with the Empty Homes Scheme as she was aware of two private properties within her ward which had been empty for a considerable amount of time. The Service Manager advised that the Council were actively looking to purchase ex Council homes with a number of leads being progressed. The Chair advised that this had been previously considered but there was a lot of barriers to purchasing private homes.

Councillor Dale Selvester asked whether consideration would be given to suspending the housing register, as had been carried out previously, to assist with the accommodation available for people who presented as homeless and bring the budget pressure down. The Service Manager that all options needed to be considered prior to bringing back options to the Committee to consider. He outlined the number of people currently listed on the housing register who also had housing needs.

In response to further concerns raised by the Committee, the Chair suggested that a letter be written to the WG to express the Committee's concerns around the financial implications to the Local Authority following changes to the Housing Wales Act 2014 (HWA 2014) and the need for appropriate levels of resource and support to be provided to the Local Authority.

Councillor Dennis Hutchinson recommended that the Chair write to the WG, on behalf of the Committee, to express its concerns around the financial implications to the Local Authority following changes to the Housing Wales Act 2014 (HWA 2014) and the need for appropriate levels of resource and support to be provided to the Local Authority. This was seconded by Councillor Ray Hughes.

RESOLVED:

That the Chair write to the Welsh Government, on behalf of the Committee, to express its concerns around the financial implications to the Local Authority following changes to the Housing Wales Act 2014 (HWA 2014) and the need for appropriate levels of resource and support to be provided to the Local Authority.

33. HOUSING STRATEGY ACTION PLAN PERFORMANCE UPDATE

The Strategic Housing & Programme Delivery Manager introduced the report to provide an update on the delivery of the Housing Strategy Delivery Plan 2019-2024 with particular emphasis on financial year 2022/23. The Housing Strategy had a delivery plan which set out 3 strategic priorities and related activity to achieve those priorities.

An internal Audit was undertaken in 2022/23 – Right Types of Home in the Right Location – Housing and Communities. The final report dated March 2022/23 was rated amber/green: key controls generally operating effectively but with recommendations in relation to some fine tuning which had been implemented, including the creation of a risk register. Schemes were appraised on a regular basis to ensure that where possible, risks were identified at an early stage and mitigating actions were taken to ensure the timely delivery of the schemes within the Delivery Plan.

The Strategic Housing & Programme Delivery Manager reported that the cost of living pressures and the impacts of the War in Ukraine were continuing to place significant cost and availability pressures placed on labour and materials. There was also a continued risk of increased demand on homeless prevention services as termination notices had risen.

The recommendation, as outlined within the report, was moved by Councillor Dennis Hutchinson and seconded by Councillor Ray Hughes.

RESOLVED:

That the Committee note the following changes outlined in the report:-

- The Planned Development Delivery Programme (PDP) process and the move to an online portal;
- The removal of the 20% limitation on the budget for acquisitions; and
- The alignment of standards and intervention rate for acquisitions under Social Housing Grant (SHG) with those from Transitional Accommodation Capital Programme (TACP)

34. FLINTSHIRE HOUSING NEEDS PROSPECTUS

The Strategic Housing & Programme Delivery Manager introduced the updated draft Housing Needs Prospectus.

The Welsh Government (WG) required that each Local Authority develop a Housing Needs Prospectus to be updated on an annual basis. The format and content of the prospectus had not changed significantly to alter the director of travel set out in last year's prospectus. The changes identified in the report reflected the increasing demand for social housing from the housing register and homelessness duties, including significant demand for temporary accommodation, which was impacting on the homeless prevention team and the Council's revenue budget.

The Strategic Housing & Programme Delivery Manager advised that the prospectus would be used by WG to approve the Programme Delivery/Development Plan and to ensure that schemes were meeting the identified need and properties, including progress towards meeting the priorities set out in the Local Housing Strategy 2019-24.

The Chair referred to the Canton Depot site at Bagillt and asked whether the proposed development on this site would take place. The Strategic Housing & Programme Delivery Manager advised that Natural Resources Wales (NRW) had produced a redesignation of flood mapping a number of years ago which gave the site a designation where it would not be possible to develop. The formal implementation of the flood mapping had been pushed back, therefore in the meantime, the Council had engaged consultants to carry out feasibility work to provide evidence to NRW that the designation was incorrect and that it was technically possible to overcome the flooding issues on the site. Work continued on assessing whether technically the issues could be overcome in order to bring an application forward.

In response to a further question from the Chair around the cost for the use of consultants, the Strategic Housing & Programme Delivery Manager advised that the proposal was staggered in a stepped approach so that if they demonstrated that it was not technically possible to proceed with developing the site at Canton Depot or that it would be too costly, then the Council could stop engaging with the consultants before going further.

Councillor Linda Thew referred to the Transitional Accommodation Capital Programme (TACP) being re-opened and the WG inviting application for funding. She

asked how much the Council had applied for. The Strategic Housing & Programme Delivery Manager advised that the Council had bid in excess of £2m to bring back empty voids across the County and in excess of £3m to acquire empty dwellings or to acquire homes where a landlord had sitting tenants who the Council would have a duty to house, but they could remain in the property. In total the Council had bid just under £10m funding from the TACP programme, but the indicative allocation was £1.6m. The priority was bringing back the void properties and the acquisition of ex right to buy properties. Further information on the final allocation would be available from 30 September 2023.

Councillor Pam Banks asked if ex right to buy properties were purchased at market rate. The Strategic Housing & Programme Delivery Manager advised that properties had to be independently valued in order to access the grant from WG, and within that valuation, the condition of the property was taken into account.

The recommendations, as outlined within the report, were moved by Councillor Geoff Collett and seconded by Councillor Pam Banks.

RESOLVED:

- (a) That the Committee support the content of the draft Flintshire Housing Need Prospectus; and
- (b) That the Committee note the Local Housing Strategy 2019-24 was due for review next year.

35. VOIDS MANAGEMENT

The Service Manager – Housing Assets presented the key figures and key activities against the void action plan, as outlined in the briefing note.

He outlined the number of new voids and those which had been completed and reported that 33 properties had been completed ready for allocation. He also outlined the following, as presented in the briefing note:-

- The number of major voids
- Total overall number of void properties which had reduced to 234
- The performance of the current contractors
- Top reasons for terminations

The Chair commented on positive feedback that had been provided on the condition of the void properties being returned.

Councillor Dale Selvester commented on the low and high demand properties outlined in the briefing note and asked why low demand properties were being returned sooner. He commented on the 1-bed properties and felt that they should be returned sooner to assist with the pressure on the homelessness budget and also was concerned that there had not been an improvement in the number of voids within the Deeside area in comparison to other district areas across the County. He was also concerned about the high number of major voids given the work being undertaken as

part of the Welsh Housing Quality Standard (WHQS) and questioned why so many properties required major improvement.

The Service Manager explained that the total figures where the number of properties at the current time and were not necessarily the same properties and said that he was happy to provide further information on the breakdown of the figures to Councillor Selvester following the meeting. In relation to the poor condition of some properties, he advised that the team were working closely with housing management and that they were carrying out 100% pre-termination visits to ascertain the condition of properties. Unfortunately, the WHQS works had not included plastering work which was the major work required on the void properties.

In response to a question from Councillor Selvester around how many void properties had been empty for longer than six months, meaning a Council Tax cost to the Council, the Service Manager agreed to speak to the Service Manager – Revenues and Procurement and provide a response following the meeting.

The Chair asked who determined whether a property was low demand or high demand. The Service Manager explained that a property was classed as high demand where there was already an allocation for a tenant. A property was classed as low demand if there wasn't a tenant allocated which could be due to access issues. Once a tenant had been allocated or improvements made to accessibility, the property would be moved to be classed as high demand.

Councillor David Evans supported the comments made by Councillor Selvester around the number of properties by district area and whilst acknowledging the response provided by the Service Manager, he felt that over the last six months the Committee would see a reduction in the number of void properties in the Deeside district area, but this was not the case. He suggested that additional information on the number of new void properties within a district area and the number returned be provided in order to reassure Members that one area was not being properties over another. He raised concern over the length of time being taken to bring void properties back into use. He recognised that the overall number of void properties had reduced but was concerned that at the current rate it would take four years to reduce the number of properties completely.

The Service Manager directed the Committee to the total voids figure shown on the briefing note which showed that the overall total number was reducing. He explained that some properties within each district area may require more complex work to bring back into use and that it would take some time for the contractors to get up to speed. He was working closely with contractors and the feedback on the quality and standard of the work had been positive.

In response to comments made by Councillor Evans and Councillor Linda Thew around the pressure being put on tenants to leave a property quickly following a bereavement, and the level of rent to be paid, the Senior Manager (Housing, Welfare & Communities) advised that a family were given a two week notice to empty a property and that full rent continued to be due until the property had been emptied and returned to the Council. She said that she would like to think that pressure was not put on

families but understood that some families wanted to empty properties sooner rather than later due to the rent payments.

Councillor Pam Banks asked if apprentices were employed within the service to assist with work on void properties. She also thanked the Service Manager for his assistance within her ward. The Service Manager advised that there were a number of apprentices within the DLO who were carrying work in minor void properties.

In response to a question from Councillor Bernie Attridge around the Transitional Accommodation Capital Programme (TACP) funding from Welsh Government (WG), the Service Manager explained that the TACP funding allocated to the Council last year allowed the Council to target properties that would not necessarily have been invested in. The TACP funding also focussed on the acquisition of properties that would not necessarily have been invested in to assist with accommodation issues.

Councillor Thew asked whether focus should be given to bringing back minor void properties in order to bring the overall figure down sooner and assist with the allocation of properties. The Service Manager advised that minor void properties were being targeted. Work also took place with the allocations team to ascertain which properties need to be returned very quickly.

In response to a question from Councillor Geoff Collett around the figures presented in the briefing note, the Service Manager advised that 20 new properties had been received and 33 properties had been completed ready for allocation. The reason this was not reflected in the total void properties figure was that not all of them had been let yet.

Councillor Kevin Rush asked about the TBC properties as shown in the briefing note and asked if they were waiting to be inspected and whether the Council was short of inspectors. He also asked if the Council were satisfied with the productive and quality of work from the DLO and Contractors. The Service Manager said that there had been a dip in performance in the number of properties allocated as major or minor voids but explained that focus had been on scheduling works. The Committee should see an improvement in this allocation figure with the right number of inspectors now in post. He also said he was satisfied with the productivity of the DLO and that the quality and standard of work from the Contractors had been excellent.

Following a request for additional information on the following areas to be included in future Void Management reports, it was agreed that consideration of the information included in future reports be undertaken during the meeting with the Chair and Vice-Chair around the FWP:-

- Details of how many properties sent back from each district area;
- Breakdown of transfers from Allocation Team to show what the transfers were for and where they transferred to;
- Information on how properties are classed as low demand and high demand; and
- Low demand properties, per ward.

RESOLVED:

That the update be noted.

36. MEMBERS OF THE PRESS IN ATTENDANCE

There were no members of the press in attendance.

(The meeting started at 10.30 am and ended at 1.03 p.m.)

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Chair

COMMUNITY & HOUSING OVERVIEW & SCRUTINY COMMITTEE
WEDNESDAY 11 OCTOBER 2023

Minutes of the meeting of the Community & Housing Overview & Scrutiny Committee of Flintshire County Council held as a hybrid meeting on Wednesday, 11 October 2023

PRESENT: Councillor Helen Brown (Chair)

Councillors: Pam Banks, Gillian Brockley, Geoff Collett, Rosetta Dolphin, David Evans, Dennis Hutchinson, Kevin Rush, Dale Selvester and Linda Thew

SUBSTITUTION: Councillor Ted Palmer (for Councillor Tina Claydon)

ALSO PRESENT:

Councillors: David Coggins-Cogan, Dave Hughes, Paul Johnson and Billy Mullin attended as observers

CONTRIBUTORS: Councillor Sean Bibby (Cabinet Member for Housing and Regeneration); Councillor Paul Johnson (Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement); Chief Executive; Chief Officer (Housing and Communities); Service Manager – Housing Assets; Service Manager – Housing & Prevention; Strategic Finance Manager - Financial Strategy and Insurance; Strategic Finance Manager - Management Accounting and Principal Accountant

IN ATTENDANCE: Community & Education Overview & Scrutiny Facilitator & Electoral Services Officer

37. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Councillor Ted Palmer declared a personal interest as a Council tenant.

38. FORWARD WORK PROGRAMME & ACTION TRACKING

The Facilitator presented the current Forward Work Programme for consideration and advised that a meeting between the Chair, Vice-Chair and Senior Officers within the Housing & Communities Portfolio would take place following the Committee meeting, and that an updated Forward Work Programme would be presented to the Committee at the next meeting. There were no proposed changes to the Forward Work Programme as presented in the agenda.

In relation to the actions arising from the last meeting, the Facilitator reported that a response from the Department of Works and Pensions (DWP) had been received via Mark Tami MP and had been circulated to all Committee Members. Information on the number of Occupational Health Therapists had also been received and circulated to the Committee via e-mail.

In relation to the request from Councillor Dale Selvester around the total loss of Council Tax for void properties which had been empty over 6 months, this information was being collated and would be circulated when available.

The recommendations, as outlined within the report, were moved by Councillor David Evans and seconded by Councillor Kevin Rush.

RESOLVED:

- (a) That the Forward Work Programme be noted;
- (b) That the Facilitator, in consultation with the Chair of the Committee, be authorised to vary the Forward Work Programme between meetings, as the need arises; and
- (c) That the Committee notes the progress made in completing the outstanding actions.

38. BUDGET 2024/2025 STAGE 2

The Strategic Finance Manager – Financial Strategy and Insurance introduced the report to review and comment on the budget pressures and cost reductions under the remit of the Committee. She gave a presentation on the Medium Term Financial Strategy and Budget Setting 2024/25 which covered the following points:

- purpose and background
- additional budget requirements of the Council 2024/25
- additional budget requirement – ongoing risks
- overall position after initial solutions
- summary and conclusions
- next steps for the budget setting process 2024/25
- budget process Stage 2
- budget process Stage 3 – (Final)

The Chief Officer (Housing and Communities) gave a presentation on the Cost Pressures which covered the following points:

- Homelessness demand
- Benefits – Council Tax Reduction Scheme.

Councillor David Evans in referring to the report commented that whilst there was a proposed budget reduction option for the Council Tax Reduction Scheme, there were no options to reduce the cost pressures associated with the Homelessness demand. He suggested that since the Minister at UK Government had said that there were no plans to house migrants at the Northop Hall Country House Hotel, could consideration be given to contacting them to house people presenting as homeless in order to reduce the budget pressure. The Chief Officer (Housing and Communities) explained that there would be a report outlining options to reduce the Homelessness cost pressures presented to the next meeting of the Committee. A number of avenues were being explored, including how to make better use of the current housing stock and all options would be presented to the Committee as part of the report.

In response to the suggestion made by Councillor Evans, Councillor Linda Thew advised the Committee that the Northop Hall Country House Hotel only had 37 hotel rooms and that the proposals to house migrants included additional containers being placed in the grounds of the hotel. She also explained that the hotel was currently continuing to function as a hotel and said that she would not want to see people presenting as homeless placed in housing containers. Councillor Evans explained that he was not suggesting people being placed in housing containers.

Councillor Rosetta Dolphin supported the comments made by Councillor Evans and said that the Council must consider all options in order to reduce the cost pressure on homelessness, and that all Members must be aware of properties within their own ward that could be considered for use. She also referred to the cost pressures associated with Out of County Placements and asked if information on the Out of County placements for the previous year could be provided. The Strategic Finance Manager suggested that this information be circulated following the meeting.

Councillor Dennis Hutchinson sought clarification on whether discussions had been held between the Council and owners of the Northop Hall Country House Hotel. He was concerned around possible liability for the hotel and whether this would fall to the Council if people presenting as homeless were housed there and also the cost to do so. He felt that any proposals should be considered by the Committee ahead of any decisions being made.

The Service Manager – Housing & Prevention advised that the Council was not in any discussion with the owners of the Hotel at this present time.

Councillor Dale Selvester asked if the Council had considered all options in relation to alternative accommodation for people presenting as homeless. He suggested accommodation in Broughton & Bretton, which was close to amenities and had been used previously and asked if public houses with accommodation or Airbnb's would be considered. The Chair asked if information on the accommodation/properties used to house homeless people could be provided to the Committee.

The Service Manager – Housing & Prevention said that this information could be provided to the Committee following the meeting but explained that it was confidential due to the vulnerability of the people being housed and would not want this information in the public domain. In response to the questions from Councillor Selvester, he advised that all avenues for accommodation were being exhausted but explained that the Council were not just looking for bed spaces but for good quality accommodation. The report to be presented to the Committee at the next meeting will outline all options being considered to ease the budget pressure and also how to help people exit homelessness.

The Chair said that whilst the Welsh Government Policy to ensure all people presenting as homeless were given accommodation was to be applauded, there needed to be financial resources provided in order to implement this Policy. She commented that careful consideration needed to be given to re-designating sheltered housing stock to assist with this budget pressure as this could have a negative impact on communities.

Councillor Selvester reiterated his previous comments and said that public houses cost less than hotels due to not having to pay for additional amenities that were not required and asked if the Council had approached any owners of public houses across Flintshire. The Service Manager – Housing & Prevention asked that if Councillor Selvester had any contacts to contact him and he would follow them up.

Councillor Pam Banks asked whether consideration was given to housing people at Caravan Sites. The Service Manager – Housing & Prevention said that this considered but the Council often found that caravan accommodation was booked intermittently, and it was important to consider continuity of placement as well as cost.

Councillor Evans welcomed the comments around the support provided to people presenting as homeless in finding a forever home which he felt was supported by all Members. He referred to the agenda item on void properties and the need to complete work on void properties quicker in order to assist with reducing the cost pressures around homelessness.

The Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement asked if the Committee felt that the £2.7m overspend could be dealt with. He explained that the scale of the issues being faced were significant and asked for the Committee's views on the budget reduction options. The Chair said that it was difficult for the Committee to provide feedback as there were no options to reduce the homelessness budget pressure and was concerned that the proposed budget reduction option for the Council Tax Reduction Scheme created a budget pressure for next year.

Councillor Dolphin, in referring to the recommendations outlined within the report, did not feel that the Committee had been given enough information and moved that the cost pressures and options to reduce budgets be noted. This was seconded by Councillor Ted Palmer.

RESOLVED:

- (a) That the Housing and Communities portfolio cost pressures be noted; and
- (b) That the Housing and Communities portfolio options to reduce budgets be noted.

39. TEMPORARY ACCOMMODATION HOMELESSNESS AUDIT – ACTION PLAN UPDATE

The Service Manager – Housing & Prevention introduced the report which provided an update on progress with the Temporary Accommodation Audit Action Plan.

The audit was presented to the Committee in February 2022 and the Audit Committee in March 2022 and was categorised as a red audit report and highlighted areas of improvement. An action plan was developed in response to the internal audit and the Council's Audit Team would be commencing a follow up review of the service to assess progress against the action plan.

The Service Manager – Housing & Prevention advised that a detailed service improvement plan was developed to pick up on all the actions required to deliver on the audit recommendation with a stronger focus placed on the core principles of housing management, support for those in interim housing and move on options in line with the principles of Rapid Rehousing.

A copy of the audit action plan as updated at the end of September 2023, was attached at Appendix 1 of the report. Whilst progress had been made on all actions, there had been significant challenges impacting on the delivery of the action plan, with some completions dated being pushed back. The reasons for this were listed within the resource section of the report but all actions would be completed by March 2024.

The Service Manager – Housing & Prevention advised that Senior management had met with the Council's Internal Audit Team in recent weeks and those actions that were completed would soon be tested and evidence of completion reviewed. The Committee would continue to receive further updates.

Councillor David Evans referenced how he felt that the issues faced with people presenting to homelessness linked to void properties, which would be considered later in the meeting. He referred to the number of households in comparison to the number of void properties and whilst acknowledging that this may be a simplistic view asked how many of the people currently placed in temporary accommodation had been allocated a void property. The Service Manager – Housing & Prevention said that he estimated this to be around 30/35 but would provide the exact figure to the Committee following the meeting. He referred to the work that had been carried out by the Service Manager – Housing Assets in bringing void properties back into use which had seen positive results, but it was important to also consider whether they were the right type of property for the person in temporary accommodation. He reported that 183 of these people were single, with a significant number under the age of 55 and that the majority of void properties were sheltered accommodation. The options to ease the budget pressures around homelessness, to be presented to the Committee at the next meeting would include the review of sheltered housing, but this wouldn't alleviate all of the pressures. The Council wanted to create stable, sustainable communities with all residents suitably housed and feel safe in their communities.

The Chair asked if the high rise flats in Flint would be included as part of the sheltered housing review. The Chief Officer (Housing and Communities) confirmed that all schemes across Flintshire would be included in the review.

Councillor Linda Thew spoke in support of the comments made by Councillor Evans. She commented on the number of landlords leaving the market due to the volatility of the market and rising cost of mortgages. She also commented on the landlords not being registered with Rent Smart Wales and thanked the Service Manager for his assistance in a recent case within her ward. She asked what action was taken where the Council was aware that a private landlord was not registered with Rent Smart Wales and whether the introduction of a rogue landlords task force, considered at a recent Council meeting would assist with this and would it be cost neutral.

The Service Manager – Housing & Prevention provide an explanation of how the team worked with local landlords across Flintshire, including the undertaking of a suitability and discharge assessment. He explained that where the Council lease accommodation, it takes on the role of the landlord and where accommodation was used as temporary accommodation, the Council always check to ensure the property is registered with Rent Smart Wales. In relation to tackling rogue landlords, this function sat within the remit of the Public Protection Service who were the enforcing body around poor conduct of housing management within the private sector.

Councillor Ted Palmer commented on the pending sheltered housing review and said that not all integration had been successful and had led to instances of anti-social behaviour due to the different age brackets. He asked that this be taken into account when carrying out the sheltered accommodation review. The Chair supported Councillor Palmer's comments and said that they would be taken on board as part of the work of the Sheltered Housing Review Task & Finish Group.

The recommendation, as outlined within the report, was moved by Councillor Ted Palmer and seconded by Councillor Kevin Rush.

RESOLVED:

That the contents of the report, ahead of the follow up audit work to be completed by the Councils Audit Team, be noted.

40. PERFORMANCE OF THE WHQS CAPITAL PROGRAMME - ASSURANCE REPORT

The Service Manager – Housing Assets introduced a report to provide an update on the Council's delivery of the Welsh Housing Quality Standard (WHQS) through the Capital Investment Programme.

The Council were successful in delivering the WHQS programme of works to all Council stock, a major capital investment of over £100m and were now in the maintenance phase of the programme, delivering further investment works to those components within properties where required. The report detailed what had been delivered to date and outlined the focus of the next phase of the Councils WHQS investment programme.

The Service Manager – Housing Assets reported that the Council achieved compliance with WHQS in December 2021. Having achieved compliance with WHQS it was important that the Council ensured the standard was maintained and investment was planned accordingly. There was an ongoing investment programme to maintain the standard and enable the scheduled replacement of components when needed. An updated version of the existing WHQS guidance was due to go live in late 2023 and the Council would need to prepare itself for the changes that would be required to remain compliant.

Councillor Ted Palmer commented on roofs and windows needed to be replaced and asked if this work should have been carried out as part of the previous scheme and asked if there was a plan to replace them as soon as possible. The Service Manager - Housing Assets outlined the number of factors on why all roofs and windows were not

replaced prior to 2020 which included, not all roofs and windows needing to be replaced which had been identified as part of the stock condition survey. He outlined the need to protect any Council investment and said that if components could be repaired to prolong their lifespan, then this would be more efficient.

Councillor Palmer asked how repairing roofs and windows sat within the need to ensure that they were energy efficient. The Service Manager - Housing Assets advised that a whole approach was now being taken to ensure that homes were as thermally efficient as possible with the technology available.

Councillor David Evans referred to the statistic that for the last 3 years the Council had been 100% compliant with the WHQS and asked whether the Service Manager was finding that there was a reduction in the number of void properties requiring major works due to the work carried out to meet the WHQS. The Service Manager - Housing Assets confirmed that this was the case and that more void properties were being returned and found to be WHQS compliant. The major investment works required were around electrical and plastering works which were disruptive to tenants when they were in the homes. In the main, properties were being returned in better condition due to the investment over the last 5 years.

Councillor Sean Bibby (Cabinet Member for Housing & Regeneration) reiterated the comments of the Service Manager around the major works in void properties being electrical and plastering works. He said that he was encouraged to see within the report the percentage of local labour and apprentices which he felt was a considerable achievement.

In response to a question from Councillor Selvester around acceptable fails and whether the Housing Management Team engage with tenants which in turn would assist with the work being undertaken on void properties, the Service Manager - Housing Assets advised that WG would only allow an acceptable fail on a secondary item, which was a non health and safety item. If a tenant refused works on a secondary item, the property would still need to be accessed to ensure that the item was safe. The Housing Management Team engaged early with tenants to ensure access was provided.

Councillor Selvester asked if a list of acceptable fails could be provided to the Committee. The Service Manager - Housing Assets agreed to provide information on the number of acceptable fails to the Committee following the meeting.

The recommendation, as outlined within the report, was moved by Councillor Rosetta Dolphin and seconded by Councillor Ted Palmer.

RESOLVED:

That the Capital Investment Programme, in its next phase of compliance as it moves toward the updated Welsh Housing Quality Standards (WHQS 2023) and its requirements, be noted.

41. VOIDS UPDATE

The Service Manager – Housing Assets presented the key figures and key activities against the void action plan, as outlined in the briefing note.

He outlined the number of new voids and those which had been completed and reported that 28 properties had been completed ready for allocation. He also outlined the following, as presented in the briefing note:-

- The number of major voids
- Total overall number of void properties which had reduced to 232
- The performance of the current contractors
- Top reasons for terminations

Councillor Dale Selvester commented on the number of void properties completed by capital district area and said that he had been asked to ask on behalf of a resident within his ward whether more properties had been completed in the Mold, Holywell and Flint areas due to the Members representing those areas. The Service Manager – Housing Assets said that he could categorically confirm that properties were not priorities by ward but by whether those properties were more desirable, required less work or that the Housing Management Team had tenants waiting for the property. He said that he would like Members to focus on the total number of void properties as presented in the briefing note and said that he would be happy to meet with any Members individually to discuss the number of voids properties within their ward, outside of the meeting.

Councillor David Evans asked if officers had an internal target in terms of the number of void properties to be reduced and asked if an aim for 100 or less by October 2024 was felt to be realistic. He also commented on the allocated budget for the year of £4.6m and asked how many voids that would bring back into use and was the budget sufficient to complete works on all of the current void properties. The Service Manager – Housing Assets said that there wasn't currently a target and that this would be considered once an accurate assessment of all contractor's performance had taken place in order to assess their work allocation. In relation to the budget allocated to void properties the Council was able to access grant funding and another bid had been submitted to access further grant funding. The budget was monitored monthly to ensure adequate funding to bring voids back into use and was set based on the average cost of void properties over the last 10 years.

In response to comments made by the Chair around hard to let properties, the Service Manager – Housing Assets agreed to provide a list of 'hard to let' properties across the County to the Committee following the meeting.

Councillor Ted Palmer asked whether consideration was being given to prioritising 1-bed void priorities which would assist people currently in temporary accommodation. He also asked what areas were included in the capital district area of Holywell. The Service Manager – Housing Assets advised that the majority of 1-bed properties were within sheltered accommodation and would be considered as part of the sheltered housing review. He also advised that the district area of Holywell, listed in the briefing note, included Mostyn, Caerwys, Whitford and Brynford.

In response to a question from the announcement of the Transitional Accommodation Capital Programme (TACP) grant funding, the Service Manager – Housing Assets explained that this had been delayed by WG and an announcement on whether the Council had been successful in receiving additional grant funding was expected at any time.

Councillor Sean Bibby (Cabinet Member for Housing & Regeneration) responded to the comments made by Members and reiterated the comments made by the Service Manager around how work on void properties was prioritised and commented on the professionalism of officers and senior Members. He said that the housing stock built up by the Council over a number of years did not now meet demand but he was confident that the right framework was in place in order to significant improvements to be seen.

Councillor Rosetta Dolphin moved that the update be noted. This was seconded by Councillor Pam Banks.

RESOLVED:

That the update be noted.

42. MEMBERS OF THE PRESS IN ATTENDANCE

There were no members of the press in attendance.

(The meeting started at 10.00 am and ended at 11.54 p.m.)

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Chair

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COMMUNITY & HOUSING OVERVIEW & SCRUTINY COMMITTEE

Date of Meeting	Wednesday 15 th November, 2023
Report Subject	Forward Work Programme and Action Tracking
Report Author	Overview & Scrutiny Facilitator
Type of Report	Operational

EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Community Housing & Assets Overview & Scrutiny Committee.

The report also shows actions arising from previous meetings of the Community Housing & Assets Overview & Scrutiny Committee and the progress made in completing them. Any outstanding actions will be continued to be reported to the Committee as shown in Appendix 2.

RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Facilitator, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.
3	That the Committee notes the progress made in completing the outstanding actions.

REPORT DETAILS

1.00	EXPLAINING THE FORWARD WORK PROGRAMME AND ACTION TRACKING
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none">1. Will the review contribute to the Council's priorities and/or objectives?2. Is it an area of major change or risk?3. Are there issues of concern in performance?4. Is there new Government guidance of legislation?5. Is it prompted by the work carried out by Regulators/Internal Audit?6. Is the issue of public or Member concern?
1.03	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following a meeting of the Corporate Resources Overview & Scrutiny Committee in July 2018, it was recognised that there was a need to formalise such reporting back to Overview & Scrutiny Committees, as 'Matters Arising' was not an item which can feature on an agenda.
1.04	It was suggested that the 'Action tracking' approach be trialled for the Corporate Resources Overview & Scrutiny Committee. Following a successful trial, it was agreed to extend the approach to all Overview & Scrutiny Committees.
1.05	The Action Tracking details including an update on progress is attached at Appendix 2.

2.00	RESOURCE IMPLICATIONS
2.01	None as a result of this report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	In some cases, action owners have been contacted to provide an update on their actions.

4.00	RISK MANAGEMENT
4.01	None as a result of this report.

5.00	APPENDICES
5.01	Appendix 1 – Draft Forward Work Programme. Appendix 2 – Action Tracking for the Community Housing & Assets OSC.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Minutes of previous meetings of the Committee as identified in Appendix 2. Contact Officer: Ceri Shotton Overview & Scrutiny Facilitator Telephone: 01352 702305 E-mail: ceri.shotton@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Improvement Plan: the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.

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COMMUNITY, HOUSING & ASSETS OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

CURRENT FWP

Date of meeting	Subject	Purpose of Report	Scrutiny Focus	Report Author
<p>Wednesday 13th December, 2023</p> <p>10am</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 29</p>	<p>Council Plan 2023-24 Mid-Year Performance Reporting</p> <p>Housing Management Policy</p> <p>Transitional Accommodation Capital Programme (TACP)</p> <p>Strategic Housing and Regeneration Programme (SHARP)</p>	<p>To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan.</p> <p>To present the final Housing Management Policy for consideration.</p> <p>To present the TACP funding received from Welsh Government (WG) and how this would be utilised.</p> <p>To provide an update on the Strategic Housing and Regeneration Programme (SHARP).</p>	<p>Assurance Monitoring</p> <p>Consultation</p> <p>Assurance Monitoring</p> <p>Assurance Monitoring</p>	<p>Chief Officer (Housing & Communities)</p> <p>Service Manager (Housing Welfare and Communities)</p> <p>Strategic Housing & Program Delivery Manager</p> <p>Strategic Housing & Program Delivery Manager</p>
<p>Wednesday 10th January, 2024</p> <p>10am</p>	<p>Welfare Reform Update /</p> <p>NEW Homes</p>	<p>To provide an update on the impacts of welfare reforms and the work that is ongoing to mitigate them.</p> <p>To present the outcome of the review of NEW Homes.</p>	<p>Assurance Monitoring</p> <p>Consultation</p>	<p>Service Manager - Revenues and Procurement / Service Manager (Housing Welfare and Communities)</p> <p>Strategic Housing & Program Delivery Manager</p>

COMMUNITY, HOUSING & ASSETS OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

<p>Members of the Environment & Economy OSC to be invited for this item</p>	<p>Car Parking at Council properties</p>	<p>To provide information on parking permit arrangements. Also to incorporate information on the Capital Works Matrix</p>	<p>Assurance Monitoring</p>	<p>Service Manager – Housing Assets</p>
<p>Wednesday 7th February, 2024</p> <p>10am</p> <p>Page 30</p>	<p>Welsh Housing Quality Standards 2023 (WHQS2023)</p>	<p>To present the WHQS2023 which replaces the existing WHQS Standard.</p>	<p>Assurance Monitoring</p>	<p>Service Manager – Housing Assets</p>
<p>Wednesday 6th March, 2024</p> <p>10am</p>	<p>NEW Homes Business Plan</p>	<p>To consider the NEW Homes Business Plan.</p>	<p>Consultation</p>	<p>Strategic Housing & Program Delivery Manager</p>
	<p>Common Housing Register (Single Access Route to Housing - SARTH)</p>	<p>To provide an annual update on the Common Housing Register.</p>	<p>Assurance Monitoring</p>	<p>Service Manager – Housing & Prevention</p>
	<p>Local Housing Assessment</p>	<p>To present the outcome of the Local Housing Assessment, to include information on the private rented sector.</p>	<p>Assurance Monitoring</p>	<p>Strategic Housing & Program Delivery Manager</p>
	<p>Homelessness and Rough Sleeper Update Report</p>	<p>To provide an annual update on the work ongoing to mitigate Homelessness and support provided to rough sleepers.</p>	<p>Assurance Monitoring</p>	<p>Service Manager – Housing & Prevention</p>
	<p>Dynamic Resource Scheduling System (DRS) Update</p>	<p>To provide an update on the DRS System</p>	<p>Assurance Monitoring</p>	<p>Service Manager – Housing Assets</p>

COMMUNITY, HOUSING & ASSETS OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

<p>Wednesday 12th June, 2024</p> <p>10am</p>	<p>Communal Heating Charges 2024/25</p>	<p>To consider the proposed heating charges in council properties with communal heating systems for 2024/25 prior to Cabinet approval.</p>	<p>Consultation</p>	<p>Chief Officer (Housing & Communities)</p>
<p>Wednesday 10th July, 2024</p> <p>10am</p>	<p>Welfare Reform Update /Housing Rent Income</p> <p>Council Plan 2023-24 Year-End Performance</p>	<p>To provide an update on the impacts of welfare reforms and the work that is ongoing to mitigate them.</p> <p>To review the levels of progress in the achievement of activities and performance levels identified in the Council Plan.</p>	<p>Assurance Monitoring</p> <p>Assurance Monitoring</p>	<p>Service Manager - Revenues and Procurement / Service Manager (Housing Welfare and Communities)</p> <p>Chief Officer (Housing & Communities)</p>

Items to be scheduled

- **Gypsy and Traveller Transit Site** - To report to the Committee on a Gypsy and Traveller Transit Site in the County – moved from 17th May meeting to be scheduled to a new date.
- **Food Poverty Update** – moved from 17th May meeting to be scheduled to a new date.
- **All Member workshop on resettlement and asylum**
- **Rent Income Pilot Scheme** – As suggested at 12.07.23 meeting
- **De-carbonisation Strategy** – Workshop for Members as discussed at 12.07.2023 meeting

COMMUNITY, HOUSING & ASSETS OVERVIEW & SCRUTINY FORWARD WORK PROGRAMME

REGULAR ITEMS

Month	Item	Purpose of Report	Responsible / Contact Officer
Quarterly / Annual	Performance Reporting	To consider performance outturns for improvement targets against directorate indicators.	Chief Officer (Housing and Assets)
Six monthly	Welfare Reform Update /Housing Rent Income	To provide an update on the impacts of welfare reforms and the work that is ongoing to mitigate them.	Service Manager - Revenues and Procurement / Service Manager (Housing Welfare and Communities)
Six monthly	Update on NEW Homes & Property Management	To update Members on the work of the NEW Homes & Property Management	Strategic Housing & Program Delivery Manager
Annually – September	WHQS Capital Programme – Delivery review update	To provide an update on progress of the Welsh Housing Quality Standards (WHQS), that the Council is delivering through its Capital Investment Programme. Report to include information around the use of local labour and number of apprentices and school leavers.	Service Manager – Housing Assets
Monthly	Void Management	To provide a detailed update to the Committee on Void properties and the work undertaken to bring the properties back into use.	Service Manager – Housing Assets

ACTION TRACKING FOR THE COMMUNITY & HOUSING OVERVIEW & SCRUTINY COMMITTEE

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Timescale
13.09.2023	6. Homelessness Budget Pressures	That the Chair write to the Welsh Government, on behalf of the Committee, to express its concern around the financial implications to the Local Authority following changes to the Housing Wales Act 2014 (HWA 2014) and the need for appropriate levels of resource and support to be provided to the Local Authority.	Ceri Shotton Martin Cooil Cllr Helen Brown	Letter being drafted to share with Chair.	On-going
13.09.2023	9. Void Management	In response to a question from Cllr Dale Selvester, Sean O'Donnell agreed to liaise with David Barnes around the total loss of Council Tax for those properties that had been empty for over 6 months.	Sean O'Donnell	Information requested and will be shared when available.	On-going
11.10.2023	4. Budget 2024/25 – Stage 2	Cllr Rosetta Dolphin asked if information on the out of county placements for the previous year could be provided. Sara Dulson suggested that this information be circulated following the meeting.	Sara Dulson	The information has been collated and will be shared with the Committee ahead of the 15.11.23 meeting	On-going
11.10.2023	4. Budget 2024/25 – Stage 2	The Chair asked if information on the accommodation/properties used to house homeless people could be provided to the Committee. Martin	Martin Cooil	Information circulated to Committee Members via e-mail on 24.10.23	Completed

		Cooil said that this information was confidential but could be provided to the Committee following the meeting.			
11.10.2023	5. Temporary Accommodation Homelessness Audit – Action Plan Update	Cllr Dave Evans asked how many of the people currently housed in temporary accommodation had been offered a void property. Martin Cooil said that he would provide the exact figure to the Committee following the meeting.	Martin Cooil	Information circulated to Committee Members via e-mail on 24.10.23	Completed.
11.10.2023	6. Performance of the WHQS Capital Programme – Assurance Report	In response to a question from Cllr Dale Selvester, Sean O'Donnell agreed to provide information on the number of acceptable fails to the Committee following the meeting.	Sean O'Donnell	Information circulated to Committee Members via e-mail on 09.11.23	Completed
11.10.2023	7. Void Management	Following a request from the Chair, Sean O'Donnell agreed to provide a list of 'hard to let' properties across the County to the Committee following the meeting.	Sean O'Donnell	Information included in the Void Management briefing paper on the Agenda for the 15.11.23 meeting	Completed
11.10.2023	7. Void Management	Cllr David Evans asked for an update on capital district areas and those areas which had new voids in and voids which had the refurb works completed, as it looked as though some were remaining static.	Sean O'Donnell	A verbal update will be provided as part of the Void Management report at the 15.11.23 meeting	Completed



COMMUNITY & HOUSING OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Wednesday 15 th November 2023
Report Subject	Housing Revenue Account (HRA) 30 Year Financial Business Plan
Cabinet Member	Cabinet Member for Housing and Regeneration
Report Author	Chief Officer (Housing and Communities)
Type of Report	Strategic

EXECUTIVE SUMMARY

The purpose of this report is to present for consideration the draft Housing Revenue Account (HRA) 30-year Financial Business Plan and the proposed HRA Budget for 2024/25.

RECOMMENDATIONS

1	To consider the HRA budget for 2024/25 as set out in the report.
2	To consider the proposed minimum rent increase of 6.5%.
3	To consider a garage rent increase of 6.5%.
4	To consider the increase in service charges to full cost recovery.
5	To consider the proposed HRA Capital programme for 2024/25 as set out in Appendix B.

REPORT DETAILS

1.00	EXPLAINING THE HRA BUSINESS PLAN 2024/25 UPDATE														
1.01	<p>Considerations</p> <p>The HRA is required to produce a 30-year business plan.</p> <p>The strategic context for this year's HRA budget setting includes the following:</p> <ul style="list-style-type: none">• Ensure affordability for tenants is at the core of our considerations.• Continued drive to ensure all service costs are efficient and that value for money can be achieved.• Ensure the treasury management strategy continues to meet the Housing Revenue Account's new and ongoing borrowing requirements.• Setting a balanced budget with a minimum of 3% surplus revenue over expenditure• Maximisation of revenue efficiencies to minimise the borrowing required to meet Welsh Housing Quality Standards (WHQS)• Delivery of new build Council housing• Continued drive to ensure homes are Energy Efficient and explore Decarbonisation.• Provision of adequate ongoing capital to maintain WHQS levels.														
1.02	<p>HRA Funding</p> <p>The HRA is a ring-fenced service and therefore it must be self-financing and not subsidised by the Council.</p> <div data-bbox="284 1294 1197 1989"><table border="1"><caption>HRA Funding 2023/24</caption><thead><tr><th>Category</th><th>Percentage</th></tr></thead><tbody><tr><td>Net Rental Income</td><td>68%</td></tr><tr><td>Borrowing</td><td>17%</td></tr><tr><td>Grants</td><td>12%</td></tr><tr><td>Other income</td><td>1%</td></tr><tr><td>Non Dwelling Rents</td><td>1%</td></tr><tr><td>Charges for Services</td><td>1%</td></tr></tbody></table></div> <p>The graph above indicates that the majority of the HRA income (68%) comes from the rents charged to its customers and a further 29% of its</p>	Category	Percentage	Net Rental Income	68%	Borrowing	17%	Grants	12%	Other income	1%	Non Dwelling Rents	1%	Charges for Services	1%
Category	Percentage														
Net Rental Income	68%														
Borrowing	17%														
Grants	12%														
Other income	1%														
Non Dwelling Rents	1%														
Charges for Services	1%														

	<p>funding comes from grants, in the form of the Major Repairs Allowance (MRA), Social Housing Grant (SHG), and borrowing. The remaining 3% comes from other sources such as non-dwelling rents and service charges.</p>
1.03	<p>HRA Pressures and Efficiencies</p> <p>Pressures and efficiencies have been identified and are detailed in appendix A. These also include several risks that we have not included in the business plan but may still materialise at a later point.</p> <p>An additional budget requirement of £1.131m has been identified for 2024/25. Of this, £0.910m relates to uncontrollable pressures such as pay and general inflationary increases and the remaining £0.310m are service pressures.</p> <p>We have also identified £0.089m of efficiencies to offset the pressures, which leaves a net pressure of £1.131m in 2024/25.</p>
1.04	<p>Capital Programme</p> <p>The total proposed capital programme for 2024/25 is £29.498m, summarised in Appendix B.</p> <p>Revised WHQS</p> <p>Welsh Government have just this week released the revised standard for WHQS.2, acknowledging the changes to how people live, work, and feel about their homes. The programme of works to deliver the new standard will run until 2033.</p> <p>WHQS.2 proposes to reduce the carbon emissions from social housing and in doing so contribute to the Welsh target of Net Zero Carbon. The standard sets out how this can be achieved by balancing the performance of homes with a high carbon footprint, against more efficient homes, this approach is proposed because not all homes will be able to reach the required carbon standards.</p> <p>The new standard will place significant additional capital pressures on the HRA over the next ten years particularly due to the net zero carbon agenda and these additional pressures are not yet reflected in the future business plan.</p> <p>The 2024/25 capital budget does increase the energy efficiency programme of works to £4.639m as part of a 2-year programme to assess the best way to achieve net carbon zero homes.</p> <p>Welsh Government have also made grant available for the two years to support this programme of work (Optimised Retrofit Programme - ORP), which allows Local Authorities to trial how they can achieve net carbon zero homes. Flintshire have utilised this funding in 2023/24 and have assumed an additional £1.6m of ORP funding for 2024/25.</p>

Disabled Facilities Grants (DFGs)

A total of £1.100m has been allocated for this mandatory service. This service is customer driven and can be volatile dependant on customer demands.

Regeneration

A £4.000m regeneration budget has been allocated in the Capital Programme for 2024/25. The aim is to utilise this allocation to remodel HRA stock where the current stock is no longer fit for purpose. There are several pipeline schemes for consideration including:

- Sheltered Housing Review
- Estate Remodelling

This allocation will also be utilised towards the acquisition of properties to help reduce homelessness, options of which are currently being explored by the Council. 10 property acquisitions have been assumed in the business plan to support this strategy.

SHARP

£4.153m has been built into 2024/25 for the development of Council housing. The capital programme is currently forecasting the addition of 40 units per annum for the next 5 years, based on the Standard Viability Model and assumes receipt of Social Housing Grant (SHG).

Capitalisation of the costs of the development team have now been included in the programme at 6% of the total development budget.

All schemes are required to meet financial hurdle rates set by the Council and should be able to pay back the original investment via rents within 50 years.

Asset Investment Budget Breakdown	£m
Schemes agreed in 24/25 report	4.153
Total	4.153

Capital Funding

The £29.498m capital programme will be funded by:

WHQS & Asset Investment Funding	£m
Revenue Contribution (CERA)	14.467
Major Repairs Allowance	4.978
Energy Efficiency income (FIT) & ORP Grant	1.900
Prudential Borrowing (Regeneration)	4.000
Total	25.345

SHARP Funding	£m
Prudential Borrowing	4.153
Total	4.153

1.05 Rent Setting

In December 2019, Welsh Government released the revised rent policy for a 5-year period beginning in April 2020/21.

The policy is designed to ensure that affordability for contract holders is at the core of our considerations and when setting the rent uplift, landlords should consider value for money and the whole cost of living in a property as part of their rationale for setting rents.

The Rent Policy for Social Housing Rents from 2020/21 sets out the following:

- An annual rent uplift of up to CPI+1%, for 5 years to 2024/25 using the level of CPI from the previous September each year.
- The level of rents for individual contract holders can be frozen or rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1%.

The policy states, however, that should CPI fall outside the range of 0% to 3%, the Minister with responsibility for housing will determine the appropriate change to rent levels to be applied for that year only. CPI as of September 2023 was 6.7% and Welsh Government announced this week a rent cap for social housing of 6.7%.

Due to the impending start of WHQS.2 and therefore an increased capital requirement, we have identified during our modelling, that it is necessary to increase the Councils rents by a minimum of 6.5% to effectively balance the budget in 2024/25.

If we were unable to increase rents by the required amounts the impact would be as follows:

Rent inflation assumption	Year 1 rent loss (based on 6.5%)	30-year rent loss (based on 6.5%)
6.5%	-	-
4.0%	£1.028m	£41.989m
2.0%	£1.850m	£75.673m
Rent freeze	£2.672m	£109.358m

Setting rent lower than 6.5% will mean the HRA will need to find further efficiencies of circa £0.400m every year for each 1% rent reduction.

In 2023/24 the Council agreed to uplift rents at 5%, which was the lower than permitted rate, to support tenants during the recovery from the

pandemic. When compared to the 6.5% inflationary uplift allowable under the rent policy for 2023/24, the HRA lost potential additional rental income of £0.571m in year one and £23.804m over 30 years.

The table reflects how much potential income can be lost through setting rents lower than WG guidelines and highlights the importance of balancing affordability alongside the key investment required in HRA services and our housing stock.

Whilst affordability for contract holders should always be an important consideration when setting rents, it is also important to note, setting the rents at WG rent cap levels will enable the Council to utilise these additional funds on WHQS.2 which will reduce social housing utilities costs and improve affordability for contract holders.

1.06 Rent Impact on Contract Holders

We have identified that 68% of all contract holders are eligible for Housing Benefit (HB) or Universal Credit (UC) support toward their rent and service charges. The table below shows the impact on those in receipt of HB.

HB eligibility	Average % of rent paid by HB	Average impact on tenants p.w.
Full	100%	£0.00
Partial	34%	£4.80
None	0%	£7.28

Wider consultation is also ongoing, a survey has been sent to all contract holders to gain feedback on the affordability of rents which closes on the 8th November and we are also due to consult with the tenants federation next month.

As part of the 2023/24 budget, the HRA set aside a £0.250m discretionary fund to assist contract holders who face financial hardship and who engage with us as their landlord. This funding has been maintained for 2024/25 in the business plan.

1.07 Garage Rents and Service Charges (including impact to tenants)

The proposed garage rent and garage plot increase is 6.5% for 2024/25, which equates to £0.70 per week for garage rent and takes the rent per week to £11.44 (based on 53 weeks). The proposed garage plot increase is £0.11 per week taking the garage plot rent to £1.82 per week.

The business plan anticipates income levels of £0.319m for garages and garage plots.

The rent and service charges policy were introduced in 2015 and expected all Local Housing Associations (LHA's) to be achieving full cost recovery for service charges, if this had not yet been achieved a clear transition plan should be identified to achieve this.

To achieve full cost recovery, we would be required to increase service

charges as follows:

Service Charge	Current charge per week	Full cost recovery charge per week	Increase per week	Impact per week with partial HB (ave. 34%)
Aerials	£1.55	£1.82	£0.27	£0.18
Laundry	£0.79	£1.13	£0.34	£0.22
Cleaning	£4.60	£5.23	£0.63	£0.42
Window cleaning	£0.75	£1.05	£0.30	£0.20
Total	£7.69	£9.23	£1.54	£1.02

Not all properties are subject to all service charges. Of all our contract holders, 2.8% are charged for four service charges and 5.6% are charged for three service charges.

Moving existing service charges to full cost recovery would bring in additional income of £0.053m.

1.08 Capital Financing

The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019, it is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan.

Borrowing should only be used for investment expenditure and not day-to-day running costs or maintaining WHQS. The HRA is likely to be required to increase borrowing in the future to fund WHQS.2 as Welsh Government have indicated this will not be fully funded via grant, therefore we need to manage the risk of this future borrowing by keeping current borrowing at prudent levels.

Borrowing undertaken by the HRA is repaid under the Annuity Method which is calculated in line with the useful life of the asset. Our current borrowing levels are shown below:

Capital Requirement	Financing	B/F Capital Financing Balance £'000	Proposed New Borrowing £'000	Less Repayments £'000	C/F Capital Financing Balance £'000
Prior Debt and HRA Subsidy Buyout		91,219	0	(1,184)	90,035
WHQS		19,349	0	(251)	19,098
SHARP		22,613	4,153	(293)	26,473
Regeneration		761	4,000	(10)	4,751
Total Capital Financing		133,942	8,153	(1,738)	140,357

Interest Rates

The HRA is part of the single debt pool for the Council. All borrowing for the Council is managed within one pool and the average borrowing rate for the Council is applied to all new borrowing in the HRA, the rate assumed in the business plan is 3.69% and interest payments for 2024/25 are estimated at £5.062m.

1.09 Reserves

There is a requirement to hold a minimum level of reserves of 3% of expenditure, however, it was agreed as part of the 2023/24 Business Plan, for Flintshire's HRA to move to reserves to 7% due to the level of financial risk in the HRA rising as a result of increased borrowing levels for new build and increasing costs due to the volatility of the economy.

Reserves should not be used to fund recurring pressures to the Business Plan and levels should be reviewed annually in line with the HRA's proposed borrowing commitments and budgetary risk factors.

In the current climate it would be prudent to maintain reserve levels at 7% of expenditure (£2.905m) as we have ongoing risks to the Business Plan which would have to be funded from reserves if they materialised:

- Pay award could be higher than budgeted
- Inflation could be higher than the provision in the Business Plan
- Arrears could increase due to the cost-of-living crisis
- Interest rates increasing due to the economic climate

1.10 Options to Fund

A minimum rent uplift of 6.5% is required for the Business Plan to remain affordable, this is below the WG rent cap of 6.7%

If we were unable to increase rents to the levels required, the following savings would need to be made to balance the budget:

Rent inflation assumption	Annual saving required to balance budget
6.5%	£ nil
4.0%	£1.450m
2.0%	£2.700m
Rent freeze	£3.750m

This would need to be achieved through a slowdown of the capital programme. A complex review of all HRA services would be required in 2024/25 to identify recurring savings (revenue and capital) to fund the Business Plan in the longer term, however this could lead to reduced HRA services and could impact on the quality of our housing stock provision and the ability to meet WHQS.2.

2.00	RESOURCE IMPLICATIONS
2.01	The HRA is a ring-fenced budget. This proposed HRA budget and Business Plan demonstrates that the council can achieve the ongoing WHQS, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2024/25.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	All households will benefit from the Councils WHQS 2023 programme. The impact of the investment planning and efficiencies is being modelled for various customer groups to ensure that there is no disproportionate impact on any groups with protected characteristics.
3.02	The Business Plan assumes a confirmation of Major Repairs Allowance (MRA) for 2024/25 and beyond, however, Welsh Government have indicated that the purpose of the funding will be reviewed in the future.

3.03	Ways of Working (Sustainable Development) Principles Impact	
	Long-term	Positive – There is a commitment to increase supply to provide the right types of homes in the right location.
	Prevention	Positive – It is our aim to provide support to ensure people live and remain in the right type of home.
	Integration	Positive - Achieving WHQS for all existing council houses and delivering new social housing will contribute to the integration within communities.
	Collaboration	Positive - To deliver in partnership with stakeholders to support positive impacts for all our tenants.
	Involvement	Positive - Communication with tenants, Members and other stakeholders.
	Well-being Goals Impact	
	Prosperous Wales	Positive – Existing social homes are WHQS compliant and meet the changing housing needs. Also Providing good quality new social homes aiming for low/zero carbon. Maximising local employment and training opportunities for local people.
	Resilient Wales	Positive – Developing low / zero carbon homes through modern methods of construction and technologies. Ensuring that all statutory compliance requirements are adhered to.
	Healthier Wales	Positive – Ensuring all existing homes and new homes are fit for purpose and meet the needs of all people.
	More equal Wales	Positive - Provide good quality homes for the most vulnerable people in society.
	Cohesive Wales	Positive – Contributing to attractive, viable and safe communities
	Vibrant Wales	Positive – Ensuring all communities housing needs are supported
	Globally responsible Wales	Positive – The HRA Business Plan will contribute to the improvement of the economic, social, environmental and cultural wellbeing of Wales.

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	Detailed consultation will be undertaken with tenants and elected members to inform the preparation of the WHQS 2023 investment programme.
4.02	Full local consultation is carried out for each new build scheme.

4.03	As part of the 2023/24 rent settlement, the Council gave commitment to WG around engagement with contract holders / tenants and therefore a survey is being conducted around affordability to inform rent setting for 2024/25.
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5.00	APPENDICES
5.01	Appendix A – Draft Pressures and Efficiencies 2024/25.
5.02	Appendix B – Draft Capital Programme 2024/25.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Rachael Corbelli, Strategic Finance Manager Telephone: 01352 703363 E-mail: rachael.corbelli@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Financial Year: the period of 12 months commencing on 1 April 2024</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Capital expenditure: money spent by the organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.</p> <p>Budget: a statement expressing the Council’s policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Treasury Management: the Council has adopted the Chartered Institute of Public Finance Accountants (CIPFA) Treasury Management in the Public Services: Code of Practice. Treasury Management is conducted in accordance with the Council’s Treasury Management Policy and Strategy Statement and Treasury Management Practices which are both reviewed annually. All borrowing and long term financing is made in accordance with CIPFA’s Prudential Code.</p> <p>Major Repairs Allowance: Welsh Government grant paid to local authorities in Wales who still manage and maintain their council housing.</p>

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HRA - SUMMARY OF PRESSURES	£m	Notes
Heating - Individual metering/cost of communal Spaces	0.090	Estimate too low last year
Fleet contract renewal	0.200	Corporate contract renewal
Tai Teg Charges	0.020	Gwrp Cynefin
Pay Inflation 2024/25	0.439	Based on 5% uplift
Utilities Inflation	0.151	Budget correction in line with projections
Standard Inflation	0.320	Inflation at 3% uplift
Pay Inflation 2023/24 - RISK	0.000	Possible impact of 23.24 pay award if above 4.5%
Pay Model - RISK	0.000	New payscales
Total	1.220	

HRA - SUMMARY OF EFFICIENCIES	£m	Notes
Travel Review	(0.016)	Review of mileage budgets
Laundry Equipment	(0.020)	Laundry review suspended
Service Charges	(0.053)	Full cost recovery
Total	(0.089)	

Net pressure	1.131
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HRA Capital Programme 2024/25

Appendix B

HRA Capital Programme	£'m
WHQS	
Internal Works	4.269
Envelope Works	7.260
Externals	1.360
Renewables / Alternative Technology	4.562
Total WHQS	17.451
Non WHQS	
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.100
Fire Risk Assessments Work	1.538
	2.638
Fees	
Capitalised salaries	1.255
Regeneration of stock	
Estate remodelling/ Support homeless strategy	4.000
SHARP Programme	
Programme Spend	3.955
Capitalised salaries @ 4%	0.198
Total SHARP Programme	4.153
Total Capital Spend	29.498

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COMMUNITY & HOUSING OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Wednesday 15 th November 2023
Report Subject	Homelessness Budget Pressure – Options Paper
Cabinet Member	Cabinet Member for Housing and Regeneration
Report Author	Chief Officer (Housing and Communities)
Type of Report	Operational

EXECUTIVE SUMMARY

Within the Revenue Budget Monitoring Report 2023/24 (Month 4) reported to Cabinet in September 2023 it was recommended that, as required by the Council's Finance Procedure Rules, a separate report is prepared by Housing and Communities to expand on the reasons for the significant overspend on the homelessness budget and the mitigations being put in place.

Within the Housing Solutions service there are specific budgets for homeless accommodation settings for 'interim housing'. In addition to this budgeted provision for these locations, including the Homeless Hub, there is a further specific budget for emergency accommodation. This budget is used when there is no remaining capacity in other budgeted temporary accommodation. The emergency accommodation used is mostly hotel rooms, within and beyond the boundaries of Flintshire, together with some use of other forms of holiday lets, such as caravans and apartments.

Options have been developed for consideration to manage the overspend on the homelessness budget. These are outlined in appendix 1.

RECOMMENDATIONS

1	To note the latest financial position in relation to homelessness.
2	To support the options outlined in appendix 1 to increase supply and mitigate further overspends on the homelessness budget.

REPORT DETAILS

1.00	HOMELESSNESS BUDGET PRESSURE													
1.01	Within the Revenue Budget Monitoring Report 2023/24 (Month 4) reported to Cabinet in September 2023 it was recommended that, as required by the Council's Finance Procedure Rules, a separate report is prepared by Housing and Communities to expand on the reasons for the significant overspend on the homelessness budget and the mitigations being put in place.													
1.02	<p>Within the Housing Solutions service there are specific budgets for homeless accommodation settings for 'interim housing'. In addition to this budgeted provision for these locations, including the Homeless Hub, there is a further specific budget for emergency accommodation.</p> <p>This budget is used when there is no remaining capacity in other budgeted temporary accommodation. The emergency accommodation used is mostly hotel rooms, within and beyond the boundaries of Flintshire, together with some use of other forms of holiday lets, such as caravans and apartments.</p>													
1.03	<p>The annual budget for emergency accommodation is £1,212,500 and the spend as at 30/10/2023 is £2,634,009 including prepaid accommodation to the end of March 2024 (the total relating to prepaid accommodation to the end of March 2024 is £699,950). Block booking and pre-paying for accommodation ensures the Council can secure accommodation capacity and achieve the best possible prices.</p> <p>Use of hotel rooms is not ideal or suitable for individuals and families. They are not only high cost but also present challenges seasonally due to peak times for demand within the year. This can result in increased costs, or in some circumstances temporary relocation, for those who are in hotel accommodation.</p>													
1.04	The projected total spend for the year is based on the spend to date with adjustments for prepaid accommodation and outstanding commitments (unpaid invoices, corporate card transactions etc.). Further allowance is then made for the expected spend for the remainder of the year using the spend to date as the initial base point, but also taking account of the full year impacts of growth in numbers in the year to date and further expected growth in numbers in the remainder of the year.													
1.05	<p>Growth in numbers in emergency accommodation</p> <p>Since October 2022 there has been significant and sustained growth in the numbers of people needing to be accommodated in emergency accommodation due to homelessness. The table below shows the data relating to emergency housing placements from March 2023 to September 2023 as it is relevant to the current financial year:</p> <table border="1" data-bbox="320 1962 1385 2089"> <thead> <tr> <th data-bbox="320 1962 533 2040">2023 Month</th> <th data-bbox="533 1962 745 2040">Hotels</th> <th data-bbox="745 1962 957 2040">Holiday Lets</th> <th data-bbox="957 1962 1169 2040">Total</th> <th data-bbox="1169 1962 1385 2040">Increase / Decrease</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 2040 533 2089">March</td> <td data-bbox="533 2040 745 2089">98</td> <td data-bbox="745 2040 957 2089">5</td> <td data-bbox="957 2040 1169 2089">103</td> <td data-bbox="1169 2040 1385 2089">-</td> </tr> </tbody> </table>				2023 Month	Hotels	Holiday Lets	Total	Increase / Decrease	March	98	5	103	-
2023 Month	Hotels	Holiday Lets	Total	Increase / Decrease										
March	98	5	103	-										

	April	121	5	126	23
	May	131	5	136	10
	June	126	4	130	-6
	July	142	4	146	16
	August	138	5	143	-3
	September	132	9	141	-2
	<p>Please note that these numbers only reflect a snapshot at a point in time (end of each calendar month) for the purpose of informing returns which are made to Welsh Government. The numbers will fluctuate daily.</p> <p>Some people are moved into permanent accommodation when suitable properties become available. Others may have their accommodation ended due to their behaviours and associated risks. New people will become homeless and require assistance of emergency housing where prevention activities have been unsuccessful, or no opportunity to prevent homelessness has been available.</p>				
1.06	<p>As has been referenced in previous homelessness reports the challenging market conditions, instability in the private rented sector, tensions at home, increases in complexity of need and changes to homelessness legislation are all key drivers for ongoing and sustained demand for homeless services and emergency accommodation.</p> <p>The lack of appropriate social housing to meet the needs of those who experience homelessness, along with affordability and availability issues within the private rented sector, continue to present significant barriers to assisting people to exit homelessness in a timely manner.</p>				
2.00	WORK TO ADDRESS HOMELESSNESS PRESSURES				
2.01	<p>There is a need to increase levels of successful move on to ensure delivery in line commitments around Rapid Rehousing:</p> <ul style="list-style-type: none"> • Rare – prevent more homelessness. • Brief – move people on from temporary housing quickly. • Unrepeated – support people once exiting homelessness. <p>Options have been developed for consideration to mitigate the overspend on the homelessness budget (see appendix 1). Each of the options proposed could offer some mitigations, however, are not necessarily quick wins.</p>				
2.02	<p>The options outlined in appendix 1 are designed to increase the supply of alternatives to emergency accommodation and consequently improve the rate at which people can be moved on from such accommodation, or even prevent some from having to use it in the first place.</p> <p>It should be acknowledged that a growth in demand from new presentations is still expected and these options/solutions are only part of the bigger picture and related challenges.</p>				

2.03	<p>Ongoing work:</p> <ul style="list-style-type: none"> • The Council has successfully bid to the Transitional Accommodation Capital Programme (TACP) and has been awarded funding of £1.6m for 2023 / 24. This will allow the acquisition and / or refurbishment of 28 additional units (8 acquisitions plus 2 internal transfers from General Fund to HRA and 18 long term voids brought back into use). • There is an ongoing programme of property acquisitions to increase supply of housing. Four acquisitions have been completed and a further eight are pending. • There is ongoing work to explore the potential for HRA borrowing as a solution to some budget pressures such as homelessness. • The Council will continue to lobby Welsh Government via the WLGA in conjunction with other Welsh LA's who are experiencing these pressures to seek additional financial support.
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3.00	RESOURCE IMPLICATIONS
3.01	<p>Detailed below are the resource implications associated with the proposed efforts to ease pressures on homelessness services:</p> <p>Revenue: Statutory Homeless Services are funded through Council Fund. Additional duties placed on Councils and the current demands on services and homeless accommodation results in additional expenditure and budget pressures. Whilst some grant is available for 2023-2024 for emergency housing and other discretionary funding for crisis interventions, this is not sufficient to cover the full scale of the financial risk. Support services are funded through Housing Support Grant. There are significant recruitment and retention challenges within the Housing Support sector and grant levels have not increased in the last 2 years and are unlikely to increase further. Additional services focused on supporting people, delivering improved outcomes, will require revenue funding to deliver, and may require business cases to be developed, within a spend to save, cost benefit approach.</p> <p>Capital: Creating more housing will require significant capital investment and has been flagged early within the Councils Capital Programme and Housing Revenue Account Business Plan. The Flintshire Housing Prospectus has been approved by Council and shared with our Housing Partners and Social Housing Grant (SHG) supports ambitious plans to increase housing supply at scale and pace and additional funding from Welsh Government has been available to support this challenge.</p> <p>Human Resources: Staff are under significant pressure with high levels of homelessness and unsuitable housing options such as hotels making support work more challenging. Additional support staff and staff for the management of temporary accommodation will be required and whilst some funding is available through Housing Support Grant, this funding has been standstill budget and unlikely to increase. Cost for support staff and service is however going up. Additional staff will also be required to deliver on ambitious plans to develop more housing to meet homelessness and broader housing needs.</p>

4.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
4.01	<p>Within appendix 1 option specific risks and mitigations have been outlined. The following broader risks have been considered along with mitigations offering additional control measures:</p> <p>Risk: Do nothing and allow the current pressures to continue and homeless accommodation costs increase at significant scale in future years.</p> <p>Mitigations: Actively consider and progress a number of the options outlined in this paper further and support officers to drive forward the approved options.</p> <p>Risk: Having high numbers of Flintshire households accommodated in neighbouring Local Authority areas will risk relationships and create tensions with neighbouring Councils and creates operational pressures for service delivery.</p> <p>Mitigation: Adopt the options outlined above to ease pressures on homeless accommodation and bring more homeless households back into Flintshire through increased supply of housing for the homeless cohort.</p> <p>Risk: Insufficient turnover and move on from homeless accommodation creates blockages within the system due to insufficient levels of affordable housing, creating significant financial pressures through the use of costly hotel accommodation.</p> <p>Mitigations: Increase the supply and access to housing for those who are homeless or at risk of homelessness through the adoption of a number of the options outlined in this report.</p> <p>Risk: Support a number of the above options but fail to successfully deliver the intended outcomes due to a lack of staffing or financial resources required to enable the options to be effective.</p> <p>Mitigations: Ensure all supported options are fully costed and resourced with additional staff and dedicated budgets (Housing Support, Temporary Accommodation and Development Team activities) through Council Fund, Housing Revenue Account and available grants such as Discretionary Homeless Grant, Housing Support Grant, Transitional Accommodation Capital Programme and the Social housing Grant.</p> <p>Risk: Grant funding is reduced or costs stand still, whilst market forces drive up expenditure for accommodation, services and staff.</p> <p>Mitigations: Continue to lobby Welsh Government in partnership with others across the sector, to increase funding for the development of accommodation, housing support and homelessness service.</p>

3.02	Ways of Working (Sustainable Development) Principles Impact	
Long-term	Positive – Increase in targeted support and alternative delivery methods to ensure services are inclusive for all	
Prevention	Prevention - Preventing homelessness through ensuring there is adequate support and accommodation to cater for a range of people’s needs	
Integration	Positive – Increased integration between services and partner organisations	
Collaboration	Positive – Increased collaboration between services, partner organisations and service users	
Involvement	Positive – Service user involvement to help shape effective services so that support is timely, and person centred	
3.03	Well-being Goals Impact	
Prosperous Wales	Positive – With additional funding more jobs will be created to deliver housing related support on a greater scale within Flintshire. Opportunities to support the labour market through training and development opportunities are being considered in conjunction with colleagues from Communities for Work.	
Resilient Wales	Positive – Creating services that are prevention focused and build resilience to avoid households becoming homeless	
Healthier Wales	Positive – Reduction in rough sleeping, overcoming health inequalities associated with homelessness and poor housing conditions and investment to increase targeted support for people with housing issues and mental ill-health	
More equal Wales	Positive – Services are delivered in a way that are inclusive for all. Consideration has been given to local and regional gaps in provision for often marginalised communities such as the homeless, those with mental health or substances issues and the LGBTQ+ community.	
Cohesive Wales	No Impact	

	Vibrant Wales	No impact
	Globally responsible Wales	No impact

5.00	CONSULTATIONS REQUIRED/CARRIED OUT
5.01	Consultation with Elected Members through Cabinet and Communities and Housing Overview and Scrutiny Committee.
5.02	Consultation with Housing Partners will be undertaken if options relating to changes to the Allocations Policy are progressed. The Common Allocations Policy is a shared policy and their support and engagement in adopting any temporary changes of practice will be required, if we are to apply the changes to all social housing in Flintshire, and not just Council homes.
5.03	The approach to consultation with residents in relation to the Sheltered Housing Review will be agreed by the Task and Finish Group. Consideration will need to be given to whether consultation with Mini Group communities is required if changes to these properties are to be progressed.

6.00	APPENDICES
6.01	Appendix 1 – Outline of options.

7.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
7.01	Consultation on White Paper - Ending Homelessness in Wales

8.00	CONTACT OFFICER DETAILS
8.01	Contact Officer: Martin Cooil – Housing & Prevention Service Manager Telephone: 07880 423234 E-mail: martin.cooil@flintshire.gov.uk

9.00	GLOSSARY OF TERMS
9.01	Housing (Wales) Act 2014 - the legislation the underpins the homelessness system within Wales including peoples' statutory rights and Local Authorities duties and responsibilities. Rapid Rehousing - Rapid rehousing is an approach for people whose first and most important need is to access housing; with a lack of it often the

main reason why they are homeless. Rapid rehousing helps people settle quickly back with family or friends, into private rented, social housing or other affordable and safe long-term housing options.

Housing Support Grant (HSG) - The HSG programme brings the historic funding streams for Supporting People, Homelessness Prevention and Rent Smart Wales grants into one single funding stream.

Housing Revenue Account (HRA) - The Council is required to keep a HRA to record all income and expenditure relating to the provision of local authority housing. All rental income, including arrears, must be held with a ring fenced HRA account. This means that income can only be used for council housing purposes and not general expenditure. This also allows rental income to be invested locally to help improve and maintain council owned homes and build new council homes.

Option 1 – fast tracking review of sheltered housing

Context

There is a significant lack of one bed general needs social housing in Flintshire, specifically within the Council's stock, yet this is the highest demand property type when considering the profile of homelessness. Approximately 80% of the homeless cohort are single people or couples under the age of 55 requiring one bed homes.

The Council's accommodation for people over the age of 55 (sheltered housing) accounts for around 29% of the total stock. Sheltered housing also accounts for a large number of void properties which become available each year for relet.

As of 30th October 2023, there were a total of 223 empty properties awaiting refurbishment, 96 of which were sheltered.

The Council designates some of its stock as 'mini group' properties and these are usually allocated to people over the age of 50. There are 550 mini group homes accounting for c.7.5% of all Council properties.

Of the 223 void properties there were 17 mini group awaiting refurbishment. Therefore, age restricted properties (over 50) accounts for over 50% of the current voids.

In comparison there were only seven vacant one-bed general needs homes awaiting refurbishment, with the remaining 103 general needs homes for use by families.

Void By Type	Void Properties	Void as %
1 bed General Needs	7	3.1%
2 bed General Needs	34	15.2%
3 bed General Needs	63	28.3%
4 bed+ General Needs	6	2.7%
1 bed Mini Group	12	5.4%
2 bed Mini Group	5	2.2%

1 bed Sheltered	50	22.4%
2 bed Sheltered	46	20.6%
ALL	223	100%

Addressing the disconnect between the Council’s supply of vacant homes and overall stock profile, to align it with the needs of the homeless cohort would increase supply and reduce demand on costly hotel and bed and breakfast placements. This would also better meet the housing needs of Flintshire residents, not just those who experience homelessness, as waiting times for one bed general needs homes is significantly longer than for those who require mini group or sheltered housing.

Option 1a - Progress with the sheltered housing review to develop recommendations for current schemes.

Following discussions at Communities and Housing Overview and Scrutiny Committee in February 2023 it was agreed that a task and finish group would be established to agree the methodology and consultation approach for the sheltered housing review. The terms of reference for this group have been agreed and the intention is to report back to Overview and Scrutiny in December 2023 on the outcomes from the group and progress the review of all schemes from January 2024.

Option 1a – risks and mitigations

The Sheltered Housing Review working group will manage all aspects of risks and mitigations with regards to this workstream and further reports will be shared with Cabinet and Scrutiny Committee in due course.

Option 1b - Reduce or remove the age thresholds for mini-group properties which is currently 50 years plus.

During the financial year 2022-2023 42 mini group properties were successfully relet by the Council with 37 mini group relets the previous year (2021-2022). As of 30th October 2023, there were 17 mini group properties vacant awaiting refurbishment and relet.

If allocation of 50% of these properties was to people who are homeless, and in homeless accommodation, there is an estimated reduction in expenditure on emergency housing of £587,000 based on an average figure of forty available homes each year.

Option 1b - Risks and mitigations

There is a commitment to creating sustainable communities. Specific concerns over ‘mixed age’ communities and the impact that younger people living within areas predominantly occupied by older people are valid, however can be mitigated. The following can be considered as mitigations.

- Reducing age ranges for mini group over a planned period may be one way to address this concern.

Average cost of one individual in homeless accommodation for one year x twenty relets:

- Average cost for hotel room per week = £564.50
- Annual cost for hotel room for year = £29,354.00

Twenty people allocated in mini group properties could reduce homeless accommodation costs by £587,080 if accessed via the 50% Homeless Direct Policy.

Whilst there are many variables to consider when estimating savings, including availability of mini group homes, time to complete void works, length of stay in homeless accommodation, suitability of offer and specific property types and locations, this provides an indication of the potential impact of opening up mini group properties in terms of cost benefit for the Council Fund.

- Age range could be reduced to an agreed age (for example, 40 years) to mitigate concerns of younger people living within mini group sites.
- Sensitive lettings principles can be applied within the above age range profiles to ensure positive and complimentary behaviours for each community.
- Local lettings policies can be implemented to enable further scrutiny of an applicant's circumstances to reduce risks associated with substance misuse, offending behaviours, risk of community tension.
- Additional support can be put in place for people moving into mini group homes to support housing sustainment and support integration to a new community.

Option 2 - increase in homeless accommodation

Context
 The Homeless Hub is an example of a bespoke 24/7 supported housing community for people experiencing homelessness. Whilst the standard of accommodation (porta-kabin style) is not the aspiration in the long term, this model does provide excellent support for people and a safe place to stay.

The accommodation provides housing for up to 26 single people and is located on Council land. Modular accommodation modules are leased long term, and compared with other housing options is relatively low cost. Support services provided by The Wallich are funded via the Housing Support Grant (HSG) and cost c.£480,000 per year.

Option 2a - Replicate Glanrafon Homeless Hub in another location with use of modular accommodation modules

Availability of land for temporary provision of modular accommodation modules will be a consideration but the Council may have sites available for such purposes. Higher standards of modular builds are available at an increased cost, however some forms of modular builds can be dismantled and relocated for use on other sites longer term.

Consideration of 24/7 support services would be critical to delivering this model and HSG is fully committed for future years. Retendering of services is likely to place more pressure on the £7.8million of available funding for existing provision as operating costs for existing and new providers are increasing.

Option 2a – risks and mitigations

Careful consideration should be given to increasing capacity for modular accommodation modules. This may be considered low quality in terms of what accommodation people who experience homelessness should be offered. This is mitigated to some extent by the quality of support offered.

Use of modular accommodation modules may ease immediate financial pressures, however, it is not a long-term solution.

Access to sites and planning conditions of a temporary nature is a risk. It should be noted the existing Homeless Hub only has planning permission until July 2026 and any additional sites will also have a limited consent period, however this will allow time to deliver more appropriate long term housing solutions for those who experience homelessness.

<p>Option 2b - Replicate Glanrafon Homeless Hub through purchase of a large building or development of purpose built accommodation</p> <p>The identification and acquisition of a larger existing building, for example, hotel or vacant pub, with plans to refurbish and repurpose for use as homeless accommodation could be considered. This would include the provision of 24/7 support on site or daytime support and security in the evening. As above, funding for support provision would need to be identified, given the limited HSG available, however a business case could be made against the current expenditure on hotel accommodation.</p> <p>Social Housing Grant (SHG) or others capital grants may be available to purchase and repurpose accommodation. Grant conditions may be prohibitive regarding space standards and HRA or Council Fund capital funding may be required. Welsh Government are aware of the challenges around homelessness and are increasingly flexible and willing to work with Councils on bespoke housing solutions for homeless accommodation but do have a clear commitment to “quality housing”.</p>	<p>Option 2b - Risks and mitigations</p> <p>Identifying suitable sites and ensuring the provision is accepted within the wider community is a risk. Engagement with the community and sensitive site location would mitigate this risk alongside robust management of the accommodation and support services.</p> <p>If developing this option at scale, it will be important to ensure 24/7 support is available to reduce risks for vulnerable residents and ensure that the provision does not cause disruption within the community it is located.</p> <p>Balancing the cost benefit of a large site in terms of capital funding and revenue costs for support services, or several smaller sites across the County will be a consideration for budgets. One centralised location may offer greater cost benefit for the Council in terms of capital and revenue expenditure, but a dispersed approach with a few smaller scale services may be more acceptable within communities.</p>
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Option 3 - changes to allocation policy

Context

The current Single Access Route to Housing (SARTH) Common Allocations Policy is applied for the assessment of all applicants for social housing and is adopted by the Council and all Housing Association partners. In most cases homelessness is a Band 2 qualifier along with most other housing needs. The exceptions are those who are homeless as a result of fleeing violence or abuse, or following leaving the forces which are both Band 1, and those who are intentionally homeless who are awarded Band 4.

Those residents within supported housing commissioned through HSG also receive Band 1 status when they are ready for move on. This is an existing element of easing pressures on homeless accommodation. As more homeless households are presenting with complex needs, many will benefit from access to supported housing. The Band 1 status for 'move on from supported housing' ensures the support housing portfolio does not become 'bed blocked'. This would result in households with complex needs remaining in unsuitable homeless accommodation where their support needs cannot be best addressed.

The Council and Housing Association partners agreed during Covid to a significant policy variation that allowed for 50% of all social housing to be offered to local Homeless Teams to allocate to those households in temporary accommodation. In Flintshire this also extends to those who are imminently homeless, in the hope an early offer would avoid the need for accessing homeless accommodation.

Whilst this approach has been beneficial and increased access to social housing for those who experience homelessness, the take up on the 50% quota has never been maximised and last year Flintshire only achieved a 23% take up of all social housing via this approach. As already referenced, this is predominantly due to the limited availability of one bed general needs housing and the significant disconnect between social housing supply and the homeless cohort demand profile. 75% of households accommodated by the Council due to homelessness, require a one bed general needs home, but less than 5% of the Council's stock is one bed general needs.

It should be noted significant changes to homeless legislation (Housing (Wales) Act 2014) and the Social Housing Allocations Code of Guidance within Wales are anticipated. The recent publication of the White Paper on 'Ending homelessness in Wales', is out for consultation and will provide firm direction and a legal framework for homelessness and the future allocation of social housing.

Flexibility within the current legal frameworks to amend the local Common Allocations Policy is something we should continue to explore and utilise.

<p>Option 3a - Increase SARTH Homeless Direct Lets quota from 50% to 100%. Moving to a 100% Homeless Direct Lets would offer some benefit to easing pressures on homeless accommodation but does present challenges as outlined in the risk and mitigations section.</p> <p>The issue of the stock profile does mean such an approach would have a greater impact on some homeless households more than others. Whilst there would be benefit to all homeless households with increased move on, the limited availability of one bed general needs housing and over supply of housing for the over 50's cohort, remains a significant barrier if only considered in isolation to other changes to stock profile.</p> <p>Older people and families who experience homelessness would see the most noticeable benefit if the Council and Housing Association partners agreed to move to a 100% Homeless Direct Let approach.</p>	<p>Option 3a – risks and mitigations Whilst the needs of the homeless cohort are the focus of this paper, the Council also has duties to other housing applicants who have housing needs other than homelessness. Increasing access to social housing for the homeless cohort, will have an impact on other applicants on the register who will not be housed as frequently or as quickly.</p> <p>Delays in accessing social housing is one of the most common complaints and enquiries from residents, local Members and Members of Parliament and the Senedd. It is a risk that these complaints may increase because of people waiting longer for social housing.</p> <p>Other forms of housing need reflected on the housing register, such as people living in overcrowded housing, poor property conditions, serious medical issues compounded by current housing situation, are all housing issues that have cost implications on the public purse. Whilst much of this expenditure may be through health care pressures, there is also a potential impact on Council Fund through Social Care services who are already under significant operational and financial pressures. It is acknowledged such costs are difficult to quantify.</p>
<p>Option 3b - Place a temporary hold on non-urgent moves for social housing applicants via the Common Housing Register. Urgent moves should be considered as Band 1 applications as per the Common Allocations Policy. In addition, all SARTH partners have discretion to apply urgent management moves if they see fit,</p>	<p>Option 3b - Risks and mitigations As outlined above there are risks of increased enquiries and complaints due to extending waiting times for social housing applicants who have needs other than homelessness. There are also potential cost pressures across other public services</p>

<p>for purposes of 'best use of stock' or to address pressing housing issues that would not be best addressed via the Common Allocations Policy. Therefore Band 2/3/4 applications could be considered 'non urgent moves'.</p> <p>As per the option 3a above, the impact for one bed general needs households would be positive but disproportionately limited, compared to other homeless household types and the supply of one bed general needs housing for those under 50 is limited.</p>	<p>because of these delays. This is difficult to quantify. This risk can be mitigated through constant review of the approach, to ensure there are no unintended consequences on certain groups and set time frames for applying this restriction.</p>
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Option 3c - Allocate two-bedroom Council housing to people who are homeless, have a one bedroom need and do not qualify for sheltered accommodation.

The Common Allocations Policy applies the principles of 'right sizing' to ensure properties are fully occupied. This is a long established 'best use of stock' approach, that also mitigates the potential impact of the spare room subsidy linked to Housing Benefit entitlements (the 'bedroom tax').

Whilst some homeless households may be able to afford larger properties, the vast majority are benefit dependent and would immediately receive a 14% benefit shortfall for their rental costs if under occupying housing and could fall into rent arrears. Those who can afford the extra bedroom can be considered for a larger property under the current Common Allocation Policy, but priority is given to those households who would fully occupy a property.

As outlined in the table in option 1 there were 34 two bed general needs homes on the void list (30th October 2023). Of these vacant properties, 16 were two bed flats. Flats are less desirable for families and often have fewer applicants and higher refusal rates.

Option 3c - Risk and Mitigations

Long term it may be cost prohibitive to absorb rent shortfalls, and this risk is heightened should Welsh Government grant be reduced. To mitigate this, the Council can project budgets to reflect the potential ongoing costs whilst also targeting this approach to those who are closest to the labour market, or closest to age range where the spare room subsidy is applied for those in receipt of benefits. The Council could also target back to work initiatives at those residents benefitting from two bed homes so they become financially independent over time.

Appendix 1 - Options

<p>Offering two bed homes to households with a one bed need, even if limited to just two bed flats, would increase supply of social housing for the homeless cohort. Consideration would need to be given to how to mitigate the financial hardship for the residents, and the potential for increased rent arrears within the HRA.</p>	
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Option 4 - alternative use of FCC stock	
<p>Context</p> <p>There are currently twenty-two FCC properties being used as homeless accommodation. Twelve of these are new properties brought into Council ownership following successful funding bids for Welsh Government Phase 2 Covid Grant Funding. The other 10 properties are existing Council homes.</p> <p>These properties are managed by the Council’s Homeless Team as temporary accommodation and occupied by homeless households under license agreement or Standard ‘Homeless’ Contacts of Occupation. They are dispersed across the County.</p> <p>Under Housing Benefit rules these properties can be under occupied without the impact of the spare room subsidy and rent is guaranteed for the HRA as the service pay for the accommodation 6 months in advance even during void periods.</p> <p>Turnover is higher than usual; however, this is a far more appropriate housing offer than hotels or large-scale shared housing such as Houses of Multiple Occupation (HMOs) (3 people or more sharing).</p>	
<p>Option 4a - Take more Council housing from HRA to use as temporary accommodation and create house shares for single people.</p> <p>The use of Council housing as temporary accommodation provides flexible use of stock in a way traditional secure contracts cannot. Properties could be fully occupied by households, under occupied with minimal financial risk or used as house shares for two people in two bed or three bed homes.</p> <p>Having two-bed house shares avoids triggering planning requirements for HMOs, but three-bed house shares, subject to bedroom sizes is viable with the appropriate consents. The Homeless Service already has two and three bed private sector properties on the Lease Scheme it successfully uses as small scale two- and three-person house shares.</p>	<p>Option 4a – risks and mitigations</p> <p>Using Council homes that would otherwise be allocated via the Common Housing Register will result in some households with housing needs other than homelessness, waiting longer for rehousing. This risk is outlined above. It should be noted that demand for three-bed homes is not as significant as two-bed homes, and therefore targeting three-bed homes offers some mitigation to complaints and reduces the impact of extended waiting times for families.</p>

The current amount claimed in existing temporary accommodation of this type is £82.00 per week under Housing Benefit regulations. Consideration must also be given to other associated costs for establishing a shared house, for example, carpets, furnishings, white goods. Charges for utilities need to be factored into Council budgets but an element of these costs can be recharged out to occupants through service charges.

Routine repairs, compliance works and capital investment remains a cost for Housing Assets but tenant damage and breach of tenancy costs sit within the Homeless Service.

An example costing is provided below for a three-bed house with two people sharing operating this model of shared housing for temporary accommodation.

ROUTINE INCOME

Rental Income - £164pw

Service Charge - £40pw

ROUTINE OUTGOINGS

Rent payable - £125pw

Gas, electric and water charges - £50pw

START UP COSTS

Carpets - £1,000

Furnishings including blinds, curtains - £1,600

White goods and other miscellaneous Items - £1,400

REPAIRS AND REPLACEMENTS

Subject to turnover of rooms and occupant conduct - £2000pcy

VOID COSTS AND BAD DEBT PROVISION

Subject to turnover and occupant conduct - £2,500pcy

Based on the approximate costings the annual cost of a two-person house share for the Homeless Service would be less than £3,000 (Routine Income – Routine Outgoings – Repairs and Replacements – Void Costs and Bad Debt Provisions). This is exclusive of any additional staff required to manage additional properties through the Temporary Accommodation Team.

Start-up costs to enable the house share model would be c.£4,000.

As a cost comparison, two single people in hotel accommodation with an average weekly cost of £564.50 per person (annual cost £58,708) the potential cost saving are £55,708 for each two-bed house share created. As such, utilising 10 x three-bed Council properties as two-bed house shares could potentially offset emergency housing expenditure of c. £550,000 per year. Even factoring in an additional staff member for the Temporary Accommodation Team at £50,000 per year the saving could be up to £500,000.

Option 5 – review offer to private landlords

Context
 Research commissioned by the Housing and Communities portfolio suggests that private sector availability is down approximately 60% in the last 5 years. Landlords are leaving the market and demand for housing is greater than ever. The impact of this is increasing rental charges and greater competition for the reduced number of available homes.

This issue is further compounded with competing housing pressures relating to the resettlement schemes managed by the Council and Home Office commissioned contractors seeking to secure private rented homes across the county for asylum dispersal. Whilst some property owners are leaving the rental market, others are looking at guaranteed income streams through long term leasing offered through the above schemes.

The Council already has a small portfolio of leased accommodation which is used as housing for homeless households but would need to improve its standard offer to reflect the above market challenges and budget for this accordingly.

Target rents for the Homeless Lease Scheme are at 90% Local Housing Allowance (LHA) and rents are guaranteed and paid six months in advance for property owners. Minimal compliance and routine maintenance works are a benefit for the property owner and tenant damage, voids loss and void works are covered by the Council through the lease agreement.

The Homeless Service uses spend to save budgets, Discretionary Homeless Grant and Discretionary Housing Payments via Housing Benefit, for landlord incentives such as rent rescue packages, rent in advance, deposits, rent top ups and other housing related costs helping people to exit or avoid homelessness by securing and sustaining homes in the private rental market.

Additional in-year funding from Welsh Government has recently been announced (108% uplift from £195,103.00 to £406,465.00 for 2023-2024) and is available for most of these activities. This will enable the Council to enhance existing offers for landlords to rehouse homeless households. It is unclear if this enhanced award will be sustained in future years.

Option 5a - Improve the lease scheme offer to attract more landlords
 Whilst paying more for leased accommodation will result in an increased expenditure for the leased portfolio (lease costs of 120% LHA compared to target of 90% is a significant uplift but makes the

Option 5a – risks and mitigations
 With additional properties to manage, the Temporary Accommodation Team will require more capacity to deliver quality services. This could be factored into budgets based on the cost benefit of moving away from a reliance on high-cost

<p>scheme more attractive to landlords), this expenditure in comparison to hotel costs is far more cost effective, even when factoring in additional costs associated with lease obligations for the Council and additional staffing costs for managing the accommodation.</p>	<p>hotel accommodation. Failure to manage properties robustly could lead to legal challenge from landlords, health and safety risks for occupants and disruption within the community if issues of anti-social behaviour are not resolved.</p> <p>Costs for enhance lease offers will need to be reflected in budgets but can offer greater value for money on limited Council Fund as we move away from hotel accommodation.</p>
<p>Option 5b - Target long-term empty properties for Council Lease Scheme</p> <p>Houses unfit for occupation and long-term empty properties is a challenge within Flintshire. Some landlords do not have the financial means or the capacity and skills to manage refurbishment of long-term empty properties. The development of a model as part of the Leasing Scheme whereby upfront investment costs to bring long term empty homes back into use are committed by the Council and refurbishment project managed by the Council could be considered. These costs could then be converted into a peppercorn rent fee (very low/nominal amount) over an agreed lease term, until the refurbishment and project management costs are repaid. An example of this approach is outlined below.</p> <p>3 bed house refurbishment work - £40,000 10% Project Management Charge - £4,000 Total Cost - £44,000</p> <p>Property Rental value - £8,000pcy</p> <p>Repayment Period – 4.5 years Lease Period 4.5 years</p>	<p>Option 5b – risk and mitigations</p> <p>This approach is high cost up front expenditure, but over the life cycle of the lease period, all investment is recouped through the peppercorn rent and reduced budget obligations for the term of the lease.</p> <p>Legal and Financial Regulation advice is being sought on this model to understand the implications and overcome any potential challenges, if it were to be considered a ‘loan scheme’.</p> <p>As outlined above, increasing the number of self-contained homes on the Lease Scheme will require additional staffing capacity to ensure a quality service is delivered, but this can be factored into the cost benefit of moving away from hotel accommodation.</p>

<p>Lease Cost - £1.00pcy Total Lease Value £4.50</p> <p>Following repayment of the refurbishment costs, the Council and property owners would re-negotiate the terms of the lease and apply the usual Lease Scheme offer and conditions.</p>	
<p>Option 5c - Offer enhanced landlord incentives Offering landlords greater financial incentives to rehouse homeless households, or those at risk of homelessness, and maximising the grant available from Welsh Government is a response to a challenging housing market. This could reduce lengths of stays in homeless accommodation as well as potentially avoiding the need for people to have to access homeless accommodation in the first place.</p>	
<p>Option 5d - Exploring the use of a Rent Guarantee Scheme Many landlords now ask for guarantors as part of the resident selection process for private rentals. Although this is a long-term commitment there is potential to adopt a Rent Guarantee Scheme. A Rent Guarantee Scheme has already been developed as part of the Ukraine Resettlement Scheme in Flintshire and this could form the basis for a similar approach. Again, the enhanced Discretionary Homeless Fund from Welsh Government could support this, and financial modelling would be required to consider this as a long-term commitment, with or without Welsh Government grant.</p>	<p>Option 5d – Risks and mitigations Whilst savings may be achieved through this model, the longer term financial commitments placed on the Council would be significant but can be considered a spend to save principle. The total cost could be reduced by anticipating bad debt provision within the approach and is favourable when compared to expenditure on hotel accommodation. Assessment for eligible and ‘low risk’ households, along with additional support to help residents manage their finances and prioritise rent payments would mitigate the likelihood of claims against the Council.</p>

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COMMUNITY & HOUSING OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	Wednesday 15 th November 2023
Report Subject	Housing Rent Income
Cabinet Member	Cabinet Member for Housing and Regeneration
Report Author	Chief Officer (Housing and Communities)
Type of Report	Operational

EXECUTIVE SUMMARY

This report provides Community and Housing Overview and Scrutiny Committee with the latest operational update on the collection of housing rent, an analysis of arrears more than £5k, and proposals to strengthen the debt recovery process by amending the Corporate Debt Recovery Policy and automatically taking court action against contract holders who owe the equivalent of 12 weeks unpaid rent and/or £1,500 and who are not addressing their weekly rent payments and arrears.

Collection of housing rent remains an area of risk but total rent arrears up to week 27 are £2.6m compared to £2.7m at the same week in the previous year, an improvement of £100k.

RECOMMENDATIONS

1	Note the latest financial position for rent collections in 2023/24 as set out in this report.
2	Support the proposed changes to the Corporate Debt Recovery Policy to strengthen the collection of Housing Rent by taking court action, as a default position, in cases where contract holders are not making payment, are 12 weeks in arrears and/or who owe £1,500 or more and who are not engaging with the housing service to address the arrears.

REPORT DETAILS

<p>1.00</p>	<p>EXPLAINING THE LATEST POSITION OF RENT ARREARS</p>
<p>1.01</p>	<p>Collection of rent has seen marginal improvements during quarter 2 and total rent arrears are currently, around £100k lower than at the same point in the previous year. The marginal gains are attributable to the stabilisation of resources and recent recruitment to vacancies.</p>
<p>1.02</p>	<p>Despite the recent improvements in collections at the latter end of quarter 2, the financial climate remains challenging as many contract holders are less likely to have sufficient disposable income to always make their rent payments on time or cope with inflationary cost-of-living increases and rising household costs.</p> <p>For those contract holders who find it difficult to pay and who want to engage, we are continuing to signpost and make referrals to specialist teams across the Council.</p>
<p>1.03</p>	<p>Rent and arrears collection continues to follow a pattern where performance improves significantly at year-end compared to the in-year position. This is mainly due to collecting outstanding income through rent free weeks that fall in December and March. The table below illustrates the latest position for 2023-24, up to week 27, along with full year comparisons for previous years:</p> <div data-bbox="320 1151 1385 1868" style="border: 1px solid black; padding: 10px;"> <p style="text-align: center;">Arrears Comparisons (2015/16 - 2023/24)</p> <p>The chart displays the weekly total of rent arrears from 2015/16 to 2023/24. The Y-axis represents the amount in pounds, ranging from 1,000,000 to 3,200,000 in increments of 200,000. The X-axis represents the weeks of the year, from Week 1 to Week 53. There are eight data series, each representing a financial year: 2015/16 (light blue), 2016/17 (orange), 2017/18 (grey), 2018/19 (yellow), 2019/20 (dark blue), 2020/21 (green), 2021/22 (red), and 2022/23 (brown). The 2023/24 series (purple) is only plotted up to Week 27. The chart shows a general upward trend in arrears over the years, with 2023/24 reaching a peak of approximately £2,800,000 by Week 27. There is a notable dip in arrears for all years around Week 51-53, likely due to year-end collections.</p> </div>

1.04

The table below also shows the latest analysis of banded arrears up to week 27 for those contract holders who owe more than £250 in unpaid rent as contract holders who owe less than this are generally considered to be up to date with their payments:

	Oct-23	
Banded Arrears (£)	No. Contract Holders	Arrears (£)
250 - 500	720	258,818
500 - 750	416	254,524
750 - 1,000	220	191,216
1,000 – 2,500	455	721,023
2,500 – 5,000	175	598,871
5000+	44	304,091
	2,030	2,328,543

At the July meeting of Community and Housing Scrutiny, it was also agreed to provide elected members with an in-depth analysis of those contract holders who owe the Council more than £5k of unpaid rent:

Reason	Contract Holders	Value (£)
Payment Plan in place and payment of rent plus arrears is being maintained	17	104,226
Court action is being considered. Contract Holders are engaging & making some attempts to pay	14	101,843
Awaiting further court hearing as court action previously taken and now in breach of payment terms	6	37,358
Awaiting 1st court hearing	4	28,400
Mesne Profit Case	3	32,264
Total Value	44	304,091

1.05	<p>The housing service continue to work collaboratively to discuss, support and resolve the more complex cases. Officers continue to hold fortnightly panel meetings to discuss these cases and work together through engagement and support to attempt to get positive outcomes.</p> <p>As a result of this work there have been many positive outcomes both for the contract holders and the Council with many contract holders paying their arrears and now having the support, they need to maintain ongoing rent payments.</p>								
1.06	<p>The need to work within the spirit of WG policy intentions of “no evictions into homelessness” as well as maximising collections of rent to comply with the Councils Corporate Debt Recovery Policy can be a challenge and there is a balance to be struck between the two often conflicting policy intentions.</p>								
1.07	<p>Although court action is taken as a last resort, there is a growing need to adopt a more commercial approach to the collection of rent arrears to ensure losses in collections are minimised for the HRA.</p> <p>Appendix 1 to this report therefore sets out proposed changes to parts of the Corporate Debt Recovery Policy in relation to collection of housing rent.</p> <p>The focus on early intervention and preventative action and support will continue, but to prevent arrears levels escalating, it is proposed that legal action is now triggered, by default, for contract holders who are not meeting their payments, are 12 weeks or more in arrears or owe an amount of £1,500 and who are not engaging with the housing service to address the arrears.</p> <p>Court proceedings are a necessary tool to secure payment from contract holders who do not engage with the Council and fail to make payment. In most cases, the judicial process usually results in most contract holders making payment or receiving an order from the court to pay rather than being evicted.</p> <p>Prior to the adoption of the changes at Cabinet, Scrutiny is therefore asked to endorse the proposed changes to the Corporate Debt Recovery Policy in relation to the trigger points for legal action for housing rent.</p>								
1.08	<p>Each year, the HRA sets aside bad debt provision to meet the cost of write offs and there is currently adequate provision set aside for 2023-24 and within the 30-year business plan to fund write offs.</p> <p>The table below also lists the levels of arrears that have been written off for various reasons including, insolvency, debt relief orders, contract holders leaving the property without a forwarding addresses and contract holders who have passed away leaving no estate or funds.</p> <table border="1" data-bbox="639 1879 920 2092"> <thead> <tr> <th>Year</th> <th>Write off Values (£)</th> </tr> </thead> <tbody> <tr> <td>2023-24</td> <td>111,356</td> </tr> <tr> <td>2022-23</td> <td>283,821</td> </tr> <tr> <td>2021-22</td> <td>288,898</td> </tr> </tbody> </table>	Year	Write off Values (£)	2023-24	111,356	2022-23	283,821	2021-22	288,898
Year	Write off Values (£)								
2023-24	111,356								
2022-23	283,821								
2021-22	288,898								

		2020-21	195,333	
		2019-20	624,478	
		2018-19	482,910	
		Total	1,986,796	

The number and value of write offs continues to reduce as officers strive to collect all balances as quickly as possible. This also ensures that lower levels of bad debt provision are needed to be set aside, which in turn allows more funding to be diverted into improving homes and investing in housing services.

2.00	RESOURCE IMPLICATIONS
2.01	The deployment of the Mobyssoft 'Rent Sense' software, funded by the HRA, continues to be necessary to control rent arrears and to ensure resources are targeted effectively.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	To ensure financial risks to the HRA are minimised as far as possible, rent arrears continue to be tracked on a weekly basis and cases are identified as quickly as possible to ensure targeted intervention is provided to those contract holders at highest risk of non-payment.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<ul style="list-style-type: none"> • Housing (Wales) Act 2014 • Welfare Reform Act 2012 • Corporate Debt Recovery Policy

7.00	CONTACT OFFICERS DETAILS
7.01	Contact Officer: David Barnes, Revenues and Procurement Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Housing Revenue Account: The Council is required to keep a HRA to record all income and expenditure relating to the provision of local authority housing. All rental income, including arrears, must be held with a ring fenced HRA account. This means that income can only be used for council housing purposes and not general expenditure. This also allows rental income to be invested locally to help improve and maintain council owned homes and build new council homes.</p> <p>Bad Debt Provision (BDP): is a reserve to cover financial losses for rents that may be uncollectable in the future. BDP is sometimes also referred to as 'impairment allowances' for doubtful debts.</p> <p>Mesne Profits: is the term used for the property charge which the person left in occupation of a housing property is expected to pay after a tenancy has been terminated. The amount of mesne profits payable is usually equivalent to the rent that the former tenant was paying.</p>



**Community and Housing Overview and Scrutiny Committee
 Voids Management Update
 Reporting period: October 2023**

Key figures			A	M	J	J	A	S	O
Number of new void properties in reporting period			24	25	28	20	20	26	26
Number of properties completed ready for allocation			18	30	30	39	33	28	29
Number of allocation offers accepted			-	-	-	-	-	-	29
Number of lettings			-	-	-	-	-	-	32
Breakdown of total void figures	Housing Assets	Major voids	137	132	142	134	107	101	100
		Minor voids	50	52	60	53	45	34	35
		TBC	81	79	59	55	82	97	94
	Housing Management	Demand	173	169	171	165	153	129	127
		Low demand	90	92	90	77	79	101	102
		TBC	5	2	0	0	2	2	2
Property Type	General Needs		125	120	122	109	113	120	116
	Sheltered		143	143	139	133	121	112	115
Property Type	1 bed		89	90	91	87	77	72	74
	2 bed		100	98	96	92	89	91	84
	3 bed		76	71	69	57	61	63	65
	4 bed		2	3	4	5	6	5	5
	4 bed plus		1	1	1	1	1	1	1
Capital District Areas	Buckley		26	26	29	25	26	24	28
	C'Quay & Shotton		61	62	60	58	57	54	47
	Deeside & Saltney		35	34	31	32	33	34	35
	Flint		53	54	51	49	43	45	45
	Holywell		61	56	55	47	48	49	51
	Mold		32	31	35	31	27	26	23
Total voids			268	263	261	242	234	232	229

Key activity against void action plan

Bullet point list of activity against action plan in reporting period

B3 - Management and performance monitoring of Void Refurbishment Framework

- Allocation of work to newly commissioned contractors in line with their capacity to deliver.
- Progress meetings scheduled over the next 12 months to monitor performance and quality.
- Contractors Performance meetings set up for the next 12 months - to monitor target times, quality of work, capacity, and general performance.
- All meetings will be recorded to evaluate and provide ongoing evidence of performance standards.

D4 – Undertake benchmarking against other local authorities.

- Linked to the new WHQS 2023, in the process of ascertaining what works are required to meet future requirements to achieve compliance. - This will inform targets.
- Review the existing categories and associated targets - Are new categories required.

Next steps

Bullet point list of activity planned against action plan in next reporting period.

A1 - Identification of additional funding streams

- *The Council have secured TACP phase 1 funding - £548k.*
- *The Council have now also recently secured TACP phase 2 - £1.6m*

A2 - Identify budget requirements to achieve WHQS 2023 and Decarb

- *WHQS 2023 has now landed (October)*
- *Reviewing standards and updating our specifications and standards*
- *Reviewing existing WHQS refurb programmes and stock surveys*
- *Working with finance colleagues to inform the HRA Business Plan*
- *Procure additional workstreams via tendering exercises etc.*

Any other information

Provision of other information to Overview and Scrutiny Committee

Allocated Budget for this year:

- *£4.6m Overall Total Voids Budget*

Void properties require major investment:

- *Approximately 70%*

Top reasons for terminations:

- *October*
 - *Deceased (13)*
 - *Transfer to FCC property (7)*
 - *Residential Care (2)*

In-house DLO Team - Work Allocation

Number of operatives within the DLO team

- 32 operatives (working on approximately 25-30 Voids)

Number of Team Leaders who manage the DLO

- 2 Team Leaders

Contractor - Work Allocation

Number of Contractors

- 6 Contractors (working on approximately 60 Voids)

Number of Team Leaders who manage contractors

- 2 Team Leaders

Number of Capital Works Surveyors who manage contractors

- 2 Surveyors

Low Demand assets

- **Bolingbroke Heights 2-Bed**
- **Castle Heights 2-Bed**
- **Richard Heights 2-Bed**

Reasons – Due to desirability concerns relating to the communal areas and open spaces, along with the existing service offer. Also relating to the bedroom tax applied to those persons under the age of 66.

- **Llwyn Aled**
- **Llwyn Beuno**

Reasons – Due to access and egress issues. Existing tenants (contract holders) along with any applicants who have refused an allocation offer, have expressed difficulties and or concerns with regards to the number of steps/ internal staircases.

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