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MINUTES OF THE HOUSING SELECT COMMITTEE

Wednesday, 31 October 2012 at 7.30 pm

PRESENT: Councillors Carl Handley (Chair), Vincent Davis (Vice-Chair), Paul Bell, Patsy Foreman, Vicky Foxcroft, Darren Johnson and Sam Owolabi-Oluyole and

APOLOGIES: Councillors Amanda De Ryk and Ami Ibitson

ALSO PRESENT: Cheryl Collins (Service Manager, Licensing), Charlotte Dale (Scrutiny Manager), Joseph Dunton (Scrutiny Manager), Molly Gavriel (National Management Trainee), Tom Guise (Labour Political Assistant), Mark Humphreys (Group Finance Manager - Customer Services), Genevieve Macklin (Head of Strategic Housing), Tony Mottram (Head of Business Regulatory Services), Alison Potter (Liberal Democrat Political Assistant), Kevin Sheehan (Executive Director for Customer Services), Selwyn Thompson (Budgets & Efficiency Group Manager), Councillor Susan Wise (Cabinet Member for Customer Services) and Georgina Nunney (Principal Lawyer)

1. Minutes of the meeting held on 11 September 2012

- 1.1 **RESOLVED:** That the minutes of the meeting held on 11 September 2012 be signed as an accurate record of the meeting.

2. Declarations of Interest

- 2.1 Councillor Bell declared a non-prejudicial interest as a Lewisham Homes Board Director.

3. Savings proposals 2013/14

- 3.1 Selwyn Thompson introduced the report, commented on the challenging financial outlook for local authorities and suggested that savings of between £30m and £55m would need to be made over the next two years. It would not be possible to determine a more specific savings requirement until the Local Government Finance Settlement was published, and this was estimated to take place between 5 and 20 December 2012. A total of £28m of savings proposals across the Council were contained in the report.
- 3.2 Genevieve Macklin introduced the package of proposals relevant to the remit of the Committee and reported that modernising services and teams in light of the vast changes impacting upon housing, including the market downturn and welfare reform, was the key driver behind the proposals. The overarching aim was to address the needs of the most vulnerable and focus the limited resources available on those who needed the most support. Two key features of the proposed reorganisations were a reduction in the number of 'hand offs' between teams and a move towards providing more services online.
- 3.3 Members discussed the five savings proposals that had been allocated to the Committee and the following was noted/commented upon in relation to each one:

CUS30 (A review of staffing structures in environmental health (residential) and private sector housing grants)

- The staffing reductions involved in this proposal were on the administration side (e.g. the administration of grants) and the enforcement side (e.g. environmental enforcement), but new options for income generation had offset the need for a larger saving. Improving the linkages between services was also progressing well. However, services would need to focus on the most critical areas and there would be less capacity for proactive work.
- The Committee had previously advocated a more robust approach to enforcing standards in the private rented sector and Members felt was hard to see how this proposal would further that aspiration.
- It was not possible to be specific about which posts would be deleted under this proposal as staff had not yet been consulted.
- Despite the reduction in enforcement staff landlords not complying with regulations would still be targeted and all complaints investigated. Should the volume of enforcement activity be too high for the staff resource available, the staffing structure would be re-assessed, but under no circumstances would staff resource be bought in from the private sector.

CUS31 (A review of the Housing Strategy and Development area leading to the number of teams being reduced from three to two)

- The reduction in staff would be made possible by more policy work being carried out corporately.

CUS32 (A review of the Housing Needs team to meet Government and legislative changes to housing and welfare reform)

- The aim of the proposal was to create a single pathway for all clients. Fewer staff would be needed following the reduction in the numbers on the Housing Register following changes to the allocations policy and the abolition of band 4.
- Although Sutton's move to online housing applications had not been entirely successful, Camden's move had been a lot smoother, and it would be important to learn lessons from other local authorities. Should Lewisham adopt an online only approach, special provision would be made for vulnerable residents and any other residents unable to complete an online application without support.

CUS33 (Restructuring and reshaping housing services and laying the foundation on which the Lewisham Lettings Agency will be built)

- This proposal would further progress the development of the social lettings agency "Love Lewisham Lets".

CUS34 (Making better use of hostel accommodation and reducing the use of bed and breakfast accommodation)

- A more flexible use of accommodation (e.g. moveable dividing walls) would reduce the need for B&B accommodation.

3.4 **RESOLVED:** That the Committee's views on the following savings proposal be submitted to the Public Accounts Select Committee on 12 November 2012:

CUS33 (A review of staffing structures in environmental health (residential) and private sector housing grants)

The Committee recommends that (a) a more detailed impact assessment is carried out prior to this savings proposal being progressed further and (b) officers present some alternative proposals for achieving this saving, as it is the Committee's view that the proposal in its current form will have a significant negative impact on enforcement activity.

4. Update on the implementation of agreed Private Rented Sector review recommendations

- 4.1 Genevieve Macklin introduced the update and reported that work on establishing the Council's social lettings agency "Love Lewisham Lets" was progressing and it was hoped that the service would be launched shortly after April 2013. She also reported that the number of properties available through the private sector leasing (PSL) scheme had increased from 360 to 503 which was helping to reduce the need for B&B accommodation; leases with landlords were being changed to reduce the risk to the Council; and discussions were being held with the Metropolitan Police Service (MPS) regarding illegal evictions and the law. A number of high profile enforcement cases were also being pursued.
- 4.2 In response to a question from Councillor Davis, the Committee discussed additional and selective licensing schemes and noted that such schemes were very resource intensive and the evidence threshold required to establish them was relatively high. However, the desirability and expense of introducing a scheme in Lewisham would be kept under review and officers would monitor the success of such schemes in other areas, including Newham. It was reported that, although such schemes were often cost neutral on paper, there were a lot of upfront costs involved and it was by no means guaranteed that these would be recouped. Such schemes might also have unintended consequences, such as reducing the number of private landlords in an area and thereby, potentially, increasing homelessness numbers.
- 4.3 It was agreed that planners would be asked to reconsider whether adopting an Article 4 direction under planning legislation would be beneficial in terms of cracking down on rogue landlords; and in relation to this, Councillor Davis agreed to provide information on a relevant case study. It was noted that, in terms of enforcement action, the Council was currently involved in three legal cases relating to the prosecution of non-compliant HMO landlords.
- 4.4 It was noted that under the PSL, the Council was responsible for meeting the costs of evicting tenants, but that the costs came out of the £40 a week management fee charged by the Council to manage the properties in the scheme. It was agreed that ongoing monitoring of the income generated by the management fee, versus the costs incurred, would take place to ensure that there was no financial loss to the Council in managing PSL properties. It was noted that, currently, all the properties in the PSL scheme were in the borough, although this might change in the future.
- 4.5 Councillor Johnson commented on the usefulness of the update and said he would feed it into the GLA's review on the private rented sector.
- 4.6 **RESOLVED:** That the update be noted; that confirmation of the four or five London boroughs operating an additional or selective licensing scheme be provided to the

Committee; and that Planners be asked to reconsider whether adopting an Article 4 direction under planning legislation would be beneficial.

5. Scoping paper - low cost home ownership

- 5.1 The Committee discussed the scoping paper for the in-depth review and Councillor Davis suggested that, in relation to Community Land Trusts (CLTs), consideration should be given to inviting a representative of (a) a local CLT and (b) Community Finance Solutions, based at the University of Salford.
- 5.2 **RESOLVED:** That the scoping paper be agreed subject to the inclusion of two further potential expert witnesses.

6. Key housing Issues

6.1 Madeleine Jeffery introduced the update and the following key points were noted:

- The Housing Matters conversation had been launched in September, with events across the borough, and work being carried out in relation to infill opportunities indicated that there was the potential for 600 new homes to be built. This would, however, require extensive consultation, and feedback on the viability and feasibility of individual schemes would be fed back to the relevant ward members and the Committee. Work on site would commence, at the earliest, in December 2013.
- The viability and feasibility of sheltered and extra care housing schemes for the elderly were being assessed with PTE architects and additional funding from the GLA was also being explored.
- Decent Homes funding for 2013-15 had been secured and a revised 'flattened out' programme of work was being developed which would see similar amounts of investment (£20-£30m) being deployed each year.
- Various changes to the Council's Allocations Policy, including the abolition of band 4 of the housing register, had been implemented. In terms of the letter sent to those that were in band 4, about 10% had contacted the Council for advice about other housing options or to request that their circumstances were re-assessed.
- The regeneration schemes were all progressing and property guardians were being used in Heathside & Lethbridge and in Milford Towers, and was, by far, the cheapest method of securing the sites.

6.2 In response to questions from members of the Committee, the following points were noted:

- Ad Hoc was the company being used to provide property guardians and they charged tenants rent that was significantly below the market rate. It was agreed that information on their full list of fees, to both tenants and the Council, would be provided to the Committee.
- Some non-Lewisham Homes residents were involved in the Housing Matters conversation, including the Positive Ageing Council; the Young Mayor and his advisers; and those accessing the consultation on the website. The Annual Residents Survey also included some questions on social housing. A ballot of tenants, if required, would take place no earlier than Autumn 2013.
- It was agreed that information on the costs incurred so far by the Housing Matters programme would be provided to the Committee.

- It was noted that, whatever the outcome of the consultation, the views expressed by residents, which were not necessarily corresponding to officers' expectations, would be taken into consideration and acted upon.

6.3 **RESOLVED:** That the update be noted and that information on (a) the fees charged by the operators of the Council's Property Guardianship Scheme (Ad Hoc) to tenants and the Council; and (b) the current spending against budget for the Housing Matters programme, be provided to the Committee.

7. Select Committee work programme

7.1 It was noted that, in March, there would be an item on the use of temporary accommodation for homeless households. Charlotte Dale reported that Councillor De Ryk had suggested that the Committee might like to (a) visit some homelessness accommodation in relation to this item and (b) invite someone from the Deptford 999 Club to attend the meeting and contribute to the discussion. The Committee agreed to these suggestions.

7.2 **RESOLVED:** That the work programme be noted.

8. Referrals to Mayor and Cabinet

8.1 None, but a referral to the Public Accounts Select Committee on 12 November 2012 would be made.

The meeting ended at 9.15 pm

Chair: _____

Date: _____