

TENANTS' AND LEASEHOLDERS' CONSULTATIVE FORUM MINUTES

5 JANUARY 2011

Chairman: * Councillor Bob Currie

Councillors: * Mrs Camilla Bath (2) * Barry Macleod-Cullinane
* Mano Dharmarajah

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

Representatives from the following Associations were in attendance:

Antoney's Close Tenants' and Residents' Association
Brookside Close Tenants' and Residents' Association
Cottesmore Tenants' and Residents' Association
Eastcote Lane Tenants' and Residents' Association
Elmgrove Tenants' and Residents' Association
Harrow Federation of Tenants' and Residents' Associations
Harrow Weald Tenants' and Residents' Association
Leaseholder Support Group
Little Stanmore Tenants' and Residents' Association
Pinner Hill Tenants' and Residents' Association

19. Attendance by Reserve Members

RESOLVED: To note the attendance of the following duly constituted Reserve Member:

Ordinary Member

Councillor Simon Williams

Reserve Member

Councillor Camilla Bath

20. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Items: 7. INFORMATION REPORT - Housing Revenue Account (HRA) Forecast Outturn 2010/11, 8. Draft Housing Revenue Account (HRA) Budget 2011/12 to 2015/16, 9. INFORMATION REPORT - Asset Management Progress Report, 10. INFORMATION REPORT - Resident Services Manager's Report, 11. INFORMATION REPORT - Local Decision: A Fairer Future for Social Housing

Councillor Bob Currie declared personal interests on the above items in that he attended monthly meetings of the Eastcote Lane and Brookside Close Tenants' and Residents' Associations'. He would remain in the room whilst the matters were considered and voted upon.

Councillor Mano Dharmarajah declared personal interests on the above items in that he attended monthly meetings of the Eastcote Lane and Brookside Close Tenants' and Residents' Associations'. He would remain in the room whilst the matters were considered and voted upon.

Agenda Item 7 - INFORMATION REPORT - Housing Revenue Account (HRA) Forecast Outturn 2010/11

Councillor Barry Macleod-Cullinane declared a personal interest in the above item, in that he was Portfolio Holder for Housing Services at the time of the budget setting in the 2009/10 Municipal Year. He would remain in the room whilst the matter was considered and voted upon.

21. Minutes

RESOLVED: That the minutes of the meeting held on 9 November 2010 be taken as read and signed as a correct record, subject to the following amendments:

(i) Minute Item 17. SmartWater Presentation

The first line of paragraph 6 be amended to read: 'After the discussion on this item and before the next item of business ...'

(ii) Minute Item 18. Quorum

To read: 'Two Members of the Forum left the room at 7.55 pm, due to the majority of Tenant and Resident Association Representatives leaving the meeting. This made the meeting inquorate.'

22. Public Questions, Petitions and Deputations

RESOLVED: To note that no public questions were put, or petitions or deputations received at this meeting.

RECOMMENDED ITEM

23. Draft Housing Revenue Account (HRA) Budget 2011/12 to 2015/16

An officer introduced a report which set out the Draft Housing Revenue Account (HRA) Budget 2011/12 to 2015/16. The Forum was requested to consider the budget including the income maximisation options and make recommendations to Cabinet where appropriate.

The officer advised that:

- draft budgets indicated that HRA balances would fall below the recommended minimum of £750,000 within forty eight months if income maximisation options were not utilised;
- the current annual spend exceeded income. Action was therefore required to bring expenditure back in line with income.

The officer reported on income options for dwelling rents which included:

- to continue with the current rent strategy of an average weekly rent of £95.82, an increase of £4.52 per week (4.95%);
- to follow Government guidance by applying a broad percentage increase. This would result in an average rent of £96.86, an increase of £5.49 per week (6.04%);
- to follow Government guidance to maximise income. This would result in an average weekly rent of £98.16, an increase of £6.79 per week (7.46%);
- to maximise income and re-let vacant dwellings straight to a higher target rent. This would result in an average weekly rent of £98.11, an increase of £6.74 per week (7.46%).

Further income options also included:

- reducing the time taken to refurbish void properties to 15 days, which could generate an additional income of £50,000 by 2015/16;
- charging Freeholders for services to recover costs which could potentially generate approximately £500,000 additional income;
- recognising further improvements in the collection of income, resulting in a £50,000 reduction in the provision for bad debt;
- considering a 2% increase on the charging policy for Garage and Community Halls.

In response to questions, officers advised that:

- as well as seeking opportunities to maximising income, means of reducing expenditure were also being identified;
- legal issues surrounding charging freeholders for services to recover costs were still being investigated. An outcome would be provided as soon as it became available;
- Tenant and Resident Associations' would not be charged for the use of community halls.

TRA representatives expressed that as the group was not sufficiently representative of tenants, they were unwilling to express an opinion on the rent options. In light of this, TRA were not in a position to agree the most appropriate rent strategy for the Housing Revenue Account (HRA) Budget.

TRA Representatives also commented that a reduction in the time taken to refurbish void properties to 15 days would be welcomed. However, concerns were raised of how realistic this target would be given the potential for higher turnover associated with the proposed Coalition changes.

Resolved to RECOMMEND: (to Cabinet) That

- (1) the income maximisation options for the Draft Housing Revenue Account (HRA) Budget, 2011/12 to 2015/16 be noted;
- (2) a reduction in the time taken to refurbish void properties to 15 days be endorsed;
- (3) recognising further improvements in the collection of income to reduce the provision for bad debts be put into practice;
- (4) no decision on the preferred rental option was identified given that TLCF was insufficiently representative of tenants.

RESOLVED ITEMS

24. INFORMATION REPORT - Housing Revenue Account (HRA) Forecast Outturn 2010/11

An officer introduced a report of the Corporate Director Finance, which provided the projected outturn for the Council's Housing Revenue Account (HRA) for the financial year 2010/11, as at the close of September 2010.

The officer advised that there was:

- 5,058 dwellings and 1,170 Leaseholders;
- £4.784 million in reserves;

- an average weekly rent of £86.60 and an average weekly service charge of £4.77, totalling £91.37 per week;
- a budgeted total spend of £26.967 million. The budgeted income was £26.290 million;
- additional use of balances including external decorations and the Housing Ambition Plan, would result in a projected deficit of £1.526 million;
- £3.283 million in reserves anticipated at the end of the financial year 2010/11.

In response to questions, officers advised that:

- the negative subsidy, a mandatory contribution to the national Government system, was calculated using a Government formula. Not every Local Authority was required to contribute to the national subsidy;
- £250,000 was an estimated provision for bad debts. These may include tenant arrears, for example. The final sum would depend on how the debt profile looked at the end of financial year 2010/11;
- the progress of refunding those overcharged for electricity fees would be investigated;
- the interest rate on HRA balances was 4.59%. All monies was borrowed in accordance with the Treasury Management Policy on the open market, against a list of approved lenders;
- would clarify the costs for Grounds Maintenance.

RESOLVED: That the report be noted.

25. INFORMATION REPORT - Asset Management Progress Report

An officer introduced a report which provided a position statement on progress and issues within the Asset Management team.

The officer advised that:

- the restructure of the Asset Management team was due to be completed within the next few months;
- asbestos surveys and removals were contributing to the high cost of voids. Recharging out-going tenants for damage caused and for clearing rubbish left by the tenant would help mitigate these costs;
- to continue with the implementation of the Capital Programme, Asset Management were exploring alternative contractual arrangements in 2011;

- the Tenant Services Authority (TSA) had indicated their agreement to extend the deadline for the major works at the Francis Road estate;
- three lifts were due to be replaced in 2011.

In response to questions, the officer advised that:

- the Virgin television cables at estates were installed in 1993. They were now considered to be old and needed to be replaced;
- a visit by a Digital television expert at a future meeting of the Forum would be considered;
- consideration would be given to provide Freeholders with the option to pay for Digital Television through the Council's programme;
- there were legal restrictions surrounding the number of antenna allowed on each block;
- the possibility of installing equipment, such as Sky for example, in addition to basic television installation, would be investigated;
- all options regarding the Digital switchover remained open.

RESOLVED: That

- (1) the report be noted;
- (2) a progress report on the Digital Television switchover be provided at a future meeting of the Forum.

26. INFORMATION REPORT - Resident Services Manager's Report

An officer introduced a report which set out a range of information items.

The officer advised that a consultation exercise would be conducted to establish whether or not to continue with the Estates in Bloom competition.

Members of the Forum stated that perennial plants on estates needed a longer amount of time in order to thrive successfully.

RESOLVED: That the update be noted.

27. INFORMATION REPORT - Local Decision: a Fairer Future for Social Housing

Officers introduced a report which summarised the proposals set out in the Fairer Future for Social Housing consultation paper, issued by the Government in November 2010. Proposals were already contained in the Localism Bill, which was currently being considered by Parliament.

Officers advised that:

- Councils and housing associations would have the option to choose a flexible tenancy. The Government proposals suggested that flexible tenancies would be for a minimum term of two years;
- 'flexible' tenants would retain right to buy, exchange and repair privileges;
- a new Affordable Rent tenancy would be introduced for housing associations, who would be able to charge up to 80% of local market rents for new homes and some existing homes. These would also be flexible, with a minimum two year tenancy period being proposed;
- existing tenants who did not move property would not experience any change;
- tenants who had moved would be likely to keep their existing lifetime tenancy. However, if the move was to a housing association property, they may have to pay the higher Affordable Rent;
- the Harrow Local Authority strategic tenancy policy would determine the length of the minimum tenancy period, and how it would be managed;
- proposals for the Governments Universal Credit would be put to parliament in a Welfare Reform Bill in 2011;
- the Universal Credit proposals would seek to simplify the benefits system by streamlining benefits and tax credits into one payment;
- there would be a maximum amount of benefit each household could receive. It was anticipated that this figure would be approximately £500 per week;
- the new proposals would provide the ability to end the Council's duty to homeless households by providing private rented housing. There would be no agreement required from applicants. Up to 70% of new lettings were assigned to homeless households. A potential benefit of this new proposal would mean that this 70% could be used for variety of housing needs.

In response to questions, officers advised that:

- when devising the strategic policy for Harrow, a longer minimum period for flexible tenancies may be considered, to maintain the corporate priority of building stronger communities;
- the Welfare Reform Bill had not yet been published. It was assumed that it would include all benefits such as Council tax;

- with the possibility of increased turnover on housing estates, a potential increase in void repair costs may arise;
- a modelling exercise on how the proposals would directly impact upon the needs of those in Harrow would be conducted at the earliest opportunity;
- comparisons could be drawn with neighbouring boroughs on their approach to re-housing local families;
- in relation to family size, properties were appropriate for the needs of all families when the initial housing placement was completed.

Members of the Forum were reminded that the report formed the basis of the initial consultation process, and that the specifics of the proposals would be finalised over the course of the next year. Members were also requested to complete a questionnaire that was tabled at the meeting.

RESOLVED: That

- (1) the report be noted;
- (2) Members be requested to complete the questionnaire and return it to officers by 12 January 2011 to gauge initial feedback on the proposals.

28. Suggestions for Agenda Items for next Meeting

RESOLVED: That no items were suggested.

29. Any Other Urgent Business

Fitting of replacement windows:

A Leaseholder Support Group (LSG) representative advised that an issue regarding the fitting of replacement windows at Bucknell House had been resolved to the satisfaction of the leaseholders in question and the LSG.

30. Date of Next Meeting

RESOLVED: That the Forum was next due to meet on 24 February 2011.

(Note: The meeting, having commenced at 7.30 pm, closed at 11.25 pm).

(Signed) COUNCILLOR BOB CURRIE
Chairman