

## **CABINET MEMBER FOR HOUSING**

RECORD OF DECISIONS taken by the Cabinet Member for Housing, Councillor Steve Wemyss, at his meeting held on Thursday, 28 January 2016 at 5.30 pm at the Executive Meeting Room - The Guildhall, Portsmouth.

### **Present**

Councillor Steve Wemyss (in the chair)

### **Opposition Spokespersons**

Councillor Yahiya Chowdhury  
Councillor Stuart Potter  
Councillor Yahiya Chowdhury  
Councillor Matthew Winnington

### **Officers**

Nick Haverley  
David Mearns  
Owen Buckwell  
Steve Groves  
Meredydd Hughes

#### **1. Apologies for Absence (AI 1)**

There were no apologies for absence.

#### **2. Declaration of Interests (AI 2)**

There were no declarations of interest.

#### **3. Council Housing Budget 2016/17 (including rents and service charges) (AI 3)**

##### **(TAKE IN REPORT AND APPENDICES)**

Nick Haverly, Finance Manager, presented the report. He explained that in his 2015 budget speech, the Chancellor of the Exchequer made a further change to the social rent policy which stated that all social rents would reduce by 1% each year for a period of four years. As a result, for 2016/17 it is proposed to reduce rents from an average of £87.38 per week to £86.51 per week as summarised in Appendix 4. Mr Haverly explained that the reduction in rent means that there is a need to maximise recovery of costs and as a result it is now proposed to meet full cost recovery in 2016/17, a year earlier than previously anticipated. The proposed charges for 2016/17 are shown in Appendix 5. Mr Haverly explained the charges for sheltered housing, laundry, heating and for garages and parking sites.

Mr Haverly drew members' attention to 4.2 of the report which explained that there are a number of years that show in-year deficits where expenditure

exceeds anticipated income and the resulting shortfalls are being funded by drawing on HRA balances. These deficits are mainly due to changes to government policies, for example the social rent reduction policy, as well as revenue contributions to fund major capital schemes that have been incorporated into the 30 year plan. It is anticipated that these areas will be reviewed over the forthcoming year and a number of other service reviews investigated with the aim of identifying ways that the deficit budgets can be brought back to break even and to ensure that the HRA balances as a whole do not fall into deficit over the whole 30 year period.

The Cabinet Member for Housing thanked officers for all their hard work on the report and the valued contributions of the tenants and leaseholders. He said that he had received many representations on the sheltered housing charges which proposed a large increase compared with last year. For that reason he proposed an amendment for this year and said he would be aiming to reduce the levels in future. Consequently the increases will not be as large as originally proposed.

Mr Haverly circulated at the meeting the amendment to Appendix 6 and a consequential amendment to Appendix 3. The Cabinet Member for Housing placed on record his particular thanks to Nick Haverly for all his work. He went on to say that legislation around housing was very complicated and there were challenges concerning the enforced 1% rent reduction as this would have a long term impact on the housing revenue account. He said that there were also challenges around the right to buy with regard to housing associations which would have the effect of reducing property available for council house rental income.

The cabinet member invited comments from the opposition spokespersons.

Councillor Winnington placed on record his thanks to officers, residents and tenants and agreed that government policies would be challenging. He was pleased that the sheltered housing service charges had been reduced.

Councillor Chowdhury said that increasing service charges made it very difficult for people to pay.

Mr Haverly explained that service charges were based on full cost recovery and tenants had agreed that this was appropriate. It was important to realise that no profit was being made from this. He also explained that the general service charges would be eligible for housing benefit.

It was noted that the recommendations would not change as they referred to appendices but the contents of appendices 3 and 6 would be amended to reflect the Cabinet Member's decision and would be uploaded to the website. An explanation would also be given in the item that would be included on the Members' Information Service (MIS) bulletin.

**DECISIONS - The Cabinet Member for Housing approved:**

- (i) All rents and charges to be effective from 1st April 2016 or such other date as determined by the Director of Property and Housing Services in consultation with the Director of Finance and Information Services.**
- (ii) Dwelling rents for 2016/17 to be set as in accordance with Central Government's Social Rent Policy.**
- (iii) General Service charges for 2016/17 to be set at this meeting as set out in this report, with a view to be set to achieve full cost recovery, as summarised in Appendix 5.**
- (iv) Sheltered Housing Service charges for 2016/17 to be set at this meeting as set out in this report, and in accordance with Appendix 6.**
- (v) Laundry charges for 2016/17 to be set at this meeting as set out in this report, and in accordance with Appendix 7.**
- (vi) Heating charges to be set in accordance with Appendix 8.**
- (vii) Garages and parking site rents as shown on Appendix 9 be approved and authority to let garages at reduced rents where demand is low be delegated to the Director of Property and Housing Services in consultation with the Director of Finance and Information Services.**
- (viii) Revenue budgets for 2015/16 and 2016/17 as set out in Appendix 3 be approved and authority given to the Director of Property and Housing Services in consultation with the Director of Finance and Information Services to amend the budgets to reflect the latest available information prior to finalising budgets for 2016/17.**
- (ix) The relevant Managers be authorised to incur expenditure in 2016/17.**
- (x) The forecast Revenue Budgets for 2017/18 to 2019/20 as set out in Appendix 3 arising from the proposals contained in this report, be noted.**

The meeting concluded at 6.00 pm.

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Councillor Steve Wemyss  
Cabinet Member for Housing