

HOUSING OVERVIEW & SCRUTINY COMMITTEE
24 MARCH 2015

Minutes of the meeting of the Housing Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Tuesday, 24 March 2015

PRESENT: Councillor Ron Hampson (Chairman)

Councillors: Amanda Bragg, David Cox, Paul Cunningham, Peter Curtis, Rosetta Dolphin, Jim Falshaw, George Hardcastle, Ray Hughes, Hilary Isherwood, Brian Lloyd, Mike Reece and Gareth Roberts

Members of the Environment Overview & Scrutiny Committee had been invited to attend for Agenda Item 4 - Vibrant and Viable Places

Present: Councillors: Ian Dunbar, Colin Legg, Nancy Matthews and Paul Shotton

SUBSTITUTE: Councillor Carolyn Thomas (for Ron Davies)

APOLOGY: Cabinet Member for Housing

ALSO PRESENT: Councillor Dennis Hutchinson

CONTRIBUTORS: Deputy Leader and Cabinet Member for Environment, Chief Officer (Community & Enterprise), Economic Development Manager, Housing Regeneration & Strategy Manager and Housing Asset Manager

IN ATTENDANCE: Housing & Learning Overview & Scrutiny Facilitator and Committee Officer

63. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

Councillor Hilary Isherwood declared a personal interest on all agenda items due to her husband being the Shadow Housing Minister.

During discussion on Agenda Item 5 - The Future of the Right to Buy and Right to Acquire, the Deputy Leader & Cabinet Member for Environment declared a personal interest as he was a Director of North East Wales Homes.

64. MINUTES

The minutes of the meeting held on 24 February 2015 had been circulated with the agenda.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

65. VIBRANT AND VIABLE PLACES

The Economic Development Manager introduced the progress update on the delivery of the Vibrant and Viable Places (VVP) programme in Deeside. He

explained the background to the report, culminating in the Council securing a funding package of £6.024m from the Welsh Government (WG) over three years to support projects relating to the wider regeneration of Deeside. Although funding allocated to each of the three years needed to be utilised within those periods and could not be carried forward, it could be moved between projects. Formal approval had not been received until July 2014 which had impacted on initial progress with projects for 2014/15, however work was now largely on track.

The Housing Regeneration & Strategy Manager and Economic Development Manager gave an overview of progress on projects within their respective areas, as set out in the report. Outputs achieved by the programme to date included the creation of 28 new jobs and 105 qualifications gained by trainees in the Green Team.

The Chairman welcomed the implications of the programme across Flintshire and the creation of employment opportunities. In response to a question on timescales, it was stated that the VVP programme spanned three years whereas the creation of an estimated 7,000 jobs in the development of the Deeside Enterprise Zone would take over five years. It was estimated that around 2,000 new jobs had already been created through investment by businesses in Deeside.

In welcoming the report, Councillor Paul Shotton referred to the Council's original bid for £15m funding which had been reduced to £6m by WG. He welcomed work undertaken by the Green Team and the initiative to acquire and develop stalled sites through the Strategic Housing and Regeneration Programme (SHARP).

Councillor Peter Curtis hoped that other areas of the county would benefit from the programme and commented that social enterprise in Holywell had been initiated by Communities First.

In welcoming the conversion of vacant spaces above shops into accommodation for letting purposes, Councillor Brian Lloyd said that provision should be made for rear access in those buildings. The Housing Regeneration & Strategy Manager explained that this could be facilitated through VVP grant funding or through the empty property loans in all other parts of the county as part of the Private Sector Housing Renewal and Improvement Policy.

In response to comments from Councillor Nancy Matthews on reducing business rates, the Economic Development Manager explained that the WG had a programme of support to help smaller retailers access a rebate on a sliding scale. He went on to agree with remarks around the importance of effective delivery of Wifi to local residents and businesses as well as shoppers in town centres and the need to encourage shoppers to their local high street.

Councillor Ian Dunbar welcomed a number of the projects, particularly on those encouraging use of high street shops. In response to queries, the Economic Development Manager said that grant funding was available to individual businesses wishing to improve the visibility of their shop front, with 18 enquiries received since the launch of the scheme. Despite the detailed application process leading up to approval, one scheme had been approved

whilst two were currently being progressed. In relation to the purchase of two vacant shops for a business start-up project, it had been decided to defer this to year 2 of the programme to focus on the civic building demolition in Connah's Quay.

Councillor Rosetta Dolphin congratulated the Council on its success in achieving the £6.024m grant funding in the current climate, despite the bid for a higher amount. In response to a query on energy efficiency measures, the Housing Regeneration & Strategy Manager agreed to respond separately with the number of properties where solar panels had been installed and how much money this had generated. However, he advised that this amount would have been re-invested for further energy efficiency work.

Councillor Hilary Isherwood highlighted the importance of having efficient transport links in place around the Deeside area to connect residents and businesses to opportunities. The Economic Development Manager pointed out that the Council's bid had included an element for transportation which had been unsuccessful. However, it was noted that the WG was undertaking work, outside the VVP programme, on transportation across North Wales.

In response to queries by Councillor Matthews on the installation of solar panels on Council properties, the Housing Regeneration & Strategy Manager explained that the Council received the Feed in Tariff payments whilst the tenant benefited from reduced energy bills. Although solar thermal panels had been installed in Shotton, solar photovoltaics (PV) systems had been installed in Greenfield, Connah's Quay and Garden City. However, each install considered was dependent upon the capacity of electricity sub-stations in those areas to accommodate that.

Concerns were raised by Councillor Curtis that some shops remained empty despite improvements made through the grant funding. He suggested that this could be addressed by including a clause in the approval process for the shop to be utilised within a set period.

The Chairman thanked Members of the Environment Overview & Scrutiny Committee for their input on this item.

Following agreement by the Chairman, Councillor Mike Reece raised another matter in relation to difficulties being experienced by some residents on alternative methods of paying rent as they would be unable to use the Post Office in the future. The Deputy Leader & Cabinet Member for Environment commented that this matter was under the remit of the Corporate Resources Overview & Scrutiny Committee. However, he explained that as part of the budget process for 2015/16, it had been agreed to delay the rollout of these changes for three months to enable contact with all affected service users and offer appropriate assistance. He asked that the contact details of the individuals be passed to officers to make contact.

RESOLVED:

That the progress in delivering the Vibrant and Viable Places programme be noted.

66. THE FUTURE OF THE RIGHT TO BUY AND RIGHT TO ACQUIRE

The Chief Officer (Community & Enterprise) presented a report on the Welsh Government (WG) consultation on the Right to Buy and Right to Acquire and sought the Committee's views on the proposed response, following recent consideration by Cabinet. It was anticipated that a separate response would be submitted by the Tenants' Federation within the deadline of 16 April 2015.

The Chief Officer provided background information and summarised the main considerations as set out in the report. She referred to previous debate by the Committee on this matter and concerns over the long-term investment in new Council homes under the current legislation. The two proposals within the WG consultation document were:

- i) To reduce the maximum discount from £16,000 to £8,000 on the market value of the property, as a short/medium term measure to reduce sales.
- ii) To develop new primary legislation to suspend the Right to Buy and Right to Acquire for all social housing tenants across Wales.

There was currently provision for Councils to apply to WG to suspend Right to Buy in specific areas for an initial five years, supported by an appropriate business case. It was indicated that the Council aimed to do this, due to its plans to build 200 new Council houses over the next five years.

Councillor Hilary Isherwood said that if the legislation were to continue, then the price of properties sold under Right to Buy should be ringfenced to build new homes. She went on to refer to planning policy and the need for developers to provide affordable homes that were genuinely affordable to those in need, such as single people.

The Chief Officer advised that for the 33 properties sold under Right to Buy over the past five years, the Council had generated a capital receipt of £549,325 representing the 25% it was permitted to retain. This amount was ringfenced in the Housing Revenue Account (HRA) for reinvestment in stock improvement. With the introduction of self-financing, 100% of the market value of the sold property would be kept by the Council. However, even if the maximum discount was reduced (as per the WG proposal), it would not be possible for sold properties to generate enough income for a like-for-like replacement new build, due to the variance between the value of existing stock and new build cost.

On affordable housing, the Chief Officer referred to provision for this in planning policy on new sites. She went on to refer to the role of North East Wales (NEW) Homes in improving access to affordable housing where opportunities were limited, for example by offering more flexibility to individuals whose incomes were low but could not qualify for social housing.

When asked by Councillor George Hardcastle about plans to develop 500 new homes over five years, the Chief Officer advised that these would comprise 200 Council and 300 affordable homes. The report on the Strategic Housing and Regeneration Programme (SHARP) recently considered by Cabinet had included

details of a wide range of sites across the county and the Committee was due to receive an update at the next meeting.

Councillor Rosetta Dolphin spoke in support of the proposed reduction in discount and asked for clarification on the definition of affordable housing levels. The Chief Officer said that this was based on a figure of income being used towards housing costs, and would confirm in a separate response. She added that along with Section 106 and planning obligations, a range of housing options were being explored including shared ownership.

On affordability, Councillor Isherwood said that consideration should be given to graduates who may need to repay their university grants.

Following Members' comments on the negative impact of Right to Buy on Council housing stock, the Deputy Leader welcomed the decision by WG to open up consultation on this matter.

Whilst speaking in support of the proposals, Councillor Gareth Roberts remarked that some villages in rural areas had lost all their Council houses to the Right to Buy scheme.

Councillor Carolyn Thomas referred to a recent planning inquiry where affordable housing had averaged £178K based on census statistics in the area which was above the expectations of most first-time buyers. She added that the inquiry had identified social rented housing as a priority need. The Chief Officer requested that Councillor Thomas liaise with her following the meeting regarding a vacated property in her ward.

Following comments from Councillor David Cox on the need for reasonable purchase prices on affordable housing developments, the Deputy Leader commended the Council's initiative to set up NEW Homes to help individuals who were currently unable to access this type of accommodation and were most in need. The Facilitator advised that an update on NEW Homes was scheduled for the Committee's meeting in June 2015.

RESOLVED:

- (a) That the Welsh Government consultation currently open concerning the Right to Buy and Right to Acquire, be noted; and
- (b) That Flintshire County Council respond positively to the consultation and support early implementation of the reduction to the discount, followed by the ending of the Right to Buy and Right to Acquire.

67. IMPROVEMENT PLAN MONITORING REPORT

The Chief Officer (Community & Enterprise) introduced the report for the Committee to note and consider elements of the 2014/15 Improvement Plan Monitoring Report relevant to the Committee for the period October to December 2014.

A short presentation was given on performance within each of the sub-priority areas, highlighting work which had been undertaken to improve performance and areas where improvement was needed, as outlined within each report.

Extra Care Housing

Members were advised that the planning application for the new extra care scheme in Flint was due to be considered by the Planning & Development Control Committee the following day.

Councillor Peter Curtis welcomed plans for a further extra care scheme in Holywell, subject to agreement on a site. The Deputy Leader said that if agreement could not be reached on a site within Holywell then an alternative would be sought elsewhere.

Modern, Efficient and Adapted Homes

Proposals for extending growth of the Council's housing company would be discussed by the NEW Homes Board in April 2015, prior to an update to be brought to the Committee in June 2015.

Councillor Rosetta Dolphin praised Wales & Wales Housing for providing flats for the over 50 age group. The Chief Officer confirmed that a range of property types for different groups of individuals would be considered as part of the new build programme.

In response to a query from Councillor Amanda Bragg on the target to prevent homelessness for 90% of all potentially homeless households, the Chief Officer explained that the quarterly outturn had narrowly missed this target. The target set by Welsh Government aimed for councils to work towards preventing homelessness situations for at least six months, however there were some situations where individuals returned within that period which required more extensive support.

When asked about the lease agreement for the over 55s lease option scheme, the Chief Officer referred to the challenges in meeting specific requirements on the type and location of properties required by those individuals and the need to balance their needs with others on the waiting list. More detail would be given in the next update report to the Committee.

Achieve the Wales Housing Quality Standard (WHQS)

The Housing Asset Manager gave an update on more detailed survey work being undertaken and the completion of contractor interviews, with Tenant Federation representatives included on the panel. He referred to the outturns within the report, as at December 2014, adding that work was on schedule to achieve the promises within the Choices Document.

Welfare Reform

A previous report had been received by the Committee on the pilot of enhanced homelessness prevention to enable the Council to be better prepared for the new statutory duty due to come into force at the end of April 2015. The support given by the Welfare Reform team to vulnerable individuals during the first nine months of the pilot had generated additional ongoing annual welfare benefit payments of £1.8m.

An update was given on the future rollout of acceptance of Universal Credit claims across Flintshire. This was identified as a risk to the Council as the initial rollout had focussed only on single applicants whereas the programme would change to include other groups.

Councillors Paul Cunningham and Amanda Bragg asked that Members' thanks be passed to the Welfare Rights team for their excellent work.

Fuel Poverty

The Housing Regeneration & Strategy Manager reported on the completion of solid wall insulation work on Council properties in the Housing Renewal Area and highlighted concerns around the future of Eco funding. On the delivery of energy efficiency measures to Council properties in gas infill areas, it was noted that the scheme was to be extended to Treuddyn and Rhydymwyn in line with the results of a positive viability exercise.

RESOLVED:

That the report be noted.

68. UPDATE ON THE HOUSING REVENUE ACCOUNT (HRA) SUBSIDY

The Chief Officer (Community & Enterprise) updated the Committee on the final stages in preparation for self-financing. She explained that Finance colleagues were continuing their work on borrowing interest rates and that following the imminent final meeting of the steering group, it was hoped that the voluntary agreement would be signed by the Leader of the Council by the end of the week. A note would be circulated to the Committee once the agreement had been signed.

RESOLVED:

That the verbal report be noted.

69. FORWARD WORK PROGRAMME

The Housing & Learning Overview & Scrutiny Facilitator introduced a report to enable the Committee to consider the Forward Work Programme. The following changes were agreed:

- The next meeting on 24 April 2015 to be held at The Old Courthouse in Flint to incorporate a tour of the regeneration area. Members would be advised of the arrangements in advance.
- The additional meeting scheduled for 20 May 2015 to include an update on Welfare Reform for which Members of the Corporate Resources Overview & Scrutiny Committee would be invited to attend.

RESOLVED:

That the Forward Work Programme be updated accordingly.

70. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was one member of the press in attendance.

(The meeting started at 10.00 am and ended at 11.32 am)

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Chairman