

MEETING OF THE RESOURCES POLICY DEVELOPMENT GROUP

THURSDAY, 3 OCTOBER 2013 2.30 PM



GROUP MEMBERS PRESENT

Councillor Jean Bevan
Councillor George Chivers
Councillor Alan Davidson
Councillor Nick Robins

Councillor Bob Sandall
Councillor Trevor Scott (Vice-Chairman,
in the Chair)
Councillor Jacky Smith

PORTFOLIO HOLDER

Councillor Teri Bryant, Portfolio: Good Housing
Councillor Mike Taylor, Portfolio: Strategic Resources - Well Run Council

OFFICERS

Strategic Director (Daren Turner, Tracey Blackwell)
Head of Finance (Richard Wyles)
Head of Assets (Paul Stokes)
Property Services Manager (Liz Banner)
Community Engagement & Policy Development Officer (Carol Drury)
Principal Democracy Officer (Jo Toomey)

21. MEMBERSHIP

The PDG was notified that Councillor Chivers would be substituting for Councillor Craft for this meeting only.

22. DISCLOSURE OF INTERESTS

No interests were disclosed.

23. ACTION NOTES FROM THE MEETING HELD ON 25 JULY 2013

The action notes from the meeting held on 25 July 2013 were noted.

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24. UPDATES FROM PREVIOUS MEETING

Equality analysis on Corporate Debt Management Framework

The Head of Finance confirmed that this equality analysis had been completed.

Car parking – breakdown of spaces

A paper showing the breakdown of available car parking spaces and occupancy in Grantham was circulated with the agenda. It also included a breakdown of parking spaces for all of the Council-owned car parks across the district together with the parking charges for each of them.

25. FEEDBACK FROM THE EXECUTIVE

The Good Housing Portfolio Holder gave members an update on arrangements for the delivery of the Supporting People Service.

The Strategic Resources – Well Run Council Portfolio Holder told the PDG that, after consideration of its recommendations on the Local Authority Mortgage Scheme, Cabinet recommended to Council that the scheme be extended through a further £1m deposit with Lloyds and that the maximum loan size should increase to £147,250. This would only be available after the whole of the initial deposit was used. Cabinet also recommended that the authority consider other lenders, including Teachers Building Society (which had subsequently withdrawn from the scheme). Discussions were underway to extend the scheme through Mansfield Building Society.

PDG members were also informed that Cabinet had approved the local business support scheme, which had previously been considered by the PDG. The panel for deciding applications would comprise the Grow the Economy – Economic Development Portfolio Holder, the Strategic Resources – Well Run Council Portfolio Holder, the Chairman of the Resources PDG (or nominated representative from the PDG) and an officer from the Economic Development team.

26. QUESTION WITHOUT DISCUSSION

One question had been referred to the PDG from the Council meeting held on 12 September 2013. Members were informed that Councillor Morgan had received a full, written response.

27. WELFARE REFORM

Members received an update on the impact of the spare bedroom subsidy, localised council tax support and business rate retention.

Officers were monitoring the impact of the spare bedroom subsidy and

analysing its impact on tenants. 369 of the 829 tenants affected were in arrears. Officers were working with those tenants in order to reach suitable arrangements to pay the amounts due accepting that formal recovery processes would be followed as necessary.. Councillors were informed that the Council had received an increase in the Discretionary Housing Payment from government, 60% of which was being used to support residents affected by the spare bedroom subsidy.

Following the localisation of council tax support, the authority's caseload of 11,000, comprised 4,000 people of working age who would experience the effects of the changes. Officers reported that there had been increases in the number of reminders, summonses and liability orders that had been issued.

The technical changes to council tax that placed a premium on properties that had been empty for long periods had contributed to a reduction in the number of long-term empty properties.

At the time of the meeting, business rate collection was achieving the target level however there had been increases in reminders, summonses and liability orders issued.

Members expressed concerns about the impact of the spare room subsidy on tenants and asked how many residents affected by the changes had asked to move. It was suggested that the Council raises it's concerns about those individuals who were prepared to move but could not because no suitable alternative accommodation was available. The PDG agreed it would be appropriate to send a letter to the MP to record their concerns about the impact of the spare bedroom subsidy. Members considered whether sending the letter from the Portfolio Holder or the Council would have greater impact but agreed that in the first instance it should be sent from the chairman of the PDG.

There was further concern about the availability of properties with one-bedroom (both Council-owned and in the private sector). The Portfolio Holder informed members of a building programme to develop additional council housing and asked for a recommendation on the number of bedrooms in the property. The consensus of members was that there should be a greater weighting of single-bedroom properties but it was important to ensure sufficient two-bedroom properties for people who might require overnight care.

Recommendation:

- 1. That the building programme for new council housing should include a greater weighting of one-bedroom properties
That a letter should be sent to the MP from the Chairman of the PDG expressing concerns about the impact of the spare bedroom subsidy.***

28. FEES AND CHARGES - CAR PARKING

Members noted report number HOF254 by the Head of Finance on fees and charges for car parking. The Head of Finance informed Councillors that there was a projected shortfall in car parking income in 2013/14. PDG members briefly discussed the report.

Officers also reported that the impact of civil parking enforcement had differed between Grantham and Stamford. There was little change to parking habits in Grantham while Stamford had seen an increase in long-stay parking but a decrease in short-stay parking in the Council operated car parks. This was attributed to increased availability of short-stay on-street parking. When members reviewed parking charges, they would need to consider strategic objectives of the charge: covering the cost of the service and influencing customer behaviour.

A workshop for PDG members to discuss all fees and charges was planned for Friday 1 November 2013.

29. MEDIUM TERM FINANCIAL STRATEGY

A copy of the draft Medium Term Financial Strategy was circulated to members for information. It would be considered by the Cabinet at its meeting on Monday 7 October 2013.

30. FINANCIAL REPORT FOR 2013/14 - MONITORING INFORMATION

The Head of Finance presented report number HOF252 which provided a financial update for Members. The report provided information to the end of July 2013. Members were advised that the projected outturn was just below the forecast level. The report summarised key variances to date. Those particularly drawn to the attention of members were:

- the reduction in market income
- savings as a result of new leisure trust arrangements
- income from the Georgian Festival ticket sales
- delays to the public realm scheme for St. Peter's Hill, Grantham, with funding rolling forward to 2014/15
- lower than budgeted levels of income from development management and building control
- increased budget provision required as a result of changes to the dry recyclable contract

The Housing Revenue Account showed a projected overspend of £87,000. The current void rate of 0.84% was below the 1.5% target and officers suggested that, following good performance for a two-year period, it might be appropriate to budget at 1% in 2014/15.

Officers stated that both the HRA and General Fund Capital Programmes were ambitious, which led to an anticipated underspend against the General Fund Programme. Any underspend against individual projects would roll forward to the next financial year; slippage was attributed to the complexity of the projects. No significant slippage was anticipated in the HRA Capital Programme.

A brief update was given on performance of the Local Authority Mortgage Scheme. Since its inception 40 offers had been made, with 24 completions as at 31 July 2013. Members were informed that currently Lloyds had suspended the scheme for new deposits as it was one of the main sponsors of the Government's Help to Buy scheme.

31. HOUSING REVENUE ACCOUNT - PROGRESS ON ASSET MANAGEMENT PLAN

The Head of Community Assets and the Property Services Manager presented report number RIM0320 on the review of the Housing Revenue Account Asset Management Strategy. The report listed 7 principles around which the strategy was being structured. Officers summarised each of these principles and Members were asked whether they supported them.

- South Kesteven Standard – to provide a service for tenants which exceeds the Decent Homes Standard – deliverable at no additional cost to the authority and intended to achieve savings by reducing responsive repairs. Also proposed was a void property standard which covered arrangements for repairs and checks being undertaken before properties are re-let
- Energy efficiency – the goal was to get all of the authority's properties within Energy Rating Bands A to D. 81% already fell within these bands and grant funding had been secured to improve the banding of a further 5%
- Repairs and maintenance – covering all aspects of repairs and maintenance
- Meeting particular needs – to implement an action plan to ensure sheltered housing accommodation was fit for purpose following a condition survey
- Business resilience – reviewing, appraising and categorising stock to understand its relative performance and contribution to the HRA business plan
- Development and regeneration potential – identifying land whether HRA, General Fund or non-council to build additional homes to increase the number of Council owned/managed properties available
- Performance

Members discussed in particular the void property standard and the level of work required before it could be re-let. In most instances councillors felt that basic redecoration work was sufficient to provide a neutral canvas for the tenant to personalise. Members were mindful, however, of those tenants who

were unable to redecorate themselves. Councillors suggested that some provision for redecoration should remain.

The PDG agreed with the principles laid out in the report.

32. WORK PROGRAMME

Members noted the work programme and decisions bulletins that had been circulated with the agenda. Councillors were notified that an item on the HRA business plan would be included on the agenda for the meeting on 26 November 2013.

33. CLOSE OF MEETING

The meeting closed at 16:35.