

CABINET MEMBER FOR HOUSING AND PREVENTING HOMELESSNESS

RECORD OF DECISIONS of the meeting of the Cabinet Member for Housing and Preventing Homelessness held on Thursday, 2 February 2023 at 10.00 am at the Guildhall, Portsmouth

Present

Councillor Darren Sanders (in the Chair)

Councillors Cal Corkery
George Madgwick
Daniel Wemyss

1. Apologies for absence

There were no apologies for absence.

Councillor Sanders advised that a local primary school had been invited in by the Lord Mayor to observe the meeting and would be viewing for a short period of time from the public gallery.

Councillor Sanders updated on the situation with Councillor Cal Corkery who was currently an independent councillor having been expelled from the Labour party and was attending as ward councillor for Charles Dickens ward.

2. Declarations of interest

Councillor Corkery declared a personal interest as a council tenant.

Councillor Sanders took the deputations for agenda item 6, Council Housing Budget 2023/2024 (including rent setting) prior to the other agenda items, but for ease of reference they were minuted under agenda item 6.

3. Park Homes Pitch Fee Review 2023

Clare Hardwick, Head of Private Sector Housing, introduced the report.

The purpose of the report was to present the options and agree the approach that would be applied to the upcoming annual pitch fee review process in April 2023.

The officer noted that the RPI for January would not be published until 15 February 2023 and was expected to be 15%.

Residents Consortium questions

Maria Coles advised that they had not received the agendas in the post and had been supplied with paper copies at the beginning of the meeting. They

therefore had not had time to read through the papers thoroughly. Maria asked whether Park Homes were eligible for housing benefit and the officer confirmed that some residents were in receipt of this.

Members' questions

In response to members' questions, officers clarified:

- In the report, under section 7, an outline was provided of what a 6% increase looked like in monetary terms. For a small plot it would be £2.13 per week and a double plot £2.67 per week.
- The RPI rate that is worked to, under the framework of legislation, is the published RPI rate 28 days prior to the review date. Therefore, if the RPI rate is announced as 4% on 15 February, that would be the rate the service would work to and would not go above it.
- There was no specific discretionary fund available for those facing difficulties paying the increase. Officers worked closely with residents and carry out due diligence to put them in touch with any additional funding or support that they were not currently accessing.
- The Government made an announcement shortly after Christmas, ensuring that all energy grant funding that went directly to landlords was passed onto the tenants. The charges levied on residents by PCC were significantly lower than the business cap bought in by the Government over the summer.

Councillor Comments

Councillor Wemyss and Councillor Madgwick considered a 6% increase to be reasonable but agreed that, in the unlikely event RPI is lower than 6%, consideration should be given to fluctuating the increase in line with the lower RPI.

The Chair's summing up

Councillor Sanders noted the service was trying to mitigate the cost-of-living crisis for everyone and that some of the residents of the Park Homes would be subject to the forthcoming increases in mortgage rates and interest rates. He advised he would have liked to use the lower CPI figure for the increase but noted that legally this could not happen. The only sensible option available was to increase the pitch fees by an average over the year, in order that costs can be covered, and therefore the rate of 6% was approved, with the proviso that should the RPI rate be lower than 6%, officers would consider their discretionary powers to reduce the rate of increase in line.

Decision

The Cabinet Member:

- **Noted the recommendations in the report and agreed to Option 1: Increase Park Homes pitch fees by 6% from 1 April 2023.**

- **Noted that an annual report will be brought to the Cabinet Member for Housing and Preventing Homelessness for decision before each pitch fee review process commences.**

4. Private Sector Housing Fees and Charges

Clare Hardwick, Head of Private Sector Housing, introduced the report.

The purpose of the report was to present the proposals for Private Sector Housing (PSH) fee adjustments for chargeable services to ensure fees achieve full cost recovery.

During the item, a local primary school entered the viewing gallery at 10:56 for a short period of time.

Resident Consortium Questions

There were no questions.

Members' Questions

In response to members' questions, officers clarified:

- The enforcement fees outlined in the report did not just apply to HMO licence holders but apply to any enforcement taken by the team. The team had an approach of escalation for enforcement, so for a repeat offender the charges outlined were only for the recovery of the activity that led the officer to taking the enforcement action. There were also other penalties and punitive actions that could be used such as prosecuting a landlord for a repeat offence or issuing a civil penalty notice which can go up to £30,000 per offence. The fees in the report were a minor part of the overall enforcement powers available.

Councillor Comments

Councillor Madgwick noted the Integrated Impact Assessment needed to be updated with the correct officer contacts.

Councillor Wemyss requested the officer forward to him the information on rent repayment orders for HMOs.

The Chair's summing up

Councillor Sanders thanked officers for the report. He noted the extension of the additional licensing scheme since the current Cabinet had been in post. Councillor Sanders noted his acceptance of the two recommendations.

Decision

The Cabinet Member:

- **Approved the proposals for PSH fee adjustments for the City Council's Mandatory HMO licensing fees as outline in Appendix 1, to commence from 1 April 2023.**

- **Approved the proposals for PSH fee adjustments for the City Council's Private Sector Housing Enforcement fees in Appendix 2 to commence from 1 April 2023.**

5. Update on Full Fibre to the Home - City Fibre

Meredydd Hughes, Assistant Director (Buildings) introduced the information only report.

The report provided a further update on the Full Fibre to the Home City Fibre Infrastructure works and detailed the progress made across Portsmouth City Council's housing property portfolio since the last update provided on 24th January 2022.

Meredydd noted item 4.6 of the report which detailed that over the last 12 months over 283 PCC owned blocks of flats across Portsmouth had been connected to the full fibre network allowing just under 2500 dwellings the capability of receiving full fibre. Future plans were to bring another 2000 dwellings online to receive full fibre in 2023.

Meredydd also drew attention to item 4.9 regarding the extension of the full fibre roll out work to PCC residents in Havant, including Crookhorn and Wecock Farm.

Resident's consortium

In response to the Resident Consortium questions and comments, officers clarified:

- City Fibre have their own promotion and marketing materials to bring on new customers. The service had had a number of articles in Housetalk which highlighted the advantages of the full fibre platform to encourage take up amongst residents. The local Managing Director of City Fibre had presented at a recent Residents Consortium meeting about the advantages.
- In relation to the cost, Meredydd and Councillor Sanders had fed back to City Fibre on the key issue of making sure there is no digital exclusion for residents in local authority accommodation. The service was working closely with City Fibre and their partners regarding social tariffs or internet lite packages that could be offered to increase affordability for all.
- PCC had not invested any money in the scheme, just officer time working with City Fibre to ensure works are happening in compliance with PCC's requirements. As more of the city came online it was likely that there would be a ramp up in terms of promotion and work on ensuring providers rent the lines and increase take up.

Members' questions

In response to members' questions, officers clarified:

- That to encourage residents to take up the City Fibre options, the message was taken to the Resident's Consortium and the winter edition of Housetalk, which contained a half page editorial comment and text regarding social tariffs and how they could be applied for. An article had been placed in Flagship and officers met with City Fibre on a quarterly basis during which inclusivity for all and social tariffs were discussed. Officers ensure that City Fibre push their suppliers and internet providers on this issue. Meredydd likened City Fibre to a rail network with City Fibre providing the tracks and the internet providers providing the trains to run on that track.
- In relation to technical issues, PCC has a liaison manager working with City Fibre, meeting with them once a month. City Fibre provide a detailed plan and installation packs in terms of work and technical issues. Any works undertaken in the blocks is signed off and agreed to. The Liaison Manager also signs off the works on completion.

Members' comments

Councillor Wemyss noted the benefits of increasing the fibre optic provision in the City. He also noted the switch over from the copper network to Voice Over Internet Protocol (VOIP) which uses fibre networks such as City Fibre for all telephone communications over the internet.

Councillor Wemyss also commented on and commended City Fibre for having 70% of their workforce living in and around Portsmouth and 25% of the workforce being veterans.

The Chair's summing up

Councillor Sanders noted all the provisos discussed and welcomed the report. He was pleased on the amount of local people and veterans employed by City Fibre and was happy to note the report.

The Cabinet Member noted the report.

The meeting was adjourned at 11:20 and restarted at 11:31.

6. Council Housing Budget (including rents) 2023/2024

Paul Godier, Jason Halfpenny, Jamie Foy and Councillor Cal Corkery gave deputations opposing this agenda item.

Deputations are not minuted but can be viewed here:

[Cabinet Member for Housing and Preventing Homelessness, 2 February 2023 on Livestream](#)

Alan Denford, Group Accountant, introduced the report and each recommendation in turn.

The purpose of the report was to seek the Cabinet Member's decision on the City Council Housing budgets, rents and other charges and to give authority for managers to incur expenditure in 2023/2024.

Members' Questions

In response to members' questions, officers clarified:

- In relation to any support available, the following were noted:
 - The energy price cap guarantee will be increasing from £2,500 per year to £3,000 per year from 1st April 2023.
 - The energy rebate is coming to an end at the end of March.
 - From 1st April the Government will be introducing a number of initiatives for residents eligible for various benefits including;
 1. £900 cost of living payment based on means tested benefits to be paid in 3 equal instalments in Spring 2023, Autumn 2023 and Spring 2024.
 2. A £300 one off pension payment for those claiming pension credit.
 3. An automatic one-off payment of £150 for households in the UK claiming disability benefits.
 4. A Warm Homes scheme giving a one-off discount on electricity bills over the winter which is directly applied to bills.
 5. Cold weather payments and winter fuel payments.
 6. Fuel pre-payment vouchers are issued automatically but need to be manually redeemed before they expire. The service was heavily promoting all these through their housing officers but also through the Switched-on Portsmouth website to ensure residents were aware of what they can claim for in terms of the vouchers but also to make sure they redeem them for credit on their bills.
- In certain housing blocks, electricity is generated by Solar PV cells on the roofs and in calculating the energy price increases officers worked out the amount of energy that the energy centre consumed and then deducted from that any income generated through the surplus electricity sales and then a net figure was produced. For the Charles Dickens district heating network the net figure is then divided by the residents on the estate receiving communal heating and everybody pays a proportionate share.
- The Charles Dickens heating system is an on-demand heating and hot water system and runs 24/7 and 365 days a year so that residents always

have access to heating and hot water. There are controls within each property to turn down radiators.

- The building services team are investigating how best to upgrade and modernise the district heating system to allow more flexibility and more control for residents, and to allow residents to only pay for the energy and hot water that they use. A similar feasibility will be undertaken on the communal heating system at Tipton & Edgbaston Houses. Residents will be consulted over the summer on the pros and cons.
- Heating charges are purely for the supply of gas or electricity and includes all service charges. The amount paid by the council is an all-inclusive cost.

The service continually works with energy brokers who act on our behalf to purchase energy. As the wholesale energy prices had come down since Christmas the opportunity was taken to purchase 50% of the gas and electricity for next year allowing for cost certainty. Energy ceiling caps had also been put in place within the contracts to ensure price increases cannot go past a particular point. This allowed flexibility purchasing.

- These heating charges only apply to residents in receipt of communal heating charges. The vast majority of residents are purely subject to the energy price cap as they are not part of a communal energy system.
- If rents were frozen, the money lost would not be able to be recouped as the rent standards limit increases to CPI plus 1%.
- Capping the heating charges to 50% and recouping in subsequent years was doable. The officer referred to paragraph 4.14 of the report and noted that the 50% cap, in this illustration, would mean a reduction in the heating account of £250,000 for the year. This could be recovered from the reserve but would mean tenants in future years paying more than they would otherwise have done so because of the decision taken.
- None of the proposals would affect the Council applying for any future government funding.
- In terms of communications to residents on what benefits or help they can apply for, there are money advisors based at the housing offices working closely with residents. There is Switched on Portsmouth offer with a high profile on social media and in written format as posters in housing blocks. There is ongoing training for front line housing officers and tenants can be referred to Leap - a gateway for help in different ways.

Members' comments

Councillor Sanders noted the following:

- All benefits are going up by the September CPI of 10.1%
- The national living wage is going up by 9.42%

- Pensioners benefits are increasing along with child benefit and universal credit payments.
- The benefits cap is increasing by 10.1% for the first time in a number of years.
- PCC is distributing a Household Support Fund which includes £120 for those missing out on government support, £70 for children of parents who are eligible for free prescriptions or healthy start vouchers; £150 for disabled people struggling with their heating bills and help with basics such as food, living costs, energy, and white goods.

Councillor Madgwick noted that a rent freeze would not be recoverable but proposed an increase in 7% whilst also putting in place a hardship fund of £5 million from the reserve, solely ring fenced for tenants' genuine affordability issues of the increase in rent. However, officers noted that this would leave a £5 million hole in the budget which would need to be resolved as it would increase the deficit position and would mean a consequence on the overall financial position of the HRA going into future years.

Councillor Wemyss suggested raising the rent by 5% instead of 7% which would help tenants this year.

Residents Consortium

The residents noted they were aware that things would go up but were hoping it wouldn't go up too much.

Trevor noted the Government cut to PCC funding of £22 million and asked if this had affected the proposed increase in charges.

Councillor Sanders explained that the Council operates two separate budgets, one of which was the main budget agreed by all 42 councillors called the General Fund and this is affected by funding from Government and will impact on the level of Council Tax set.

The budget being discussed at the meeting was a completely separate budget with three quarters of the money coming from rent and other charges.

The Chair's summing up

Councillor Sanders thanked everyone for their frank discussions on the report and issues. He stated he was very aware of the cost-of-living crisis and observed that last year rents were increased by less that suggested to help. This did not lead to a deficit position and officers had embarked on a significant programme to cut waste and to build and buy new council homes. However, the expansion of the Ukraine conflict and the damage to the economy in the autumn had led to the surplus becoming a £2.3 million loss. This was not dissimilar to other local authorities who have all raised rents by 7%.

Having considered all the proposals put forward during the meeting, Councillor Sanders considered that a rent freeze would damage the budget in future years resulting in an unsustainable level of reserves in two years. He

noted that no rent increase will be more than the local housing allowance which had been frozen for 3 years.

With regard to the suggested hardship fund, Councillor Sanders noted the Household support fund that was already in place providing nearly £4million of support for the most vulnerable people in the city.

In relation to the heating charges, Councillor Sanders took a balanced view having heard all the evidence and depositions during the meeting and made the decision to change the proposal. Instead of being in accordance with appendix 7 of the report, the rise would be capped for 2023/2024 at 50% increase with the money to be recovered in future years. This would still leave a £1.3 million deficit for the financial year, and he noted he had asked officers to work on a plan to rectify that position. Officers had also been asked to produce an Asset Management Strategy to tackle maintaining the housing stock.

Councillor Sanders approved the rent rises, service charge rises, and the heating charge, as amended, at a 50% cap with the money to come back in future years. He agreed all other recommendations.

Decision

The Cabinet Member:

- 1. Noted the Forecast Revenue Outturn for 2022/23 arising from monitoring discussions with Managers, as set out at Appendix 3.**
- 2. Agreed all rents and charges to be effective from Monday 3 April 2023 or such other date as determined by the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources.**
- 3. Approved dwelling rents for 2023/24 to be set with an average increase of 7%, which is in line with the maximum allowable under Central Government's Social Rent Setting policy.**
- 4. Approved General Service Charges for 2023/24 to be set as set out in the report and in accordance with Appendix 5.**
- 5. Approved Sheltered Housing Service Charges for 2023/24 to be set as set out in the report, and in accordance with Appendix 6.**
- 6. Approved laundry charges for 2023/24 to be set, as set out in the report, and in accordance with Appendix 7.**
- 7. Approved heating charges for 2023/24 to be capped at a 50% rise in 2023/2024 with any remaining heating charges to be recouped in subsequent years.**
- 8. Approved Garages and Parking Site rents for 2023/24, as shown in Appendix 9 and approved authority to let garages at reduced rents**

where demand is low to be delegated to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources.

9. **Approved the Revenue Budget for 2023/24, as set out in Appendix 3 and approved authority to be given to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources, to amend the budgets to reflect the latest available information prior to finalising budgets for 2023/24.**
10. **Authorised the relevant managers to incur expenditure in 2023/24**
11. **Noted the Forecast Revenue Budgets for 2024/25 to 2026/27 arising from proposals contained in the report as set out in Appendix 3.**

The meeting concluded at 12.28 pm.

Councillor Darren Sanders
Chair