



Housing Committee

Date:	Wednesday, 10 March 2021
Time:	6.00 p.m.
Venue:	Microsoft Teams

This meeting will be webcast at
<https://wirral.public-tv/core/portal/home>

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AGENDA

1. **WELCOME AND INTRODUCTION**
2. **APOLOGIES**
3. **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

Members are asked to consider whether they have any disclosable pecuniary interests and/or any other relevant interests in connection with any item(s) on this agenda and, if so, to declare them and state the nature of the interest.

4. **MINUTES (Pages 1 - 6)**

To approve the accuracy of the minutes held on 27 January 2021.

5. **PUBLIC AND MEMBER QUESTIONS**

5.1 **Public Questions**

Notice of questions to be given in writing or by email, by 12 noon, Friday 5 March 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 10.

5.2 Statements and Petitions

Notice of representations to be given in writing or by email, by 12 noon, Friday 5 March 2021 to the Council's Monitoring Officer (committeeservices@wirral.gov.uk) and to be dealt with in accordance with Standing Order 11.1

5.3 Questions by Members

Questions by Members to be dealt with in accordance with Standing Orders 12.3 to 12.8.

SECTION A - KEY AND OTHER DECISIONS

6. PROPOSAL TO ACQUIRE UNITS FOR AFFORDABLE HOUSING USE (Pages 7 - 16)

SECTION B - BUDGET AND PERFORMANCE MANAGEMENT

7. 2020/21 REVENUE AND CAPITAL BUDGET MONITORING FOR QUARTER THREE (APR - DEC) (Pages 17 - 22)

SECTION C - REVIEWS / REPORTS FOR INFORMATION

8. LETTER FROM MINISTRY OF HOUSING, COMMUNITIES & LOCAL GOVERNMENT (Pages 23 - 28)

On 13 November 2020, the Chair and Spokespeople of the Housing Committee wrote to the Secretary of State for Housing, Communities and Local Government, Robert Jenrick MP, regarding Leaseholder Reform. A response was received on 4 February 2021. A copy of both letters has been attached for the committee to discuss.

9. HOUSING COMMITTEE WORK PROGRAMME UPDATE (Pages 29 - 34)

10. EXEMPT INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

The following item contains exempt information.

RECOMMENDATION: That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part I of Schedule 12A (as amended) to that Act. The Public Interest test has been applied and favours exclusion.

11. PROPOSAL TO ACQUIRE UNITS FOR AFFORDABLE HOUSING USE EXEMPT APPENDIX (Pages 35 - 36)

HOUSING COMMITTEE

Wednesday, 27 January 2021
18:00 to 20:30

Present: Councillor A Brame (Chair)

Councillors	J Bird	I Lewis
	G Davies	J Robinson
	P Hayes	M Sullivan
	J Johnson	S Whittingham
	A Jones	

Apologies Councillor J McManus

1 **WELCOME AND INTRODUCTION**

The Chair welcomed Members of the Housing Committee, Officers and viewing members of the public to the online meeting.

2 **APOLOGIES**

The Chair announced that apologies had been received by Councillor Julie McManus, and Councillor Adrian Jones was deputising for her.

3 **MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST**

Members of the Committee were asked to declare any disclosable pecuniary and non-pecuniary interests, in connection with any item on the agenda, and to state the nature of the interest.

No such declarations were made.

4 **MINUTES**

Resolved – That the minutes of the Housing Committee held on 27 January 2021 be approved and adopted as a correct record.

5 **PUBLIC AND MEMBER QUESTIONS**

The Chair reported that no questions or statements from members of the public had been submitted.

6 **PROPOSED AMENDMENTS TO THE PRIVATE SECTOR HOUSING AND REGENERATION ASSISTANCE POLICY**

Lisa Newman, Head of Operational Housing Services, introduced a report which briefed Members on the proposed revisions to the Council's Private Sector Housing and Regeneration Assistance Policy.

Members commented on the report and thanked Lisa Newman and her team for the work they have done.

Resolved – The Housing Committee considered and agreed the proposed changes to the Private Sector Housing and Regeneration Assistance Policy, with immediate effect.

7 **BUDGET CONSULTATION**

Alan Evans, Director of Regeneration and Place introduced the report of the Director of Resources and outlined that the report formed part of the Council's formal budget setting process and gave the Housing Committee opportunity to comment on the proposal that falls within its remit, this would enable those comments to be presented for consideration by policy and Resources Committee at its meeting in February 2021.

The report included a savings proposal to Cease support for Community Alarms with a potential saving of £500,000.

The Chair commented that further information had been requested regarding this budget proposal at the workshop on 26 November 2020.

The Director of Regeneration and Place stated that further information had been sought from service providers who were given questionnaires at the same time the public consultation began. He stated it had been hard to get a full response due to staffing issues associated with Covid-19. He also clarified that while this saving was being considered for the Housing Service, Adult Social Care was looking into digital devices that would perform a similar function at a much lower cost.

Members stated that without further information on the impact that this budget proposal might have on those that currently benefit from it, it was not possible to make informed comments at this meeting.

Members expressed concerns on the effect it would have on vulnerable people.

Lisa Newman, Head of Operational Housing Services clarified that the budget proposal wouldn't remove the ability of residents to have a community alarm;

but it would remove the council's contribution to their funding. The service would still be available with responsibility for full payment going to the provider or the resident.

The Director of Regeneration and Housing stated that further information from service providers would be received shortly and would be fed back to Committee Members for comment.

Resolved - That Housing Committee notes the report and would like to communicate all concerns raised with the Policy and Resources Committee, and; if information is forthcoming within the relevant timeframe, a workshop be arranged of this committee in the interim.

8 HOMELESSNESS IN WIRRAL AND THE IMPACT OF COVID-19

Sheila Jacobs, Supported Housing and Homelessness Senior Manager, introduced a report that gave the committee an overview of homelessness within the borough, and the measures in place to prevent and respond to it. The report described the significant impact the Covid-19 pandemic has had on the Council's housing team and its commissioned services that respond to homelessness and sets out proposed actions to respond moving forward. Members thanked Sheila for the report and endorsed the work her team are doing.

Following further discussion of the work being carried out by the Homelessness Team, it was then moved by Councillor Jo Bird and seconded by Councillor Michael Sullivan, that:

'In addition to recommendations on homelessness, Wirral Council Housing Committee notes that the [most common cause](#) of homelessness is being evicted at the end of a private rented tenancy contract.

We urge the government to:

- Extend its ban on eviction orders until all regions are in Tier One
- Uphold their promise to end the use of Section 21 'no-fault' eviction orders
- Provide financial support for private renters
- Provide sustainable funding for the successful Housing First programme.

We would like to thank all housing officers on the Wirral for their particularly excellent work during this pandemic. We note that it was possible to get Everyone In during the pandemic.'

The motion was agreed unanimously.

Resolved – That Housing Committee:

1. Note the content of the report and the excellent work undertaken on partnership between the Council, local communities, voluntary and charitable agencies and Housing Providers that have responded to homelessness throughout the pandemic.
2. Endorse the Wirral Triage Assessment process and the Next Steps Programme to provide longer-term response to the pressures arising from covid.
3. Wirral Council Housing Committee notes that the [most common cause](#) of homelessness is being evicted at the end of a private rented tenancy contract.

We urge the government to:

- Extend its ban on eviction orders until all regions are in Tier One
- Uphold their promise to end the use of Section 21 'no-fault' eviction orders
- Provide financial support for private renters
- Provide sustainable funding for the successful Housing First programme.

We would like to thank all housing officers on the Wirral for their particularly excellent work during this pandemic. We note that it was possible to get Everyone In during the pandemic

9 EMPTY PROPERTY UPDATE REPORT

Emma Foley, Strategic Housing Services Senior Manager, introduced a report which updated Members on the implications and negative effects on housing markets that high levels of empty properties can have and the work the Housing Standards Team have done to get empty homes back into use.

The Chair and other Members thanked Emma for her teams' work on bringing empty properties back into use.

Resolved – That Housing Committee

- a) note the content of the report and;
- b) approved the approach to interventions in this report to continue to tackle private sector empty homes in the Borough

10 WORK PROGRAMME UPDATE

Members gave consideration to a report of the Director Regeneration and Place that set out the proposed Housing Committee Work Programme 2020/21 as detailed in the appendix to the report.

The report advised that the Housing Committee, in co-operation with the other Policy and Service Committees, was responsible for proposing and delivering an annual committee work programme. This work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which were within the remit of the Committee.

The report provided the Committee with an opportunity to plan and regularly review its work across the municipal year.

Resolved – That the Housing Committee Work Programme for the remainder of the 2020/21 municipal year be noted.

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HOUSING COMMITTEE

Wednesday, 10 March 2021

REPORT TITLE:	PROPOSAL TO ACQUIRE UNITS FOR AFFORDABLE HOUSING USE
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

The purpose of this report is to brief the Housing Committee on the options available and the benefits to the Council to increasing the number of homes in Wirral's social housing sector, through the use of existing resources available from:

- Commuted sums secured for affordable housing secured through the planning system.
- Adaptations Budget passported through the Better Care Fund (BCF)
- Potentially also securing funding from Homes England from the Government's Affordable Housing Programme

The options detailed in this report will assist the Council in meeting the objectives of the Wirral Plan, specifically focusing on 'good quality housing which meets the needs of residents.

Wirral's Housing Strategy has supported the 2020 Plan, clearly setting out the long-term strategic housing direction for the borough. The strategy has assisted the delivery of new homes through an enabling role with key agencies such as Registered Providers to deliver more social housing sector homes for those in housing need, yielding 687 new affordable homes over the last five years in Wirral.

Building on this, the Council will continue to strategically support appropriate organisations to deliver new energy efficient social housing sector homes, as it adopts the new Wirral Plan 2025, Cool 2 Climate Change Strategy and Local Plan targets. There are also opportunities for the Council itself to progress delivery of some new social housing sector homes, in a way that directly benefits the Council in its obligations to enable people in housing need. This includes enabling homeless households and those with specific adaptation needs to access appropriate homes whilst at the same time supporting the Council through securing a long-term financial benefit in terms of generating income.

This matter affects the Rock Ferry ward.

This is a key decision.

Appendix 1 to this report is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

RECOMMENDATION/S

That Housing Committee requests that Policy & resources Committee approves the following recommendations:

(1) the Director of Law and Governance in consultation with the Director of Regeneration and Place be authorised to negotiate the acquisition of six new social rented housing properties from Lovell Partnerships Ltd and to finalise all necessary associated legal documentation

(2) Director of Regeneration and Place be authorised to enter into negotiations with Lovell Partnerships Ltd to negotiate an enhanced energy efficiency specification which may include the installation of solar photovoltaics for such properties.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 This report sets out the current approach in place to strategically support key agencies such as Registered Providers in the delivery of social sector housing to meet Wirral's housing need. It recognises this approach should continue building on a successful track record of delivery but that the Council itself could also contribute to increasing the supply of social rented homes through a small-scale acquisition of new homes. The Council would ensure these homes are allocated to those most in housing need, including more difficult to place homeless households and those where accommodation is not readily available due to their specialist adaptation need.
- 1.2 A Housing Revenue Account (HRA) records expenditure and income for running a Council's own stock, legislated for by the Housing Act 1985 and heavily controlled by government. Wirral Council closed its HRA in 2005 following the sale of the remainder of the Council's housing stock to Magenta (was Wirral Partnership Homes) and is not required to reopen a HRA if its housing stock is less than 200 units. If the Council purchases six additional units on the Sevenoaks site, its total housing stock would be 34 units.
- 1.3 There is currently a sum of £1,098,219 ring-fenced for affordable housing in Wirral, secured through commuted sums for affordable housing through the planning system. This resource could be used to acquire six homes which the Council would allocate and grant tenancies to those in housing need. This would also provide the Council with a rental income which would support its long-term financial plan.
- 1.4 In addition there is the flexibility to utilise the Disabled Facilities Grant Adaptations budget passported through the Better Care Fund (BCF) to part fund the acquisition of four units identified on the Sevenoaks scheme in Rock Ferry which have been specially designed for households with an adaptation need including two level access flats and two wheelchair adapted units, with one of these being for bariatric wheelchair users as there is a critical shortage of this type of property in Wirral. This accommodation has been designed to meet the needs of disabled households where the adaptation will enable them to remain living independently, prevent carer breakdown or delayed transfer of care or enable hospital discharge.
- 1.5 The Homes will produce 20% less CO2 emissions in respect of current building regulations. There is a possibility of reducing CO2 emissions further by installing solar photovoltaic which will cost an additional £4,500 per unit and the Council is currently in discussions with Lovell about this.
- 1.6 The purchase of six units together with the Council's existing small number of homes could provide a further asset which would add to the existing rental income generated from the Council's current housing stock.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 The Council could allocate funding secured through commuted sums and the Better Care Fund to Registered Providers (RP) to support the strategic delivery of these six units as new social sector homes for social rent but would still need to provide some level of funding to enable the homes to be let at social rents. The units would be allocated to those in housing need on the housing register however the RP would retain ownership of the units and so the Council would not receive any rental income from these units to support the long-term financial plan.

3.0 BACKGROUND INFORMATION

- 3.1 Housing shortage and affordability is a national issue, with the Government clear in its housing ambitions to build 300,000 affordable homes per year. To help achieve this, there is a national drive for Councils to start building again or acquire units to help meet the national and local housing need. To achieve these housing ambitions, the Government finances a national Affordable Housing Programme which enables Registered Providers and Local Authorities to bid for funding to help finance affordable housing. Wirral Council would be able to submit a bid for funding if a decision to build Council houses is made.

- 3.2 In 2005, Wirral Council transferred its housing stock but retained a strategic housing function and its statutory duties including allocating housing to those most in need and alleviating homelessness. The 2017 Homeless Reduction Act extended the legal duty on all Councils to prevent and alleviate homelessness.

Need and Demand

- 3.3 In recent years, the demand for housing has increased and there is an annual shortfall of affordable housing in the borough. As of 31st December 2020, there were 10,614 households registered on Property Pool Plus, the Council's Choice Based Lettings Scheme, and of those, 2,230 were considered to have an assessed housing need (Bands A – C).

- 3.4 The extent of the housing shortage in Wirral is further evidenced in the Strategic Housing and Market Assessment (2020) which has highlighted an annual net shortfall of 374 affordable housing units.

- 3.5 Increasing homelessness and an imbalance in housing supply means more properties are needed to accommodate the growing population. This is not only a question of numbers but of type and choice. A balanced supply is needed to meet specific needs; family size, disability and affordability otherwise people will be inappropriately accommodated, which can lead to issues relating to wellbeing, poverty and homelessness having a significant impact on their lives.

Strategic Approach to Social Sector Housing Delivery

- 3.6 To address this imbalance, the Council works strategically with key agencies such as Homes England who allocate and manage the Government's Affordable Homes Programme and Registered Providers to bring forward affordable housing developments, some of which may also utilise Council land assets. This funding opportunity also enables the development and delivery of social rented homes within

areas of high affordability challenge or elsewhere, provided that the grant requested is not higher than it would be for an affordable rented unit.

- 3.7 In Wirral, some Registered Providers have secured funding to deliver a small number of affordable rented homes where they have also used other financial resources to enable them to charge less than the maximum (80% of market rent) they can. There are 45 social rented units currently in development in Wirral where the Registered Provider has managed to adopt this limited approach.
- 3.8 Wirral is no stranger to piloting new initiatives and maximising the use of different funding streams to address the delivery of new social housing sector homes. An example of this was in 2011, when Wirral Council was successful in securing Homes England funding to build 23 homes across three of its own sites in the borough, providing a range of houses, bungalows and apartments to help address housing need. These units remain in Council ownership and provide the Council with an annual rental income of over £90,000, plus Council Tax income. The homes are managed on its behalf by a Registered Provider at an annual cost to the Council of approximately £20,000. All tenancies are secure Council tenancies and individuals are charged a social rent for their homes.
- Pilot Council housing scheme at Sevenoaks, Rock Ferry
- 3.9 The former Housing Market Renewal Site in Rock Ferry, Sevenoaks, has seen the development of over 220 new homes already. A planning application for the final phase of this scheme for 43 units is currently being considered. This will complete the masterplan for the area with the Council's developer partner Lovell Partnerships Ltd.
- 3.10 The site being developed presents an ideal opportunity for the Council to pilot the approach of purchasing a small number of new build, specially adapted, social rented units. Officers have explored this option with the developer Lovell Partnerships Ltd and the Council now has the opportunity to purchase six units on the site.
- 3.11 There is an acute shortage of this type of accommodation and it is proposed that these new homes could be used to support people who may need temporary accommodation whilst their longer-term housing options are addressed. In addition, the bungalows proposed could assist the Council in supporting people who are not able to be discharged from hospital as they have specific adaptation needs which cannot currently be addressed elsewhere.
- 3.12 Lovells have offered to provide six units on this site to Wirral Council built at cost plus 10% which is the rate they would sell to a Registered Provider. Appendix 1 (exempt) shows a summary of these costs.
- 3.13 These costs are subject to an appraisal and verification by an independent cost consultant, Lambert Smith & Hampton. Appendix 1 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

FINANCIAL IMPLICATIONS

- 4.1 Officers are currently in discussion with Homes England regarding the possibility that Wirral Council could bid for Affordable Housing Programme funding to lever in additional funding for these units. Wirral would need to re-apply for Investment Partner status to do so.
- 4.2 Planning policy requires an affordable housing contribution (subject to viability) for sites of more than 10 units in Wirral. Wirral Council's policy is for on-site provision wherever possible, but the Council can receive a commuted sum in lieu of units for those sites where on-site provision is not able to be achieved. If planning approval is approved subject to this requirement then a Section 106 agreement is drawn up to as part of the planning process to ensure either on site units are provided or if agreed a commuted sum in paid to the Council to use for the delivery of affordable homes in the borough.
- 4.3 To date, Wirral Council has received a total of £1,098,219 in commuted sums secured through Section 106 agreements, a source of income which is ring-fenced for affordable housing in the borough. The Council can utilise this income for the delivery of new affordable homes on sites in the future. There is also the possibility that some additional commuted sums may be secured through this route going forward, if sites are viable financially and on site affordable housing provision cannot be achieved.
- 4.4 As four of the properties are adapted units, the Council also has access to Adaptations funding which is passported through the Better Care Fund. Officers have consulted with Foundations, the Governments advisory agency on home adaptations, who have advised that the funding can be used for this purpose. Flexibilities allows this funding to be utilised towards the general acquisition costs of adapted properties.
- 4.5 The remaining financial implications for these units can be found in Appendix 1 of this report, which is exempt from public information as it contains commercially sensitive information.

4.0 LEGAL IMPLICATIONS

- 5.1 Lovell Partnerships Ltd was originally appointed as Development Partner for the Sevenoaks scheme in Rock Ferry and this agreement has been extended to 2024 so as to enable completion of this final scheme . A planning application for the remaining 43 units is currently being considered by the Council and subject to planning approval, they intend to commence work later on in 2021. An appraisal for this last phase of the scheme has been externally validated by Lambert Smith and Hampton as per the terms of the Development Agreement and therefore the Council will now proceed to finalise the Lease with Lovell Partnerships Ltd to enable them to commence on site. The six units the Council is looking to retain will not be part of the lease and so a variation to the development agreement will be needed to enable the freehold of these plots to remain with the Council. The Council will then enter an appropriate legal contract with Lovell Partnerships Ltd for these specific six units.

- 5.2 The Council currently has an agreement with a Registered Provider to manage the Council's existing general needs housing stock of 23 units. This agreement is due to expire in August 2021 and if approval is secured to purchase these additional six social housing sector homes, they will be included in a new tender exercise for the management of the Council's housing stock.
- 5.3 A Local authority may hold up to 199 homes outside the HRA under a Government direction. Local authorities planning to build outside the HRA must write to the Secretary of State for Housing, Communities and Local Government to apply for a direction that permits homes to be held outside the HRA; this is usually a formality, though in some instances there is a duty to consult and so the Council will need to progress this, if members agree to this pilot approach.
- 5.4 If the Council were to build and retain units, there would be a requirement to provide Tenancy Agreements for each property. An existing Tenancy Agreement is currently in place for the 23 units of general needs Council owned property, and this could be utilised for any new properties.
- 5.5 If the Council successfully applies for funding from Homes England Affordable Homes Programme, it will need to sign a grant agreement and enter into legal obligations.

5.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no HR implications resulting from this proposal.
- 6.2 If the properties are new build, there will be a build contract, including a detailed specification required before the building work can start. If the recommended option is taken forward, Lovells are already the appointed developer for the scheme with rights to this site. The project management of this acquisition and ongoing monitoring of these units will be progressed through existing resources from within the Council.
- 6.3 There are no ICT implications arising from this proposal.
- 6.4 There will be an asset implication resulting from this proposal as the number of properties owned by the Council will increase, and the management, maintenance and upkeep of the properties will need to be managed by the Council via a contracted Registered Provider. This is currently in place for the Council's existing general needs housing stock.

6.0 RELEVANT RISKS

- 7.1 Properties are not developed to the correct specification. This risk is mitigated by project oversight . staged payments with final payment not being paid until properties meet a required standard and are covered by a NHBC certificate. t.
- 7.2 The developers overspend on the build contract. This risk is mitigated by a contract which provides a set cost for each unit. Regular scheme progress meetings will take place to ensure the project does not overspend. The cost of the units includes a

contingency which can be utilised without overspending once the developer has permission.

- 7.3 As the units would be Council owned, tenants will have the Right to Buy their home, which will reduce the future income of the units. The Council will be able to recoup some of the build costs from the sale but depending on the amount of discount, this may not cover all costs.

7.0 ENGAGEMENT/CONSULTATION

- 8.1 Engagement regularly is undertaken by officers from the Housing and Investment Team with Registered Provider, Homes England and relevant agencies, in relation to the development of new social sector housing in the borough.

8.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity. An EIA was completed for Wirral's Housing Strategy 2016 – 2020
<https://www.wirral.gov.uk/sites/default/files/all/communities%20and%20neighbourhoods/Equality%20Impact%20Assessments/EIA%20since%202014/Regeneration%20and%20environment/Housing%20Strategy%202016%20-%202026%20EIA.pdf>
The EIA included consideration of the work Wirral Council does in relation to the development of new affordable housing to meet the diverse housing needs for the borough and is still valid.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 Morgan Sindall Group plc, the parent company of Lovell Partnerships Ltd, has been awarded an A grade by CDP, formerly the Carbon Disclosure Project, in recognition of its actions to tackle climate change and efforts to do business in a greener, more sustainable way and so this development will benefit from this approach to addressing climate change.
- 10.2 Whilst it is recognised that house building increases the total amount of CO₂ emissions from the domestic sector, the homes which Lovell will be building have been designed to produce 20% less CO₂ emissions than homes built to current Building Regulations, this includes addressing air leakage performance and mechanical ventilation for heat recovery. There is a possibility of reducing CO₂ emissions further by installing solar photovoltaics at a cost of £4,500 per unit and discussions are ongoing with Lovell Partnerships Ltd to see if these can be realised.
- 10.3 The content / recommendations in the report are therefore expected to reduce Greenhouse gases.

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APPENDICES

Appendix 1- Financial implications analysis.

Appendix 1 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

BACKGROUND PAPERS

Lambert Smith and Hampton Land Value Review - Appendix 1 is exempt from publication under Paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 as it contains commercially sensitive information.

Housing ~Benefit Subsidy Guidance Manual, Section 6: Temporary Accommodation
Planning Application reference APP/20/01728

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

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HOUSING COMMITTEE

Wednesday, 10 March 2021

REPORT TITLE:	2020/21 REVENUE AND CAPITAL BUDGET MONITORING FOR QUARTER THREE (APR - DEC)
REPORT OF:	DIRECTOR OF REGENERATION AND PLACE

REPORT SUMMARY

This report provides a summary of the projected year-end revenue and capital position for Housing Committee as at the end of Quarter 3 (December 2020) of the 2020/21 financial year.

The Council's response to the Covid-19 pandemic continues to present financial risk due to uncertainty and fluidity in the external environment.

The overall financial position for the Council remains challenging, and a number of actions are in progress to mitigate the overall forecast position presented at quarter 3, including limiting spending to essential areas of service delivery only, with Corporate Directors supported to mitigate the risk of overspending. This is not a key decision.

RECOMMENDATIONS

The Housing Committee is recommended to :

1. Note the favourable year-end forecast position presented at Quarter 3 of £0.234m.
2. Note the impact of funding and expenditure as a direct consequence of Covid-19, including the additional funding sources which have been identified, but as yet, not received.

SUPPORTING INFORMATION

1.0 REASONS FOR RECOMMENDATIONS

- 1.1 Regular monitoring and reporting of the Revenue Budgets and savings achievements enables decisions to be taken in a timely manner, which may produce revenue benefits and will improve financial control of Wirral Council.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Other reporting frequencies could be considered, but quarterly reporting is standard practice.

3.0 BACKGROUND INFORMATION

- 3.1.1 This report provides a summary of the projected year-end revenue position as at the end of Quarter 3, Month 9 (December 2020) of 2020/21 financial year.
- 3.1.2 The year-end forecast recorded as part of December's financial monitoring activity represents a favourable variance from budget of £0.234m for this committee.

3.2 2020/21 COMMITTEE REVENUE BUDGET

- 3.2.1 The budget for the Housing Committee is included within the Regeneration & Place Directorate.
- 3.2.2 The Housing Committee is predicting a small Favourable budget variance of £0.233m at year-end against a budget of £6.7m. The favourable variance has been driven by one-off grants for Homelessness, more effective use of the Better Care Fund and Supported Housing income recovery from minor works adaptations.
- 3.2.3 Significant variances are above £0.1m.

TABLE 1 2020/21 – Housing Committee Revenue Budget & Forecast

	Full Year				
	Budget	Forecast	Variance (+ Fav, - Adv)		Adv/Fav
	£0	£0	£0	%	
Housing Strategy & Investment	461	379	82	18%	Favourable
Housing Standards	763	705	58	8%	Favourable
Homelessness	984	1,010	-26	-3%	Adverse
Supported Housing	4,507	4,387	120	3%	Favourable
Total Surplus / (Deficit)	6,715	6,481	234	3%	Favourable

3.2.4 **Housing Strategy & Investment:** There are no significant variances in this area.

3.2.5 **Housing Standards:** There are no significant variances in this area.

3.2.6 **Homelessness:** The service is maximising the use of one-off grants for Homelessness activity.

3.2.7 **Supported Housing:** A Supported Housing favourable variance of £0.120m has been forecast using the current occupancy rates and taken into account an increase in income recovery from minor works carried out by the home adaptations team. There is also more efficient utilisation of the Better Care Fund to offset eligible expenditure.

3.3 2020/21 COMMITTEE CAPITAL BUDGET

TABLE 2 2020/21 – Economy, Regeneration and Development Committee Capital Budget & Forecast

Programme	Budget £m	Forecast £m	Variance £m	Variance %
Adult Social Care & Health	7.550	0.991	-6.56	-87%
Children, Young People & Education	5.500	3.614	-1.89	-34%
Economy, Regeneration & Development	60.362	40.972	-19.39	-32%
Environment, Climate Emergency & Transport	21.851	32.805	10.95	50%
Housing	7.806	6.123	-1.68	-22%
Tourism, Communities, Culture & Leisure	0.774	1.499	0.72	94%
Total	103.843	86.004	-17.84	-17%

3.3.1 Table 1 provides an update on the 2020/21 capital Programme. A number of significant variations have arisen since the programme was agreed in March 2020. These include the re-profiling of expenditure into and out of the 2020/21 financial year, inclusion of additional grant funded schemes, variations to spend forecasts and the inclusion of potential new capital schemes that are seeking funding via this report. Further detail is provided below.

3.3.2 Given the budgetary pressures that the Council faces, which have been exacerbated by the COVID-19 outbreak, a review of the programme continues to try and identify schemes that may no longer be financially viable, essential or deliverable. This review has resulted in scheme reductions totalling £5.81 million and the reprofiling of budget into future years of £61.56 million. It is anticipated that further reductions and/or deferrals of budget will be made as the review continues. Such deferrals will reduce the borrowing costs incurred during 2020/21 (the effects of which are included within the Quarter 3 revenue monitoring) and also delays the resultant Minimum Revenue Provision charges into future years.

4.0 FINANCIAL IMPLICATIONS

4.1 This is the Quarter 3 budget monitoring report that provides information on the forecast outturn for the Council for 2020/21. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Policy & Resources Committee, the financial position is routinely reported at Directorate Management Team meetings and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year.

5.0 LEGAL IMPLICATIONS

- 5.1 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. This is in addition to the personal duty on the Chief Finance (Section 151) Officer to make a report, if it appears to them that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no implications arising directly from this report.

7.0 RELEVANT RISKS

- 7.1 The possible failure to deliver the Revenue Budget is being mitigated by:
1. Senior Leadership / Directorate Teams regularly reviewing the financial position.
 2. Availability of General Fund Balances.
 3. Review of existing services and service provision.
 4. Capitalisation directive

8.0 ENGAGEMENT/CONSULTATION

- 8.1 No consultation has been carried out in relation to this report.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity. This report has no impact for equality implications at this stage, however any associated actions may require an assessment.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

- 10.1 This report is essentially a monitoring report on financial performance.

REPORT AUTHOR: Karen Page
Senior Finance Business Partner
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email: karenpage@wirral.gov.uk

BACKGROUND PAPERS

Minutes of the Policy and Resources Committee Wednesday, 17 February
2020/21 Revenue Budget Monitoring for Quarter 3
2020/21 Capital Budget Monitoring for Quarter 3

SUBJECT HISTORY (last 3 years)

Committee Meeting	Date
Housing Committee	28 October 2020
Housing Committee	26 November 2020
Housing Committee	27 January 2021



Wirral Council

PO Box 290
Brighton Streets
Wallasey
CH27 9FQ

Rt Hon Robert Jenrick MP

Secretary of State for Housing, Communities
and Local Government
2 Marsham Street
London
SW19 4DF

www.wirral.gov.uk

BY E-MAIL

Date: 13 November 2020

Your Ref:

Our Ref: HSGCTTEECHAIR/LEASEHOLDREFORM/MCHLG

Service: Housing Committee

Dear Robert,

Re: LEASHOLD REFORM

You will no doubt be aware of the situation in which many thousands of people find themselves in having entered leasehold arrangements when purchasing their new homes. The use of escalating ground rents, disproportionate management fees and unreasonable restrictive covenants has left many residents trapped in costly housing which they simply cannot sell.

Whilst the government has condemned this and the Competition Markets Authority are investigating a number of companies on the potential of mis selling, to date there has been little practical assistance offered to existing residents and there has been no further clear direction on the Government moving forward on reforms in this regard.

On 21 December 2017, following a consultation exercise, the Government announced plans to tackle the growing problem of newly built houses being sold as leasehold rather than freehold, and to limit ground rents on newly created lease agreements. Leasehold reform was included in the Law Commission's 13th Programme of Law Reform – this work includes identifying ways to make buying a freehold or extending a lease “easier, faster, fairer and cheaper.”

The 2017 Government's consultation paper on Implementing reforms to the leasehold system, published on 15 October 2018, sought views on implementing the commitments set out above, specifically:

- How to ban the unjustified use of leasehold for new houses.
- How to reduce future ground rents to a nominal value.

- How to bring about fairer and more transparent service charges for freehold properties.
- How to improve the process of selling leasehold properties.

The outcome of this consultation exercise was published on 27 June 2019 and Government stated that they would aim to legislate “as soon as Parliamentary time allows”.

On 13 January 2020, you specifically, referred to the publication of a draft bill shortly. Whilst we appreciate the timing of this is likely to have been impacted by the need to tackle the Covid-19 outbreak, this is an area which the Government has been saying for some time will be addressed.

A recent Parliamentary question on 6th October 2020 was put to Kelly Tolhurst by a Labour MP asking the Secretary of State for Housing, Communities and Local Government, when the Government plans to respond to the Law Commission report on leasehold reform, published in July 2020. The following response was received: -

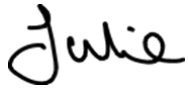
The Government asked the Law Commission to make recommendations on a range of leasehold reforms, including reviewing current enfranchisement arrangements to make them easier, faster, fairer and cheaper, as well as reinvigorate commonhold and make it easier for homeowners to take control of the management of their block of flats or an estate. The Law Commission reports on the enfranchisement process, commonhold and Right to Manage were published in July, following their January report on valuation. We are considering these in detail and will set out our preferred way forward in due course.

It is good to see that Government has recognised the need to do something in this area which currently has no regulation, however at the recent first meeting of Wirral’s recently appointed Housing Committee, all of our public questions were on this issue. These were raised by local residents who along with their families are being impacted both financially and mentally by problems they have encountered in Wirral developments, which involve companies currently being investigated by the CMA. On behalf of the Committee and a commitment to these residents, it was unanimously agreed that the spokespersons for the three political groups should write to you to raise the plight of these Wirral residents who are still suffering from leasehold restrictions and charges.

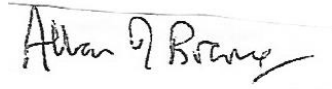
This must stop and there appears to be no clear action by Government still on a timescale for this to be addressed. We are sure you will agree that there needs to be a clear response and timetable for action from Government as failure to do so is leaving residents with unreasonable leasehold, ground rents and maintenance arrangements. This is an issue that committee members across the political divide agree upon and we call upon you to ensure these families are protected and ensure that an end to leasehold occurs, where possible, and that those who have been affected are able to ensure they have redress.

We would welcome your response on the timetable for significant change in this area of reform and look forward to your response clearly setting out the government’s plans in this regard.

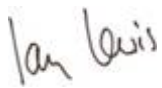
Yours sincerely,



Cllr Julie McManus (Labour)
Chair of Wirral Council Housing Committee



Cllr Allan Brame (Liberal Democrat)
Vice Chair of Wirral Council Housing Committee



Cllr Ian Lewis (Conservative)
Conservative Spokesperson of Wirral Council Housing Committee

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Ministry of Housing,
Communities &
Local Government

Cllr Julie McManus
Cllr Allan Brame
Cllr Ian Lewis

Wirral Council

Lord Greenhalgh

*Minister of State for Building Safety, Fire and
Communities*

**Ministry of Housing, Communities and Local
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Our Ref:9743320

4 February 2021

Dear Councillors,

Thank you for your letter of 13 November to the Rt Hon Robert Jenrick MP about the timetable for leasehold reform. I would like to apologise for the delay in responding.

I want to assure you, members of Wirral Council Housing Committee and local residents that the Government is committed to promoting fairness and transparency for homeowners and ensuring that consumers are protected from abuse and poor service.

We are taking forward a comprehensive programme of reform to end unfair practices in the leasehold market. This includes measures to ban the sale of new leasehold houses, restrict ground rents to zero for future leases, give freehold homeowners equivalent rights to challenge unfair charges, and close loopholes to prevent unfair evictions. We are also working with the Law Commission to make buying a freehold or extending a lease easier, quicker and cheaper – and to reinvigorate Commonhold to provide consumers with a choice of tenure and the Right to Manage to help empower those that wish to, to take on management responsibilities for their properties.

On 7 January the Secretary of State announced a package on the leading edge of a wide set of leasehold reforms to cover enfranchisement valuation, 990-year leases, removing the retirement exemption from zero ground rent measures and commonhold. Further information can be found at: <https://www.gov.uk/government/news/government-reforms-make-it-easier-and-cheaper-for-leaseholders-to-buy-their-homes>. The announcement is part of Government's response to the Law Commission's reports and we will respond to their remaining recommendations on enfranchisement, commonhold and right to manage in due course. We will bring forward legislation in the upcoming session to set future ground rents to zero. This will be the first part of seminal two-part legislation to implement reforms in this Parliament.

Once again, I appreciate how important this matter is to the Committee and to local residents and would like to thank you for writing in on their behalf.

LORD GREENHALGH

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HOUSING COMMITTEE

Wednesday 10 March 2021

REPORT TITLE:	WORK PROGRAMME UPDATE
REPORT OF:	DIRECTOR OF REGENERATION & PLACE

REPORT SUMMARY

The Housing Committee is responsible for proposing and delivering an annual committee work programme. This work programme should align with the corporate priorities of the Council, in particular the delivery of the key decisions which are within the remit of the Committee.

The work programme is formed from a combination of key decisions, standing items and requested officer reports. This report provides the Committee with an opportunity to plan and regularly review its work across the municipal year. The work programme for the Housing Committee is attached as Appendix 1 to this report.

RECOMMENDATION/S

Members of the committee are invited to comment on and note the proposed Housing Committee work programme for the remainder of the 2020/21 municipal year.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1** To ensure Members of the Housing Committee have the opportunity to contribute to the annual work programme.

2.0 OTHER OPTIONS CONSIDERED

- 2.1** Various formats for the workplan were explored. The current format is open to amendment to match the requirements of the committee.

3.0 BACKGROUND INFORMATION

- 3.1** The work programme should align with the priorities of the council and its partners. The programme will be informed by:

- (i) The Council Plan
- (ii) The Council's transformation programme
- (iii) The Council's Forward Plan
- (iv) Service performance information
- (v) Risk management information
- (vi) Public or service user feedback
- (vii) Referrals from Council

Terms of Reference

The Housing Committee has responsibility for taking a strategic approach to the Council's various housing functions, including issues concerning social rented and affordable housing, homelessness, allocations and standards of housing.

The Committee is charged by full Council to undertake responsibility for:-

- (a) the Authority's role and functions in relation to strategic and private sector housing policies and as the housing authority, including but not limited to
- (i) the Council's Housing Strategy;
 - (ii) homelessness and the allocation of housing;
 - (iii) private sector housing, including taking action to remedy overcrowding, disrepair, unfitness and statutory nuisances; to promote fire safety in private sector housing and the Council's functions in relation to houses in multiple occupation;
 - (iv) licensing schemes;
 - (v) tenancy relations and the provision of housing advice;
 - (vi) relationship with Registered Providers of housing;
 - (vii) housing loans and grants;
 - (viii) housing related support services; and
 - (ix) policies and actions with a view to reducing and eliminating street homelessness to ensure that appropriate action is taken;

- (b) analysis, development and overview of housing policies in terms of spatial planning to submit to the Economy, Regeneration and Development Committee to inform the Local Plan and planning policies;
- (c) providing a view of performance, budget monitoring and risk management in relation to the Committee's functions; and
- (d) undertaking the development and implementation of policy in relation to the Committee's functions, incorporating the assessment of outcomes, review of effectiveness and formulation of recommendations to the Council, partners and other bodies, which shall include any decision relating to the above functions.

4.0 FINANCIAL IMPLICATIONS

- 4.1 This report is for information and planning purposes only, therefore there are no direct financial implication arising. However, there may be financial implications arising as a result of work programme items.

5.0 LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from this report. However, there may be legal implications arising as a result of work programme items.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 There are no direct implications to staffing, ICT or Assets.

7.0 RELEVANT RISKS

- 7.1 The Committee's ability to undertake it's responsibility to provide strategic direction to the operation of the Council, make decisions on policies, co-ordinate spend, and maintain a strategic overview of outcomes, performance, risk management and budgets may be compromised if it does not have the opportunity to plan and regularly review its work across the municipal year.

8.0 ENGAGEMENT/CONSULTATION

- 8.1 Not applicable.

9.0 EQUALITY IMPLICATIONS

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.

This report is for information to Members and there are no direct equality implications.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 This report is for information to Members and there are no direct environment and climate implications.

REPORT AUTHOR: **Bryn Griffiths, Senior Democratic Services Officer**
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APPENDICES

Appendix 1: Housing Committee Workplan

BACKGROUND PAPERS

The Council Plan
The Council's transformation plan
The Council's Forward Plan
The Constitution of the Council

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Housing Committee	28 October 2020
Housing Committee	26 November 2020
Housing Committee	27 January 2021

HOUSING COMMITTEE

WORK PROGRAMME 2020/21

Contact Officer/s: Bryn Griffiths, Senior Democratic Service Officer
 Email: bryngriffiths@wirral.gov.uk
 Phone: 0151 691 8117

PROPOSED AGENDA FOR HOUSING COMMITTEE

DATE: 10 March 2021

Item	Key Decision Yes/No	Lead Departmental Officer	Wirral Plan Priority
Proposal to Acquire Units for Affordable Housing Use	Yes	Sue Hooper / Alan Evans	Inclusive Economy / Safe & Pleasant Communities
2020/21 Revenue and Capital Budget Monitoring for quarter 3 (Apr – Dec)	No	Karen Page / Alan Evans	Inclusive Economy
Letter from Ministry of Housing, Communities & Local Government	No	Chair / Alan Evans	

Deadline for Reports to SLT	Deadline for reports for briefing	Agenda Published
10.02.2021	22.02.2021	02.03.2021

ADDITIONAL AGENDA ITEMS – WAITING TO BE SCHEDULED

Item	Approximate timescale	Lead Departmental Officer
Housing Growth Strategy – Delivering for Wirral (Key)	Between March 2021 and June 2021	Alan Evans

Central Government Housing Infrastructure Funding (Key) (Exempt)	Between March 2021 and June 2021	Alan Evans
Council Housing Building Options	Between March 2021 and June 2021	Alan Evans
Opening a Housing Revenue Report	Between March 2021 and June 2021	Alan Evans
Housing Needs of Care Givers	Between March 2021 and June 2021	Alan Evans
Right to housing for Travellers, Gypsies and Roma – negotiated stopping	Between March 2021 and June 2021	Alan Evans
Property Pool Plus allocations policy Consultation	Between March 2021 and June 2021	Alan Evans

STANDING ITEMS AND MONITORING REPORTS

Item	Reporting Frequency	Lead Departmental Officer
Budget and Performance Monitoring Report	TBA	Alan Evans
Housing Committee Work Programme Update	Every Committee	Bryn Griffiths

WORK PROGRAMME ACTIVITIES OUTSIDE COMMITTEE

Item	Format	Timescale	Lead Officer	Progress
Working Groups/ Sub Committees				
-	-	--	-	-
Task and Finish Reviews				
-	-	--		-
Spotlight Sessions and Workshops				
Budget & Housing Workshop	Committee wide workshop	28.10.2020	Alan Evans	
Budget and Performance Workshop	Committee wide workshop	26.11.2020	Alan Evans	

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