

**BOROUGH OF KETTERING**

**EXECUTIVE COMMITTEE**

**Meeting held: 20<sup>th</sup> September 2017**

**Present:** Councillor Russell Roberts (Chair)  
Councillors Lloyd Bunday, Mark Dearing, David Howes,  
Ian Jelley, Mark Rowley and Lesley Thurland

**Also Present:** Councillors Maggie Don, Anne Lee, Clark Mitchell and  
Mick Scrimshaw

**17.EX.18     APOLOGIES**

None

**17.EX.19     DECLARATIONS OF INTEREST**

Councillors Dearing and Howes declared personal and pecuniary interests in Agenda Item 11.

**17.EX.20     MINUTES**

**RESOLVED** that the minutes of the meeting of the Committee held on 26<sup>th</sup> July 2017 be approved and signed as a correct record.

**17.EX.21     WORK PROGRAMME**

The Council's draft work programme published on 15<sup>th</sup> September 2017 was noted.

**17.EX.22     MAINTAINING A DURABLE BUDGET**

A report was submitted which:-

- a) Reminded Members of the context/background to the council's budget and Medium Term Financial Strategy;
- b) Considered updates/amendments to the council's suite of budget guiding principles;
- c) Provided a revised medium term budget model illustrating the levels of savings that may be required over the coming years and highlighted the significant financial challenges facing the Council;
- d) Sought formal approval to a number of budget virements (in accordance with the requirements of the Council's Constitution); and
- e) Provided an update on the national funding position regarding Business Rates and associated issues.

It was noted that the Council had utilised four sets of "guiding principles" over recent years which had served the authority well during testing financial challenges. However, these principles had remained unchanged for some time and the Executive Committee had previously expressed an interest in reviewing them. The Committee was presented with two distinct groupings of principles; Financial Golden Rules and Financial Guiding Principles and the content of these was outlined in the officer report.

It was reported that the Council's General Fund was broadly on target, although there remained certain areas of volatility. It was noted that significant efficiency savings achieved to date would be more difficult to maintain going forward. The Housing Revenue Account was £100,000 over budget due to a reduction in income as a result of higher void property times. There was an aim to reduce void times and this would be closely monitored. A number of virements required approval to the Capital Programme and these were outlined to the meeting.

In relation to Business Rates (BR), the government had recently issued a prospectus to allow bids to form part of a pilot BR retention scheme. Bids to be part of the scheme were required by 27<sup>th</sup> October, with all authorities in the county needing to agree to form part of the scheme. An agreed position for all the authorities involved would be required in regards to any BR growth. It was noted that significant benefits could be obtained from partaking in the scheme and more information regarding a potential bid would be submitted to members prior to the October deadline.

Cllr Mick Scrimshaw addressed the Committee and queried a number of adverse variants within the General Fund budget. It was noted that there were also a number of positive variants and commercial investments that did not appear in the figures provided that would allow the budget to be delivered on target.

During discussion it was considered that although the guiding principles and Golden Rules had been beneficial for the Council, now was a suitable time to revisit them to ensure they continued to offer a flexible, robust framework to work within. Although there remained questions around BR retention, it was positive that the council was seeking to form part of the pilot scheme.

**RESOLVED** that the Executive Committee:-

Approved

- a) The revised Guiding Principles as set out in paragraph 2.7 of the officer report;
- b) The Capital Virements as set out in Table 5 of the officer report; and

Noted

- c) The updated Medium Term Financial Strategy and the estimated level of savings required in the medium-term; and
- d) The recent developments regarding Business Rates and the development of a draft 'pilot' proposal.

**17.EX.23 PRIVATE SECTOR HOUSING ENFORCEMENT POLICY**

A report was submitted which sought member approval of proposed changes to the Private Sector Housing Enforcement Policy in the light of recent and forthcoming legislative changes.

The meeting heard that the existing Private Sector Housing Enforcement Policy had recently been reviewed and a number of changes were proposed to areas of the policy as listed below:-

- Introduction of charges for Housing Act 2004 notices;
- Recovery of costs for works undertaken in default of statutory notice;

- Issuing penalties under the Smoke and Carbon Monoxide Alarm Regulations 2015;
- Issuing penalties under the Redress Schemes for Lettings Agency Work and Property Management Work;
- Introduction of powers to prevent Retaliatory Eviction under the Deregulation Act 2015;
- Complaints about disrepair from tenants, from tenants of housing associations and owner occupiers; and
- Emergency Remedial Action under the Housing Act 2004

Members heard that there had been a number of significant changes to the environment in which private sector housing services were delivered, with further government guidance anticipated in relation to Houses of Multiple Occupation (HMO) later in the year.

It was noted that revenue generation was not the aim of the proposed amendments to the policy; rather they should be seen as encouragement to landlords to engage with the council in regard to their statutory duties.

Cllr Scrimshaw addressed the Executive and welcomed the report and its proposals. He queried the number of HMO's in the Borough and whether Council figures were accurate. Cllr Scrimshaw also enquired as to where any income from fines would go and how much was anticipated to be raised.

It was heard that intelligence regarding HMOs came from a number of sources, with KBC figures considered to capture the bulk of such dwellings. Any income derived from fines would go into the Council's General Fund, although no estimate had been provided as to levels of income as that was not the aim of policy amendments as outlined above.

During discussion members requested that penalties issued under the Smoke and Carbon Monoxide Alarm Regulations should not attract a discount of 50% for early payment due to the serious nature of the issue.

**RESOLVED** that the Executive Committee agreed to adopt the draft Private Sector Housing Enforcement Policy subject to an amendment to remove the early-payment reduction for penalties issued under the Smoke and Carbon Monoxide Alarm Regulations 2015

*(Councillors David Howes and Mark Dearing left the room prior to discussion of this item.)*

## **17.EX.24      KEYWAYS HOUSING ALLOCATIONS SCHEME**

The Committee was presented with a report which sought approval to a number of amendments to the Keyways Housing Allocations Scheme that had recently undergone review.

It was noted that the scheme was reviewed on an annual basis to ensure it remained relevant in meeting local housing needs and responded to changes to the legal framework governing the allocations of social housing.

Changes to the local housing market were detailed to the meeting who noted that private sector rents were increasing rapidly, with Local Housing Allowance (LHA) frozen until 2020 creating a greater disparity between payments and rents charged. As a result there had been a significant increase in evictions by private landlords combined with a reduced supply of social housing. This inevitably led to an increase in homeless applications and the number of households placed in temporary accommodation.

Amendments to the scheme included the following:-

- A full review of the document reducing its length and ensuring it was presented in a more logical, streamlined and easy to understand manner;
- Handling of Keyways applications from statutory homeless households;
- Clarified the definition of a child;
- Changes to some Band A and Band B criteria relation to medical grounds;
- Changes to overcrowding policy; and
- Removal of some priority bands

The Committee noted that the two main changes related to the streamlining of the scheme itself and the handling of applications from statutory homeless households. The previous version of the Keyways scheme prevented those with housing related debt from accessing the scheme. This had resulted in a number of households unable to access either the private rented sector or social housing, leaving KBC with no option but to house them in temporary accommodation. This barrier would be removed if households demonstrated that they were engaging with the council to try and reduce their debt levels.

Councillor Maggie Don addressed the Committee and requested that efforts be made to lobby government for movement in the freeze on LHA rates which would make an already difficult challenge worse in future. Cllr Don also queried the sense in housing statutory homeless applications in temporary

accommodation given the cost implications and asked for more detail on changes to the overcrowding policy.

In response it was noted that government lobbying was being undertaken on the issue of LHA rates, use of temporary accommodation for statutory homeless households was a result of not just housing debt but also lack of appropriate accommodation especially for families. In regard to the overcrowding policy changes, an email would be issued to Cllr Don with full details.

During discussion, details of the Council's Social Inclusion Team and tenancy support work were outlined to the meeting.

**RESOLVED** That the Executive Committee agreed to adopt the revised Housing Allocation Scheme.

**17.EX.25 SCOTT ROAD AND ALBERT STREET GARAGE SITES – NEW BUILD COUNCIL HOUSING**

The Committee was asked to consider a proposal to develop Scott Road and Albert Street garage sites for affordable housing.

It was heard that although national policy for local authorities in relation to building homes was still challenging, following the completion of new council houses at Laburnum Crescent, the council had examined land holdings on council estates to ascertain whether there were any other development opportunities available. At the same time, the Council had been offered the opportunity to work with Westleigh Homes, who had secured a grant from the Homes and Communities Agencies, which, for the Scott Road site referred to below, meant a subsidy of £30,000 per unit. This in turn had made it worthwhile investing in this scheme, despite the wider policy constraints on a house building programme.

Of the sites available, two were the most promising; Scott Road where there was a proposal to build a mix of 21 properties and Albert Street which would see six 1-bed bungalows constructed. The report highlighted the current funding position and how to progress the identified sites. Upon Committee approval, officers would undertake additional work in order to submit more detailed proposals to the Committee later in the year.

Councillor Mitchell addressed the Committee and commended

the proposal and asked whether there was scope for additional construction on other garage sites.

In response it was heard that although there was scope for additional construction elsewhere in the Borough, not all the sites were considered viable on economic grounds. The two sites before members were considered to be the most advantageous sites for construction.

Councillor Mick Scrimshaw addressed the Committee and also commended the proposals. He asked whether the Council would be seeking to work with those tenants that rented garages on the proposed sites.

It was heard that all those renting garages at affected locations would be offered alternative provision elsewhere.

During discussion it was considered that the application was a positive step, however more work needed to be done with regard to government lobbying to make such construction easier for local authorities to undertake.

**RESOLVED** That the Executive Committee endorsed the proposals for Scott Road and Albert Street as set out in the officer report and authorised officers to undertake detailed financial modelling for both schemes.

## **17.EX.26 LOCAL COUNCIL TAX SUPPORT**

A report was submitted that asked the Committee to consider the future of the Local Council Tax Support Scheme (LCTSS).

Members were presented with an outline of the history of the scheme since its adoption in April 2013. It was noted that in previous years the Council had undertaken extensive public consultation in relation the scheme. Similarly, a formal consultation would be required should the Committee wish to consider options that differed from the existing scheme.

The Committee heard that levels of support available to members of the public had increased year on year through the Council's social inclusion team, tenancy support and in association with the Credit Union. Although steps put in place to assist vulnerable customers had had a positive impact, the number of customers requiring assistance continued to rise.

The meeting noted that the impact in the reduction of government funding had implications for the future of the scheme. If the Council's previous guiding principles were applied, a taper rate of 74% would be required in order to address funding shortfalls of £113,000. Such a taper rate would result in additional hardship to customers and have a detrimental impact on collection rates. It was considered that such an increase was unacceptable and any increase in the taper rate would have an adverse impact on collection rates, increase the workload of the social inclusion team and have a negative impact on the rent account.

The Committee was reminded that there was no statutory obligation to undertake a public consultation should the scheme remain the same, however, should a consultation be undertaken, a decision would be required as to the options for consideration.

Councillor Scrimshaw addressed the Committee and stated that the Labour group would argue that the taper rate for the LCTSS should be set more in line with the national average, pointing out that even retaining a 45% taper rate would leave Kettering as the highest charging authority in the country.

During discussion members considered an option to retain the existing taper rate of 45% noting that the KBC element of Council Tax had not been increased for several years. In addition it was considered that an option of retaining the taper rate for a period of two years could provide more financial certainty in relation to the scheme.

**RESOLVED**

That the Executive Committee:-

- a) Noted the contents of the report;
- b) Considered that their preferred option was to continue the scheme that has operated in 2017/18 for 2018/19 (i.e. a taper of 45%);
- c) Determined that a consultation exercise was required on the basis of remaining at a taper rate of 45% and consult on whether the taper agreed be for one (2018/19) or two years (2018/2020).

*(The meeting started at 6.30 pm and ended at 7.42pm)*



*Signed* .....  
*Chair*

DJP