

Minutes

Housing, Homelessness and Fair Work Committee

10.00am, Thursday 4 November 2021

Present

Councillors Kate Campbell (Convener), Watt (Vice-Convener), Jim Campbell, Griffiths (substituting for Councillor Day), Key, Lang, McLellan, Mowat (substituting for Councillor Webber, item 9), Rae, Staniforth, Webber (items 1 to 8, 10 onwards) and Work.

1. Minutes

Decision

To approve the minute of the Housing, Homelessness and Fair Work Committee of 2 September 2021 as a correct record.

2. Work Programme

The Housing, Homelessness and Fair Work Committee Work Programme for November 2021 was presented.

Decision

To note the Work Programme.

(Reference – Work Programme, submitted.)

3. Housing, Homelessness and Fair Work Committee Rolling Actions Log

The Housing, Homelessness and Fair Work Committee Rolling Actions Log for November 2021 was presented.

Decision

- 1) To agree to close the following actions:
 - Action 1 (2) – Edinburgh International Conference Centre Annual Update

- Action 2 – Consultation Response: Local Connection
 - Action 3 – Empty Homes Update
 - Action 6 – Updated Housing Revenue Account (HRA) Capital Programme
 - Action 9 – Council Fire Safety Policy 2021-24
 - Action 10 – Motion By Councillor Booth - Suspension of Eviction Action Against Council Tenants for Rent Arrears
 - Action 11 – Young Person’s Guarantee Delivery
- 2) To agree to keep open Action 1 (1) – Edinburgh International Conference Centre Annual Update as this would be considered in January 2022
 - 3) To otherwise note the remaining outstanding actions.

(Reference – Rolling Actions Log, submitted.)

4. Housing, Homelessness and Fair Work Committee Business Bulletin

The Housing, Homelessness and Fair Work Committee Business Bulletin for November 2021 was presented.

Decision

To note the Business Bulletin.

(Reference – Business Bulletin, submitted.)

5. Place Based Investment Programme Framework

The proposed framework for allocating future rounds of Place Based Investment Programme (PBIP) funding over the four-year period of 2022/23 to 2025/26 was set out.

Decision

- 1) To note the update on the allocations of the Place Based Investment Programme (PBIP) for 2021/22.
- 2) To agree the framework for allocating future rounds of PBIP funding as set out in the report by the Executive Director of Place.

(References – Housing, Homelessness and Committee of 25 June 2021 (Item 1); report by the Executive Director of Place, submitted.)

6. Edinburgh International Conference Centre – Annual Update for the Year Ending 31 December 2020

An annual update was provided on the performance of the Edinburgh International Conference Centre (EICC) in the year ending 31 December 2020. The performance reflected the difficulties that COVID-19 had created for the events and conferencing industry; notwithstanding these, EICC had managed to significantly mitigate the impact of COVID-19. Overall, EICC had made a loss of £1,721,998, compared to a profit of £623,483 in the prior year. EICC's accounts for 31 December 2020 had been signed-off by its auditor.

Decision

- 1) To note the annual performance update provided by EICC as detailed in Appendix 1 of the report.
- 2) To note the EICC Statement of Accounts for 2020 as reported to CEC Holdings Ltd and the audit findings as detailed in Appendices 2 and 3 respectively.
- 3) To refer the report to Governance Risk and Best Value Committee for information.

(References – Act of Council No. 13 of 20 March 2020; report by the Executive Director of Place, submitted.)

7. The EDI Group – Annual Update

An annual update was provided on the progress of the transition strategy for The EDI Group Limited which aimed to close it and its subsidiary companies and bring their projects and assets into the Council.

Decision

- 1) To note the report.
- 2) To refer the report to the Governance, Risk and Best Value Committee.

(References – Housing and Economy Committee of 2 November 2017 (Item 20); report by the Executive Director of Place, submitted.)

Declaration of Interest

Councillor Kate Campbell declared a non-financial interest in the above item as a director of the EDI Group.

8. Uber: UK Supreme Court Decision – Response to Motion and Establishment of a Gig Economy Task Force

In response to a motion by Councillor Watt to the City of Edinburgh Council (CEC) of 11 March 2021, information was provided regarding the UK Supreme Court's decision on the employment status of drivers using the gig economy app, Uber, in a legal case, which was known as *Uber BV and others v Aslam and others*.

Background to the case was set out, the judges' unanimous decision on it, and a review provided on what this would mean for the gig economy and (i) other sectors and employers, (ii) Edinburgh and its wider economy, and (iii) the City of Edinburgh Council.

In line with the Fair Work Action Plan approved by the Housing, Homelessness and Fair Work Committee on 2 September 2021, it was also proposed that a short-life Gig Economy Task Force would be established which would seek to understand the real experiences of, and to explore actions that could improve working conditions, rights and quality of employment for, workers in the gig economy. The findings of this work would be reported Committee in Spring 2022

Decision

- 1) To note the report.
- 2) To note the actions of the Fair Work Action Plan report that was presented to the Housing, Homelessness and Fair Work Committee on 2 September 2021.
- 3) To agree the establishment of a Gig Economy Task Force.
- 4) To discharge the motion from the CEC meeting of 11 March 2021.
- 5) To agree that any minutes/briefings from the Gig Economy Task Force would be shared with HHFW Committee members.

(References – Act of Council No. 10 of 11 March 2021; Housing, Homelessness and Fair Work Committee of 2 September 2021 (Item 7); report by the Executive Director of Place, submitted.)

9. Strategic Housing Investment Plan (SHIP) 2022-27

On 24 August 2017, the Council agreed the Programme for the Capital - The City of Edinburgh Council Business Plan 2017-22, including a commitment to deliver a programme to build at least 10,000 social and affordable homes over the next five years, with a plan to build 20,000 by 2027.

On 14 January 2021, Committee agreed the Strategic Housing Investment Plan (SHIP) 2021-26. A programme of over 10,000 homes was noted, although additional finance of around £150 million was required to deliver this programme. Despite the impact of Covid-19, over 1,200 affordable homes were approved and over 1,000 completed in 2020/21.

Each year, following submission to the Scottish Government, the SHIP was used by the City of Edinburgh Council to set the Affordable Housing Supply Programme (AHSP), which was the Scottish Government's grant funding programme for new affordable homes.

Motion

- 1) To approve the SHIP 2022-27 for submission to the Scottish Government.
 - 2) To note that this was the largest SHIP ever presented to Committee, with a potential 11,188 affordable homes that could be approved for site start and 10,124 that could complete over the next five years.
 - 3) To note the short term impact of the pandemic on approvals and completions both locally and nationally.
 - 4) To note the key challenges to delivering affordable housing at scale were construction industry capacity, construction materials availability and costs, availability of grant funding and the control of sites for development.
 - 5) To note that this was the largest ever Strategic Housing Investment Plan brought forward with a pipeline of 18,688 affordable homes over ten years. To recognise that there was less certainty around sites in later years and this significant increase gave confidence in the deliverability of the council's ten-year commitment to build a programme of 20,000 affordable homes.
 - 6) To recognise the challenges of Brexit and the Covid 19 pandemic which had impacted on housebuilding, and particularly on affordable housebuilding, across Scotland with Covid safe practices on site, skills shortages, increased material costs and difficulties with supply chains all impacting on the cost and risk of onsite delivery.
 - 7) To welcome the confirmation of the new proposed benchmarks which had been agreed since this report was published, which would help to mitigate the risks and increased costs. However, committee also recognised that the proposed new benchmarks increased the overall Affordable Housing Supply Programme grant requirement to £558.6 million over the SHIP period, or £111.7 million per year on average, which was £64.9 million above current Resource Planning Assumptions (RPAs).
 - 8) To note that in 2017/18 the council's baseline RPA was £29.12m. To note that the administration had made the case for increased RPAs to the Scottish Government throughout this council term, and our current RPAs had increased to £52.42m.
 - 9) To agree that the Convener and Vice Convener would write to the Cabinet Secretary for Social Justice, Housing and Local Government to set out the significant housing challenges in Edinburgh and to request a meeting to discuss how we can further increase the level of grant funding allocated to Edinburgh to build affordable homes.
 - 10) To agree to provide a briefing note with further information on off-site construction of housing, including timescales for delivery, to HHFW Committee and Planning Committee.
- moved by Councillor Kate Campbell, seconded by Councillor Watt

Amendment

- 1) To approve the SHIP 2022-27 for submission to the Scottish Government.
 - 2) To note that this was the largest SHIP ever presented to Committee, with a potential 11,188 affordable homes that could be approved for site start and 10,124 that could complete over the next five years, but to note that the number of homes completed between 2017 and 2022 would fall substantially below the Council's commitment to build 10,000 affordable homes within this timeframe.
 - 3) To note the short term impact of the pandemic on approvals and completions both locally and nationally, but to recognise that, even before the pandemic, the rate of completions was running at a lower rate than would have been needed to meet the 10,000 affordable homes commitment.
 - 4) To note the key challenges to delivering affordable housing at scale were construction industry capacity, construction materials availability and costs, availability of grant funding and the control of sites for development.
 - 5) To agree to provide a briefing note with further information on off-site construction of housing, including timescales for delivery, to HHFW Committee and Planning Committee.
- moved by Councillor Lang, seconded by Councillor Jim Campbell

In accordance with Standing Order 22.12, paragraph 1 of the addendum, as adjusted, was accepted as an amendment to the motion.

Decision

To approve the adjusted motion by Councillor Kate Campbell as follows:

- 1) To approve the SHIP 2022-27 for submission to the Scottish Government.
- 2) To note that this was the largest SHIP ever presented to Committee, with a potential 11,188 affordable homes that could be approved for site start and 10,124 that could complete over the next five years, but to note that the number of homes completed between 2017 and 2022 would fall substantially below the Council's commitment to build 10,000 affordable homes within this timeframe, noting the impact of Covid-19 and Brexit.
- 3) To note the short term impact of the pandemic on approvals and completions both locally and nationally.
- 4) To note the key challenges to delivering affordable housing at scale were construction industry capacity, construction materials availability and costs, availability of grant funding and the control of sites for development.
- 5) To note that this was the largest ever Strategic Housing Investment Plan brought forward with a pipeline of 18,688 affordable homes over ten years. To

recognise that there was less certainty around sites in later years and this significant increase gave confidence in the deliverability of the council's ten-year commitment to build a programme of 20,000 affordable homes.

- 6) To recognise the challenges of Brexit and the Covid 19 pandemic which had impacted on housebuilding, and particularly on affordable housebuilding, across Scotland with Covid safe practices on site, skills shortages, increased material costs and difficulties with supply chains all impacting on the cost and risk of onsite delivery.
- 7) To welcome the confirmation of the new proposed benchmarks which had been agreed since this report was published, which would help to mitigate the risks and increased costs. However, committee also recognised that the proposed new benchmarks increased the overall Affordable Housing Supply Programme grant requirement to £558.6 million over the SHIP period, or £111.7 million per year on average, which was £64.9 million above current Resource Planning Assumptions (RPAs).
- 8) To note that in 2017/18 the council's baseline RPA was £29.12m. To note that the administration had made the case for increased RPAs to the Scottish Government throughout this council term, and our current RPAs had increased to £52.42m.
- 9) To agree that the Convener and Vice Convener would write to the Cabinet Secretary for Social Justice, Housing and Local Government to set out the significant housing challenges in Edinburgh and to request a meeting to discuss how we can further increase the level of grant funding allocated to Edinburgh to build affordable homes.
- 10) To agree to provide a briefing note with further information on off-site construction of housing, including timescales for delivery, to HHFW Committee and Planning Committee.

(References – Act of Council No. 7 of 24 August 2017; Housing, Homelessness and Fair Work Committee of 14 January 2021 (Item 5); report by the Executive Director of Place, submitted.)

10. Land Strategy Update and Private Sector Engagement

An update was provided on the progress of the land strategy for Council-led housing developments. A rationale was set out for seeking to supplement the current pipeline with private sector opportunities to be progressed through a market engagement exercise.

Motion

- 1) To agree that the Council would invite interest from developers, investors and landowners to bring forward opportunities for the Council to accelerate the provision of affordable housing.
- 2) To note that suitable opportunities would be progressed in line with Contract Standing Orders and would be subject to the approval of Council (or the appropriate Committee) in the usual way, prior to any contracts being entered into.
- 3) To note the high-level parameters which would inform the assessment of opportunities.
- 4) To agree that all business cases should include full costs to meet our net zero carbon target of 2030.
- 5) To agree that any lease model would require to include headroom within the business case to ensure that any capital costs or lifecycle costs could be met and contingency was sufficient to ensure there were no unexpected revenue pressures for the council and the long-term affordability of homes would be protected.
- 6) To agree that lease models would only be considered for delivery of Mid-Market Rent, not Intermediate Rent.
- 7) To recognise the intention of the lease model was to increase the supply of affordable housing and ease pressure on homelessness services, therefore:
- 8) To agree that any rents would require to be set at a maximum of 80% of LHA rate at the start of the project and would be capped at 100% of LHA throughout the lease period.
- 9) To agree that any lease model project, regardless of the method of referral into the council, would be brought to the Housing, Homelessness and Fair Work Committee to review to ensure it was in line with the agreed housing strategy ahead of referral to the Finance and Resources Committee.
- 10) To agree that any report on a lease model project would include a cost comparison with a model where the council purchased homes upfront, to enable councillors to ensure that best value was achieved.
- 11) To instruct officers to expedite the process as much as would be possible while keeping the process transparent, fair, open, accountable and able to deliver best value and ensure compliance with procurement regulation.
- 12) To agree to receive updates on this market engagement process through the Business Bulletin.

- moved by Councillor Kate Campbell, seconded by Councillor Watt

Amendment

- 1) To agree that the Council would invite interest from developers, investors and landowners to bring forward opportunities for the Council to accelerate the provision of affordable housing.
 - 2) To note that suitable opportunities would be progressed in line with Contract Standing Orders and would be subject to the approval of Council (or the appropriate Committee) in the usual way, prior to any contracts being entered into.
 - 3) To note the high-level parameters which would inform the assessment of opportunities.
 - 4) To agree to receive an update on this market engagement process through the Business Bulletin in six months.
- moved by Councillor Jim Campbell, seconded by Councillor McLellan

Voting

For the motion - 8 votes
For the amendment - 3 votes

(For the motion – Councillors Kate Campbell, Griffiths, Key, Lang, Rae, Staniforth, Watt and Work.

For the amendment – Councillors Jim Campbell, McLellan and Webber.)

Decision

To approve the motion by Councillor Kate Campbell.

(References – Housing, Homelessness and Fair Work Committee of 14 January 2021 (Item 6); report by the Executive Director of Place, submitted.)

11. The City of Edinburgh Council's Annual Assurance Statement on Housing Services

The Scottish Housing Regulator (SHR) required all social landlords to prepare and publish an Annual Assurance Statement (AAS) and Assurance Statement Summary of Compliance to confirm to their tenants and the SHR that they were meeting the requirements of the Regulatory Framework. The deadline for submission was 31 October each year.

The AAS confirmed where the Council met the required standards and outcomes. Information was also provided on areas of improvement and management actions being taken to ensure compliance. The draft AAS for the City of Edinburgh Council was attached in Appendix 1 of the report by the Executive Director of Place. Once approved, the AAS would be published on the SHR website.

Decision

- 1) To approve the City of Edinburgh Council's Annual Assurance Statement on housing services and Assurance Statement Summary of Compliance for formal submission to the Scottish Housing Regulator (SHR).
- 2) To agree that Housing Property would put together a working group of frontline staff who were users of Northgate and Total Mobile, covering all points of use of the system, including contact centre, locality housing property and in-house tradespeople, nominated by the trades union reps, to review any processes that could be improved.
- 3) The recommendations from this group should form the basis of a plan for cost effective improvements to the technology supporting the housing property service.
- 4) This would be reported back through the housing service improvement plan.

(Reference – report by the Executive Director of Place, submitted.)

12. Empty Homes Update

On 14 January 2021, the Housing, Homelessness and Fair Work Committee agreed to receive a report setting out the potential to mainstream funding for the role of the Empty Homes Officer (EHO), to embed the work of the EHO within the wider Homelessness and Council Tax teams to support Council objectives on ending homelessness, and to provide details on the processes which were in place for following up debt recovery on properties which were empty.

The role of the EHO and the benefits of mainstreaming funding for the role were outlined. Details were provided on the management and working practices of the EHO with the Homelessness and Council Tax teams in order to support wider Council objectives on ending homelessness.

Decision

- 1) To note the report, which had been produced in response to a report approved by the Housing, Homelessness and Fair Work Committee on 14 January 2021.
- 2) To agree that a business case for the Empty Homes Officer (EHO) post to continue, funded from income generated (as set out in 4.13 and 4.14), would be prepared for consideration as part of the 2022/23 budget setting process.

(References – Housing, Homelessness and Fair Work Committee of 14 January 2021 (Item 8); report by the Executive Director of Place, submitted.)

13. Housing Revenue Account (HRA) Capital Programme – Update on Projects

On 3 June 2021, the Housing, Homelessness and Fair Work Committee approved the 2021/22 HRA Capital Programme and noted the 2022/23 planned programme and

five-year investment programme. It was agreed that a report would be provided within two committee cycles on key housing investment projects in localities.

An update was provided on the delivery of the HRA Capital Programme; including work that had been commissioned to support the move to whole house retrofit. Appendix 1 of the report contained an update on housing investment projects in localities. The work programme set out in this report formed part of the HRA Budget Strategy and supported delivery of Council commitments on affordable housing and net zero carbon.

Decision

- 1) To note the update on the HRA Capital Programme; including key housing investment priorities in localities.
- 2) To note the contribution that HRA investment would make to the delivery of Council commitments on affordable housing and net zero carbon by 2030.
- 3) To agree to provide a briefing on owner occupied properties within the mixed tenure home improvement pilot and financial hardship.

(References – Housing, Homelessness and Fair Work Committee of 3 June 2021 (Item 10); report by the Executive Director of Place, submitted.)

14. Housing Service Response following a Fire Incident

On 10 June 2021, the Policy and Sustainability Committee agreed to prepare a report for the Housing, Homelessness and Fair Work Committee detailing the Council's current post-fire procedure should a fire occur on or near Council accommodation and to suggest any updates to the procedure. Information was provided on the follow on response provided by the housing service in the event of a fire or major incident.

The Council's response to an incident such as a fire was determined by the extent and scale of the incident and the instructions from the relevant emergency services who had overall control of the scene during incidents. Follow on processes and actions by officers would take account of the nature of the incident and the support needed by tenants and other affected residents based on their individual household circumstances.

Decision

- 1) To note the information provided on the response and processes in place if a fire or other major incident occurs in or near Council homes.
- 2) To agree to discharge the adjusted motion agreed at Policy and Sustainability Committee on 10 June 2021 to prepare a report for Housing, Homelessness and Fair Work Committee detailing the Council's current post-fire procedure should a fair occur on or near Council run accommodation and to suggest any updates to the procedure.

(References – Policy and Sustainability Committee of 10 June 2021 (Item 18); report by the Executive Director of Place, submitted.)

15. Young Person’s Guarantee Small Grants Allocations

An update was provided on outcome of the recent applications received in response to a call for delivery of Young Person’s Guarantee (YPG) activities from October 2021 – March 2022.

Recommendations were made to permit extensions to approved grants and to reopen the application process for projects to be delivered between January and March 2022.

Decision

- 1) To note the process undertaken to promote, assess and award grants for short term projects under the Young Person’s Guarantee.
- 2) To agree to delegate authority to the Executive Director of Place to award extensions to grants until 31 March 2022 if they were meeting targets, there was continued demand and the providers had capacity to deliver more.
- 3) To agree to welcome further grant applications for delivery between January and March 2022, with authority to approve applications of up to £20,000 delegated to the Executive Director of Place and applications in excess of £20,000 to the Executive Director of Place in conjunction with the Convener and Vice Convener of Housing, Homelessness and Fair Work Committee.
- 4) To agree to delegate authority to the Executive Director of Place in conjunction with the Convener and Vice Convener of Housing, Homelessness and Fair Work Committee to award extensions to grants of up to 12 months from 1 April 2022 if recommended by the Local Employability Partnership and they were meeting targets, there was continued demand and the providers had capacity to deliver more, and if further funding was made available from Scottish Government.
- 5) To note that an update would be provided to the committee in January 2022.

(References – Housing, Homelessness and Fair Work Committee of 2 September 2021 (Item 5); report by the Executive Director of Place, submitted.)

16. Place Directorate - Revenue Monitoring - 2021/22 Month Four Position

The month four revenue monitoring position was set out for the 2021/22 Housing Revenue Account (HRA) and Place Directorate General Fund (GF) for services within the scope of the Housing, Homelessness and Fair Work Committee.

Decision

- 1) To note that the HRA was forecasting a contribution of £9.400m to the Strategic Investment Fund from revenue generated in year as part of the capital investment programme funding strategy.
- 2) To note that the Place GF 'business as usual' revenue budget forecast was projecting £1.592m overspend (excluding Covid-19 impact) at month four. Services within the remit of the committee were forecasting an overspend of £0.300m.
- 3) To note that the Place GF Covid-19 impact was projected to cost £12.570m at month four. Services within the remit of the Committee were forecasting a cost of 0.550m which was in line with provision made within the approved budget.

(Reference – report by the Executive Director of Place, submitted.)

17. Homelessness and Housing Support - Revenue Monitoring 2021/22 – Month Four Position

The 2021/22 projected month four revenue monitoring position was set out for the Homelessness and Housing Support service, based on analysis of actual expenditure and income to the end of July 2021, and expenditure and income projections for the remainder of the financial year.

Decision

- 1) To note a net residual budget pressure of £1.2m for the Homelessness and Housing Support service at month four.
- 2) To note that there was a risk that this pressure could increase further if bed nights continued to increase at the rate seen during April to July.
- 3) To note the potential recurring aspects of this in-year pressure.

(Reference – report by the Executive Director of Place, submitted.)

18. Internal Audit: Overdue Findings and Key Performance Indicators as at 11 August 2021 – referral from the Governance, Risk and Best Value Committee

The Governance, Risk and Best Value Committee had referred a report on Internal Audit Overdue Findings and Key Performance Indicators as at 11 August 2021, which provided an overview of the status of the overdue Internal Audit (IA) findings as at 11 August 2021 to the Housing, Homelessness and Fair Work Committee for information.

Decision

- 1) To note the report by the Governance, Risk and Best Value Committee.

- 2) To agree to consider the outstanding actions under the remit of the HHFW Committee; to highlight these actions and indicate progress being made on them for future reports.

(Reference – Governance, Risk and Best Value Committee, 21 September 2021 (item 4); referral from the Governance, Risk and Best Value Committee, submitted.)