

## HOUSING AND TECHNICAL RESOURCES COMMITTEE

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 4 September 2019

### Chair:

Councillor Josh Wilson

### Councillors Present:

Councillor Robert Brown, Councillor Archie Buchanan, Councillor Jackie Burns, Councillor Stephanie Callaghan (Depute), Councillor Graeme Campbell, Councillor Maureen Chalmers, Councillor Gerry Convery, Councillor Poppy Corbett, Councillor Maureen Devlin, Councillor Allan Falconer, Councillor Alistair Fulton, Councillor Geri Gray, Councillor George Greenshields, Councillor Eric Holford, Councillor Mark Horsham (*substitute for Councillor Janine Calikes*), Councillor Martin Lennon, Councillor Eileen Logan, Councillor Colin McGavigan, Councillor David Shearer, Councillor Collette Stevenson, Councillor Bert Thomson (*substitute for Councillor Mo Razzaq*), Councillor Jared Wark

### Councillors' Apologies:

Councillor Janine Calikes, Councillor Andy Carmichael, Councillor Mo Razzaq, Councillor John Ross (ex officio)

### Attending:

#### Finance and Corporate Resources

J Burke, Administration Assistant; M M Cairns, Legal Services Manager; H Goodwin, Finance Manager (Resources); C Lyon, Administration Officer; E McPake, Human Resources Business Partner; L O'Hagan, Finance Manager (Strategy)

#### Housing and Technical Resources

D Lowe, Executive Director; F McCafferty, Head of Property Services; G McParland, Section Leader (Capital Transactions)

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### Chair's Opening Remarks

The Chair advised that, as correspondence had been received recently in relation to item 13 on this agenda and time was required for further discussions to take place, the matter would be continued to the next meeting of this Committee to take place on 13 November 2019.

*Councillor Chalmers entered the meeting during this item of business*

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### 1 Declaration of Interests

No interests were declared.

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### 2 Minutes of Previous Meeting

The minutes of the meeting of the Housing and Technical Resources Committee held on 5 June 2019 were submitted for approval as a correct record.

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

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### **3 Capital Budget Monitoring 2019/2020 - Housing and Technical Resources (excl HRA)**

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A joint report dated 31 July 2019 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 to 19 July 2019.

**The Committee decided:** that Housing and Technical Resources' capital programme (excl HRA) of £7.310 million and expenditure to 19 July 2019 of £0.410 million be noted.

*[Reference: Minutes of the Executive Committee of 29 May 2019 (Paragraph 3)]*

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### **4 Capital Budget Monitoring 2019/2020 - Housing and Technical Resources (HRA)**

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A joint report dated 14 August 2019 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 to 19 July 2019.

**The Committee decided:** that Housing and Technical Resources' capital programme (HRA) of £61.835 million and expenditure to 19 July 2019 of £11.452 million be noted.

*[Reference: Minutes of the Executive Committee of 29 May 2019 (Paragraph 4)]*

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### **5 Revenue Budget Monitoring 2018/2019 - Housing and Technical Resources (excl HRA)**

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A joint report dated 14 August 2019 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted comparing actual expenditure at 31 March 2019 against budgeted expenditure for Housing and Technical Resources' revenue budget (excl HRA).

As at 31 March 2019, there was an underspend against the budget of £1.161 million. This was the position before transfer to reserves. The Resource position as at 31 March 2019, after approved transfers to reserves had been taken into account, was an underspend of £0.021 million.

The £0.021 million underspend reflected the underspend for Housing Services of £0.154 million, offset by an overspend for Property Services of £0.133 million.

**The Committee decided:**

- (1) that the final underspend of £0.021 million on Housing and Technical Resources' revenue budget (excl HRA), as detailed in Appendix A to the report, be noted; and
- (2) that the proposed budget virements be approved.

*[Reference: Minutes of 5 June 2019 (Paragraph 5)]*

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## **6 Revenue Budget Monitoring 2019/2020 - Housing and Technical Resources (excl HRA)**

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A joint report dated 14 August 2019 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted comparing actual expenditure at 19 July 2019 against budgeted expenditure for Housing and Technical Resources' revenue budget (excl HRA), together with a forecast for the year to 31 March 2020.

Following a review of the remaining 3 Trading Operations (Fleet, Roads and Property Services) and through reviewing the technical guidance around what constituted a Trading Operation, a report had been submitted to the Executive Committee on 1 May 2019 and it was agreed that the 3 services be no longer regarded as Trading Operations and there was no requirement to report on those separately. To ensure that the full cost of all services were appropriately reported, there would still be internal transactions between services where spend was incurred in one service and recharged to another.

Following the probable outturn exercise, the financial forecast for the revenue budget to 31 March 2020 was a breakeven position.

### **The Committee decided:**

- (1) that the breakeven position on Housing and Technical Resources' revenue budget (excl HRA), as detailed in Appendix A to the report, be noted;
- (2) that the forecast to 31 March 2020 of a breakeven position be noted; and
- (3) that the proposed budget virements be approved.

*[Reference: Minutes of the Executive Committee of 1 May 2019 (Paragraph 5)]*

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## **7 Revenue Budget Monitoring 2018/2019 - Housing and Technical Resources (HRA)**

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A joint report dated 14 August 2019 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted comparing actual expenditure at 31 March 2019 against budgeted expenditure for Housing and Technical Resources' revenue budget (HRA).

As at 31 March 2019 there was a breakeven position against the phased budget. The final transfer from the balance sheet was £2.631 million. This was £2.705 million lower than anticipated and was primarily due to underspends in bad debt provision and employee costs, partially offset by overspends in repairs and an under recovery in rental income.

### **The Committee decided:**

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

*[Reference: Minutes of 5 June 2019 (Paragraph 6)]*

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## **8 Revenue Budget Monitoring 2019/2020 - Housing and Technical Resources (HRA)**

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A joint report dated 14 August 2019 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted comparing actual expenditure at 19 July 2019 against budgeted expenditure for Housing and Technical Resources' revenue budget (HRA), together with a forecast for the year to 31 March 2020.

Following the probable outturn exercise, the financial forecast for the revenue budget to 31 March 2019 was a breakeven position.

### **The Committee decided:**

- (1) that the breakeven position on the Housing and Technical Resources' revenue budget (HRA), as detailed in Appendix A to the report, be noted; and
- (2) that the forecast to 31 March 2020 of a breakeven position be noted.

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## **9 Housing and Technical Resources – Workforce Monitoring – May and June 2019**

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A joint report dated 30 July 2019 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 the period May and June 2019:-

- ◆ 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 8 June 2019

**The Committee decided:** that the report be noted.

*[Reference: Minutes of 5 June 2019 (Paragraph 7)]*

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## **10 Housing and Technical Resource Plan – Quarter 4 Progress Report 2018/2019 and Resource Plan 2019/2020**

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A report dated 9 August 2019 by the Executive Director (Housing and Technical Resources) was submitted on the Housing and Technical Resource Plans 2018/2019 and 2019/2020.

Details were provided on:-

- ◆ progress made in implementing the priority projects identified in the Resource Plan 2018/2019, as detailed in the Quarter 4 Progress Report, attached as Appendix 1 to the report
- ◆ those measures which had changed in red/amber/green status, during the period from Quarter 2 to Quarter 4, as detailed in Appendix 2 to the report
- ◆ the Resource Plan for 2019/2020, attached as Appendix 3 to the report, which outlined the:-
  - ◆ objectives and actions for 2019/2020
  - ◆ capital and revenue resources for 2019/2020
  - ◆ organisational structure of the Resource

In line with the Council's performance management arrangements, a progress report on actions identified in the 2019/2020 Resource Plan would be submitted to a future meeting of the Committee.

**The Committee decided:**

- (1) that the Quarter 4 Progress Report for 2018/2019, attached as Appendix 1 to the report, together with the achievements made by the Resource during 2018/2019, be noted; and
- (2) that details of those measures which had changed in red/amber/green status, during the period from Quarter 2 to Quarter 4, as detailed in Appendix 2 to the report, be noted.

**The Committee recommended to the Executive Committee:** that the Housing and Technical Resource Plan for 2019/2020 be approved.

*[Reference: Minutes of the Executive Committee of 21 November 2018 (Paragraph 19) and Minutes of Housing and Technical Resources Committee of 23 January 2019 (Paragraph 9)]*

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## **11 King Street, Stonehouse – Concessionary Lease to Stonehouse Men's Shed**

A report dated 31 July 2019 by the Executive Director (Housing and Technical Resources) was submitted on a request for a concessionary let of the former public toilets at King Street, Stonehouse to Stonehouse Men's Shed.

The former toilets at King Street, Stonehouse closed to the public on 30 June 2015. The property had been circulated to Council Resources and no operational requirements had been identified. The property had not been formally declared surplus or transferred to the Corporate Land Bank for disposal and remained within Community and Enterprise Resources' Account.

In February 2019, Stonehouse Men's Shed approached the Council with a proposal for the property and submitted an application for let. Whilst this was not a formal request for community asset transfer, the same matters were taken into account in considering the request.

Men's Shed was a worldwide network of facilities, with existing Men's Sheds in Hamilton, East Kilbride and Rutherglen. However, at those locations, the facilities were not located in Council premises.

Stonehouse Men's Shed was a Scottish Charitable Incorporated Organisation (SCIO), formed in September 2018. There was considerable capacity within the group and access to wider support and volunteers to develop the former toilets as a base for the organisation. The members of the organisation had demonstrated a detailed understanding of the liabilities associated with properties.

The property was suitable for the proposed use and the grant of a 2 year lease would enable the organisation to pilot and develop the project with minimal risk to the Council.

The principal terms and conditions of the lease were detailed in the report and included confirmation that the rental would be £1 per annum.

There would be a review of the viability of the project towards the end of the 2 year lease and proposals for any further agreement would be reported to this Committee.

**The Committee decided:**

- (1) that the former public toilets at King Street, Stonehouse be leased to Stonehouse Men's Shed, at a rental of £1 per annum, and subject to the principal terms and conditions outlined in Section 4 of the report; and
- (2) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, be authorised to conclude all matters in respect of the lease and enter into the necessary legal agreements on terms which were in the best interests of the Council.

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## **12 Acquisition of Houses at Strathaven and Ferniegair**

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A report dated 25 July 2019 by the Executive Director (Housing and Technical Resources) was submitted on the acquisition of 20 flats at Kirk Street, Strathaven and 12 terrace houses at Carlisle Road, Ferniegair from Clyde Valley Property Services Limited.

Clyde Valley Property Services Limited was the current commercial arm of Clyde Valley Housing Association. The company was progressing with the delivery of new build developments at Strathaven and Ferniegair, with a view to selling those properties not required for the Clyde Valley Housing Association's own property portfolio.

Before selling the properties, which were additional to the Housing Association's requirements, Clyde Valley Property Services Limited had afforded the Council the opportunity to acquire units from them at both of those locations.

The development at Kirk Street, Strathaven, shown on the plan attached as Appendix 1 to the report, consisted of 20 flats, comprising of 3, 1 bedroom flats and 17, 2 bedroom flats. This included a block of 6 amenity flats. The development had planning consent and construction was expected to complete before March 2021.

The development at Carlisle Road, Ferniegair was a mixed use development with a retail unit, flats and terraced houses. This development was already under construction and expected to complete this financial year. Clyde Valley Property Services Limited would retain an interest in part of the development and intended to sell on the retail/flatted block. The Council had been given the opportunity to purchase 3 blocks of 4, 2 bedroom terraced houses at the location shown in Appendix 2.

Designs for both developments had been assessed in terms of the Housing for Varying Need Standard and were considered to be in an area of housing need and of a size and type that the Council had demand for.

The acquisitions presented the Council with an opportunity to deliver additional housing within those communities more quickly than through the ongoing new build programme.

The acquisitions would be eligible for Scottish Government Affordable Housing Grant funding of £59,000 per unit and an assessment of market value of the houses confirmed that the proposed purchase price represented value for money.

The principal terms and conditions of the acquisitions were detailed in the report.

**The Committee decided:**

- (1) that 20 flats at Kirk Street, Strathaven be acquired from Clyde Valley Property Services Limited for the sum of £3.040 million, exclusive of VAT, for addition to the Council's housing stock;

- (2) that 12 terraced houses at Carlisle Road, Ferniegair be acquired from Clyde Valley Property Services Limited for the sum of £1.950 million, exclusive of VAT, for addition to the Council's housing stock; and
- (3) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, be authorised to conclude all other matters pertaining to the acquisition of the properties and to enter into the necessary legal agreements on terms which were in the best interests of the Council.

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### **13 Re-design of Out of Hours Emergency Repairs Service**

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A report dated 31 July 2019 by the Executive Director (Housing and Technical Resources) was submitted on progress with negotiations with Trades Unions in devising a new model of service delivery for the Out of Hours Emergency Repairs Service.

**The Committee decided:** that consideration of this item be continued to the next meeting of this Committee.

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### **14 Domestic Dwelling Houses Within Rural Villages, Clydesdale**

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A report dated 5 August 2019 by the Executive Director (Housing and Technical Resources) was submitted requesting approval to declare the following domestic dwellings surplus to the operational requirements of Housing Services:-

- ◆ 102 Muirfoot Road, Rigside
- ◆ 5 Hillview Crescent, Glespin
- ◆ 22, 24, 26 and 28 Beechgrove Street, Rigside

Previous reports to this Committee in September 2015 and January 2017 had proposed a range of recommendations to address sustainability issues within the rural villages of Clydesdale North and South. The recommendations approved were aimed at consolidating and promoting the future sustainability of the Council housing stock in those areas and included selective demolition of properties where an oversupply of housing had been identified and where those properties were a blight on the local community.

This Committee had also approved proposals to consider diversification and ownership initiatives of non-core rented stock.

Within the villages of Rigside and Glespin, there continued to be an oversupply of Council housing with very little or no demand. The local Integrated Home Options Team had continued to promote housing within rural villages to suitable applicants, however, this had not been successful in addressing the over-supply and empty properties continued to be vacant for extensive periods of time.

To support other actions to promote sustainability in Rigside and Glespin, it was proposed that the option to sell a small number of vacant Council properties be explored.

The 6 properties had been vacant for between 1 and 5 years. There was no effective demand for the properties and they were no longer considered as core stock. All of the properties were adjoined to other properties, both tenanted and owner occupied, and were, therefore, not suitable for demolition. As an alternative, and to address the blight on the local area, it was proposed to market the 6 properties for sale. Essential investment work had been carried out to the properties within the last 15 years in terms of fabric repairs. An inspection carried out by Estates Services had confirmed that the properties were in a marketable condition.

It was recommended that the properties be declared surplus to Housing Services' requirements and placed on the open market. Any sale would be conditional on receiving the required consent from the Scottish Government in line with the terms of Sections 12 and 14 of the Housing (Scotland) Act 1987.

**The Committee decided:**

- (1) that the 6 properties at 102 Muirfoot Road, Rigside; 5 Hillview Crescent, Glespin; and 22, 24, 26 and 28 Beechgrove Street, Rigside, be declared surplus to the operational requirements of Housing Services; and
- (2) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, be authorised to place those properties on the open market for sale as residential properties.

*[Reference: Minutes of 18 January 2017 (Paragraph 10)]*

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## **15 Compulsory Purchase Order to Facilitate East Whitlawburn Regeneration**

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A report dated 8 August 2019 by the Executive Director (Housing and Technical Resources) was submitted requesting approval to proceed with legal action to secure a Compulsory Purchase Order in relation to an owner occupied property in East Whitlawburn, Cambuslang.

The Masterplan for the regeneration of East Whitlawburn included full demolition of all 380 properties on the site and construction of approximately 320 new build homes for affordable rent and sale. It authorised the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, to negotiate the repurchase of 8 owner occupied properties in the area to allow the demolition to go ahead. 7 of the properties had been repurchased.

Despite continued efforts to secure agreement, 1 owner had refused to proceed with negotiations to purchase their property. The owner had obtained an independent valuation but had refused the Council's offer to purchase at that price.

Extensive housing option discussions had taken place, with a view to securing a suitable Council house for the owner and those discussions would continue, subject to Committee approval of the use of compulsory purchase powers.

Phase 1 of the demolition was underway and due to complete in October 2019. The property in question was part of Phase 2 of the demolition, which was scheduled to begin in March 2020. Failure to acquire the property, would delay the demolition process and have a significant impact on the overall programme for delivery of the project.

**The Committee decided:**

that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, be authorised to exercise powers under the Housing (Scotland) Act 1987 to obtain a Compulsory Purchase Order in relation to an owner occupied property in East Whitlawburn, Cambuslang.



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## **16 Scottish Housing Regulator – Regulation of Social Housing in Scotland**

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A report dated 14 August 2019 by the Executive Director (Housing and Technical Resources) was submitted on the:-

- ◆ new regulatory framework for social housing in Scotland
- ◆ submission of the Annual Assurance Statement for South Lanarkshire Council to the Scottish Housing Regulator (SHR)

The SHR was established in 2011 as an independent body, directly accountable to the Scottish Government to regulate Registered Social Landlords (RSLs), as well as local authority housing and homelessness services.

In January 2018, a discussion paper was circulated on the future of social housing regulation in Scotland, to generate ideas and debate around a regulatory framework. Subsequently, a formal consultation was undertaken and the Council's response was approved by this Committee in January 2019.

Using the feedback from those exercises, SHR published a revised Regulatory Framework in February 2019.

The Framework included:-

- ◆ revised regulatory requirements for all social landlords
- ◆ requirements for social landlords in terms of gathering and publishing data
- ◆ the introduction of an Annual Assurance Statement to provide assurance that landlords were meeting regulatory standards
- ◆ what action SHR would take if required
- ◆ how SHR would undertake thematic work

The report contained details on the impact of the new Framework on the Council in the following areas:-

- ◆ the introduction of Annual Assurance Statements
- ◆ changes to indicators
- ◆ engagement plans
- ◆ whistleblowing
- ◆ publishing data
- ◆ equality and human rights

The Council's first Annual Assurance Statement was attached as Appendix 1 to the report and had been prepared using SHR guidance. A summary of the key requirements for assurance and how they had been addressed was attached as Appendix 2 to the report.

Results of the Annual Return for 2018/2019 would be presented to the next meeting of this Committee.

### **The Committee decided:**

- (1) that the overview of the revised Scottish Housing Regulator's Regulatory Framework for Social Housing in Scotland be noted; and
- (2) that the Council's Annual Assurance Statement for 2019 be approved and submitted to the Scottish Housing Regulator.

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## **17 2019 Property and Housing Asset Management Plans**

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A report dated 17 July 2019 by the Executive Director (Housing and Technical Resources) was submitted on the outcomes of the 2019 Property and Housing Asset Management Plans process, including the Local Government Benchmarking Framework (LGBF) Indicator outcomes for property condition and suitability.

Key facts from each of the Asset Management Plans were provided in separate appendices to the report.

LGBF Indicators for Asset Management related to property Core Facts for condition and suitability for direct operational property, excluding housing.

Benchmarking for 2019 had given the following return for the LGBF indicators:-

- ◆ in relation to condition, this showed 87% in a satisfactory condition (87% in 2018)
- ◆ in relation to suitability, this showed 96% of properties suitable for service delivery (96% in 2018)

### **The Committee decided:**

- (1) that the content of the 2019 Property and Housing Asset Management Plans be noted; and
- (2) that the updated Local Government Benchmarking Framework Indicators for property condition and suitability be noted.

*[Reference: Minutes of 31 October 2018 (Paragraph 15)]*

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## **18 Notification of Contracts Awarded – 1 February to 31 July 2019**

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A report dated 7 August 2019 by the Executive Director (Housing and Technical Resources) was submitted on:-

- ◆ contracts awarded by Housing and Technical Resources, Project Services, valued in excess of £50,000, in the period 1 February to 31 July 2019
- ◆ contracts awarded by Procurement Services
- ◆ sub-contacts awarded by Building Services

Details of the contracts and projects were provided in the appendices to the report.

**The Committee decided:** that the report be noted.

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## **19 Urgent Business**

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There were no items of urgent business.