

Neighbourhoods and Community Services Scrutiny Panel – Meeting held on Thursday, 3rd November, 2016.

Present:- Councillors Plenty (Chair), Morris (Vice-Chair), Anderson, Davis, N Holledge, Rasib (until 9.05pm) and Wright (until 8.26pm)

Also present under Rule 30:- Councillor Strutton

Apologies for Absence:- Councillor Rana and Swindlehurst

PART 1

20. Declarations of Interest

Cllr Morris declared his tenancy in Slough Borough Council (SBC) property.

21. Minutes of the last meeting held on 8th September 2016

Resolved: that the minutes of the meeting held on 8th September 2016 be approved as an accurate record.

22. Member Questions

The response to the written question was circulated to members.

The Panel raised the following points in discussion:

- SBC had made a conscious decision not to engage in consultation with tenants on 'Pay To Stay' given the uncertainty surrounding the policy. Once the Government's intentions had been clarified in the Autumn Statement, SBC would undertake an options appraisal and publish a newsletter for residents (this was currently scheduled for December 2016).
- SBC was making preparations for the policy despite these uncertainties, as the proposals were complex and required a co-ordinated response if they were enacted. A Working Group had been established; however, no expenditure had occurred on this beyond officer time.
- The policy, as currently laid out, was voluntary for Housing Associations. Should Housing Associations choose to take part, they would keep the resultant rise in rents; Local Authorities had to give those funds to Central Government (bar the administration costs caused by 'Pay To Stay'). However, Councils may not choose to transfer their stock over to Housing Associations to benefit from this difference in policy, as Government could impose terms of the transfer of housing stock with regards to rent and its allocation to Government.
- There were areas which lacked clarity in the system (e.g. the separation of the money in the Housing Revenue Account and the

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general fund). Members wished to examine these issues at a future meeting.

Resolved: that an agenda item on the funding system for housing be added to the agenda for 4th April 2017.

23. Slough Real Time Passenger Information

The stated target of 80% detection rates had not been reached. Changes to the bus fleet had impeded progress, but it was also the case that the supplier (JMW) could not achieve this level of accuracy. Given this, SBC was developing a specification for the new tender. This tender would be produced before the Christmas 2016 break and would become active as the current deal expired. SBC had also undertaken a site visit to a system in Hampshire which was experiencing better performance, and would use some of their strategies to ensure the new system functioned better (e.g. monitoring of key performance indicators to make system more robust).

The Panel made the following points in discussion:

- Given the amount of scrutiny to which the matter has been subjected, members did not wish to make further requests for service improvements prior to the current contract's end (March 2017). However, they remained very dissatisfied about performance and wished to ensure that this was not repeated.
- The next service provider would be asked about a variety of issues, including how buses such as the 81 (which ran in West London) could be part of the RTPI system.
- A Strategic Working Group was considering the matter of the new specification. This would be a transformative document, overhauling the system rather than merely asking for the same but with higher detection rates. As one example, it would require that an app would be available for bus users so they could track buses as they travelled.

Resolved:

1. That the specification for the new contract be circulated to members before Christmas 2016.
2. That this specification be added to the agenda for 17th January 2017.

24. Resident Involvement

The Housing Team had compiled a wider tenant engagement strategy for discussion, with a view to increasing the numbers of service users involved in dialogue. A consultant had been recruited to conduct the review on the strategy, which advocated a new approach from SBC on resident engagement.

The consultant had held discussions with Councillors, officers and residents; all parties had identified co-regulation as pivotal in making progress. This required commitment from Councillors and robust mechanisms for

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engagement with the Residents' Board. These areas had been identified as weaknesses with current arrangements and required work to rectify the issues arising. Terms of Reference for the groups involved in the new system would need to be updated to codify these relationships. It was also important to ensure that the Residents' Board was accountable to residents, and also used new forms of digital engagement to maximise interaction.

The strategy for resident involvement currently sets out matters such as consumer standards but was not explicit on the matter of engagement. Future work needed to be focused on outcomes rather than statistics such as the numbers of attendees at meetings; impacts needed to be measured to justify any expenditure made. An Annual Review would be compiled to capture this information and analyse its implications for the service. The gap analysis was also being modified to bolster the work of SBC's housing service, and it was recommended that this be presented on a yearly basis to the Panel.

The bidding process for the Repairs, Maintenance and Improvement contract presented an opportunity for such engagement to take place. The contract was vital to the experience of residents and would affect the service for years. A consultative group was being set up and would be supported by the consultant hired by SBC.

For engagement to work at its best, a wide variety of strategies would be needed. Some of these would prove more successful than others, as processes which worked in one local authority may not transfer these benefits to another situation, but they needed to start in the near future. It was also imperative that those involved in these processes had the tools to succeed (e.g. tablets and laptops).

The Panel raised the following points in discussion:

- The Neighbourhood and Community Panel met on a quarterly basis and was well attended. Whilst the current composition of its membership was sound, it would benefit from including more members in its discussions and sharing the Panel's work. This Panel could report to the Neighbourhoods and Community Services Scrutiny Panel as well as the responsible Commissioner; it included co-opted members to diversify those making an input into its work.
- The Senior Tenants Action Group had taken part in the review, and agreed that more work was needed on engagement. There were also concerns that SBC officers had too much influence in the Neighbourhood and Community Panel. There was also a request from residents for more cohesive work and greater transparency.
- It was vital for the organisations involved in any new arrangements to get action rather than processing agendas which repeated themes and could be prone to becoming unproductive.
- The Residents' Participation Board members could also act as individuals rather than delegates representing a wider constituency.

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- The options appraisal exercise would require a wide range of inputs to ensure the best outcomes. The Residents' Board needed to be independent to act effectively, and would hold elections every 3 years.
- Officers welcomed the idea of members of the Residents' Board representing wider constituencies rather than their own interests alone. However, issues regarding the number of volunteers wishing to be fully involved remained although some recruitment was taking place.
- The Residents' Board would also benefit from reflecting the diversity of the residents of SBC property (e.g. ethnicity, age, gender).
- The residents' newsletters presently did not include an update on the work of the Residents' Board in each issue; some members wished for the frequency of updates to increase.
- The strategic working group was working with tenants to boost the impact of resident engagement and avoid any duplication in the relevant processes.
- The process should also offer a variety of ways of engaging for residents. This should reflect the range of levels at which people had the time and inclination to be involved in the process.

Resolved:

1. That the Panel recommend to Cabinet that the Commissioner for Housing and Urban Renewal lead a Consultative Commissioning Group.
2. That the Panel review the Gap Analysis on an annual basis.

25. Neighbourhood Services Garage Licences & Repair Of Garages

The item covered the request made by members at the previous meeting regarding the template for licences and liability for repairs. It also covered community based parking schemes for parking areas on housing land; Savills had been recruited to assess the viability of 'amber' sites (where demand for the site was low and the costs of repairs high).

The Panel raised the following points in discussion:

- Licensees were not responsible for repair work to garages; this lay with SBC. In addition, health and safety matters were also resolved by the Council.
- SBC shared the concerns of residents over the conditions of some garages; hence the recruitment of Savills to review SBC's stock. In making decisions over the future of stock, the feasibility of the repair and the cost of undertaking the work would be compared with the benefits of keeping the garage open.
- Members raised the matter of the licence not explicitly stating which repairs would be carried out by SBC. Whilst SBC made all possible efforts to engage in dialogue with residents when carrying out repairs, the licence did not contain instructions for contents. This matter was covered in section 4.2 of the conditions of the licence.

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- At present SBC owned approximately 1,900 garages; of these, over 70% required some work. Precise data was currently being compiled to estimate the budget required for this work. In addition, discussions were being held with residents on the current stock. These discussions did not just include the stock itself, but issues relating to the site (e.g. fly tipping, abandoned cars, anti-social behaviour).
- Savills were involved in this review, and would analyse all aspects of sites and potential alternative provision / uses for sites before making decisions on the future of these garages.
- The licences outlined in the report had been initiated. Contract details for garage users would be checked in December 2016, with the rollout of the new licences to be completed by the end of the 2016 – 17 financial year.
- SBC recognised that garages had not received the attention they needed in the past. To rectify this, the review was to be comprehensive, and would not just evaluate the state of garages but also their suitability for modern vehicles. This would also lead to a system which was more responsive in the future.
- A precise target for occupancy rates was not yet clear; the Housing Revenue Account and the need to ensure that the situation did not place pressure on the traffic situation in Slough would also have an impact. The final situation, and the required levels of occupancy, would be clearer at the end of the current financial year.

(At this point of the meeting, Cllr Wright left).

- SBC would also need to ensure that the future service provided a sufficient return on investment to justify itself.

Resolved:

1. That the Panel endorses the renewed licence.
2. That the Panel endorses the repair responsibilities of the Council in relation to the garages.
3. That the Panel requests Cabinet to support the development and rolling out of community based parking schemes for parking areas on Housing land.
4. That the strategy for garages be added as an agenda item for the Panel in the summer of 2017.

26. Housing Revenue Account Business Plan 2016 - 46

The Housing Revenue Account (HRA) Business Plan needed to ensure that the service was viable for the next 30 years. As a result, it required projections on income and expenditure and also needed to factor in potential variables which could emerge. At present, the HRA was solvent and allowed for investment and house building over the next 3 years.

However there were a series of risks to council housing. These were as follows:

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- The termination of the self-financing agreement. This left SBC with the debts involved but left them with fewer controls; overall, this meant that the financial projection was for £36 million to be lost over the next 30 years.
- Mandatory capital payments had to be made back to central Government.
- The possible implementation of the 'Pay To Stay' scheme.
- Welfare reform, especially Universal Credit.
- A Stock Condition Survey was being undertaken and may commit SBC to future expenditure.

As a result, SBC faced uncertainty over its income which would need at least a few months to become clear. These uncertainties were included in the Business Plan, as were some assumptions (which are clarified in the Plan). The range of projections included some situations which were less favourable than others; SBC was not allowed to go into deficit, so the more pessimistic projections would require lower expenditure to mitigate them. Overall, the picture was one of a very high level of uncertainty.

Following the drafting of the Business Plan, it would be reviewed in March 2017. The finalisation of the Plan would require a judgement as to how SBC would manage its housing stock over a 20 year period. This process would require a robust dialogue with residents.

One particular question related to the rents to be placed on new build housing. The new rents were at a higher rate than those for existing residents; it would be applied to 190 new houses and not affect existing arrangements. There were three reasons for this decision:

- The uncertainty mentioned above meant that the income this would generate could well be required for the repair of existing SBC housing stock.
- SBC was one of the small number of local authorities currently building new houses. However, the funding for this was a one-off arrangement, so the higher rates would allow SBC to continue this building work.
- 'Pay To Stay' would alter previous settlements if it was implemented. SBC needed to start at the higher rates of rent to keep the money; if it kept rates low, then raised them, central Government would retain the difference.

All local authorities were having to make responses to the new arrangements. SBC may need to be agile and ensure that it had a range of options in the future to make adequate provisions as the situation for council housing evolved.

The Panel raised the following points in discussion:

- The issue of rents for new houses would be the subject of a call-in by Overview and Scrutiny Committee on 17th November 2016. However, if they were not subject to higher rents from their first date of availability, then SBC could lose significant revenue over the 30 year period in the

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HRA Business Plan. Given the lack of clarity around costs and liabilities at present, the amount involved could be critical for the sustainability of the HRA.

- The rents proposed were to be levied at 70% of the market rate. Officers were confident that they could be afforded by low income workers.

(At this point in the meeting, Cllr Rasib left).

- Efficiency savings could be examined in more details as part of the review of the housing service.
- Whilst officers were aware of the viewpoint that the new rents could change the ethos of council housing, the potential changes in legislation needed consideration. As there was no national subsidy available, local authorities would need to cross-subsidise their housing services. A series of alternative routes were being pursued by London authorities in response to this (e.g. Camden: redevelopment and sale of council housing, Hounslow: shared ownership model, Newham: sale of parts of land on housing estates).

Resolved:

1. That the draft Housing Revenue Account Business Plan be approved for consideration by the Residents Board and other residents' groups.
2. That SBC seek alternative methods of raising funds for the Housing Revenue Account.

27. Repairs, Maintenance & Investment Contract - Progress Update

The next Repairs, Maintenance and Investment (RMI) contract would be framed differently to the existing arrangement. It would include investment in the service, with return on investment a key part of the tendering document. This document was sent to 12 applicants alongside a pre-qualification questionnaire; this was followed by a competitive dialogue involving 4 rounds of discussions. This narrowed the field to 5 submissions for consideration, from which 3 had been selected for final selection. Issues such as the Slough Pound, apprenticeships, community projects and governance structure would all feature as part of the final decision on the preferred bidder.

Once in operation, an independent body would be convened to assess the satisfaction levels of tenants with the new service. This would be fed back into the relevant forums; there would also be penalties for poor performance. A Members' Briefing would be held on the evening of 24th November 2016 to advise on the evaluation of bidders. This would be followed by presentations on 12th January 2017 by the final 3 bidders. The preferred bidder would then be nominated in April 2017, with due diligence to be undertaken and a transitional period negotiated to allow the new service provider to take over on 1st December 2017.

The Panel raised the following points in discussion:

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- The standards for voids would be updated, as well as repairs. However, some matters (e.g. insulation) would not be included as part of the voids service. Instead, the level of work needed would be identified in a stock condition survey with work then commissioned across a number of properties as a capital project.
- The bidders who had proceeded to the final stages were major service providers in the area. They would provide SBC with reference sites, which would be visited as part of the selection process.
- Managers were involved in the tendering process to ensure that it was as comprehensive and favourable to residents and SBC as possible. The process also clarified to bidders that they would need to engage with SBC's scrutiny process.
- A stock condition survey would be undertaken to ensure that RMI was no longer a purely responsive service. A strategic work programme would be devised on the basis of this survey, with £100 million underwritten in the HRA Business Plan to back this.
- SBC had assigned the Business Delivery Manager to work for 2 days a week at Interserve and would mirror the preferred bidder once they had been selected. This was being undertaken to ensure that the transfer of the service to a new provider could be managed as effectively as possible.
- The new service provider may also eventually be co-located with SBC officers to assist in co-ordination of the RMI service.

Resolved: that the Panel add the Repairs, Maintenance and Improvements service as an agenda item for the Municipal Year 2017 – 18.

28. Forward Work Programme

Resolved: that, subject to the amendments in previous minutes, the Work Programme be noted.

29. Attendance Record

Resolved: that the attendance record be noted.

30. Date of Next Meeting - 17th January 2017

Chair

(Note: The Meeting opened at 6.30 pm and closed at 9.41 pm)