

My Ref: Scrutiny/Correspondence/Cllr McGarry

21 July 2017

Councillor Lynda Thorne  
Cabinet Member Housing & Communities  
County Hall  
Cardiff  
CF10 4UW



Dear Lynda

**Community & Adult Services Scrutiny Committee – 19 July 2017**

As Chair of the Community & Adult Services Scrutiny Committee, I wish to thank you and officers for providing the Committee with an opportunity to consider the Housing Revenue Account (HRA) Business Plan 2017-18. Members discussed your report at the end of the meeting and have asked that I pass on their comments and observations for consideration by the Cabinet at their forthcoming meeting.

Firstly, the Committee wishes to compliment you on the work in hand to deliver a further 1,000 council houses in the next 5 years as a part of the Capital Ambition. Members consider your report and presentation signalled very positive and exciting news for the City. We were particularly excited to hear about alternative housing solutions that you are proposing to pilot. You referred specifically to temporary timber-framed container living properties that would allow the Council greater flexibility, given their capacity to be moved and re-erected three times. We feel such exploration of different types of property would be an interesting topic for our forthcoming work programme, and, as such, will factor it into our current work programming discussions.

The Committee is concerned that in agreeing the principle of moving General Fund land or property, suitable for the development of new council housing, from the General Fund into the HRA, there should be transparency in the in-house market valuation of land and property. We accept that in the past such an approach has delivered huge benefits. We are pleased to hear that the policy to consider suitability for housing development first, before selling, will not automatically lead to a transfer between funds, but will simply ensure the housing option is considered.

Given widespread national concern, Members are reassured to hear that sprinklers will be automatically fitted into all new build properties. Officers indicated that the Council is currently considering the retrofitting of sprinklers into high-rise blocks, bearing in mind the level of tenant disruption this would cause. We are therefore minded to request a further update at an appropriate point, focussed on the retrofitting of sprinklers in high-rise blocks.

The Committee is aware that in buying itself out of the UK Government Housing Revenue Account Subsidy system the Council is £2million better off and are seeking reassurance that this saving is reflected in the financial model of the plan. We were

therefore pleased to hear that £2m has been added to the HRA to buy back properties, and were reassured that officers consider the financial model is sound, however not too optimistic.

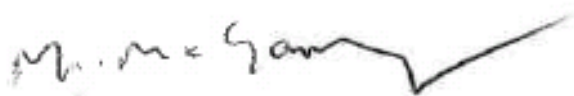
Finally, in addressing the level of housing need due to insufficient stock, the Committee notes that you will not be averse to the buy back of up to 20 ex-council houses on the open market, particularly where they satisfy the existing need for large family homes that are unlikely to be a part of a new build scheme. We are interested in the challenge of balancing economic viability against liveability/quality of life for Council tenants, and to that end would welcome an opportunity for fuller consideration of the viability test you mentioned. We may programme a further look at how savings will be applied to rebalance the supply of properties to better fit housing needs, for example the refurbishment of one bed/large bathroom units attractive to single tenants currently occupying family homes.

*To recap the Committee:*

- Is interested to explore further the alternative solutions for addressing housing need, and will factor this topic into our current work programming discussions;
- may request a further update on the retrofitting of sprinklers in high-rise blocks, at an appropriate point;
- would welcome an opportunity for fuller consideration of the viability test, and may programme a further look at how savings will be applied to rebalance the supply of properties to better-fit housing need.

Once again, thank you for attending committee and offering an opportunity for pre-decision scrutiny of the proposed HRA Business Plan. Several areas of interest have been factored into our future work programming and as such, this letter does not require a response.

Yours sincerely,



**COUNTY COUNCILLOR MARY M<sup>C</sup>GARRY**  
**Chairperson - Community & Adult Services Scrutiny Committee**

Cc:	Sarah McGill	Director of Communities, Housing & Customer Services
	Jane Thomas	Assistant Director, Housing & Communities
	Colin Blackmore	Building Improvement Manager
	Liz Patterson	Personal Assistant
	Joanne Watkins	Cabinet Business Manager
	Naomi Evans	Cabinet Office