

Report

Report to: **Executive Committee**
Date of Meeting: **26 February 2020**
Report by: **Chief Executive**

Subject: **Recommendations Referred by Housing and Technical Resources Committee**

1. Purpose of Report

1.1. The purpose of the report is to:-

request approval of the following recommendations referred to this Committee by the Housing and Technical Resources Committee of 5 February 2020:-

- ◆ that the revenue estimate proposals for the Housing Revenue Account Budget 2020/2021 be endorsed
- ◆ that the rent increase of 3.95% for Council houses, travelling persons' sites, lockups and garage sites be endorsed
- ◆ that the next stage of rent harmonisation be endorsed
- ◆ that, based on the proposed rent increase, the 2020/2021 Housing Capital Programme of £97.303 million, as detailed in Appendix 2 to the report, be endorsed
- ◆ that the revised South Lanarkshire Council Gypsy/Traveller Pitch Allocation Policy be approved and implemented from 1 May 2020

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the revenue estimate proposals for the Housing Revenue Account Budget 2020/2021 be endorsed and referred to the Council for approval;
- (2) that the rent increase of 3.95% for Council houses, travelling persons' sites, lockups and garage sites be endorsed and referred to the Council for approval;
- (3) that the proposal to progress the next stage of rent harmonisation process be endorsed and referred to the Council for approval;
- (4) that, based on the rent increase of 3.95%, the 2020/2021 Housing Capital Programme, totalling £97.303 million, be endorsed and referred to the Council for approval; and
- (5) that the revised South Lanarkshire Council Gypsy/Traveller Pitch Allocation Policy be approved and implemented from 1 May 2020.

3. Background

3.1. Recommendations Referred by Housing and Technical Resources Committee of 5 February 2020 – Housing Revenue and Capital Account Budget 2019/2020 – Extract of Minute

A joint report dated 8 January 2020 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ the Revenue Estimate proposals for the Housing Revenue Account (HRA) for 2020/2021 which had been prepared in line with the 30 year Business Plan
- ◆ the Housing Capital Programme totalling £97.303 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 (ESSH) 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.

The movement, as compared to the existing 2019/2020 revenue budget, was outlined in Appendix 1 to the report. The movements were summarised in the report.

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 would allow greater clarity in planning and managing this aspect of their household bills, as well as increased certainty in terms of 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% for the final year of the existing Rent Strategy.

The proposals also took account of a requirement to increase the provision for bad debts to £5.860 million to meet the anticipated 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 rent level would pay up to an additional maximum amount of £2.00 per week.

In line with the Housing Investment Business Plan, efficiency savings of £0.275 million had been included in the overall budget. This included a reduction in the following budgets:-

Strategy and other support posts (3 FTE vacancies)	£0.108 million
General administration and processing costs	£0.064 million
Budget realignment to reflect existing cost of the pension scheme	£0.103 million

Details of the proposed Housing Capital Programme, totalling £97.303 million, were provided in Appendix 2 to the report and information on how the Programme would be funded was summarised in the report. The Programme would ensure the progress of a key priority within the Housing Investment Programme to increase the supply of Council housing.

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

The Committee recommended to the Executive Committee:

- (1) that the revenue estimate proposals for the Housing Revenue Account Budget 2020/2021, as detailed in Appendix 1 to the report, be endorsed;
- (2) that the rent increase of 3.95% for Council houses, travelling persons' sites, lockups and garage sites be endorsed;
- (3) that the next stage of rent harmonisation be progressed as detailed in the report; and
- (4) that, based on the proposed rent increase, the 2020/2021 Housing Capital Programme of £97.303 million, as detailed in Appendix 2 to the report, be endorsed.

[Reference: Minutes of Housing and Technical Resources Committee of 5 February 2020 (Paragraph 8)]

3.2. Recommendations Referred by Housing and Technical Resources Committee of 5 February 2020 – South Lanarkshire Council Gypsy/Traveller Pitch Allocation Policy Review – Extract of Minute

A report dated 16 January 2020 by the Executive Director (Housing and Technical Resources) was submitted on the introduction of a revised South Lanarkshire Gypsy/Traveller Pitch Allocation Policy with effect from 1 May 2020.

The Council currently provided 2 sites for Gypsy/Travellers, comprising a total of 27 pitches, located at Shawlands Crescent in Larkhall and Springbank Park in East Kilbride.

As part of the review, consultation on the draft Gypsy/Traveller Pitch Allocation Policy took place between 21 October and 8 December 2019. The review had been progressed at the same time as wider engagement with the community in relation to continued development and implementation plans within both sites.

All feedback received from the consultation had been considered and changes incorporated as appropriate, into the revised Policy which was attached as Appendix 1 to the report.

Nationally, there had recently been significant changes to the policy framework, including the joint publication in October 2019 by CoSLA and the Scottish Government of the "Improving the Lives of Gypsy Traveller" Action Plan.

The Housing Allocation Policy had been reviewed during 2018/2019 to reflect the legislative changes introduced through the Housing (Scotland) Act 2014. The revised Policy was approved by the Executive Committee on 1 May 2019.

The Gypsy/Traveller Pitch Allocation Policy had been reviewed to align with the revised Housing Allocation Policy and the recent legislative changes.

The revised Policy continued to focus on ensuring that those areas deemed to be in most need would be prioritised for a pitch, balanced with the consideration to ensure stability across both sites.

A key change to the revised Policy was in relation to timescales for the suspension of applications, which had been amended to align with the Housing Allocation Policy,

to ensure fairness and consistency. Another key change was to expand the number of categories under which priority was awarded, recognising the wide range of previous housing circumstances and need that the applicant had.

**The Committee
recommended to the
Executive Committee:**

that the revised South Lanarkshire Council Gypsy/Traveller Pitch Allocation Policy, as attached at Appendix 1, be approved and implemented from 1 May 2020.

[Reference: Minutes of Housing and Technical Resources Committee of 5 February 2020 (Paragraph 9)]

4. Employee Implications

- 4.1. Any employee implications were raised in the original report to the Housing and Technical Resources Committee.

5. Financial Implications

- 5.1. All financial implications have been highlighted as part of the original report to the Housing and Technical Resources Committee.

6. Other Implications

- 6.1. Any implications have been highlighted as part of the original report to the Housing and Technical Resources Committee.

7. Equality Impact Assessment and Consultation Arrangements

- 7.1. No equality impact assessment or consultation is required in terms of the proposals contained within this report.
- 7.2. Consultation with both tenants and members to agree the annual rent rises required to fund the Housing Business Plan had previously taken place in terms of the recommendations considered by the Housing and Technical Resources Committee.

**Cleland Sneddon
Chief Executive**

14 February 2020

Link(s) to Council Values/Ambitions/Objectives

- ◆ Fair, open and sustainable
- ◆ Accountable, effective, efficient and transparent

Previous References

- ◆ Housing and Technical Resources Committee, 5 February 2019

List of Background Papers

- ◆ Reports submitted to Housing and Technical Resources Committee of 5 February 2019

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Gordon Bow, Administration Manager

Ext: 4719 (Tel: 01698 454719)

E-mail: gordon.bow@southlanarkshire.gov.uk