

Minutes of the Meeting of the Housing Overview and Scrutiny Committee held on 29 September 2022 at 7.00 pm

Present: Councillors Steve Liddiard, Augustine Ononaji, Joycelyn Redsell and Adam Carter (Substitute) (substitute for Allen Mayes)

Apologies: Councillors Colin Churchman (Vice-Chair) and Lynn Worrall

In attendance:
Keith Andrews, Housing Development Manager
Mike Jones, Strategic Lead, Finance
Ewelina Sorbjan, Assistant Director of Housing
Alastair Wood, Technical Services Delivery Manager, Housing – Technical Services

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

In the absence of the Chair and Vice Chair nominations were received for Chair. Councillor Carter nominated Councillor Redsell and this was agreed by Members.

6. Minutes

The minutes of the Housing Overview and Scrutiny Committee held on 21 June 2022 were approved as a correct record.

7. Urgent Items

No urgent items were received

8. Declaration of Interests

No interests were declared

9. Structure of HRA

The Strategic Lead for Corporate Finance presented the report on the Structure of the Housing Revenue Account (HRA).

The Strategic Lead for Corporate Finance explained that the report was to provide information on the structure of the HRA and how it operates. The Strategic Lead for Corporate Finance confirmed the HRA records the income and expenditure related to the Council's own housing stock and closely related services of facilities. It is different from the general fund and is a ring-

fenced account, any income that comes into the HRA has to be of direct benefit to the tenant.

The Strategic Lead for Corporate Finance stated that the HRA is required to produce a 30 year business model and this is reviewed annually.

The Strategic Lead for Corporate Finance confirmed that currently there is 59 million pounds worth of income and 59 million pounds worth of expenditure. The HRA has to operate on the money it generates through rent, service charges and other sources of income and it cannot have a deficit budget. The Strategic Lead for Corporate Finance highlighted that there is currently a consultation from Central Government taking place about a potential cap to the rent increase which can be applied, and they are gathering Local Authorities views on this.

The Strategic Lead for Corporate Finance explained that right to buy receipts are the amount of money that the Council retains when selling council houses through right to buy, which can then be used to reinvest in new stock either on the open market or as part of new build stock. Over the next 5 years 27 million pounds of right to buy receipts are expected to be received. Sales under the right to buy scheme have remained stable even throughout the pandemic of around 45-50 sales a year.

Councillor Redsell queried if the doors at the back of the garages can be painted as some of them haven't been painted for 30 years.

The Assistant Director of Housing explained that they have a garage investment plan, and they will get round to as many of them as possible and referred to the garage briefing note previously circulated which provides more information on this.

Councillor Liddiard commented that it would be good to see some data on how Thurrock compares with other Local Authorities.

The Strategic Lead for Corporate Finance confirmed that they do complete benchmarking exercises on the finance side when setting the budget. The Assistant Director of Housing added that there is a new set of regulations coming into force from the regulator for Social Landlords where they will be required to submit their returns on performance and tenant satisfaction measures. Some of this will start in April 2023 but currently they are not obligated to provide this data.

Councillor Liddiard also raised that the fascia boards in Lansbury Gardens, Tilbury need repairing.

Councillor Carter echoed Councillor Liddiard's comments and confirmed he would also like to see data from Thurrock's statistical neighbours. He also asked about the Tower block refurbishment and carbon reduction requirements and noted the work being completed on the Chadwell tower

blocks, he questioned if there were plans to complete work on any of the other high rises.

Alistair Wood confirmed they are looking to deliver a similar project in Tilbury but they are not able to confirm any details around a potential timeline for that yet.

Councillor Redsell asked for an update on the tower blocks in Blackshots. The Strategic Lead for Housing Development confirmed they are reviewing the cost planning and looking through the proposals for redevelopment and replacement. Once the work is complete an update will be given to the Committee at that point.

Councillor Ononaji queried how transparent the HRA process is and how it is monitored.

The Strategic Lead for Corporate Finance confirmed that all of the income to the HRA in terms of accountancy is kept separate from the general fund and is reconciled down to a single tenants rent account and is all subject to an external audit.

Councillor Ononaji also queried why the income and expenditure on the HRA account is the same and asked why they are not saving any surplus?

The Strategic Lead for Corporate Finance clarified that the HRA is not set up to provide a surplus and the idea is that the rent collected should not be more than they are going to spend. If they were setting a budget to obtain a surplus of money that would be at a cost directly to tenants. The HRA needs to generate enough income to cover its expenditure. The Strategic Lead for Corporate Finance confirmed this is in line with what other Local Authorities do as there is rent setting process guidance of CPI + 1 %.

Councillor Liddiard commented that he would like to see a breakdown of how much money is spent on houses in each ward.

The Assistant Director of Housing responded that this is a challenge as budgets are structured per type of work or program as opposed to by location but it can be done.

Councillor Redsell expressed concern that the provision for bad debt was just 1 %.

The Strategic Lead for Corporate Finance confirmed that even through the pandemic rent collection has remained steady at 99% so to date there hasn't been a need to take money out of front-line services for this. It is reviewed every year and as there may be some challenges to come this year this may need to be taken account.

Councillor Redsell asked whether CCTV footage could be obtained from the Chadwell St Mary flats concierge as she understood residents have experienced difficulties with this.

The Assistant Director for Housing confirmed there is a process that needs to be followed when requesting CCTV footage and due to data protection laws there is a strict criteria. The Assistant Director for Housing confirmed that she could obtain further information on how to request the footage and circulate it.

RESOLVED:

1.1 That the Housing Overview and Scrutiny Committee note and comment on the report.

10. Housing Development Programme Update

The Strategic Lead for Housing Development presented the report on the Housing Delivery Programme Update.

Councillor Redsell queried why C01 is being demolished.

The Strategic Lead for Housing Development referred back to previous reports to the Housing Overview and Scrutiny Committee and also to Cabinet which set out that the condition of the building evidenced that demolition and redevelopment was the preferred option.

Councillor Carter noted the 505 potential dwellings on new build projects being considered and queried how much this will cost in total.

The Strategic Lead for Housing development responded that each one would be costed individually as there will be different types of properties, and he was unable to give a global figure at the meeting.

Councillor Carter asked if the 20 million pounds received from right to buy receipts could be used to fund this.

The Strategic Lead for Housing Development confirmed that only 40% of the cost can be used from right to buy receipts and the balance is funded from borrowing. Funding grants from Homes England can also be substituted in place of the right to buy receipts also.

The Housing Tenant Representative commented that the tenants at Beaconsfield place are not happy as all the metres were wrong and tenants received incorrect bills. Furthermore, children are banging on the windows and the tenants are frightened. A small wall with a fence on top around could stop this.

The Strategic Lead for Housing Development responded that the issue of the metres was a failing on the contractor's part, they have acknowledged that and are putting it right.

Councillor Ononaji queried if 341 out of the 505 potential dwellings on new build projects under consideration are anticipated to be HRA, what will the remainder of the dwellings be?

The Strategic Lead for Housing Development confirmed that they will be built by Thurrock Regeneration Ltd (TRL) and they will be selling them or privately renting them. Each TRL site will have its own S106 requirements for affordable housing proportions. There are plans within the TRL projects to develop shared ownership.

Councillor Liddiard noted that there are a number of tower blocks in the Borough and there appears to be problems with all of them, he queried what was the difference between the Blackshots tower blocks and the other tower blocks in the Borough.

Alastair Wood confirmed there are 15 tower blocks in the Borough consisting of 981 flats. He confirmed the construction of the tower blocks are different so the way in which they would approach works for each block is different.

RESOLVED:

1.1.1 Note the update on sites being considered for housing development

1.1.2 Note the sites no longer being considered for Housing Revenue Account Housing development at Argent Street, Grays and Richmond Road, Grays.

11. Interim report for Stock Condition Survey of Housing Portfolio

The Technical Services Delivery Manager for Adults, Housing & Health presented the interim report on Stock Condition Survey of Housing Portfolio. He explained it is an interim report as the delivery of this has been delayed. Section 2 of the report sets out why a Housing Stock Condition Survey is completed and the Council's approach to undertaking this.

The Technical Services Delivery Manager for Adults, Housing & Health confirmed that Government funding has been launched today which targets properties lower than a band C and funding to bring them up to a band C can be applied for. He explained that having up-to-date data is key to inform the current investment programmes but also to allow the Council to bid for additional funding also.

Councillor Redsell thanked the Technical Services Delivery Manager for Adults, Housing & Health for the report and highlighted the amount being spent on roofs.

The Technical Services Delivery Manager for Adults, Housing & Health confirmed that across the borough roofs are in the 40-60 year age range and it is therefore expected there will be a high level of expenditure on this over the next few years.

Councillor Redsell asked how much the Consultants are charging to carry out this piece of work.

The Technical Services Delivery Manager for Adults, Housing & Health stated that the surveying company are charging around £300,000 to complete the survey.

RESOLVED:

1.1 The Housing Overview & Scrutiny Committee are asked to note and comment on the interim findings of the stock condition survey.

12. Work Programme

Members discussed the work programme.

Councillor Carter requested some data from the Council's statistical neighbours for the fees and pricing strategy 2022/23 report for the next meeting. The Assistant Director for Housing confirmed that the regulations will not start to come into play until April 2023 but they may be able to get some data from Housemark. The Assistant Director for Housing stated that she welcomed the regulations.

It was agreed the Garage update report for the next meeting in November be removed from the work programme as a briefing note has been provided already. It was agreed the briefing note will be re-circulated to members.

The meeting finished at 8.22 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**