

# MINUTES OF THE HOUSING SELECT COMMITTEE

Tuesday, 15 September 2020 at 7.00 pm

PRESENT: Councillors Peter Bernards (Chair), Stephen Penfold (Vice-Chair), Silvana Kelleher and Olurotimi Ogunbadewa.

APOLOGIES: Councillors Aisling Gallagher and Susan Wise.

ALSO PRESENT: John Bardens (Scrutiny Manager), David Austin (Acting Chief Finance Officer), Fenella Beckman (Interim Director of Housing), Rachel Dunn (Housing Partnerships and Service Improvement Manager), Kevin Sheehan (Executive Director for Housing, Regeneration & Environment) and Cllr Paul Bell (Cabinet Member for Housing).

## 1. Confirmation of Chair and Vice-Chair

Resolved: that Councillor Peter Bernards be confirmed as the Chair and Councillor Stephen Penfold be confirmed as the Vice-Chair of the Select Committee.

## 2. Minutes of the meeting held on 12 March 2020

Resolved: the minutes of the last meeting were agreed as a true record.

## 3. Declarations of interest

The following non-prejudicial interest was declared:

- Cllr Silvana Kelleher is a Lewisham Homes tenant.

## 4. Responses from Mayor and Cabinet

There were no responses from Mayor and Cabinet.

## 5. Financial stabilisation - budget update and medium term plan

David Austin (Acting Chief Finance Officer) introduced the report and the following key points were noted:

- 5.1 The current circumstances are presenting the council with significant challenges and levels of uncertainty across four primary areas: the impact of Covid-19; continuing service pressures and overspends reflecting rising costs and demand; public finance uncertainty for local government; and broader concerns about the economy and a potential Covid-19 second wave.
- 5.2 The council is facing an in-year funding shortfall due to both the costs and loss of income related to the Covid-19 response (around £20m) and service overspends (around £17m).

- 5.3 In terms of service overspends, management action is being taken now to make more than £5m of in-year savings to live within the budget set for the year.
- 5.4 In the medium term the council needs to find at least £40m of cuts over the next three years, with the majority of these (£24m) coming in the first year, 2021/22.
- 5.5 Officers are taking a themed approach to finding cuts (not setting targets), looking at the needs and objectives of the council, its strategic priorities towards the community and its businesses, and working back from there to look at how the council is organised and operates to ensure that it does so within a reasonable and available financial budget.
- 5.6 In relation to housing there's a theme around council assets looking at buildings and how services are run. There's also a theme around demand management piece looking at different ways to engage the community that might reduce the pressures on services.

There was a discussion and the following key points were noted:

- 5.7 One committee member noted that a lot of homelessness work is based on prevention and stressed the point that any cuts to discretionary preventative services should be carefully thought through so that they don't lead to spending more on a mandatory service at a later point.
- 5.8 The risk of cost shunts from reducing discretionary preventative services is recognised by the council, but with the current level of financial challenge the council may have to give consideration to the mandatory statutory element first.
- 5.9 While the council is taking a whole-council, themed approach the council does also have to be mindful of the Housing Revenue Account, which is protected to an extent because of the way its funded and the contract with tenants to ensure that stock condition maintained.
- 5.10 The responsibility for paying for the council tax reduction scheme was transferred to local government in 2013/14. Funding for the scheme was cut by 15% and rolled into the base grant, which has continued to be cut.
- 5.11 A consequence of the Covid pandemic is that there are likely more people entitled to Universal Credit and therefore entitled to a reduction so a bigger bill for the council to fund. As things stand this is expected to rise around £2-3m a year.
- 5.12 One committee member noted the Government's ban on evictions and queried what the council is doing to prepare for when this comes to an end; what is being done to prevent potential homelessness; and what is being done to prepare for the extra financial pressure.
- 5.13 The committee member stressed that it is vital that we have a plan in place to meet the challenge.
- 5.14 An increase in evictions once the ban comes to an end is recognised by the council as a real risk.
- 5.15 The council supports individuals and landlords as soon as they approach. The council can help mediate and work with tenants around payment plans,

among other things. The council is also organising a meeting with other local housing providers and voluntary sector organisations, including the credit union, to discuss the eviction risk.

- 5.16 It was also noted that the government has announced an extra £180m for local authorities for discretionary housing payments to support renters having problems.

Resolved: The committee noted the budget update.

## **6. Housing's response to Covid-19**

Fenella Beckman (Interim Director of Housing Services) introduced the report and there was a discussion. The following key points were noted:

- 6.1 One of the most significant changes during Covid-19 was the housing service's move from a through-the-door provision to remote provision of services via phone and internet.
- 6.2 The committee expressed concern about the ongoing housing support that will be available for residents with "no recourse to public funds" and the risk of homelessness if support is withdrawn.
- 6.3 It was noted that there are ongoing discussions with the government about how long the emergency support for residents with no recourse to public funds will be in place, but this is not settled yet as a second wave is looking increasingly likely. If, however, the government decided to revert to the previous legal position it would be illegal for the council to provide accommodation for people with no recourse to public funds.
- 6.4 It was noted that the council works closely with a network of homelessness organisations and charities who are also able to help those who struggle with no recourse to public funds.
- 6.5 Residents that were housed under the "everyone in" initiative are still in accommodation. No one has been asked to leave. Officers are working to assess needs and find appropriate tenancies.
- 6.6 During the pandemic council officers supported 50 rough sleepers with no recourse to public funds. The council has also been supporting a number of rough sleepers to regularise their immigration status. It was noted that a number of rough sleepers were EU citizens.
- 6.7 Those that have applied since the initiative ended on 4th July have been assessed the same way the council assessed applicants prior to the pandemic.
- 6.8 One committee member noted that despite the recent extension of eviction notice to 6 months those residents who were given eviction notices earlier in the year are likely to start approaching the council soon after the courts reopen. The committee member asked if there are any estimates as to the number of people likely to approach the council and any plans for dealing with this.
- 6.9 The council is currently monitoring unemployment figures and extrapolating the likely increase in homelessness approaches from that and other sources.

There is not yet a settled forecast but the council is expecting an increase and officers are working to clear current cases to prepare.

6.10 One committee member noted that as well as section 21 notices for eviction there are also mandatory ground 8 eviction notices for when a tenant is eight weeks in arrears and asked whether the council has assessed the possible increase in demand from this as well.

6.11 Officers agreed to provide a briefing in response to the concerns raised about ground 8 eviction notices.

Resolved: The committee noted the report and agreed to receive a future briefing of ground 8 evictions.

**7. Housing Strategy 2020-26 and Homelessness and Rough Sleeping Strategy 2020-22**

Fenella Beckman (Interim Director of Housing Services) introduced the report and there was a discussion. The following key points were noted:

7.1 To prepare for a likely increase in demand for homelessness services the council is continuing its prevention work and ensuring that it has the necessary capacity at the “front door”.

7.2 It was noted that during the pandemic homelessness services were categorised as one of the council’s critical services and prioritised for support and the resources it needs and that this will be the case with any second wave as well.

7.3 One committee member expressed concern about those residents that may not be aware that evictions have been suspended and suggested the use of social media to get information like this out to people.

Resolved: The committee noted and approved both strategies.

**8. Select Committee work programme**

The scrutiny manager introduced the report.

8.1 The committee discussed the draft work programme and agreed to include an item on shared ownership at its January meeting.

Resolved: The committee agreed its work programme for the year.

The meeting ended at 20:20

Chair: \_\_\_\_\_

Date: \_\_\_\_\_