

MINUTES OF THE MEETING OF THE HOUSING AND REGENERATION SCRUTINY PANEL HELD ON TUESDAY, 7TH NOVEMBER, 2017, 6.30 - 8.20 pm

PRESENT:

Councillors: Emine Ibrahim (Chair), Zena Brabazon, Vincent Carroll, Clive Carter and Ann Waters

29. FILMING AT MEETINGS

The Chair referred Members present to agenda Item 1 as shown on the agenda in respect of filming at this meeting, and Members noted the information contained therein.

30. APOLOGIES FOR ABSENCE

It was noted apologies for absence had been received from Cllr John Bevan, Cllr Gail Engert (substituted by Cllr Clive Carter) and Cllr Martin Newton.

31. URGENT BUSINESS

None.

32. DECLARATIONS OF INTEREST

None.

33. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

None.

34. MINUTES - 2 OCTOBER 2017

AGREED:

- (a) That the clerk be asked to check the accuracy of the minutes, especially issues relating to service charges highlighted at minute 22.
- (b) That the minutes be checked, redrafted and reported back to the next meeting on 19 December 2017.

35. BUDGET MONITORING

Rita Bacheta, Senior Business Partner, introduced the report as set out and commenced her presentation by providing an overview of the budget monitoring position for Corporate Plan Priorities 4 and 5.

The Panel was informed, as of 30 June 2017 (Quarter 1), Priorities 4 and 5 were projecting an overspend of £0.959. It was noted the Housing Revenue Account (HRA) was projecting an overspend of £0.4m.

Ms Bacheta provided further information on the overspend of £0.17m for Priority 4, the overspend of £0.80m for Priority 5 (General Fund), and the £0.4m overspend for Priority 5 (HRA).

The following points were noted in relation to Priority 4:

- An overspend of £0.25m was largely due to an unmet saving which had extended employment of a team of commercial property valuers from March 2017 to March 2018. The Panel was informed that the majority of these posts would no longer be required once the HDV was established and when some commercial properties had been transferred.
- It was noted that the overspend in this area had been offset by £0.08m from an overachievement of planning income and an additional contribution from NWLA to staff costs.

The following points were noted in relation to Priority 5 (General Fund):

- There was a projected £0.60m overspend in in-borough private sector leases; £0.70M overspend in bed and breakfast accommodation and a £0.40m underspend in supplier managed private sector leases.
- It was noted the service had identified a number of actions in order to reduce the projected overspend by year end. For example, the Panel was informed that officers were in dialogue with providers in order to deliver further shared facility hostels in 2017/18. Officers also explained they were in dialogue with providers to deliver further shared facility hostels in 2017/18. Work was also underway with various landlords to ensure retaining existing and sourcing future leased accommodation. It was also noted that there were various options being explored to increase supply and acquisitions.

In terms of the HRA, the following points were noted:

- The income shortfall related primarily to income receivable from garage lets. It was noted officers were in the process of drawing up an action plan to address this.
- Waste management costs had increased due to contract inflation. However, it was noted this had been offset by a lower than anticipated charge in landlord insurance costs. The Panel was informed that these charges would be reflected in Tenant and Leaseholders' service charges.
- Outstanding debt remained in relation to water rates. It was noted the contract with Thames Water continued to create financial pressures for the HRA. This was because the HRA had to bear costs of non-payment of bills which could not be passed back to Thames Water.

During the discussion, the Panel was informed of a recent court case which had ruled against Southwark Council for a longstanding agreement with Thames Water. The Panel was informed Southwark had collected water charges along with tenant's rents. As a result, tenants did not deal directly with the water company as the Council had managed both billing and collection of payments. It was noted that a recent court case had challenged this arrangement and the commission the Council received from Thames Water for collecting water charges on their behalf. The court ruled that Southwark had acted as a 'water reseller' and had overcharged tenants. As a result, Southwark was paying this money back. The Panel was informed Homes for Haringey was looking closely at this case and what the decision might mean for Haringey.

In response to questions about the capital expenditure forecast, the Panel was informed that at Quarter 1, the capital programme for Priorities 4 and 5 was forecasting an underspend of £46.6m. As set out on pages 13 – 15 of the agenda, the Panel was informed further scrutiny would take place to ensure any capital programmes were capable of being delivered and that resources were allocated for their delivery.

The Panel raised concerns about the delivery percentage on the capital programme and it was agreed further information should be made available in future scrutiny reports to show the difference between an underspend and slippage on projects. A range of issues were discussed in relation to expenditure and underspend. This included consideration of payments on Alexandra Palace Heritage and underspends in relation to Wards Corner CPO, the Marsh Lane relocation project, acquisitions in relation to High Road West, schemes in Tottenham Hale, Northumberland Park School, and the District Energy Network scheme. In response to questions, officers provided further information on the process for dealing with unspent money and how this would be carried forward. In terms of HRA capital stock investment, the Panel was informed money would be carried forward to help fund stock acquisitions as part of a detailed programme for 2018/19.

Ms Bacheta concluded her presentation by providing information on the MTSF savings targets for 2017/18. The Panel was informed that at Quarter 1, it was projected £1.3m (84%) of the target would be achieved.

AGREED: That the overview of the budget monitoring position for Priorities 4 and 5 be noted.

36. TEMPORARY ACCOMMODATION REDUCTION PLAN

Denise Gandy, Executive Director of Housing Demand, Homes for Haringey, and Alan Benson, Head of Housing Strategy and Commissioning, Haringey Council, introduced the report as set out.

Ms Gandy commenced her presentation by informing the Panel that local authorities had a statutory duty to provide Temporary Accommodation (TA) to homeless households in line with the Housing Act 1996. It was noted that TA could take the form of nightly paid self-contained flats, accommodation on longer leases sourced from private landlords or Registered Providers and accommodation within the councils own stocks. The Panel was informed nightly paid accommodation was most expensive,

with an average cost of £44 per night against an average cost of £35 for a longer-term lease.

In response to questions, the Panel was informed there had been a number of significant improvements in work to better manage demand. The following points were noted:

- The steady increase in the number of homelessness preventions achieved.
- The fact homelessness prevention work had been effective. It was noted that a recent review had highlighted that over the last 5 years only 10% of households had returned for assistance.
- Homeless acceptances had decreased from a peak of 762 in 2013/14 to 683 in 2016/17. It was noted this was in contrast to the general London picture of increasing acceptances.
- In terms of year to date 90% of decisions had been made in 33 working days compared to 45% in 2016/17.
- The number of cases “under investigation” had been maintained at less than 50, from over 200 for much of 2016/17.
- To date in 2017/18, the council had accepted a full housing duty to 45% of applicants, reduced from over 60% in 2016/17.
- The average in-flow into TA had reduced from 79 months to less than 50.
- An increasing number of Assured Shorthold Tenancies had been secured in order to prevent homelessness.

In response to questions, concerning initiatives to prevent homelessness, the Panel was informed that in 2016 Homes for Haringey’s Housing Demand team underwent a restructure. It was noted that this had helped to significantly improve performance on homelessness prevention and decision making. It was noted that further changes were planned in order to implement the Homelessness Reduction Act.

Despite these improvements, the Panel was informed the budget situation remained challenging. The following points were noted:

- Although the number of households in TA was reducing the cost of providing TA remained high.
- There was a projected overspend of £800,000.
- There was a need to achieve strong prevention performance and to deliver new sources of supply.

The Panel was informed that the TA management fee had been replaced with a Flexible Homelessness Support Grant. It was noted this had created ring fenced funding which was available to invest in initiatives to reduce homelessness.

In response to questions, Mr Benson informed the Panel that the Council was investigating a range of options to increase the supply of homes to meet the need for TA. It was noted this could include the type of non-for-profit arms-length or charitable organisations, or wholly owned companies, which other local authorities had set up for this purpose and which formed a valuable mechanism for channelling right-to-buy receipts, borrowing and grants into building and acquiring new homes. In addition, it was noted options being investigated also included the types of partnerships with Housing Associations that other boroughs had entered into, which could deliver purchase and repair programme to acquire often badly managed private sector stock for use as affordable housing. It was noted that these new supply options had been listed on the Forward Plan for consideration by Cabinet in January 2018.

The following points were noted:

- The Council had agreed a £16m General Fund direct acquisitions budget. It was noted that this funding was being drawn down by Homes for Haringey, primarily to purchase and repair former right-to-buy stock and to bring it back into use as affordable housing.
- The work that was taking place to convert emergency accommodation into Assured Shorthold Tenancies.
- The work Homes for Haringey was doing to increase the number of lodges available for emergency accommodation, building on the model of Broadwater Lodge.

During the discussion, a range of issues were considered including a number of areas relating to the Haringey Development Vehicle (HDV) and other regeneration schemes. The Panel raised particular concerns about the impact of decanting on waiting times for TA. The importance of mapping these changes was also highlighted.

Ms Gandy concluded the presentation by providing an update on the Homelessness Reduction Act. It was noted further information on this, including the implications for Haringey, would be considered by the Panel in December 2017.

AGREED: That the report setting out the Council's developing plans to reduce the costs of temporary accommodation be noted.

37. HARINGEY DEVELOPMENT VEHICLE - VERBAL UPDATE

The Panel was informed that apologies for absence had been received from Dan Hawthorn, Director of Housing and Growth. As a result, the following update was tabled at the meeting:

“Following the judicial review hearing at the end of October, the Council is awaiting the court’s judgement. It is still the Council’s intention to sign the HDV legal agreement when it is legally appropriate to do so.”

During the discussion that followed, the Panel agreed it was important that they received a copy of the revised Members’ Agreement as quickly as possible.

AGREED:

- (a) That the update on the Haringey Development Vehicle be noted.
- (b) That, once updated, the Panel should receive a copy of the revised Members’ Agreement.

38. WORK PROGRAMME UPDATE

Christian Scade, Principal Scrutiny Officer, provided an update on the proposed work programme for the remainder of the 2017/18 municipal year.

During the discussion a number of issues were considered in relation to High Road West, the Community Infrastructure Levy (CIL) Charging Schedule, and Hornsey Town Hall. It was suggested any scrutiny work in relation to Hornsey Town Hall should be led by the Overview and Scrutiny Committee.

AGREED:

- (a) That the areas of inquiry outlined in Appendix A of the Work Programme Update be approved and recommended for endorsement by the Overview and Scrutiny Committee.
- (b) That the Chair of the Housing and Regeneration Scrutiny Panel and Chair of the Overview and Scrutiny Committee meet to consider how to scrutinise issues in relation to Hornsey Town Hall.

39. NEW ITEMS OF URGENT BUSINESS

None.

40. DATES OF FUTURE MEETINGS

The Chair referred Members present to item 12 as shown on the agenda in respect of future meeting dates, and Members noted the information contained therein’.

CHAIR: Councillor Emine Ibrahim

Signed by Chair

Date