

HOUSING OVERVIEW & SCRUTINY COMMITTEE
15 OCTOBER 2014

Minutes of the meeting of the Housing Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Wednesday, 15 October 2014

PRESENT: Councillor Ron Hampson (Chairman)

Councillors: Amanda Bragg, Paul Cunningham, Peter Curtis, Ron Davies, Rosetta Dolphin, Jim Falshaw, George Hardcastle, Ray Hughes, Brian Lloyd, Mike Reece, Gareth Roberts and Sharon Williams

Members of the Corporate Resources Overview & Scrutiny Committee had been invited to attend for Agenda Item 4 - Welfare Reform

Present: Councillors: Ian Dunbar, Richard Jones and Paul Shotton

APOLOGIES: Councillor David Cox, Councillors Robin Guest and Richard Lloyd from the Corporate Resources Overview & Scrutiny Committee

CONTRIBUTORS: Cabinet Member for Housing, Chief Officer (Community & Enterprise), Housing Asset Manager, Housing Regeneration & Strategy Manager and Capital Works Manager

Team Manager - Advice & Homeless Service and Neighbourhood Housing Manager (for minute number 30)

Mrs Mavis Crofts, Chair of the Flintshire Federation of Tenants & Residents Association (for minute numbers 31 and 32)

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

28. DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)

None were received.

29. MINUTES

The minutes of the meeting held on 10 September 2014 had been circulated with the agenda.

Matters Arising

In response to a query from Councillor Rosetta Dolphin on the review of garage sites, the Chief Officer (Community & Enterprise) said it was intended to share information at all-Members workshops to cover garage sites in all wards. Agreement to this proposal would be sought under Agenda Item 5.

RESOLVED:

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

30. WELFARE REFORM UPDATE

The Team Manager - Advice & Homeless Service introduced the report giving the latest position with the reforms being introduced to the social security system and actions taken locally to provide help and support to affected residents in Flintshire.

He explained that many of the concerns around the impact of changes had been identified at an earlier stage and that various activities had been put in place to target and support those affected, particularly the more vulnerable households. He provided information on the effects of the Benefit Cap and Spare Room Subsidy ('bedroom tax') to date, as detailed in the report. On the latter, it was noted that an outcome was awaited on a proposed change in legislation which would reduce the number of people having a reduction in their Housing Benefit. Information was provided on the Council Tax Reduction Scheme where there was concern around the level of future funding from the Welsh Government (WG). On the Discretionary Assistance Fund, it was reported that funding would be available from WG to continue with the scheme from April 2015 onwards and that 66% of applications made in Flintshire had been successful.

During an update on Personal Independence Payments (PIP), it was reported that the DWP had committed to tackling lengthy delays experienced by some claimants and that a large-scale reassessment of Disability Living Allowance (which would be transferred to PIP) in the UK would impact on the number of claimants within Flintshire. The report set out measures being taken by the Council to help claimants to access the necessary advice and support.

The Team Manager - Advice & Homeless Service gave an update on the rollout of Universal Credit where concerns had previously been raised over the impact on households if national IT systems were to fail. He welcomed the continued phased rollout of Universal Credit and the introduction of a 'Local Delivery Agreement' with the Council and its partners, and went on to say that the model introduced in Flintshire on how individuals could access personal budgeting support was to be used nationwide. He spoke of the need for further discussion and progression on Universal Credit, with some improvements having already been introduced.

An update on Discretionary Housing Payments (DHP) gave the statistics to date and reported on involvement by the Council's Housing Benefits section in a pan-Wales project to share Flintshire's approach to DHP which was regarded as good practice. An overview was given of the various workstreams which were set out in the report.

The Neighbourhood Housing Manager provided a summary of the operational side, which was detailed in the appendix to the report. It was noted that eight out of ten tenants in Flintshire affected by the reforms were making

payments on their rent accounts to try to address the shortfall and Table 2 showed the number of tenants impacted by the spare room subsidy who were in rent arrears (including some in that position prior to the reforms). Agreement had previously been reached by the Committee for the Council to take a balanced view on tenants in arrears and to judge each case individually to find the right solution. Reference was also made to the decision made by the Committee on the allocation of properties, and the need for Member feedback on whether to continue with this policy given the likelihood for most individuals to accept the first property offered to them.

The Neighbourhood Housing Manager summarised the key findings on the cost of mitigating the impact of welfare reforms in Flintshire, mainly in terms of staff resources. She also reported on the findings of two pilot projects carried out in Salford and Warrington on preparing tenants for Universal Credit where the former had indicated a better success rate (with a greater level of resources) than the latter.

On behalf of the Committee, the Chairman thanked the officers for the detailed report and said that the range of work undertaken to help vulnerable households in facing the challenges of welfare reforms, was recognised.

The Cabinet Member for Housing said that she remained in agreement with the decision made by the Committee in January 2013 to allocate Council properties based on housing need. She raised concerns about the increase in children in need figures and referred to the statistics for August 2014 where it was reported that 82% of tenants impacted by the spare room subsidy were in rent arrears.

On the spare room subsidy, Councillor Paul Shotton referred to the lack of smaller properties available and raised concerns around IT issues on the rollout of Universal Credit and the need to submit claims online.

Councillor Amanda Bragg welcomed the comprehensive report which was easy to read and commented on the Council's duty of care in relation to homelessness. The Neighbourhood Housing Manager said that each case was assessed individually and that the preferred approach was to work with individuals to help manage their circumstances to avoid costly Court action, however the Council did not have the same duty in cases of intentional homelessness. The Team Manager - Advice & Homeless Service agreed to provide a response separately on the percentage of DHP funding used to date.

On Universal Credit, Councillor Rosetta Dolphin sought clarification on the potential for direct payments of the housing cost element to be made to social landlords and pointed out that many tenants did not want the responsibility of managing their own housing payments. The Team Manager - Advice & Homeless Service said there was provision for the landlord to make the request at the start of the claiming process if it was felt that the claimant did not have the necessary skills to manage their own rent payments. Consultation was currently open to seek views on allowing DWP to share information with social landlords to enable them to support tenants claiming Universal Credit. Councillor Dolphin

referred to the number of tenants impacted by the spare room subsidy who were in rent arrears up to £300 and felt that this particular group needed to be addressed to avoid further escalation and that direct payments to tenants could impact further on rent arrears.

Councillor George Hardcastle remarked on the statistics in the report of tenants affected by the spare room subsidy who had failed to make up the shortfall in rent and the challenge in encouraging more to downsize in view of the lack of smaller properties available.

The Chief Officer (Community & Enterprise) said that there was no simple solution and that welfare reforms affected around 700 of the Council's tenants with some opting not to downsize as they preferred to remain in their current areas. However, there were a number of initiatives being taken to improve the situation such as the Council house building programme, which would prioritise smaller properties, and the procurement exercise on the Strategic Housing and Regeneration Programme.

Councillor Paul Cunningham welcomed the early intervention steps being taken by officers and asked about the number of tenants who had fallen into the 'won't pay' rather than 'can't pay' category of rent arrears and had refused the support offered by the Council. The Neighbourhood Housing Manager agreed to provide this information.

Concerns were raised by Councillor Peter Curtis at the impact of welfare reforms on more vulnerable tenants and the stress associated with rent arrears.

On the spare room subsidy, Councillor Richard Jones referred to the proposed amendment for under-occupying social housing tenants to be exempt from having their Housing Benefit reduced if they could not find a smaller home and asked whether a rebate would be awarded. The Team Manager - Advice & Homeless Service felt that this was unlikely, if the proposed amendment was passed. He agreed to provide a separate response on the risk to the Council in relation to funding required for the Council Tax Reduction Scheme. On the Flintshire Advice Referral Gateway, the 12-month post within Flintshire Citizens' Advice Bureau was funded mainly by the WG and partly by the DWP. There was no guarantee of funding beyond that, however the results of a comprehensive review on the impact of the Referral Gateway were currently being assessed and the outcomes would guide future funding applications.

Councillor Jones asked whether a more personal approach should be taken to support some individuals in rent arrears where a range of issues was involved. The Neighbourhood Housing Manager said that the Council worked closely with other support agencies and that a third party could be appointed by the Court to help manage an individual's money if needed. She added that cases were considered on an individual basis and details of any specific cases could be referred to her for a fuller response.

Following questions from Councillor Ian Dunbar, the Team Manager - Advice & Homeless Service provided explanation on the report produced by

Sheffield Hallam University Centre for Regional Economic and Social Research which would help inform WG policies. He added that the WG was due to publish its Child Poverty Strategy at the end of November 2014, which would take account of the good work being undertaken by Councils such as Flintshire, to mitigate the impacts of the welfare reforms.

Councillor Jim Falshaw referred to the Welfare Reform Response Team who had directly targeted over 250 vulnerable households between May 2013 and August 2014 and asked how many families had engaged with the service. The Team Manager - Advice & Homeless Service agreed to provide details separately and said that the majority of households who responded had benefited from the service, for example receiving help to switch energy suppliers. Although resources did not allow for ongoing support and cases were closed when the support reached a natural end, households were able to renew contact with the service if needed.

The Chairman thanked the officers for their work, particularly the Welfare Response, Welfare Rights and Rent Arrears teams.

RESOLVED:

That the Committee notes the report and proactive work undertaken by the Council, together with its partners, to mitigate the full impact of welfare reforms from falling upon vulnerable households.

31. WHQS DELIVERY PROGRAMME UPDATE

The Housing Asset Manager presented the report to seek the views of the Committee on proposals for the delivery of the Welsh Housing Quality Standard (WHQS) programme of works in the Council's stock by 2020. This was an earlier timescale, involving prudential borrowing, than that originally forecast in the Choices Document.

The report set out the actions undertaken since discussion at the Committee's meeting on 8 January 2014 on the approach to the next phase of the investment programme for delivery of the WHQS. Although the six year programme had focussed on internal work to properties, as set out in the Choices Document, it was proposed that other elements would now be included. Whilst progress had been made during the year to verify data on the Council's stock and give assurance on financial assumptions, an update on the capital works programme reported that most of the workstream elements within the Choices Document continued to be exceeded. In line with the commitment previously given, an update was given on the employment and training opportunities achieved through the WHQS which had exceeded expectations.

To develop the new six year programme, a consultation exercise had taken place with tenants to help inform the prioritisation of remaining workstreams aligned to six delivery districts which had been identified from the re-grouping of geographical areas. A summary of proposed workstreams remaining for each district was appended to the report and would require local knowledge input by

consulting with tenants and local Members. It was intended that area specific issues and projects, identified through consultation, would be tackled through environmental workstreams including outcomes from the garages review which would require further discussion with local Members prior to seeking Cabinet approval. Once approved, the works programme would be published and subject to the tendering process ready for commencement on site from April 2015.

The Chairman thanked officers for the report and in particular welcomed the consultation with tenants and the creation of jobs and apprenticeships.

Mrs Mavis Crofts, Chair of the Flintshire Federation of Tenants & Residents Association, referred to the survey where 41% of tenants responding had stated a preference for kitchens and bathroom upgrades to be carried out at the same time. Mrs Croft asked if the age and circumstances of these tenants were known, so that this could be taken into account when scheduling the work to ease the disruption. The Housing Asset Manager said that age bandings had been included on the survey questionnaire to enable this type of data to be collated. He added that it was important to minimise disruption to the tenants and that part of the rationale behind separating the work into district areas was to ensure that contractors remained working on site in those concentrated areas making it easier to pick up any unresolved issues.

When asked by Councillor Mike Reece about the inclusion of solid brick properties in external works, the Housing Regeneration & Strategy Manager said that consideration was being given to extending the external wall project, subject to available funding and to bring forward the energy efficiency programme.

Councillor Rosetta Dolphin commented on the difference in scale of work in the district areas and asked about timescales on the external work in the programme. On the completion of bathroom and kitchen work together, she stressed the importance of ensuring that the design was correct to ensure the right fit prior to installation.

The Housing Asset Manager acknowledged that there were some inconsistencies within the district areas, however the aim was to create concentrated areas which would benefit the contractors and management of each contract. The external works element would prioritise the oldest reported issues first and would be primarily undertaken by the Council's DLO team.

Councillor George Hardcastle thanked officers for the report and congratulated the Housing team for their work, particular on job creation. In response to a query on the completion of bathroom and kitchen upgrades together, the Capital Works Manager confirmed that tenants could opt to have the work carried out at separate times if they wished.

RESOLVED:

- (a) That the Committee supports the six proposed district areas as an appropriate grouping of properties to enable officers to finalise the WHQS delivery programme and develop proposals for which particular work

stream should be completed in which year, noting that these would be discussed prior to finalisation at a Member workshop; and

- (b) That further consultations take place to agree the scope and content of environmental work streams in each area after internal and external work streams are well underway.

32. INTRODUCTION OF SELF FINANCING FOR THE HOUSING REVENUE ACCOUNT

The Chief Officer (Community & Enterprise) introduced the report to update the Committee on progress with introducing self-financing for the Housing Revenue Account (HRA), following the report received in July 2014. The report outlined the changes affecting the 11 stock-owning Councils in Wales, including Flintshire, to cease the subsidy system and to introduce self-financing from April 2015 through voluntary agreement by all 11 Councils.

Following the response to the Welsh Government (WG) consultation paper, the Chief Officer was pleased to report that all representations made by the Council had been included in the recommendations of the former Housing Minister. Although the distribution of borrowing limits amongst the 11 Councils was yet to be announced by the WG, the introduction of self-financing would provide £1m of additional revenue funding in the HRA to invest in tenants' homes and support the achievement of the Welsh Housing Quality Standard by 2020 as well as supporting the Council house building programme.

Members were advised of work being undertaken to develop a full project plan to prepare for self-financing and the need for arrangements for the HRA to be in place earlier than usual to enable the introduction of self-financing by 1 April 2015. Along with a tenants' conference to be held in the Autumn, there were plans to hold an all-Member workshop to share detailed information on the process to aid consideration of the HRA and Treasury Management Strategy at County Council.

Mrs Mavis Crofts, Chair of the Flintshire Federation of Tenants & Residents' Association thanked the Chief Officer and her team for the consultation carried out with tenants and welcomed the explanations given on this complex topic.

In response to a query, the Chief Officer said that the borrowing needed to exit the system was affordable and that rents would not be affected as a result of this. However, rent increases would occur to reach 'convergence' in line with the WG rent-setting policy.

On behalf of the Committee, the Chairman paid tribute to Mrs Crofts who was due to end her term as Chair of the Federation and expressed his gratitude for her contributions to housing issues.

RESOLVED:

- (a) That the report and the positive programme to introduce self-financing for Council housing be noted; and
- (b) That the proposal to arrange a Member workshop to consider arrangements for the introduction of self-financing for the Housing Revenue Account be supported.

33. USE OF COMMUTED SUMS

The Housing Regeneration & Strategy Manager introduced the report to seek the support and views of the Committee on the proposed utilisation of commuted sums (derived for the purposes of providing affordable housing). The report detailed the Council's policies which enabled a commuted sum to be paid by a developer towards the provision of affordable housing on an alternative site where it was not possible to incorporate this on a particular scheme meeting the criteria.

The Housing Regeneration & Strategy Manager outlined the main areas of change and drew attention to the need to update the Council's Local Planning Guidance Note No.9 to which Planning colleagues were in agreement.

Councillor Gareth Roberts referred to concerns by the Council's Planning Committee on inconsistencies on some planning decisions in relation to Section 106 Agreements. The Chief Officer (Community & Enterprise) said that this was a matter for the Planning Committee, but that encouraging individuals to register on the Affordable Housing Register would prove demand in certain areas.

Following comments from Councillor Ian Dunbar on criteria for affordable housing, the Chief Officer said that Council owned land would be given priority, however a broader scope was needed to enable certain sites outside the Council's ownership to be considered for development to meet the priorities of the community.

RESOLVED:

- (a) That the Committee support the process for the acceptance, calculation use of commuted sums as outlined in the report and Local Planning Guidance Note No. 9 - Affordable Housing; and
- (b) That a further review of the Policy take place in April 2015, with a view to implementing the Community Infrastructure Levy which, when implemented, will replace the Section 106 commuted sums regime.

34. FORWARD WORK PROGRAMME

The Housing & Learning Overview & Scrutiny Facilitator introduced a report to enable the Committee to consider the Forward Work Programme. She

advised that arrangements would be made for the Member workshops referred to earlier in the meeting.

Councillor Paul Shotton suggested that the Committee may wish to consider a future item on solar water heating. The Housing Regeneration & Strategy Manager said that some types of solar thermal equipment had been used on some properties and that this would be explored further.

Councillor Mike Reece thanked officers for their work to address derelict buildings.

RESOLVED:

That the Forward Work Programme be updated accordingly.

35. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was one member of the public in attendance.

(The meeting started at 10.00 am and ended at 12.20 pm)

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Chairman