

SHEFFIELD CITY COUNCIL

Safer and Stronger Communities Scrutiny and Policy Development Committee

Meeting held 10 September 2015

PRESENT: Councillors Tony Damms (Chair), Penny Baker, David Barker, John Campbell, Richard Crowther, Keith Davis, Tony Downing, Aodan Marken, Roy Munn, Sioned-Mair Richards, Richard Shaw and Jack Scott (Substitute Member)

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillors Steve Ayriss, Sheila Constance and Denise Fox, with Councillor Jack Scott attending as a substitute for Councillor Fox.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where resolutions may be moved to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting of the Committee held on 23rd July 2015, were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 There were no questions raised or petitions submitted by members of the public.

6. IMPLICATIONS OF THE NATIONAL "SUMMER BUDGET" FOR HOUSING

6.1 Janet Sharpe, Director of Housing and Neighbourhoods Service, referred to the Government's Summer Budget, announced on 8th July 2015, specifically to the implications with regard to housing, from both the perspective of the Council and housing associations.

6.2 The Committee received presentations from Liam Duggan, Manager, Housing Business Plan Team, Communities, and Sharron Dyett, Housing Services Director, South Yorkshire Housing Association Ltd, on the implications for, and the proposed course of action to be taken in response to, regarding the Council and housing associations, respectively, as follows:-

6.3 *The Council Perspective*

6.3.1 Liam Duggan reported on the implications from the perspective of the Housing and Neighbourhoods Service, referring to the key policy changes and outlining how the Council was planning to deal with the impacts of such changes. Mr Duggan reported on the key items in the Budget, which included changes to rent policy, higher rents for higher earners, the extension of the Right to Buy scheme, which had been announced through the Queen's Speech, further welfare reforms and a review of security of tenure, with the key changes including:-

- All rents reduced by 1% each year for 4 years;
- Registered providers required by 2017/18, to charge market, or near market rents, to tenants where household income exceeds £30,000;
- The extension of the Right to Buy to Housing Association tenants, through a new Housing Bill;
- A reduction to the Benefit Cap, from £26,000 to £20,000 outside London;
- A review of the use of lifetime tenancies in social housing to limit their use, and ensure that households are offered tenancies that match their needs and ensure the best use is made of the social housing stock.

6.3.2 Mr Duggan reported on the impact of the changes on the Housing Revenue Account (HRA) Business Plan and referred to a summary of the risks of the changes.

6.3.3 Members raised questions and the following responses were provided:-

- Officers would make every effort to ensure that tenants and leaseholders were fully briefed on the policy changes, as well as on the implications of such changes. Officers would be meeting with representatives from local area housing fora to work through the detail, to enable them to get a good understanding of the issues. Also, officers would be liaising with colleagues in other local authorities to see how they would be dealing with the changes.
- Whilst it was very unlikely that the Housing and Neighbourhoods Service would be able to identify the required budget reductions by the time of the publication of the Cabinet report on the Housing Revenue Account in January 2016, officers would be looking to achieve a funded position, through slippage and other cost savings, for the next five years. Further work would be required, through consultation with all relevant parties, to determine how the Council could achieve the required savings in the future.

- In terms of rent reductions, the social rent element was far easier to understand as the target rent would simply be reduced by 1% each year, whereas the market rent element was more difficult as such rates inflate each year. Whilst it was not totally clear, the guidance suggested that the Council would have to take a benchmark position, in terms of the market rent, as at 8th July 2015, then make reductions going forward.
- Details of the number of 18 to 21 year olds currently in receipt of Housing Benefit would be sent to Councillor Jack Scott.
- Due to the lack of clarity in terms of the guidance, officers were not clear in terms of how they were to adapt the HRA Business Plan. There was a need to make sure that the Council did not rush into making any decisions at this stage, on the basis that there could be further changes in policy.
- When asked to quantify the impact on stock numbers of the enforced sale of high value assets to fund the extension of Right to Buy, it was felt more likely, at this time, that the Council would be set a funding target, and need to generate receipts to the Government based on this amount. With this in mind, the Council would have to work very closely with housing associations to make sure the City was not left with too few properties of a certain size in any one area.

6.4 South Yorkshire Housing Association Ltd

6.4.1 Sharron Dyett reported on the impacts of the Summer Budget on housing associations, focussing specifically on the South Yorkshire Housing Association (SYHA), and on how the Association was planning to deal with such impacts. Ms Dyett reported that the housing associations would experience similar problems to the Council, both in terms of immediate budgetary impacts regarding the rent cut and with regard to future planning. She stated that the SYHA would be able to deal with the immediate impacts of the policy changes, but it would have a major effect on its development plans. The changes would have a varying impact on different housing associations and it was likely that a number would be scaled down, transformed or be involved in mergers with other housing associations.

6.4.2 Members raised questions and the following responses were provided:-

- There were concerns that some of the excellent work undertaken by housing associations in the City, such as the investment in communities by Sanctuary Housing in the

Shiregreen area, may no longer be able to continue. This could result in there being pockets of good quality housing and poor quality housing in certain areas of the City. It was also accepted that there could be tensions in communities whereby some people would be able to pay rent based on their earnings, where others would struggle.

- Whilst it was accepted that mainly older people would be able to exercise their Right to Buy, and that the proposed welfare changes would have a disproportionate impact on younger people, the SYHA and the Council were considering alternative housing models for younger people.

6.5 RESOLVED: That the Committee:-

- (a) notes, with concern, the impacts of the policy changes announced in the Government's Summer Budget relating to both Council housing and social housing managed by housing associations;
- (b) expresses its thanks to Janet Sharpe, Liam Duggan and Sharron Dyett for attending the meeting and responding to questions; and
- (c) requests that Council officers and Ms Dyett attend a future meeting to update the Committee on any developments in connection with the changes.

7. POLICE AND CRIME PANEL UPDATE

7.1 Councillor John Campbell reported on the issues which were to be discussed at the next meeting of the Police and Crime Panel, which was to be held on 11th September 2015, as follows:-

- Police and Crime Commissioner – Annual Report 2014/15:-
 - Reducing crime and anti-social behaviour
 - Protecting vulnerable people
 - Improving visible policing
- Budget Monitoring – First Quarter 2015/16
- National Child Protection Inspection – Post Inspection Review

7.2 Councillor Campbell made specific reference to the financial cut to the Police Grant for 2015/16 of 5.1%, which equated to just under £10m or over £19m over the last two years, and indicated that since 2007/08, there had been a reduction of approximately £50m in terms of savings and cuts regarding the budget.

7.3 Councillor Campbell invited comments from Members in terms of issues they wanted raising at the meeting, and the following questions were raised:-

- How the local Policing teams, which had been operating in Barnsley and Doncaster, were progressing?
- Would the cut in terms of the number of Police Community Safety Officers (PCSOs) be equitable around South Yorkshire?
- Would the proposed model regarding volunteers, as recently announced by the Home Secretary, be based on a model around Specials or a different model?
- What does an improved presence on social media mean?

7.4 RESOLVED: That the Committee notes the information now reported.

8. WORK PROGRAMME 2015/16

8.1 The Policy and Improvement Officer submitted a report attaching the draft Work Programme for 2015/16. The draft Programme set out the details of a number of topics which the Committee would be requested to prioritise in terms of their consideration at future meetings. The Programme also contained details of written briefings which would be submitted to the Committee for information only.

8.2 RESOLVED: That the Committee notes and approves the draft Work Programme for 2015/16 now submitted, subject to (a) consideration being given to prioritising the submission of update reports in terms of the Housing Revenue Account, in the light of the impacts of the policy changes announced in the Summer Budget, and (b) any other further changes suggested by Members following this meeting, to be finalised by the Chair and Deputy Chair, in consultation with the Policy and Improvement Officer.

9. WRITTEN RESPONSES TO PUBLIC QUESTIONS

9.1 RESOLVED: That the Committee notes the contents of the report now submitted by the Policy and Improvement Officer, containing responses to questions raised by members of the public at the previous meeting of the Committee.

10. RIGHT TO BUY UPDATE

10.1 The Committee received and noted a report of the Director of Housing and Neighbourhoods Service containing information on the sales receipts generated from Right to Buy sales.

11. DATE OF NEXT MEETING

- 11.1 It was noted that the next meeting of the Committee would be held on Thursday, 8th October 2015, at 4.00 pm, in the Town Hall.