

THE DRAFT MINUTE MOS/19/8 RELATING TO THE RECOMMENDATIONS TO CABINET FROM THE MID SUFFOLK OVERVIEW AND SCRUTINY COMMITTEE HELD ON THE 16 JANUARY 2020

MOS/19/8 Draft Housing Revenue Account Budget and Four-year Outlook

- 21.1 Councillor Whitehead, Cabinet Member for Finance, introduced the report and summarised the main points in the report.
- 21.2 Councillor Welham referred to the service charges for Sheltered Housing, as properties were being de-sheltered and the cost per tenant was increasing, he wondered if this was part of the reason for the increase in Sheltered Housing Service Charges.
- 21.3 The Assistant Director for Housing confirmed that as the number of sheltered housing decreased it was likely that the cost per sheltered home would increase and would include additional costs for issues such as checks legionella and fire risk assessments to ensure that tenants were safe. A review of Sheltered Housing would be undertaken in the coming years to ensure that the service was cost effective.
- 21.4 Councillor Welham concerned that the staffing levels were being reduced, except for visiting wardens and he thought this should be reviewed.
- 21.5 He was also concerned about the staffing cost around the new build and if there was enough staff to manage this area.
- 21.6 The Assistant Director for Housing responded that over the past four years a hundred or, so homes had been built, but that the staffing costs were being absorbed in the budget. Staffing issues had been resolved by restructuring and the teams had the staff required going forward.
- 21.7 Councillor Welham asked in the improvement in service did not require an increase in resources and costs and the Assistant Director for Housing responded that cost were being balanced out in the budget.
- 21.8 Councillor Caston had expected that garage uptake would have increased, however it appeared that it had not. He asked what had happened.
- 21.9 The Assistant Director for Housing responded that there would be a report on garage sites going to Cabinet later in January regarding the use of these. He informed the committee that the waiting list for garages had been cleared, and that some sites remained unutilised. The Housing team was working with the Assets team to review these sites. It had been the assumption that garage rents would increase but that had not been the case.
- 21.10 Councillor Mellen referred to the Capital investments with regards to new builds. He listed sites which were being developed such as the old HQ site in Needham Market, (paragraph 11.3) and asked for clarification of the plans for developments in Elmswell.
- 21.11 The Assistant Director for Housing responded that there were several developments across the District, which had developments commencing or had received planning permissions. However, it was not expected to bring the site in Elmswell forward for

the next couple of years. Plans were being worked on during the next few months and it was not possible at this stage to provide any numbers for this site. He thought that the site had potential for a slightly different development which could include different ownerships such as open market sale, shared ownership or social housing, but it was too early to define the plans. In response to Councillor Mellen's further question he confirmed that the site was an HRA site held under the Assets portfolio.

- 21.12 Councillor Hadingham referred the table in paragraph 5.4 and asked if the spike in 'New Build and Acquisitions' were caused by the Old HQ site in Needham Market and the Middle school site in Stowmarket and this was confirmed by the Assistant Director for Housing.
- 21.13 Councillor Scarff commented on the withdrawal of decorating vouchers for tenants to save £3000, and that this would have an effect on local charities. Local organisations were approached to help with grants and funding by tenants and were currently coping with the demand but would find it a challenge continue such funding if there were to be an increase in applications. He asked that this would be taken into consideration when determine the HRA budget.
- 21.14 Both Councillor Welham and Councillor Field supported this plea and provided supportive comments.
- 21.15 The Assistant Director for Housing explained that the Council had stopped offering decoration voucher but had not received any negative feedback from new or prospective tenants. Carpets and furniture had never been provided by the Council. However, there was a team in place of to support tenants with such issues and he urged Members to contact them if they were approached by tenants in their Wards.
- 21.16 Councillor Field referred to the increase of the CPI from 1% to 2% and the decrease of tenants rent during the last four years, which had been a statutory requirement from the Government, He was concerned that further statutory requirements would have an impact on the tenants.
- 21.17 Councillor Whitehead, Cabinet Member for Finance responded that the increase was due to a statutory requirement set by Central Government for the next five years.
- 21.18 The Assistant Director for Housing added that despite the CPI increase to 2% there still existed a deficit in the budget for this service. Tenants actually paid less rent now than predicted four years ago. He then outlined how the HRA budget was forecasted for the next four years and the next thirty years and the implication of managing costs. However, £40m would be invested over the next four years in new housing and this was an achievement worth noting.
- 21.19 The Assistant Director for Corporate Resources informed that the Government would be increasing the Local Housing allowance, so benefits would be going up, which would help with the rent increase.
- 21.20 Councillor Field referred to paragraph 5.6 and explained that he found it challenging to get the figure to add up for the fiscal surplus and asked if Officers could provide a brief analysis of how these figures was calculated.

- 21.21 The Assistant Director for Corporate Services would circulate an analysis after the meeting.
- 21.22 Members debated recommendations and it was generally agreed that the HRA Budget should be endorsed but that the comments made at the meeting should be forwarded to Cabinet.
- 21.23 The recommendation was proposed by Councillor Caston and seconded by Councillor Muller.

By a unanimous vote

It was Resolved: -

- 1.1 That the Overview and Scrutiny Committee endorse the Housing Revenue Account Budget and Four-year Outputs but asked that Officers and Cabinet took into consideration the comments made at this meeting when submitting the budget to Cabinet for consideration at the Cabinet meeting in February 2020.**