

BRIGHTON & HOVE CITY COUNCIL**HOUSING & NEW HOMES COMMITTEE****4.00pm 15 NOVEMBER 2017****COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 3BQ****MINUTES**

Present: Councillor Meadows (Chair); Councillor Hill (Deputy Chair), Mears (Opposition Spokesperson), Gibson (Group Spokesperson), Atkinson, Barnett, Bell, Druitt, Lewry and Moonan

PART ONE**42 PROCEDURAL BUSINESS****42a) Declarations of Substitutes**

42.1 There were no substitutes.

42b) Declarations of Interests

42.2 Councillor Druitt declared an interest in Item 50 – Proposed Selective Licensing Scheme for Privately Rented Homes as his wife has a privately rented flat. Councillor Gibson declared an interest in Item 50 as he is the joint owner of a property in Portslade which was leased to the council to house homeless households. He had taken advice and was permitted to speak and vote.

42c) Exclusion of the Press and Public

42.3 In accordance with section 100A(4) of the Local Government Act 1972, it was considered whether the press and public should be excluded from the meeting during the consideration of any items contained in the agenda, having regard to the nature of the business to be transacted and the nature of the proceedings and the likelihood as to whether, if members of the press and public were present, there would be disclosure to them of confidential or exempt information as defined in section 100I (1) of the said Act.

42.4 Councillor Mears referred to Item 58 – Appendix 3 to the New Homes for Neighbourhood – Rotherfield Crescent report. Councillor Mears considered this item should be considered in Part One of the agenda. The Chair replied that the appendix contained commercially sensitive information which would not be appropriate to put in the public domain. The Executive Director, Economy, Environment & Culture stated that in the past officers had sometimes included estimated costs in Part One reports. That

had tended to be in circumstances where officers had already engaged with a contractor. In this case, officers had not already engaged with a contractor and therefore on balance, it was felt it was better to leave the costs information in Part Two to ensure competitive pricing. There had been cases where the final price was lower than the estimated price. The Executive Director suggested that if the Committee wished to publish the Part Two paper they should do so in consultation with the Head of Law, in order that any commercially sensitive information could be redacted. Councillor Mears considered that there were issues within the paper that were relevant for Part One, bearing in mind that tenants money was being spent and that a great deal of the work had already been carried out.

- 42.5 The Chair invited members to vote on whether Item 58 should be considered in Part One of the agenda. Members voted by six votes to four to move item 58 to Part One of the agenda.
- 42.6 **RESOLVED** - That the press and public not be excluded from the meeting during consideration of the appendix at Item 50.

43 MINUTES OF THE PREVIOUS MEETING

- 43.1 **RESOLVED** - That the minutes of the Housing and New Homes Committee meetings held on 20th and 25th September 2017 are agreed and signed as a correct record.

44 CHAIRS COMMUNICATIONS

The Chair stated the following:

- 44.1 "Since we last met, significant progress has been made on our plans to improve energy efficiency in the city.
- 44.2 Work is well underway to develop our Housing Revenue Account (HRA) Energy Strategy.
- 44.3 The overarching aim of the strategy is to reduce energy consumption (and costs) for residents by future proofing the housing stock. This should also reduce carbon emissions and contribute to improving health & well-being for our tenants.
- 44.4 The strategy will set out relevant local and national policy and note the transformation taking place in the energy sector, which includes the increasing digitalisation of services.
- 44.5 It will outline the current performance of the stock and achievements to date, and will highlight current work and opportunities that officers are delivering or exploring to meet the strategies aim.
- 44.6 Currently the strategy is being introduced to residents through the Service Improvement Group; tenant representative meetings and focus groups; the intention is to go to Area Panels in early January 2018; with a full report and draft strategy coming to this committee in January.

- 44.7 Continuing the theme of energy efficiency and helping to tackle fuel poverty, we have been working with partners within the Your Energy Sussex partnership to procure a licensed energy supply partner.
- 44.8 Through an OJEU compliant procurement process the partnership selected Robin Hood Energy as our delivery partner. Robin Hood Energy are a not-for profit licensed energy company wholly owned by Nottingham City Council.
- 44.9 Your Energy Sussex, will offer a range of competitive, council-backed energy tariffs to residents with a focus on good **customer service, fairness and transparency.**
- 44.10 The aim is that a 'soft launch' will take place in December 2017, with a larger launch and specific campaigns taking place in early 2018. A full report will be presented to this committee in January 2018.
- 44.11 Moving on to increasing the supply of housing in the city, I am pleased to confirm that the DCLG funding of £464,000 for community led housing has now been awarded to Brighton & Hove Community Land Trust.
- 44.12 The funding will be used to set up a Community Housing 'Hub' to take the project forward. This reflects the council's continued commitment to working with community housing providers as another way of responding to housing need in the city. A pilot self-build co-operative scheme is due to start on site shortly and the council will work with the Hub to identify other opportunities including looking at council land and sites.
- 44.13 The council will be represented on both the Hub's Steering Group which oversees activities and an Assessment Panel which will examine specific projects/schemes put forward for funding.
- 44.14 Key outcomes of the Hub include increasing the amount of community led housing; increase awareness of community housing in general and responding to site opportunities. The Hub will also act as one central point of referral for community housing in the city.
- 44.15 Following on from creating more homes, I am pleased to update you on a truly successful community event held in Whitehawk which was organised by colleagues in Neighbourhoods Communities and Housing.
- 44.16 Housing staff joined a wide range of agencies and people from the community across all tenures to engage in the conversation about what they want for their area at the Whitehawk Community Day.
- 44.17 Housing staff recorded really useful feedback from 76 tenants during the day which will be added to Housing's contribution to the East Brighton Neighbourhood plan.
- 44.18 The event allowed conversations with other service providers and will help to maintain connections to ensure we work together more effectively. Attendees included the Trust for Developing Communities HRA- funded Youth Programme working with Housing's Resident Involvement Team and the Crew Club; Children's Service and our Work &

Learning Team; Southdown Housing's Floating Mental Health Service and Housing Options Trailblazer Project; Digital Brighton & Hove; SHINE project; Race Hill Orchard, Serendipity, Employment & Enterprise; and many more.

- 44.19 Activities were provided for the children including face painting and drawing competition with 18 children entering drawings of "what they love most about their homes" and Mears kindly donating the main prize, the Xbox360 which was won by Ruby Taylor, from Whitehawk Way.
- 44.20 Four groups of residents asked to work with the Resident Involvement Team to make improvements to their estates from Wiston Road, Haybourne Road, Crossbush Road, Whitehawk Way.
- 44.21 Tenants told us how much they "love their homes and the place they live" with a lasting memory from the event from a little boy who told staff that he loves living in Whitehawk and he loves his home and his friends but could we please build more houses for the homeless people.

45 CALL OVER

- 45.1 It was agreed that all items be reserved for discussion.

46 PUBLIC INVOLVEMENT

Petitions

- 46.1 There were no petitions.

Questions

- 46.2 Mike Bojczuk asked the following question:

"Will Council agree to provide Wi-Fi access to common area lounges of their senior housing schemes? Volunteering with Digital Brighton & Hove I have found that none of the Council run senior schemes provide this, unlike Housing Association schemes visited.

Providing broadband to 25 schemes isn't greatly expensive and if provided by the Council, it could be used in many ways to add to and improve communication and services to senior residents. City libraries and buses provide free Wi-Fi access so can you also extend this service to help mitigate the digital exclusion faced by many of our older residents?"

- 46.3 The Chair replied as follows:

"Thank you for your question. BHCC Housing is committed to supporting digital inclusion initiatives. The council is a partner of Digital Brighton & Hove and is actively working with local community and commercial organisations that provide volunteers to support residents to improve their online skills and experience. Seniors housing

schemes have held many 'gadget workshops' supporting older people to become more familiar with all things digital. With more families communicating digitally and more organisations moving information on-line we're keen that older people in seniors housing, as well as other residents, are not digitally excluded.

There are real challenges to providing internet access and we've previously had discussions with providers (BT, Barclays) to see if they could offer a free pilot project. Unfortunately, at that time, they were not able to offer a system that was suitable to allow the necessary level of data management that is required by our own policies as well as national and European legislation. There are some particular challenges on security, and the council's liability, when providing access to a communal setting, not least in terms of people accessing illegal or inappropriate material.

This said, we are continuing to investigate how we can support better digital inclusion amongst all council tenants (for example those of working age who are impacted by Universal Credit), despite the known challenges.

In seniors housing we are looking at how we can support better digital connectivity at our new extra care scheme, Brooke Mead, which may help provide useful pointers in terms of delivering this more widely in our schemes."

- 46.4 Mr Bojczuk stated that he was a volunteer with digital Brighton & Hove and had worked to help bring Wi-Fi into Elizabeth Court with BT and Barclays. Mr Bojczuk stated that IT at the council put a much greater level of security on a simple Wi-Fi connection than was actually needed. He asked if the council could look at the security and make it to a lower standard so that it will suit the more limited needs of older people.
- 46.5 The Chair stated that the Digital First Lead would be asked to contact him to discuss this issue.
- 46.6 **RESOLVED-** That the Public question be noted.
- 46.7 Barry Hughes asked the following question:

"I am aware that, in purely legal terms, the normal service of notices *"sent by first class post shall be deemed to have been received by the addressee within 48 hours of posting"*. However I have recently been involved in a Leaseholder dispute where Section 20 notices were sent to my members and not received and I am reminded that, in the commercial world, *"proof of posting is not proof of receipt"*. I would respectfully request that the council, in enacting its value of customer focus, adopts the use of recorded delivery when issuing Section 20 notices in the future?"

- 46.8 The Chair replied as follows:

"The Courts accept first class delivery as proof of service on the second business day after posting. A move to using recorded delivery would both increase costs for leaseholders and create greater difficulty for the Council in ensuring service. Recorded delivery requires a person to sign for the post. If the leaseholder is not at the property for any reason, then it means that added delay and uncertainty would be brought in to the process. The letter could for instance sit in the post office uncollected.

There is no advantage to the Council or leaseholders to incur additional costs for an uncertain delivery process. The Courts have allowed first class service for a long time specifically because it does provide certainty. I would urge leaseholders to ensure that the Council has their correct correspondence address and provide an additional address for service (which could include an e-mail address for instance) to ensure that their correspondence does reach them.”

46.9 Mr Hughes stated that he considered that it would be best customer service practice to ensure notices were received when the council were asking someone to spend more than £250 and sometimes several thousand pounds.

46.10 The Chair noted Mr Hughes’ comments.

46.11 **RESOLVED-** That the Public question be noted.

46.12 Barry Hughes asked the following question on behalf of Martin Cunningham:

“With regards to the proposed Hereford House Hostel what measures will be put in place to protect the residents from the increase in anti-social behaviour this will bring to Kemptown?”

46.13 The Chair replied as follows:

“The Council has listened to the concerns of residents in the local area regarding the proposal to relocate West Pier Hostel to Hereford House and this relocation will now not be taking place.”

46.14 Mr Hughes asked the following supplementary question:

“Was the Committee consulted on the proposals to convert "Hereford House" into a "vital hostel facility" in place of the approximately 25 people already living in the building? Hereford House is currently a home to retail workers, nurses and students, including a woman who is eight months into her pregnancy. If the Committee was not consulted, do Members feel it should have been?”

46.15 The Chair replied informed Mr Hughes that this proposal was taken forward by Adult Social Care. Housing & New Homes Committee were not consulted as it is not a housing scheme.

46.16 **RESOLVED-** That the Public question be noted.

46.17 Daniel Harris asked the following question:

“The Council have announced that only 605 homelessness applications were received during Quarter 1 and 2 2017, can the council tell me exactly how many temporary accommodation units they plan to stop using and how this process will work?”

46.18 The Chair replied as follows:

“The figures for Quarters 1 and 2 are in line with previous years and on target. On average the council receive around 1000 applications per year and accept a full housing duty to around 420 households.

The council is working towards preventing homelessness in the first place by sustaining accommodation where possible. Furthermore, where possible we want to avoid the need for homeless households to move twice to and from temporary accommodation to sustainable accommodation.

We already have an ambitious new build programme; our joint venture with Hyde housing to deliver 1000 new homes and through the community housing hub to promote community housing. Alongside these initiatives we are focussing on prevention and finding sustainable housing solutions, which should reduce our need for Temporary accommodation by half by 2019.

This is in line with Homelessness Reduction Act from April 2018 and currently being delivered through our Homelessness Trailblazer project, which you will hear more of later on the agenda.”

46.19 Mr Harris asked the following supplementary question:

“Recently the Department of Communities and Local Government reported that Brighton & Hove City Council since 2015 have reported that no children have lived in bed & breakfast accommodation for more than six weeks. Would you be willing to guarantee today that these figures are correct?”

46.20 The Chair confirmed that the figures were correct.

46.21 **RESOLVED-** That the Public question be noted.

46.22 John Hadman asked the following question in relation to the night shelter opening on 10 December:

“I am very pleased that we are going to have a night shelter operating from the 10 December. I would like to move the whole thing on so for next year we are more prepared to have night shelters starting on a more appropriate date and properly funded. What provision will be made in the council’s budget in next February’s review?”

46.23 The Chair replied as follows:

“We have received good news that we have a night shelter opening on 10 December. It has been very difficult to work through the logistics of funding a suitable venue and many councillors here are part of a working group looking at this issue. We need to discuss at our budget council whether there is money put aside for a sustainable future for the shelter.”

46.24 Mr Hadman asked the following supplementary question:

“What assurance have we got that this will happen? The council voted to use their empty property in January and they still had not got anything sorted until yesterday.

They did not prepare getting a night shelter in place for this winter. They started less than five weeks ago.

46.25 The Chair replied as follows:

“No that is not correct. I know that there has been a working group working on this issue for many months now. It has taken this long to find accommodation to make sure it is a safe space for rough sleepers to use. It has not just been five weeks, it has been many months. Councillor Clare Moonan has been working on this all through the summer and she has achieved a great deal because of her hard work in pushing this forward. I cannot give assurances. It is down to councillors at Budget Council to determine what next year’s budget will be and I as just one councillor cannot give assurance for all 54 councillors. I am sure it will be put in the budget but the test will be how it is voted on.”

46.26 **RESOLVED-** That the Public question be noted.

46.27 Clare Hudson asked the following question:

“It was welcome news to hear a positive response to John Hadman’s question at the Housing Committee on 20 September regarding a permanent Night Shelter managed and run by Brighton and Hove City Council.

Are Members of the Committee satisfied with progress made? How many people will be accommodated in the Night Shelter and for what period will the shelter be available? Are facilities to be made available on a permanent and long term basis?”

46.28 The Chair replied as follows:

“We have a large room at the Brighton Centre as has been stated in The Argus. It will operate from the 10 December to 11 February. By then we should have another venue in place to continue on that shelter. It will be for up to 30 people and work is ongoing through the budget process to ensure that this is a sustainable project going forward into future years.”

46.29 Ms Hudson asked the following supplementary question:

“Can you confirm what will happen to the other 114 people currently sleeping rough on our streets following the two deaths we have had recently?”

46.30 The Executive Director of Neighbourhoods, Communities & Housing replied as follows:

“In addition to the night shelter we have also extended SWEP, the Severe Weather Emergency Protocol which will offer accommodation. It should be said that that even when we do operate SWEP it is used by about 30 rough sleepers even though there is provision for all rough sleepers. In addition to this we work with St Mungo’s to provide outreach. We also work with Equinox and Pavilions to provide support for people that are rough sleeping, so through the additional SWEP which will happen now when there is an amber weather warning or when there is two nights that are predicted to be below

zero and through this night shelter and through the continued work we are doing through the rough sleeper strategy we are looking to help as many rough sleepers as we can.”

46.31 **RESOLVED-** That the Public question be noted.

46.32 Gemma Challenger asked the following question:

“The ‘Oxford Street Housing Office’ - What progress has been made in converting this building into a permanent Night Shelter or temporary accommodation? For what period has this building been empty and when is it scheduled for use in a manner that benefits our homeless fellow citizens?”

46.33 The Chair replied as follows:

“Oxford Street former housing office was decommissioned in November 2014 and in January 2017 the Housing & New Homes Committee requested officers bring forward options to convert the building into much needed Temporary Accommodation (in accordance with the needs identified in the housing strategy).

As part of the options work, issues were identified with the party wall which has impacted on the progress of the project. Professional advice has now been received and we are currently engaging with the adjoining owner to carry out necessary remedial work with the aim of lodging the formal planning application in spring 2018.

Consultation will be carried out with the local residents to input into the pre-planning stage of the project and subject to planning approval the council hopes to complete works by mid-2019.”

46.34 Ms Challenger asked the following supplementary question:

“What plans are there to make this accommodation affordable and is there going to be accessible accommodation within the Oxford Street Housing Office?”

46.35 The Chair replied as follows:

“It would always be accessible to those on our housing register or who have come through our homeless route. It is temporary accommodation for that purpose. In terms of affordability it is temporary accommodation that is usually at the local housing allowance level (up to benefit level).”

46.36 The Executive Director of Economy, Environment & Culture stated that he was aware that the building did have some challenges in being a DDA compliant, but any refurbishment that is carried out would look to ensure that this is accessible to people with disabilities as is possible, given the constraints of the building.

46.37 **RESOLVED-** That the Public question be noted.

46.38 Maria Garret-Gotch asked the following question:

“Could the Committee provide any examples of the way in which it could delay or prevent the “roll-out” of Universal Credit in Brighton and Hove? Could you please provide precise details by post code of the Government proposals for Universal Credit in our City?”

46.39 The Chair replied as follows:

“Thank you for your question. The Council is not able to prevent or delay the roll-out of Universal Credit in our city, as this is government policy. There is, however, a lot of work being done in the city to support people with some of the impacts of this new welfare reform and I know that housing officers have been working on this for the last 18 months, particularly with our tenants.

Roll-out has commenced in the BN3 postcode area from October this year; with BN2 planned for the end of November this year; and BN1 and BN41 planned for mid-January 2018. More information, on any changes, can be found on the government’s Department for Work and Pensions’ website.”

46.40 Ms Garrett- Gotch asked the following supplementary question:

“With the roll-out of Universal Credit across the UK, instantaneously we have seen it caused poverty, debt, homelessness and death. Are the implementations of our council that are being put in place as a safety net successfully going to secure and protect the lives and homes of the residents of our city bearing in mind the housing benefit loan grant only covers 80% and people are without money for six weeks?”

46.41 The Chair replied as follows:

“Unfortunately this is government policy so I cannot say with any assurance or any certainty what will happen to our residents. We are as prepared as we can be however there may be people who haven’t before contacted the council in any way and we will not know about those people. We won’t know how much they are in debt or need our support until they actually appear on our doorstep. We urge anyone who needs support to contact us as early as possible for any help at all. The earlier we are contacted will result in a better result for our residents.”

46.42 **RESOLVED-** That the Public question be noted.

46.43 Jim Dean on behalf of Steve Parry asked the following question:

“The recently published response by the Government to the Communities and Local Government & Work and Pensions Committees Joint Report on the future of supported housing, the DWP Supported Housing Task and Finish Groups Final Report, and the DCLG/DWP Policy Statement and Consultation on Funding Supported Housing have major implications for Brighton and Hove particularly in relation to Temporary & Emergency Accommodation including BHSC.

Will the Committee commission a report from officers to be discussed at its 17.1.18 meeting, and ensure that community representatives are invited to contribute to this report particularly ETHRAG and the Brighton and Hove Housing Coalition?”

46.44 The Chair replied as follows:

“Thank you for your question. There may be a little confusion here, as our temporary and Emergency accommodation is not supported housing. The consultation reports you have referred to are for Supported housing, which does not impact on our Temporary and Emergency accommodation. Any comments can be fed back directly to the Government and Adults social services will be responding to the DCLG consultation within the timescale on the impact to supported accommodation.”

46.45 Mr Dean asked the following supplementary question:

“Does the Committee feel that it would be important at this stage to review the supported housing in respect of finance? Stories travel round the city of accommodation which was £700 rent; a box gets ticked and the rent is increased to £2000 because it has been considered to be supported housing. When there is no change to the property and very little change to the service it is provided through that property doesn't the Committee feel it is important to review those rent hikes?”

46.46 The Chair replied as follows:

“Unfortunately there is some confusion here. Housing & New Homes Committee are not responsible for Supported Housing. This is an Adult Social Care issue. Could I suggest that you put a question to the Health & Wellbeing Board who work the finances through for Adult Social Care in the City.”

46.47 **RESOLVED-** That the Public question be noted.

46.48 The following question had been received from of Zuzana Sukova on behalf of Brighton Homeless Action Group:

“Taking into account all of the deaths of homeless human beings on our streets, when will the local authority start to apply the Extended Winter Provision” for those living on our streets by opening shelters every night throughout the winter from November to March as advised by the Homeless Link Guidance to prevent the loss of even more lives on our streets. Although, severe weather can arise outside of these months so shelter is needed all year round as a long-term solution.”

46.49 The Chair replied as follows:

“The Council has been working to secure provision for a night shelter over winter and we have made that announcement very recently.

We have recently changed the Severe Weather Emergency Protocol to operate when the temperature is predicated to be at 0 degrees or below for two consecutive nights. This is a change from the 3 consecutive nights under the winter 16/17 protocol.

SWEP continues to operate to protect rough sleepers during severe weather and is open to all rough sleepers within the city regardless of need or local connection.”

46.50 Ms Melody asked the following supplementary question:

“It is still completely immoral to wait two nights below zero. It is not protecting those on the street at all. This is why we are asking why it can't be updated to every night throughout the winter until something more permanent is put in place?”

46.51 The Executive Director for Neighbourhoods, Communities & Housing replied as follows:

“Government statute is three nights below zero. The reason we are not able to provide one every night is twofold. 1) The government fund us to provide the Severe Weather Emergency Protocol (SWEP) and we wouldn't get funding for that. 2) The reason that SWEP is able to take everybody with very high support needs is because it is run by our partners in the city who have specially trained staff. When those specially trained staff run SWEP they do it in addition to their own job and in the event that we ran SWEP every night we couldn't get the qualified trained staff that we currently have in place. We have spoken to Brighton Housing Trust and St Mungo's about operating as much as we can and it has been established that what we are operating is within the ability of what we can do staffing wise. We also wouldn't have the funding to be able to extend the service.”

46.52 **RESOLVED-** That the Public question be noted.

46.53 Ree Melody had submitted the following question on behalf of Love Activists:

“When will the local authority adhere to the change in law made by the supreme court of law in May 2015 with regard to the vulnerability assessment of those who are homeless?”

46.54 The Chair replied as follows:

“Thank you for your question and I am pleased to confirm that the council adheres to the new assessment which requires us to consider whether or not someone, when homeless, is “significantly more vulnerable than ordinarily vulnerable when compared to the ordinary person becoming homeless” as referenced in your question (that the Hotak case brought in and which replaced the previous test set by the Pereira case). The Council changed its assessment immediately following the court case and remains entirely compliant with this test. We have also implemented the lessons from the cases of Kanu and Johnstone and continue to review all cases from the Higher Courts as they are decided, implementing changes where they are needed.”

46.55 The Senior Lawyer stated that the Chair had briefly described the test that was introduced by Hotak replacing Pereira. It was a conjoined appeal in the Supreme Court. The Senior Lawyer did not know when the council implemented it but she was instructed that Hotak was taken on board immediately the report was available.

46.56 **RESOLVED-** That the Public question be noted.

Deputations

46.57 The Committee considered the following deputation which was presented by Michael Fitzpatrick and supported by Diane Montgomery, John Hadman, Joanna Evans and Ian Needham:

Deputation to Housing and New Homes committee from the Living Rent Campaign on Rent Policy

“We are here today to urge the housing and new homes committee to agree a rent policy for new council houses that is affordable for those households on low incomes. The Living Rent Campaign argues for rents to be set in relation to household incomes not the market. We want to see a rent policy that enables the council to provide a range of rents, in particular rents that are affordable for the lowest income households who suffer most economic stress in the current housing market and for whom the council is the only hope of affordability.

Each year at least 50 socially rented council houses are sold. When the council replaces these with welcome new homes the rents have been more than double social rents and are not affordable for low income households. There are no other housing providers (other than co-ops who are currently small scale) offering rents at less than Living wage rents. The living wage rent concept is laudable in that it links rents to incomes, however the assumptions made about incomes are flawed since they do not look at actual household incomes (and end up producing “living wage rents” just less than local housing allowance that are not affordable for the lowest actual incomes)

Looking at actual household incomes, the committee report suggests that a third of households in the city have incomes of less than £20,000. According to Shelter rent should swallow up no more than 35% of household income to be affordable. Therefore it follows that an affordable rent for the lowest income households (the bottom third- who are the very households that most need low rent housing), should be less than £7,000 a year or less than £135 a week. Rent options offered in the report are all higher than this ranging from £148 to £339)

Only social rents provide for this and yet the committee report is proposing the exclusion of social rents being charged for new council housing. So none of the options recommended are affordable for the bottom third of household incomes in the city

We therefore propose that the committee include in their rent policy a “living rent option” (which is set at 60% more than social rents. These rents would range from £110 a week for a 1 bed flat to £168 a week for a 4 bed house. These rents would be much more affordable for many of the low income households that the proposed rent policy seeks to provide with truly affordable homes, but would still be high enough to reflect the enhanced energy efficiency of the new homes and would not place anything like as great a demand on existing HRA funds for support as would the social rent option

According to the councils own “Assessment of affordable housing need” report (2012) there are 15,000 households who can only afford to pay social rents, so we urge the committee to also include social rents as an option for new council homes for the lowest income households along with a “living rent” which is calculated to be 60% more than social rents as an option that we estimate would be affordable for most of lowest 40% of household incomes (once energy cost savings are allowed for).

We also ask that the committee consider, in line with the legal advice in the report, the option of providing a mix of rent levels in any one scheme, so that rents can be better aligned to peoples’ ability to pay.”

46.58 The Chair responded as follows:

“Thank you for your deputation and comments. The report on the agenda today sets out a number of principles for a rent setting policy for new council homes, as well as rent options for members to consider and social rent is one of those options. A key one of these is that rents should be affordable to those in low paid employment as well as households with full benefit entitlement.

It is **not** the case that the new homes the council has built so far are not affordable for low income households. Many tenants of the new homes are working **and** qualify for Housing Benefit to help pay their rent, a measure of their low earnings.

Of the 34 homes completed under the New Homes for Neighbourhoods programme to date – all of which are let at Affordable Rents capped at Local Housing Allowance levels of Housing Benefit - 15 tenants are on full Housing Benefit, 15 are on partial Housing Benefit and there are four that have no Housing Benefit award at present. That’s the same proportion of tenants on full Housing Benefit as in the council’s stock as a whole. And a greater proportion in new build are on partial Housing Benefit compared to wider council tenants, reflecting their priority need in recently being allocated a new council home.

Nationally the majority of Housing Benefit claimants are working households on a low income, so availability of benefits needs to be taken into account when assessing affordability of rents.

Many tenants of our new homes have health and mobility issues which make it more challenging for them to be in employment. These households may be fully dependent on benefits and also need homes that are suitable for their physical needs. So, were the council to charge rent at less than the affordable rent capped at Local Housing Allowance level, then it would be foregoing this extra income from the Department of Work and Pensions. All our new homes are built to be easily accessible and adaptable for people with mobility needs, with at least 10% to full wheelchair user standard. 15 of the 34 homes already completed new were let to people with an assessed mobility need, including 5 Mobility 1 bedroom homes designed for wheelchair users.

Tenants of the council’s new build homes completed so far **all** told us they are satisfied that their rent provides value for money and 80% are **very** satisfied with their rent level. That’s actually higher than satisfaction levels for tenants in our older council homes let at social rents.

The report explains that there are many factors to be considered in agreeing a rent policy in order to balance fairness for new and existing council tenants and to enable the council to continue its much needed programme, so that more people in housing need can be offered good quality, secure accommodation at well below market rent levels. The rent policy also needs to be consistent, fair and easily explainable, and must be easy and cost effective for officers to administer, including calculating any annual rent increases.

Whereas the benefits system keeps track of households’ changing income levels and adjusts their benefits payments accordingly, the council as landlord does not. Therefore

a rent policy and rent increases geared to each tenant's varying and fluctuating ability to pay with a mix of rent levels at each scheme would be very complex and administratively burdensome to deliver.

The committee will consider the options in the report and any amendments later in the meeting. But to be clear, the committee report is **not** "proposing the exclusion of social rents being charged for new council housing". The proposed policy is that officers will model Target Social Rent levels along with the other rent options, and then recommend one of these three rent options as appropriate for that scheme based on the rent principles as agreed by this Committee."

- 46.59 Councillor Mears stated that her group supported affordable housing in the city and welcomed all rent options in every scheme so that viability could be considered in order to be able to provide affordable housing for those most in need in the city particularly those on very low incomes. Councillor Mears had spoken to many tenants who had expressed their concerns that what was being built was unaffordable.
- 46.60 Councillor Hill agreed that there needed to be different options in the council's rental policy, and there needed to be options that reflected incomes. Such a rent level had been used in the council's joint venture with Hyde Housing, which related proposed rents to incomes. Councillor Hill stressed that social rents were in the policy and she considered that the deputation was incorrect in stating that "Rent options offered in the report are all higher than this ranging from £148 to £339" because the lowest possible social rent for a one bedroom flat was much lower than those figures. The deputation stated "...we urge the committee to also include social rents as an option..." This was already being done. Councillor Hill stressed that there was a trade-off between the rents that the council offered and the number of new homes that the council could build, and stated that she would be interested in hearing more from the people on the waiting list for council homes regarding this issue.
- 46.61 Councillor Gibson stated that the Green Group would be proposing an amendment later on the agenda to offer a lower option and to make it completely clear that the social rents were an option. He believed that the council should try and achieve affordability as far as possible by offering an option based on the living wage rent principle. He agreed with Councillor Hill in that there was a trade-off and this would be debated later on the agenda. Decisions needed to be debated on a scheme by scheme basis. He further agreed that the council should consider the views of people on the waiting list.
- 46.62 **RESOLVED**
- (1) That the deputation be noted.
- 46.63 The Committee considered the following deputation which was presented by Mr D Croydon and supported by David Rumelle, Keith Marston, Barbara Roberts, Monica Del Olmo and Michael Bushby:

Deputation: Legal action against B&HCC leaseholders on the Bristol Estate

“Irwin Mitchell LLP, on behalf of Brighton and Hove City Council, in a letter dated 25 September 2017 to all B&HCC leaseholders in Allamanda, Sorrel, Jasmine, Hazel, and Meadowsweet blocks on the Bristol Estate have stated they are to take all leaseholders to the First - Tier Tribunal. This proposed action is despite a number of leaseholders being in the process of following B&HCC complaint and dispute procedures that are not yet completed.

This action is unprecedented, potentially involves large sums of money for tenants (through the HRA) and leaseholders individually, is causing a great deal of stress for many individuals including vulnerable residents, and appears to involve an absence of Duty of Candour.

We request that the Committee discusses this issue before any further action is taken and ask that every effort is taken to avoid an application to the Tribunal including discussions between this Committee, the Leaseholder Action Group, Justice for Tenants and the Brighton and Hove Housing Coalition.”

46.64 The Chair responded as follows:

“We acknowledge the Deputation.

All but 12 of the 39 leaseholders involved have already made arrangements to meet the charges which they have been asked to pay.

The outstanding sum of money is approximately £400,000 and was due to be paid over two years ago. This is money that has been spent by the HRA and money that would otherwise be of benefit to the tenants of Brighton and Hove City Council, in a difficult financial period. All those disputing payment have been given the opportunity to deal with matters through a dispute resolution process.

The correct method of disputing payments in this situation is not the complaints process but is via the tribunal. What is proposed in this deputation will simply incur further delay for the HRA (and its tenants) and increase costs for the Council. The tribunal process will take several months before it reaches final hearing in which time there will be plenty of scope to seek to come to an agreement if that is possible.

We are saddened to hear it is causing stress to some of the people who have objected, but by taking matters to the tribunal we can bring matters to a conclusion and so reduce the uncertainty which presumably contributes to the stress. Anyone with vulnerability will be able to bring it to the attention of the tribunal.

The Duty of Candour issue appears to be misunderstood in its application in this case. In Public law, the duty of candour is the duty imposed on a public authority 'not to seek to win [a] litigation at all costs but to assist the court in reaching the correct result and thereby to improve standards in public administration'. We can confirm that we are not attempting to win litigation at all costs and that instead after two years we would welcome the Tribunals findings on this issue based on their independent assessment of the issues. We will fully inform the tribunal of all material issues and answer any questions they feel are relevant.

It is incorrect to say that seeking to address a dispute through a tribunal is unprecedented. It is what the law says is the correct thing to do. We were engaged in

the tribunal process on the first phase of the works on the estate and were pleased that we could reach an amicable agreement with the leaseholders that avoided a final hearing. If those objecting to paying the money are correct then it is to their advantage to have the tribunal decision.

We are running a joint working group which is the cross party group to look at how we work with leaseholders in the future, and we are running a workshop with leaseholders in December”

- 46.65 Councillor Mears appreciated the concerns of leaseholders regarding this issue and stressed that it was important to work with leaseholders to find a resolution. She acknowledged that there was a real concern with regard to the pricing of some of the works. Councillor Mears stressed the importance of the council talking to leaseholders; having a much more open way of working; and looking at this issue at the cross party working group. She acknowledged the real concerns and pressures that leaseholders had been put through and stressed that it served no purpose to have such a serious dispute. A mechanism needed to be found to be able to look at this issue and to provide proper costings that leaseholders considered acceptable.
- 46.66 Councillor Druitt expressed concern that the council had ended up in this situation. The only losers were leaseholders and tenants who had to pay the bill for all the legal costs. Councillor Druitt welcomed the cross party working group. He asked if there could be a report in six months to see how the group is working and what measures could be taken as a council to ensure this situation did not occur again. The council needed to work much more closely with leaseholders.
- 46.67 The Chair confirmed that the working party would be reporting back on the work that had been carried out. She considered that it would be better to report back after a year.

46.68 **RESOLVED**

- (1) That the deputation be noted.

47 ISSUES RAISED BY COUNCILLORS

- 47.1 There were no Petitions, Written Questions, Deputations or Letters from Councillors.

48 YOUTH SERVICE UPDATE AND USE OF HOUSING REVENUE ACCOUNT

- 48.1 The Committee considered a report of the Executive Director, of Families, Children and Learning which provided members with an update on changes to youth services including the use of the Housing Revenue Account's (HRA) annual £250,000 contribution to the budget. The report explained how the money was being spent, projected outcomes for tenants and their families and how performance would be monitored. The report was first considered by the Children, Young People and Skills Committee on 13 November. The report was presented by the Assistant Director, Education & Skills and the Head of Early Years, Youth and Family support.
- 48.2 Councillor Moonan stated that HRA money, which was tenant's rents, was being used to fund the projects. She stressed that it was important to know how this was directly

benefiting tenants and their families. She asked for more clarification as to how the money had been spent.

- 48.3 In response, it was explained that the total funding for youth services was £759,000 for the year, and the contribution from the HRA was £250,000. There were also other services that benefited young people that were funded separately and outside that area. Officers would monitor some of the other Families, Children & Learning services for young people who were living on council estates to get a fuller picture of how they were benefiting. Specifically, on how young people were benefiting from the youth grants programme as well as the work that was carried out by the in-house service team. There was some additional funding for the arts award and Duke of Edinburgh award. HRA funding was a proportion of a number of sources of funding.
- 48.4 It was further explained that housing officers were involved in the specification for the tender and looked at what was required for the tenants. The specification was built around putting more resources into the areas where there was a high density of council tenants. Outcomes would be monitored, specifically, reducing antisocial behaviour, helping young council tenants getting ready for work, and encouraging young people to engage in decision making for housing as part of the tenants movement. Area based cluster meetings would be attended by Youth Grants Providers to ensure work was joined up, and to ensure that there was value of money for the tenants. Officers were also monitoring the work by using the Aspire Programme.
- 48.5 Councillor Mears concurred with the comments made by Councillor Moonan and suggested that a report back in six months would be more appropriate. It was confirmed that the Children, Young People and Skills Committee had requested a report back in June 2018. That report could be brought back to this committee.
- 48.6 Councillor Mears asked when the formula was devised what thought was given to the people living in the outlying areas who rely on detached youth workers. Councillor Mears referred to page 46 – Equalities. It was a positive piece of work but she wanted to be reassured that these young people are encouraged to be involved with the wider groups in the city to encourage social inclusion.
- 48.7 Officers explained that the allocation of funding was linked to the spread of council estates across the city in four different areas. There were some open access youth clubs which were targeted on the outlying areas, including some services which would be delivered from the Crew Club, in Whitehawk and the 67 Club in Moulsecoomb. With regard to the final point about equalities it was explained that each of the bids had addressed how the area based groups were going to engage with the equalities groups.
- 48.8 Councillor Atkinson commented that he was pleased to see Portslade mentioned in the paper, as there had been some serious anti-social behaviour in North Portslade and Mile Oak. He was also pleased to note on page 44 that the YMCA was mentioned as a partner with the Hangleton and Knoll project. Councillor Atkinson stressed that there were a significant number of young people in council tenancies in North Portslade so he welcomed the proposals.
- 48.9 Councillor Gibson referred to the £250,000 contribution from the HRA and stressed that this needed monitoring. The committee needed clear information on the total number of young people worked with in the grant programme. He had concerns about the detached youth work and lack of detached youth work in his own ward but had been assured that things were in the pipeline that would help. Officers confirmed that the request regarding numbers would be provided to councilors alongside qualitative case

studies. It was explained that it would be helpful to look at the issue of detached youth work at the next cluster meeting. [The voluntary sector also had a role to play – delete this line as all the detached youth work is done by the voluntary sector].

48.10 Councillor Druitt welcomed the report. It was wonderful that HRA money supported the youth service and it was obvious that much good work was being achieved; however, the burden for paying for that was falling on the tenants too much. Councillor Druitt considered that officers should look at how the General Fund should support youth services.

48.11 The Chair invited members to agree an amendment to resolution 2.2 as suggested by Councillor Mears, to have a progress report in six months. This was unanimously agreed.

48.12 **RESOLVED:-**

(1) That the report is noted.

(2) That it is noted that a progress report will be prepared for June 2018.

49 PROPOSED ADDITIONAL LICENSING SCHEME FOR HOUSES IN MULTIPLE OCCUPATION

49.1 The Committee considered a report of the Executive Director, Neighbourhoods, Communities & Housing which outlined the proposal for an Additional Licensing Scheme for smaller Houses in Multiple Occupation (HMOs) within Brighton & Hove following public consultation. If the Additional Licensing Scheme was approved, it was proposed that the designation would come into force, following statutory notification requirements, on 1 March 2018 for a period of five years. The report also set out the proposed fee structure and conditions for approval to apply across all HMO licensing schemes. The report was presented by the Head of Housing Strategy, Property & Investment and the Housing Strategy & Enabling Manager.

49.2 Councillor Mears raised some concerns. She stressed that the city had serious housing needs and the proposed additional licensing scheme could lead to landlords passing on costs to their tenants. The worst case scenario was that landlords would sell and that this would result in fewer properties to rent. Councillor Mears asked whether the Temporary Accommodation team had projected an increase in their budget as a result of extra licensing. Councillor Mears stressed the need to be mindful that the council already had powers to deal with rogue landlords and should be seen to be imposing a money making scheme.

49.3 Councillor Atkinson noted that the result of the consultation was 87% in favour of the overall proposal and 82% in favour of the fee structure. The council already had 1,187 large HMOs that were licensed and 2264 smaller HMOs covered by the two additional licensing schemes. With the Lewes Road scheme, 1998 licences were applied for and 1981 were granted. When the scheme was first introduced there were no large scale withdrawals from the rented sector and a large number of people applied for licenses. The council had listened and changes have been made to the proposals. The proposed fee was lower than many other councils and it had followed a detailed analysis of all the options. The standards expected of landlords were those which in legislation and best practice should already be in place and which tenants should be expecting.

49.4 Councillor Gibson had submitted the following amendment which was seconded by Councillor Druitt as follows:

“To add the recommendations as below, as shown in bold italics

2.6 That officers will explore appropriate concessions on licence fees for participating landlords, should such a good landlord scheme be launched in the city.”

49.5 Councillor Gibson welcomed the report and proposals, and stressed that there was sound evidence from the existing schemes that standards in accommodation had improved significantly. Councillor Gibson had been told that in the five years of HMO licensing approximately 2185 properties had had fire safety improvements and 1598 management repairs. 1140 properties had received loft insulation & 1228 ventilation. Councillor Gibson praised what had been achieved in the previous scheme and considered that there were good reasons to extend it. There was scope to cover a number of concessionary situations. The good landlord scheme was potentially a very positive scheme that would offer lower rents for tenants.

49.6 Councillor Hill stated that the experience of HMO licensing so far was that the fees were reasonable and that rents had increased considerably more than licensing fees. The council did need to look at standards and conditions and address those concerns. It had been demonstrated that the HMO licensing schemes had improved standards for thousands of people living in the city. It had not resulted in a drop in supply and HMOs continued to increase. Councillor Hill stressed that although there were existing powers, the council lacked resources to be pro-active in terms of how they were used. Existing powers relied on the tenant being pro-active and making a complaint about their property. The advantage of HMO licensing was that it placed the responsibility in the hands of landlords and the council who between them should ensure that the tenant was living in a suitable property. Councillor Hill thought the amendment was covered in the report and the council could offer a discount based on the expected savings made from a landlord being a member of an accredited scheme. She thanked officers for producing a solid piece of work.

49.7 The Committee voted on the Green amendment as set out in paragraph 49.5 above. The amendment was agreed unanimously. The Committee then voted on the substantive recommendations. Recommendations 2.1 to 2.5 were unanimously agreed as set out in the report along with the Green amendment 2.6.

49.8 **RESOLVED:-**

That the Housing & New Homes Committee:

- (1) Notes the results of the consultation undertaken in relation to the proposed Additional Licensing Scheme as summarised in this report and detailed in the appendices 1 and 2.
- (2) Designates the 21 wards in the city as subject to additional licensing under S56(1) of the Housing Act 2004 in relation to smaller HMOs of two or more storeys occupied by three or more people, other than those that are HMOs by virtue of Section 257 of the Housing Act 2004. Such designation to take effect from 1 March 2018 and last for five years, and revokes the existing City Centre designation with effect from 1 March 2018.

- (3) Agrees the fee structure for the HMO licensing schemes as set out in paragraph 3.30. This will apply to the existing Mandatory HMO and City Centre additional licensing schemes from 1 January 2018 and if approved the new scheme from 1 March 2018.
- (4) Agrees the HMO licensing scheme conditions and standards attached at Appendix 3. This will apply to the existing Mandatory HMO and City Centre Additional licensing schemes from 1 January 2018 and if approved the new scheme from 1 March 2018.
- (5) Authorises the Executive Director Neighbourhoods, Communities and Housing to take such steps as are required following the designation and revocation referred to in 2.2 above.
- (6) That officers will explore appropriate concessions on licence fees for participating landlords, should such a good landlord scheme be launched in the city.

50 PROPOSED SELECTIVE LICENSING SCHEME FOR PRIVATELY RENTED HOMES

- 50.1 The Committee considered a report of the Executive Director, Neighbourhoods, Communities & Housing which outlined the proposals for a Selective Licensing Scheme for the private rented housing sector within Brighton & Hove following public consultation. If the Selective Licensing Scheme was approved, it was proposed that permission was then sought from the Secretary of State to proceed. If approval was given, statutory notification requirements would need to be followed. The report also set out the proposed fee structure and conditions for approval to apply to a Selective Licensing Scheme. The report was presented by the Head of Housing Strategy, Property & Investment and the Housing Strategy & Enabling Manager.
- 50.2 The Chair stressed that this report referred to all other rented homes that were not HMOs.
- 50.3 Councillor Mears referred to the wards listed in paragraph 2.2 of the report. She was aware that there were already problems that were affecting the boundaries of Rottingdean. In response to a question about the temporary accommodation budget, it was explained that there were leasing arrangements for temporary accommodation. This was not subject to licensing. Rents in temporary accommodation were decided by landlords.
- 50.4 Councillor Gibson had submitted the following amendment which was seconded by Councillor Druitt as follows:

“To add the recommendations as below, as shown in bold italics

2.6 That officers will explore appropriate concessions on licence fees for participating landlords, should such a good landlord scheme be launched in the city.”
- 50.5 Councillor Gibson stressed that there had been extensive consultation and the proposals had the potential to make a huge impact. He paid tribute to Councillor Hill for the work carried out. The proposal could improve the lives of 27,000 people in the city. He appreciated the concerns expressed by landlords. His amendment was the same as in the report at item 49.
- 50.6 Councillor Druitt supported the amendment in the light of costs being passed onto tenants. The amendment would lead to good landlords paying a lower fee.

50.7 Councillor Hill stated that the scheme was ambitious. If it went ahead it would transform how the council managed the private rented sector in the city. The council continued to gain evidence to support the scheme.

50.8 The Committee voted on the Green amendment as set out in paragraph 50.4 above. The amendment was agreed unanimously. The Committee then voted on the substantive recommendations. Recommendations 2.1 to 2.5 were unanimously agreed as set out in the report along with the Green amendment 2.6.

50.9 RESOLVED:-

That the Housing & New Homes Committee:

- (1) Notes the results of the consultation undertaken in relation to the proposed Selective Licensing Scheme as summarised in this report and detailed in the appendices 1 and 2.
- (2) Designates the following wards as subject to selective licensing under section 80 of the Housing Act 2004
 - St Peters & North Laine
 - Regency
 - Moulsecoomb & Bevendean
 - Hollingdean & Stanmer
 - Queens Park
 - Hanover & Elm Grove
 - Brunswick & Adelaide
 - East Brighton
 - South Portslade
 - Central Hove
 - Westbourne
 - Preston Park
- (3) Authorises the Executive Director Neighbourhoods, Communities and Housing to submit an application for confirmation of the designation to the Secretary of State.
- (4) Agrees the fee structure for a Selective Licensing Scheme as set out in paragraph 3.36.
- (5) Approve the Selective Licensing Scheme conditions attached at Appendix 3.
- (6) That officers will explore appropriate concessions on licence fees for participating landlords, should such a good landlord scheme be launched in the city.

51 HOMELESS REDUCTION ACT 2017 AND TRAILBLAZER PREVENTION

51.1 The Committee received a presentation from the Head of Temporary Accommodation & Allocation which stated that the Homeless Reduction Act 2017 was the biggest change in Housing legislation since 1996. The presentation set out the current legislation which provided limited duties to homeless households. The Homeless Reduction Act was summarised and there was an explanation of how new duties extended to a much wider group of people. The Trailblazer Prevention/Early Intervention Service was explained

including details of funding/spending and outcomes. The presentation concluded by setting out opportunities and risks.

- 51.2 In response to a question from Councillor Druitt, it was confirmed that there was no age limit for NightStop. Councillor Druitt asked for examples, in a high cost housing environment, of reasonable steps taken in preventing homelessness. With regard to outcomes, how were those targets created and what were the reasons they were not met. It was explained that some targets were set from the previous year. Total prevention was 338. The reason the target had not been reached was it took longer to recruit staff, provide training and make connections with the pathways. The duty to take reasonable steps was part of the new relief duties. The code of guidance had only just been issued and the few examples provided by the guidance were having workshops to enable people to understand what they need in order to access the private rented sector; working with people to look at how they can save money; and helping people to access shared housing. Some councils provided deposit guarantees but this depended on the funding received by the council concerned.
- 51.3 Councillor Atkinson was concerned to read that a group of London Councils were only receiving £11m to implement the act, when they would actually need £132m. He asked how confident officers were that the council could reach the target of 402 homelessness preventions. He further asked how many homeless people were from the city and how many were from other areas. It was confirmed that officers were confident that targets would be reached by the end of the year. Information on rough sleeping could be sought from Adult Social Care. In terms of London, the feedback had been that they needed a third more staff. Brighton & Hove were fortunate in that it had extra staff through Trailblazer. There were 12 additional staff for three years.
- 51.4 Councillor Mears commented that the fact that this work was prevention and work far in advance was excellent and would greatly benefit families. She commended the Homeless Reduction Act and the Trailblazer Prevention.
- 51.5 In response to questions put by Councillor Hill it was explained that currently the council had a duty for people being made homeless within 28 days and many people did not come to the council until it was too late. Officers were working with a range of organisations who would let officers know when people were starting to get into difficulties. Work was being carried out to engage with health and with GPs. There was a whole plethora of other people speaking to the council. Work was carried out with private landlords, officers were putting out publicity and there was working with schools. The deposit guarantee scheme had been considered but it would need to be funded. There were some issues with an insurance scheme and officers could come back to Councillor Hill on that. Landlords were joining in with workshop.
- 51.6 Councillor Bell referred to page 267 and asked where the 1.3m was being spent. He asked the Chair if she had authority to open SWEP. It was explained that the Chair did have the power to ask officers to open SWEP but there needed to be the resources available. It would not be possible to open SWEP in non SWEP times. It was further explained that £160K was being spent over two years by Adult Social Care & Children's Services, which would fund two social workers. £614k was allocated to funded services. £153k had been spent so far. £415k was for BHCC based Trailblazer posts. £88k had

been spent to date. £25k had been spent to enhance the discretionary housing payment provision.

- 51.7 Councillor Gibson referred to Tenancy Access Planning and asked how the council could help people financially stressed. He was very pleased about the enhanced NightStop for over 25s. He would welcome an update circulated to Committee members (not necessarily a committee report). He referred to risks on page 269 relating to Universal Credit. He had concerns regarding landlords being put off renting. He was interested in any sense of the likely consequence of landlords pulling out. Officers explained that there were Tenancy Access Planning Workshops, where anyone could drop in. NightStop was 87 nights in accommodation. So far it had worked well. NightStop was hoping to receive host families. Officers were happy to provide performance data updates. With regard to Universal Credit and the potential impact, there were still many good relationships with landlords.
- 51.8 Councillor Moonan asked for any further information to be circulated to all committee members. She stressed that the council would be ahead of the game with Trailblazer. She urged the council not only to work to target but to exceed targets. One of the major concerns was what would happen when funding ran out. In two years' time a decision would have to be made as to how to progress with the scheme.
- 51.9 The Chair thanked the Head of Temporary Accommodation & Allocation for her presentation and looked forward to receiving further updates.

51.10 **RESOLVED:-**

- (1) That the presentation be noted.

52 STUDENT HOUSING STRATEGY - EVIDENCE AND OPTIONS

- 52.1 The Committee considered a report of the Executive Director, Neighbourhoods, Communities & Housing which explained that the Student Housing Strategy 2009 had now expired and there was now a gap in the City's Housing Strategy which was agreed in 2015. A refresh of the strategy had been discussed at the City's Strategic Housing Partnership and agreement was now sought to consult and deliver a new Student Housing Strategy. The strategy would be developed, building on the progress of the previous strategy, setting out priorities and goals that will support the changing needs and challenges faced by students living in the city. It will set a balance between meeting students' needs and those faced by the rest of the City's population. The report was presented by the Head of Housing Strategy, Property & Investment.
- 52.2 Councillor Atkinson welcomed the initiative but stressed that 17,000 students still needed accommodation. He noted that there seemed to be no central helpline. In response it was explained that there was always a balance on how much accommodation for students should be available in the city. There were land supply issues.
- 52.3 Councillor Mears welcomed the report which was the first Housing Strategy report since 2009. She looked forward to its implementation in 2018.
- 52.4 Councillor Gibson stated that one of the concerns in his ward and in Lewes Road wards was that the council had got its approach to managing and limiting the concentration of

HMOs and it appeared that head leased properties run by the students were essentially operating HMOs, avoiding these constraints.

52.5 Councillor Druitt referred to page 278, paragraph 7.4 (sustainability implications) and declared an interest. He stressed that the vast majority of students lived along the Lewes Road corridor. If the council were going to mitigate high concentrations of students then it needed to look at transportation. In response, it was explained that there had been a great deal of conversations about transport issues.

52.6 Councillor Hill stressed that the referendum factor would have a massive effect on the future of the universities in terms of how much they would expand. She stressed the importance of working in partnership with the universities. Purpose build student housing was very important and it was something that the universities needed. Land in the city was needed to accommodate that need. However head leasing was a major concern amongst residents in the Lewes Road area. There was potential for some of the councils' planning consents to be undermined.

52.7 **RESOLVED:-**

That Housing & New Homes Committee:

- (1) Note the evidence, options and consultation process outlined in the report and within the scoping paper at Appendix 1.
- (2) Agrees to go out to consultation on a new Student Housing Strategy.

53 **MINIMISING THE RISK OF EVICTIONS**

53.1 The Committee considered a report of the Executive Director, Neighbourhoods, Communities & Housing which reminded members that a Notice of Motion was presented to Council on 6 April 2017, requesting the Committee to call for a report outlining how the risk of evictions arising from, Housing Benefit changes and the Benefit Cap could be minimized. This report looked at actions being taken by the council to minimise the risk of eviction of local residents as a result of impact of welfare reforms. Particular attention was given to groups most likely to be impacted by the changes, including young single people and large families; and the benefit changes causing this impact, namely Universal Credit and the Benefit Cap. The report was presented by the Head of Incomes, Involvement & Improvement.

53.2 Councillor Gibson proposed a Green amendment as follows:

To amend the recommendations as below, as shown in bold italics:

2.2 Where (i) all other avenues have been explored, and (ii) where it is possible to clearly identify that arrears are solely due to the shortfall in housing element resulting from the introduction of universal credit and the benefit cap; officers will use all means to support residents other than evictions and bailiffs to recover rent due.

53.3 Councillor Gibson paid tribute to all the excellent work carried out. He considered that people would be reassured by the committee publicly stating in an amendment that

officers would use all means other than evictions and bailiffs to recover rent due, and they would be more likely to engage with the council with the very effective methods of support offered.

- 53.4 The Senior Lawyer expressed concern that the amendment would not allow exceptions for tenants to be evicted for rent arrears. The council currently had a discretion to apply to the courts for a warrant. She suggested that a modification to the amendment was made to state that eviction would be the last resort.
- 53.5 Councillor Mears suggested that the words “other than eviction & bailiffs to recover rent due” were removed from the amendment. She was happy to support the amendment if legal advice was sought.
- 53.6 The Senior Lawyer stated that the law required that where there was discretion, it should be exercised in each and every case. Elements of discretion must be retained.
- 53.7 In response to questions it was explained that officers wanted to prevent debt building up. There was no intention to commence court action during the period when benefits were not paid. Officers were trying to do everything to minimise evictions whilst ensuring that tenants are aware of their responsibilities. Meanwhile, paragraph 7.2 of the report made it clear that any change to the eviction policy would need Policy, Resources & Growth Committee approval. It was further explained that the Money Advice Service advised the council that having a no eviction policy did not help tenants to engage.
- 53.8 Councillor Gibson asked if the committee were willing to have a transition period time limited to April 2019. It was explained that there were big concerns in terms of having a time limit as this could lead to debt spiraling out of control, which would be hard to manage. Officers wanted to take the responsible approach so residents could take a responsible approach. Officers would not take action whilst people were waiting for Universal Credit.
- 53.9 Councillor Druitt formally moved the Green amendment with the further amendment that there should be reference to a transitional period to make it legal. The Senior Lawyer stressed that she had concerns about the legality of the amended amendment.
- 53.10 The Committee voted on the Green amendment as set out in paragraph 53.3 above and further amended by a reference to a transitional period. The amendment was not carried. Two members voted for the amendment, 4 members voted against and 4 members abstained from voting.
- 53.11 Councillor Moonan commended officers for the work carried out. She referred to page 294 paragraph 3.8 (Actions being taken in addition to those outlined in paragraph 3.4). It was not in anyone’s interest to allow tenants to build up big debts. If a tenant was behind with their payments they could get involved in a payment plan.
- 53.12 Councillor Mears thanked officers for a very detailed report which she supported.
- 53.13 In response to a question put by Councillor Druitt it was explained that officers did know who people were in the first weeks they went into arrears. Officers contacted them in the first and second week they went into arrears; however it was necessary for people to engage. Officers could make contact but if people did not respond it was difficult to help them. Officers asked tenants representatives to encourage anyone in debt to make contact with the council officers.

- 53.14 Councillor Bell thanked officers for all the work they carried out to deal with arrears. Councillor Atkinson concurred. The fact that Brighton & Hove had the lowest rate of evictions out of 105 councils was excellent.
- 53.15 Councillor Gibson shared in the tributes but considered that the lowest rate of eviction was achieved as a result of no evictions for the bedroom tax. He referred to arrears information of under occupiers on page 295 of the agenda. He stated that the previous policy was not deemed illegal. He considered that some of the fears regarding debt spiraling out of control were unfounded.

53.16 **RESOLVED:-**

- (1) That Housing & New Homes Committee note the contents of this report.
- (2) That Housing & New Homes Committee endorse the actions being taken to support residents and foster a culture of responsibility, thereby minimising the risk of eviction arising from welfare reforms.

Note: Councillor Barnett left the meeting at this point.

54 HOUSING MANAGEMENT PERFORMANCE REPORT QUARTER 2 2017/18

- 54.1 The Committee considered a report of the Executive Director, Neighbourhoods, Communities & Housing which covered Quarter 2 of the financial year 2017/18. The report was presented by the Head of Income, Involvement & Improvement.
- 54.2 Councillor Bell noted the improvements made since the last report and thanked officers. In response to questions put by Councillor Bell it was explained that the Repair's Helpdesk was located in the Housing Centre. On page 313 – Repairs and Maintenance – both 4.7 (responsive repairs passing post inspection) and 4.8 (Repairs completed at first visit) were both red as they were not on target. The up arrow demonstrated that there had been an improvement since Quarter 1.
- 54.3 Councillor Mears thanked officers for the report which was very well laid out.
- 54.4 Councillor Druitt stated that it looked an impressive report apart from customer satisfaction. He asked if there was any information as to how many queries had been referred to other teams and not been followed up. It was explained that one of the areas of dissatisfaction was that tenants felt that officers did not get back to them. Exact numbers were not known, but it was often cited as a reason for dissatisfaction. Officers wanted to be clear about who was taking accountability for an issue and who was checking back to make sure a response had happened. In terms of communications, officers had held a meeting/workshop with several teams to look at what they were trying to achieve for tenants; what was being done well; and what more needed to be done.
- 54.5 **RESOLVED:-**
- (1) That the report which was circulated to the Area Panels in October and November 2017 be noted along with the comments of the Committee.

55 RENT POLICY FOR NEW BUILD COUNCIL HOMES

55.1 The Committee considered a report of the Executive Director, Neighbourhoods, Communities & Housing and Executive Director Economy, Environment & Culture which outlined rent options for future schemes, identified other factors to consider in agreeing a rent policy and proposed a rent setting policy for new council homes. The report was presented by the Lead Programme Manager, City Regeneration, and the Project Manager.

55.2 Councillor Gibson had submitted the following amendment which was seconded by Councillor Druitt as follows (the wording below includes slight amendments to the original to provide clarity – This wording was agreed by the Green Group:

“To amend the recommendations as below, as shown in bold italics:

- 2.1 The Housing and New Homes Committee agrees the proposed principles for a rent setting policy for new council homes as set out in paragraph 3.27 of this report, ***inclusive of bullet points 2, 4 & 5:***
 - Rents for new build council homes should ~~be set above Target Social Rents to reflect their take into consideration the high quality, amenities, standards and energy efficiency compared to older homes built in previous decades;~~
 - Rental income from new homes should support an ongoing development programme to continue to build much needed new council homes for rent on council owned land. Schemes with fewer site constraints and/or free HRA land ***will may*** cross subsidise others that prove more costly to develop due to payments for General Fund land and/or greater site constraints and pressures;
 - The amount of HRA subsidy for new homes should be minimised ***over the programme as a whole, with subsidy considerations and calculations taking into account the costs and projected income over the whole 60 year period;***
 - 2.2 That the Housing & New Homes Committee approves a rent policy as set out below
- 3.28 *Proposed rent policy*
- Rents for proposed new schemes of new build council homes will be modelled ***as below, with the option of a mix of rents to achieve a spread of affordability on any one scheme to be available:***
 - Affordable rents capped at LGA rates
 - 37.5% Living Wage Rent
 - ***27.5% Living Wage Rent and***
 - Target social rent levels

For each scheme officers will recommend one of these **three four** as appropriate for that scheme and based on the rent principles above, for housing and new homes committee to agree the rents when it approves the scheme.

2.3 That a task and finish working group be convened to explore how social rents and other more affordable rent levels (such as the 27.5% Living wage rent level) may be delivered to ensure genuine affordability for all the people of Brighton and Hove. The group shall comprise:

- **Tenant representatives**
- **Representation from the Housing Coalition,**
- **Living Rent campaign representation**
- **Councillors,**
- **Building costs specialists and**
- **Housing Specialists”**

- 55.3 Councillor Gibson welcomed the production of a rent policy and the scheme modelling over a 60 year period when setting the subsidy. Some elements of the amendment were to make that more explicit. It was important that the council considered the option of something intermediate that was an affordable rent. The final clause of the amendment was a proposal to set up a Task and Finish Group. Councillor Gibson confirmed that the first three bullet points related to paragraph 3.27. He further confirmed that it was his intention that the Housing & New Homes Committee would set up the Task & Finish Group.
- 55.4 Councillor Mears stated that she was happy to support the amendment up to, but not including 2.3. She was concerned as to how the group would be appointed and how a consensus would be reached. She suggested voting on the amendment in separate parts.
- 55.5 Councillor Moonan referred to 2.3 of the amendment. She considered that to work effectively, all stakeholders would need to be engaged. This could not be achieved in a small working group. However, there could be some sort of consultation process using the portal. She could not support 2.3.
- 55.6 Councillor Bell commented that a lot of work had gone into the rent policy but it was being looked at from the wrong angle. The reason why it took so long to pay money back was due to the design cost of new build homes.
- 55.7 Councillor Hill referred to paragraph 7.2 with regard to financial viability modeling. This was over a 60 year period and had been changed following a review. She would welcome the input of people on the housing waiting list as they were the people most impacted by this issue. They should be asked if they wanted more homes at higher rents or fewer homes at lower rents.
- 55.8 Councillor Mears commented that if there were more realistic build costs, more homes could be built.
- 55.9 In response to a question from Councillor Gibson regarding apparent discrepancies between the figures for living wage rents in this report and the following report it was explained that rents included in the rent policy report at paragraph 3.19 were calculated on the Living Wage in 2020. Rents in the Rotherfield Crescent report were assuming living wage rents in 2019 when the scheme was up and running.

55.10 Councillor Druitt welcomed the policy especially the inclusion of paragraph 3.8. It was clear that fuel and water efficient homes, could make a massive difference to residents' bills. With regard to the comments about 2.3 of the amendment Councillor Druitt commented that the point of this part of the amendment was not to restrict other groups but to include as many relevant groups as possible.

55.11 The Committee voted on the Green amendment as follows. 2.1 and 2.2 were agreed unanimously. 2.3 was not agreed (two votes in favour and 7 against).

55.12 The Committee voted on the substantive recommendations and 2.1 and 2.2 as amended were unanimously agreed.

55.13 **RESOLVED:-**

(1) That Housing and New Homes Committee agrees the proposed principles for a rent setting policy for new council homes as set out in paragraph 3.27 of this report, inclusive of amended bullet points 2, 4 & 5 as follows:

- Rents for new build council homes should ~~be set above Target Social Rents to reflect their take into consideration the high quality, amenities, standards and energy efficiency compared to older homes built in previous decades;~~
- Rental income from new homes should support an ongoing development programme to continue to build much needed new council homes for rent on council owned land. Schemes with fewer site constraints and/or free HRA land ~~will may~~ cross subsidise others that prove more costly to develop due to payments for General Fund land and/or greater site constraints and pressures;
- The amount of HRA subsidy for new homes should be minimised **over the programme as a whole, with subsidy considerations and calculations taking into account the costs and projected income over the whole 60 year period;**

(2) That Housing and New Homes Committee approves a rent policy for new build homes as set out in paragraph 3.28 of this report as amended below.

3.28 Proposed rent policy

Rents for proposed new schemes of new build council homes will be modelled **as below, with the option of a mix of rents to achieve a spread of affordability on any one scheme to be available:**

- Affordable rents capped at LGA rates
- 37.5% Living Wage Rent
- **27.5% Living Wage Rent and**
- Target social rent levels

For each scheme officers will recommend one of these **three four** as appropriate for that scheme and based on the rent principles above, for housing and new homes committee to agree the rents when it approves the scheme.

56 NEW HOMES FOR NEIGHBOURHOODS - ROTHERFIELD CRESCENT

- 56.1 The Committee considered a report of the Executive Director, Economy, Environment & Culture which set out the development proposals for the site at Rotherfield Crescent put forward by the successful architects, Innes Associates, which the Estate Regeneration team wished to progress through to planning and construction stage. The report was presented by the Project Manager, Estates Regeneration Team.
- 56.2 Councillor Gibson asked how tender price inflation had arisen and how it had reached the figure of £77,000 in the breakdown of the estimated costs on page 358. He noted that the breakdown for preliminaries, overhead and profit was £140,000, and asked what element of that figure was profit? Councillor Gibson noted that the scheme costs worked out overall at £300,000 a property and he felt that the council needed to find ways of bringing the costs down. People in the city would not see this as a good use of HRA money. He was concerned at going ahead with a scheme which had such high costs, and the council should look at ways of bringing costs down.
- 56.3 Officers responded by confirming that the net cost for Rotherfield Crescent was £1,820 per sq metre. The BCIS average prices for low rise apartments once taking into account the Brighton location was in a range of £908 to £2829 per sq metre with a mean or average of £1490 per sq metre. The scheme was in the middle of that range and slightly above the mean average for Brighton based on equivalent costs but this was not exceptionally high. There was an opportunity to look more acutely into the costs, and the report did recommend that the council appoint an independent cost consultant. The shared space added cost to the build but was necessary. The scheme was a quality build which adhered to Brighton & Hove City Council's design specification. Materials were being used that had longevity and durability but ultimately would lead to lower maintenance costs for the council. There were exceptional circumstances related to the site, with 22 properties backing on to the site with gardens and garages and officers had to maintain access to 10 privately owned garages which was why there was more expense attached to the access road into and out of the site. It was a very constrained site. Officers had looked at a range of ways of trying to develop this site. The council needed to develop some of these small sites if it was going to deliver all its housing numbers and if it was going to improve some of its neighbourhoods
- 56.4 It was further explained in response to questions that the tender price inflation of 77,000 was bringing the prices up from quarter One in 2016, to quarter One of 2018 when the scheme would be finished. It had added 3.5% for the first year and 4% for the second year.
- 56.5 Councillor Bell stated that the design was outstanding but was not appropriate for HRA funded housing land. It was an expensive scheme with a total cost of £1.25m. The scheme should be about providing affordable, social rents. At full council it had been stated that a rent of £1000 was not acceptable yet the weekly rent for the three beds was £230.28 which would be £997 a month. Councillor Bell asked why the scheme had brick walls, flat roofs and used resin bound gravel for the access road. There was no need for solar panels, large flat windows, a barbeque area and a roof terrace. The price was unrealistic. Tenants and tax payers could not be expected to pay for high specification design. Spending £1.2 m for four houses was not viable.
- 56.6 The Executive Director, Economy, Environment & Culture responded to reassure the committee that officers did listen to the debate at the Housing & New Homes Committee

and wanted to reflect the wishes of the committee. However, it had not been possible to find a normal development route for this site. The Committee had asked officers to move forward on this site and the committee had agreed that there should be a design competition. It was acknowledged that the unit costs were higher on this scheme, however, the majority of costs were external costs. All options were open to the committee

- 56.7 Councillor Mears stated that she was a member of the Regeneration Board. She considered that £300,000 per unit was unacceptable. She suggested that the site could be sold to a small builder. Spot purchase properties could be bought at a cheaper price. She could not support the scheme. Either the costs should be looked at or officers should look at a different scheme.
- 56.8 Councillor Druitt referred to the argument of charging LHA rates made earlier on the agenda. The same argument applied to this scheme. Sheffield had a very successful partnership that produced a scheme that cost £200,000 for each property. There was no reason why Brighton & Hove should have a scheme that cost twice that amount. Councillor Druitt proposed that the report was deferred to the next meeting of the committee in January to give more time to look at the finances. He considered that the current scheme seemed poor value for money. Councillor Druitt asked for more detail about external works and for details on the design construction contingency. He stressed that members needed more time to look at the costs.
- 56.9 In response it was explained that external works included a 40m access road, a derelict waste site, the demolition of garages, and dealing with contamination. There needed to be a contingency. The idea of the scheme was to create a nice neighbourhood for people who moved into the houses. Some costs could be brought down; for example, the bonded surface would be replaced with a tarmac surface. The green roof and shared space added higher costs.
- 56.10 Councillor Hill was interested to know how often this proposal had been discussed at the Regeneration Board, and how much detail the Board had been given to date. She asked what role the Regeneration Board had played with this scheme. It was explained that the project had been regularly presented to the cross party Board. However, this was the first time that detailed costings had been brought forward.
- 56.11 Councillor Hill remarked that if a member of the Board had problems with flat roofs, large windows and bonded surfaces they could have raised objections before now. A recent workshop for councilors had discussed details of the partnership. Taxpayers did not fund these projects – the money came out of the HRA. The schemes were difficult to develop and there was a shortage of space in the city. She asked officers to comment on the suggestion that the site could be sold to a small builder. With regard to the value of the site if sold to a small builder, officers explained that there were 10 privately owned garages and access rights to the site. A small builder's budget would not cover the costs. The site was very constrained and there would be little interest from others to develop the site.
- 56.12 Councillor Gibson stated that he wanted to see quality new homes, but there needed to be scrutiny on how costs could be reduced. He was aware that the council wanted to achieve as many council homes as possible. There was a need to see if costs could be brought down by the next meeting. The way forward was to defer the report to the next meeting to enable officers to consider ways of saving on costs.

56.13 The Chair stated that she would not go to a vote on the recommendations as there was no cross party agreement. She withdrew the report and stated that it would be presented to the next meeting.

56.14 Consideration of the report was therefore deferred until the meeting on 17 January 2018.

57 ITEMS REFERRED FOR FULL COUNCIL

57.1 No items were referred for information to Full Council.

58 NEW HOMES FOR NEIGHBOURHOODS - ROTHERFIELD CRESCENT APPENDIX - EXEMPT CATEGORY 3

58.1 Members had the opportunity to ask questions on Appendix 3 during Part One of the meeting.

59 PART TWO MINUTES

59.1 **RESOLVED** - That the Part Two minutes of the Housing and New Homes Committee held on 25th September 2017 be agreed and signed as a correct record.

60 PART TWO PROCEEDINGS

60.1 RESOLVED:

(1) That the Part Two minutes of the meeting held on 25th September 2017 remain exempt to the press and public. It had been agreed that the appendix at Item 58 be moved to part One; However, Item 58 was deferred for consideration at the next meeting on 17 January 2018.

The meeting concluded at 10.25am

Signed

Chair

Dated this

day of

