

HOUSING AND TECHNICAL RESOURCES COMMITTEE

Minutes of meeting held via Confero and in the Council Chamber, Council Offices, Almada Street, Hamilton on 15 March 2023

Chair:

Councillor Davie McLachlan

Councillors Present:

Councillor Walter Brogan, Councillor Archie Buchanan, Councillor Mathew Buchanan, Councillor Gerry Convery, Councillor Margaret Cooper, Councillor Andrea Cowan, Councillor Maureen Devlin, Councillor Colin Dewar, Councillor Allan Falconer, Councillor Grant Ferguson, Councillor Alistair Fulton, Councillor Ross Gowland, Councillor Geri Gray, Councillor Ross Lambie, Councillor Martin Lennon (Depute), Councillor Richard Lockhart, Councillor Julia Marrs, Councillor Ian McAllan, Councillor Kenny McCreary, Councillor Norman Rae, Councillor Ali Salamati (*substitute for Councillor John Bradley*), Councillor David Shearer, Councillor Margaret B Walker

Councillors' Apologies:

Councillor John Bradley, Councillor Janine Calikes, Councillor Joe Fagan (ex officio)

Attending:

Finance and Corporate Resources

G Booth, Finance Adviser; H Calley, Administration Officer; J Davitt, Public Relations Officer; H Goodwin, Finance Manager (Resources); E McPake, HR Business Manager; L O'Hagan, Finance Manager (Strategy); M M Wilson, Legal Services Manager; L Wyllie, Administration Assistant

Housing and Technical Resources

S Gibson, Executive Director; A Finnan, Head of Housing Services; J Forbes, Head of Property Services; C Mitchell, Strategy and Support Manager

1 Declaration of Interests

The following interest was declared:-

Councillor(s)	Item(s)	Nature of Interest(s)
Cowan	Acquisition of Property in Netherburn	Involved in sale of property

2 Minutes of Previous Meeting

The minutes of the meeting of the Housing and Technical Resources Committee held on 14 December 2022 were submitted for approval as a correct record.

The Committee decided: that the minutes be approved as a correct record.

3 Minutes of Special Meeting

The minutes of the special meeting of the Housing and Technical Resources Committee held on 23 January 2023 were submitted for approval as a correct record.

The Committee decided: that the minutes be approved as a correct record.

4 Revenue Budget Monitoring 2022/2023 - Housing and Technical Resources (excl Housing Revenue Account (HRA))

A joint report dated 15 February 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of the actual expenditure measured against the revenue budget for the period 1 April 2022 to 27 January 2023 for Housing and Technical Resources (excl HRA).

Following the probable outturn exercise, the forecast to 31 March 2023 was an overspend of £0.342 million. This overspend was mainly due to overspends in the Estates and Homelessness services and was offset by underspends in Supporting People and other Housing budgets.

As at 27 January 2023, there was an overspend of £0.245 million against the phased budget.

Virements were proposed to realign budgets, as detailed in appendices B and C to the report.

The Committee decided:

- (1) that the overspend position of £0.245 million, as at 27 January 2023, on Housing and Technical Resources' (excl HRA) Revenue Budget and the forecast to 31 March 2023 of an overspend of £0.342 million, as detailed in Appendix A of the report, be noted; and
- (2) that the proposed budget virements be approved.

[Reference: Minutes of the Executive Committee of 1 March 2023 (Paragraph 3)]

5 Revenue Budget Monitoring 2022/2023 - Housing and Technical Resources - Housing Revenue Account (HRA)

A joint report dated 15 February 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of the actual expenditure measured against the revenue budget for the period 1 April 2022 to 27 January 2023 for Housing and Technical Resources (HRA).

As at 27 January 2023, there was a breakeven position against the phased budget and, following the Council's formal Probable Outturn exercise, the forecast to 31 March 2023 was also a breakeven position.

Virements were proposed, as detailed in Appendix A to the report.

The Committee decided:

- (1) that the breakeven position on Housing and Technical Resources' (HRA) revenue budget, as detailed in Appendix A of the report, and the forecast to 31 March 2023 of a breakeven position be noted; and
- (2) that the proposed budget virements be approved.

[Reference: Minutes of the Executive Committee of 1 March 2023 (Paragraph 3)]

6 Capital Budget Monitoring 2022/2023 - Housing and Technical Resources (excl Housing Revenue Account (HRA))

A joint report dated 22 February 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of progress on the capital programme for Housing and Technical Resources (excl HRA) for the period 1 April 2022 to 27 January 2023.

At its meeting on 14 December 2022, this Committee noted that the budget for Housing and Technical Resources for the financial year 2022/2023 totalled £8.486 million. At its meeting on 1 February 2023, the Executive Committee agreed changes to the Housing and Technical Resources' Capital Programme totalling a net decrease of £0.050 million, as detailed in Appendix A of the report. The revised Housing and Technical Resources' programme for 2022/2023 totalled £8.436 million.

Work had been ongoing to monitor the predicted spend position for this financial year and current estimates from Housing and Technical Resources suggested an outturn of £5.1 million. This represented an underspend of £3.336 million and was mainly due to timing of spend on a number of multi-year projects, which resulted in budget required in 2023/2024 rather than 2022/2023.

Anticipated spend to date was £1.709 million and spend to 27 January 2023 amounted to £1.691 million, an underspend of £0.018 million. This mainly reflected the timing of spend on the multi-year and multi-project Principal Offices Programme.

The Committee decided:

- (1)** that the Housing and Technical Resources' (excl HRA) capital programme of £8.436 million and expenditure to date of £1.691 million be noted; and
- (2)** that the projected outturn of £5.1 million be noted.

[Reference: Minutes of 14 December 2022 (Paragraph 5) and Minutes of the Executive Committee of 1 February 2023 (Paragraph 4)]

7 Capital Budget Monitoring 2022/2023 - Housing and Technical Resources (Housing Revenue Account (HRA))

A joint report dated 15 February 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted advising of progress on the capital programme for Housing and Technical Resources (HRA) for the period 1 April 2022 to 27 January 2023.

The revised Housing Capital Programme for 2022/2023 totalled £66.361 million and was detailed, along with the funding sources, in Appendix A to the report. Actual expenditure to 27 January 2023 was £43.015 million.

It was estimated that there would be an underspend of £4.1 million within the Housing Capital Programme at the end of the financial year. It was noted that this was mainly due to Property Services' operatives being diverted from capital works to respond to the impact of the severe weather in December 2022.

Work would continue to monitor achievable spend and funding for projects that remained unspent at the end of the financial year would be carried forward into 2023/2024 to allow projects to be completed.

The Committee decided: that the revised Housing and Technical Resources' (HRA) capital programme of £66.361 million and expenditure of £43.015 million be noted.

[Reference: Minutes of 14 December 2022 (Paragraph 6)]

8 Housing and Technical Resources – Workforce Monitoring – October to December 2022

A joint report dated 2 February 2023 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted on the following employee information for Housing and Technical Resources for October to December 2022:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ discipline, grievance and Dignity at Work cases
- ◆ analysis of leavers and exit interviews
- ◆ Staffing Watch as at 10 December 2022

The Committee decided: that the report be noted.

[Reference: Minutes of 14 December 2022 (Paragraph 7)]

9 Housing Allocation Policy – Local Letting Plans 2023/2024

A report dated 23 February 2023 by the Executive Director (Housing and Technical Resources) was submitted advising on progress against the 2022/2023 letting targets and requesting approval for:-

- ◆ the 2023/2024 letting targets
- ◆ the 2023/2024 Local Letting Initiatives (LLIs)

Local Letting Plans (LLPs) were a key feature of the Housing Allocation Policy and continued to ensure that a strategic and flexible approach was taken in the allocation of Council housing. Annually, LLPs were prepared for each housing management area and provided an overview of local supply and demand setting out:-

- ◆ annual letting targets for each of the 4 housing lists (in relation to mainstream and sheltered properties)
- ◆ details of LLIs in operation within a local area

LLPs and associated targets were subject to this Committee's approval and this was the third annual report since the revised Housing Allocation Policy had been introduced.

Details of the projected outcomes in relation to the letting targets set for both mainstream and sheltered properties in 2022/2023 were set out in appendices 1 and 2 of the report and factors, which had been taken into account when setting the mainstream letting targets, were summarised in the report.

The Housing Allocation Policy allowed for the establishment of LLIs in areas where there were particular needs, issues or circumstances which required to be addressed. It was proposed that the 5 LLIs set out in Appendix 3 of the report be retained during 2023/2024. It was also proposed that a new LLI be introduced in the Whitlawburn area of Cambuslang to promote sustainability and cohesion.

The South Lanarkshire-wide letting initiative had been introduced in 2013 to mitigate the impact of the under-occupancy provisions of the Welfare Reform Act 2012. An evaluation of the initiative confirmed that its impact had been very limited, with only 4 tenants rehoused since 2018/2019 and none during the last year. This could be attributed to the availability of the Discretionary Housing Payment which mitigated the impact of the under-occupancy provisions of the Act that enabled tenants to continue living in their own home without additional liability. In addition, there were now very few applicants on the housing register who met the criteria for priority to be awarded under the initiative. Consequently, it was proposed that the initiative be discontinued from 3 April 2023. It was recognised, however, that there were benefits to providing means for supporting and facilitating tenants living in larger homes to move to smaller properties and those were detailed in the report.

Within the current Housing Allocation Policy, under-occupancy was a recognised housing need category and points were awarded to tenants living in properties which were larger than the household required. It was proposed that, during 2023/2024, a proactive approach be taken to support tenants under-occupying larger sized Council properties to downsize to a smaller property, where they wished to do so. A review of tenants in that situation would be progressed and a housing options based discussion would take place to identify tenants' needs and, where appropriate, ensure they were placed on the housing register and that preferences were reasonable.

The 2023/2024 LLPs would be published on the Council's website.

The Head of Housing Services responded to members' questions on various aspects of the report.

The Committee decided:

- (1) that progress against the 2022/2023 letting targets be noted;
- (2) that the 2023/2024 mainstream housing letting targets, attached as Appendix 1 to the report, be approved;
- (3) that the 2023/2024 sheltered housing letting targets, attached as Appendix 2 to the report, be approved; and
- (4) that the Local Letting Initiatives, attached as Appendix 3 to the report, be approved.

[Reference: Minutes of 8 December 2021 (Paragraph 8)]

10 Housing and Technical Resource Plan - Quarter 2 Progress Report 2022/2023

A report dated 10 February 2023 by the Executive Director (Housing and Technical Resources) was submitted on the Housing and Technical Resource Plan Quarter 2 Progress Report 2022/2023, for the period 1 April to 14 October 2022.

The Resource Plan measures were rated using a traffic light system of red, amber or green as well as blue (BRAG), which indicated that an action had been completed.

Details were provided on:-

- ◆ the outcomes established to support the delivery of the Connect Plan priorities in 2022/2023, as detailed in Appendix 1 to the report
- ◆ progress against all Resource Plan measures contained in the Quarter 2 Progress Report 2022/2023, as detailed in Appendix 2 to the report
- ◆ key achievements made by the Resource to date, as detailed in paragraph 5.3 of the report
- ◆ areas for improvement and associated management actions, as detailed in paragraph 5.4 of the report

The Strategy and Support Manager responded to a member's question on the report.

The Committee decided:

- (1) that the Housing and Technical Resource Plan Quarter 2 Progress Report 2022/2023, as summarised in paragraph 5.2 and attached as Appendix 2 of the report, be noted;
- (2) that the key achievements made by the Resource to date, as detailed in paragraph 5.3 of the report, be noted; and
- (3) that the areas for improvement and associated management actions, as detailed in paragraph 5.4 of the report, be noted.

[Reference: Minutes of 5 October 2022 (Paragraph 8) and Minutes of the Executive Committee of 30 November 2022 (Paragraph 6)]

11 Revision of Costs Associated with the Acquisition of Houses at Former Phillips Factory Site, Wellhall Road, Hamilton - Section 75

A report dated 13 February 2023 by the Executive Director (Housing and Technical Resources) was submitted advising on the action taken, in terms of Standing Order No 37(c) because of the timescales involved, by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, to conclude the contract with Lovell Homes.

The site at the former Philips factory, Wellhall Road in Hamilton, had been identified within the Council's Strategic Housing Investment Plan as a priority site in delivering the Council's target of 1,300 additional homes by 2027.

The application for the development of the site had been approved by the Planning Committee on 15 February 2022 for the erection of 163 dwellings by Lovell Homes and included an obligation for an on-site provision of up to 40 affordable homes.

The Council entered into discussions with Lovell Homes to provide its planning obligation for new affordable homes via a turnkey arrangement, with the Council only paying the full amount due on completion of each house. The proposal provided by Lovell Homes had been assessed by the Council's Technical and Commercial Team as presenting value for money.

The Executive Director (Housing and Technical Resources) had been authorised by this Committee, at its meeting on 14 December 2022, to acquire 40 completed affordable homes from Lovell Homes for a total price not in excess of £7 million, which included the cost of land, to fulfil the planning obligations associated with the residential development of the site. Through further contractual discussions, on 1 December 2022 Lovell Homes intimated their intention to charge VAT on the land transaction aspect of the purchase, resulting in a revision in the total costs required to acquire the properties.

The Council had been advised that Lovell Homes' decision to charge VAT on the land transaction stemmed from a requirement to pay VAT on their own land purchase as a consequence of the former landowner opting to pay tax. Therefore, an additional £188,139.51 was required to complete the transaction and authority had been requested by the Executive Director (Housing and Technical Resources) to acquire 40 completed affordable homes at the revised cost which would not exceed £7,188,139.51.

The increased cost had no impact on the financial implications associated with the acquisition as the Council would be able to re-claim the VAT paid under the special rules for recovery for local authorities.

The Head of Property Services responded to a member's question on the VAT aspect of the report.

The Committee decided: that the action taken, in terms of Standing Order No 37(c), by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, to authorise the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, to conclude matters and to enter into the necessary legal agreements on terms which were of the best interests of the Council, be noted.

[Reference: Minutes of the Planning Committee of 15 February 2022 (Paragraph 9), Minutes of the Executive Committee of 30 November 2022 (Paragraph 7) and Minutes of 14 December 2022 (Paragraph 8)]

12 Delegated Authority Report – Update

A report dated 3 February 2023 by the Executive Director (Housing and Technical Resources) was submitted on transactions processed by Property Services during Quarter 3 of 2022/2023.

The Executive Director (Housing and Technical Resources), under delegated powers, had authority to deal with various transactions including:-

- ◆ leases up to the value of £50,000 per annum and a maximum period of 20 years
- ◆ rent reviews up to an increase of £20,000 per annum
- ◆ disposals up to a value of £200,000
- ◆ acquisitions up to a value of £200,000

Details of the transactions undertaken during Quarter 3, as contained in Appendix 1 of the report, were as follows:-

Quarter 3 2022/2023:

Number of transactions	55
Total value of lease transactions	£126,864 per annum
Total value of capital transactions	£1,967,710
Total value of miscellaneous transactions	£0

The Committee decided: that the report be noted.

[Reference: Minutes of 14 December 2022 (Paragraph 18)]

13 Urgent Business

There were no items of urgent business.

14 Chair's Remarks

The Chair advised that this was the last Committee meeting that Hazel Goodwin, Finance Manager (Resources) and Annette Finnan, Head of Housing Services, would be attending as they were retiring. The Chair, on behalf of the Committee, thanked Hazel and Annette for their many years of public service and wished them well for their future.

Councillors Cowan and Shearer echoed the Chair's sentiments.

Councillor Convery left the meeting after this item of business

15 Exclusion of Press and Public

The Committee decided: that, in terms of Section 50A(4) of the Local Government (Scotland) Act 1973, the press and public be excluded from the meeting for the following items of business on the grounds that it was likely that there would be disclosure of exempt information in terms of Paragraph 2 of Part I of Schedule 7A of the Act.

16 Acquisition of Property in Netherburn

A report dated 28 February 2023 by the Executive Director (Housing and Technical Resources) was submitted advising on the action taken, in terms of Standing Order No 37(c) because of the timescales involved, by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, to acquire a property in Netherburn.

The Committee decided: that the following action taken, in terms of Standing Order No 37(c), by the Executive Director (Housing and Technical Resources), in consultation with the Chair and an ex officio member, be noted:-

- ◆ to acquire a property in Netherburn
- ◆ to authorise the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, to conclude all matters pertaining to the acquisition and to enter into the necessary legal agreements on terms which were in the best interests of the Council

Councillor Cowan, having declared an interest in the above item of business, withdrew from the meeting during its consideration