

MINUTES OF THE MEETING OF THE FINANCE & PERFORMANCE SCRUTINY PANEL HELD ON THURSDAY, 7TH MARCH, 2024

MEMBERS: Councillors: Nawshad Ali (Chair), Sabri Ozaydin (Vice Chair), Hannah Dyson, Thomas Fawns, Paul Pratt, and Julian Sampson.

Officers: Joanne Drew (Strategic Director of Housing and Regeneration), Claire Eldred (Head of Finance), Olga Bennet (Director of Finance: Capital & Commercial), Jon Sharkey (Head of Public Realm Services), Sarah Gilroy (Policy and Performance Manager), and Harry Blake-Herbert (Governance Officer).

Also Attending: Cllr George Savva (Cabinet Member for Social Housing), Cllr Ergin Erbil (Deputy Leader of the Council), and press.

1. WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were received from Cllr Ayten Guzel, and Cllr Alessandro Georgiou who was substituted by Cllr Hannah Dyson.

2. DECLARATION OF INTEREST

Cllr Sabri Ozaydin stated that he was a Director of Housing Gateway Ltd.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on Tuesday 16 January 2024 were **AGREED**.

4. TEMPORARY ACCOMMODATION AND HOUSING REVENUE ACCOUNT BUDGET OVERVIEW

Joanne Drew introduced the key aspects of the report. The context, budgetary pressures, causes, and impacts of temporary accommodation and homelessness in the borough were outlined; as were the Council's strategies and solutions to address/ mitigate them, and support residents. Additionally, the background, costs, effects and performance of the repairs and maintenance service; as well as disposals and available grant funding for development associated with Enfield's social housing service and the housing revenue account budget, were highlighted.

Cllr Savva thanked the Director and associated officers for all of their work in ensuring that the Council continues to provide quality accommodation for residents, highlighting that 81.25% decency had been achieved. He

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emphasised the need to build affordable housing quickly to address the issue of homelessness nationally, and appealed to the government for their help in pursuit of this.

Cllr Erbil added his thanks to officers for their work in this matter, and reiterated the size of the challenge temporary accommodation and homelessness posed both in the borough and nationally. He highlighted that 2000 families in Enfield faced Section 21 notices in the last 5 years, and implored the government to outlaw no fault evictions.

In response to Members queries regarding the need for more affordable housing, officers advised that the Local Plan estimates the borough's housing need over the next 20 years to be 39,000 new homes. Meridian Water was described as an important part of delivering this, with another 100 homes anticipated to be handed over in the next few months, but it was only one element of a larger strategy. Joanne expressed that there had been a complete slowdown in the delivery of all housing development schemes nationally due to the volatile economic environment. She highlighted that the Council's attempts to enter contracts in development schemes had found prices coming back at 40% over budget, and partners were unwilling to accept any of the associated risk, thus it was uneconomic and impractical to build. It was explained that the market was starting to see more stability, but costs were still high, and grant levels were not sufficient to bridge the viability gaps; a scheme at Upton and Raynham was given as an example of shortfall. Cllr Erbil added that Meridian Water was a 25-year project, one of the largest schemes of its kind in the country and the Council were dedicated to building more affordable housing; hence had made themselves the master planner. He described how 400 families were approaching Enfield Council in a month regarding housing.

In response to Members' questions and comments relating to moving money from temporary accommodation to building more homes, officers responded that their accommodation strategy to avoid placing people into hotels involved actively looking across the country at good value homes which would be suitable for residents. Joanne explained that it was simply unaffordable for many Enfield residents to live in London any longer, and they had to be realistic about what was affordable, otherwise residents would come back to the council as homeless and need rehousing again in the near future. She added that they were actively lobbying government, with a small increase in councils' flexibility to use right to buy receipts, whereby 50% of receipts could be put to a development scheme (up from 40%), to make them more viable, being announced in the budget. Officers conveyed that temporary accommodation was revenue funded, whereas building was capital funding, and while borrowing could be funded to invest in council homes, they could not build quickly enough to address the pressures, so had to pay the costs of both in the intervening period. Olga Bennet added that they were looking at capital solutions to own more of the temporary accommodation stock, with a £30m delegation budgeted to review capital solutions more quickly, although there had been a rise in costs due to changes in the private rented sector.

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In response to Members' enquiries regarding what affordable housing in Enfield offered, officer replied that social housing and affordable housing rents were around half the rents of the private rented sector, so were better value for money, generally affordable and covered by the benefit regime. However, they could not produce enough to meet the needs of residents, so had to rely on the private rented sector and were trying to expand their portfolio but outside of London. Cllr Erbil expressed a hope that future governments would allow some devolved powers to deliver a rent cap.

In response to Members' questions relating to lifts in council housing blocks, officers advised that it was a challenging issue, with over 200 lifts in council blocks in the borough. Joanne described that they were undergoing a process of replacement, but lifts were still breaking down and required regular maintenance and safety checks. She explained that they had replaced a previously underperforming lift contractor and couldn't easily obtain replacement parts. It was expressed that an improvement plan was being worked on, that they were measuring lift outages and were working hard to have all lifts in use as much as possible. Joanne confirmed the open procurement process and that advisors assessed the value for money and quality of the goods and delivery, but anti-social activity did sometimes occur which had caused problems.

In response to Members queries relating to property quality/ standards inspections, officers responded that they had a property standard which informed landlords as to the condition and standards properties are expected to meet. Properties were said to be inspected and landlords must provide evidence of compliance, for example gas certificates. It was conveyed that when repair requests were received relating to damp and mould, the council progress those as a priority, and recharge the landlord. Temporary accommodation was being moved to the Housing Gateway which would be resourced to undertake more property checks, and save the housing benefit costs, which could be used to ensure a better-quality service.

In response to Members' questions and comments regarding pre-emptive strategies, officers replied that there was an Empty Homes Week national campaign designed at bringing empty homes in the private sector back into use. Joanne expressed that Enfield offered advice and support incentives to homeowners of empty properties who were struggling to bring the property into use. The council could do the works and if the homeowner allowed it to be let through Enfield Lets for a homeless family for 5 years, they wouldn't need to pay back those capital costs. Forty properties were said to have been brought back into use this year through that initiative. Home sharing was said to be another scheme whereby, in partnership with Age UK, underoccupied homes of elderly people could be shared with younger people in return for support for the resident. Homeowners could also rent rooms in their homes, for which there were good tax incentives available. Olga Bennet added that properties which remained unoccupied for 2 years were charged twice the normal council tax rate, which would be reduced to one year from 2024. If empty for more than 5 years the council tax rate charged would be threefold and if empty for 10 years, four times the council tax rate. Joanne described a

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Homes for Ukraine type scheme as needing processes to manage safeguarding issues which could be tackled at a national level, but something they would happily support and administer.

In response to Members' enquiries relating to subsidy loss, officers advised that there would be less subsidy loss once the temporary accommodation stock had been transferred into Enfield Lets; this was described as a forward-thinking approach which worked for all involved parties. The housing subsidy shortfall which had built up over the past 12 years had put pressure on councils.

In response to Members' questions regarding council performance in rent arrears collection, officers clarified the change in policy to move to their statutory duty. Joanne highlighted the importance of tenants paying their rent regularly and in full and that if they were in difficulties, they should speak to the council about getting a repayment plan. In the case of residents who choose not to pay, officers were more quickly intervening to convey to them that if they didn't pay, the council would end its duty to accommodate them, as was in line with statute, to allow for the provision of support to all residents. Enforcing the rent policy at an early stage also helped to prevent residents getting into high levels of debt which become unmanageable for them; this combined with being honest and transparent with residents so that they understand the reality of situation, was leading to improved payment.

In response to Members queries regarding how low-income families who were behind/ unable to pay their rents were supported, officers replied that they accelerated their Home Office cases to get them settled, to determine whether they could claim their rights and benefits, then looked for the cheapest form of accommodation available to them, and this process was reducing their case load.

In response to Members' questions and comments relating to homelessness duty, officers advised that they worked with affected households preventatively to try and get them private rented tenancies that they can afford with their settled status, likely in more affordable areas of the country. As these households have no local connection accommodation rights, there is more flexibility in how they are accommodated. Joanne added that there was a service provided by BEAM which offered additional support, including translations and access to employment and housing.

5. QUARTERLY REVENUE MONITORING REPORT

Olga Bennet introduced and highlighted the key aspects of the report, including but not limited to: efforts to preserve risk reserves, and the main areas of and measures to reduce the overspend.

In response to Members' enquiries regarding the impact of additional adverse variances on reserves, staff turnover in children's services and capital receipts, officers responded that there were always risks of adverse variances. They were being transparent that the situation could change, and

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further details of these potential variances could be found in an appendix to the report. On the issue of staff turnover, it was said that this would be best answered by the relevant Executive Director, but assurances were made that there was support available to staff in this area with training courses, oversight time with managers and a Microsoft co-pilot AI trial to reduce the burden of additional administration. Olga expressed that Claverings would be the major capital receipt next year. Cllr Erbil added that there was an item on disposals for agreement at next week's Cabinet meeting.

In response to Members' questions relating to reserves and contingency funds, officers replied that there was an ongoing budget for contingencies, with £3m built in for 2023/24, there would be built in budget contingencies next year as well, and there were built in contingencies for risk reserves this year.

In response to Members queries relating to on-street parking and enforcement receipts, officers advised that these were governed by strict legislation, and so income could not be increased. Cllr Erbil added that he had raised the issue of parking enforcement with the new Executive Director of Environment and Communities and hoped there would be improvements with the service soon.

6. QUARTERLY CAPITAL MONITORING REPORT

Olga Bennet introduced and highlighted the key aspects of the report, including but not limited to an update on recent revisions and variances to the capital budget.

In response to Members' questions and comments regarding how many months the £2.8m of £6.5m full year forecast capitalised staff costs had been recharged covered, officers responded that this was up to period 8.

In response to Members' enquiries relating to the release of Meridian Water housing, Cllr Erbil and officers replied that 20 units had already been delivered, with 100 more homes due to be released between May and June 2024. These were large family homes, some of which were specially adapted for those with disability, thus were of quality and addressed the needs in the borough. Cllr Erbil added that lots of the council borrowing was long term, locked in at low interest rates, and represented investments.

In response to Members' questions regarding capital investment schemes, officers advised that there was a 3,500 council homes building programme, including Joyce & Snells estate regeneration; they were also working with housing associations, building sector SMEs and faith groups on other housing schemes. Olga Bennet highlighted educational investments, with £14m spending forecast for this year, including building a new sixth form building in Winchmore School. Cllr Erbil raised the value of wetlands, parks, woodlands, and sustainable transport projects in the borough.

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7. QUARTERLY PERFORMANCE MONITORING REPORT

Sarah Gilroy introduced and highlighted the key aspects of the report, including but not limited to: an update on key performance indicators relative to council targets.

In response to Members queries, officers responded that metrics regarding the satisfactory closure of MEQs was something they could look to include. Cllr Erbil added, the quality of responses to MEQs had also been raised at a recent Overview & Scrutiny Committee and the new Head of Customer Solutions would be looking at this. It was conveyed that councillors also had a responsibility to close MEQs. Sarah Gilroy advised that metrics regarding planning enforcement were tracked at departmental management meetings and was information they could look to include. Data on obesity was tracked by the public health team; officers could take questions back. It was said that children living in the most deprived areas were more than twice as likely to be obese. Cllr Erbil added that the council were dedicated to tackling this important issue, he explained that these arguments were used when they applied for funding for active travel such as school streets, and he highlighted the importance of investment in education and communicating the right information and messages through schools.

In response to Members' questions and comments relating to educating residents about recycling, Cllr Erbil replied that they were in talks with the North London Waste Authority to see what more could be done. In 2022 the council had produced an excellent leaflet which was sent to residents clearly outlining what should be placed in each bin, but they did not have the resources to do this as regularly as they would like. Jon Sharkey conveyed that they had tried to mirror the information in this leaflet on the website. He explained that they were about to start two rounds of door knocking at addresses where bin contamination was identified as a problem and would be providing specific/ targeted feedback. Cllr Erbil thanked officers for their hard work on this matter.

8. WORK PROGRAMME 2023/24

Members noted the Finance and Performance Scrutiny Panel work programme for 2023/24.

9. DATES OF FUTURE MEETINGS

Members noted the dates of future meetings as set out in the agenda.

The Chair thanked Members and officers for their time and contributions and the meeting ended at 20:23.