

ECONOMY AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

19 February 2019 at 6.00pm at the Council House, Walsall

Committee Members

Present:

Councillor I. Shires (Chair)
Councillor A. Hicken (Vice – Chair)
Councillor B. Allen
Councillor B. Chattha
Councillor S. Coughlan
Councillor S. Craddock
Councillor L. Jeavons
Councillor W. Rasab
Councillor G. Singh Sohal

Officers Present:

Appollo Fonka
Matthew Powis
Kelly Valente

Team Leader – Housing Standards
Democratic Services Officer
Acting Finance Business Partner
for Economy and Environment

58/18 Apologies.

Apologies for absence were received from Councillors D Coughlan and Jones.

59/18 Substitution.

Councillor D Coughlan had submitted an intention to substitute on behalf of Councillor Creaney, however, she was unable to attend the meeting due to illness.

60/18 Declarations of Interest and Party Whip.

There were no declarations of interest or party whips.

61/18 Local Government (Access to Information) Act 1985 (as amended).

There were no items to consider in private session.

62/18 Minutes of the previous meetings.

Resolved:

That, the minutes of the meetings held on 13 November 2018 and 15 January 2019, copies having previously been circulated, be approved as a true and accurate record.

63/18 Forecast Revenue and Capital Outturn 2018/19 – Quarter 3.

The Committee considered a report on the forecast revenue and capital outturn position for 2018/19 for services within the remit of the Committee.

It was reported that the forecast revenue for services under the remit of the Committee highlighted an overspend of £0.148m.

The capital forecast position highlighted a forecast variance of £7.166m, which comprised of a project under spend of £0.936k and overspend of £0.389k for awaiting budget virements.

A Member sought clarification on unachievable savings in relation to a highways maintenance contract. The Acting Finance Business Partner for Economy and Environment confirmed that the contract related to a historical lease with Tarmac. Due to reductions within the highways directorate, the contract had exceeded historical budget predictions and was recorded as a forecast overspend. She confirmed that highways maintenance contract costs had been incorporated into revenue budget and capital programme 2018/19 – 2021/22.

It was noted that £6.619m had been requested to be carried forward for earmarked reserves and the implementation of action plans.

Resolved:

- 1. That, the revenue overspend of £148,000 and the use of and transfer to earmarked reserves and implementation of action plans be noted;**
- 2. That, the capital funding variance of £7.166m be noted.**

64/18 Private Rented Sector Housing and Selective Licensing Working Group Final Report.

The Committee considered the final report and recommendations of the Private Rented Sector Housing and Selective Licensing Working Group (PRSWG).

The Housing Standards Team Leader, introduced the report. He highlighted that the PRSWG was established to investigate causes of poor housing standards within the private rented sector (PRS) and to examine good practice. The PRSWG engaged with multiple stakeholders such as landlords, charitable organisations and landlord/tenant association organisations.

A Member sought clarification on whether the Council had robust policies in place to combat challenges with the sector. In response, the Housing Standards Team Leader confirmed that the Council had sufficient policies in place to tackle the challenges within the sector, however, resources deficiencies for the housing standards directorate remained problematic.

A lengthy debate ensued about the PRS and selective licensing, the principle points from the ensuing discussion were as follows:-

- The Chair reiterated comments made by MP Karen Buck, Member of Parliament for Westminster North which highlighted that 6 staff for 10,000 households in the PRS was insufficient. He confirmed that the Council needed 9 members of staff to sufficiently manage the PRS in the Borough;
- A Member of the PRSWG highlighted that invited landlords had expressed concerns that Universal Credit was a factor in the rise of tenants facing rental arrears locally and nationally;
- Some Members of the Committee expressed concerns about the PRSWG recommendations to implement a selective licensing scheme. Members felt that selective licensing was unaffordable for landlords and would impact vulnerable tenants facing higher rental costs;
- Civil Penalty Notices (CPN) were effective at targeting non-compliant landlords;
- PRSWG identified that more social housing was required in order to meet national targets;
- The Chair confirmed that the PRSWG had effectively investigated and produced recommendations which aimed at raising the standards of properties within the PRS. He highlighted that modern homes lacked effective heat insulation and the Borough had dated housing stock. It was requested that a future working group be established to investigate fuel poverty and improvements to housing insulation in social and PRS housing;
- Concerns were raised about the changes in landlord taxation and buy to lets which were causing landlords to leave the PRS;
- Since implementation of the CPN's, the Council had issued 10 intention notices with possible fines of up to £30,000;
- A Member sought clarification on associated landlord costs with selective licensing. The Housing Standards Team Leader confirmed that landlords would be charged £580 per annum or £350 per annum for accredited landlords;
- The Council had made a successful funding bid to the UK Government towards the cost of an updated housing condition stock survey. The Committee were informed that a housing condition stock survey was last completed in 2007;
- The Housing Standards Team Leader confirmed that the Council had monitored selective licensing rental impacts in other areas of the country. He highlighted that rental increases within selective licensing areas were more likely to be market driven demand;
- Members noted the difficulties for the Council locating problematic landlords.

A Member highlighted that the PRSWG considered the view of landlords and relevant organisations on selective licensing. Whilst consideration had been given to the Council's selective licensing scheme proposals from March 2018, thought was given to the views gathered by the PRSWG to establish a fair selective licensing scheme which provides incentives to landlords.

Some Members of the Committee questioned the PRSWG report submission to a meeting of Council instead of Cabinet.

The Chair highlighted that it was a request of the PRSWG to report to Council as this ensured that an open debate across the political spectrum took place on the recommendations gathered by the PRSWG.

Some Members disagreed that Council was an appropriate forum for the report. During this debate, a Member highlighted the importance of professionalism and respect during debates.

Resolved:

- 1. That, the final report of the Private Rented Sector Housing and Selective Licensing Working Group be approved and forwarded to Council for deliberation;**
- 2. That, a future working group be established to investigate fuel poverty and improvements to housing insulation in Social and PRS housing.**

65/18 Areas of focus – 2018/19

The Committee considered its areas of focus and the forward plans of Walsall Council, the Black Country Joint Executive Committee and West Midlands Combined Authority Board.

Resolved:

That, areas of focus 2018/19 and forward plans be noted.

66/18 Date of next meeting

It was noted that the next meeting would take place on 11 March 2019.

Termination of Meeting

There being no further business, the meeting terminated at 7.30p.m.

Signed:

Date: