

SCRUTINY PANEL 11 FEBRUARY 2014

- Present :-* Councillor Beverly Davies (Chairman)
Councillors Marcus Harrington, Dave Harris, Jo Hayes,
Peter Higgins and Gerard Oxford
- Substitute Members :-* Councillor Will Quince for Councillor Kevin Bentley
Councillor Colin Mudie for Councillor Nick Cope
Councillor Bill Frame for Councillor Mike Hogg
- Also in Attendance :-* Councillor Tina Bourne
Councillor Paul Smith

47. Minutes

It was noted that the minutes of 28 January 2014 will be taken to the next Scrutiny Panel on 24 February.

48. Work Programme 2013-14

The Panel considered a report by the Assistant Chief Executive setting out the current Work Programme for the Panel for 2013 -14.

Councillor Harris queried whether there are any items scheduled on the work programme for meetings taking place in the next municipal year. The Chairman stated that there will be a number of standard items that the Panel will consider, with other items for the Work Programme to be set after the annual meeting.

RESOLVED that the contents of the Work Programme 2013-14 be noted.

49. Colchester's Homelessness Strategy 2013 - 2018

Councillor Davies (in respect of her Vice-Chairmanship of Colchester Community Voluntary Service) declared a non-pecuniary interest in this item pursuant to the provisions of Meetings General Procedure Rule 7 (5).

Councillor Frame (in respect of his paid work for the Mental Health Trust) declared a non-pecuniary interest in this item pursuant to the provisions of Meetings General Procedure Rule 7 (5).

A report was submitted by the Head of Commercial Services asking for the Scrutiny Panel to consider and provide feedback on the new draft Homelessness Strategy for Colchester prior to it being considered by Cabinet.

Councillor Tina Bourne, the Portfolio Holder for Housing, together with Tina Hinson, Housing Strategy Manager, and Karen Paton, Housing Strategy Officer, attended the

meeting to present the report.

Councillor Bourne introduced the report to the Panel, which is the third strategy from Colchester Borough Council. Whilst the Borough has a legal responsibility to produce a Strategy, it would not have been possible without the commitment of our partner organisations.

This new strategy looks to build on the successes of the previous strategy in preventing homelessness; and also reflect the new challenges within the Borough. The main causes of Homelessness remain largely the same;

- Family and friends no longer willing or able to accommodate people,
- Loss of private sector accommodation for a number of different reasons, or accommodation that is provided with employment, and
- Losing accommodation due to relationship breakdown.

The Portfolio Holder stated that the Localism Act 2011 and the Welfare Reform will have a significant impact on how the services are delivered, and the options available to prevent and relieve homelessness. The key priorities as set out in the Strategy will help to address this. Councillor Bourne finished by praising the work of the officers in compiling the strategy.

Karen Paton, the author of the report, gave the Panel a presentation on the new draft Homelessness Strategy. The presentation outlined the background behind the strategy, and the work undertaken to date.

Within Colchester a total of 251 households were accepted as being owed a homelessness duty. The number of households in temporary accommodation was 168 as of 31 March 2013, which was a slight reduction from the previous year. However, the number of rough sleepers, which is estimated to be 35 as of 2013, is a significant increase.

The presentation also outlined the consultation undertaken, with 33 out of 200 surveys responded to by homeless people in Colchester, as well as a number of different focus groups being held. This in addition to discussions with stakeholder groups all fed into the 2013-2018 strategy. In terms of monitoring the outcomes, the Colchester Homelessness Strategy will be reviewed on an annual basis.

The following issues were raised by Panel members:

- Councillor Quince – What is the average length of time it takes to evict private tenants? Cllr Quince also highlighted that there is a hidden element of homelessness, with individuals sleeping on couches.
- Councillor Quince - Enquired about the numbers of rough sleepers in Colchester and the reasons behind their situation, and the possibility of conducting more research with them.
- Councillor Quince – What are the implications of the benefits cap and spare bedroom tax?
- Councillor Harrington – How are the causes behind homelessness identified when

some of the highest causes are mental health issues, or relationship breakdown. How is the term household described in relation to the Strategy, couples/families/single etc.

- Councillor Harrington - Queried the Council's obligations to help those adults who are above 18 and not vulnerable, as well as what is being done to help the very high percentage of 16-24 year olds.
- Councillor Frame – Commended the level of work that had gone into the Strategy, and asked about SMART targets and figures that would actually show the work that the strategy had undertaken, particularly in terms of prevention of homelessness.
- Councillor Oxford – What else could be done for the high number of 16-24 year olds so that they don't have to face life away from home? What life skills other than financial advice are given to those that are made homeless?
- Councillor Harris – Commended the work of the Strategy, asked for further details of the 904 under occupied households as of July 2013. Councillor Harris also suggested the need to take action against Landlords who did not comply with their legal duty to keep homes in good repair. Councillor Harris also requested statistics just for the work carried out by Colchester Borough Council.
- Councillor Mudie – Queried the situation with the Council's rent and deposit guarantee scheme.
- Councillor Quince – Enquired as to whether any work had been undertaken with private lodgings, both by Colchester and the wider sector.
- Councillor Davies – Asked whether there had been a response to the adverts regarding renting out spare rooms.
- Councillor Harrington – What work is undertaken with the Armed forces?
- Councillor Frame – What support does Colchester Borough Council provide in helping people out of a homeless situation, for example work experience.
- Councillor Davies – Colchester is currently joint highest in the eastern region for rough sleepers and 14th highest in the UK. Are records kept for those coming in to Colchester?
- Councillor Quince – What's the impact when other towns nearby change their decisions, for example Ipswich banning super strength alcohol.
- Councillor Davies – Questioned the figures on page 50, with the number of households in temporary accommodation in both Bed and Breakfast and Hostels increasing, even though the paragraph in the report states that some of the Hostel accommodation has been closed? What is the average length of stay in a Bed & Breakfast?
- Councillor Oxford – With the Universal Credit on the horizon, which might cause a significant impact, is there any work to pre-empt this?
- Councillor Oxford – Will the level of Discretionary Housing Payment Government Grant be reducing?

In response to the issues raised, the following information was provided:

- The strategy aims to prevent homelessness by encouraging people that face eviction to get help before their situation reaches crises.
- With regard to rough sleepers, the Borough Council is required by the Department for Communities and Local Government to produce an annual estimate formed by input from the different partner organisations. Tina Hinson, Housing Strategy

Manager, stated that many of the rough sleepers don't sleep in the town centre or at night as it is too dangerous. She also highlighted that rough sleepers may not be able to access the services available due to being excluded for a variety of issues or are too vulnerable to access.

- Tina Hinson stated that they have not yet seen the full force of the impact of benefit cap and spare bedroom tax; it is the tip of the iceberg until the introduction of universal credit. The Customer Support Team are working hard to help Colchester's residents and a member of staff from Job Centre Plus has been seconded to the team to offer employment advice. Discretionary Housing Payments are helping to buffer the impact whilst tenants look to move or consider other options. Colchester Borough Homes are working with tenants to provide support including help with budgeting.
- Councillor Tina Bourne, in response to Councillor Harrington, stated that the strategy's aim is to prevent people from getting into this situation, quickly referring them to partner organisations if they do. Without shelter all other needs are difficult to achieve.
- Karen Paton explained that under Homelessness Law some single adults over the age of 25 do not have a priority need. Therefore the Council makes referrals to the voluntary sector organisations that are able to support and accommodate single homeless people.
- In response to Councillor Frame, Councillor Bourne commented that the Homelessness Strategy will last five years, and key performance indicators are already being monitored quarterly on the corporate dashboard.
- In response to Councillor Oxford, Councillor Bourne stated that it was necessary to build awareness with parents, and potentially help to mediate between the parties. There is a need here to make sure we get to them first, and prevent them from staying in unsafe places. The Borough along with its partners needs to ensure the help is there in both the financial sense and helping with strains in the families. Priority 4 in the Homeless Strategy Delivery Plan will also help, as it will provide education in schools, and effective planning of move-on accommodation.
- In response to Councillor Oxford's query on developing skills for those that are made homeless, Tina Hinson, stated that Ascot House, which is staffed 24/7 provides support and life skills development.
- The number of under occupied households in the Borough, which stood at 904 as of July 2013 is reducing with an increase in mutual exchanges and moves through the tenant incentive scheme.
- The Private Sector Housing Team does work with private sector landlords, and has had successful prosecutions of those landlords who have not looked after their property. The requested statistics by Councillor Harris for Colchester Borough Council work will be provided.
- Councillor Bourne in response to Councillor Mudie, stated that they are working to get more landlords on board, and there is an expectation that they are responsible for their tenants.
- Councillor Bourne stated that a scheme does exist to provide spare rooms and lodgings through and has been publicised through a number of routes including Colchester Borough Homes news and views articles. In terms of the wider sector, Tina Hinson confirmed that Solo Housing have also had articles and publicity on the availability and benefits of lodgings.

- The take-up from landlords willing to let out rooms is slowly showing an increase, with a number of different schemes in existence. Colchester hasn't however had the huge numbers that other Local Authorities have seen.
- Karen Loweman recently met with a representative of the Armed forces to discuss housing issues. Local Authorities are already required to give service personnel increased preference through the allocation scheme.
- Councillor Smith responded to the queries by Councillor Frame, that the enterprise grant has been used to provide job help and CV's through Signpost.
- In regards to the number of rough sleepers, Colchester is a victim of its own success with the support that it provides. A lot of hard work is put into supporting those individuals, making Colchester an attractive town in which to be homeless. It is also the case that places like Tendring suffer the same situation during the summer months. There are some records of the number of those coming into the town, which the voluntary sector is aware of.
- In response to Councillor Quince, Councillor Bourne stated that there are so many different reasons for individuals travelling to Colchester when homeless meaning that it would be difficult to specify any single reason.
- The figures regarding usage of Hostels and Bed and Breakfasts do not necessarily correlate because there were some existing vacancies in Hostel accommodation and often a mismatch between the size of the accommodation and the size of the household. It was also the case that whilst the Council stopped using Ascott House, and Bardfield House, the latter had to be used again to prevent households from having to stay in Bed and Breakfasts outside of Colchester. Councillor Bourne highlighted that these figures show the importance of working with the voluntary organisations, and that if there are changes to temporary accommodation this will have a knock on affect on Bed and Breakfast usage. Tina Hinson will provide the Panel with information on the average length of stay at Bed and Breakfasts.
- The Portfolio Holder stated that Universal Credit was an issue which the Council had started to look into back in 2012. It is possible to identify those that may need additional support including Housing Association and Private Sector tenants as well as our own tenants, and work with Housing Associations and the Department for Work and Pensions. Colchester has done very well in its work in managing Discretionary Housing Payments. Colchester Borough Homes are visiting tenants to help with budgeting and financial management.
- The Government settlement for Discretionary Housing Payment this year is slightly less than the previous year, but as yet there is no indication what the settlement will be for the future.

RESOLVED that Colchester's Homelessness Strategy 2013 – 2018 be noted.

50. Financial Monitoring Report - April to December 2014

The Panel received the report from the Assistant Chief Executive explaining the financial performance of General Fund Services and Housing Revenue Account (HRA) in the first nine months of 2013/14.

Sean Plummer, Finance Manager, introduced the report to the Panel, and explained that the General Fund is on budget, however there is a £1m shortfall on income budgets, which is being balanced by £600,000 in savings and other elements. The HRA forecast outturn position is currently an underspend of £812k.

Councillor comments;

- Councillor Harrington – The £909,000 operational services overspend puts pressure on the budget, but the budget is overall broadly on target. He queried the business rates arrangement, and whether the Council retains some of the rates.
- Councillor Harris – Asked for clarification about the increase in electronic banking charges, and whether they were temporary or permanent.
- Councillor Higgins – The HRA has an underspend on all elements in the report, is this real available money, or already committed? What is the definition of the premises costs and supply and services costs?
- Councillor Oxford – The current wet weather has delayed the project of redeveloping the garage sites, will this roll over to April?

In response to the issues raised, the following information was provided:

- Sean Plummer responded to Councillor Harrington's comment, in that the operational services area relies on income which can vary. In some circumstances a reduction in income can be addressed by making savings in that particular service e.g. Sport and Leisure, in others such as car parking it is much more difficult to make savings.
- In regards to business rates, the previous system meant that all collected rates went to Central Government. After 2013/14 a change to the arrangement meant that whilst the rates remain the same, we now keep a share of those rates. This change is reflected in the reduction of Central Government Grants.
- In response to Councillor Harris, Sean Plummer stated that the electronic banking charges are higher, but efficiencies are made in the payment process.
- Sean Plummer commented that the underspend seen in the HRA is a snapshot in time of the budgets. It maybe that there are projects committed, yet haven't been completed due to the weather. The officer provided assurances that the HRA money was ring fenced. Premises costs refer to elements such as energy usage, or business rates. Supply and services costs refer to the expenses in running the services.
- Money for the delayed redevelopment of the garages will be carried forward. Councillor Smith followed that there have been some delays in the planning and tendering for the project, which means work may not begin in April.

RESOLVED that the Financial Monitoring Report – April to December 2014 be noted.

51. Capital Expenditure Monitor 2013/14 - Quarter 3

The Panel received a report from the Assistant Chief Executive setting out details of spending for the financial year 2013/14 (April – December) and the revised forecasts

for the future years.

Steve Heath, Finance Manager, explained that the accrued capital spending in the first nine months of the year totalled £12.6m. This expenditure represents a total of 56% of the projected spend for 2013/14.

The report contained no red category schemes, but does include 10 schemes that were categorised as amber by budget holder, which can be found in appendix B.

As part of his duty to inform the Panel of any significant matter, Steve Heath reported that the Council has sold its claims with LBI in a competitive auction process paid in pound sterling. This has been received by the Council, which means there is no longer the risk.

As part of the contractual arrangement the price will not be revealed, but the value of the return is greater than the value on the balance sheet.

Councillor comments;

- Councillor Oxford – Surprised by the variance on the Disabled Facilities Grant, which is normally spent in full. Is there a delay in processing the applications? Has contact been made with Essex?
- Councillor Harris – Questioned the risk on the Garrison Gym property, and whether the insurance is going to cover the risk, and whether we own the property?
- Councillor Quince – Asked whether there were any further details on the Landsbanki issue, and whether Councillor Smith was disappointed with the result?
- Councillor Davies – Queried whether the Council is waiting for the European Regional Development Fund for the Creative Business Hub, and whether there will be an effect on the Curzon Cinema development?

In response to the issues raised, the following information was provided:

- In response to the Disabled Facilities Grant, Steve Heath will distribute a summary of the process to the Panel members, and the reasoning behind a backlog. It was revealed that Essex County Council currently have a backlog of approximately 750 cases in North Essex. In addition, 35 cases have been recently received by Colchester Borough Council.
- In regards to the Gym, the outcome is currently unknown, but with the Section 106 money there is no further financial risk to the Borough. Steve Heath, will make further enquiries regarding the Garrison Gym and respond to the Panel.
- Councillor Smith stated that he was pleased with the result from the sale of its claims, as all risks are gone, and the £137,000 put aside as the risk amount can be put back into the budget.
- Councillor Smith also stated that there would not be an affect on the Curzon Cinema development, which is progressing well. There will be a further development announced fairly shortly.

RESOLVED that the Capital Expenditure Monitor 2013/14 – Quarter 3 be noted.