

Private Sector Leasing Scheme

Shire Homes Lettings Board Meeting Minutes

Date: 15 January 2020

Time: 1:30pm

Location: Swansley Room, South Cambridgeshire District Council

Present: Redacted data

Agenda Item

1. Apologies and Minutes of the last meeting

- The minutes of the meeting held on 9 October 2019 were agreed as a correct record.

3. Repairs

- LM is working with SM, we are now looking at a service level agreement with SSE rather than a contract. The jobs we request them to do will never go over £5000, usually small jobs e.g. £150 smoke alarm. We will look to piggyback the councils schedule of rates.
- Mears are collecting their own data regarding tenant feedback; we should be able to extract this data if needed.
- Management will be changing at Mears with Mark leaving, Helen expected to take over. Shouldn't change our dealings with them.
- Electrical work isn't as big an issue as before, we always give Mears the option but if they cannot meet our timescales, we go elsewhere.
- LM welcome to attend any future Mears Meetings.
- Orchard start-up has been delayed to April, no significant impact on Shire Homes, things will carry on as normal.

4. Governance and structure

- CF – for now everything is working fine, we have a simple structure and a small board meeting so no need to change things atm.
- HW is going to find out whether we require another director for sure. Agreed it might be sensible to have one in case Heather is absent for signing leases. GC is happy to take this role on if needed as cover for HW.
- Governance is to stay on the agenda until we resolve the Director issue.

5. Business Plan

- LM and ML working on business plan, once complete they will send it out to everyone. This should be done before the end of January 2020
- We aim to have 41 properties by the end of March 2020, 10 properties every year and 75 properties by 2022, 5 being HMOs with 20 rooms.
- ECT salary is additional cost to the business plan, houses in multiple occupation (HMOs) are expected to cost £40,000 per year including paying bills. Some of this may be covered by the small profit that HMOs make. Even though this is costing the council, other homeless prevention methods also cost and may not be as appropriate. Although we must be mindful that it is not a guaranteed subsidy

6. Finance Update

- Ensors were happy with the accounts for March 2019.
- The assumed costs have turned out lower than anticipated. There were no large void or repair costs. In general, there was no concern and expenditure was lower than expected. The only thing audit picked up on was that we didn't account for any bad debts.
- ML will account for difficult situations such as bad debts or court courts in the business plan. The overhead charge can only be estimated as it is taken from the cost of running the council which is spread out between people and teams.
- Once ECT has been in her role a year we will have a better idea of the costings, we will also be able to provide more accurate stats to support the

role. ECT and LM will continue to stay cautious in the properties they take on and the work they carry out.

7. HMO Update

- EC has filled the first HMO in Bassingbourn, all males, all paying equal rent. The required works were carried out by us with the cost also being covered by ourselves. Calculations say we can make this back within a year through rent payments.
- All properties are being checked before we take them on. When Landlords are covering start-up costs, these aren't complete until the lease is signed, the lease lasts 3 years with a 1-year break clause.
- CF – we need to ensure that we are entering the better-quality end of the HMO market. A good property often manages itself.
- HMO policy suggested to be changed to a 'procedure guide'. Other edits include: Not including affordability, addressing management issues e.g. mediation, emphasise on single people only and no overnight guests.
- HMO training is currently being organised by SC with Chartered Institute of Housing (CIH).

8. Any other business

- Rent plus – EG approached us about managing a few properties for them, Rent plus is about renting to buy, which isn't related to Shire Homes more linked to Ermine Street Housing.
- General update from LM – Currently at 39 properties, one has been given back to the owner. Currently signing two more in Huntingdon and St Neots. We are finding a lot of people with funds wanting to buy to let with us.
- EC has put together article for South Cambs Magazine focusing on HMOs.

9. Future meeting

Please ensure all background papers are distributed a few days prior to the meeting.

The minutes of this meeting held on 15 January 2020 were agreed as a correct record.

Signed by the Chair: Date: