

**TENANTS' AND LEASEHOLDERS'
CONSULTATIVE FORUM****6 JANUARY 2009**

Chairman: * Councillor Barry Macleod-Cullinane
Councillors: * Bob Currie * Yogesh Teli
* B E Gate (2)

* Denotes Member present
(2) Denotes category of Reserve Member

[Note: Councillor Susan Hall also attended this meeting].

Tenants' and Leaseholders' Representatives

Representatives from the following associations were in attendance:

Antoney's Close Tenants' and Residents' Association
Eastcote Lane Tenants' and Residents' Association
Harrow Federation of Tenants' and Residents' Association
Leaseholders Support Group
Weald Tenants' and Residents' Association

In total, 8 representatives attended the meeting.

PART I - RECOMMENDATIONS**RECOMMENDATION 1 - Draft Housing Revenue Account (HRA) Budget 2009-10
and Medium Term Financial Strategy 2009-10 to 2011-12**

An officer presented a report of the Corporate Director of Finance that outlined the Draft Housing Revenue Account (HRA) Budget 2009-10 and the Medium Term Financial Strategy for 2011-12. The officer explained that the Medium Term Financial Strategy and budget for the next financial year, had been developed upon the HRA forecast outturn position at Quarter 2. The officer confirmed that the position would be updated and reported to the Council meeting on 19 February 2009.

The officer also reported that:

- the key area of income was rent;
- an in-year deficit of £1.4 million in 2009/10 had been forecast in the budget, which was greater than anticipated;
- the average rent for 2009/10 would increase by 6.19% in line with the Government's rent convergence policy. This meant that the average rent charged for each tenant would be £86.17 per week representing an average rent increase of £4.58;
- service charge for tenants and leaseholders had been recommended to increase in 2009/10 by 5.5% and 10.6% respectively;
- 20% of the service charge for leaseholders would be added as an administration charge to partially recover the costs for providing services to leaseholders;
- the estimated stock level of 5,065 properties at the start of April 2009 had assumed that a reduction of five right to buy sales would be applied in each financial year;
- rent loss resulting from voids had been accounted for at 1.44% and 0.58% in the estimated rental incomes for dwellings and sheltered accommodation respectively;
- the Housing Revenue Account (HRA) negative subsidy, of approximately £7 million, had been based on a draft determination issued by the Communities and Local Government Department and would be subject to review and consultation before publication of the final order;
- the draft repairs budget would remain unchanged at £4.8 million for each financial year until 2011/12;

- provisions for bad or doubtful debts had been increased to £250,000 in recognition of the pressure that there may be in collecting rental income in the current financial climate;

In light of concerns raised by representatives from Tenants' and Residents' Associations regarding the increase in the amount of service charges for tenants and leaseholders, it was suggested that an explanation of the how rent and service charges were calculated would be useful for all Harrow Council tenants. A representative from the Harrow Federation of Tenants' and Residents' Association (HFTRA) confirmed that training opportunities available to tenants' and residents, including an understanding financial information would be discussed at the next management meeting of the HFTRA.

Resolved to RECOMMEND: (to Cabinet)

- That (1) the draft Housing Revenue Account (HRA) for 2009-10 to 2011-12 be agreed;
(2) the Medium Term Financial Strategy 2009-10 to 2011-12 be agreed.

[Reason for Recommendation: To make an annual recommendation to Cabinet with respect to the HRA]

(See minute items 176 and 182).

PART II - MINUTES

172. **Attendance by Reserve Members:**

RESOLVED: To note the attendance at this meeting of the following duly appointed Reserve Member:-

<u>Ordinary Member</u>	<u>Reserve Member</u>
Councillor David Gawn	Councillor B E Gate

173. **Declarations of Interest:**

RESOLVED: To note that the following interests were declared:

<u>Agenda Item</u>	<u>Member</u>	<u>Nature of Interest</u>
7. References from Council and other committees/ Panels	Councillor Bob Currie	Councillor Bob Currie declared a personal interest on all items of the agenda, in that he attended monthly meetings of Brookside Close Tenants' and Residents Association and Eastcote Lane Tenants' and Residents' Association. He also was a retired member of UNISON. Accordingly, he would remain in the room during the discussion and decision-making for all items.
8. Quarter 2 Housing Revenue Account (HRA) Monitoring Report as at 30 September 2008		
9. Housing Capital Programme		
10. Update on Housing Repairs Budget		
11. Estate Services Consultation		
12. Report on Restructuring following the introduction of CIVICA IT systems		

13. Draft Housing Revenue Account (HRA) Budget 2009-10 and Medium Term Strategy 2009-10 to 2011-12)

174. **Minutes:**

RESOLVED: That the minutes of the meeting held on 11 November 2008, be taken as read and signed as a correct record.

175. **Public Questions, Petitions and Deputations:**

RESOLVED: To note that no public questions, petitions or deputations were received at this meeting under the provisions of Advisory Panel and Consultative Forum Procedure Rule 16, 14 and 15 respectively (Part 4E of the Constitution).

176. **References from Council and Other Committees/Panels:**

The Forum received a reference from the Cabinet meeting held on 18 December 2008. The reference contained details of the Draft Revenue Medium Term Financial Strategy for 2009-10 to 2011-12, and outlined the context for the budget. An officer explained that the reference would be addressed as part of the report relating to Draft Housing Revenue Account (HRA) Budget 2009-10 and Medium Term Strategy 2009-10 to 2011-12.

RESOLVED: That the reference be received and noted.

(See Recommendation 1 and Minute 182).

177. **INFORMATION REPORT - Quarter 2 Housing Revenue Account (HRA) Monitoring Report as at 30 September 2008:**

The Forum received an information report outlining the HRA at the end of Quarter 2 as at 30 September 2008 in the Municipal Year 2008-09. An officer explained that:

- there had been a £781,000 increase in total expenditure when compared with the approved budget of the previous year 2007-08;
- a number of variations, including employee, supplies and services costs had contributed to savings of £120,000;
- a surplus of £81,900 had been made in the contingency provision;
- the key variation in the HRA operating expenditure was an increase in the contribution to the repairs account by £650,000 above the approved budget;
- the level of bad debt provision for rent and service charge arrears had been increased from £100,000 to £140,000;
- an additional income of £401,000 had been anticipated;
- a £615,000 shortfall had reduced the assumed balance of £5,685,000 to be carried forward at the end of 2008-09;
- as a result of the variances in income and expenditure a projected balance of £5,070,000 would be carried forward at the end of 2008-09 financial year.

In response to comments by TRA representatives, the officer confirmed that adjustments would be made at the end of the 2008-09 financial year.

RESOLVED: That the HRA position at the end of the second quarter 2008/09 be noted.

178. **INFORMATION REPORT - Housing Capital Programme:**

An officer reported on the progress made in the Housing Capital Programme 2008/09 and the proposals for the 2009/10 Municipal Year.

The officer reported that works carried forward from 2007-08 to the 2008-09 financial year had been completed and the budget brought forward from the same period had been spent in full.

Proposals for the 2009-10 Housing Capital Programme included a comprehensive stock condition survey to be conducted during January and February 2009 and the completion of outstanding projects from the 2008-09 programme.

The officer also advised that, the Housing Capital Programme budget for 2009-10 had been reduced from £10 million to £6.9 million as a result of the decision to bring forward the Decent Homes 2009-10 budget into the 2008-09 budget.

RESOLVED: That the report be noted.

179. **INFORMATION REPORT - Update on Housing Repairs Budget:**

An update on the progress in managing the reported budgetary overspend for the Housing Repairs Service, that had been reported at the TLCF meeting on 11 November 2008 was provided by officers at the meeting.

An officer reported that a number of measures to reduce the potential overspend in the HRA budget had been implemented with effect from 2 October 2008. These measures included:

- the deferral of non-urgent repairs to 2009/10;
- closer scrutiny of repair costs and enhanced validation and quality control assessments;
- the capitalisation of works through the Decent Homes Programme where appropriate.

As a result of some of the measures, the officer advised the Forum that:

- the rate of spend on response repairs had been reduced to £141,000 per month;
- the cost of repairing a void property had reduced to £1,680 per empty property.

In response to questions raised by Members of the Forum, officers confirmed that:

- subject to budgetary provisions, there was an intention to introduce non-urgent repairs back into the budget for the next financial year;
- individual repairs reported to the service would be assessed according to demand;
- an update on the current years' performance and proposals for the 2009/10 budget would be provided at the next meeting of TLCF on 26 February 2009.

RESOLVED: That the report be noted.

180. **Estate Services Consultation:**

A report that provided feedback on the consultation during October 2008 with residents to improve services to Council housing estates was presented. The Forum was advised that the consultation had been arranged following the discussion at the TLCF meeting on 22 July 2008.

The officer reported that:

- estate services included caretaking services, grounds maintenance services, parking controls and building cleaning;
- a deep clean of all internal communal areas on Council estates financed by the contingency budget in 2008/09, had been conducted as a one off scheme.
- resident services had organised a number of meetings during October 2008 to consult with residents on how services could be improved and the possibility of establishing a steering group to review the services currently provided;
- 11 people had expressed an interest in representing residents on the steering group;
- residents' comments expressed during the consultation included, the need to ensure value for money, consistent caretaking services and the provision of internal cleaning on Council estates;

- leaseholders would be willing to pay increased service charges if services were enhanced;
- options to be considered by the steering group would include, improving the existing service and ideas on how to improve the service in the long term.

In response to comments received from Tenants' and Leaseholders' representatives, officers confirmed that:

- residents' who had expressed an interest in contributing to the steering Group would be invited to attend the first meeting;
- an article would be placed in the Council's next "Homing In" publication to advise residents of meeting dates and times;

The Forum supported proposals for;

- (1) estate services to be maintained at their current level and that
- (2) a steering group be established to deliver service improvements in estate services which would be developed by resident and leaseholder representatives.

RESOLVED: That the report be noted.

181. **INFORMATION REPORT - Report on Restructuring following the Introduction of CIVICA IT systems:**

An officer reported on proposals for reducing costs in the delivery of Housing Services following the implementation of the CIVICA IT systems through the HaRP project.

The officer explained that, Housing Services had been using the 'live' system since 16 October 2008 and it was believed that the systems' capacity to monitor work load and share customer data electronically with other Council departments system would improve service delivery and maximise efficiency within the department.

The officer added that, the introduction of the system would facilitate a reduction of approximately £362,000 in staffing costs divided between Resident Services and Housing Needs for 2009-10. Any staff affected by the proposed changes would be displaced within the Council or other arrangements would be made.

The officer advised that the Forum would be informed of any changes to Housing Services.

RESOLVED: That the report be noted.

182. **Draft Housing Revenue Account (HRA) Budget 2009-10 and Medium Term Strategy 2009-10 to 2011-12:**

(See Recommendation 1 and Minute 176)

183. **Suggestions for agenda items for next meeting:**

The following items were suggested as agenda items for the next meeting of the TLCF:

- progress update on Estate Services Steering Group;
- External Decorations and Repairs Budget;
- Tenants' Satisfaction Survey;
- Feedback from HFTRA on Training.

RESOLVED: That the suggested items be noted.

184. **Date of Next Meeting:**

RESOLVED: To note that the next meeting of the Forum would be held on Thursday 26 February 2009 at 7.30 pm.

(Note: The meeting having commenced at 7.32 pm, closed at 9.22 pm)

(Signed) COUNCILLOR BARRY MACLEOD-CULLINANE
Chairman