



MINUTES OF A MEETING OF THE CORPORATE SCRUTINY COMMITTEE HELD ON 22nd APRIL 2024

PRESENT: Councillor D Cook (Chair), Councillors R Claymore, G Coates, S Doyle, D Maycock, B Price and L Smith

The following officers were present: Tina Mustafa (Assistant Director Neighbourhoods) and Leanne Costello (Senior Scrutiny and Democratic Services Officer)

Cabinet: Councillor S Smith, Portfolio Holder for Housing and Planning

Guest: Councillors C Dean and B Clarke

90 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors C Bain and M Bailey.

91 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 18th March 2024 were approved as a correct record.

(Moved by Councillor B Price and seconded by Councillor L Smith)

92 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

93 CHAIR'S UPDATE

There was none.

94 RESPONSES TO REPORTS OF THE CORPORATE SCRUTINY COMMITTEE

There were none.

95 CONSIDERATION OF MATTERS REFERRED TO THE CORPORATE SCRUTINY COMMITTEE FROM CABINET / COUNCIL

There were none.

96 HOUSING VOIDS UPDATE

The Chair introduced the report of the Assistant Director, Assets to provide the Corporate Scrutiny Committee with an update on the current status of housing voids following a series of questions raised by the working group.

The Chair highlighted that the Assistant Director, Assets had sent apologies and that the Assistant Director, Neighbourhoods, Tina Mustafa was in attendance with the Portfolio Holder for Housing and Planning, Councillor S Smith.

The Chair also welcomed Councillor C Dean and B Clarke who were members of the Housing Repairs cross-party working group to join the discussion.

The Committee made the following comments/observations and asked the following questions:

1. Concerns around the time taken to turn around voids and the mounting costs and what the solution is for this?
The Officer confirmed that with regards to rent loss, a 1.5% loss is built into the budget. For any rent loss accrued over and above that there are Liquidated and Ascertained Damages (LAD) enforced against the contractor where they are late in returning a property back.
In terms of tackling turnaround times on this voids this is something that requires a multi-faceted approach including working with the contractor through their Service Improvement Plan as well as looking at key workstreams including tenancy management, for example beginning as soon as the Council become aware of an upcoming empty property; looking at how tenants are incentivised to leave the property in better condition; the exit inspection process and property inspections formally referred to as MOTs.
It was highlighted that a stock condition survey was being carried out across every property this year with a view to devising a detailed project plan to bring down turnaround times and drive improvements.
2. Concerns around the current recovery rate of rechargeable repairs and how tenants can cause damage and not make payments towards this?
The Officer confirmed that there is a robust recharge policy in place. Where an exit inspection identifies damage then a move can be prevented where the tenant's housing need does not override this and tenants can be asked to rectify damage/put recharge arrangements in place, the allocations policy does also allow for a housing application to have reduced preference. Where they are able to move on, they are referred to agencies to agree a payment plan but as this is not a primary debt such as rent or council tax, return rates do remain low.
Councillors felt prevention and early intervention is the key which could include including annual property inspections, it had been hoped that the contractors would be able to carry these out through their annual safety checks, but this has not been possible. It is hoped that the 100% stock

condition check would provide a baseline of how to move forward with this and look at cost benefits of resuming property inspections.

The Officer also explained that in some complex cases a move may still be required and inspections may not be the only answer or change the outcome, Other options could be into looked at an enhanced style of housing management, such as at that implemented at Eringden which may be effective. It was also highlighted that there were looking at proposals for a new tenancy management policy which could look at introductory tenancies.

The Committee noted that the expectation of a regular property check may act as an incentive although it was acknowledged that this would not always be the case. It was also acknowledged that this is the minority of tenants and that legislation to protect tenants can make holding them accountable for damage difficult.

3. The Committee raised concerns around a conflict of interest in the contractors carrying out the annual inspections and suggested that it may be better to employ an in-house staff member responsible for this as they are Council assets.

The Committee acknowledged that high-cost voids can also come down to circumstances, an example was given of a long term, elderly tenant passing away who had declined upgrades to the property meaning considerably work was then needed to be done to return it to a lettable standard.

4. Clarification around contracts and whether Equans holds multiple contracts?

It was confirmed that there are two main contractors; Equans who carrying out void work, cyclical and response repairs and Wates who deliver capital and planned works. They may then sub-contractor works out for specialist trades.

The Officer agreed to check whether Equans holds multiple contracts within the Council to which Paul Weston will respond.

5. Clarification around the LAD payments of £20.00 per day and whether this affects the step-in clause for approaching other contractors as well as KPI's performance and why poor performance had not been picked up sooner.

The Officer confirmed the LAD is based on the rent loss the Council can reasonably recovery. The clause in the contract around giving the work to other contractors is based on a last resort when performance is not improving. With regards to KPI's they are looking at how to move forward and that the work would involve working collaboratively with contractors, Portfolio Holders and Members to improve.

6. Where someone has made an improvement such as a nice laminate floor, why does this need to be removed?

The Officer confirmed that reviewing the lettable void standard will seek to clarify this. And, whilst a common-sense approach is taken the Council would be responsible for ongoing maintenance & if these are non-standard could result in higher void/repair costs.

The Portfolio summarised that prevention in this area is essential and creating a holistic approach whilst being robust with enforcement.

Resolved that Committee made the following recommendation to Cabinet:

1. To instruct Officers to review the costs versus return, of employing an in-house inspection team to see if we can drive down the costs of voids.
2. To review how we recover damages costs from existing tenants and see if there is a more proactive way we can approach this long term.
3. That the Portfolio Holder calls Equans in to address Members major concerns around void turnaround times and ask them what their action plan is to improve this.

(Moved by Councillor D Cook and seconded by Councillor B Price)

97 WORKING GROUP UPDATES

The Chair updated the Committee that further to the last meeting, a working group meeting had been held with Officers from the finance team around leaseholder insurance charges. The Chair confirmed that under legislation the Council must purchase the building insurance and spread the cost amongst the tenants.

An insurance broker was employed to test the market to see whether the current arrangement was cost effective. This confirmed that that the costs are in line with the market.

It was noted that the reasons for the rise in costs includes an increase in the number of customer claims as well as increases in costs within the construction industry.

The Committee asked whether the premiums had to be collected in one lump sum or if these could be spread over a number of months for those who may find this difficult? And if so that this could be communicated to those affected?

98 FORWARD PLAN

There were no items identified from the Forward Plan.

99 CORPORATE SCRUTINY COMMITTEE WORK PLAN & ACTION LOG

The Committee thanked the Chair, Deputy Chair, Cabinet Members and Officers for supporting the work of the Committee this year.

The Chair thank Officers and Cabinets for their input in to a productive year before closing the meeting.

Chair

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