

HOUSING AND TECHNICAL RESOURCES COMMITTEE

Minutes of special meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 6 February 2019

Chair:

Councillor Josh Wilson

Councillors Present:

Councillor Alex Allison (*substitute for Councillor Eric Holford*), Councillor Robert Brown, Councillor Archie Buchanan, Councillor Jackie Burns, Councillor Janine Calikes, Councillor Stephanie Callaghan (Depute), Councillor Graeme Campbell, Councillor Andy Carmichael, Councillor Maureen Chalmers, Councillor Gerry Convery, Councillor Margaret Cooper (*substitute for Councillor George Greenshields*), Councillor Poppy Corbett, Councillor Maureen Devlin, Councillor Mary Donnelly (*substitute for Councillor Geri Gray*), Councillor Allan Falconer, Councillor Alistair Fulton, Councillor Martin Lennon, Councillor Eileen Logan, Councillor Colin McGavigan, Councillor Mark McGeever (*substitute for Councillor Richard Nelson*), Councillor Mo Razzaq, Councillor John Ross (ex officio), Councillor David Shearer, Councillor Collette Stevenson, Councillor Sheena Wardhaugh

Councillors' Apologies:

Councillor Geri Gray, Councillor George Greenshields, Councillor Eric Holford, Councillor Richard Nelson

Attending:

Finance and Corporate Resources

G Bow, Administration Manager; M M Cairns, Legal Services Manager; H Goodwin, Finance Manager (Resources); C Lyon, Administration Officer; G McCann, Head of Administration and Legal Services

Housing and Technical Resources

D Lowe, Executive Director; F McCafferty, Head of Property Services

1 Declaration of Interests

No interests were declared.

2 Housing Revenue and Capital Account Budget 2019/2020

A joint report dated 24 January 2019 by the Executive Directors (Housing and Technical Resources) and (Finance and Corporate Resources) was submitted on:-

- ◆ the Revenue Estimate proposals for the Housing Revenue Account (HRA) for 2019/2020 which had been prepared in line with the 30 year Business Plan
- ◆ the Housing Capital Programme totalling £62.170 million

In order to achieve the level of investment to reflect the priorities of increasing the supply of Council houses, maintaining the Council's housing stock to meet the requirements of the Scottish Housing Quality Standard (SHQS) and to work towards the new Energy Efficiency Standard for Social Housing (EESH) and other necessary works, a rent increase of 3.95% required to be applied to all Council houses, travelling persons' sites, garage sites and lockups.

During the consultation process for 2018/2019, tenants had expressed their support for a multi year approach to rent setting with an indicative increase of 3.95% for a 3 year period. This allowed greater clarity in the planning and managing of this aspect of their household bills, as well as the financial planning of the HRA. In order to continue to deliver on investment priorities and maintain service levels, it was proposed that the Council continue with the increase of 3.95%. In line with the Business Plan, this would be subject to annual review in the financial year 2020/2021.

The proposals also took account of a requirement to increase the provision for bad debts to £7.327 million to meet the anticipated increased arrears as a result of welfare reform.

In accordance with the Council's commitment to rent harmonisation, it was proposed that all tenants paying below the harmonised level would pay up to an additional maximum of £2.00 per week.

In line with the Housing Investment Business Plan, efficiency savings of £0.349 million had been included in the overall budget. This included a reduction in the following areas:-

Trading Services' Charges (Re-design of Out of Hours Standby Service)	£0.225 million
Vacant Posts (0.60 FTE)	£0.015 million
Business Strategy and Support	£0.020 million
Anti-Social Behaviour (0.5 FTE)	£0.013 million
Community Wardens (3 FTE)	£0.035 million
Utilities	£0.020 million
Office Accommodation	£0.021 million

Details of the budget reductions were provided in an appendix to the report.

The revised budget also proposed an increase in the charge for the Council's factoring service from £28.78 to £29.33 per quarter, which would meet the increased costs of providing the service.

Details of the proposed Housing Capital Programme, totalling £62.170 million, were provided in an appendix to the report and information on how the Programme would be funded was summarised in the report. The Programme would ensure that a key priority within the Housing Investment Programme to increase the supply of Council housing would be progressed.

A wide-ranging consultation had been carried out with tenants and other stakeholders and details of the consultation process and associated outcomes were provided.

Following discussion, it was agreed that the Community Warden saving for the reduction of 3 FTE Warden posts, at a cost of £0.035 million, be removed from the savings package and the resultant funding gap be met from Reserves.

Councillor Wilson, seconded by Councillor Callaghan, moved that the recommendations be approved as detailed in the report. Councillor Cooper, seconded by Councillor Burns, moved as an amendment, in relation to the saving in respect of Trading Services' Charges (Redesign of Out of Hours Standby Service) that:-

- ♦ over the next 6 months, the Executive Director (Housing and Technical) Resources to continue to negotiate with the unions to devise a new service delivery model and begin implementation as early as possible
- ♦ he should bring a paper outlining the mutually agreed model for implementation in 2020/2021
- ♦ he should bring a report to a future meeting of the Housing and Technical Resources Committee and Executive Committee at the end of 6 months to update on progress

- ◆ the removal of this savings proposal from the 2019/2020 budget be achieved by either reducing the value of the Housing Capital Programme or taking the shortfall from Reserves

On a vote being taken by a show of hands, 15 members voted for the amendment and 10 for the motion. The amendment was declared carried.

The Committee recommended to the Executive Committee:

- (1) that the savings package detailed in the report be approved subject to:-
 - ◆ the removal of saving HRA04 relating to the reduction of 3 FTE posts within the Community Warden Service, totalling £0.035 million, and that the resultant funding gap be met from Reserves
 - ◆ the removal of saving HRA01 relating to the Trading Services' Charges (Redesign of Out of Hours Standby Service), totalling £0.225 million, with the resultant funding gap being met either from Reserves or a reduction in the value of the Housing Capital Programme
- (2) that the Revenue Estimate proposals for the Housing Revenue Account Budget 2019/2020, as detailed in Appendix 1 to the report, be endorsed;
- (3) that the rent increase of 3.95% for Council houses, travelling persons' sites, lockups and garage sites be endorsed;
- (4) that the next stage of rent harmonisation be progressed as detailed in the report;
- (5) that the increase in the Council's factoring fee from £28.78 to £29.33 per quarter, be approved; and
- (6) that, based on the proposed rent increase, the 2019/2020 Housing Capital Programme of £62.170 million, as detailed in Appendix 2 to the report, be endorsed.

Councillor Brown, as the mover of an amendment which failed to find a seconder, asked that his dissent be recorded

3 Urgent Business

There were no items of urgent business.