

Minutes of the Place Scrutiny Committee

Monday 30th January, 2017 at 6.00 pm
in Committee Room 2 at the Council House, Dudley

Present:

Councillor A Finch (Chair)
Councillor M Aston (Vice-Chair)
Councillors Z Islam, L Johnson, I Kettle, C Perks, H Rogers, M Rogers, R Scott-Dow, K Shakespeare and V Wale.

Officers:

I Newman – Chief Officer Finance and Legal Services (Lead Officer to the Committee); A Lunt - Strategic Director Place; M Rodgers – Chief Officer Housing; (All Place Directorate); C Ludwig – Finance Manager and K Taylor – Democratic Services Officer (All Chief Executive's Directorate).

24. **Declarations of Interest**

No Member made a declaration of interest in respect of any matter to be considered at this meeting.

25. **Minutes**

Arising from consideration of the minutes, Members expressed a number of concerns regarding the withdrawal of the report in relation to School Crossing Patrols, and considered that although a decision had been made that the service would be funded by Public Health, this was only for a period of twelve months, and therefore should continue to be scrutinised by the Committee in view of the Committee's role in policy development.

The Chief Officer Finance and Legal Services confirmed that the proposed alternative funding would be outlined in the budget report submitted to Cabinet on 8th February, 2017 prior to consideration by Council in March, 2017.

Following further discussion, it was agreed that a detailed report be submitted to the Committee in June, 2017, outlining the progress made on identifying the proposals for the future of the service, and that the Head Teachers that had previously expressed their interest in attending the Committee to present their perspective on the proposals made, be invited to attend.

Resolved

- (1) That the minutes of the meeting held on 15th November, 2017, be approved as a correct record and signed.

- (2) That the Strategic Director Place be requested to submit a report to the Place Scrutiny Committee in June, 2017, outlining progress on identifying proposals for the future of the School Crossing Patrol Service in Dudley Borough.
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26. **Public Forum**

No issues were raised under this agenda item.

27. **Medium Term Financial Strategy – Housing Finance**

A joint report of the Strategic Director Place and the Chief Officer Finance and Legal Services was submitted to consult the Scrutiny Committee on the principles adopted in the proposed Housing Revenue Account (HRA) budget for 2016/17, 2017/18 and future years, in the context of rent reductions and the impact of the government's welfare reforms.

In presenting the report, the Finance Manager referred to formula rent, which had been adopted under the process of 'convergence' to bring council rents in line with Housing Association rent levels. It was anticipated that all tenancies would eventually move to formula rent, and by rents reducing by 1% each year until April 2019, this would support the expenditure on maintaining, improving and managing stock. This approach would be introduced from April, 2017 and would apply for all new lets, including current tenants moving to a different property.

The impact resulting from the introduction of Universal Credit was referred to in particular that there was an increased risk of rent arrears given that tenants would be responsible for paying their rent directly. All three jobcentres within the Dudley Borough were scheduled to process all new benefit claims as Universal Credit in July, 2017.

The Finance Manager indicated that the proposed budget for 2017/18, based on estimated resources available, would be approximately £89 million, and outlined how the proposed budget would be allocated.

The key issues for the service were highlighted with particular reference made to the reduction on expenditure on empty properties following an in-depth review of policies and specifications.

In response to a question raised by a Member with regards to the consultation undertaken with the Housing Board and Dudley Federation of Tenants' and Residents' Associations, the Finance Manager stated that the response given was generally positive and the proposals were considered reasonable, in particular the proposed freeze of laundry charges to residents.

Following comments made regarding the introduction of Universal Credit, the Finance Manager reported that further work would be required to mitigate the risk involved, as it was expected that rent arrears could increase excessively. Further support would be given to tenants that were considered vulnerable and those in receipt of partial benefits, which would include further training and collaborative working with jobcentres and identifying more proactive methods of contacting tenants, such as text reminders.

Concerns were raised by a member with regards to enforcement letters having been sent to tenants that accrued rent arrears without prior notification. The Finance Manager assured the Committee that all letters and policies had been reviewed and referred to the various communication methods involved, in particular that Officers would telephone tenants in the first instance if they identified any issues. House visits were also undertaken by Income Officers and following a request, the Finance Manager undertook to circulate details of drop-in sessions that were held throughout the Borough providing advice and support to tenants on a range of subjects including budgeting and managing finances.

The Finance Manager referred to managed payment plans that were available to tenants to assist in reducing rent arrears over an agreed period.

In response to a question raised, the Finance Manager referred to the pre-tenancy training and Live for Less training provided by the Housing Support and Income officers and the Adult Learning Team, respectively, and it was agreed that Officers would attend a future meeting of the Committee to discuss the training provided.

Arising from a question raised by a member, the Chief Officer Housing agreed to provide Councillor Islam with statistical data in relation to homelessness.

A member queried whether tenants were required to notify the Council of change of circumstances, other than those that were required contractually, such as intention of moving outside the Borough. In responding, the Chief Officer Housing reported that the majority of existing tenants did inform the Council of any change in circumstances and that a number of issues were reported to Officers.

A member commented positively on the reduction of expenditure and rent loss from empty properties, and suggested that further research should be undertaken to identify whether Universal Credit could be funded directly to the Council. The Finance Manager commented that the possibility of direct funding could be available in cases involving vulnerable adults or where tenants were eight weeks and above in rent arrears, however this could be addressed through a managed payment plan.

Resolved

- (1) That the principles adopted in the proposed Housing Revenue Account (HRA) budget for 2016/17 and future years, be noted.

- (2) The Finance Manager be requested to circulate details of drop-in sessions.
- (3) That information on training provided to tenants be presented to a future meeting of the Committee.
- (4) The Chief Officer Housing be requested to provide statistical information in respect of homelessness to Councillor Islam.

The meeting ended at 7.20 pm.

CHAIR