

Cabinet Housing Committee Minutes

Meeting date: 15 January 2025

Present:

Councillors:

Flo Clucas, Jan Foster, Richard Pineger, Julian Tooke and Suzanne Williams

Coopteers:

Ian Mason, Bozena Tarnawska and Agnieszka Wisniewska

Also in attendance:

Councillors:

Gareth Edmundson (Chief Executive), Louisa Foster, Claire Hughes (Director of Governance and Customer Services and Monitoring Officer), Paul Leo (Interim Director Housing Transformation), Nick Such (Tenancy Services Manager) and Caroline Walker (Director of Housing, Customer and Community Services)

1 Apologies

There were none.

2 Declarations of interest

There were none.

3 Public and Member Questions

There were none.

4 Minutes of the last meeting

To approve the minutes of the meeting held on 13th November 2024.

RESOLVED THAT

The minutes of the meeting held on 13 November 2024 were signed as a correct record.

5 CEO Briefing

Objective: An update from the Chief Executive on key issues which may be of interest to the Cabinet Housing Committee.

The Chief Executive addressed the committee and explained that the initial recruitment process for the position of Director of Housing – Investment, Repairs and Decarbonisation had been unsuccessful. He confirmed that we are engaging with recruiters and that he would bring further updates to future meetings. He highlighted that the Interim Housing Transformation Director will continue to fulfil the role of the duty holder for the Regulator of Social Housing (RSH) with responsibility for health, safety and compliance. The Chief Executive explained that he is also working with HR colleagues to look at opportunities for both senior and junior colleagues to improve their professional development, and housing management standards and qualifications. He highlighted that this will provide strength and depth across the business and provide a succession plan beneath the duty holder.

The Chief Executive thanked colleagues for the work being carried out in housing. He explained that the Consumer Standards Improvement Board had met and discussed the council's ambition to become an exemplar C1 housing provider and the Improvement Programme's essential role in moving towards this target. It will provide oversight on what is going well and what areas require increased focus. A critical element of this work is the completion of stock condition surveys. The Chief Executive informed the committee that this work is slightly behind schedule, but we are working with contractors to introduce measures to move us back on target. He emphasised the importance of the surveys to ensure we really understand our homes to enable us to determine investment, schedule works and replacements, and identify which blocks need to be prioritised for capital investment.

The Chief Executive highlighted the huge amount of recent activity in local government with the announcement of planning reform, a new finance settlement and the local government white paper. He explained that the white paper proposed significant changes to how government is structured with the aim that every area of England will be represented under a unitary combined authority. All two-tier areas, including Gloucestershire, have been asked to present interim proposals for local government reorganisation in the Spring, with final proposals due in May or Autumn depending on whether local county council elections are delayed. The Chief Executive stressed that the administration was continuing to focus on delivering the corporate priorities, including the delivery of new homes, the improvement of current housing stock and the delivery of the Consumer Standards Improvement Plan. He noted that as Cheltenham and Stroud are the only local authorities to have retained their own housing stock there may be opportunities to consider how we can continue

to provide excellent homes for our communities and contribute the people and skills we have to areas outside the Cheltenham boundary.

The Committee's discussion raised the following points:

- There will be future Member Development opportunities for the Cabinet Housing Committee and Members were encouraged to consider what areas would benefit from additional insight. The committee agreed that a session on how the council supports people who need accessibility adaptations for their homes would be useful.
- They requested further information be provided on the End Furniture Poverty report included within the briefing note.

6 Property Compliance Performance and stock condition project update

Objective: To provide the Committee with an understanding of our property compliance status and the planned improvements needed to address areas of non-compliance.

The Interim Housing Transformation Director introduced the report as published and provided the committee with the following updates:

- Overdue fire risk actions had reduced from 111 at the end of November to 107 at the end of December. Outstanding actions include 20 that are high-risk – 14 fire doors that need to be manufactured and 6 relating to compartmentalisation issues. Mitigation measures are in place for all high-risk actions whilst a permanent solution is delivered and tenants are being kept informed.
- A new rolling process of fire risk assessments (FRAs) is beginning, this will ensure that the service is not overwhelmed again by all FRAs being carried out at the same time. This smoothing process will involve some FRAs being carried out ahead of schedule. Actions emerging from FRAs will also now be recorded on the housing management system rather than being managed through separate spreadsheets. This will provide a transparent and easily accessible snapshot of what actions are outstanding and use the power of that system to warn us when actions are in danger of being overdue.
- A special consultancy report is due this week on 3 blocks that are 11m high. This height of building is now coming under scrutiny due to changes in regulations (previously these were not included as the fire brigade's equipment can access this height of building). These inspections have included an external review of the blocks which has identified issues with old render which could be a fire risk. As we were informed of these issues before the publication of the report we have been able to inform tenants, put mitigation measures in place, including the installation of a new fire alarm system, and begin repairs to the render.
- Cases of damp, mould and condensation (DMC) have increased to 275 from 249. This is in line with expectations due to the time of the year. One category 1 case has been identified and the tenants were decanted on the same day to minimise the risk to residents. This is not required in the majority of cases where treatment can be carried out with the tenants in residence.

- Six category 1 safety issues have been identified during stock condition surveys, two of which related to DMC. Some of these have since been downgraded to category 2 following further investigation.
- An issue has been identified where historically repairs that were referred to the Technical & Investment team were closed on the responsive repairs system. This process has now been changed and these repairs will remain open. This has meant some historical data has been inaccurate but this has only impacted around 0.5% of overall repairs.

The committee's discussion raised the following points:

- The three blocks with render issues are on Orchard Way, Grevil Road and Arle Road. The relevant Ward Councillors have been informed of the issue and actions taken.
- It has been confirmed that up-to-date FRAs were in place at a St. Marks property that experienced a fire. The tenant was accommodated until a new FRA was completed and they were able to return to the property on the 19 December.
- Based on the current inspections there could be potentially 86 category 1 issues across council owned properties. Whilst all category 1 issues are a matter for concern this is not considered an exceptional number. This demonstrates the importance of carrying out regular stock condition surveys and continuing to report issues whenever they are identified.
- There are still 38 properties where access has not been obtained for electrical investigation which are being processed through the legal route. These properties are still compliant as the current standard requires inspections to take place every 10 years. In line with best practice the council are moving to a 5-year cycle.
- A new Decent Homes Standard is due to be published which will no longer require bathroom and kitchen replacements to take place every 20 years to allow organisations to focus on health and safety compliance. This will provide the opportunity to re-prioritise funds based on data from the stock condition surveys with health, safety and risk prominent in decisions. A new programme of work will be created which will be brought to residents and to the committee for consultation.
- Tenancy audits are on target and are expected to be completed by the end of March.
- Security of doors is also an issue that needs to be responded to. Replacement fire safety doors will also be secure. Interim temporary fire doors are in place whilst these are manufactured.
- All tenants with capped gas have been contacted to discuss their individual circumstances. Funding to support tenants has been identified and the team are working to develop criteria to ensure we make best use of that funding and get the best outcome for tenants.
- Work is ongoing on sharing the asbestos register. Information on whether the survey is complete and a risk exists will be held on the QL system to allow this information to be accessible and flagged to colleagues. The more detailed records will be stored on a separate documentation system which colleagues will then be able to request access to. The council are commissioning new contractors who will manage surveys and remedial action respectively. An

additional contractor may be appointed to fulfil the need to have a qualified responsible person and to carry out audits.

- Conversations are ongoing to determine when the stratified sample of stock condition surveys will be completed.
- It is possible to predict where DMC may occur by looking at the characteristics of buildings where DMC has been reported and use this information to interact early with tenants. This is an area where the use of AI could be a great opportunity across the industry.
- Stock conditions will consider external factors, such as guttering and solar panels, depending on the building. Both individual homes and whole blocks will be inspected.

7 Consumer Standards Improvement Programme

Objective: To provide the Committee with a copy of the Improvement Plan developed to resolve areas of non-compliance with the Regulator of Social Housing's Consumer Standards.

The Head of Housing Improvement Programme introduced the report and noted that it provided detail of the progress of the Consumer Standards Improvement Plan. She explained that the report included a high-level summary of the projects that are currently live and reassured the committee that a lot of detail is being managed behind each project daily. She highlighted that the programme plan had been developed following a number of consultative exercises, including a gap analysis and a commissioned report from Pennington Choices which provided additional recommendations. These recommendations have been configured into the plan and cross referenced so they can be easily tracked. Nineteen key projects have been identified and a prioritisation exercise has been carried out to ensure those with the highest risk to customers and the organisation are delivered first. Early scoping sessions and scoping documents have been completed and a resource allocation exercise has been carried out to ensure the people and skills required are available.

The committee's discussion raised the following points:

- The report's inclusion of human risk is an important focus as even the best technical processes will fail if people are diverted or aren't fully engaged.
- It was agreed that it would be better to manage the Improvement Plan through a more traditional programme deliver approach due to the scale of what needs to be achieved across the organisation. Using a programme approach also reduces the level of governance which is required compared to the workstream approach taken for the housing transition.
- The ambition to be a C1 exemplar housing provider was recognised at the Programme Board but it was agreed that this should be managed with a two stage approach. The first stage will ensure that the organisations remains laser focused on ensuring we are compliant, particularly with the safety elements. Once this has been achieved there will be an opportunity to review the second stage and consider whether it is appropriate to target a C1 grade at that point.

- Project 1 is focused on awareness raising, training and making sure everyone is fully aware of their obligations. This was not a specific recommendation from the gap analysis or Pennington Choices report but it is considered a vital element. A communication strategy is in development internally to raise awareness and demonstrate the importance of the Consumer Standards. This will make use of different channels both internally and externally.
- There is a significant requirement in the programme for the development of reports and sophisticated data capture. We currently do not have the resources in house to deliver this work on a long-term basis and instead are using external specialist resources. This has been recognised as a risk to ensure that this situation continues to be monitored.
- Currently an evidence log has not been started but the intention is to create a processed map bank of evidence which can be provided to the Regulator of Social Housing (RSH) when they carry out our In-Depth Assessment (IDA). The data is being collected but we are working on evidencing that we are carrying out processes.
- A customer engagement strategy is being developed and will be brought to the committee at a future meeting.
- We are working to improve communication and processes that have historically led to a siloed approach. Progress will be measured through tenant satisfaction and consideration of complaints and the lessons learned from them. It is important to also continue discussing concerns and opportunities with colleagues on the ground as they will often be able to identify issues before they emerge in the organisation's performance.
- We are also looking at the broader integration of CBC and housing IT systems this year to support greater collaboration and effectiveness. This integration was not carried out early in the transition to allow due diligence to be carried out and safeguard critical housing systems. It will be important to ensure there is full buy in right across the organisation to get the very best possible outcomes from these systems that are credible and accurate.

8 Draft HRA budgets and performance targets 2025-2026

Objective: This report sets out the interim Housing revenue Account (HRA) budget proposals for 2025/26 for consultation and the revised forecast for 2024/25. This report was presented to Cabinet on the 17 December 2024.

The Director of Finance and Assets introduced the report and explained that it showed the draft forecast position for the HRA in the current financial year. She noted that this reflected the financial information available in mid-November. The report also included the proposed budget for the HRA for 2025/26. She explained that this was produced in parallel with the General Fund budget and both were open for public consultation until 31 January. Once the consultation closes feedback from the committee, alongside the public and other stakeholders, will be included in the final budget proposal to Council on 21 February. This budget will then be used to populate the 30-year business model which reviews the long-term sustainability of the HRA and investment proposals.

The committee's discussion raised the following points:

- It is too early to understand the long-term impact of the reduction of the Right to Buy (RTB) discount. There was a significant increase in applications before the change came in on the 21 November. Whilst stock being removed from the HRA will see a reduction in dwelling rents the government is currently consulting on changes to legislation which would allow RTB receipts to be combined with different capital grants. This will hopefully provide more flexibility for funding of additional stock.
- As of mid-November dwelling rents had decreased due to an increase in the number of voids. Revised figures will be provided in the February report to Council.
- The decrease in income from services reflected the net impact of variances in both income and expenditure across the budget.
- The budget for property improvements and major repairs has shifted, primarily due to delays in procurement. The final budget proposal will include re-profiling of the 4-year capital spend and will be driven by data coming out of the stock condition surveys.
- We are not assuming that there will be any reimbursement of the increases to National Insurance (NI) contributions. The increase has been included within the budget proposals and is expected to be around £200k for current housing staff.
- The forecast operational surplus is expected to be lower than previous years, primarily due to the increase in NI contributions and a forecasted average borrowing cost of 4.35%, which will lead to an increase in expenditure which will be higher than the permitted rent increase.
- Historically the target reserve for the HRA has been £1.5m but has been lower in recent years. There is also a separate CBH reserve which is not included within these figures that can be accessed if needed and will be transferred to the HRA reserve when the company is wound down.
- Once the final numbers have been confirmed they will be put through the 30-year model and reviewed with relevant groups. The model doesn't just track balances and reserves but uses a large number of financial measures, including interest cover and borrowing, to assess the health of the HRA over the long-term.

9 Updates from the Tenant and Leaseholder Panels

Objective: To highlight the ongoing activities of the Tenant and Leaseholder Panels and provide an additional opportunity for tenant and leaseholder voices to be heard.

The Tenant and Leasehold Representatives raised the following points:

- A rebranded tenant magazine, Tenant's Voice, had been received recently. The value of this publication being available in print was noted and the popularity and usefulness of the publication was highlighted.
- The important work carried out at the Skills Hub at the Hesters Way Resource Centre was praised. The training provided has transformed many tenants' lives and has been an inspirational project. Concern was raised that the original funding from the Gloucestershire County Council was due to run out in July 2025 and officers agreed to confirm what additional funding was available.

- Concern was raised that many immigrants within communities, particularly women, might be isolated from social interaction and community groups due to language barriers. The council work with a number of organisations across Cheltenham who assist with languages and aid integration. It was agreed that information on available support would be collated and communicated to tenants and leaseholders.

10 Review of the Housing Committee Forward Plan

An additional update on the impact of changes to the RTB discount will be provided to the committee in February.

11 Items to be referred to Cabinet

There were none.

12 Briefing Note - Housing Sector Insight