

Minutes of the meeting of the Tenant Services Management Board held on Monday 28 October 2013 at 6pm in The John Meikle Room, The Deane House, Belvedere Road, Taunton.

Present: Mr Dustyn Etherington (Chairman),
Mrs J Hegarty (Vice-Chairman),
Mrs J Bunn, Mrs E Drage, Mr M Edwards, Mr D Gaplin, Mr K Hellier, Mr R Middleton, Councillor Bowrah and Councillor A Wedderkopp.

Officers: Shirlene Adam (Strategic Director), Lisa West (Housing Income Manager), Steve Boland (Housing Service Lead), Neil Anderson (Tenant Services Development Officer), James Barrahan (Health and Housing Manager), Phil Webb (Housing Manager – Property Services), Christine Thompson (Supported Housing Manager), Martin Price (Tenant Empowerment Manager) and Emma Hill (Corporate Support Officer).

Others: Councillor Smith

(The meeting commenced at 6.00pm)

1. Apologies

No apologies received.

2. Public Question Time

Resident of Kilkenny Court approached the Board for help after the concerns at the lack of general maintenance that had done at Kilkenny Court since his initial expression of concerns were raised at March meeting of the Board.

The Members of the Board requested that these maintenance issues at Kilkenny Court be looked into and addressed

The Housing Manager for Property Services gave his apologies that guttering had not been addressed properly or regularly since the Resident's initial approach to the Board in March.

Concerning the Lift at Kilkenny Court, an engineer had been out to assess what work would needed to be done.

Board Members and Resident of Kilkenny Court expressed additional concerns about the door entry systems into Kilkenny Court. Residents were either losing their fobs or forgetting the entry code and were getting stranded outside until somebody let them in.

The Housing Manager for Property Services enquired of the Residents what type of fob and systems they had at Kilkenny Court as the new fob systems the Council were installing in their properties were easy to get replacement fobs for. The older systems were more difficult and more expensive but TDDB could still get fobs. The officer said he would arrange for the system to be updated as soon as possible.

Board Members requested that Property Manager for Maintenance attend the next meeting of the Board in November.

3. Update Report on Taunton Deane Borough Council and West Somerset Council Shared Services Project and Joint Management Project.

The Strategic Director presented to the Board a three part report concerning the following areas:-

1. Medium Term Financial Plan Update & Approach to Budget Setting 2014/15
2. TDBC & WSC Shared Services Project
3. TDBC & WSC Joint Management Structure

Part One – Medium Term Financial Plan Update & Approach to Budget Setting 2014/15

Considering the report previously circulated, concerning a detailed update report from the Financial Services Manager on the latest forecast position. This reflects the recent funding announcements from Government, updates other assumptions in the model to better reflect reality, shared the key risk areas of our forecast, and some sensitivity analysis on them.

The headline message in this update is on the forecast budget gap position. It had grown since the Council shared the last update in February 2013, mainly due to the reduction in Government Funding, and the change in our assumptions re future tax levels. The table below showed the challenge ahead:-

	£k 2014/15	£k 2016/17	£k 2017/18	£k 2018/19
Predicted Budget Gap (Cumulative):	1,508	3,079	5,333	6,130
Budget Gap Change Each Year:	1,508	1,571	1,419	797

Closing a budget gap of this scale simply could not be done without impacting on services to our community. This was beyond the usual “budget savings routine” and would require fundamental change if the Council were to continue as a financially viable Council.

The Council’s General Fund Reserves were currently above the minimum required by our Policy but the following table would show what would happen to them should the Council not deliver on the savings needed, and had to use reserves to support ongoing spending:

	2013 – 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019
Estimated Balance B/F	3,943	2,298	790	2,289	6,786	12,119
Supplementary Estimates	(1,645)					
Projected Budget Gap:	0	1,508	3,079	4,498	5,333	6,130
Estimated Balance C/F	2,298	790	2,289	6,786	12,119	18,249

This table showed that the Council would dip below the minimum acceptable level of reserves (currently set at £1.5m) within the next year and quickly after that go into a negative reserve position and clearly this could not be allowed to happen.

The Section 151 Officer emphasised the seriousness of the situation this Council was in and encouraged those charged with the responsibility to set a balanced budget – to embrace the challenge ahead and work together to deliver a sustainable solution for the organisation and the community. The Council would support Members in this challenge but need acceptance of some fairly harsh facts. The Council could not do this without services being reduced. It was a case of which services and by how much and when. The LGA Peer Review last year left some fairly clear messages with us and this report simply reinforces them.

In light of this very challenging situation, the Council proposed a different approach to budget setting for 14/15.

Approach to Budget Setting 2014/15 and Beyond.

The Corporate Business Plan project had provided as much detail as it could on the Members ambition for our community and our organisation. The task was to now match this with our funding situation and to develop proposals that would not only close our budget gaps, but would also progress our vision, aims and objectives agreed with Members.

This would be a difficult and challenging process on a scale not undertaken by this Council to date. In this context, the Council proposed a different approach to delivering budget proposals for next year. The Council proposed that:-

- Within a framework of “High Level Principles”, Corporate Management Team (CMT) developed a budget proposal that closes the budget gap whilst meeting key ambitions of the Corporate Business Plan.
- That these proposals were shared with Members in late autumn for discussion and debate.
- That Members would need to develop alternative proposals for closing the gap should any of CMT’s be deemed unacceptable and may wish to start thinking about this now. Officers would support Members with this work to ensure plans are deliverable.
- The framework of “High Level Principles” had been developed by CMT from the work undertaken during the Corporate Business Planning Process. They, if accepted, will form the basis of how CMT approach their budget proposals.

The Framework of High Level Principles fall into four broad areas, these were as follows Strategic Finance, Income, Organisational and Service. The key principles of these board areas had been set, along with the actions required to progress them.

Assuming these High Level Principles were accepted, the indicative overall programme of savings required to close the budget gap of £4.5m over the next 3 years would look broadly as set out below. At least £1.5m of this would need to be delivered in time to support the 2014/15 budget:-

Review Discretionary Policies & Grants (10%)	68,000
Asset Strategy Project (20%)	89,000
Governance and Democracy (10%)	55,000
Efficiencies & Sharing Services	1,799,000
Savings Targets for Theme Managers	2,419,000
TOTAL	4,498,000

There was more work to do to refine these targets and to better understand the likely timings of the savings emerging. The Council's General Fund Reserves position was not sufficiently high to allow the majority of the savings to be delayed until year Three. The Council would need to find a significant element of the above programme ready to deliver in year One.

Work would continue on this over the coming weeks, but meantime it was felt important to share the broad picture now with Members. Corporate Management Team were briefed on this broad picture over the summer and tasked with progressing their proposals within this framework.

The overview timeline, showing the key stages for Member involvement is set out below.

Month	Key Activities
September	<ul style="list-style-type: none"> • Update Report (this one!) Shared – Corporate Scrutiny • CMT Continue To Work on Budget Proposal • Detailed Savings Targets Are Refined / Issued.
October	<ul style="list-style-type: none"> • CMT Review of Emerging Budget Proposal • Informal Briefing to Exec Cllrs On Progress of CMT Budget Proposal
November	<ul style="list-style-type: none"> • Update Report on Progress of CMT Budget Proposal – Corporate Scrutiny • Exec & CMT to review any scrutiny feedback on progress report
December	<ul style="list-style-type: none"> • CMT Budget Proposed Shared – Corporate Scrutiny • Informal Exec – To feedback on CMT Budget Proposal – ready for Xmas Pack. • Budget Consultation Pack Issued to all Cllrs (to include the Budget Proposal plus the Executive's comments)
January	<ul style="list-style-type: none"> • Informal Exec – To finalise Exec Budget Proposal for Scrutiny • Executive's Budget Proposal Shared – Corporate Scrutiny for debate
February	<ul style="list-style-type: none"> • Executive Debate Budget • Full Council Budget Debate & Decision

During the discussion of this item, board members and the public made the following comments and asked questions:- (*Responses shown in italics*)

- Regarding private houses, there were concerns raised by the board that tenants were contributing twice through their rent as well as paying Council tax to Taunton Deane Borough Council but private properties only contribute once. *It may appear that tenants contribute twice. Strategic Director said that the concerns and comments would be taken away and looked into as part of the review.*
- The above had never been explained fully to the Board and tenants continue to raise their concerns.

Part Two - Taunton Deane Borough Council and West Somerset Council Shared Services Project.

The Strategic Director gave a verbal update

During the discussion of this item, board members made the following comments and

asked questions. Responses shown in italics:

- Had the elements relating to Housing been put to the tenants in West Somerset
WSC did not have any Council housing assets as they did have any housing landlord functions. Those assets have been transferred to Magna West Somerset.

Part Three - Taunton Deane Borough Council and West Somerset Council Joint Management Structure

The Strategic Director gave a verbal update

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- There were 11 members of staff at WSC funded by EDF. Would there be any room at TDBC for posts funded by EDF?
The EDF funded posts was external funding and the posts were temporary. These related to the Hinkley Point project. There were no proposals for EDF funded posts here.
- Looking at the minutes from Corporate Scrutiny on 24 October 2013, is the review looking at HRA senior team and the delivery of HRA services?
The Council looking at the development and hopefully with the right managers and directors in place, the Council would hopefully be able to do more in the future.

Further Comments

During the discussion of this item, board members made the following comments and asked questions: - *(Responses were shown in italics)*

- The Board would follow the Shared Services and Joint Management Project with interest.
- The Board asked that they and the Tenants' Forum be kept informed and up to date on the development of the project.

Resolved that the information report be noted.

4. Housing Services Fees and Charges 2014/2015.

Considering the report previously circulated, concerning the proposed fees and charges for Housing Services in 2014/15.

Housing services charges service users for services that they use. These charges were set locally each year.

In line with the approved HRA Business Plan, the fees and charges for 2014/15 had been increased across the board by Retail Price Index (RPI) with the following exceptions:

- Garage rents for private tenants and owner occupiers had been increased by 5%; and
- Hire charges for the sheltered scheme meeting halls and hire charges for sheltered scheme guest rooms had not been increased and this was to increase the take up of the use of the facilities.

Council housing rents would be set early in the New Year.

A full and detail breakdown for the increases for fees and charges 2014/15 was presented to the Board Members with the previously circulated report.

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- If the tenants and residents were to pay more towards the grass cutting would they cut the grass more often?
The Board and tenants had indicated in several different ways that Housing Services review the Grounds Maintenance contract.
- What about the signing of the contract for Extra Care (meals) for Kilkenny Court?
Service Level Agreement (SLA) for Extra Care Meals at Kilkenny was with the Albemarle Centre but the Council could look into other providers for this service.
- It was indicated that there was an increase of 3.2%, what would be the maximum increase the Council could go up to?
The Business Plan states that the Council sets this using Retail Price Index (RPI) but the Council could set it own charges for services. This would be subject Board and Members comments.

Resolved that the officer's report be noted.

5. Rent Policy

The Housing Services Lead gave a verbal update on the government plans to change rent policy, which was announced in July 2013.

Below was the HRA Business Plan policy for social rent:

- The Business Plan reflects current national social rent policy;
- Business Plan assumes Local Authority Housing rent would converge with Housing Association rent by 2015/16; and
- The maximum increases limited to inflation (RPI) + 0.5% + £2

A government announcement in 2013 Budget stated “from 2015/16 social rents would rise by inflation of Consumer Price Index (CPI), plus 1% each year for 10 years.”

There were some concerns over whether the change in formula would reduce landlords' income and thus impacting on their ability to invest in existing or new homes.

It was generally accepted that CPI would rise more slowly than RPI, if this was true then the long term effect of the new formula would be cumulative reductions in rent income compared with our current business plan assumptions.

An example of assumed different in rent income for the Council Housing Services were as follows:

- In 2015/16, the Council assumes to receive £250,814 less rent income
- In 2016/17, the Council assumes to receive £282,049 less rent income

Such rent income losses would continue to increase in future years rising to £332,721 in 2020/2021.

To help reduce the shortfall in the rent income, it is proposed that new tenancies would be charged at the Target Rent levels with this taking effect from November 2013.

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- This all depends on the inflation rate.
The Council takes into account the inflation rate when they set the rent changes.
- Convergence was slowing down; what happens when housing associations costs go up, would the tenants have to meet the new rent and had this been taken into account.
The Council had been following a guideline rent set by the government, which was steadily increasing. It takes into account similar size properties over both.
- With the rent income shortfall, had right to buys and new builds been taking into account?
The Council would take into account those figures at the moment but the officer needed to double check with the accountant.
- Would the Council have to re-visit and review the Business Plan at some point to take this into account?
Annual review of Business Plan takes place to take into account all the changes that had taken place in the previous year.
- In 2042 (30 years), what would the difference in rent income be?
- The collection of Council Housing rent goes back to the Local Authority and not to the government, which can be re-invested into new properties.

Resolved that the Board noted the Officer's report.

6. Sheltered/Extra Care Housing Property Options Review

Considering the report and handouts circulated at the meeting, concerning the proposed options review of the Sheltered/Extra Care Housing.

The Council had established four essential principles to support the Council's corporate vision and to make it happen. The Council reflects these principles in our HRA Business Plan as follows:

- Excellent services

- Customer Driven
- Local Focus
- A Dynamic Organisation

The Strategic objectives for the housing service were as follows:

- Securing a long term future for our housing service
- Tackling deprivation and sustainable community development
- Investing in our housing stock, regeneration and affordable
- Climate Change

The Council currently had 984 dwelling designated as sheltered housing or extra care housing for the elderly. In total, there were 56 schemes, consisting of between 2 and 83 homes. These included two extra care schemes at Kilkenny Court in Taunton and Lodge Close in Wellington.

Currently the service was working towards achieving the Service Excellence Standards (SES) through the Centre for Housing Studies (CHS).

Somerset County Council was undertaking a review of its strategy for older people. The Council was working together with its partners to make the best use of the available resources, in the context of future financial and demographic changes.

The high level aim for any future strategy had been drawn from consultation already undertaken and this would enable older to:

- Maximise their choice and control
- Retain their independence
- Be confident of community support
- Increase their quality of their life

The main centres of population were Taunton, the county town of Somerset (66,000) and Wellington (13,000). The total borough population of 109,000 was increasingly, largely from inward migration. While the average age of the population 42.2 years, the borough had a higher than average older population and this was expected to increase.

The Council's housing stock consists of approximately 5870 (September 2013) dwellings together with approximately 1,500 garages and a number of shops, meeting halls and land.

Of the total stock, 17% was designated for supporting people/older people, with more than half of this stock having built since 1974.

Our three main goals for our sheltered and extra care housing were to:

- Achieve and maintain a high level of tenant satisfaction;
- Provide sheltered/extra care housing that were attractive to people and they want to move into; and
- Meet local demand for housing from people over the age of 60.

The Council wanted to understand what type of stock; it needed to satisfy the housing needs within the borough and what stock was surplus to these requirements. This

would need to include a review of current stock and assessment of viability as well as a need to analyse how this stock contributes to HRA Business Plan and capacity to meet identified needs.

The Council wanted to set down a standard for our sheltered and extra care housing covering who lives there, the services they receive and the treatment of their property.

The proposed options that each scheme should be appraised against were:

- Refurbishment to a new sheltered and extra care housing standard;
- Remodelling and or extension/s to sheltered and extra care housing;
- Change of tenure;
- Disposal of site/scheme on open market; and
- Demolition and redevelopment of new housing scheme and proposed client group

During this stage of the consultation process, the Council would not be asking the Board to consult with the tenants on the options but understand that the Board would want to speak to them and get their thoughts and it was important that was adhered to.

The council would like to have the appraisal completed with a first draft report on 16 December 2013 to be presented to our project for discussion and the final report to be provided by 13 January 2014.

Officers had presented this report to the Board Members to make them aware of this information and the review that was underway.

There would future progress and update reports provided in the future.

Resolved that the Board noted the Officer's report.

7. Annual TPAS Conference

The three Members of the Board who attended to the Annual TPAS Conference gave verbal feedback on this years' conference.

This year's TPAS Conference took place in two locations one for the north and one for the south TSMB representative went to Manchester. The attendees travelled up and attendees were welcomed by the TPAS Chief Executive and listened to talks by variety of speakers as well as attending a variety of sessions including Getting Connected, Scrutiny Lounge and Stronger Together on Welfare Reform.

Attendees found the long journey to Manchester stressful and tiring and approached the TPAS Chief Executive with a question as why the conference for the south of UK couldn't have been held near London. Chief Executive's reply was that there were only four hotels in the country with facilities that could accommodate the conference.

Resolved that the Board noted the feedback report.

8. Dates of Tenants Services Management Board Meetings for 2014.

Considering the report previously circulated, concerning the proposed meeting dates for 2014 of the Tenant Services Management Board.

The Tenant Services Management Board (TSMB) met on a monthly basis. Members of the public were welcome to attend. In order to give board members and members of the public plenty of notice it was prudent to set the dates for 2014 in advance. The dates would also be publicised in the Annual Report Calendar to Tenants and Leaseholders.

Below were the proposed dates for Tenant Services Management Meetings for 2014:

- Monday 20th January 2014
- Monday 17th February 2014
- Monday 17th March 2014
- Tuesday 22nd April 2014
- Tuesday 20th May 2014
- Monday 16th June 2014
- Monday 14th July 2014
- Monday 18th August 2014
- Monday 15th September 2014
- Monday 27th October 2014
- Monday 17th November 2014
- Monday 15th December 2014

There were currently two meeting dates booked for a Tuesday – in April and May. The TSMB may choose to hold its meeting on a Monday as usual but at a venue different from the John Meikle Room in the Deane House.

It should also be noted that the proposed date for the April meeting was the Tuesday after Easter Monday. Board members may also remember that traditionally the April meeting had been the TSMB Annual General Meeting which in previous years had been amalgamated with the Tenants and Leaseholders Open Day. The TSMB may need to consider whether the day after a bank holiday was the best date for an Annual General Meeting.

The John Meikle Room had been reserved for the above dates to ensure a venue had been booked.

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- Board members expressed a desire to continue to have the Board Annual General Meeting at the Tenants and Leaseholders Open day.
- It was suggested that officers discuss with Tenants' Forum before deciding on a date in April before the next meeting of the TSMB.
The next Tenants' Forum meeting was on 12 November 2013.

Resolved that the:-

1. The officer's report was noted.

2. The final agreed dates for the Tenant Services Management meeting for 2014 would be made by the Chairman of the Board and the Tenant Empowerment Manager.

9. Exclusion of the Press and Public

Resolved that the press and public be excluded from the meeting for the following item because of the likelihood that exempt information would otherwise be disclosed relating to Clause 3 of Schedule 12A to the Local Government Act, 1972 and the public interest in withholding the information outweighed the public interest in disclosing the information to the public.

10. Deane Helpline Confidential Report

Considered a previously circulated confidential report by Health and Housing Manager, concerning The Deane Helpline. Any discussions connected to this report were discussed in confidential session due to their commercially sensitive nature of the content.

Resolved that the officer's report be noted.

(The meeting ended at 8.51pm)