

Minutes of the Meeting of the Tenant Services Management Board held on 16 January 2017 at 6.00pm in the John Meikle Room, The Deane House, Belvedere Road, Taunton.

Present: Mr R Balman (Chairman)
Mr Akhighbemen, Mrs J Bunn, Mr D Galpin, Mrs J Hegarty, Mr I Hussey and Councillor Bowrah

Officers: Stephen Boland (Housing Services Lead), James Barrahan (Director of Housing and Communities), Simon Lewis (Assistant Director Housing and Community Development), Sue Tomlinson (Programme Manager – Accommodation), Rachel Searle (Development Manager), Julie-Anne Gordon (Development Officer), Rosie Walsh (Development Officer), Martha Dudman (Customer Services Improvement Project Manager), Martin Price (Tenant Empowerment Manager), and Tracey Meadows (Democratic Services Officer)

Also present: Councillor Beale, Debra Scarett (Inspire2Achieve Employment Support)

(The meeting commenced at 6.00pm)

1. Apologies

Apologies were received from Mr K Hellier

2. Minutes

The Minutes of the meeting of the Tenant Services Management Board held on 14 December 2016 were taken as read and were signed.

3. Public Question Time

No questions received for Public Question Time.

4. Declarations of Interests

Mr Akhighbemen, Mr R Balman, Mrs J Bunn, Mr D Galpin, Mrs J Hegarty, declared personal interests as Taunton Deane Borough Council Housing Tenants.

5. Deane House Accommodation Project

The Director of Housing and Communities updated the board on the Deane House Accommodation Project. Stated that the Deane House was no longer fit for purpose and approval was being sought to progress with a project to fully refurbish the building as the Council's main headquarters location and to let surplus space to a third party organisation in order to offset some of the Council's costs. The project would create a fit for purpose modern office accommodation for staff and members to support a transformed Council.

Reported that it was also proposed to let a substantial area of the building to Avon and Somerset Police to create the new Taunton Police Station including enquiry office, thereby creating opportunities to further enhance the already excellent partnership working relationship with the Police.

The refurbishment would be a full refurbishment of the whole building and would include Mechanical and Electrical replacement, windows, fittings and repairs to the roof and lift. Stripping out of partitioning walls within the building to create a more open plan environment with new furniture and IT infrastructure.

The work programme would be on a two stage Design and Build open book contract with contractors selected via the Southern Construction Framework. Pre-construction detailed design would commence in February 2017 with onsite construction to start in June 2017. The work would be broken up into phases and would start with the area identified for Avon and Somerset Police, and TDBC would aim to hand over a CAT A (refurbished and serviced shell) to the Police in December 2017. In addition they may retain the contractor to complete their CAT B (tenant fit out) until April 2018, this would be confirmed at a later stage. TDBC expect to take possession of a completed CAT B space by June 2018.

During the refurbishment the Deane House would remain fully functional for staff, members and our customers. Staff would be required to relocate around the building whilst the refurbishment works were under way, this would require a sequencing plan to allow for clear access to the Police wing where onsite construction would start. There would be a need to implement the new telephone system and purchase new smart office furniture before staff were relocated within the Deane House. The option to decant staff into other Council assets has also been identified which included Flook House, the new Depot and out meeting halls. Offers of two available spaces with other local public sector organisations has also been identified, with the option of staff working from home as much as possible.

Reported that with the Police being operational 24/7 this would give TDBC the opportunity to consider bringing Deane Helpline in The Deane House which would free up two dwellings for additional units of extra care accommodation for the HRA.

Discussions with other potential tenants interested in leasing space within the Deane House had been ongoing, these included organisations from both the public and private sectors.

During the discussion of this item the following questions were raised:-

- Would the Police require additional parking spaces and would this affect staff parking at The Deane House? *Yes parking for staff would be affected as the Police and other tenants would require parking facilities within the compound. Discussions with Unions etc. were taking place at present. This would be a gradual and incremented process.*
- Would the Police be bringing in offenders to The Deane House for interview and would this disturb tenants and staff? *The Police would not bring anyone into the building that had been arrested these would be taken to the Police Station in Bridgwater. This will be a Police Station for response and beat officers and an enquiry office, there will be interview rooms for voluntary attendees only.*
- Would this building be used as the main HQ for the new Council? *Any potential new Council had an opportunity to consolidate head office accommodation and use all new Council assets more flexibility to balance service delivery efficiency with commercial interests. A refurbished Deane House would provide greater opportunities to support such flexibility. As for the current West Somerset*

Council's accommodation at Williton a project was currently underway to relocate the local Police station and enquiry office into the Council offices along with extending the occupation of the building by Somerset County Council by the inclusion of library and registrars services and an additional third party tenant.

Resolved that the officer's report be noted.

6. Inspire2Achieve Employment Support

The Customer Services Improvement Project Manager updated the board on the current support for the tenants of TD. The contract with Inspire2Achieve commenced in January 2016 at that point 50% of the contract funding was allocated to Inspire2Achieve to begin running that contract. This was then subject to a satisfactory review at the end of 2016 as to whether the 50% of funding would be released.

In November I2A submitted their interim evaluation report. A formal review meeting took place with the Assistant Director – Housing and Communities development, Housing Services Lead, Customer Services Improvement Project Manager and the Community Leadership Portfolio Holder. The general outcome of the meeting was that even though they were slightly below target due to set up allowance the reviewers were happy. It was decided that the contract would continue and subsequent funding would be release. There were a few amendments to the specification of the contract to allow for more flexibility.

I2A were requested to work with three main partner organisations within the three main patch areas. Referrals from all members that work in the One Team areas were being received with referrals from other support agencies also being passed on.

Stated that there was work to do with employers for potential tenants to return to work. Figures broken down in the areas were; 67 referrals from Halcon with a 60% engagement rate, 14 from Wellington with a 50% engagement rate, 20 from North Taunton with a 45% engagement rate. There were 25 tenants in the hard to reach category, 21 tenants in medium and 6 tenants in the low or work ready category. Of those 65 residents that have engaged readily with I2A 15% have moved into employment, 6 are on training placements and 3 are on voluntary placements. Reported that the feedback from the residents was good and they were happy with the service. There had been a few changes requested in the specification those included; a need for a lot more preventative work with our younger residents, school leavers, 16/17 year olds. It seemed a missed opportunity to not help with careers advice.

Wellington were now looking at setting up an employment hub so I2A were looking to get involved in the running of that. All the one teams were being reminded to promote referrals in their meetings to increase the publicity to tenants, helping I2A to attend community events and continued publicity to our tenants to promote that I2A is available to our tenants.

The overall recommendation was that the contract was running successfully and should be continued.

Future actions were to change some of the KPI that were in the specifications, to schedule the timetable ongoing for all the mid-term and annual reviews of the contract,

an increased contact in developing relationships with local employers and an increased presence in rural areas so that they can access that service as well.

Debra Scarrett reported that progress had been made since the end of October with referrals coming in thick and fast. There were good relationships with the One teams and work on the geographical areas was being prepared as each area had different needs. With regards to the employer links progress had been made with Midas who had lots of work experience opportunities. Referrals with other agencies had also been set up. Data sharing would also be looked at to engage as many agencies and organisations as possible to ensure that all tenants had access to this.

Stated that a detailed report would be circulated to all board members. If Board members would like to bring this back to the board they were more than welcome. If Board members had any questions they were to email the Customer Services Improvement Project Manager.

During the discussion of this item the following points were made:-

- This sounded like an important and interesting project. It was mentioned that a lot of customers had been out of work for a long time, my concern is if you manage to get them into employment and if it happens that they cannot handle being employed for a period of time what plans do you have to protect these customers from being penalised by going back to the benefit system. *An assessment would be carried out to assess what problems they were facing as we are aware that our customers do have a lot of problems. We do pick them up again and liaise with the job centre to see what has gone wrong. We do not set up the customers to fail, we work with them again to see what went wrong to ensure that they are ready to go back into the work place, we also work with other agencies such as mind;*
- Councillor Bowrah declared a DOI as the Mayor of Wellington and a Wellington Town Councillor. Where was this hub going to be set up in Wellington and what Media forms will you be using? *This would be set up by the One Team as the leading co-ordinator, no location has been found yet. This was a new concept with all partners set up who are to be involved. We will be using as many Media forms as we can, we will be using our own staff as much as possible, the Wellington Weekly and various Newsletters and other channels that were available to them.*
- How were young people going to get to the hub in Wellington from the more rural areas as this was the biggest problem if you did not have transport? *The Hub in Wellington will not be exclusive as a service for just those people in the Wellington patch, one to one home visits will still be carried out and we will still go out into the more rural villages to provide a service, it's just that the Wellington Hub will be an additional resource, the one-one support would still be available.*

Resolved that the report be noted.

7. Tenant and Leaseholder Satisfaction Project

The Customer Services Improvement Project Manager reported on the Tenant and Leaseholder Satisfaction Project, stated that this had not come before the board for a while so the original Leaseholder satisfaction project implementation plan was reviewed with updates.

Reported that the first item was employing a Customer Services Improvement Project Manager, secondly was to appoint a Project Manager to look at the grounds maintenance issues in the contract.

Repairs and maintenance - there has been a restructure around Property Services, with the introduction of new soft wear looking at repairs and maintenance to improve customer care.

Service Standards – we now had an almost customer promise signed off which will outline how we expect staff to behave. This would be used as a standard to show how the other service standards would be written.

Feedback, compliments and complaints – all the directorate were now trained on our complaints procedures. This had seen an improvement in our quality of responses to complaints and how they had been loaded onto our systems.

Customer Service - communications to all staff to remind them that we had basis standards to treat customers either via email, phone, letter or face to face. Work had been started around developing a customer promise with staff and they had been heavily involved with this.

Training – it was approved that we sought an external trainer around customer care. Carol Carpenter was the trainer of choice, with her running a training sessions with members of staff on the 28 November 2016.

Contractors – Tenant feedback was mainly from contractors not DLO staff, work around a standard level of service that contractors complied with was being worked on and a training session to be arranged.

Performance Management Systems – a staff directory was prepared to enable Customer Contact staff and other members of staff to pass on calls from tenants to the correct member of staff/department. This would be more efficient as it would allow calls to be put directly through to a members of staff. Two key issues were raised, the issues of getting back to the tenant in a timely manner and poor internal communication.

Resolved that the report be noted

8. Transformation of Taunton Deane Borough Council and West Somerset Council

The Director of Housing and Communities update the board on the transformation of Taunton Deane and West Somerset Council. Stated that the consultation process on the new council had begun and would run until the end of February. A plan for the wider transformation of both councils would make fairly significant changes with proposals to create a new council.

The board were asked for feedback to the consultation document that was in the Tenants newsletter recently, stated that this could be in a letter stating that there was no objection and supported this merger. The outcome was in the boards hands. Suggested that the board go away and look at the document. There would be an opportunity to raise questions at a separate session to go through the document in more detail or to formulate a response or the board could give feedback at the next meeting.

During the discussion of this item the following questions were asked:-

- It was stated that we would still be Council tenants, what was proposed is for a completely new Council, so how did we know that the new Council would honour that fact and not put it to a vote again for the housing stock to be transferred to a Housing Association; *this would be a new organisation, in terms of stock transfer there was not really the same financial incentives as previously, we have more ability to finance, invest and borrow more than Housing Associations.*
- What will happen to the Tenant Management Board once this merger has been finalized, will the board include the tenants of West Somerset? *The impact on tenants would not be significant things will carry on as normal as there was no housing stock in West Somerset so would be ring-fenced to the residents of Taunton Deane.* Were there plans to bring the Magna stock into Taunton Deane? *No, there was no money to acquire this stock we were better off building new homes.*

Resolved that the report be noted and comments and thoughts on the consultation be brought back to the meeting on the 20 February.

9. Housing Revenue Account (HRA) Budget Estimates 2017/18

Considered briefing report circulated, concerning an update on the draft Housing Revenue Account (HRA) budget proposals for 2017/18.

The proposals included in the report would enable the Council to set a balanced budget for 2017/18. This includes a transfer from HRA General Reserves of £0.243m, which was lower than the £0.350m included in the Business Plan that was approved by Council in July 2016.

Stated that the longer term position was greatly affected by external changes such as an expected increase in pension contribution, and this would need to be monitored over the medium and long term in order to remain affordable.

Changes in the Approved Business Plan, 2017/18 are already included in the base position, the key changes were the Transformation funding 500k, and this is from the HRA towards the cost of the transformation which was being funded from next year's revenue position. Within the business plan there was an increase of 349.5k this would be taken out of general reserves next year, this had now been reduced to 243k. A breakdown of this was included in the proposals which were as follows;

- Deduction in rent loss from voids (179.0)
- Service charges (20.4)
- Garages (13.0)
- Leasehold Charges (50.1)
- RTB admin contribution (12.5)
- R&M Transition Contingency (repairs and maintenance) (480.0)
- Charges from GF and pension deficit (49.2k reported in GF, but most of this was included in inflationary uplift above) (9.5)
- HRA share of apprentice levy – employee costs (19.3)

- Insurance premiums (30.6)
- Depreciation (100.5)
- Investment income (10.0)
- Interest payable (435.5)
- Increase in employer pension contribution (90.1)
- Increase in pension deficit contribution (116.3)
- Increase in support service charges to the HRA due to pension (36.8)
- Other minor changes (25.0)

Balance Budget for 2017/18 – this would take 243.0k from the reserves next year which was an improvement on the 349.5k.

As set out in the HRA Business Plan the recommended minimum unearmarked reserve balance for the HRA was £1.8m (approximately £300 per property). The reserve balance as at 1 April 2016 was £2.675m, however with a number of approved changes during the year, the current balance was £2.342m. This did not include any 16/17 forecast variances, or any further supplementary estimates in 2016/17.

If the draft budget in the report was approved by Council, assuming no further changes, the balance would reduce by £0.243m, to £2,099k. This was £0.299m over the minimum reserve balance, however this balance was expected to be used in 2018/19 and the reserve would be held at the minimum recommended balance of £1.800m.

HRA borrowing; in 2012 Taunton Deane took out additional borrowing of £85.2m as part of the self-financing settlement with the Government. This brought the total borrowing in the HRA up to £99.6m at the start of self-financing, including £5.5m internal borrowing from the General Fund.

The external borrowing currently totals £97.6m (£2m of external borrowing had been repaid), with an additional £6.3m internal borrowing within the HRA (for approved capital schemes such as Creechbarrow Road and the Phase 1 sites. This internal borrowing was currently funded from reserves held by the HRA, but external borrowing would be required in the short term. Repayment of £2.7m would be made during 2016/17, but additional internal borrowing would be required in order to finance the ongoing schemes, the opening balance of borrowing for 2017/18 was expected to be £99.3m.

The Headroom in 2017/18 was expected to be £17.1m, and would increase annually by £1.8m (the provision made in revenue for the repayment of debt), until further borrowing was agreed by the Council. The intention was for this borrowing headroom to be available for the larger regeneration schemes that can't be funded from the ongoing Social Housing Development Fund budget.

RTB Receipts

In 2012 the maximum discounts offered to tenants who exercised their Right to Buy increased significantly to £77k (which raised with inflation). Taunton Deane signed up to retain the additional receipts, and agreed that those receipts would be used to fund new affordable housing. The additional RTB receipts could only account for 30% of the spend on new housing, with the remaining 70% coming from other funds such as revenue funding or borrowing. The RTB receipts cannot be used in the

same scheme as other government funding such as Homes and Communities Agency (HCA) funding.

The additional receipts received in Q1 and Q2 2016/17 total £844k, which would require total spend of £2.8m within three years. If this level continues it could be expected that the annual total spend (including RTB receipts and match funding) would need to be in the region of £5.6m. Although the provision for the Social Housing Development Fund has been increased in the Business Plan, the annual total budget is £1.9m, an annual shortfall of £3.7m. The latest forecast shows that forecasted spend will not be enough to meet the match funding requirements in 2019/20. This is based only on currently approved budgets (including the ongoing provision of £1.9m), and doesn't include any new schemes funding through borrowing. It is possible to borrow for additional schemes, within the borrowing headroom in Section 11, but many schemes may not be able to repay the capital and interest costs from the rental income. This would create a net revenue cost to the HRA which would impact the Business Plan.

Options to consider:

- Increase spend through borrowing – limited to debt cap
- Increase spend from revenue – would lead to reduced service provision as revenue is allocated within the Business Plan
- Use other Council funding
- Give grant funding to Housing Association/s – providing they match 70% of the funding
- Return funding to Government

2017/18 Draft Housing Revenue Account Capital Programme

The proposed Draft HRA Capital Programme 2017/18 totals £9.31m. This is provided to deliver the prioritised capital investment requirements included in the current Business Plan for the next budget year. The current 5-Year HRA Capital Programme is shown below, which includes forecast capital expenditure requirements for the period 2017/18 to 2021/22, as identified in the Business Plan.

The report did not include schemes that have been previously approved where the spending is planned to be incurred in 2017/18.

Project

- Major Works, 6,222
- Related Assets, 80
- Exceptional Extensive Works, 482
- Disabled Facilities Grants and Aids and Adaptations, 416
- Building Services Vehicles, 121
- Social Housing Development Fund, 1,989
- Estate improvements, 50

Total Proposed HRA Capital Programme 2017/18 9,310

Members were being asked to approve the Capital Maintenance and Improvement Works Programme budget for 2017/18 at £9.310m.

Resolved that the report be noted.

10. 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.

11. Confidential development update

Considered report previously circulated regarding Development updates.

During the discussion of this item the following comments were made:-

- These are very good schemes with a tremendous amount of good work gone into this. The board would like to thank Jo Humble and her team.

(The meeting ended at 8.15pm)