



Minutes of the meeting of the MILTON KEYNES COUNCIL HOUSING FORUM held on THURSDAY 17 NOVEMBER 2006 at 6.00 PM to discuss rent options for 2007/2008 and the capital works programme.

Members

- Present:**
- Eamonn Bobey(Chair) - Netherfield Residents Association
 - Jeanette Marling - Lakes Residents Association
 - George Byfield - Conniburrow Community Association
 - George Farran - Fishermead Residents Action Group
 - Janette Bobey - Netherfield Residents Association
 - Margaret Burke - Bradville North End Residents Association
 - Nellie Farran - Lords Close Residents Association
 - Charles Allum - Great Linford Parish Council (Downs Barn)
 - Fred Smith - Greenleys Residents' Association
 - George Chennell - Fenny Stratford Residents Association
 - Geoff Woolmore - Woughton Parish Council (Beanhill)
 - Hazel Taylor - Greenleys Residents Association

- Others:** Councillor I Henderson - Milton Keynes Council

- Also Present:** Councillor A Latham - Milton Keynes Council

- MKC Officers:**
- Pam Wharfe - Director of Housing Services.
 - Simon Aslett - Tenant Participation Manager
 - Caroline Chandler - Finance Manager
 - Michael Toze - Committee Manger
 - Paula Mason - Tenant Participation Officer
 - David Siddals - Service Delivery Manager
 - Mat Bishop - Asset & Performance Manager
 - Anthony Hodson-Curran - Assistant Director of Housing

1.0 RENTS & CHARGES LEVELS 2007/8

ACTION

The Finance Manager presented a report on the rent increases for the financial year 2007-8.

The Housing Forum noted that the table at 6.1 setting out the levels of increase for future years was for illustrative purposes only, and based on the information available now. Various factors could change, including the level of convergence set by the government. The table at 5.1 showed what would happen to the reserves if higher rent increases were agreed.

G Byfield disagreed that the government was forcing councils to raise rents. He noted that the government wanted councils to be more

rents. He noted that the government wanted councils to be more efficient and suggested this could best be served by removing consultants. He also felt the decision reached on this issue 3 years ago was being ignored.

The Finance Manager noted that the £6 million reserve figure set out in 3.2 would be what was left at the end of the year. Capital improvement funding would come from this. The level of capital was largely irrelevant to the rent increase, as the rent increase was necessary to meet government convergence criteria, although a higher increase now would provide more capital up-front. The figures were based on the best information available at the time.

Forum Members noted that as the convergence criteria could change, even if a larger rent increase was agreed this year, there was no guarantee of a lower rent increase next year. Therefore it was felt that rent increases this year should be at the lowest level. It was asked whether the Forum had ever seen a copy of the government convergence criteria.

The Finance Manager noted that the convergence criteria were rather technical, and as far as she knew had not been brought to the Forum. The Assistant Director of Housing noted that the convergence criteria did not set out an exact level of rent increases per year, but did force an overall increase, which had to be introduced smoothly without causing unnecessary hardship. He noted that the convergence criteria were available through government websites and he would distribute the link.

**A
Hodson-
Curran**

Forum Members expressed concern that it was proposed that garage rents should remain static for the second year running. In many cases they were rented by home-owners, and council tenants should be not subsidising home-owners. They did not feel council garage rents were higher than private garage rents, and where garages were used for storage they were much cheaper than other storage options. Hard-to-let houses did not get rent discounts, so hard-to-let garages should not get rent discounts either. The problems with renting garages should have been looked at previously. However, Forum members expressed support for certain types of flexibility in garage rents, for example where garages were used for storage.

The Assistant Director of Housing noted that surveys of customers and potential customers had shown that rent levels were putting people off renting garages. There were too many empty garages, which led to lack of investment, and derelict garages led to antisocial behaviour and other problems. Council tenants did not have to pay VAT when renting Council garages, unlike those from the private sector. It was in tenants' interest to let more garages as it would bring more income into the Housing Revenue Account. He would bring more detailed figures on garages to a future Forum meeting, including details of how many garages there were, how the rents compared to the private sector, how much lettings had dropped off, what percentage were let to council tenants and what percentage to the private sector. The report would also include options for increasing profitability of garage rentals, including possibly bringing in an outside contractor to manage garages.

**A
Hodson-
Curran**

The Director of Housing noted that shared owners were always one year behind tenants in rent increases. This was the law and could not

be changed.

Members of the Forum asked how much of the income from rent went to HBS. The Assistant Director of Housing answered that all housing services bought in from HBS, including central finance, the repairs and maintenance services and human resources, came from the Housing Revenue Account.

I Henderson noted that the Council had done its best to plan in advance how to meet the convergence criteria, ever since they were introduced some years ago. Last year tenants had been informed that the rise would be at least 2.65% and the changes to government criteria had forced that to rise to 2.86%. This was well below the government recommended 5% increase, and also below the level of inflation.

Forum members noted that there should be more effort to keep new tenants informed of issues discussed by the Forum previously.

Cllr I Henderson noted that Milton Keynes Council had passed a resolution objecting to the amount paid back to the government in housing subsidy. However, it still had to be paid.

Three proposals were made by Forum Members:

- That a 2.86% housing rent increase be recommended to Cabinet
- That a 1.4% housing rent increase be recommended to Cabinet
- That a 2.86% housing rent increase be recommended to Cabinet, with a 1.4% increase for garages.

The Director of Housing noted that a 1.4% increase to housing rent would lead to severe cuts in service.

The Assistant Director of Housing noted that he still believed garage rents should not be increased. However, a minimal increase was unlikely to have a large impact, particularly if flexibility in garage rent options continued.

RESOLVED –

1. That the report be noted
2. That a rent increase of 2.86% for housing tenants and 1.4% for garages be recommended to Cabinet for adoption.

2.0 CAPITAL PROGRAMME 2007/8

ACTION

The Asset & Performance Manager presented the proposed Capital Works Programme 2007/8. He noted that so far 360 kitchens and 144 bathrooms had been installed, and 437 electrical tests had been carried out. 60 properties had refused access. Only 8 complaints had been logged in six months and customer satisfaction was high.

There were forecasted overspends this year on heating replacements, structural works and urgent failing components. All of these were urgent health and safety works, and had to take priority over decent homes work. Because of this, some decent home improvements could be delayed until the start of the next financial year.

Forum members expressed concerns about a particular case where a

M Bishop

tenant had been listed as a refusal. The Asset & Performance Manager would investigate the details of this. He noted that data on reasons for refusal of access had been collected and would be passed on to the Forum.

The Service Delivery Manager noted that Apollo's performance as a contractor was good. However, Apollo was employed on a contract that was less favourable to the Council than MITIE's, and so savings made by Apollo did not get passed back to tenants.

Forum members expressed concern about the frequency of electrical tests. The Service Delivery Manager noted that there was no legal requirement to do electrical tests at particular intervals, though it was recommended that they be carried out every ten years. Under the Decent Homes programme electrical testing was being done in a more scheduled manner and modern wiring was being installed where appropriate.

Forum members noted that Lakes Estate residents had not received letters notifying them of programmes of works, and letters had not been sent to try and gain access. Of letters that were received, some had the wrong dates. The Asset & Performance Manager noted that as far as he was aware initial letters had gone to the Lakes Estate but no attempts to gain access had been made yet. There had been problems with letters in previous years but that had been addressed and he had not been aware of current problems. He would investigate.

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Forum members expressed concern about properties without wall ties. The Service Delivery Manager noted that there were a number of properties with this problem, or with other structural issues. The Decent Homes programme should pick up obvious structural problems and would fix them as needed. The Service Delivery Manager would investigate specific details of any cases passed on to him.

D Siddals

Forum members asked if the figure budgeted for asbestos works took into account the savings from encapsulation rather than removal. The Asset & Performance Manager answered that the figure did take the savings into account, and money saved would be used for other aspects of asbestos treatment. Any damage caused by asbestos contractors, including damaged drives etc. should be repaired.

RESOLVED –
That the report be noted.

THE CHAIR CLOSED THE MEETING AT 19:45 PM. THE MAIN HOUSING FORUM MEETING THEN FOLLOWED.