

## **CABINET MEMBER FOR HOUSING AND TACKLING HOMELESSNESS**

RECORD OF DECISIONS of the meeting of the Cabinet Member for Housing and Tackling Homelessness held on Friday, 26 January 2024 at 9.30 am at the Guildhall, Portsmouth

### **Present**

Councillor Darren Sanders (in the Chair)

Councillors Cal Corkery  
Raymond Dent  
Daniel Wemyss  
Graham Heaney

### **27. Apologies for Absence**

Apologies were received from Councillor Charlotte Gerada. Councillor Graham Heaney attended as the representative for Councillor Gerada.

### **28. Declarations of Members' Interests**

Councillor Cal Corkery declared a non-prejudicial interest as a Portsmouth City Council tenant.

### **29. Council Housing Budget (including rents) 2024/2025**

Alan Denford, Housing Finance Manager, presented the report, the purpose of which was to seek the Cabinet Member's decision on the Portsmouth City Council Housing Budgets, rents, and other charges and to give authority for managers to incur expenditure in 2024/2025.

The report was also for the Cabinet Member to note the Forecast Revenue Outturn for 2023/24; to give authority to the Director of Housing, Neighbourhood and Building Services and the Director of Finance and Resources to amend the budgets to reflect the latest available information prior to finalising budgets for 2024/25 and for the Cabinet Member to note the Forecast Revenue Budgets for 2025/26 to 2027/28 arising from the proposals set out in the report.

#### Resident Consortium Questions

In response to questions from the Resident Consortium, officers clarified:

- Leaseholder service charges were calculated in a different way to tenants' service charges. Tenants' service charges are fixed and there is no reconciliation process at the end of the financial year. Leaseholder service charges are variable with a reconciliation process at the end of the year. The estimates were based on the last three years and what is likely to

happen in the coming year. The charges will vary but will only ever be what has actually been spent in the building in terms of services and utility costs.

- Service charges were calculated differently due to the Leaseholder agreement stating that service charges are on a variable basis and tenancy agreements stating they are on a fixed basis. Most of the service charges are the same for leaseholders and tenants.
- The bad debt figure for 2023/2024 was the actual contribution made into the provision based on the forecast actual level of debt at year end. Although the level of debt had not increased significantly, the service was being prudent by putting more money into the bad debt provision in future years because of the current cost of living position.
- There had not been a huge spike in arrears and that was down to the work housing officers had carried out around advice on benefits and income maximisation. There was a money and advice team to work with tenants on more complex debt or finance issues.

#### Members Questions

In response to Member's questions, officers clarified:

- Parking and garage charges proposed increase was at a lower rate than the rents and service charges, as they were increased by the consumer price index.
- The increase for the supervision and management cost, increased from £16.7million to £20.2million, was based on what was known about what was actually happening in various service areas. In the current year the number was artificially low as there were a number of vacant posts that contributed to this. An assumption was then added around the forthcoming pay award. There were a high number of posts vacant currently, whereas the budget for next year was based on a full establishment. There would be reconciliation exercise at the end of the year based on actual vacancy figures and spend.
- Some posts were being held vacant intentionally as in some instances a re-organisation was being considered. For other posts, there had been a high turnover and some posts had been difficult to recruit to.
- The 2024/2025 figure assumed that all posts in the structure would be filled with a small vacancy factor included.
- In relation to energy costs, the current position was that the contracts gave certainty for the first 6 months of the year. In the consultation letter it was assumed that the prices for the second half would remain the same. However, there had been an improvement in the utility market, so the estimate was now for a lower cost in the final 6 months.

- The service would continue to work with contractors around their pay awards with a balance needing to be struck between achieving the real living wage and retaining and recruiting staff into the organisation. There was no certainty that they would be able to meet the living wage but the service had budgeted for a pay award but not a sufficient one. This would affect roles such as call handlers, resource admin staff, delivery drivers and labourers.
- The difference in the lower and higher service charges was because there was a higher level of staff involvement in the higher service charges.
- The electricity contract was a 12-month contract covering 6 months of the previous year and 6 months of the forthcoming year and was a fixed contract. Gas had both fixed and variable elements and was purchased ahead for 6 months. As prices were coming down it did not make sense to buy for a longer period.
- The consultation picked up that more work was needed to ensure residents understood the services they were receiving and how these contribute to the service charges.
- In terms of value for money, the service was constantly looking at costs to ensure they would be minimised wherever possible without compromising the level of service. Estate Managers go out and look at where there are issues on an estate to ensure they were being deployed where most needed and ensure they could be increased or dropped off as and where needed the most, led by customer demand.
- A consultation letter was sent to every single tenant and leaseholder and not just in the winter edition of Housetalk. This had led to increased feedback. Tenants also had contact in the community with their housing officer teams ensuring various channels are used to communicate with residents. The feedback in the report was received on the basis of the consultation letter with the original proposals. Following receipt of that feedback, the proposals were revised, and these were the ones now contained in the report.
- The National Non-Domestic Rate cost for HRA car parks was a new charge that the City Council was appealing against. It had been highlighted as a risk in case the appeal was lost and the charge had to be paid.
- The service was confident they could continue to find efficiencies and resolve the in-year deficit going forward into the next financial year. There continued to be an issue in the longer term, over the life of the HRA business plan, linked to multiple factors including the age of the housing stock. Work was being carried out on an Asset Management Strategy to address this.

#### Member's Comments

- Members were not in full agreement with the policy to increase parking and garage charges at a lower percentage than the increase in rents, allowing people on higher incomes, who were not council tenants to use the parking spaces in the city centre because it was cheaper than paying to park in the NCP car park or elsewhere. They considered the increase should at least be at an equivalent percentage.
- The 7.7% proposed rent increase and higher-level service charges were a significant proportion of resident's money at a time when people are still struggling with the cost-of-living crisis and many would struggle to find that extra money.
- Consideration should be given to putting aside a ringfenced sum of money for tenants who fall into financial hardship and need help in relation to their housing costs, particularly given there is uncertainty around the continuation of the government Household Support Fund.
- Consideration should be given, by the Council, to reducing the amount of council tax paid through the use of the council tax benefit (down from 20% to 15%).

#### Chair's Comments

The Chair thanked everyone for their questions and comments. He noted it remains a challenging time for all with the cost-of-living crisis continuing.

He stated the HRA had to remain financially stable in the long term and noted that every 1% reduction in the rent below the cap would lose £880k - more than £40million over 30 years. That is money that could be spent on repairing people's homes, keeping adventure playgrounds open and having wardens to keep residents safe. Adhering to the cap still left a deficit, so the efficiency programme continues, and vacant posts would continue to be monitored as part of the efficiency drive.

The external financial situation has seen a nearly 10% rise in the minimum wage and an 8.5% increase in pensions due to the triple lock. There had also been a rise in the local housing allowance. Rents continue to be capped at the local housing allowance level so no one pays more in rent than they would be entitled to in housing benefit.

The feedback from residents was considered at an earlier stage this year leading to the proposed increases in service charges being cut. The St Thomas ward councillors gave feedback from residents in Edgbaston and Tipton Houses that led to the heating charges being 8% less that they would have been otherwise. Some cuts in heating bills have been 37%.

In relation to parking charges, the policy is for higher rates for people who do not live nearby. The council wider parking policy is under constant review with the appeal to the valuation office still ongoing.

The issue of the real living wage for contractors will be kept under review in line with full council policy and it will be returned to once it becomes financially sustainable.

In relation to a hardship fund, the council and the HRA are working on combatting any cut to the Household Support Fund.

Cutting charges in year is something that is always kept under review.

Given the HRA financial position, the increase in pensions and minimum wage, the reducing impact of service charges and the fact that rents are capped at local housing benefit levels, the Chair agreed to the recommendations in the report.

## **Decision**

### **The Cabinet Member for Housing and Tackling Homelessness:**

- 1. Noted the Forecast Revenue Outturn for 2023/24 arising from monitoring discussions with Managers, as set out at Appendix 3;**
- 2. Approved all rents and charges to be effective from Monday 1<sup>st</sup> April 2024 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 2024/25 to be set with an average increase of 7.7%, which is in line with the maximum allowable under Central Government's Social Rent Setting Policy, as summarised in Appendix 4;**
- 4. Approved General Service Charges for 2024/25 set at this meeting, and set out in the report, and in accordance with Appendix 5;**
- 5. Approved Sheltered Housing charges for 2024/25 as set at this meeting, and as set out in the report, and in accordance with Appendix 6;**
- 6. Approved laundry charges for 2024/25 as set at this meeting and as set out in the report and in accordance with Appendix 7;**
- 7. Approved heating charges for 2024/25 to be set in accordance with Appendix 8;**
- 8. Approved Garages and Parking Site Rents for 2024/25, as shown in Appendix 9, and approved authority to be delegated to the Director of Housing, Neighbourhood and Building Services, in consultation with the Director of Finance and Resources, to let garages at reduced rents where demand is low.**

9. **Approved the Revenue Budget for 2024/25, 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 2024/25;**
10. **Approved that the relevant Managers be authorised to incur expenditure in 2024/25;**
11. **Noted the Forecast Revenue Budgets for 2025/26 to 2027/28 arising from the proposals contained in the report, as set out in Appendix 3.**

### **30. Fire Safety Policy**

Steve Groves, Head of Building Maintenance presented the report, the purpose of which was to update members of a review of the existing fire safety policy by the Fire Safety Group, including the Resident Consortium and to seek approval to implement the proposed changes to the policy.

#### Resident Consortium Questions and Comments

Consortium members had no questions but commented on the thorough report and agreed with its contents.

#### Members Questions

In response to Member's questions, officers clarified:

- The Fire Safety Policy had always been about managed use with the service implementing that approach when a fire risk assessment had identified a particular issue and then going to zero tolerance. The new policy was to back that up and ensure consistency in all of the blocks.
- The zero tolerance included bikes under stairs and plants on shelves in communal areas.
- Smoke detectors in properties were mains operated and were checked annually as part of the gas servicing contract.
- The policy did not apply to shared gardens and other housing land, it is just around the means of escape within blocks of flats.
- All blocks have FD30 fire doors. The service undertakes yearly fire assessments which include recommendations for repairs or upgrades to the fire doors. If the doors are replaced there is a certification process that comes alongside it.
- The future programme on replacement of fire doors would be brought to a housing cabinet member decision meeting in the future to outline the programme of works.

- The fire service were clear they need 'dead spaces' to be kept sterile on the basis they may have to stage equipment through those areas, such as fire hoses.
- Further investigation was being carried out in relation to pots that hook over balconies to see if they would be acceptable in relation to fire risks.
- Residents had been advised that on a communal space such as a balcony that leads to a front door, they may use small tables and chairs whilst they were sat on them, as long as they were brought in or put away as soon as they were not being used.
- Tenants could not be asked to sign an agreement to accept the risk if they put items out as Portsmouth City Council, as the landlord, is responsible for the communal areas, so tenants cannot be asked to accept the risk if Hampshire fire and rescue struggle in the course of dealing with an incident.
- The service was working with tenants on possible bike storage areas or with making space in their sheds if they have one.

#### Members' comments

- Members considered it a good policy upholding the consistency throughout.
- Members considered that a zero tolerance policy does not allow for commonsense discretion or allow for consideration of circumstances. To do so would allow for increased residential amenity for residents who want some ownership over the place they live. Of note were certain types of plant pots that fit securely over balconies that would still allow for clear fire exits. Similarly, fireproof materials on balconies to provide privacy. It was necessary to quantify the risk and evaluate it as part of a risk assessment process and come to a proportionate, reasonable assessment of the level of risk that could be balanced against the wishes of residents to have more control over ownership of their spaces.

James Hill and Phil Bentley sought to further clarify and reassure on some points arising from the discussions.

They reassured that the approach with the policy was to be quite personal and would not just be a whole building blanket approach without understanding resident needs. Timescales would be adjusted accordingly, with a phasing approach used in a thoughtful way.

The Fire Safety Group would continue to review and monitor the situation as it was implemented and anything that comes out of that monitoring or from discussions with Hampshire Fire would continue to be considered.

The new Fire Safety Policy would be made part of the sign up for any new residents, so they are clear on the approach from the outset. Communication with existing residents would continue.

Items such as flower troughs on balconies, if considered acceptable, would entail an update on the policy, in conjunction with the resident's consortium to ensure it is clearly communicated. Zero tolerance would achieve the consistency needed but the fire safety group would continue to look at any areas where there could be some flexibility.

#### Chair's comments

The chair noted he had asked the team to ask the fire service their thoughts on the policy and they were clear on having a zero-tolerance approach which had helped his decision.

The chair thanked James and Phil for their clarifications on their commitment to keep the policy under review and to amend if the service was able. He noted that they needed to be guided by the fire service to ensure the safety of residents. He had also insisted that sprinklers and fire doors should be an active part of the safety case.

#### **Decision**

##### **The Cabinet Member for Housing and Tackling Homelessness:**

- 1. Approved the fire safety policy (Appendix A - Fire Safety Policy, version 1.3) and that Housing, Neighbourhood and Building Services implement the revised fire safety policy which included the following changes:**
  - Change to the management of the means of escape and communal areas within the blocks of flats. The policy changes the current 'managed use' approach to a 'zero tolerance' approach to be adopted for common walkways or stairwells except for Cat 2 and Cat 2.5 blocks that will remain 'managed use'**
  - Other changes include the scope of the policy extended to specifically include individual doors opening into common parts of the building and the external structure (including doors, windows, cladding and balconies) of blocks of flats. The lowering of the classification of higher risk blocks from ten storeys to seven storeys, confirmation of where fire safety information will be provided and premises information boxes, details of fire door inspections, firefighting equipment fault reporting and assisted evacuation.**
- 2. Approved the implementation and communication plan set out in section 5.**



The meeting concluded at 11.04 am.

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Councillor Darren Sanders  
Chair