

HOUSING SCRUTINY SUB-COMMITTEE

Monday, 25 November 2024
3.30 pm
**Committee Rooms 1-2, City
Hall**

Membership:	Councillors Gary Hewson (Chair), Pat Vaughan (Vice-Chair), Alan Briggs, Liz Bushell, Natasha Chapman and Loraine Woolley
Substitute member(s):	Councillors Adrianna McNulty and Emily Wood
Lincoln Tenants Panel member(s):	Mick Barber (Chair of LTP), Caroline Coyle-Fox (Vice Chair of LTP), Mike Asher (Member of LTP), Sean Newton (Member of LTP) and Debbie Rousseau (Member of LTP)
Officers attending:	Democratic Services, Paula Burton, Matthew Hillman, Michelle Hoyles, Adam Oxley and Daren Turner

PLEASE NOTE EARLIER START TIME OF MEETING

A G E N D A

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Please note that, in accordance with the Members' Code of Conduct, when declaring interests members must disclose the existence and nature of the interest, and whether it is a disclosable pecuniary interest (DPI) or personal and/or pecuniary.	
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Present: Councillors Councillor Gary Hewson (*in the Chair*), Alan Briggs, Liz Bushell, Natasha Chapman, Pat Vaughan and Loraine Woolley

Apologies for Absence: Caroline Coyle-Fox (Vice-Chair of LTP)

Lincoln Tenants Panel Members: Mick Barber (Chair of LTP), Mike Asher (Member of LTP), Sean Newton (Member of LTP) and Debbie Rousseau (Member of LTP)

Also in Attendance: Councillor Donald Nannestad, Portfolio Holder for Quality Housing

Councillor Rebecca Longbottom, Portfolio Holder for Customer Experience, Review and Resources

24. Confirmation of Minutes - 05 September 2024

RESOLVED that the minutes of the meeting held on 5 September 2024 be confirmed and signed by the Chair as a true record, subject to a typographical amendment being corrected as agreed, and relevant additional information being circulated to members as requested.

25. Declarations of Interest

No declarations of interest were received.

26. Lincoln Tenants Panel (LTP) Project Update

Mick Barber, Chair of Lincoln Tenants Panel (LTP), provided a written report which highlighted the Panel's continued work on a variety of projects with Housing tenancy services, fire safety assurance, maintenance, business management and resident involvement teams. It held monthly meetings, weekly void inspections, quarterly complaints and Anti-Social Behaviour complaint reviews. The briefing note, designed as a regular update to members of Housing Scrutiny Sub-Committee, covered the following areas:

- Mick Barber continued to attend Social Housing Quality Network Panel and ARCH committee meetings
- LTP had attended all the following training seminars hosted by Four Million Homes and engaged with Tenant Participation Advisory Service (TPAS) national involvement week:
 - Service Influencers Day - session highlighted tenant reviews, scrutinises, and mystery shopping to improve housing service.
 - Community Do-ers Day – These sessions highlighted tenants associations, block and community champions who make a difference in their communities.
 - Decision Makers Day – session highlighted techniques used by tenant board members and tenants when making their voices heard as part of their Landlords Governance structure.

- LTP organised a joint training workshop with North Kesteven District Council tenants' panel delivered by TPAS focusing on consumer standards and impact of Regulator of Social Housing's Tenant Satisfaction Measures (TSM's). LTP also attended the ARCH conference in September.
- LTP were working with the Resident Involvement Team to co-create a digital newsletter/magazine – HOME covering important updates, how to stay connected in communities, tips and advice, updates from LTP and more.
- LTP had attended their first session on the future of resident involvement and would be co-creating the new menu of involvement.

RESOLVED that the content of the report be noted with thanks.

27. Agenda Request from Housing Scrutiny Sub-Committee: Reasons for Performance Downturn and Targets being Missed, Action Plans and Activity to Redress

Joanne Crookes, Customer Services Manager had given her apologies for being unable to attend tonight's meeting due to planned leave.

She provided a written report on reasons for performance downturn and targets being missed, action plans and activity to redress, requested by Housing Scrutiny Sub-Committee at its meeting held on 5 September 2024.

Emily Holmes, Assistant Director, Transformation and Strategic Development, presented the report on behalf of Joanne Crookes, which covered the following main topic areas:

- Customer Services Performance
- Service Purpose and Call Quality
- Call Waiting Times
- Mitigation for the Delay in Call Response
 - Call-Backs
 - Action Plan to Redress

She emphasised that officers welcomed feedback from customers if they had a complaint in order to put things right. She was happy for members if they wished to sit alongside Customer Services staff to help them gain an understanding of the way the team operated.

She welcomed members questions and comments.

Question: Reference was made to the older IT systems mentioned within the officer's report. When were the systems last updated?

Response: There were plans in place for improvements with the introduction of new IT systems. These were in the pipeline, however, they took time to develop.

Comment: Mick Barber, Chair of Lincoln Tenant's Panel welcomed the invitation for further observation of Customer Services staff in action. This was a fantastic team. He had seen the Customer Call-Back system in operation. He accepted there were issues, however, he appreciated how hard the staff worked.

Question: As performance levels were currently low had officers considered reducing the performance indicator for customer call waiting times?

Response by Chair: Performance indicators were set following discussion between Portfolio Holders and officers. As members, it was our responsibility to ensure performance matched these targets. This was a long running issue. Perhaps consideration could be given to lengthening the performance measures for call waiting times in future years.

RESOLVED that the content of the report, mitigation measures for the delay in call responses and action to redress issues be noted with thanks.

28. Tenant Satisfaction Measures - Quarter 2 2024/25

Michelle Hoyles, Housing Strategy Manager:

- a. presented a report to Members on the performance of the Council's landlord services against the Regulator of Social Housing's Tenant Satisfaction Measures (tenant perception) for Quarter 2 of 2024/25 and summarised the actions being taken by the Directorate of Housing and Investment to continue to improve tenant satisfaction
- b. confirmed that following consultation with Lincoln Tenant's Panel it had no comments on the content of the report
- c. advised that the Regulator of Social Housing's Tenant Satisfaction Measures (TSMs) came into force in April 2023, TSM's were an integral part of the regulator's recently introduced Consumer Standards, most notably the Transparency, Influence and Accountability Standard
- d. highlighted the purpose of TSM's to ensure openness and transparency among social housing providers; specifically, how they treated tenants with fairness and respect so that they could access services, raise complaints, influence decision making and hold their landlord to account
- e. added that landlords were also required to understand the diverse needs of their tenants; engage with them, take their views into account when making decisions; communicate with their tenants, provide information and encourage effective scrutiny
- f. explained that the TSM's were in two parts:
 - 12 'tenant perception measures', obtained by surveying tenants for their views; and
 - 10 'management information measures', derived from data held by the landlord as part of their housing management and asset management activities
- g. referred to Appendix A of the report which gave a detailed analysis of the results of the tenant perception measures surveys completed during the second quarter of 2024/25
- h. reported that the ten management information measures had been incorporated into the quarterly performance reporting process, and

therefore would be presented to the Sub-Committee at its next meeting on 25 November 2024; an annual report on the Council's overall TSM performance would be reported to the Sub-Committee during the first quarter of the next reporting year

- i. highlighted that at the Sub-Committee meeting of 8 August 2024, committee members indicated their support for the following areas of focus for the current year, related to tenant satisfaction:
 - Improving how the Council responded to complaints;
 - Further analysis of tenants' perceptions around ASB and what the Council could do to improve this; and
 - Improved approaches to tenant participation and keeping tenants informed
- j. further outlined the background to the results of the tenant perception measures survey completed during the second quarter of 2024/25, covering the following areas:
 - Summary of Approach
 - Survey Findings
- k. invited members comments and review on the content and presentation of the report.

Members discussed the content of the report and key findings from the quarter 2 tenant perception survey in further detail.

The following questions and comments emerged:

Question: Could further clarification be given to the meaning of the TSM metric measure - 'Safe Home'?

Response: The question asked of tenants was how satisfied they were that their home was safe.

Question: Was it possible to change the graph at paragraph 5.1 of the report into two parts and in a bar chart format. This would make it easier to view and understand improvements and decline in survey results.

Response: Yes. These adjustments would be actioned in future reports. A piece of work would also be ongoing over the next year to share information with tenants to keep them informed of the projects we were doing.

Comment: Our satisfaction measure in respect of 'Listen and Act' had declined which was disappointing. The tenants' perception of how likely they would be to recommend City of Lincoln Council's Housing Service to other people had also declined.

Response: This issue correlated to reduced performance in customer call waiting times, which impacted on tenant satisfaction within the tenant perception survey

Comment: The best way to be approachable was to be seen as a face in the community.

Response: Yes. Further exploration was required on processes for the way we worked as a Council collaboratively as a whole, also to take the pressure off Customer Services staff/Housing Officers in answering queries.

Comment: Whilst Lincoln Tenant Panel members were observing Customer Services in action, each call had taken 20 minutes to deal with. This was indeed a difficult issue to address. It was important to get the message across to residents how our system operated and that other officers apart from Housing staff could help in relevant service area.

Response: Officers were currently in the process of visiting all tenants asking if they wished to be included in greater resident involvement. Perhaps this could also be achieved via e mail and/or online surveys although there was no quick fix here. The new service areas/contact details covering Tenancy/Anti-Social Behaviour and Rents may help.

Comment: Education was needed on effective action in response to telephone calls received. A system to seek permission to hold contact details for tenants was being looked at to enable us to act on feedback submitted. Compared to other local authorities, our tenant perception figures were quite good.

Comment: Telephone calls about repairs should be directed to Hamilton House.

Response by Daren Turner, Director of Housing and Investment: Wherever the calls were received from would not change the issues. A data collection study was required on calls received/what type of call/how long the call lasted and how many calls related to housing issues. We needed to ask these questions to allow us to make changes to services based on fact. This level of scrutiny was required first to inform future provision.

Question: Could telephone callers choose from a list of options of where they needed to be transferred to?

Response: When the calls came through, they were queued and triaged. Giving too many contact connection options was difficult as there were so many services. However, this could be looked at. Officers gave an assurance that the areas of data searching work mentioned above were being investigated, however it took time engaging with the various services. It was important to include the nature of calls as some service areas such as Housing Solutions took more time to deal with than others.

Question: At busy times e.g. Council Tax Bills being despatched, did Customer Services hold the capacity to deal with additional pressure?

Response: Yes, holidays were restricted during busy periods and shifts reallocated accordingly.

RESOLVED that:

1. The content of the report and the Tenant Satisfaction Measures data contained within be noted.
2. Given the Quarter 2 survey findings highlighted in this report, the Housing Scrutiny Sub-Committee continued to support the priorities/focus listed in section 3.5. of the officer's report, also detailed above.

29. Anti-Social Behaviour Update

Marianne Upton, Tenancy Services Manager and Ben Jackson, Public Protection, Anti-Social Behaviour and Licensing Manager:

- a. presented a report to update Housing Scrutiny Sub-Committee on the work done by the Tenancy Services Team and Public Protection and Anti-Social Behaviour (PPASB) Team to manage Anti-Social Behaviour in the city
- b. reported that Lincoln Tenant Panel (LTP) had not been formally consulted about this report but had the opportunity to comment on its contents at this meeting
- c. highlighted that an LTP working group had been set up to work with Debbie Savage, Area Housing Manager (ASB), on our processes and procedures and further improvements to the service for tenants reporting issues
- d. advised that both the Tenancy Services Team and the PPASB Team responded to, and case managed reports of Anti-Social Behaviour across the city
- e. highlighted the distinction between the Housing ASB team and PPASB team legislation which they relied on:
 - PPASB worked mainly with the Crime and Policing Act
 - The Tenancy Services Team in Housing used landlord and tenant law based in the Housing Acts
- f. outlined the work of the Tenancy Services Team which dealt with nuisance and Anti-Social Behaviour (ASB) relating to tenants, anyone who lived with them and visitors to their homes, covering the following main topic areas:
 - What is Nuisance and ASB?
 - Managing ASB
 - Tenancy Services Data for Q 1 and Q2 2024/25
- g. further outlined the work of the Public Protection and Anti-Social Behaviour Team to protect individuals, the community and the amenity of the city over a broad range of areas, providing both proactive and reactive activities, covering the following main topic areas:
 - Anti-Social Behaviour
 - Noise
 - Animals
 - Pests / Conditions of Gardens
 - Accumulations of Waste
 - Fly-Tipping Investigations
 - Management of the Safety Warden Service
 - Representation at the Community Safety Partnership
- h. provided service request figures and details of housing referrals to PPASB
- i. reported on the wider role of the PPASB Team and future focus for work going forward
- j. invited members comments on the content of the report.

Members discussed the content of the report in further detail.

The following questions and comments emerged:

Question: Lincolnshire Police did not address young people on scooters creating nuisance on the city streets and simply recorded incidents. Were we going back to tenants as parents to take responsibility for their children's behaviour?

Response: PPASB and housing officers held regular meetings to work alongside Lincolnshire Police and other agencies to issue warnings.

Question: Were there any funds to deal with waste bins being left on the streets?

Response: The process had been reviewed approximately a year ago and future policy was being looked at moving forward.

Question: Could Lincoln Tenants Panel be kept up to date with any progress on the policy relating to bins on the street?

Response: Yes, members would be kept informed as the policy went through the Committee process.

Question: Were officers dealing with the need for motorised scooters to be controlled sensibly by their operators?

Response: This area of work was something only Lincolnshire Police could deal with.

Question: Were officers still dealing with soft Anti-Social Behaviour within the banner of 'nuisance'?

Response: This was dealt with based on the level of impact it had in the community and the level of intent to the behaviour.

Members received clarification on the relevance of the service request figures at paragraph 9.3 and housing referrals to PPASB at paragraph 10.2 of the officer's report.

Paula Burton, Assistant Director, Housing Management confirmed that the increase in Tenancy cases registered within the report as received in Quarter two compared to that of Quarter 1 was due to improved record taking rather than being a negative result.

RESOLVED that the content of the report be noted.

30. Estate Inspections

Maranne Upton, Tenancy Services Manager:

- a. presented a report to provide feedback on the issues identified during the 2024 Estate Inspections
- b. advised that five members of Lincoln Tenants Panel (LTP) attended the Estate Inspections this year, and had now formed a working group to meet early in November to review the issues raised; and as needed, re-visit certain areas to check progress with particular issues, together with looking at longer term work identified during the inspections
- c. highlighted that the number of issues raised for the whole of our estate areas in Lincoln was relatively low; this reflected better management on the estates by the Housing Officers and Caretakers, the improved repairs

processes and ongoing investment in our stock over the past couple of years

d. gave further detail to the key themes identified from the estate inspections in 2024 covering the following main areas:

- Bins
- Enhancements
- Fly Tipping
- General Maintenance
- Graffiti
- Grounds Maintenance/Gardens/Trees
- Parking
- Redundant Fixtures
- Repairs

e. invited members comments on the content of the report.

Members discussed the report in further detail. Comments and questions emerged and were responded to by officers as follows:

Comment: It would be useful to increase promotion on social media regarding fly-tipping to explain to the public its impact in terms of cost to the Council and on the community as a whole.

Question: The circulation of this report with issues identified was much appreciated. Was there a mechanism in place to update members on progress in order actions could be monitored?

Response: This would be monitored through the working group established with the LTP.

Question: Was our contractor informed about the issues following on from the inspections?

Response: Yes instructions were given to our contractor to clear any issues.

RESOLVED that:

1. The content of the report be noted.
2. The establishment of an LTP working group to evaluate the issues raised in the inspections be noted.

31. Estate Regeneration Investment Programme

Maranne Upton, Tenancy Services Manager and Kevin Bowring, Investment Manager:

- a. presented a report to give information on how we were going to work together to deliver the Estate Regeneration Programme
- b. advised that the Lincoln Tenants Panel working group looking at the outcomes of the estate inspections would be feeding directly into this programme

- c. highlighted that this report related to the Housing Revenue Account (HRA) business plan strand of estate regeneration and the new Neighbourhood Management Policy; it looked at our vision for Clean, Green and Safe estates and what we aimed for the estates to be like in the next 10 years
- d. gave further detail in the context of housing management to "Clean, Green, and Safe", a guiding principle or framework used to ensure that residential environments were well-maintained, environmentally friendly, and secure as detailed at paragraph 4 of the officer's report
- e. outlined a strategy for the action we would be taking for investment through the business plan with a new process being agreed for referring work to be carried out as detailed at paragraph 5 of the officer's report
- f. invited members comments on the content of the report.

Members discussed the report in further detail. Comments and questions emerged and were responded to by officers as follows:

Question: Would this be a 30-year plan?

Response: Yes this was correct as part of the Housing Management Business Plan.

Question: In terms of keeping the streets clean and tidy, there had been an influx of fridges freezers left outside of properties for lengthy periods apparently for scrap collection.

Response: If members of the community would kindly report incidents to the Council of appliances being left for a long time at kerbside, this could be addressed.

Question: Were we still considering offering a free collection service for used/unwanted items to tenants on a Wednesday?

Response: The Investment Team were looking at the possibility of collecting items periodically in a caged van, or placing a skip for short periods of time. The Housing Service had purchased a HIAB vehicle for heavy lifting and had larger cage vehicles to increase capacity for larger items.

Question: Was it possible to erect bollards in green areas to stop residents parking on the grass?

Response: Any requests submitted by the relevant housing manager would be referred for evaluation by the relevant team.

Comment: It would be useful to increase promotion to residents on reporting issues of fly-tipping so the perpetrators could be prosecuted.

Response: The cost to the Council of fly -tipping removal was huge. We were always looking for potential solutions through social media measures so that tenants did not have to bear the cost of the bill.

RESOLVED that:

1. The content of the report be noted.
2. The requirement for Housing Scrutiny Sub Committee to receive a 6-monthly update on progress with any projects be noted.

32. Unacceptable Customer Actions Policy

Emily Holmes, Assistant Director, Transformation and Strategic Development:

- a. presented a report to seek comments on the new Unacceptable Customer Actions Policy as detailed at Appendix 1, prior to its referral to Executive for approval
- b. reported that the Council now had a statutory duty to handle customer complaints in line with the Housing Ombudsman Service (HOS) Complaint Handling Code. (The Code)
- c. referred to Section 5.14 of the Code self- assessment which stated that:
 - Landlords must have policies and procedures in place for managing unacceptable behaviour from residents and/or their representatives. Landlords must be able to evidence reasons for putting any restrictions in place and must keep restrictions under regular review.
- d. advised that whilst we had existing procedures for reporting incidents and handling reports of unacceptable behaviour it was not a formal policy document and therefore, we needed to develop and agree one to ensure that we were compliant with The Code
- e. highlighted that the new policy had been developed with the assistance of Lincoln Tenant's Panel who were keen to help ensure that while protecting staff the policy was also proportionate in terms of the action taken
- f. welcomed members feedback on the content of the report and draft policy.

Mick Barber, Chair of Lincoln Tenant's Panel asked where the policy would be referred to following this meeting.

The Director of Housing and Investment confirmed that due to publication timelines stipulated by the Housing Ombudsman Service, the Chair of Policy Scrutiny Committee had agreed that it could be referred back to Policy Scrutiny Committee for their consideration after it was received by Executive, with the caveat that authority for any amendments suggested by Policy Scrutiny Committee be delegated by the Executive to the Director of Housing and Investment or the City Solicitor for action.

RESOLVED that:

1. The Draft Unacceptable Customer Actions Policy be referred to Executive for approval.
2. The assistance given by the Lincoln Tenant's Panel in developing this policy be noted.

33. Remedies Policy

Emily Holmes, Assistant Director, Transformation and Strategic Development:

- a. presented a report to seek comments on the Department of Housing Draft Remedies Policy as detailed at Appendix 1, prior to referral to Executive for approval
- b. reported that the Council now had a statutory duty to handle customer complaints in line with the Housing Ombudsman Service (HOS) Complaint Handling Code (The Code)
- c. detailed the main statutory requirements expected of the Council as follows:
 - Section 7.1: Where something has gone wrong a landlord must acknowledge this and set out the actions it has already taken, or intends to take, to put things right.
 - Section 7.2: Any remedy offered must reflect the impact on the resident as a result of any fault identified.
 - Section 7.3: The remedy offer must clearly set out what will happen and by when, in agreement with the resident where appropriate. Any remedy proposed must be followed through to completion.
 - Section 7.5: Landlords must take account of the guidance issued by the Ombudsman when deciding on appropriate remedies.
- d. highlighted that whilst we had existing procedures for offering small sums to compensate loss, we did not have a formal policy document which was in line with the HOS Guidance on Remedies and therefore, we needed to develop and agree one to ensure that we were compliant with The Code
- e. advised that Lincoln Tenants Panel had made the following comments when consulted on this report:
 - Recommend the remedies policy be reviewed annually.
 - LTP request that they be provided with an annual report on the volume of compensation administered and areas of service related to.
 - Agree with the proposed compensation amounts and increments system relating to qualifying improvements, gesture of goodwill and payment of compensation to customers.
 - Recommend rent refund for disturbance allowance amount be reduced.
- f. invited members comments on the content of the report and Remedies Policy.

RESOLVED that:

1. The Draft Remedies Policy be referred to Executive for approval.
2. The assistance given by the Lincoln Tenant's Panel in developing this policy be noted.

34. Housing Management Structure Update

Paula Burton, Assistant Director, Housing Management provided a verbal update on the Housing Management Structure, covering the following main points:

Training Coordinator - would be starting with us on 2 December, coming into the office a few afternoons prior to meet people and get used to the place before starting. Dates to be confirmed.

Housing Systems Officer - An internal member of staff from Customer Services was successful at interview and test yesterday. The appointment was going through the motions with HR, to finalise a start date.

Business Support Assistant Interviews being conducted on 30 October and 1 November.

Apprentice - An update was awaited for a start date to be confirmed for the successful candidate. Expected to be November now, members would be updated shortly.

Changes to Tenancy Services - Still working through legacy cases with a pressure on the officers but working well to take the appropriate actions.

Housing Officers - We had interviewed and were just going through the offer stage for Housing Officers to carry out the tenant census.

Supported Housing - Now reporting to Marianne Upton, Tenancy Services Manager on a pilot basis. Clive Thomasson, Supported Housing Manager would be starting to work part time from January as flexible retirement.

Housing Solutions Manager - To start in mid-December.

Rough Sleeping Programme Lead – To start on 18 November.

Mick Barber, Chair of Lincoln Tenant's Panel asked to be updated by Work Base Learning on apprentices recruited.

RESOLVED that the verbal update be noted with thanks.

35. **Work Programme 2024/25**

The Senior Democratic Services Officer:

- a. presented the work programme for Housing Scrutiny Sub-Committee for 2024/25 as detailed at Appendix A of the report
- b. highlighted that the work programme could be further populated in accordance with Housing Scrutiny Sub-Committees requests for topics of discussion and areas of preferred scrutiny to be used as a working document, added to or amended at members discretion at any time during the 2024/25 Municipal Year
- c. confirmed that the work programme included those areas for scrutiny linked to the strategic priorities of the Council and themed housing matters, to ensure that the work of the committee was relevant and proportionate.

RESOLVED that the content of the Work Programme for 2024/25 be noted, subject to the following additions:

- An update on the Downsizing Policy be presented to the next meeting of Housing Scrutiny Sub-Committee to be held on 26 November 2024.
- The Assistant Director, Housing Management to liaise with Democratic Services, to reinstate the following agenda items on the work programme for future meetings (TBC) in lieu of holding Member Development sessions:
 - Tenancy Agreement
 - Allocations Policy Review
 - Caretaking Review
- An update be provided at the next meeting of Housing Scrutiny Sub-Committee on 26 November 2024 in relation to Garage 'Rents/Empty/Vacant/Unused/Repairs/Lost Revenue and Future Planning'.
- A six-monthly update on the Estate Regeneration Investment Programme be added to the work programme for the first meeting of the 2025/26 Municipal Year.

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SUBJECT: PERFORMANCE MONITORING REPORT QUARTER 2 – 2024/25

DIRECTORATE: HOUSING AND INVESTMENT

REPORT AUTHOR: CORPORATE POLICY AND TRANSFORMATION TEAM

1. Purpose of Report

- 1.1 To present to the Housing Scrutiny Sub Committee a report on performance indicators for the Directorate of Housing and Investment, for quarter 2 of 2024/25 (July - September).

2. Lincoln Tenants' Panel Consultation

- 2.1 LTP have been consulted about this report and have confirmed they have no comments.

3. Summary

- 3.1 Regular monitoring of the Council's performance is a key component of the Local Performance Management Framework and supports its ongoing commitment to continuous improvement of Council services. This report provides an overview of the Council's performance against performance indicators monitored by the Directorate of Housing and Investment (DHI), and covers those measures related to the Council's responsibility as a landlord.
- 3.2 There are, in total, thirty-three performance indicators monitored by DHI and reported quarterly to the Housing Scrutiny Sub-Committee in 2024/25. An overview of performance for this second quarter is attached as '**Appendix A**' to this report.
- 3.3 The template for Appendix A includes performance 'direction of travel' information, to aid interpretation of how performance fluctuates between quarterly reporting periods. Benchmarking comparisons will be provided annually each fourth Quarter.

4. Overview of Quarter 2 Performance Indicators

- 4.1 Performance measures in '**Appendix A**' that are highlighted green were those performing at or above the agreed target. Measures shown highlighted amber were performing close to target, and those highlighted red were performing below target. Performance measures within '**Appendix A**' are grouped into categories, and for comparison purposes includes the previous year's outturn.
- 4.2 During the second quarter of 2024/25 15 performance measures met or exceeded their agreed target; 4 were performing close to target; and 6 performed below target. The remaining measures are volumetric.

- 4.3 Of the 6 measures performing below target, one is a corporate measure related to call handling in the customer contact centre. This measure 'CS3' relates to all calls received by the contact centre, and therefore includes data not linked to Housing services. This measure is also reported to the Performance Scrutiny Committee.
- 4.4 Measure 'HSSC3' relates to Anti-Social Behaviour and consists of 16 sub-measures. This is further explained in section 9 of this report.
- 4.5 Sections 5 to 12 of this report highlight the key conclusions drawn from '**Appendix A**'.

5. Housing Repairs Service

- 5.1 All but one of the HRS targeted measures performed above target in quarter 2.

Performance for urgent repairs completed in time (3 days) has seen a slight reduction since Quarter 1. This is predominantly down to a change in reporting no access. These are logged on the system, and the original job reference is kept open and scheduled up to 3 times prior to cancelling an order. This provides a better audit trail of attempts and greater record keeping.

However, this can mean a few urgent repairs go out of target due as they have been rescheduled due to tenant availability. RHS guidelines stipulate that no access issues still need to be included within the measure outturn.

Of the 1,359 urgent repairs completed during the quarter, 37 were out of the 3 day target time. Of these 37, 17 were attended by an operative within the timeframe but the resident was not home to allow access.

The outturn for the measure would report as above target if the figures could discount the no access delays.

- 5.2 Performance for priority repairs completed in time remains high, the service area meets regularly to assess demand in the priority and urgent teams and will adjust resources when needed to ensure these areas have adequate cover. Of the 904 priority and out of hours repairs completed in the second quarter, only one was completed outside of target time.

6. Investment, and Building and Fire Safety Assurance

- 6.1 There has been an increase in non-decent properties since quarter 1, predominately as a result of the roof of a block of flats being reported as requiring repair. This block contains x10 flats which are all now, unfortunately considered, by the process, as not decent.

Other failures have come following recent stock condition surveys. There are now a total of 50 failures due to;

- 21 Doors
- 3 Roof
- 3 Windows,
- 12 Electrics,

- 1 Kitchen and Bathroom.

These have been added to the decent homes works programme.

- 6.2 Performance across the new set of building and fire safety measures is good overall, with most measures exceeding or meeting their respective targets. There continues to be staffing and contractor challenges which prevent the service achieving full compliance with asbestos management survey requirements. The service area is exploring options to address this within the next quarter.

7. Voids

- 7.1 As anticipated and reported at the end of quarter 1, the types of properties going through the voids process this quarter have impacted performance for measures 58, 61 and 69. The re-letting of some longer-term void properties has increased average re-let times, with both re-let measures now being between seven and eight days above target. This is notwithstanding the recent improvements to the voids process, which have continued.

- 7.2 As in quarter 1, a small proportion of void properties re-let during the second quarter were affected by issues outside of the council's direct control:

- Three flats in one communal block were re-let in quarter 2 as sensitive lettings, following a decision to hold these properties vacant whilst a tenancy matter was resolved. This decision, which was anticipated and referred to in paragraph 7.5 of the quarter 1 performance report, resulted in re-letting delays of 121, 78 and 222 days. This has had a consequential impact on performance.
- One property experienced a re-letting delay of 43 days, due to an asbestos issue.

- 7.3 If delays outside of the Council's control were removed prior to calculating the outturns for measures 58 and 61, the average re-let times in quarter 2 would have been:

- 41.21 days for voids not requiring major works (measure 58)
- 47.81 days for all void properties.

- 7.4 There was a 47.5% increase in the number of void properties requiring major works in quarter 2, rising from 40 in quarter 1 to 59 in quarter 2. Whilst this will have affected the overall average re-let time for all void properties in the quarter, a reduction in the average number of days taken to re-let void properties requiring major works will have gone some way to mitigate this.

- 7.5 In summary, there are several factors that can influence void re-let times. There can be individual circumstances, often influenced by external factors that lead to void times being longer for some properties. These are outside of the Council's control but internally, teams work closely together to re-let voids as quickly as possible.

8. Rents

- 8.1 The annual pattern of rent collection generally shows a lower rate until end of quarter 3 due to the rents being based on a 50 – 51 week payment schedule relating in a technical debt being carried throughout the year until the end of quarter 3. Regular rent payments are adjusted for the non-payment weeks during the Christmas period and resolve by the beginning of quarter 4.

Committee have been recently briefed on the new structures and ways of working, which is expected to have a positive impact on performance overall too.

- 8.2 In relation to garage performance, the following contextual information is provided to supplement the performance information in '**Appendix A**':

- Number of garages = **1,138**
- Number of garages that are let = **834**
- Number that are empty and ready to let = **27**
- Total rent collected (Q1&Q2) = **£233,471.10**
- Average % of rent collected, when compared with rent due (Q1&Q2) = **96.75%**
- Number of garages in repair = **205**

9. Anti-Social Behaviour (ASB)

- 9.1 The figures recorded during the quarter reflect an increase in the number of ASB cases that have been recorded in the City. During quarter 2, a great deal of work has been done as part of the pilot structure to improve the recording of cases and making improvements to the case management system so that we can record a wider range of issues.

- 9.2 The categories of ASB, nuisance and other tenancy breaches have been expanded meaning we can improve recording, managing and reporting on cases. For example, we have categories now for recording untidy gardens, misuse of communal areas, issues with parking & property conditions.

- 9.3 Some of the increase in numbers will also relate to the much more proactive approach the specialist ASB Team and Tenancy & Estates Team are taking to quickly responding to complainants.

- 9.4 In the last quarter, 4 warrants were secured to evict households due to anti-social behaviour.

1 tenant surrendered their tenancy before being evicted

1 was given a stay of execution of the warrant and this will be monitored closely

2 were evicted.

There are another 3 cases in the court process currently.

10. Allocations

- 10.1 Measure 85A relates to the percentage of housing allocation offers accepted first time. Performance for this quarter is consistent with that of quarter one. The Housing Solutions team are continually working hard on verifying the information

that has been provided and completing all necessary checks including input from the Tenancy team, which helps to ensure a suitable applicant is offered the property.

- 10.2 The number of Homefinder applications being received continues to be high. Moving forward we are reviewing the Allocations Policy and looking at trends of who are applying and ways to streamline the allocations process.

11. Strategy

- 11.1 Between the first and second quarter the council's overall stock size reduced, with a net loss of one property. This was due to completion of one buy-back and two Right to Buy transactions in quarter 2. The Hermit Mews newbuild scheme was completed in October, and these 11 new homes will be reflected in quarter 3. In addition to Hermit Mews, there are currently 14 buy-back acquisitions undergoing conveyancing plus a further 2 awaiting approval. The Council is also currently exploring the off-plan acquisition of a series of newbuild family homes.
- 11.2 These acquisitions accord with the Housing Revenue Account (HRA) 30 Year Business Plan's objective to deliver a net gain to the Council's housing stock.

12. Complaints

- 12.1 Measure 22 has seen improvement in resolution times since 2023/24, although there has been a decrease in performance levels compared to quarter one. 90% of complaints in the second quarter were responded to within target time. This is below the 95% target.
- 12.2 Recent introduction of the national Complaints Handling Code changes the definition of what constitutes a complaint, meaning complaint numbers will remain high. These changes are intended to help councils better understand what drives customer dissatisfaction, and both the Ombudsman and the Regulator of Social Housing view high complaints volumes as positive.

13. Strategic Priorities

- 13.1 The City of Lincoln Council's Vision 2025 priorities are:

- Let's drive inclusive economic growth.
- Let's reduce all kinds of inequality.
- Let's deliver quality housing.
- Let's enhance our remarkable place.
- Let's address the challenge of climate change.

This report relates primarily to 'Let's deliver quality housing.' Monitoring and reporting performance provides the means for the Council to assess its progress against this corporate priority and identify areas for improvement.

14. Organisational Impacts

14.1 Finance

Although there are no direct financial implications arising from this report, there are several indicators that do affect the HRA including the amount of rent collected and repairs and improvements.

The financial position of the HRA and Housing Repair Service (HRS) are continually monitored and reported quarterly to this Sub-Committee.

14.2 Legal Implications including Procurement Rules

There are no legal implications arising from this report.

14.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities.

Due to the nature of this report, there are no equality, diversity and human rights impacts to be assessed, however their impact will continue to be considered as part of the service delivery.

15. Risk Implications

15.1 (i) Options Explored

Not applicable to this report.

15.2 (ii) Key Risks Associated with the Preferred Approach

Not applicable for this report.

16. Recommendation

16.1 That Housing Scrutiny Sub-Committee reviews and comments on the content of this report and the performance information contained therein.

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

One
(Appendix A)

List of Background Papers:

None

Lead Officer:









Corporate Policy and Transformation Team











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Housing Scrutiny Sub-Committee – Landlord Services Performance 2024/25

APPENDIX A

(Figures in brackets are individual quarterly performance outturns)

PI	Measure Description	Outturn 23/24	Target 24/25	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Status (RAG) *Blue = volumetric		Additional information
Rents										
125B (RC1)	Rent collected as a proportion of rent owed	99.69%	97.50%	96.48%	96.42% (96.37%)					
126 (RC2)	Current tenant arrears as a percentage of the annual rent debit	2.88%	4.00%	3.50%	4.47%					
HSSC1	Garage rent collected as a percentage of rent due	New for 24/25	Volumetric	99.28%	97.69% (96.25%)			Volumetric		
HSSC2	Percentage of garage rent lost due to vacancy	New for 24/25	Volumetric	25.61%	25.12% (24.67%)			Volumetric		
ASB										
89	Percentage of ASB cases closed that were resolved	98.88%	94.00%	100.00%	99.26% (98.92%)					
90	Average days to resolve ASB cases	46.5 days	60 days	58.16 days	56.07 (55.10)					
HSSC3	Number of ASB cases by type	New for 24/25	Volumetric	106	347 (241)			Volumetric		
(a)	ASB by type – Noise	New for 24/25	Volumetric	44	109 (44)			Volumetric		
(b)	ASB by type – Verbal abuse/ harassment/ intimidation/ threatening behaviour	New for 24/25	Volumetric	13	75 (62)			Volumetric		
(c)	ASB by type – Drugs/ substance misuse/ drug dealing	New for 24/25	Volumetric	8	42 (34)			Volumetric		
(d)	ASB by type – Pets and animal nuisance	New for 24/25	Volumetric	8	19 (11)			Volumetric		
(e)	ASB by type – Noxious odour	New for 24/25	Volumetric	3	16 (13)			Volumetric		
(f)	ASB by type – Physical violence	New for 24/25	Volumetric	3	13 (10)			Volumetric		
(g)	ASB by type – Garden nuisance	New for 24/25	Volumetric	2	12 (10)			Volumetric		
(h)	ASB by type – Vandalism and damage to property	New for 24/25	Volumetric	2	8 (6)			Volumetric		
(i)	ASB by type – Nuisance from vehicles	New for 24/25	Volumetric	2	4 (2)			Volumetric		

PI	Measure Description	Outturn 23/24	Target 24/25	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Status (RAG) *Blue = volumetric		Additional information
(j)	ASB by type – Misuse of communal areas/ public space or loitering	New for 24/25	Volumetric	1	15 (14)			Volumetric		
(k)	ASB by type – Domestic abuse	New for 24/25	Volumetric	1	3 (2)			Volumetric		
(l)	ASB by type – Hate-related incidents	New for 24/25	Volumetric	1	2 (1)			Volumetric		
(m)	ASB by type – Property condition	New for 24/25	Volumetric	0	2 (2)			Volumetric		
(n)	ASB by type – Cuckooing	New for 24/25	Volumetric	0	1 (1)			Volumetric		
(o)	ASB by type – Prostitution/sexual acts/kerb crawling	New for 24/25	Volumetric	0	1 (1)			Volumetric		
(p)	ASB by type – Other	New for 24/25	Volumetric	18	25 (7)			Volumetric		
Allocations										
85A	Percentage of offers accepted first time	88.16%	85.00%	87.93%	87.45% (86.99%)					
HS1	Number of people currently on the housing list	2,036 (PSC)	Volumetric	2,029	2,076			Volumetric		
Voids										
69 (HV1)	Percentage of rent lost through dwelling being vacant	1.18%	1.00%	1.26%	1.31% (1.36%)					
58 (HV2)	Average re-let time calendar days for all dwellings (excluding major works)	39.87 days	36 days	40.76 days	43.66 days (46.94)					
61 (HV3)	Average re-let time calendar days for all dwellings (including major works)	46.59 days	42 days	48.79 days	50.28 days (51.59)					
Investment										
50 (HI1)	Percentage of council properties that are not at the 'Decent Homes' standard (excluding refusals)	0.24%	1.00%	0.36%	0.64%					50 properties currently not at DHS (excluding refusals)
HSSC4	Percentage of properties at SAP rating C or above	New for 2024/25	Volumetric	93.25%	93.71%			Volumetric		
Building and Fire Safety Assurance										

PI	Measure Description	Outturn 23/24	Target 24/25	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Status (RAG) *Blue = volumetric		Additional information
48 (HI3) (BS01)	Percentage of dwellings with a valid gas safety certificate	98.38%	99.00%	98.68%	99.03% (99.27%)					
BS02	Proportion of homes for which all required fire risk assessments have been carried out	100.00% (TSM)	99.00%	100.00%	100.00%					
BS03	Proportion of homes for which all required asbestos management surveys or re-inspections have been carried out	90.92% (TSM)	99.00%	90.92%	90.92%					
BS04	Proportion of homes for which all required legionella risk assessments have been carried out	100.00% (TSM)	99.00%	100.00%	100.00%					
BS05	Proportion of homes for which all required communal passenger lift safety checks have been carried out	100.00% (TSM)	100%	100.00%	100.00%					
HSSC5	Percentage of homes with an in-date and satisfactory electrical installation condition report	New for 24/25	95%	95.76%	95.37%					
HSSC6	Percentage of communal areas with an in-date and satisfactory electrical installation condition report	New for 24/25	99.3%	98.43%	98.59%					
HSSC7	Average time taken to complete damp and mould repairs (days)	New for 24/25	20 days	5.31	5.47 (5.71)					Based on 535 damp and mould inspections YTD
Repairs (Housing Repairs Service)										
29A (HM1a)	Percentage of reactive repairs completed within target time (priority 1 day only)	99.55%	99.50%	99.89%	99.89% (99.89%)					1,795 priority repairs completed YTD
32 (HM1b)	Percentage of reactive repairs completed within target time (urgent 3 day repairs only)	89.29%	97.50%	99.32%	98.23% (97.20%)					2,718 urgent repairs completed YTD
33	Average time taken to complete urgent Repairs (3 days)	2.17 days	3 days	1.88	1.95 (2.02)					

PI	Measure Description	Outturn 23/24	Target 24/25	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Status (RAG) *Blue = volumetric		Additional information
34 (HM2)	Percentage of repairs fixed first time (priority and urgent repairs) - HRS only	93.08%	92.00%	98.00%	98.35% (98.68%)					
37 (HM4)	Appointments kept as a percentage of appointments made (priority and urgent repairs) - HRS only	96.95%	98.00%	98.76%	99.02% (99.27)					4,792 repair appointments made YTD
29B	Percentage of all priority repairs carried out within time limits (1 day) (Aaron Services)	99.98%	99.50%	100.00%	100% (100%)					1,421 Aaron Services priority repairs completed YTD
Strategy										
HSSC8	Number of new properties delivered	New for 24/25	Volumetric	3	4 (1)			Volumetric		
HSSC9	Number of 'Right to Buy' transactions	New for 24/25	Volumetric	10	12 (2)			Volumetric		
HSSC10	Number of council properties	New for 24/25	Volumetric	7,789	7,788			Volumetric		
Complaints and Customer Service										
22	% of complaints replied to within target time	35.18%	95.00%	96.30%	93.09% (90.00%)					
<p><i>The following is a corporate performance measure overseen by the Customer Services Team, and relates to all calls received by the Customer Contact Centre. This measure therefore includes data not related to the Housing service.</i></p>										
CS3	Average time taken to answer a call to Customer Services	607 seconds (PSC)	300 seconds	(817 seconds)	(795 seconds)					

HOUSING SCRUTINY SUB COMMITTEE**25 NOVEMBER 2024**

SUBJECT: FINANCIAL PERFORMANCE – QUARTERLY MONITORING

REPORT BY: CHIEF EXECUTIVE & TOWN CLERK

LEAD OFFICER: LAURA SHIPLEY, FINANCIAL SERVICES MANAGER

1. Purpose of Report

- 1.1. To present to the Housing Scrutiny Sub Committee (HSSC) the second quarter's performance (up to 30th September), on the Council's:
- Housing Revenue Account
 - Housing Repairs Service
 - Capital Programme
- 1.2. Financial Procedure Rules require members to receive, on a quarterly basis, a report prepared jointly by the Chief Finance Officer and Corporate Management Team commenting on financial performance to date. This report is designed to meet this requirement.

2. Lincoln Tenants Panel Consultation

- 2.1. Lincoln Tenants Panel are invited to comment on the content of this report.

3. Executive Summary

- 3.1. This report covers the Housing Revenue Account budgets and Housing Investment Programmes for the current financial year.
- 3.2. While there are still a number of variables, which are subject to a level of uncertainty, based on the latest set of assumptions as at the end of the second quarter (up to 30th September) the forecast financial position of the Council for 2024/25 is:

Revenue Accounts	2024/25		
	Budget	Forecast @	Variance @
	£'000	Q2 £'000	Q2 £'000
Housing Revenue Account – Contribution (to)/from balances	101	(418)	(519)
Housing Repairs Service – (surplus)/deficit	0	17	17*

*any HRS variance is repatriated to the HRA and as such included within the HRA balances above

Capital Programmes	2024/25		
	Opening Budget £'000	Revised Budget @ Q2 £'000	Movement @ Q2 £'000
Housing Investment Programme	22,763	17,432	(5,331)

Balances	2024/25		
	Budgeted Balance @ 31/03/25 £'000	Forecast Balance @ 31/03/25 £'000	Forecast Movement £'000
Housing Revenue Account Balances	(1,030)	(1,549)	(519)

Reserves	2024/25		
	Opening Balance @ 01/04/24 £'000	Forecast Balance @ 31/03/25 £'000	Forecast Movement £'000
HRA Earmarked Reserves	(4,507)	(4,376)	131

- 3.3. The detailed financial position is shown in sections 4-7 and accompanying appendices.

4. Housing Revenue Account

- 4.1. For 2024/25 the Council's Housing Revenue Account (HRA) net revenue budget was set with a planned contribution from balances of £101,220, resulting in an estimated level of general balances at the year-end of £1,030,024, after allowing for the 2023/24 outturn position.
- 4.2. The HRA is currently projecting a forecast underspend of £519,410 (appendix A provides a forecast HRA Summary), which would result in HRA balances of £1,549,435 as at the end of 2024/25. This position maintains balances above the prudent minimum of c.£1m.
- 4.3. Although the forecast position is an underspend there are a number of significant variations in income and expenditure. Full details of the main variances are provided in the Appendix B, while the table below sets out the key variances:

Housing Revenue Account Forecast year-end key variances:	Forecast £'000
Nationally agreed pay award settlement	119
Less:	
Additional Rental Income	(204)
Increased Investment Interest	(179)
Reduced Borrowing Costs	(68)
<u>HRS Recharges:</u>	

Housing Repairs Service Overall Deficit Repatriation	17
HRS Repairs – increased Responsive jobs	749
HRS Repairs – reduced level of Voids, Aids & Adaptations and Cleansing jobs (see Appendix D for breakdown)	(1,099)
Net Other Variances	146
Overall forecast deficit/(surplus)	(519)

4.4. The key variances have arisen as a result of external variables e.g. economic factors, service demands etc, which differ from the budgeted assumptions. However, in addition, the HRA and HRS continue to experience a number of other variances due to demand pressures and the ongoing recruitment and retention challenges. These main variances, both positive and negative, cover:

- Pay settlement inflation pressure - the impact of the nationally agreed pay award is in excess of the assumptions included within the MTFS. The 2024/25 pay award, agreed by the National Employers for Local Government Services, provided either a flat rate increase of £1,290 (prorate) or a 2.5% increase to all staff dependant on pay spinal point, equivalent to a 5.7% increase for the lowest paid members of staff.
- Borrowing costs – as a result of a delay in the anticipated reduction of the Bank of England Base Rate, which has only dropped marginally from 5.25% to 5% at quarter two, the Council have benefitted from reduced borrowing costs due to the continued strategy to review the reprofiling of loans and maintain adequate resource to reduce the level of budgeted borrowing while interest rates are still high.
- Investment income – in addition to savings on interest payable, the ongoing high base rate has increased the level of interest earned on the Council's cash balances over and above the levels anticipated within the MTFS.
- Rental income – income levels are higher than anticipated due to a higher than budgeted opening Housing stock at the start of the financial year.
- HRS Repairs – while there has been a net reduction in repairs recharges from the HRS to the HRA, there has been a switch in the nature of HRS rechargeable works anticipated this year with a significant increase in demand for responsive repairs, wholly offset by a reduction in the level of voids repairs, aids and adapts and cleansing works.

4.5. Alongside these variances the Housing Repairs Services (HRS) is currently reporting a small forecast deficit, which is consequentially repatriated to the HRA, as a result of the issues set out in Section 5 below.

4.6. In response to the key cost pressures forecast in 2024/25; the additional staff costs arising as a result of the nationally agreed pay award are unavoidable and will require the resetting of budgets for 2025/26 within the upcoming MTFS. In relation to housing repairs, the Housing Directorate Management Team continue work on the individual

repairs service areas, i.e. Aids & Adaptations, Voids, Responsive Repairs etc, in order to review and manage demand and cost drivers. Work also continues within the HRS to address the recruitment and retention challenges, (this also forms part of a wider scope of work developing the Council's Workforce Development Strategy), which is already seeing some success with a reduction in level of vacancies.

- 4.7. As outlined throughout this report, there still remains a number of variables in the forecast assumptions, and as such the final outturn position for the year is still subject to further change. At this stage no additional mitigations, other than those currently being implemented in response to the issues faced by the HRS are recommended. Strong budgetary control should continue to be a focus to ensure expenditure and income remain balanced within budget.

4.8. **HRA Earmarked Reserves**

Details of the HRA Earmarked Reserves are set out in paragraph 6 and Appendix E.

5. **Housing Repairs Service**

- 5.1. For 2024/25 the Council's Housing Repairs Service net revenue budget was set at zero, reflecting its full cost recovery nature.
- 5.2. At quarter two the HRS are forecasting a deficit of £17,146 in 2024/25, an improvement of £338,165 since quarter one, which has subsequently been repatriated to the HRA, Appendix C provides a forecast HRS Summary. Full details of the main variances are provided within Appendix D of this report, while the key variances are summarised below:

Housing Repairs Service Forecast year-end key variances:	Forecast £'000
Increase in sub-contractors usage and prices	760
Income shortfall as a result of a lower level of voids, aids & adapts and cleansing jobs	521
Increased Skip hire costs	67
Nationally agreed pay award settlement	47
Less:	
Staff vacancies due to recruitment and retention challenges	(462)
Income surplus as a result of increase in responsive repairs, quoted jobs & other works	(940)
Net other variances	24
Overall forecast deficit/(surplus)	17

- 5.3. While overall the HRS is forecasting a much-improved year-end position, with a small forecast deficit, there are still a number of significant income and expenditure variances. These main variances, both positive and negative, cover:

- The HRS is still being impacted by recruitment challenges, with continued difficulties in attracting and retaining staff resulting in a greater reliance on the use of sub-contractors to ensure that service demands are met. The cost of using subcontractors is however more expensive than the HRS's own workforce, due to the ongoing impact of inflationary factors.
- Additionally, the HRS are seeing increased levels of work in relation to regulatory compliance, such as damp and mould remediation and installation of fire doors, this is increasingly affecting the capacity to carry out routine works, further compounding the reliance on sub-contractors.
- As the increased subcontractor costs are not reflected in the service hourly rate and overhead recovery is not recouped on sub-contractors this results in an under recovery of full costs from the HRA. However, due to the change in nature of works this year and the increase in responsive repairs, which are predominantly performed by our own labour force, the HRS has seen an increase in income which does attract the overhead recovery rate.
- The forecast deficit also includes the impact of the national pay award settlement, which is in excess of the assumptions included within the MTFS as outlined in the HRA variances.

5.4. While the forecast outturn for the HRS is a small budget overspend, there still remains uncertainty in terms of service demands and income forecasts. As such it is essential that the tight controls implemented to monitor premium sub-contractor spend are maintained to minimise the projected deficit and mitigate against the potential for the current net underspend in the HRA, as outlined in section 4 above, to deteriorate.

6. Earmarked Reserves

6.1. The Council holds a number of earmarked revenue reserves within the HRA. These reserves are sums set aside for specific purposes and to mitigate against potential future known or predicted liabilities. Key reserves include income Housing Repairs, HRA Strategic Priorities, HRA Invest to Save, HRA IT and Disrepairs Management, etc. A number of these reserves are budgeted for use over the period of the MTFS.

6.2. The details of all the earmarked reserves and their forecast balance as at 31st March 2025 are attached in Appendix E, with further details in the MTFS 2024-2029. In summary:

Earmarked Reserves	Opening Balance 01/04/24 £'000	Increase £'000	Decrease £'000	Closing Balance 31/03/25 £'000
Housing Revenue Account	4,507	515	(645)	4,377

7. Capital Programme

7.1. Housing Investment Programme

- 7.2. The revised Housing Investment Programme for 2024/25 amounted to £17.650m following the Quarter 1 position. At quarter 2 the programme has been decreased by £0.219m to £17.432m, as shown below:

Housing Investment Programme	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Revised Budget at Quarter 1	17,650	17,783	15,968	15,159	13,324
Budget changes for approval – Quarter 2	(219)	(563)	(1,188)	(1,460)	(1,268)
Revised Budget	17,432	17,219	14,780	13,698	12,056

- 7.3. All changes over the approved limit require approval by the Executive. The following changes require Executive approval for Quarter 2:

Changes requiring Executive Approval:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Budget Under/Overspends returned to available resources					
Rewiring	(130)	(1,079)	(1,944)	(1,221)	(394)
Kitchen Improvements	0	0	0	(100)	(746)
Door Replacement	(600)	(163)	(493)	(334)	0
Fire Compartment Works	0	(160)	0	0	0
Fire Alarms	0	0	(50)	(50)	(50)
Renew stair structure	0	(25)	(25)	(25)	(25)
Landscaping & Boundaries	(100)	(652)	(313)	(382)	(758)
Over bath showers	0	(151)	(166)	(182)	(182)
Fire Doors	(200)	(215)	0	0	0
Increased budget allocations					
Kitchen Improvements (funded from MRR)	0	415	1,175	0	0
Communal Electrics (funded from DRF)	0	130	50	50	50
Door Replacement (funded from MRR)	0	0	0	0	795
Replacement Door Entry Systems (funded from DRF)	0	98	98	98	98
Void Capitalised Works (funded from MRR)	578	0	0	0	0
New Build – Hermit Street (funded from DRF)	104	0	0	0	0
Fire Doors (funded from MRR)	0	0	35	285	0
Housing Support Services Computer Fund (funded from DRF)	0	103	0	0	0
Property Acquisitions – this includes individual purchase	155	0	0	0	0

and repair acquisitions approved under officer delegations (funded from 1-4-1 receipts with borrowing as match element).					
Total changes requiring Executive Approval	(193)	(1,696)	(1,633)	(1,860)	(1,211)

- 7.4. The following schemes have also been added to the HIP, having been approved at Executive during Quarter 2, (or in previous quarters):

Approved by the Executive:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Increased budget allocations					
Western Growth Corridor Phase 1b Bridges – approved at Executive 22 nd July 2024	0	1,559	0	0	0
Western Growth Corridor Phase Wider Site Costs – approved at Executive 22 nd July 2024	278	59	0	0	0
Total changes approved by Executive	278	1,618	0	0	0

- 7.5. The Chief Finance Officer has delegated authority to approve financial changes up to an approved limit as set out under Financial Procedure Rules. The following changes were approved during Quarter 2:

Changes approved by the Chief Finance Officer:	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Reprofiled Expenditure					
Bathrooms & WC	(235)	235	0	0	0
Re-roofing	(400)	(445)	445	400	0
Lincoln Standard Windows Replacement	275	(275)	0	0	0
Increased budget allocations					
Aids & Adaptations (funded from MRR)	50	0	0	0	0
New Services (funded from MRR)	25	0	0	0	0
Reduced budget allocations					
CCTV	(20)	0	0	0	0
HRA Buildings	0	0	0	0	(57)
Total Changes Approved by the Chief Finance Officer	(305)	(485)	445	400	(57)
Total HIP Delegated Approvals and Approvals by/for Executive	(219)	(563)	(1,188)	(1,460)	(1,268)

- 7.6. The reduction in forecast budgets across the MTFS is primarily due to the capital programme budgets initially being driven by stock condition surveys and not current available labour resource. Amounts in the programme have been reprofiled to future years, or removed, to better reflect availability of Council operatives and sub-contractors.
- 7.7. The table below provides a summary of the projected outturn position for the Housing Investment Programme:

Housing Investment Programme - Projected Outturn	2024/25			
	Budget following Q1 Report £'000	Revised Budget Q2 £'000	Forecast Outturn £'000	Variance £'000
Decent Homes / Lincoln Standard	9,642	9,005	9,005	0
Health and Safety	646	646	646	0
Contingent Major Repairs / Works	0	0	0	0
New Build Programme	5,793	6,331	6,331	0
Other Schemes	1,257	1,137	1,137	0
Computer Fund / IT Schemes	312	312	312	0
Total Capital Programme	17,650	17,432	17,432	0

- 7.8. The overall expenditure on the Housing Investment Programme at the end of Q2 was £5.730m, which is 32.87% of the 2024/25 revised programme. This excludes expenditure relating to Western Growth Corridor which is currently shown on the GIP, to be apportioned at year end (current forecast outturn £1.3m). This is detailed further at Appendix J.
- 7.9. A further £1.091m has been spent as at the end of October 2024, although this is still a low percentage of expenditure at this stage of the financial year, works have been constrained by the availability of contractors and materials however new contracts are in place and spend is expected to increase in by the end of the financial year.

8. Strategic Priorities

- 8.1. The MTFS underpins this policy and financial planning framework and set out the overall framework on which the Council plans and manages its financial resources to ensure that they fit with, and support, the direction of the Council's vision and strategic priorities. Vision 2025 identifies the Council's strategic priorities, setting the vision and direction for the council and the city for the next five years. The proposals in this report allow the Council to maintain a balanced budget position in 2024/25 in order that it can continue to deliver services in support of Vision 2025.

9. Resource Implications

- 9.1. The financial implications are contained throughout the report.

Under the Local Government Act 2003 the Chief Finance Officer (S151 Officer) is required to give Council an opinion on the robustness of the budget estimates and the adequacy of reserves. Although there remains some uncertainty around the latest budget forecasts, based on the information to date on income and expenditure, the HRA is forecasted to maintain balanced budget positions in the current financial year.

General Balances on the HRA are the only resource not earmarked to a particular future need. The prudent minimum level of balance that should be maintained is between £1m-£1.5m on the HRA. Based on the latest forecasts of income and expenditure the level of balances in 2024/25 are estimated to be maintained above these ranges. The close monitoring of the Council's overall financial position will remain critical over the course of this financial year, and as ever strong budgetary control will be required.

Although the primary focus of this report has been to set out the financial variances being faced in the current financial year, beyond 2024/25 the Council continues to face ongoing pressures as a result of increasing baseline costs due to inflationary impacts, escalating service demands and income pressures. The Council will continue to face further financial challenges as it responds to the impact of these issues and an increased need to deliver ongoing reductions in the net cost base, as set out in the MTFS 2024-2029.

9.2. Legal implications including Procurement Rules

There are no legal implications arising from this report.

9.3. Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination;
- Advance equality of opportunity;
- Foster good relations between different people when carrying out their activities.

Due to the nature of the report, there are no direct equality, diversity, or human rights implications.

10. Risk Implications

A full financial risk assessment is included in the MTFS, this is continually reviewed in light of changes in the underlying financial assumptions. There are currently a significant number of critical risk factors to the budget and MTFS, with further details provided within the MTFS 2024-29.

11. Recommendations

Housing Scrutiny Su Committee are recommended to:

11.1. Note the financial performance for the period 1st April to 30th September 2024.

Key Decision	No
Key Decision Reference No.	N/A
Do the exempt information categories apply?	No
Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
Does the report contain appendices?	Yes
List of Background Papers:	Medium Term Financial Strategy 2024-2029
Lead Officer:	Laura Shipley, Financial Services Manager Laura.shipley@lincoln.gov.uk

HOUSING REVENUE ACCOUNT FUND SUMMARY – AS AT 30 SEPTEMBER 2024

	Ref	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Gross Rental Income	A	(35,220)	(35,410)	(190)
Charges for Services & Facilities	B	(658)	(687)	(29)
Contribution towards Expenditure	C	(50)	(10)	40
Repairs Account – Income	D1	(68)	(65)	3
Supervision & Management – General	D2	(808)	(1,020)	(212)
Supervision & Management – Special	D3	(75)	(156)	(80)
Repairs & Maintenance	E	11,729	11,821	92
Supervision & Management – General	F1	7,395	7,605	210
Supervision & Management – Special	F2	2,148	2,404	256
Rents, Rates and Other Premises	G	861	914	53
Increase in Bad Debt Provisions	H	251	251	0
Insurance Claims Contingency	I	439	439	0
Contingencies	J	312	353	41
Depreciation	K	8,198	8,198	0
Impairments	L	0	0	0
Debt Management Expenses	M	16	16	0
HRS Trading (Surplus) / Deficit	N	0	17	17
Net Cost of Service	O	(5,530)	(5,329)	201
Loan Charges Interest	P	2,331	2,264	(68)
Investment/Mortgage Interest	Q	(428)	(607)	(179)
Net Operating Inc/Exp	R	(3,626)	(3,672)	(46)
Major Repairs Reserve Adjustment	T	3,423	3,423	(0)
Transfers to/from reserves	U	304	(170)	(474)
(Surplus)/Deficit in Year	V	101	(418)	(519)

Housing Revenue Account Variances – Quarter 2

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

Ref		£	Reason for variance
	<u>Reduced Income</u>		
C	Court Costs	40,000	Reduction in recovered income from court costs as less cases in year than anticipated.
	<u>Increased Income</u>		
U	Transfers to/(from) Reserves	(473,650)	Contributions from reserves to offset expenditure as outlined below (further detail in appendix G).
Q	Investment Interest	(178,830)	Increased investment income as a result of higher interest rates.
A	Gross Rental Income	(146,110)	Additional rental income as a result of higher than budgeted opening housing stock levels.
D2	Supervision & Management - General	(134,000)	Increase in contractor admin fee income due to addition of major contracts commencing in second half of financial year.
B	Non Dwelling Rents	(43,640)	Reduction in void loss garage rental income
	<u>Reduced Expenditure</u>		
E	Repairs & Maintenance - HRS	(1,099,260)	Reduced HRS expenditure on Voids (£980k), Aids and Adapts (£94k) and Cleansing (£25k), wholly offsetting the increase on Responsive Repairs costs below (net underspend £704k).
F	Supervision & Management	(140,780)	Reduced expenditure on Employee Costs due to staff vacancies, offset by agency costs below.
E	Repairs Account	(99,240)	Lower than budgeted installs for CO Detectors & Smoke Alarms due to cyclical replacements, offset by contribution to reserves to level out future costs future replacement cycle peaks.
P	Loan Charges Interest	(67,560)	Reprofiling of loans & adequate resources resulting in reduction in planned borrowing costs.
	<u>Increased Expenditure</u>		

Ref		£	Reason for variance
E	Repairs & Maintenance - HRS	704,180	Increased HRS expenditure on Responsive Repairs (£704k), offset by underspend above (net underspend £395k).
E	Repairs Account	311,000	High rise review and remediation (£300k), Carbon reduction and home safety works (£11k) entirely funded from reserves
E	Repairs Account	136,500	Stock Condition Survey costs funded entirely from reserves.
J	Contingencies	119,390	Impact of National Employers pay award settlement in excess of budgeted assumptions.
F1	Supervision & Management – General	76,110	Cost of agency staff to cover staff vacancies within Supervision & Management, offset by Vacancy savings above.
F1	Supervision & Management – General	65,370	Membership Fee increases on Housing Ombudsman, and additional Regulator of Social Housing annual subscription costs.
E	Repairs Account	63,220	Gas Servicing of Central Heating increase in market prices and addition of relet costs.
F1	Supervision & Management – General	92,500	Consultancy costs funded entirely from reserves.
F1	Supervision & Management – General	56,650	Increased expenditure primarily due to additional Housing IT costs
F1	Supervision & Management – General	52,840	Caretakers fly tipping costs increase – nationally increased trend since COVID.
F1	Supervision & Management – General	29,900	Downsizing Incentive Scheme costs funded entirely from reserves
N	HRS Surplus/Deficit	17,150	Estimated HRS deficit position (refer to further detail in Section 5 and Appendix F).

HOUSING REPAIRS SERVICE SUMMARY – AS AT 30 SEPTEMBER 2024

	Revised Budget £'000	Projected Outturn £'000	Variance £'000
Employees	4,107	3,692	(415)
Premises	193	172	(21)
Transport	440	444	4
Materials	1,561	1,568	7
Sub-Contractors	2,635	3,395	760
Supplies & Services	323	422	99
Central Support Charges	707	707	0
Capital Charges	0	0	0
Total Expenditure	9,965	10,401	436
Income	(9,965)	(10,384)	(419)
(Surplus)/Deficit	0	17	17

Housing Repairs Service Variances – Quarter 2

Many items of income and expenditure are demand led and difficult to predict. Consequently, judgement has been applied in order to provide the most realistic indication of the financial position at the year-end. Figures in brackets indicate an underspend of expenditure or additional income.

	£	Reason for Variance
<u>Reduced Expenditure</u>		
Employee Costs	(461,645)	Vacancies within the Operative staff.
Premises	(20,643)	Reduction in utility forecasts due to delay in depot being in use.
<u>Increased Expenditure</u>		
Sub-Contractors	760,486	Increased use of sub-contractors to meet void turnaround targets, new work streams and cover vacancies within the operative team.
Skip Hire	67,048	Increased usage of skips due to delay to the use of Hiab.
Proposed Pay Award	46,570	Impact of National Employers pay award settlement in excess of budgeted assumptions.
<u>Increased Income</u>		
Response Repairs, Quoted Jobs & Other Income	(940,325)	Higher level of responsive work carried out by HRS Operatives, as a result of a switch in the nature of HRS works between voids and responsive repairs, generating increased income through the internal overhead recovery rate.
<u>Reduced Income</u>		
Voids, Aids & Adapts and Cleansing Works Income	523,123	Reduced income as a result of sub-contractor costs on overhead recovery and old SOR rates used for billing (pending update). Predominantly voids works at £402k, Aids & Adapts £94k and Cleansing works at £25k.

EARMARKED RESERVES – Q2 MONITORING 2024/25

	Revised Opening Balance	In Year Increase	In Year Decrease	Forecast Closing Balance
	01/04/2024 £'000	£'000	£'000	31/03/2025 £'000
HRA				
Capital Fees Equalisation	110	-	-	110
De Wint Court	73	-	-	73
De Wint Court Sinking Fund	113	34	-	147
Disrepairs Management	287	-	(31)	256
Housing Business Plan	842	-	(381)	461
Housing Repairs Service	76	-	-	76
HRA IT	170	365	-	535
HRA Repairs Account	1,351	99	(137)	1,314
Housing Strategic Priority	764	-	-	764
HRS Social Value	111	-	-	111
Invest to Save (HRA)	375	-	(44)	331
NSAP/RSAP Sinking Fund	18	9	-	27
Regulator of Social Housing	180	-	(53)	127
Strategic Growth Reserve	5	-	-	5
Tenant Satisfaction Survey	31	8	-	39
Total Earmarked Reserves	4,507	515	(645)	4,377

CAPITAL RESOURCES – Q2 MONITORING 2024/25

	Opening balance 01/04/24	Contributions	Used in financing	Forecast balance 31/03/25
	£'000	£'000	£'000	£'000
Capital Grants/Contributions HRA	0	1,155	(1,155)	0
Capital receipts HRA	2,560	1,059	(404)	3,215
Capital receipts 1-4-1	4,453	1,422	(1,273)	4,601
Major Repairs Reserve	23,062	11,622	(13,204)	21,480
Total Capital Resources	30,075	15,258	(16,036)	29,296

Currently the HIP has schemes planned to facilitate use of all 1:4:1 receipts with no repayment required in 24/25.

Housing Investment Programme – Summary of Expenditure as at 30th September 2024

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
<u>Contingency Schemes</u>					
Contingency Reserve	0	0	0	0	0
Contingency Schemes Total	0	0	0	0	0
<u>Decent Homes</u>					
Bathrooms & WC's	734,550	(234,550)	500,000	164,659	32.93%
DH Central Heating Upgrades	2,016,960	0	2,016,960	1,025,833	50.86%
Door Replacement	1,634,266	(600,266)	1,034,000	389,579	37.68%
Fire Compartment works	50,000	0	50,000	2,675	5.35%
Fire Doors	500,000	(200,000)	300,000	51,529	17.18%
Kitchen Improvements	1,190,000	0	1,190,000	499,850	42.00%
Lincoln Standard Windows Replacement	907,672	275,328	1,183,000	631,894	53.41%
New services	50,000	25,000	75,000	72,572	96.76%
Re-roofing	500,000	(400,000)	100,000	484	0.48%
Rewiring	150,000	(130,000)	20,000	0	0.00%
Structural Defects	100,000	0	100,000	8,451	8.45%
Thermal Comfort Works	50,000	0	50,000	0	0.00%
Aids & Adapters	0	50,000	50,000	46,879	93.76%
Void Capitalised Works	1,721,860	578,140	2,300,000	233,970	10.17%
Decent Homes Total	9,605,307	(636,348)	8,968,959	3,128,376	34.88%
<u>Health and Safety</u>					
Asbestos Removal	198,702	0	198,702	64,862	32.64%
Asbestos Surveys	133,763	0	133,763	34,487	25.78%
Fire Alarms	0	0	0	0	0.00%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
Renew stair structure	25,000	0	25,000	0	0.00%
Replacement Door Entry Systems	288,846	0	288,846	1,491	0.52%
Health and Safety Total	646,311	0	646,311	100,840	15.60%
<u>IT/Infrastructure</u>					
Housing Support Services Computer Fund	306,441	0	306,441	136,520	44.55%
Telephony	5,558	0	5,558	0	0.00%
IT/Infrastructure Total	311,999	0	311,999	136,520	43.76%
<u>Lincoln Standard</u>					
Over bath showers (10 year programme)	36,450	0	36,450	0	0.00%
Lincoln Standard Total	36,450	0	36,450	0	0.00%
<u>Other Current Developments</u>					
CCTV	20,000	(20,000)	0	0	0.00%
Communal Electrics	160,000	0	160,000	60,059	37.54%
Communal TV Aerials	5,000	0	5,000	4,069	81.38%
Environmental works	500,000	0	500,000	87,540	17.51%
Garages	60,000	0	60,000	0	0.00%
Hiab and Mule	130,689	0	130,689	130,689	100.00%
HRA Buildings	81,639	0	81,639	0	0.00%
Landscaping & Boundaries	300,000	(100,000)	200,000	52,495	26.25%
Other Current Developments Total	1,257,327	(120,000)	1,137,327	334,852	29.44%
HOUSING INVESTMENT TOTAL	11,857,395	(756,348)	11,101,047	3,700,589	33.34%

<u>HOUSING INVESTMENT PROGRAMME</u>	Budget 2024/25 - Reported at Q1	Q2 Budget Increase / Decrease	2024/25 Revised Budget	Actual Expenditure 30/09/24	2024/25 % Spend to Revised Budget
<u>HOUSING STRATEGY AND INVESTMENT</u>					
<u>New Build Programme</u>					
Property Acquisitions	2,391,534	155,457	2,546,991	629,714	24.72%
New Build Capital Salaries	46,953	0	46,953	0	0.00%
New Build- De Wint Court	0	0	0	0	0.00%
New Build Site – Hermit Street	1,891,443	104,414	1,995,857	1,400,233	70.16%
Jasmin Green	50,000	0	50,000	0	0.00%
Ermine Church Land	349,893	0	349,893	0	0.00%
Western Growth Corridor	1,063,281	277,660	1,340,941	0	0.00%
New Build Programme Total	5,793,104	537,531	6,330,635	2,029,946	32.07%
HOUSING STRATEGY AND INVESTMENT TOTAL	5,793,104	537,531	6,330,635	2,029,946	32.07%
TOTAL HOUSING INVESTMENT PROGRAMME	17,650,499	(218,817)	17,431,682	5,730,535	32.87%

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HOUSING SCRUTINY SUB COMMITTEE**25 NOVEMBER 2024**

SUBJECT:	ACQUISITION, DISPOSAL AND LAND USE STRATEGY UPDATE
DIRECTORATE:	HOUSING AND INVESTMENT
REPORT AUTHOR:	MICHELLE HOYLES – HOUSING STRATEGY MANAGER

1. Purpose of Report

- 1.1 To provide an update to the Housing Scrutiny Sub-Committee on the Directorate of Housing and Investment's progress on development of a proposed Acquisition, Disposal and Land Use Strategy; and
- 1.2 To share with the Sub-Committee a 2-page summary, which sets out the proposed content and direction for the strategy, so that feedback from the Sub-Committee can be incorporated into strategy development.

2. Lincoln Tenants Panel Consultation

- 2.1 LTP have not been formally consulted about this report, but have the opportunity to comment on the contents of this report at this meeting.

3. Summary

- 3.1 The Council has a duty as a social housing landlord to demonstrate its Housing Revenue Account (HRA) delivers value for money to its tenants. The Council's HRA is one of the city's largest landowners, and how it oversees its land and property assets has a significant impact on both the financial sustainability of the HRA, and the quality of our neighbourhoods.
- 3.2 The Directorate of Housing and Investment is developing a strategy that will consolidate the Council's approach to acquiring, disposing and making best use of the land owned by the HRA. It is proposed at this stage that an 'Acquisition, Disposal and Land Use Strategy' will deliver this. An Acquisitions Policy was adopted in early 2024, and a Disposals Policy is due to be completed and adopted in early 2025.
- 3.3 The proposed strategy will bridge the gap between these policies and the overarching Housing Revenue Account Business Plan. By incorporating how the Council will repurpose under-utilised land in this strategy, it will also enable the Council to fully progress its plans to make better use of sites such as garages and other land types that could be redeveloped or undergo other investment for the benefit of tenants and the HRA.
- 3.4 A 2-page summary of the proposed content for this forthcoming strategy is attached at '**Appendix A**', in order that feedback from the Sub-Committee can be incorporated into its further development at an early stage.

4. Strategic Priorities

- 4.1 Having a strategy for acquisitions, disposals and land use will support our **Let's deliver quality housing** and **Let's enhance our remarkable place** priorities, by setting out our objectives for efficient and effective use of our land and property assets in relation to property disposal.

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

The extract from the draft Asset Disposal Policy, attached as '**Appendix A**' to this report, provides a means of assisting the Council make consistent decisions regarding disposal of HRA property assets and aims to ensure delivery of value for money to the HRA, tenants and the wider Council.

5.2 Legal Implications including Procurement Rules

No implications at this stage.

5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

The service will consider Equality and Diversity implications when compiling the Acquisition, Disposal and Land Use Strategy, and an Equality Impact Assessment will be completed as the strategy further develops.

5.4 Human Resources

No HR impacts identified.

5.5 Land, Property and Accommodation

No implications at this stage.

5.6 Significant Community Impact &/or Environmental Impact

No implications at this stage.

5.7 Corporate Health and Safety Implications

No health and safety implications identified.

6. Risk Implications

6.1 (i) Options Explored

None at this stage.

6.2 (ii) Key Risks Associated with the Preferred Approach

None at this stage.

7. Recommendation

- 7.1 That Housing Scrutiny Sub-Committee reviews the 2-page summary '**Appendix A**', and provides feedback that can be incorporated into development of an Acquisition, Disposal and Land Use Strategy.

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

One (**Appendix A**)

List of Background Papers:

None.

Lead Officer:

Michelle Hoyles; Housing Strategy Manager
Email address: michelle.hoyles@lincoln.gov.uk

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Appendix A

Acquisitions, Disposals and Land Use Strategy (Housing Revenue Account): 2-Page Summary

Purpose

To summarise the council's key objectives when acquiring or disposing of land and property assets within the Housing Revenue Account (HRA), and to set out how housing land will be used and repurposed to deliver best value for tenants and the HRA.

To summarise how the council will assess opportunities to increase provision of temporary accommodation in the city, to reduce financial pressures on the General Fund.

Acquisitions and Disposals

When making decisions about acquiring or disposing of housing land, the council's primary objectives will be:

- To increase the supply of housing types that are in highest demand in the city
- To progress delivery of the HRS Business Plan
- To balance the maximisation of revenue that can be attained from our land and property assets, with delivering best outcomes for our tenants and neighbourhoods

Assets will be acquired in accordance with the following priority hierarchy:

Asset Acquisitions
Priority 1: Aligned to the city's Housing Needs Assessment, acquisition of 1-bed flats; acquisition of 3, 4 and 5- bed homes suitable for families; acquisition of accommodation that offers viable solutions for temporary accommodation and reduce financial pressures on the General Fund. Why this is priority 1: to assist the council meet identified housing need, by prioritising acquisition of property types that are in highest demand by people on the Housing Register and to address the need for temporary accommodation in the city.
Priority 2: Re-acquisition of leasehold properties, including sheltered housing, in buildings owned by the council and are majority occupied by its tenants; strategic property acquisitions that support delivery of newbuild or regeneration schemes identified in the HRA Business Plan and/or development pipeline. This applies to properties and land. Why this is priority 2: to support delivery of the HRA Business Plan action plan, and overall Business Plan/wider council strategic objectives.
Priority 3: Acquisition of other properties or land in the city Why this is priority 3: Whilst other acquisition opportunities will present themselves from time to time, and should be assessed on their merits, HRA resources should be primarily focused on delivering the HRA Business Plan and therefore acquisitions that do not fulfil this are less likely to be justifiable.

Asset Disposals

The council will dispose of land and property assets on a case-by-case basis, in accordance with the decision-making framework set out in its Asset Disposal Policy (currently in draft). The decision-making framework aims to achieve the following objectives:

- Achieving value for money for the HRA, by disposing of assets that are underperforming financially, do not benefit tenants or neighbourhoods, and cannot be re-purposed for other uses.
- Supporting delivery of the council's wider strategic priorities, where this does not have a detrimental impact on the HRA or can be appropriately mitigated.

Re-Purposing of Land

The HRA owns a range of land types including (this list is not exhaustive):

- Housing
- Garages
- Car Parks
- Green spaces and verges
- 'Land locked' land
- HRA Council Depots

Unless the council identifies a need for disposal, it will maintain its land and property assets in a way that balances the following:

- Maximising revenue to the HRA so this can be reinvested into services for tenants; and
- Using land in the best interests of tenants and neighbourhoods

The Strategy will also propose an approach for systematically reviewing all non-residential property assets, for the purpose of:

- Assessing whether each parcel of land is being utilised for the maximum benefit of tenants and neighbourhoods;
- Identifying, with support/advice from other council services where required, alternative uses for land not being used to its full potential; and
- Identifying land that presents opportunities to progress the objectives of the HRA Business Plan through regeneration, newbuild or other investment.

Included in this approach will be specific reference to reviewing all garage sites, identifying those sites that should be retained as garages to maximise rental income and those that can be repurposed for other uses.

Actions

The Strategy will include an action plan that sets out the key actions that will be undertaken to deliver the Strategy, to align with the actions set out in the HRA Business Plan.

SUBJECT:	ASSET DISPOSAL POLICY UPDATE
DIRECTORATE:	HOUSING AND INVESTMENT
REPORT AUTHOR:	MICHELLE HOYLES – HOUSING STRATEGY MANAGER

1. Purpose of Report

- 1.1 To provide an update to the Housing Scrutiny Committee on the Directorate of Housing and Investment's progress on development of its Asset Disposal Policy; and;
- 1.2 To share with the Sub-Committee an extract from the current draft policy, which lists the proposed considerations the Council will take into account when deciding whether to dispose of an HRA property asset.

2. Lincoln Tenants Panel Consultation

- 2.1 LTP have been consulted about this report, and will be consulted with in greater depth prior to the full Disposals Policy being presented to the Sub-Committee in early 2025.

3. Summary

- 3.1 The Council has a duty as a social housing landlord to demonstrate its Housing Revenue Account (HRA) delivers value for money to its tenants. The Council's HRA is one of the city's largest landowners, and its primary landlord, and from time to time will need to consider disposing of land and property in its ownership.
- 3.2 To ensure disposals are considered and enacted consistently and in the best interests of tenants, the service is developing an Asset Disposal Policy. A draft policy is almost complete and will shortly undergo consultation. The final draft version of the policy will be presented to the Sub-Committee in early 2025.
- 3.3 A key section of the policy, which proposes the considerations the Council will take account of when deciding whether to dispose of an asset, is ready for circulation at this stage. Via this report, officers are seeking feedback from the Sub-Committee on this extract. The feedback received will inform the final draft of the policy.
- 3.4 A copy of the extract is attached as '**Appendix A**' to this report. This has been shared with Lincoln Tenants' Panel, and the service will be carrying out further consultation with LTP on the whole policy prior to it being presented to the Sub-Committee in early 2025.
- 3.5 '**Appendix A**' consolidates and clarifies the approach the Council already takes to asset disposal, which is robust and supports the making of sound decisions about land in HRA ownership. Having an Asset Disposal Policy enables the Council to

better demonstrate these decisions are consistent as well as robust, by providing a published framework for decision making.

4. Strategic Priorities

4.1 The Asset Disposal Policy will support our **Let's deliver quality housing** and **Let's enhance our remarkable place** priorities by:

- Setting out our objectives for efficient and effective use of our property assets in relation to property disposal; and
- Providing a decision-making framework that supports a consistent approach to disposing of property owned by our Housing Revenue Account; takes account of the Council's wider financial objectives; and considers how our land assets contribute more widely to the Council's place shaping responsibilities.

5. Organisational Impacts

5.1 Finance (including whole life costs where applicable)

The extract from the draft Asset Disposal Policy, attached as '**Appendix A**' to this report, provides a means of assisting the Council make consistent decisions regarding disposal of HRA property assets and aims to ensure delivery of value for money to the HRA, tenants and the wider Council.

5.2 Legal Implications including Procurement Rules

The extract '**Appendix A**' seeks to ensure the Council makes decisions to dispose of assets where it can lawfully do so, and supports robust and consistent decision making.

5.3 Equality, Diversity and Human Rights

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

The service has considered E&D implications when compiling the draft Asset Disposal Policy, and an Equality Impact Assessment will be completed when the final draft is complete.

5.4 Human Resources

No HR impacts identified.

5.5 **Land, Property and Accommodation**

The extract '**Appendix A**' has been shared with the Property team, who have provided input into previous iterations of the draft Asset Disposal Policy and will be consulted on the final version in due course.

5.6 **Significant Community Impact &/or Environmental Impact**

The extract '**Appendix A**' seeks to ensure the Council makes asset disposal decisions in accordance with the objectives of its HRA 30-Year Business Plan, which includes decarbonisation. If incorporated into the final Asset Disposal Policy, the extract also requires the Council to consider the wider economic, environmental and social impacts of asset disposal.

5.7 **Corporate Health and Safety Implications**

No health and safety implications identified.

6. **Risk Implications**

6.1 **(i) Options Explored -**

Not having an Asset Disposal Policy is considered to be an unacceptable ongoing risk.

6.2 **(ii) Key Risks Associated with the Preferred Approach**

The extract '**Appendix A**' seeks to minimise risks associated with disposal decisions.

7. **Recommendation**

- 7.1 That the Housing Scrutiny Sub-Committee reviews the draft policy extract '**Appendix A**' and provides feedback that can be incorporated into the final draft Asset Disposal Policy.

Is this a key decision?

No

Do the exempt information categories apply?

No

Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?

No

How many appendices does the report contain?

One (**Appendix A**)

List of Background Papers:

None

Lead Officer:

Michelle Hoyles; Housing Strategy Manager
Email address: michelle.hoyles@lincoln.gov.uk

Appendix A

Extract from Draft Asset Disposal Policy

We will consider the following when we decide whether to dispose of an asset:

- 1. Can the land be disposed of without breaching any legislation, planning restrictions, covenants or other limitations?**
- 2. Does disposal align with the objectives set out in our Housing Revenue Account 30-Year Business Plan?**
 - a) Does the asset meet the council's current or future needs based on property archetype, condition or land use?
 - b) How does the location of the asset relate to the objectives in our Business Plan, and how does retention or disposal assist in progression of its action plan?
 - c) Would disposal of the asset resolve an ongoing asset management problem or issue?
 - d) Is it viable to decarbonise the asset, to align with the Business Plan's commitment to support the council's goal of achieving net zero carbon by 2030?
 - e) Is retention financially viable/sustainable in the short/medium/long term?
- 3. Would the benefits of disposal outweigh the benefits of retention?**
 - a) Could disposal of the asset release funding to reinvest into new or existing housing stock?
 - b) Would our tenants benefit more from disposal and reinvestment, compared with retention?
 - c) Would the timing of the disposal affect the value of the asset, and is now the optimum time to dispose?
 - d) Would disposal of the asset contribute to progression of the council's wider strategic priorities, and would this outweigh the benefits to the HRA of retention?
- 4. Could the asset be repurposed rather than disposed of, to deliver best value to the HRA or General Fund?**
 - a) Is it financially viable to redevelop or convert the asset into general needs housing, temporary accommodation, or housing for older people?
 - b) Could the asset contribute to one of our partner organisations' priorities or objectives, and would this deliver mutual benefits to our residents and neighbourhoods?

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SUBJECT: WORK PROGRAMME - 2024/25

DIRECTORATE: CHIEF EXECUTIVE AND TOWN CLERK

LEAD OFFICER: ALI HEWSON, SENIOR DEMOCRATIC SERVICES OFFICER

1. Purpose of Report

- 1.1 To present Members with the draft work programme for 2024/25 (Appendix A).

2. Background

- 2.1 The draft work programme for 2024/25 has been agreed by the Chair and Vice/Chair of Housing Scrutiny Sub Committee and the Chair of Lincoln Tenant's Panel.
- 2.2 This work programme can be further populated in accordance with Housing Scrutiny Sub Committees requests for topics of discussion and areas of preferred scrutiny. It will be used as a working document and can be added to or amended at members discretion at any time during the 2024/25 Municipal Year.
- 2.3 The work programme includes those areas for scrutiny linked to the strategic priorities of the Council and themed housing matters, to ensure that the work of this committee is relevant and proportionate.

3. Recommendation

- 3.1 That Members note the content of the work programme for 2024/25.

Access to Information:

Does the report contain exempt information, which would prejudice the public interest requirement if it was publicised?

No

Key Decision

No

Do the Exempt Information Categories Apply

No

Call In and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?

No

Does the report contain Appendices?

Yes

If yes, how many Appendices?

1

Lead Officer:

Ali Hewson, Senior Democratic Services Officer

Alison.hewson@lincoln.gov.uk

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Housing Scrutiny Sub Committee Work Programme – Timetable for 2024/25

12 June 2024

CANCELLED

20

Item(s)	Responsible Person(s)	Origin of Request
Lincoln Tenants Panel Update	Mick Barber, Chair LTP	Regular report by MB
Quarter 4 (2023/24) – Performance Report	Michelle Hoyles	Regular Report
Quarter 4 (2023/24) Housing Finance Report	Laura Shipley/Adam Oxley	Regular Report
Policy Updates (TBC)	TBC	Reports as Required
Work Programme 2024/25	Ali Hewson	Regular Report

8 August 2024 – Core Landlord Services

Item(s)	Responsible Person(s)	Origin of Request
Lincoln Tenants Panel Update	Mick Barber, Chair of LTP	Reserved time for LTP topics
Quarter 4 (2023/24) – Performance Report	Michelle Hoyles	Regular Report
Tenant Satisfaction Measures Report	Michelle Hoyles & Denise Raine (Acuity)	Regular Report
Quarter 4 (2023/24) Housing Finance Report	Laura Shipley/Adam Oxley	Regular Report
Income Management and Arrears Policy	Marianne Upton	Policy review
Pets Policy	Marianne Upton	New policy
Neighbourhood Management Policy	Marianne Upton	New policy
Tenancy Services Structure Update	Marianne Upton	Update
Building Compliance Report	Martin Kerrigan	Compliance report
Work Programme 2024/25	Paula Burton	Regular Report

5 September 2024 – Core Landlord Services/Additional Housing

Item(s)	Responsible Person(s)	Origin of Request
Lincoln Tenants Panel Update	Mick Barber, Chair of LTP	Reserved time for LTP topics
Voids Cleansing - Cost Recovery	LTP	Mick Barber, Chair LTP
Quarter 1 (2024/25) – Performance Report inc ASB update	Michelle Hoyles	Regular Report ASB at request of LTP/Members
Quarter 1 (2024/25) Housing Finance Report	Laura Shipley/Adam Oxley	Regular Report
Housing Management Structure Updates	Paula Burton	Update
Downsizing Policy and Update	Marianne Upton	New policy
Briefing on Right to Buy and Section 106 Funds	Andrea Ripley	Requested by HSSC
Work Programme 2024/25	Paula Burton	Regular Report

Updated July 2024

31 October 2024 – Core Landlord Services/Estate Regeneration

Item(s)	Responsible Person(s)	Origin of Request
Lincoln Tenants Panel Update	Mick Barber, Chair of LTP	Reserved time for LTP topics
Reasons for performance down turn and targets being missed”, “action plans and activity to redress”	Jo Crookes, Customer Services Manager	Requested by members: HSSC 5 September 2024
Tenant Satisfaction Measures – Quarter 2 Performance	Michelle Hoyles	Regular Report
Anti-Social Behaviour Update	Marianne Upton/Ben Jackson	Update
Unacceptable Customer Actions Policy	Emily Holmes/Jo Crookes	New
Remedies Policy	Emily Holmes/Jo Crookes	New
Estate Inspections	Marianne Upton	Regular report
Estate Regeneration Investment Programme	Marianne Upton/Kevin Bowring	HRABP
Housing Management Structure Update	Paula Burton	Requested HSSC 5 Sept 2024 Verbal Update
Work Programme 2024/25	Paula Burton	Regular Report

25 November 2024 – Core Landlord Services

Item(s)	Responsible Person(s)	Origin of Request
Quarter 2 (2024/25) Performance Update inc ASB update	Michelle Hoyles	Regular Report ASB at request of LTP/Members
Quarter 2 (2024/25) Housing Finance Report	Laura Shipley/Adam Oxley	Regular Report
Acquisition, Disposal and Land Use Strategy Update	Andrea Ripley	New Strategy
Asset Disposal Policy Update	Andrea Ripley	New Strategy
Downsizing Policy Update	Paula Burton	Requested by Members HSSC 31 Oct 2024
Work Programme 2024/25	Paula Burton	Regular Report

6 February 2025 – Core Landlord Services/Decarbonisation

Item(s)	Responsible Person(s)	Origin of Request
Lincoln Tenants Panel Review Update Report	Mick Barber, Chair of LTP	Reserved time for LTP topics
Building Compliance 6 monthly update (3 of 6 Key Areas)	Martin Kerrigan	HSSC – 8 August 2024
Tenancy Agreement Update	Marianne Upton	Policy report
Update on Garages-Rents/Vacant/Unused/ Repairs/Lost Revenue/Future Planning	Paula Burton	Requested at HSSC 31 Oct 2024
Rent Increase Update	Jordan Allmond	Regular report
Work Programme 2024/25	Paula Burton	Regular Report

17 March 2025

Item(s)	Responsible Person(s)	Origin of Request
Lincoln Tenants Panel Matters	Mick Barber, LTP	Regular Update
Quarter 3 (2024/25) – Performance Report-Inc ASB	Yvonne Fox	Regular Report Quarterly ASB at request of LTP/Members
Quarter 3 (2024/25) Housing Finance Report	Laura Shipley/Adam Oxley	New Regular Quarterly Report
Setting of Performance Targets 2025/26	Daren Turner	Annual Review
Policy Updates (TBC)	TBC	Reports as Required
Report from PH Cllr Nannestad to Performance Scrutiny Committee	Cllr Nannestad	Annual Report
Work Programme 2025/26	Paula Burton	Regular Report

Other Agenda topics to be scheduled into 2025/26 as appropriate.

- Complaints
- Lincoln Standard
- Estate Regeneration Investment Programme 6 monthly update

Topics Covered by All Member Briefings

- Allocations Policy Review Paula Burton Date TBC
- Tenancy Agreement -Marianne Upton Date TBC
- Caretaking Review - Marianne Upton, Amy Larder Date TBC

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