

HOUSING AND TECHNICAL RESOURCES COMMITTEE

Minutes of meeting held in Committee Room 1, Council Offices, Almada Street, Hamilton on 13 December 2017

Chair:

Councillor Josh Wilson

Councillors Present:

Robert Brown, Archie Buchanan (Depute), Jackie Burns, Janine Calikes, Graeme Campbell, Andy Carmichael, Maureen Chalmers, Gerry Convery, Poppy Corbett, Maureen Devlin, Mary Donnelly, Alistair Fulton, Geri Gray, Eric Holford, Graeme Horne, Martin Lennon, Eileen Logan, Hugh Macdonald (*substitute for Councillor Nugent*), Colin McGavigan, Richard Nelson, Mo Razzaq, David Shearer, Collette Stevenson

Councillors' Apologies:

Allan Falconer, Carol Nugent, John Ross (ex officio)

Attending:**Finance and Corporate Resources**

J Burke, Administration Assistant; H Goodwin, Finance Manager (Resources); E McPake, Human Resources Business Partner; J Muirhead, Administration Adviser

Housing and Technical Resources

D Lowe, Executive Director; A Finnan, Head of Housing Services; J Forbes, Property Manager (Assets and Estates Services); F McCafferty, Head of Property Services

1 Declaration of Interests

No interests were declared.

2 Minutes of Previous Meeting

The minutes of the meeting of the Housing and Technical Resources Committee held on 4 October 2017 were submitted for approval as a correct record.

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

3 Capital Budget Monitoring 2017/2018 - Housing and Technical Resources (excl HRA)

A joint report dated 8 November 2017 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 13 October 2017.

The Committee decided: that Housing and Technical Resources' capital programme (excl HRA) of £4.611 million and expenditure to date of £0.723 million be noted.

[Reference: Minutes of 4 October 2017 (Paragraph 3)]

4 Capital Budget Monitoring 2017/2018 - Housing and Technical Resources (HRA)

A joint report dated 8 November 2017 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 13 October 2017.

The Committee decided: that Housing and Technical Resources' capital programme (HRA) of £40.581 million and expenditure to date of £16.208 million be noted.

[Reference: Minutes of 4 October 2017 (Paragraph 4)]

5 Revenue Budget Monitoring 2017/2018 - Housing and Technical Resources (excl HRA)

A joint report dated 8 November 2017 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted comparing actual expenditure at 13 October 2017 against budgeted expenditure for Housing and Technical Resources' revenue budget (excl HRA), together with a forecast for the year to 31 March 2018.

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 2018 of a breakeven position be noted; and
- (3) that the proposed budget virements be approved.

[Reference: Minutes of 4 October 2017 (Paragraph 5)]

6 Revenue Budget Monitoring 2017/2018 - Housing and Technical Resources (HRA)

A joint report dated 8 November 2017 by the Executive Directors (Finance and Corporate Resources) and (Housing and Technical Resources) was submitted comparing actual expenditure at 13 October 2017 against budgeted expenditure for Housing and Technical Resources' revenue budget (HRA), together with a forecast for the year to 31 March 2018.

The Committee decided:

- (1) that the breakeven position on Housing and Technical Resources' revenue budget (HRA), as detailed in Appendix A to the report, be noted;
- (2) that the forecast to 31 March 2018 of a breakeven position be noted; and
- (3) that the proposed budget virements be approved.

[Reference: Minutes of 4 October 2017 (Paragraph 6)]

7 Housing and Technical Resources' Resource Plan - Quarter 2 Progress Report 2017/2018

A report dated 8 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on Housing and Technical Resources' Resource Plan for 2017/2018. Details were provided on progress made at the end of quarter 2, covering the period 1 April to 30 September 2017, in implementing the priority projects identified in the draft Resource Plan.

The Committee decided: that the report be noted.

[Reference: Minutes of South Lanarkshire Council of 6 December 2017 (Paragraph 3)]

8 Housing and Technical Resources - Workforce Monitoring - September and October 2017

A joint report dated 13 November 2017 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 September and October 2017:-

- ◆ attendance statistics
- ◆ occupational health statistics
- ◆ accident/incident statistics
- ◆ disciplinary hearings, grievances and Dignity at Work cases
- ◆ analysis of leavers and exit interviews
- ◆ staffing watch as at 9 September 2017

The Committee decided: that the report be noted.

[Reference: Minutes of 4 October 2017 (Paragraph 7)]

9 Policy and Strategy Review Schedule

A report dated 16 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on a revised Policy and Strategy Review Schedule.

A formal Policy Review Schedule, to support the ongoing and systematic service improvement process, had been approved by this Committee in October 2011. Regular updates had been provided over the years, with the most recent being reported in May 2016.

The revised Schedule, which also included a timeline for the review of policies and strategies for which the Resource had lead responsibility, had been developed to reflect changes at a local and national level in policy development and also reflected the implementation of other legislative and regulatory changes.

The Committee decided:

- (1) that the revised Policy and Strategy Review Schedule, attached as Appendix 1 to the report, be approved; and
- (2) that the outcome of Policy and Strategy Reviews be reported to future meetings of this Committee in accordance with the Schedule.

[Reference: Minutes of 18 May 2016 (Paragraph 8)]

10 Housing and Technical Resources' Resource Plan 2017/2018

A report dated 7 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on the Housing and Technical Resources' Resource Plan 2017/2018.

Details were provided on the:-

- ◆ objectives and actions for 2017/2018
- ◆ capital and revenue resources for 2017/2018
- ◆ organisational structure of the resource

In accordance with the Council's performance management arrangements, a mid-year progress report on actions identified in the 2017/2018 Resource Plan would be submitted to a future meeting of this Committee.

The Committee recommended to the Executive Committee: that the Housing and Technical Resources' Resource Plan 2017/2018 be approved.

[Reference: Minutes of South Lanarkshire Council of 6 December 2017 (Paragraph 3)]

11 Castlebank Park, Lanark - Asset Transfer to Lanark Community Development Trust

A report dated 9 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on the community asset transfer of 433 square metres of ground, together with the former sawmill buildings, at Castlebank Park, St Patrick's Road, Lanark to Lanark Community Development Trust.

At its meeting on 20 March 2013, this Committee had approved the grant of a 20 year lease of 2,137 square metres of land (Phase 1) and, subsequently, the former sawmill buildings at Castlebank Park (Phase 2) to Lanark Community Trust for a rate of £1 per annum to enable them to create the Castlebank Horticultural and Environmental Training Centre.

Phase 1 of the project had been successfully delivered and the Trust had submitted a funding application to the Big Lottery Growing Community Assets Fund to support the delivery of Phase 2. The Big Lottery required the community organisation to own the asset and this was agreed at a meeting of this Committee on 18 January 2017.

The application for Lottery Funding had been unsuccessful and the Trust had redesigned the scheme to reduce the overall costs which would result in approximately £200,000 invested in the sawmill buildings.

A viable funding package had been developed which did not include the purchase of the properties as this was no longer required as the Big Lottery bid had been unsuccessful. The Trust was now requesting agreement to lease the 124 square metres of ground together with the former sawmill buildings.

The other principal terms and conditions of the lease agreement were detailed in the report.

The Committee decided:

- (1) that the former sawmill buildings at Castlebank Park, St Patrick's Road, Lanark be leased to Lanark Community Development Trust at a rental of £1 per annum, subject to the terms and principal conditions outlined in Section 5 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.

[Reference: Minutes of 18 January 2017 (Paragraph 11)]

12 Proposed Lease of Ground at South Vennel, Lanark with Associated Servitude Right of Access in Favour of SP Distribution Plc

A report dated 2 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on:-

- ◆ a request for the Council to grant a 99 year lease of approximately 25 square metres of ground at South Vennel, Lanark to SP Distribution Plc to construct a new electricity sub-station subject to the terms and conditions detailed in the report
- ◆ a proposal to authorise the laying of cables and to grant a servitude right of access to allow the inspection and maintenance of the cables servicing the sub-station

The new sub-station required to be constructed on the area of ground at South Vennel, Lanark, as shown on the attached plan to the report, which was currently owned by the Council and held in the Housing Account.

It was an essential requirement of SP Distribution Plc that the lease for the sub-station be executed prior to energising the sub-station.

The Committee decided:

- (1) that SP Distribution Plc be granted a 99 year lease of 25 square metres of ground at South Vennel, Lanark for the construction of an electricity sub-station and the laying of cables and the grant of a servitude right of access subject to the principal terms and conditions detailed 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, if appropriate, be authorised to conclude all matters in respect of the grant of the lease and to enter into the necessary legal agreements on terms which were in the best interests of the Council.

13 Proposed Lease of Ground at Elm Street, Blantyre with Associated Servitude Right of Access in Favour of SP Distribution Plc

A report dated 2 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on:-

- ◆ a request for the Council to grant a 99 year lease of approximately 9 square feet of ground at Elm Street, Blantyre to SP Distribution Plc to construct a new electricity sub-station subject to the terms and conditions detailed in the report
- ◆ a proposal to authorise the laying of cables and to grant a servitude right of access to allow the inspection and maintenance of the cables servicing the sub-station

The new sub-station required to be constructed on the area of ground at Elm Street, Blantyre, as shown on the attached plan to the report, which was currently owned by the Council and held in the Housing Account.

It was an essential requirement of SP Distribution Plc that the lease for the sub-station be executed prior to energising the sub-station.

The Committee decided:

- (1) that SP Distribution Plc be granted a 99 year lease of 9 square metres of ground at Elm Street, Blantyre for the construction of an electricity sub-station and the laying of cables and the grant of a servitude right of access, subject to the principal terms and conditions detailed 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, if appropriate, be authorised to conclude all matters in respect of the grant of the lease and to enter into the necessary legal agreements on terms which were in the best interests of the Council.

14 Variations to the Ground Lease at Regent Centre, Hamilton and Grant of Lease for 1 to 5 Duke Street, Hamilton - J D Wetherspoon Plc

A joint report dated 24 November 2017 by the Executive Directors (Housing and Technical Resources) and (Community and Enterprise Resources) was submitted on proposals to amend the terms and conditions of the ground lease at the Regent Shopping Centre, Hamilton and to grant a 170 year lease for 1 to 5 Duke Street, Hamilton to J D Wetherspoon Plc.

One of the main challenges facing the Regent Shopping Centre came following the closure of the Baird's unit at the corner of Quarry Street and Duke Street, Hamilton in 2014. The location and prominence of the unit meant that its vacant state continued to impact on Hamilton Town Centre as a whole.

On 11 March 2015, a proposal was approved by the Executive Committee from VALAD Asset Management on behalf of Maration, who held the lease for the Regent Shopping Centre, that J D Wetherspoon Plc take ownership of the unit to create a restaurant/public house/coffee bar and 13 bedroom hotel based on a business model they had successfully developed in similar properties and town centres throughout England. However, due to changes in market conditions and business priorities, this transaction had not been concluded.

J D Wetherspoon Plc had subsequently renewed their interest in the property and the Council had received a fresh approach to support the variation of the terms of the ground lease. This would require the existing ground lease with Maration to be varied, removing the Baird's unit from the existing agreement, and a new lease to be put in place between the Council and J D Wetherspoon Plc.

The principal terms and conditions for the new lease were detailed in the report.

The Committee decided:

- (1) that the terms of the existing ground lease for the Regent Shopping Centre, Hamilton, be varied to facilitate the redevelopment of the former Baird's unit, at the corner of Quarry Street and Duke Street, Hamilton, by J D Wetherspoon Plc;
- (2) that a new lease be entered into with J D Wetherspoon Plc, or their nominee, on the principal terms and conditions set out in section 4 of the report; and

- (3) that the Executive Director (Housing and Technical Resources), in consultation with the Head of Administration and Legal Services, be authorised to enter into the necessary legal agreements on terms which were in the best interests of the Council.

[Reference: Minutes of the Executive Committee of 11 March 2015 (Paragraph 15)]

15 Disposal of Vacant Domestic Dwelling House at 2 Snaefell Crescent, Rutherglen

A report dated 13 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on a proposal to declare the vacant dwelling house at 2 Snaefell Crescent, Rutherglen surplus to the operational requirements of Housing and Technical Resources.

The dwelling house was a 3 bedroom semi-detached traditional sandstone property which was unique in terms of the Council's current residential property portfolio in the Cambuslang and Rutherglen area.

As the location and construction of the property differed from the remainder of the housing stock in the area, disposal of the asset was considered to be a suitable solution in terms of property management.

If declared surplus, the property would be marketed for sale on the open market.

The Committee decided:

- (1) that the vacant property at 2 Snaefell Crescent, Rutherglen be declared surplus to the operational requirements of Housing and Technical Resources;
- (2) that the Executive Director (Housing and Technical Resources) be authorised to deal with the disposal of the property through the Council's normal surplus property procedure; 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 matters in respect of any subsequent disposal and to enter into the necessary legal agreements in terms which were in the best interests of the Council.

16 Update on Welfare Reform Legislative Changes

A report dated 13 December 2017 by the Executive Director (Housing and Technical Resources) was submitted on the:-

- ◆ impact of key aspects of the Welfare Reform programme on landlord and homelessness services
- ◆ roll-out of Universal Credit "Full Service" within South Lanarkshire

An update was provided on the following activities:-

- ◆ under occupancy provisions
- ◆ benefit cap
- ◆ Universal Credit
- ◆ flexibility in the Scottish Social Security system
- ◆ Local Housing Allowance

The Committee decided: that the report be noted.

[Reference: Minutes of 4 October 2017 (Paragraph 13)]

17 Update of Housing and Technical Resources' Risk Register and Risk Control Plan

A report dated 10 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on:-

- ◆ systems and controls in place within Housing and Technical Resources to control risks
- ◆ details of Housing and Technical Resources' current Risk Control Register

The Resource had followed Council guidance in developing, monitoring and updating its Risk Control Register on an ongoing basis. The Register had been developed to ensure that the Resource was fully aware of the main risks that it had, was able to prioritise those risks and had appropriate controls in place to eliminate or minimise the impact of the risk.

The risks were scored in accordance with the Council's scoring mechanism which scored risks based on likelihood and impact of risk. This resulted in risks being scored between 1 to 9 (low to high). Risks were scored on their inherent risk (risk if nothing was done) and their residual risk (risk after applying controls).

The Risk Register for the Resource had been developed and was monitored on a quarterly basis to add new risks and to review the scores of existing risks. The Register was maintained within Internal Audit and updated by designated officers within Housing and Technical Resources.

Details of risks which had scored 7 to 9 were provided in the appendix to the report.

The Committee decided: that the systems and controls in place to monitor risks within Housing and Technical Resources be noted.

[Reference: Minutes of 12 October 2016 (Paragraph 17)]

18 2017 Property and Housing Asset Management Plans

A report dated 23 November 2017 by the Executive Director (Housing and Technical Resources) was submitted on the outcomes of the 2017 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 2017 had given the following return for the LGBF indicators:-

- ◆ in relation to condition, this showed 87% in a satisfactory condition (86% in 2016)
- ◆ in relation to suitability, this showed 96% of properties suitable for service delivery (95% in 2016)

The Committee decided:

- (1) that the content of the 2017 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 the Executive Committee of 7 September 2016 (Paragraph 10)]

19 Urgent Business

There were no items of urgent business.