

# BEST VALUE COMMISSIONERS

**Housing Sub Board**  
**Monday 11 November 2024**  
**15.00 to 17.00**  
**Room 125 The Council House & Microsoft Teams**

## Attendees

Jackie Belton, Commissioner  
Paul Langford, Strategic Director of City Housing  
Naomi Morris, Head of Service Strategic Housing & Enabling Service  
Stephen Philpot, Service Director City Housing Solutions  
Wayne Davies, Director Asset Management  
Andrew Healey, Finance Business Partner  
Dave Ashmore, Director of Housing Management  
Cllr. Jayne Francis, Councillor  
Simon Pettitt, Personal Assistant Commissioner Support Unit

## Apologies

None received.

## 1 Welcome & Introductions

- 1.1 Jackie welcomed everyone to the meeting and introduced those who had not previously attended the meeting before.

## 2 Minutes of the Previous Meeting & Actions

- 2.1 The previous meeting minutes were signed off with no amendments.

## 2.2 Previous actions update (numbered in line with the action tracker)

31	Johnathon Woodward to circulate PID document.	OUTSTANDING: This has been sent by Jonathan and will be circulated with papers for the next meeting.
32	Jonathon Woodward and Andy Healey to discuss the potential scope of TA former tenant arrears and confirm the current level of debt and provide age profiles.	OUTSTANDING: Andrew Healey said he would circulate to the group.
33	Data on tenant arrears needs to be cleansed and matched to the data warehouse with then BCC being able to identify which individuals can repay their debt. BCC progress on data cleanse to be reported to future meeting.	OUTSTANDING: An update on the tenant arrears works to be brought to the January meeting.
34	Confirmation is required that housing is now following corporate write off procedure.	OUTSTANDING: This action to be amended to "Confirmation that the temporary accommodation rent arrears team are following corporate write off procedure"
35	Confirmation required that the resources now in place are sufficient to deliver the required savings for 24/5 onwards.	COMPLETED: Confirmed as on track
37	Breakdown of costs and housing rents, details and users and projected outcome for 24/5 to be reported back to the board.	COMPLETED: Been circulated outside of the meeting

## The Commissioners:

Max Caller CBE, John Coughlan CBE, Chris Tambini, Pam Parkes FCIPD, Jackie Belton, Myron Hrycyk, Lord John Hutton, John Biggs.

38	JB raised the question about why housing management provides security services separately to corporate FM arrangements. Option for the consolidation of security in the city conversations are ongoing. Update to be provided at the next meeting.	OUTSTANDING: Deferred to next meeting.
39	Report on fraud activity to come back in December following the data match with benefits	OUTSTANDING: Now due to come back to the meeting in January
40	Report on progress on implementing new structure to come back to future meeting.	OUTSTANDING: Deferred to next meeting in December
41a 41b	Decisions need to be made around BCC's own stock ensuring certainty that there is a good offer there. The next sheltered housing strategy update is due in February 2025. There is a clear challenge around the quality of the current accommodation being offered by BCC. Improvements in the offer should result in higher numbers of under occupancy moves. Report to be shared with Commissioners for early input.	OUTSTANDING: Split into two actions. a) Sheltered Housing Report to come back to the meeting in February by Naomi b) Under occupancy update to be brought back to the meeting in December
42	Discretionary housing payments have reduced over recent year. Table of DHP to be added minutes/slide pack.	COMPLETED: Will be discussed later in this meeting
43	Report on Fortem's VOID performance to be reported back in January.	OUTSTANDING: Wayne to bring this back in January

### 3 **Finance Update**

- 3.1 Andrew drew the boards attention to the forecasted £4.2m overspend on legal costs.
- 3.2 Jackie Belton asked if there was a plan with legal to reduce those costs to which Paul Langford talked through that the plan was to complete the backlog of repairs on the housing stock but running alongside that the directorate was holding a face-to-face meeting with legal around how to minimize these costs in the interim.
- 3.3 **Jackie asked if legal could be brought to a future meeting to talk through the work being done. It was agreed to bring this to the meeting in March.**
- 3.4 Andrew explained that the current forecast does not take account of this work with legal and there was potential for the costs to move lower as a result. Jackie made the point that the investment in housing stock saves money in other areas, such as legal costs, and we need to be able to demonstrate this.
- 3.5 Andrew explained that this forecast overspend is being offset by savings in controllable resources, all the teams are underspending, due to the redesign vacancies that are being held and transformation funding which is not being spent.
- 3.6 Andrew said that there was also an underspend on bad debt provision as the collection rates were not as good as they were this time last year but still within expectations.
- 3.7 Andrew went on to explain that whilst this was not featured in the presentation, there is a slight overspend on capital due to the work being carried out on the housing stock which will need to be funded. Paul Langford explained that meetings were ongoing with finance as to how this will be financed as overspending in this area is needed as it means we are doing more of the improvements that we need to do to our homes.
- 3.8 Jackie asked, in reference to the repair's contracts, if we knew there was going to be a growth in spend and the budgets were not aligned to this? Will the budgets be rectified for 25/26? Andrew Healey confirmed that they will be.
- 3.9 Jackie went on to ask if the directorate had the relevant delegated authority to overspend on capital investment or does that need further approval? Andrew explained that the directorate has the authority through the asset management strategy which went to Cabinet in January. At the end of the year the reserves are used to fund the overspends.
- 3.10 Andrew moved on to rental income and explained that we are over recovering against the budget by nearly £3m due to a lower number of empty properties. On non rental income we are seeing service charges coming through less than expectations – further investigation is being undertaken into why this may be.

- 3.11 Taken together this gives us a £4.6m overspend but, as we cannot overspend in the HRA, this is taken out of the reserve which currently stands at £28.5m. This still leaves us with a sustainable level of reserve, alongside a plan to build it back up in the business plan for the next 5 years.
- 3.12 Andy talked about the general fund. Housing strategy contribute to the HRA of £240k, Shellforce have a £1.2m surplus budget to make and are on track, Housing Solutions is showing a small underspend of £1.2m based on the level of demand and this is shown in the savings proposals around the demand growth. The reason it shows as an underspend is because of a change in the debt provision as a one-off benefit, and underspending on staff in that area.
- 3.13 Andy highlighted that, whilst this looks positive, the risk is, as they are one off provision they will not be repeatable in future years. Andy flagged further risks were flagged around compensation levels and capital works around fire doors in homeless centres which is a potential £1.7m cost. We are waiting for approval for this to be a capitalized cost – if not the risk is that this will need to be funded out of revenue.
- 3.14 Jackie Belton asked about the risk of the fire door works not being done and how the physical immediate risk is being managed in the meantime.
- 3.15 Stephen Philpot explained that routine inspections are conducted, but a deep dive inspection of fire doors and compartmentalization has thrown up the issues. The service has done nothing to delay remediation and are waiting for corporate landlord to take the actions required. In the meantime, we have mitigations in place in terms of how the services operate to manage the fire risk. We have not been told that the risk is severe enough that they would have to close – when it was highlighted the desire was that the works were completed this financial year.
- 3.16 Cllr Francis asked for clarification around when the works will be completed as soon as possible.
- 3.17 Wayne Davies explained that the work is divided into low, middle, and high risk. The work does need to be done to make the buildings complaint with the new regulations and it is going through corporate landlord now. They have appointed two contractors as part of the procurement, and they have been surveyed. I am told that the money will be spent, and the works complete by the end of this financial year.
- 3.18 Paul Langford explained that the risk is being taken seriously and there is a plan to deliver. Paul has met with Corporate Landlord to discuss this, alongside a number of other issues which they are dealing with at the moment.
- 3.19 Jackie Belton requested an action to be taken to gain written assurance from Acivico that there is nothing that the service needs to do in terms of managing the risk in the meantime and confirmation of the timescales they are working to. To be brought back to the next meeting.**

#### **4 City Housing Solutions & Support**

- 4.1 Stephen Philpot talked through the presentation. Annual count of rough sleepers took place in October and was recorded as sixty.
- 4.2 Adult Social Care have not commissioned 148 emergency beds, as a result we have commissioned fifty-three so there is a net loss of ninety-five beds. This means the closure of Washington Court as well as the Salvation Army as they have also failed to secure an Adult Social Care contract as well. This has been reported, and whilst we can not deny that beds are reducing, we are talking about the best use of beds. Making sure there is sufficient “move on” within the system to make sure a bed is always available.
- 4.3 Stephen then went on to talk about presentations, whilst showing only a small change on LY it is important to note that they are +27% on yr-1. Those presenting with housing need are largely singles.
- 4.4 Temporary Accommodation: for the first time we saw a reduction in the number of households with dependents in B&B for over 6 weeks. New deals from the 1<sup>st</sup> of December in three hotels to reduce the costs.
- 4.5 Jackie asked how the landlords were engaging with the HRA leases? Stephen replied that engagement started with the landlords last week with mostly positive feedback. There are some providers that have landlords who may be more reluctant due to issues with mortgages and tenancy. We have further work to do with these but as these conversations are in the early stages we do not have definitive numbers as yet.
- 4.6 In terms of applications we are at 100% of applications being reviewed within 8 weeks of being received which is seeing a reduction in complaints. Changes in the allocation policy come in next month and the procurement of the new allocation software has been started.

- 4.7 With regards to the Accommodation Finding Service, five thousand approaches to landlords, 615 families have been moved into the private rented sector as a result. Whilst we have paid £2.5m as incentives to private landlords to accommodate these families it would have cost £14m to keep them in B&B. We are investing in this team as part of the TA strategy.
- 4.8 Jackie mentioned the point that spending money in an area can actually drive more savings in the longer term, the specific example of the Accommodation Finding Service to be used by Paul at CLT to help drive thinking across the council as we move to set budgets for 25/26.
- 4.9 Stephen explained that a large number of rent arrear letters for residents and former residents of TA will be sent out in early December. Jackie asked if there were going to be a briefing plan for political members, CLT and comms in advance due to the feedback that is likely to be caused by it. It could be that it is delayed until January due to the long holiday period in December which will mean it is more difficult from a capacity point of view to deal with the fall out. Paul suggested this would be included in the regular newsletter for members and the members online session too. This would also be used to communicate around the forthcoming rent escalations. **Stephen to pick up this point with Cllr Frances outside of the meeting to discuss what would be needed for Cllrs.**
- 4.10 Jackie asked if there was a way for the Household Support Grant to be used to supplement the DHP in some way? Are the Council spending that money as effectively as we can across Housing and ASC? Paul Langford to pick up a wider conversation with Adult Social Care around how this money is spent.
- 4.11 Stephen discussed the Property Acquisition Programme. Funded jointly through grants and council capital investment (50/50 split). 272 properties acquired and another fifty-seven in the pipeline.
- 4.12 Jackie asked if the Afghan and Ukrainian properties are on a perm or temporary tenancy? Stephen explained that they were temporary but “open ended” If circumstances changed then we can end it. As soon as the need is no longer there then the property can be used to house someone in temporary accommodation.  
Jackie asked if the payback quoted is just on the HRA funding element or HRA plus the grant? **Andy to take this action to get clarity on this and revert to Jackie.**
- 4.13 **Slide deck re HRA Property Acquisitions Programme to be shared by Jackie with Chris Tambini and Chief of Staff**
- 5 **Housing Revenue Account Business Plan**
- 5.11 Andy discussed the Business Plan slides which have not changed since everybody in the meeting had reviewed them previously. The draft report is now being finalized and will be shared with Jackie in advance of going forward to Cabinet on the 14<sup>th</sup> of January. This is to set the TA rents and a 30-year business plan so we can start building a budget off of that.
- 5.12 Briefings are also being carried out in the run up to this with opposition politicians. The report also explains why the decency level looks lower given the volume of investment we have been doing, along with a piece on DMHCP along with the work to deliver the TA Capital Report and the HRA’s contribution to that.
- 5.13 Jackie fed back that she thought that the BMH review is on the agenda and ensure we have flagged the commitment to carry this out.
- 5.14 Naomi made the point that, within the business plan, we need to reference everything back to decency. Jackie agreed and asked for a reference to the importance of affordable housing and the fact it needs to be done in partnership needs to come across as a theme.
- 5.15 **Andy to show separately in the plan the element of the decent homes spend which will also contribute to the decarbonization of BCC’s housing stock.**
- 5.16 Naomi made the point that with the rent increases we need to ensure that the politicians are comfortable with why these things are happening – contextualise this against how many improvements we would not be able to carry out if the rises did not happen.
- 5.17 Jackie asked when the CCTV Pilot being reported on and asked if there were any implications for the business plan? Naomi confirmed not as it had been budgeted within existing budgets but that there may be future implications.

5.18 Jackie also made the point that, with reference to recharges to HRA, that we reiterate the legal position and the importance of what we are doing. If we are putting rents up it is critically important that the money that is coming in is being spent on tenants. In the front of the report make sure you have included the points that you want to reiterate to members and the public.

5.19 Cllr Francis agreed that it is important to get the narrative right at the front as to what we are doing and why and what would happen if we did not do these things. We need to demonstrate that we have considered all the risk in taking or not taking the actions we outline.

## 6 **R&M Procurement**

6.1 Wayne Davies talked through the status of the Task and Finish Groups which are now into their 5<sup>th</sup> or 6<sup>th</sup> meeting. This has been useful in producing the information for the invitation to tender document. This will be issued during January.

6.2 Large amounts of tenant feedback have been received which has helped to shape our thinking. This is collated into the Contract Board which is held monthly.

## 6.3 **Key takeaways and highlights to be brought forward to the next Housing Board meeting.**

## 7 **Regulatory Compliance**

7.1 Naomi Morris raised a point regarding compliance data and the fact that this data is now seen to be more dependable and accurate.

7.2 This new data will be used from December onwards.

7.3 Wayne said that the next four weeks of more reliable data will enable us to see more clearly what the run rate of checks is more accurately than we have been able to before.

## 8 **Any Other Business**

8.1 None

## **New Actions Arising**

(numbered in line with the action tracker)

44	Overspend on legal costs. Jackie asked if legal could be brought to a future meeting to talk through the work being done. It was agreed to bring this to the meeting in March. Paul Langford to arrange and confirm who the legal officer is.	Paul Langford
45	Remedial works around fire doors and compartmentalisation: Jackie Belton requested an action to be taken to gain written assurance from Acivico that there is nothing that the service needs to do in terms of managing the risk in the meantime and confirmation of the timescales they are working to. To be brought back to the next meeting. Paul Langford/Wayne Davies will review current arrangements for the repair and maintenance and compliance checks for homeless centres to ensure they are optimum and in line with legislative requirements.	Paul Langford / Wayne Davies
46	Rent arrears letters communication plan: Stephen to pick up this point with Cllr Frances outside of the meeting to discuss what would be needed for Cllrs.	Stephen Philpot
47	Property Acquisition Programme: Jackie asked if the payback quoted is just on the HRA funding element or HRA plus the grant? Andy to take this action to get clarity on this and revert to Jackie	Andy Healey
48	Property Acquisition Programme: Slide deck re HRA Property Acquisitions Programme to be shared by Jackie with Chris Tambini and Chief of Staff	Jackie Belton (completed: Simon shared post meeting)
49	HRA Business Plan: Andy to show separately in the plan the element of the decent homes spend which will also contribute to the decarbonisation of BCC's housing stock.	Andy Healey
50	R&M Procurement: Tenant feedback, Key takeaways and highlights to be brought forward to the next Housing Board meeting	Wayne Davies