

Housing Policy Committee

Meeting held 10 November 2022

**PRESENT:** Councillors Douglas Johnson (Chair), Ben Curran (Group Spokesperson), Sue Auckland, Fran Belbin, Denise Fox, Maleiki Haybe, Sophie Thornton and Cliff Woodcraft (Substitute Member)

**1. APOLOGIES FOR ABSENCE**

1.1 Apologies for absence were received from Councillors Penny Baker and Paul Wood.

**2. EXCLUSION OF PRESS AND PUBLIC**

2.1 It was explained that the appendices at items 9 and 10 in the agenda were not available to the public and press because it contained exempt information described in paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended) relating to financial and business affairs. It was proposed and agreed to moved items 9 & 10 to the end of the meeting and the Committee were asked to formally exclude the public and press for the discussions on those items to allow for consideration of the sensitive information.

**3. DECLARATIONS OF INTEREST**

3.1 There were no formal declarations of interest made at the meeting.

**4. MINUTES OF PREVIOUS MEETING**

4.1 The minutes of the meeting of the Committee held on 15<sup>th</sup> Sept 2022 were approved as a correct record.

4.1.1 Matters Arising

Cllr Douglas Johnson enquired about the responses to Geoff Cox and Emily Proctor from the June meeting and it was clarified that verbal responses to questions were included in the minutes of meetings and published on the website (see section 5.3 and 5.4 of the June published minutes).

**5. PUBLIC QUESTIONS AND PETITIONS**

5.1 Jennifer Fortune attended the Committee and asked the following question which the Chair answered:

Q1. Is the full amount of £90 million budgeted for the GV refurbishment

secured now? If not, how much exactly has been secured and what are the plans for securing the rest of £90 million?

*A1. This was agreed by the Council in March 2021. The estimated cost is contained within the Council's Housing Investment Programme. For some areas like new build assumptions were made around the level of grant towards the cost and these are updated annually alongside the annual review of costs which also takes place annually to take account of current costs, inflation etc.*

Q2. Which council officer lead and department in the council is in charge of the refurbishment of the existing housing?

*A2. The Housing Service is in charge of this programme. My Head of Service Dean Butterworth is lead and we have appointed Dan Parry King is the Lead Project Manager for the delivery of the Masterplan.*

Q3. What steps have been taken to establish a training and apprenticeship scheme in relation to a zero carbon retrofitting refurbishment that will be targeted at young people living on the Gleadless Valley estate?

*A3. This forms part of the Council's procurement strategy for all capital procurement, not just for Gleadless Valley.*

Q4. What exactly are the Building Standards and heating methods that will be used in the re-furbishment of the council housing on Gleadless valley estate in order to achieve zero carbon by 2030?

*A4. The plans for Gleadless Valley are not to bring all homes to Net Zero, existing homes to EPC C or the National Decent Homes Standard. If we can secure any external funding we will try and exceed this standard where this is affordable. New Build will meet current Building Regulation Standards/ Legislation which is at a higher performance standard at close to net zero.*

## **6. WORK PROGRAMME**

- 6.1 The Principal Democratic Services Officer presented the Work Programme and informed Committee that although it contained suggestions for what it may contain, it was up to the Committee to decide. The Committee were asked to agree the set of recommendations in the report and give consideration to any necessary additions and amendments. Referrals in section 2.0 of the report were also pointed out.
- 6.1.1 The Chair pointed out the movement of items on the agenda. Cllr Curran expressed a wish to have a review of the Allocations Policy at a future meeting. Cllr Auckland raised questions around the confirmation of dates and times for certain items. It was acknowledged that certain

reports need to be brought forwards and it was stated that future work would be carried out to ensure that. It was explained that the Allocations Policy is being given more time to engage Members and discuss.

**6.1.2 RESOLVED UNANIMOUSLY:**

1. That the Committee's work programme, as set out in Appendix 1 be agreed, including any additions and amendments identified in Part 1;
2. That consideration be given to the further additions or adjustments to the work programme presented at Part 2 of Appendix 1; and
3. That Members give consideration to any further issues to be explored by officers for inclusion in Part 2 of Appendix 1 of the next work programme report, for potential addition to the work programme.

**7. SCC RESPONSE TO GOVERNMENT CONSULTATION ON THE RENT STANDARD**

7.1 The Director of Housing introduced the report which provided the Housing Policy Committee with a copy of the response to the Secretary of State on changes to the Rent Standard. The response was approved in October by the Chair and Vice Chair of the Housing Policy Committee in conjunction with the Leader to meet the consultation deadline and submitted on behalf of Sheffield City Council.

**7.2 RESOLVED UNANIMOUSLY:** That the Housing Policy Committee:-

1. Notes the response that was submitted and the implications on the Housing Revenue Account that were highlighted.
2. Notes that a further report will be submitted to the Housing Policy Committee once the outcomes of the consultation are known to inform a decision regarding council housing rents for 2023/24.

**7.3 Reasons for Decision**

7.3.1 Members are asked to note the response provided and the potential impacts on the Housing Revenue Account noted in the response. The Council are unable to set rents for council housing until the outcome of the consultation is known. A further report will be required to the Housing Policy Committee and/or to Strategy and Resources Committee to confirm council housing rents for 2022/23 depending on when the final determination is issued.

**7.4 Alternatives Considered and Rejected**

7.4.1 The Secretary of State provided the opportunity for Registered Providers to respond to their consultation proposals. There are significant potential implications arising from the proposals, so it was important for the Council to respond to highlight these to the government in the required timescales.

## 8. INTRODUCTORY TENANCIES

8.1 The Director of Housing introduced the report which sought approval to elect to operate an Introductory Tenancies regime for all new council tenants. The Report outlined the statutory framework under which the council may choose to operate Introductory Tenancies, and the rationale for taking that course of action.

8.1.1 Some discussion took place surrounding tenancy management, support options, legal processes, accommodation options, commissioning services, independent living, Housing First, dispersed temporary accommodation, Stock Increased Programme, private landlord accommodation, anti-social behaviour, tenancy breaches and the repairs service.

8.2 **RESOLVED:** That the Housing Policy Committee:-

1. To approve the adoption and operation of an Introductory Tenancies regime (ITR), the key consequence of which would be that all new council tenants would be on a non-secure tenancy for the initial probationary period (12 to 18 months). The aim will be to implement this change on or after 01/04/2023.

### 8.3 **Reasons for Decision**

8.3.1 The recommendation of the paper is to adopt an Introductory Tenancies regime. It is vital that SCC take every action to effectively manage the increasingly scarce supply of social housing in the city. The policy allows us to do this better by allowing SCC to make use of streamlined legal pathways to seeking possession of a property where there have been serious breaches of the tenancy agreement – something other Local Authorities in core cities are making use of currently. Further, it would bring SCC in line with registered providers in the city and other South Yorkshire local authorities, meaning that Sheffield would no longer be making the necessary process of seeking possession of tenancies harder than it is for our peer organisations and operating a more generous regime. Finally, the consultation undertaken clearly illustrates the desire of the public and our tenants to implement a policy of this nature, reinforcing the notion that people are at the heart of what we do and that we listen to our customers in making decisions. Adopting this policy would signal to our tenants and other customers that we are committed to taking action, when necessary, in a fair, consistent and proportionate manner and is therefore the recommendation of the paper.

### 8.4 **Alternatives Considered and Rejected**

8.4.1 The primary alternate option is 'do nothing' and opt not to implement an Introductory Tenancies regime. The decision to adopt is discretionary, meaning the Council is not required to do so. The Council has been operating without Introductory Tenancies since their introduction in legislation, and therefore this is considered a viable option. However, this option is not recommended, as it would deny the Council a useful tenancy management tool at a time when effective management of our housing stock is increasing in both difficulty and importance. Further, it would not be taking all possible steps to improve customer outcomes when there is strong tenant voice to have a fair and effective approach to dealing with violations of tenancy agreements, as demonstrated by the fact that a large majority of those consulted were in favour of this policy.

(NOTE: The result of the vote on the resolution was FOR – 7 Members; AGAINST – 1 Member; ABSTENSIONS – 0 Members)

## **9. HOUSING STRATEGY TASK AND FINISH GROUP**

9.1 The Chair introduced the report which sought approval to appoint a Task and Finish Group to oversee work to develop a new Housing Strategy. It was explained that Membership would be drawn from the Housing Policy Committee. The Terms of Reference of the Group were appended to the report.

9.1.1 A brief discussion around the membership of the group took place for clarification.

9.2 **RESOLVED UNANIMOUSLY:** That the Housing Policy Committee:-

1. Approve the appointment of a Task and Finish Group on the terms described in this report to oversee work to develop a new Housing Strategy

### **9.3 Reasons for Decision**

9.3.1 The Task and Finish Group will bring together a small, focused group of members to examine key housing policy issues and provide clear advice to officers developing the strategy. Cross party representation will mean that political agreement is reached at an early stage of the process allowing the strategy to progress. This has been a significant barrier to the Strategy's development in the past.

9.3.2 The group will feedback advice given, and progress on the work programme to the Housing Policy Committee, so the Committee can make informed decisions on the Housing Strategy.

### **9.4 Alternatives Considered and Rejected**

9.4.1 An alternative would be to deliver a series of Knowledge Briefings for the Housing Policy Committee. This was rejected as it would not enable constructive debate and advice to be provided to officers.

## **10. REVENUE BUDGET MONITORING REPORT - MONTH 6**

10.1 The Director of Finance and Commercial Services introduced the report which brought the Committee up to date with the Council's financial position as at Month 6 2022/23 including General Fund revenue position, Housing Revenue Account.

10.2 **RESOLVED UNANIMOUSLY:** That the Housing Policy Committee:-

1. Note the Council's financial position as at the end of September 2022 (month 6).

### **10.3 Reasons for Decision**

10.3.1 This paper was to bring the committee up to date with the Council's current financial position as at Month 6 2022/23 including Revenue General Fund and Housing Revenue Account.

10.4 **Alternatives Considered and Rejected**

- 10.4.1 The Council is required to both set a balance budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

**11. CAPITAL FINANCE MONITORING REPORT**

- 11.1 The Head of Housing Investment and Maintenance introduce the report which provided information on how the Housing Investment Programme (Capital) brings together the 30-year Asset Management Strategy for Council Housing that sets out the priorities for investment and, to ensure that homes meet the Government's Decent Homes Standard and, delivery of tenants' priorities to improve the quality of homes and neighbourhoods. Investment priorities are formulated from detailed stock condition and other surveys to ensure effective planning of works, repairs intelligence, life-cycle modelling and, feedback from tenants.

The Housing Investment Programme is co-designed and agreed with tenants for Council Housing stock.

The Housing Capital Programme is split into three distinct areas of activity; Council Housing Investment (existing stock and assets) and the Council's Stock Increase Programme, funded from the Council's Housing Revenue Account, as described in the annual HRA Business Plan. There is also the Non-HRA Capital Programme which includes the Programme Management, Homes & Loans to private homes and investment in private homes. The table at 1.8 how the overall Housing Capital Programme split between Council Housing Investment, Stock Increase and Non-HRA areas of the programme.

The purpose of the report was to provide an update of the progress against the approved 2022/23 Housing Investment Programme, this is reported regularly as part of the Council's Corporate Capital Programme to Strategy and Resources Committee normally on a quarterly basis. The report focussed on providing an update with regard to spend and progress against the 22/23 Housing Investment Programme as at September 2022. The report also provided an update of the 5-year Housing Investment Programme.

- 11.2 **RESOLVED UNANIMOUSLY:** That the Housing Policy Committee:-

1. Note the 2022-23 Housing Capital Programme forecasting and budget position at the end of period 6.

11.3 **Reasons for Decision**

- 11.3.1 The report was to provide the Housing Policy Committee members with an update on progress against the approved 5-year approved Capital programme.

11.4 **Alternatives Considered and Rejected**

- 11.4.1 No alternative options were considered as part of the update report.

**12. GENERAL FUND BUDGET POSITION FOR YEAR 2023/2024**

12.1 The Chair reiterated that the report contained a closed appendix, which if discussed would require a closed session.

12.1.1 The Director of Finance and Commercial Services introduced the report which updated the Policy Committee on the progress of the 2023/24 budget process. The appendix contained specific budget proposals that the Housing Policy Committee were asked to endorse.

12.2 **RESOLVED UNANIMOUSLY:** That the Housing Policy Committee:-

1. Note the update on the Council's 2023/24 budget position.
2. Endorse the budget proposals set out in Appendix 1

12.3 **Reasons for Decision**

12.3.1 The Council is required by law to set a balanced budget each year. This report is pursuant to that objective and is in line with the process and timetable agreed by the Strategy and Resources Committee on 31 May 2022 and 5 July 2022.

12.4 **Alternatives Considered and Rejected**

12.4.1 The Council is required to both set a balance budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

### **13. HRA BUSINESS PLAN 2023/24**

13.1 The Director of Finance and Commercial Services introduced the report which provided a breakdown of the pressures and mitigation/savings options for the Housing Revenue Account in 2023/24. Members were asked to endorse the mitigation options presented in the paper.

13.2 **RESOLVED UNANIMOUSLY:** That the Housing Policy Committee:-

1. Endorses the Housing Revenue Account savings proposals/mitigations as set out in this report and recommends to the Strategy and Resources Committee that they be approved as part of the Council's budget for 2023/24
2. Request a further report on the Housing Revenue Account Business plan at their February meeting with details of the full capital and revenue expenditure proposals for 2023/24
3. Acknowledge that the final decision on council housing rents will be taken at the Full Council in February once the outcome of the government consultation on the Rent Standard is known.

13.3 **Reasons for Decision**

13.3.1 Members were asked to note the unsustainable financial position highlighted by the medium-term financial analysis presented to Strategy and Resources Committee in July 2022. The report and its recommendations, set out the scale of the challenge ahead, the limited resources available and the difficult decisions that need to be taken to deliver a balanced HRA budget for 2023/24.

13.4 **Alternatives Considered and Rejected**

- 13.4.1 The Council is required to both set a balanced HRA budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.