

**STEVENAGE BOROUGH COUNCIL**  
**HOUSING MANAGEMENT ADVISORY BOARD**  
**MINUTES**

Date: Thursday, 17 January 2019

Time: 6.00pm

Place: Shimkent Room - Daneshill House, Danestrete

**Present:**           **Councillors:** Philip Bibby (Chair), Sandra Barr, Lizzy Kelly, and Lin Martin-Haugh

**Resident Members:** Christine Anderson (Tenant) and Len Saunders (Tenant)

**Staff Members:** Jaine Cresser (Assistant Director – Housing and Investment) and Craig Miller (Assistant Director – Direct Services)

**In Attendance**   Ash Ahmed (Housing Development), Elizabeth Ddamulira (Tenancy and Income Manager), Di Dharmasuriya (Service Manager – Repairs), Clare Fletcher (Assistant Director – Finance & Estates), Keith Reynoldson (Finance Business Partner) and Councillor Jeannette Thomas (Executive Portfolio Holder - Housing, Health and Older People)

**Start / End**        Start Time:   6.00pm  
**Time:**            End Time:     7.45pm

**1           APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from F Plumridge, J Thurlow, L Storey and Cllr S-J Potter.

The Chair informed the Housing Management Advisory Board (HMAB) that Kerry Gibson (Tenant) had resigned. The Chair wished to record the HMAB's thanks for her contribution.

There were no declarations of interest.

**2           MINUTES OF THE PREVIOUS MEETING**

The quorum for Housing Management Advisory Board (HMAB) meetings is six members with three customers, two councillors and one staff member. Since two customers were present, the meeting was inquorate.

It was **RESOLVED** that the approval of Minutes of the HMAB meetings held on 25 October 2018 and 20 November 2018 be deferred to the next meeting.

## FINAL HRA AND RENT SETTING REPORT 2019/20

The HMAB considered the Final Housing Revenue Account (HRA) and Rent Settings Report 2019/20. The Assistant Director (Finance and Estates) informed the HMAB that the final report was on the January Executive agenda. Members were informed that the most significant negative financial impact on the HRA has been the four year 1% rent reduction in the Welfare Reform and Work Act 2016. The final year for the rent reduction is 2019/20. The Government has indicated that from 2020 social housing providers can increase rents by CPI+1% for a five year period. It was pointed out that service charges are not subject to the 1% rent reduction regulations, but are based on cost recovery. The Final 2019/20 HRA budget is estimated to increase by £186,870 over that reported in the draft December HRA budget report. The main increase relates to the inclusion of a repair budget to help address damp and mould issues identified in the housing stock.

With regard to the right to buy receipts, the Assistant Director informed the HMAB that to date only £3.9Million of receipts have been returned to the Government to avoid the punitive interest rate penalties. The government had indicated in a recent consultation on RTB receipts that existing receipts may be able to be kept for five years and that interest may not be chargeable on existing returned receipts. Local authorities were awaiting an update on the government's intentions.

The Assistant Director highlighted a potential rent shortfall related to the Universal Credit payment system. Because there are never exactly 52 weeks in a year, landlords who calculate rent on a weekly basis often charge tenants for 53 weeks' rent every six or seven years. The Department for Work and Pensions (DWP) has indicated that re-assessing housing costs to reflect the number of rent payments in any particular year would be complicated and lead to confusion. The DWP has no plans to amend these regulations. This is likely to result in a loss of about £210,000 to the Council. The Ministry of Housing, Communities & Local Government was in discussions with DWP on the issue. The Assistant Director (Housing and Investment) informed Members that the Council would consider extending discretionary housing payments to tenants affected by the rent shortfall. The Assistant Director (Finance and Estates) indicated that the option to recover the rent shortfall in future years was also under consideration.

In response to a question about the feasibility of monthly direct payments for rent, the Assistant Director (Housing and Investment) pointed out that case studies in other authorities had shown that this was not a cost beneficial arrangement. The change to a monthly direct debit would require amendments to tenancy agreements.

It was **RESOLVED** that the Final HRA and Rent Setting Report 2019/20 is noted.

## WHOLLY-OWNED COMPANY UPDATE

The HMAB considered an update on the Business Plan for the Wholly-Owned housing development Company. The Assistant Director (Housing Development) gave a presentation covering the following:

- An introduction to the wholly owned company (WOC)

- Business Plan Principles
- Business Plan Policy areas
- Schemes in construction – The March Hare, Ditchmore Lane 3, 4 and 5 and Gresley Way
- Future schemes – Symonds Green, North Road and Kenilworth Close
- Completed projects – Twin Foxes House and Archer Road

Members were informed that the WOC would be a separate legal entity from the Council and would operate as a private company limited by shares. The WOC would operate commercially and would not compete with or divert resources from the Housing Revenue Account (HRA). The benefits of the setting up the WOC were:

- The Council would need to lend funds to the WOC for purchasing properties at commercial rates
- Any profits generated by the WOC would be returned to the Council (WOC's sole shareholder)
- The WOC may purchase services from the Council, such as repairs and management

Members were informed that the North Road development had gone through a one year design stage to prepare it for planning. The Council had acted on some of the concerns regarding privacy issues and potential loss of light. The Council had consulted widely. Guidelines had been followed and adjustments to the plan had been made where possible.

The Assistant Director informed the HMAB that planning permission had been granted for the Kenilworth Close development. The development included low rise apartments and houses. Work on the project was due to start this year. Some of the Independent Living properties would be released for private sale. It was pointed out that a number of residents in the areas had raised concerns regarding the future of shops that were currently operating in the area. The Assistant Director confirmed that retail shops will be factored into the new development. The Council was currently reviewing lease agreements for the retail units and discussing future trading options. The Assistant Director clarified that in the rules governing the use of Right-To-Buy receipts, there was no provision for local authorities to extend loans to WOCs. It was confirmed that land will be included in the price for properties purchased from the Council.

It was **RESOLVED** that the update is noted.

## 5 **RENT LETTERS**

The Tenancy and Income Manager presented the following documents for consideration by the HMAB:

- Explanation of rent and service charges from 01 April 2019 for flats
- Explanation of rent and water charges from 01 April 2019 for houses
- Formal Notice of a Change to Your Rent
- Important information on other charges not related to your property effective as from April 2019

The Tenancy and Income Manager informed Members that the Council was awaiting clarification from the Department for Work and Pensions regarding the change from 52 weekly payments to 53 weekly payments for 2019/20. The Manager confirmed that the charge for retrospective permissions had been set at between £100 and £500 following a benchmarking exercise involving similar housing providers. Regularisation charges were not included in the retrospective permissions charges.

It was **RESOLVED** that the following amendments be made:

1. Change all references of 50 weeks to 51 weeks
2. **Explanation of rent and service charges from 01 April 2019 for flats (page 1 paragraph 4) –**  
**Delete:** “The rent-catch-up weeks are the last week in December 2019 (week beginning the 23 December 2018) and the last week in March 2018 (week beginning the 23 March 2019).”  
**Insert:**  
“The rent-catch-up weeks are the last week in December 2019 (week beginning the 23 December 2019) and the last week in March 2020 (week beginning the 23 March 2020)”
3. **Explanation of rent and service charges from 01 April 2019 for flats (page 3 paragraph 1) –**  
**Delete:** “If you claim benefit claim, the heating charge and water charge are not covered by housing benefit. You are required to make these payments yourself.”  
**Insert:** “Heating charges and water charges are not covered by Universal Credit. You are required to make these payments yourself.”
4. **Explanation of rent and service charges from 01 April 2019 for flats (page 3 paragraph 3) –**  
**Delete:** “Your council tax is paid separately to your rent. Any changes to your council tax will be sent to you separately. You will receive this during March 2019. If you are in receipt of UC Housing costs and housing benefit, you may be illegible Council Tax support contact the Benefit services on 01438 242440”  
**Insert:** “Your council tax is paid separately to your rent. Any changes to your council tax will be sent to you separately. You will receive this during March 2019. If you are in receipt of UC Housing costs and housing benefit, you may be eligible for Council Tax support contact the Benefit services on 01438 242440.”
5. Update Formal Notice of a Change to Your Rent after decision has been made regarding the change from 52 weekly payments to 53 weekly payments for 2019/20
6. **Delete** page 1 paragraph 1 of leaflet “Important information on other charges not related to your property effective as from April 2019.”

7. **Important information on other charges not related to your property effective as from April 2019 - page 1 paragraph 7**  
**Delete:** "This charge will not ... to tenants who apply in good time in line with the tenancy agreement."  
**Insert:** "This charge will not be made to tenants who apply in good time in line with the tenancy agreement."
8. **Important information on other charges not related to your property effective as from April 2019 - page 2 paragraph 1**  
**Delete:** "Your tenancy agreement and repairs handbook also make it clear that if you lose your keys and cannot gain entry to your home, you are responsible for contacting a private locksmith and paying for a gain entry."  
**Insert:** "Your tenancy agreement and repairs handbook also make it clear that if you lose your keys and cannot gain entry to your home, you are responsible for contacting a private locksmith and paying to gain entry."

## 6 **UPDATE FROM EXECUTIVE MEETINGS**

The Assistant Director (Housing and Investment) informed the Board that she recently attended a meeting of the Association of Retained Council Housing (ARCH). ARCH was awaiting an update from government regarding the Green Paper on Social Housing and the use of Right To Buy (RTB) receipts.

The Portfolio Holder informed the HMAB that 2019 was the 100<sup>th</sup> anniversary of the Housing, Town Planning Act 1919 (Addison Act) – an Act that was passed to allow the building of new houses after the First World War, and marked the start of a long twentieth century tradition of state-owned housing, which would much later evolve into council estates. A lot of events had been lined up around the country to commemorate the centenary. Stevenage was one of the few towns that did not have buildings or streets named after Dr Christopher Addison – the minister who introduced the Act. A number of events had been lined up in Stevenage to celebrate the Addison Act Centenary. Details of the events will be provided later in the year.

It was **RESOLVED** that the update is noted.

## 7 **REPAIRS AND VOIDS UPDATE**

The Assistant Director (Stevenage Direct Services) reported that four measures had performed below target (red category). This was due to letting issues, adaptations and other repair work.

The Business Unit Review had just been completed. The Caretaking function had been transferred from Housing. There were plans for an Estate Management arrangement with Housing and area-focussed working. An in-sourcing pilot exercise was underway. The fencing contract had been successfully internalised following a pilot. The in-sourcing consultation will be extended to the HMAB.

In response to a question regarding the extension of the handyman service to residents, the Portfolio Holder indicated that the Council was open to extending the service to residents as long as this did not affect core functions. The Service

Delivery Manager (Repairs) clarified that there was no set criteria for giving tenants extra time to stay in properties after termination of the tenancy. The Assistant Director pointed out that this issue was considered on a case-by-case basis and in some cases the extension was granted on the grounds of social value. Members sought clarification on the incentives that were offered to tenants eligible for downsizing of properties. Under the current scheme, tenants received cash incentives and assistance with removals. The incentives will be reviewed as part of the overall Business Unit review. It was highlighted that government guidelines on housing allocation schemes did not allow a lot of flexibility.

It was **RESOLVED** that the update is noted.

## **8 HOUSING ALL UNDER ONE ROOF UPDATE**

The Assistant Director (Housing and Investment) provided an update on the Housing All Under One Roof (HAUOR) programme. Members were informed that Tier 5 management restructuring had been completed. Consultation for Tier 4 management was now closed and managers involved in the consultation were now receiving feedback. Interviews for the Tier 4 positions were scheduled for February. The restructure of other tiers of the Business Unit would feature at the Away Day in July.

Housing files had been sent away for scanning for the new Electronic Document Management System. This was in line with the broad agenda to reduce paper and cut costs. The next phase of this initiative involved providing enabling online applications and interactive online engagement.

The Major Refurbishment Contract (MRC) was progressing well. Consultations events were arranged prior to the commencement of work on each block. In general, there was a low turnout of leaseholders at these consultation events. This was contribution to the misinformation about the project. In response to a question regarding charges for leaseholders, the Assistant Director informed the Board that the final cost to individual leaseholders will be provided on completion of the refurbishment. The payment options were under review.

Phase One of the bed bug treatment programme had been completed. Phase Two will involve more spraying and the final phase was scheduled for 3 February 2019. The treatment programme involved volunteers from the Council. The Council was considering the option of using sniffer dogs during inspections of other Council flat blocks. The Council was not expecting compensation claims since there had been no damage to property so far.

## **9 ANY OTHER BUSINESS**

The Assistant Director (Housing and Investment) invited the HMAB to the Business Unit shadowing day on Thursday 24 January 2018.

The Community Development Manager informed the HMAB that a briefing on Communities and Neighbourhoods Review was now available.

It was **RESOLVED:**

1. That Members contact the Assistant Director for arrangements about shadowing with Housing and Investment teams
2. That a briefing on the Communities and Neighbourhoods Review to added to the agenda of a future HMAB meeting

10 **DATE OF NEXT MEETING**

**Thursday 21 February 2019, 6.00pm**, Shimkent Room, Daneshill House,  
Danestrete, SG1 1HN

**CHAIR**