

SUSTAINABLE COMMUNITIES SCRUTINY PANEL
Thursday, 9th December, 2010

Present:- Councillor The Mayor (Councillor McNeely) (in the Chair); Councillors Atkin, Blair, Ellis and P. A. Russell. together with Jenny Andrews (Maltby Town Council), Derek Corkell (RotherFed) and Andrew Roddison (RotherFed)

Councillors Gosling and Jack were in attendance at the invitation of the Chair.

Apologies for absence were received from Councillors Cutts, Havenhand, Hodgkiss and Walker and Jack Carr.

44. DECLARATIONS OF INTEREST

The Mayor (Councillor McNeely), Councillors Gosling and Jack, Jenny Andrews, Derek Corkell and Andrew Roddison declared personal interests in Minute Nos. 47 (Consultation of Social Housing Reform: Local Decisions: A Fairer Future for Social Housing) and 48 (Consultation on New Homes Bonus) (Council house tenants).

45. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no members of the public and press present at the meeting.

46. CONSULTATION OF SOCIAL HOUSING REFORM: LOCAL DECISIONS: A FAIRER FUTURE FOR SOCIAL HOUSING

The Director of Housing and Neighbourhood Services reported that, as part of the coalition Government's intention to shift power from Westminster to councils and communities, it was carrying out a fundamental review of social housing as set out in a consultation document: Local Decisions: a fairer future for Social Housing.

The Government's stated intention was to make the social housing system fairer, striking a proper balance between the needs of new and existing tenants to ensure that the support, which social housing provided, was focused on those who needed it most for as long as they needed it.

The consultation document proposed new powers for local authorities and housing associations so that they could make best use of their housing in a way which best met the needs of individual households and their local area.

The Reform had 5 key objectives:-

- To enable localism, fairness and focus social housing on those most in need in a way that enabled them to use it as a springboard to opportunity
- That social housing was flexible and available to more people and to those that genuinely needed it
- To make the best use of the 4 million social rented homes
- To increase the freedoms available to all social landlords to determine the sort of tenancy they granted to new tenants
- To protect the rights of existing tenants

There would be a change in the law to deliver many of the reforms and it was intended that the Decentralisation and Localism Bill would do this.

The deadline for responses was 17th January, 2011.

Discussion ensued on the report with the following highlighted:-

- The recent CSR announcement included a delay in the introduction of the changes to the Housing Revenue Account Subsidy system until 2012/13
- Consultation
 - was to include discussions with the Strategic Housing Partnership and inclusion on the website.
 - Consultation was limited due to the timescale imposed
 - That an overview of what the Authority thought its role for housing in Rotherham was included with the consultation questionnaire
- It appeared that the Government thought that social housing was an emergency service for vulnerable people and those that you had a duty of care to
- Succession
 - Support for the changed tenancy succession until in a position where there was sufficient housing to fulfil need
 - Only stated the spouse or partner and nothing about offsprings?
- Council Housing Finance
 - Support for the financial reforms which allowed the Council to be control of its finances and able to build Council houses if it so wished
- Affordable Rents
 - Should be linked to the average income of the area
- Homelessness
 - If a homeless person was offered a reasonable opportunity to secure accommodation for themselves and they refused it, then it should be considered that the duty had been discharged including an offer from the private sector
 - A number of the homeless were ex-Forces personnel
- Tenancies
 - In order to get the best out of tenants and enable them to live a fulfilled life in all aspects of live, they had to feel secure in their tenancy
 - Disincentive to find employment because of the consequences of their improved financial situation
 - Would encourage tenants to be less than truthful with their financial circumstances for fear of having to leave their tenancy
- Allocations
 - The Government would determine what categories people should fall into in terms of vulnerability etc which would dictated to Local

Authorities. Local Authorities would have some degree of discretion as to who was allowed onto the waiting list thereby allowing certain guidelines but there would only be 1 waiting list

- If a family genuinely did not need to move they would not be considered
 - Fear of establishing ghettos for the poor
 - Will establish a whole new system of bureaucracy when informing tenants 6 months before their 2 year tenancy expired and the skills required by officers when counselling tenants
 - No incentive for tenants to pay their rent/tidy gardens/decorate/put down roots because they knew there were only in the property short term
- The wish to cease Right to Buy if it could be proven that the community was in need of social housing
 - The Right to Rent if it could be proven that the public wished to rent from the Council – likely increased demand for social housing due to increasing debt levels i.e. students

Resolved:- (1) That the Panel's comments made be included in the consultation response.

(2) That a reminder be sent to all Members of the Council of the importance of participating in the consultation.

47. **CONSULTATION ON NEW HOMES BONUS**

The Director of Housing and Neighbourhood Services reported that the New Homes Bonus Consultation document had been released for consideration by Councils on 12th November with a response deadline of 24th December, 2010.

It was the Government's aim for the New Homes Bonus to create a powerful, simple, transparent and permanent incentive which rewards local authorities that delivered sustainable housing development.

The scheme was intended to incentivise local authorities to increase housing supply by rewarding them with a new Homes Bonus. Equal to the national average for the Council Tax Band on each additional property, the bonus would be paid for the following 6 years as non-ringfenced grant. There would also be an additional payment for affordable homes.

The Policy redistributed a portion of formula grant on the basis of housing delivery and in the long run would be revenue neutral for the Government. The funds came from the abolition of the Housing and Planning Delivery Grant.

The consultation consisted of 13 questions. Officers from Neighbourhood and Adult Services and Economic Development Services were working together to understand the implications for the Council.

Discussion ensued on the report with the following issues highlighted:-

- It was a redistribution of funds from deprived areas to areas with less deprivation

- The funding was being taken from the formula grant
- Those areas most in need of new housing would get it by pump priming
- Rewarded those who built the biggest houses
- Developers will go to the areas that they thought would be the least affected by the recession
- It did not talk about the quality of the homes that were going to be built
- Currently it was money received as part of the formula grant that was used to support some of the planning systems and structures. Those areas that received new development would expect the bonus to be spent there

Resolved:- (1) That the Panel's comments made be included in the consultation response.

(2) That a reminder be sent to all Members of the Council of the importance of participating in the consultation.

48. ROTHERFED

Steve Ruffle, Development Manager, gave a presentation on the work of RotherFed during the past year which included:-

- Big Society
- Right to Rent
- Conferences with Partners
- Training
- Community Events
- Fairs Fayre
- Engaging all sections of the Community especially young people
- Inter-generation Work
- Black and Ethnic Minority Groups – work on setting up a Black and Ethnic Minority TARA
- Rotherham Deaf Futures TARA
- Grants/Small Grants
- HACT Golden project Winner “TARA Twinning”
- South Yorkshire Federation Network

Discussion ensued with the following issues highlighted:-

- Striving to unit tenants and resident working closely with the Council and 2010 Rotherham Ltd.
- The volunteers were the heart of the group. They were entitled to claim expenses but there was a great deal of underclaming
- RotherFed had been very successful in reaching parts of the community that the Council was not able, an example was the work with the black and ethnic minority community

- When discussing the future of 2010 and the management of the housing stock, attention must be paid not to jeopardise the work of RotherFed
- Funding for RotherFed came from the Council via 2010's management fee
- There were 21 Board Members, a mixture of tenants and residents. Residents could sit on Area Housing Panels but had no voting rights but each Panel had a nomination to the RotherFed Board

Steve was thanked for his presentation.

Resolved:- (1) That the presentation and the work of RotherFed be noted.

(2) That RotherFed be invited on an annual basis to give a report on their work.

49. SCRUTINY REVIEW - PRIVATE RENTED SECTOR

A brief verbal report was given on the work of the above Review Group.

50. CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS

The Panel noted the decisions made under delegated powers by the Cabinet Member for Safe and Attractive Neighbourhoods held on 18th October and 1st November, 2010.

51. SUSTAINABLE COMMUNITIES SCRUTINY PANEL

Resolved:- (1) The minutes of the meeting held on 28th October, 2010, were agreed.

(2) That the customer satisfaction report (Minute No. 37 Bereavement Services in Rotherham) be submitted at the same time as the visit to the East Herringthorpe Cemetery and Crematorium.

52. PERFORMANCE AND SCRUTINY OVERVIEW COMMITTEE

The minutes of the Performance and Scrutiny Overview Committee held on 22nd October and 12th November, 2010, were noted.

53. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of any particular person (including the Council)).

Please note that at the meeting the following item was moved into the open session.

54. FUTURE OF COUNCIL HOUSING STOCK

Further to Minute No. 106 of the 3rd November, 2010 Cabinet meeting, the Director of Housing and Neighbourhood Services submitted a report outlining

the reasons for the decision to undertake consultation on the proposal to return the direct management of Council house landlord functions to the Council.

In August, 2010, PriceWaterhouse Cooper (PWC) had been commissioned to carry out an independent financial assessment to determine the best means of managing and maintaining Council housing in future years. They had concluded that, in view of the potential savings that could be achieved, there was a sound case for returning the management service to the Council at the end of the current contract.

Whilst PWC primarily focussed on the economic issues, there were a range of other factors which lead to the view that a return in-house was in the best interests of tenants, residents and vulnerable communities:-

- Economic Reasons - to offer the best services for tenants from increasingly limited resources. Local authorities needed to deliver services that were as lean as possible and any duplication and removal of unnecessary bureaucracy
- Less Confusion, More Accountability - a number of tenants were confused about the ALMO and Council's roles and responsibilities
- Performance - There was duplication across the performance management function with the Council monitoring 2010's performance

A tenant consultation programme would run from November, 2010 to the middle of February, 2011. There would be a range of opportunities for tenants and leaseholders to express their views including newsletter and questionnaire, Tenant Roadshows, telephone surveys and the opportunity for verbal and written submissions.

Resolved:- That the rationale behind the proposed return in-house of landlord functions be noted and the proposals endorsed.