

PRESENT

Representatives of the Council

Councillor Timothy Coleridge (Chairman)
Councillor Judith Blakeman
Councillor Emma Dent Coad
Councillor Matthew Palmer
Councillor Will Pascal
Councillor Marie-Therese Rossi

Representatives of Tenants' Associations

Balfour and Burleigh	Judith Doyle
Broadwood Terrace	Lynn Millar
Chesterton Square	Raymond Ho
Convent Estate	Fred Besant
Convent Estate	Julia James
Elm Park Gardens	Rodney Benthams-Wood
Fulham Road	Pamela Connolly
Kensal New Town	Stella Rea
Lancaster West RA	Geraldine Lord
Longlands Court	Sarah Fratar
Manning House	Micheal Heaphy
Pond House	Iain Smith
St Mark's Grove	Doreen Santanna
Sir Thomas More Estate	Caroline McDouall
Sir Thomas More Estate	John Hebditch
Silchester Estate	Lina Lens-Vicos
Southern Row	Maura Penasa
Swinbrook	Tom Fitch
Talbot House	Tony Ward
Tavistock Crescent	Stuart Craig
Tavistock Road	Tony Annis
West Row	Reg Kerr-Bell (Chairman, TMO)
Whitchurch House	John Wilson
World's End	Margaret Grayling
World's End	Jules Montero
World's End	Patti Fordyce

Representatives of the Tenant Management Organisation

Robert Black	Chief Executive
Mark Anderson	Director of Asset Investment and Engineering
Yvonne Birch	Head of Strategy and Engagement

Andy Marshall
Alasdair Manson
Anthony Parkes
Lornette Pemberton

Assistant Director of Partnering
Director of Financial Services
Director of People & Organisational Development

Council Officers

Laura Johnson
Celia Caliskan
Tony Heavey
Steve Mellor
Gareth Ebenezer

Director of Housing
General Needs Housing Commissioning Manager
Senior Housing Policy Officer
Group Finance Manager
Governance Administrator

A1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Tony Holt, Cllr Jonathon Read, Shirley Berry, Christine Dawes, Phillip Dudden, Norman Dunn, Jose Fernandez, Patricia Lewington, Anna Nichols, Maria Stankovic, Rosemary Stevens, Lisajane Wilkinson and Eman Yosry.

A2 MINUTES OF THE MEETING HELD ON 12 JANUARY 2011

Subject to correcting a misspelling in John Hebditch's name, the minutes of the last meeting were approved as a correct record and signed by the Chairman.

A2 MATTERS ARISING FROM THE MINUTES OF THE LAST MEETING

Page 5, Item A7 - Repairs

In response to a comment by Mr. Hebditch, Robert Black said that all emergency repairs should be seen to within 24 hours of making the call and that flooding would be regarded an urgent job. He said that Andy Marshall would investigate any specific examples of where a call was not treated as urgent.

Action by: Andy Marshall, TMO

A4 HOUSING REVENUE ACCOUNT - RENT REPORT 2012/13

Councillor Tim Coleridge introduced the item and explained the context of the Rent Report. He said that Central Government is implementing the Self Financing regime for Council Housing from April 2012. Councillor Coleridge then invited Messers Steve Mellor and Anthony Parkes to give a presentation on the 2011/12 Rent Report. The presentation covered the following:-

- The process of agreeing the Rent Report
- Explanation of Self-Financing
- HRA Budget, including how it is made up?
- Rent setting and comparisons with neighbouring boroughs.

- HRA Outlook

In summary, the key messages from the presentation were:-

- The National formula has been used to calculate rents in the Royal Borough.
- The average proposed rent increase for 2012/13 is 7.6%.
- Self-Financing is expected to improve the outlook of the HRA. There is no deficit currently forecasted.
- There are opportunities to increase capital resources.

The Chairman then invited questions and comments from the Committee. The following main points were noted.

Cllr Dent Coad asked if an Equality Impact Assessment (EIA) has been carried out on this year's Rent Report, as she was concerned that even though the rents were calculated using a National formula, the increase is bound to significantly impact people, particularly those in the mid-income ranges who are not in receipt of full benefits and would therefore struggle to pay the difference. In response, Laura Johnson said an EIA had been carried out last year and that we are not required to do one every year, unless it is specifically requested. However, she pointed out that any EIA would have the same response as to last year's one. Councillor Coleridge added that he would encourage tenants who feel they might have difficulty in paying the difference to come forward as early as possible.

In response to a second question by Cllr Dent Coad, Cllr Coleridge said that in comparison to last year, the range of increase in rent this year is much narrower. Steve Mellor added that 2011/12 was different, because the Council was working with Transitional Rents. The highest percentage increase this year was at Princedale at 9.07% and the highest increase in monetary terms is £10.51 a week. There are 46 properties that will see an increase in rent of £10 a week.

Cllr Dent Coad also asked if the new flexibilities in housing finances meant that the proceeds from the sale of Council land and properties could now be put into the HRA instead of the General Fund? In reply, Steve Mellor said he would need to look into it and report back to Cllr Dent Coad outside of the meeting.

Action by: Steve Mellor, RBKC

Iain Smith made an observation that Kensington and Chelsea has the highest Target Rent in comparison to the four other Inner London boroughs and said it would have been helpful to have also included the London Borough of Camden. Councillor Coleridge clarified that when the Government set the rent formula, it looked at the income of a geographical area, plus the market value of properties. As a result, the Target Rent in

Kensington and Chelsea and Westminster City Council will be higher, as the properties are considered to be in better locations. He added that rents for properties in Chelsea will be marginally higher than those in North Kensington. The private sector rental market in Kensington and Chelsea is considered unaffordable. But Target Rents are considered affordable for those on benefits.

John Hebditch made a number of comments on the high cost for changing light bulbs and door entry systems and of fire extinguishers being locked away or inaccessible. Councillor Coleridge said he would welcome a reduction in the cost of lighting and door entry. Robert Black added that savings would be derived from the re-procurement of contracts. Lornette Pemberton said that fire extinguishers should always be accessible and that it was illegal to have them locked up. She invited residents associations to report such matters to the TMO for urgent attention.

Tom Fitch sought an explanation on why the Royal Borough has a £25.9 million increase in its debt? Councillor Coleridge explained that local authorities had to borrow large amounts of money from the Government to build its social housing stock, and that in many cases the capital borrowed has never been paid back, rather, councils have been using rents to pay back interest on the loans. Many local authorities were also in receipt of a Government subsidy to pay the interest it owed. The Government has now decided to withdraw its subsidy. As part of the move to the Self Financing regime, a redistribution of debt between authorities is planned. Steve Mellor added that the Government has calculated each borough's debt by making assumptions on income and expenditure over a 30 year period and then applying a discounted cash flow. The Council will need £40-50 million in the next 6-10 years to complete its back log of capital works. Councillor Coleridge closed the question by pointing out that the Royal Borough has come out better compared to other local authorities and with a better idea of its finances, could now plan its capital programme.

In response to a question by Geraldine Lord, Steve Mellor said that some properties will not reach their Target Rent by 2016, but those that do, will then see their rents continue to increase by 0.5% more than inflation each year. He also stated that new lets will be set at the Targets Rent, irrespective of rent caps.

Tony Ward expressed concern that the Royal Borough's capital works programme did not match the needs and wants of residents associations. He sought clarification on what works needed to be carried out at World's End, as mentioned in the Stock Options Survey. In response, Mr Black said that the TMO would undertake works that are not needed and clarified that within its 20-year aspirations plan for TMO stock, there is a priorities list. Now that the finances were more clear, the TMO would start to prepare its

capital works programme and would share it with residents associations to keep them up to date and be transparent on costs and timescales.

Action by: Robert Black, TMO

In response to a further question by Tony Ward, on the utilisation of TMO car park spaces, which has steadily been decreasing because car ownership has gone down and also because they are expensive to rent and it is often cheaper for residents to park on the street, Councillor Coleridge said that there was historical charging at many of the TMO car parks and that officers were reviewing this with a view to maximising income. He added that these were valuable spaces but it was currently against Council policy to sublet them. He also invited Mr Ward to submit to the Council his ideas for use of empty or disused car park spaces.

Iain Smith asked if a letter could be sent out to all tenants outlining what their rents are predicted to be for the next 5 years. Laura Johnson said that this would not be possible as the Council could not predict RPI and inflation and this could lead to unfair expectations by tenants. However, the Council could provide information on current rents and explain how the Government formula works.

John Hebditch expressed his disquiet at leaseholders being charged more for the installation of digital TV. Councillor Coleridge said that leaseholders were charged as per the terms of the lease and on the basis of the number of rooms.

Councillor Coleridge thanked the Committee for their comments and said that, as Cabinet Member for Housing and Property, he would be taking the decision to agree the rents levels in the Royal Borough for 2012/13.

A5 THE FUTURE OF HOUSING - THE LOCALISM BILL AND A HOUSING STRATEGY FOR ENGLAND

Gilly Tobin gave a presentation which was received and noted by the Committee. In her presentation, she set out the context of social housing in the Royal Borough and highlighted the changes arising from the Localism Act 2011 and what this meant for the Royal Borough. The next step would be to draft a Tenancy Strategy by the end of 2012 and take this for widespread consultation.

Councillor Coleridge thanked Gilly Tobin for the presentation and highlighted that the changes do not affect existing tenants, who are secure. Lina Lens-Vicos asked if the security would move with a tenant if they accepted a larger property? Ms. Tobin said that if a tenant leaves a TMO property and goes into a housing trust property then there will be a new tenancy agreement, which would not include the transfer of the

security. Councillor Coleridge added that tenants need to exercise caution and take advice to fully understand their options and its consequences.

Tony Ward felt that the Government's proposal to pay benefits on a monthly basis directly to recipients may cause a problem for those that are not earning a wage or used to weekly financial planning. Councillor Coleridge responded by saying that the Royal Borough shared this concern. Robert Black added that the TMO was preparing to help people manage their finances as part of its response to the Welfare Reforms.

Tom Fitch mentioned the good work of Housing Co-operatives in keeping rents low and helping leaseholders to pay off mortgages. Laura Johnson said that it would be hard for the Council to keep an eye on every single independently managed Housing Co-operatives, but that the Borough would want to continue to support them. Councillor Coleridge expressed a wish to learn more about Housing Co-operations and agreed to follow this up with Mr. Fitch after the meeting.

In response to comments by John Hebditch and Tony Annis, Councillor Coleridge said that the TMO turnaround time is 28 days to get a property ready for the new tenants and that he was surprised to hear that two immaculate flats had been unnecessarily stripped down to the bare bones. Andy Marshall said that it was TMO policy to ensure that a property is of a decent standard to let. He said he was happy to look into the specific examples, but it could be that the properties in question were taken back to the bare bones because of the specific requirements of the new tenants. Robert Black added that the TMO has worked hard to improve its turnaround time from 28 days down to 25.5 days.

A6 ANY OTHER BUSINESS

There was none.

The meeting ended at 08.12pm

Chairman