

Overview and Scrutiny Task Group - Chorley Community Housing

Wednesday, 8 October 2008

Present: Councillor Mike Devaney (Chair) and Councillors Alistair Bradley, Harold Heaton, Kevin Joyce, Roy Lees, Marion Lowe, June Molyneaux and Rosie Russell

Also in attendance: Councillors Peter Malpas (Executive Member (Business))

Chorley Council officers: Lesley-Ann Fenton (Assistant Chief Executive (Policy and Performance)), Gary Hall (Assistant Chief Executive (Business Transformation)), Zoe Whiteside (Strategic Housing Manager) and Ruth Hawes (Assistant Democratic Services Officer)

08.01 APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Stella Walsh.

08.02 DECLARATIONS OF ANY INTERESTS

No Members declared any interests in respect of items on the agenda.

08.03 PUBLIC QUESTIONS

No members of the public requested to speak at the meeting.

08.04 MINUTES

RESOLVED – That the minutes of the meeting of the Overview and Scrutiny Committee Task Group – Chorley Community Housing held on 11 September 2008 be confirmed as a correct record and signed by the Chair.

08.05 UPDATED INFORMATION FROM THE LAST MEETING

The Chair reported that Chorley Community Housing had responded to queries raised by the Group at the previous meeting.

A schedule had been created to enable comparison between the traffic calming measures and highways queries Chorley Community Housing had raised and the response from Lancashire County Council. There were discrepancies suggesting that the reporting and monitoring mechanisms between Chorley Community Housing and Lancashire County Council should be strengthened. Chorley Community Housing would be provided with a copy of the response given by Lancashire County Council.

The streetscene issues would be considered as part of the next item on the agenda. It was noted that the report updating progress on the promises made to tenants was presented quarterly to the Chorley Community Housing and should be available for the next meeting of the Group.

It was **AGREED** that the response be noted and the updated report be requested from Chorley Community Housing.

FEEDBACK SESSION WITH THE ASSISTANT CHIEF EXECUTIVE (BUSINESS TRANSFORMATION), CORPORATE DIRECTOR (NEIGHBOURHOODS) AND STRATEGIC HOUSING MANAGER

The Chair welcomed Gary Hall, Ishbel Murray and Zoe Whiteside to the meeting.

The Members and officers discussed a range of issues relating to Chorley Community Housing that are summarised below.

Affordable Housing

The definition of affordable housing is the Borough medium income £29600 times 2.5 which equals £74,000.

Officers outlined the different types of affordable housing. Social Rented Accommodation is subsidised by the government and the Council's housing allocations policy determines in what circumstances applicants attract a priority. The applicants deemed to have the greatest need to be re-housed are awarded the highest priority as and when vacancies arise.

A Shared Ownership scheme allows a householder to purchase a share in a property, the remainder being retained by the Registered Social Landlord.

Discounted Open Market Value homes would be purchased on a 999-year lease at between 60% and 85% of their open market value. The discount established at point of purchase will remain the same for the term of the lease. When the house was sold, the owner retains any capital increase, but must sell on to a local qualifying person.

Chorley Community Housing are contractually committed to deliver their target to provide and fund 40 affordable housing units per year, although the target can roll over for a maximum of four years. The Council is not under contract to help achieve the target; in fact the more the Council supports Chorley Community Housing in terms of funding the less the Council has to spend on schemes provided by other Registered Social Landlords.

Part of the issue between Chorley Community Housing and the Council was the timing of the affordable housing units on the Gillibrand estate. The Council's position is that these were agreed before the contract with Chorley Community Housing was signed. This issue is still live and the Council is seeking to resolve it.

One way the Council have helped has been to identify privately owned land that Chorley Community Housing could buy. The Council could sell land it owns for affordable housing units to be built on, but this would be a decision for Members. On the plus side, working with a Registered Social Landlord there is more chance of achieving rented units than low cost or shared ownership. The major issue at the moment is the need for an increase in rented housing, compounded by lack of mortgage finance. Rented houses need to be viewed financially over a longer term and this was not as attractive to Registered Social Landlords. The Council would receive a percentage of funds from Chorley Community Housing houses sales until 2023, although there were few being sold in the current financial climate.

There have been meetings between Strategic Housing and Planning officers regarding a proposed package of plots of land that could be used to provide affordable housing schemes that could be put out to tender. There are also options to "purchase and repair" where a Registered Social Landlord takes on the house and makes it available as affordable housing. It was noted that for developments of 10 units and above, there is a requirement that 30% of the units are affordable.

Where there are Section 106 agreements the Council do promote Chorley Community Housing and also focus on rented houses rather than shared ownership, which is better financially for the developer. The Council need to push for this and Development Control Committee Members can play an important role here.

It was understood that the restructure at Chorley Community Housing would have generated a significant financial saving. The contract states if there was extra funds in the business plan this money would be invested on social houses in Chorley, on existing stock or new social houses. A response would be requested from Chorley Community Housing on this point. It would be clarified whether the minimum office provision Chorley Community Housing had to provide in Chorley was a customer facing facility.

Members noted there was potential for tension regarding pre-market sales advice where people have bought a house and now the developer sold houses to a Registered Social Landlord due to the recession. However, this would be an issue between the Registered Social Landlord and the developer.

It was noted that there are still instances of people being homeless, even with the proactive work the Council do.

Streetscene issues

There is a service level agreement between the Council and Chorley Community Housing for grounds maintenance, including mowing and bedding provisions. There is no time period on the service level agreement, it is an annual contract for the Council to provide the services, and it does require to be updated to reflect current allocations.

An area of concern for the Council is the inconsistency between the properties on the work schedule and the Chorley Community Housing property schedule. Houses are sold or alternative arrangements have been made with residents and the Council are not always advised of this. It has been made more difficult as Chorley Community Housing don't appear to have the up to date information either. A review of records and work schedules has been instigated by the Council to clarify the service level agreement and to map Chorley Community Housing areas on the geographical information system (GIS). The Council want to provide a consistent service to residents and the need for this has been highlighted through the neighbourhood working agenda. Chorley Community Housing has a role to play in monitoring the work of the Council, as do the Council supervisors.

If the Council do not continue to provide this service for Chorley Community Housing it is important to ensure that good standards of service are provided to all residents of the borough. The Council have suggested to Chorley Community Housing that they tender the process in 2010 to enable the records issues to be resolved and to establish a satisfactory specification for services. This is still on-going and is with Chorley Community Housing.

Recently there has been a problem with mowing not being undertaken due to the wet weather, in particular with the cut and collect scheme. Generally with the cut and collect scheme areas are mown at least every three weeks with a maximum of fifteen cuts per annum. Areas are litter picked as and when required, but always prior to mowing. Hedges are cut and bedding schemes are renewed twice a year.

Litter was highlighted as part of the residents' perception survey. Chorley Community Housing has the responsibility to provide the litterbins and there are ad hoc arrangements for emptying these between the Council and Parish Councils. The need for additional litterbins would be considered as part of the street scene inquiry but, there is not a one size fits all solution; areas need to be considered on a stand-alone basis.

The monitoring of the overall Chorley Community Housing contract was the responsibility of the Corporate Director (Business).

The Chair thanked the officers and Councillor Malpas for their attendance.

RESOLVED – That the following be taken forward as recommendations for the draft final report:

- 1. Chorley Council does not consider the affordable housing units on the Gillibrand estate represent 40 units for this year.**
- 2. To highlight to Development Control Committee their important role in focussing Section 106 agreements on rented houses rather than shared ownership.**
- 3. The review of records and service level agreement between Chorley Community Housing and the Council on streetscene issues be supported.**

08.07 COLLECTION AND CONSIDERATION OF EVIDENCE FROM MEMBERS AND THEIR CONSTITUENTS

Members raised no new issues to be considered as part of the inquiry.

08.08 REVIEW OF EVIDENCE CONSIDERED BY THE TASK GROUP SO FAR

The Chair highlighted that the documentation enclosed as part of the agenda package evidenced the issues and evidence the inquiry has considered. There would be some outstanding issues at the end of the inquiry that would be kept under review as part of the inquiry monitoring process.

It was AGREED that the recommendations made so far be drafted into a final report.

08.09 THE WAY FORWARD

The Members AGREED that the inquiry was now at a stage to draft the final report to be considered at the meeting in November.

Chair