

<b>Subject:</b>	<b>Housing Revenue Account Budget 2015/16 – Extract from the Proceedings of the Housing Committee held on 14 January 2015</b>		
<b>Date of Meeting:</b>	<b>12 February 2015</b>		
<b>Report of:</b>	<b>Monitoring Officer</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Caroline DeMarco</b>	<b>Tel: 29-1063</b>
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<b>Wards Affected:</b>	All		

**FOR GENERAL RELEASE**

***Action Required of the Policy & Resources Committee:***

To receive the item referred from the Housing Committee for approval:

**Recommendation:**

- 1) That the Policy & Resources Committee:
  - a) Approves and recommends to Council the budget for 2015/16 as show Appendix 1.
  - b) Approves a rent increase of 2.2% in line with government guidance.
  - c) Approves the changes to fees and charges as detailed in Appendix 2.
  - d) Notes the Medium Term Financial Strategy shown in Appendix 3.
- 2) That a further report be submitted on the cumulative impact of charges.

## HOUSING COMMITTEE

4.00pm 14 JANUARY 2015

## COUNCIL CHAMBER, HOVE TOWN HALL

## DRAFT MINUTES

**Present:** Councillor Randall (Chair) Phillips (Deputy Chair), Barnett, Daniel, Meadows, Kennedy, Mears, Peltzer Dunn (Opposition Spokesperson), Rufus and Wilson (Group Spokesperson)

PART ONE**52 HOUSING REVENUE ACCOUNT BUDGET 2015/16**

- 52.1 The Committee considered the joint report of the Executive Director of Finance & Resources and the Executive Director Environment Development and Housing. The report presented the proposed budget for 2015/16 as required by the Local Government and Housing Act 1989. The report was presented by the Principal Accountant, Financial Services.
- 52.2 Councillor Peltzer Dunn and Councillor Mears raised concerns that the Housing Revenue Account Budget would have an impact on other items on the agenda, which had yet to be agreed. The Principal Accountant stated that she was not aware that the subsequent reports would be affected by consideration of the Revenue Budget report. For example, there were no savings being proposed with regard to discretionary schemes. Meanwhile, car parking charges were not recommended in Item 63. They were contained within the current report.
- 52.3 Councillor Wilson asked for an explanation of paragraph 3.8. which stated that “the major works leasehold income budget has decreased by £0.409 million to reflect a decrease in planned major works during 2014/15 to blocks containing leaseholders”. The Principal Accountant replied that there would be a reduction in charges.
- 52.4 Councillor Wilson asked for an explanation of paragraph 3.11 which stated that funding from Supporting People for the sheltered housing Carelink alarm service would cease from 1 April 2015 resulting in a loss of income of £0.058m. The Principal Accountant replied that Supporting People income had ceased for the Carelink service. The budget was now contained within the existing budget.
- 52.5 Councillor Mears referred to paragraph 3.3 which stated that housing management service was a high cost service. She noted that there was always this issue of high cost. Councillor Mears referred to Section 1, Economy and Housing on page 25 in relation to apprenticeships. She was concerned that there were only 85 apprentices and work opportunities provided. She considered that there should have been over 200.
- 52.6 Councillor Mears referred to Savings and Service Pressure under 3.10 of the report. She stated that she would like to have a head count in housing services to show how

many temporary staff were employed. Councillor Mears referred to Community Engagement at paragraph 5. She was disappointed that the timing of the detailed budget considerations rendered them too late to be taken to Area Panels. Councillor Mears referred to the last paragraph of Section 5 and said she would like to see the long list tenants from the Value for Money Service Improvement Group had produced.

- 52.7 The Executive Director replied that housing management services was a high cost service. The directorate was looking to be clearer about where these costs lie. The Chair noted that figures from the last 10 years showed that there had been reduced maintenance costs. This meant there was more money for new homes. He considered that housing staff were doing a tremendous job in dealing with difficult and vulnerable tenants in mainstream housing. He agreed that there needed to be clarity on the division of labour between housing, adult social care and public health. There was also a need to develop a better relationship with the NHS.
- 52.8 Councillor Mears stated that Housing Committee had been reassured that vulnerable tenants would have a support package. She had never had a satisfactory answer as to exactly what support packages were being taken forward. The Chair replied that figures on care leavers would be reported to the next meeting. Meanwhile Adult Social Care, Public Health and the CCG would be giving a presentation to the next meeting. The aim was to provide the best services to the most vulnerable in the city.
- 52.9 The Principal Accountant stated that there were 290 members of staff in the Housing Service and there were vacancies. She would let Councillor Mears know the numbers of temporary staff.
- 52.10 The Executive Director said he would find out the information about apprentices for Councillor Mears.
- 52.11 Councillor Wilson asked if there had there been work on the cumulative effect of percentage increases across the budget, bearing in mind the financial hardship people were facing. Councillor Wilson stressed that there was an impact for tenants in experiencing rent increases and a cumulative effect for individuals on all increases (changes in benefits and changes in rents). The Principal Accountant replied that officers had not looked at cumulative impact this year. 68% of tenants were in receipt of housing benefit. 88% of sheltered housing tenants were in receipt of housing benefit. The Executive Director suggested that officers could do some research into the impact on people's budgets.
- 52.12 The Chair pointed out that there had been one to one interviews with people affected by the bedroom tax. There was a great deal of information available on individuals.
- 52.13 Members agreed that they wished to have a report on the cumulative impact of charges.
- 52.14 **RESOLVED** -
- (1) That the Policy & Resources Committee:
- (a) Approves and recommends to Council the budget for 2015/16 as shown in Appendix 1.

- (b) Approves a rent increase of 2.2% in line with government guidance.
  - (c) Approves the changes to fees and charges as detailed in Appendix 2.
  - (d) Notes the Medium Term Financial Strategy shown in Appendix 3.
- (2) That a further report be submitted on the cumulative impact of charges.