

STANDING PANELS

1. HOUSING SCRUTINY STANDING PANEL

The Housing Scrutiny Standing Panel consisted of the following members:

Councillor S Murray (Chairman)
Councillor G Shiel (Vice Chairman)
Councillors K Chana, R Gadsby, S Jones, J Lea, C Roberts, B Rolfe, T Thomas, H Ulkun and J H Whitehouse

The Lead Officer was Alan Hall, Director of Communities. The Panel also appreciated the Housing Portfolio Holder, Councillor D Stallan, attending the meetings to help them with their deliberations.

Wyn Marshall represented the Tenants and Leaseholder Federation, attending the meetings as a non-voting co-opted member to provide the views of residents and stakeholders.

Terms of Reference

The Housing Scrutiny Standing Panel was tasked to undertake reviews of a number of the Council's public and private sector housing policies and to make recommendations arising from such reviews to the Housing Portfolio Holder, Overview and Scrutiny Committee or Cabinet as appropriate. They also undertake specific projects related to public and private sector housing issues, as directed by the Overview and Scrutiny Committee.

The Panel scrutinised a number of important issues over the last year, which included:

(i) Communities Directorate's Housing Service Strategy on the Private Rented Sector – In July 2014 the Panel received a report regarding the Communities Directorate's Housing Service Strategy on the Private Rented Sector. There were 17 Housing Service Strategies produced to date and they set out how individual housing services would be delivered. They had assisted in achieving the Customer Service Excellence Award and the ISO 9001:2008 Quality Accreditation.

(ii) DCLG Guidance on Rents for Tenants on High Incomes - The Panel received a report regarding the DCLG Guidance on rents for Social Tenants with High Incomes. In June 2013, the Department for Communities and Local Government (DCLG) issued a consultation paper entitled "High Income Social Tenants Pay to Stay."

Under "Pay to Stay," the Government set out their intention that local authorities should be permitted to charge high income tenants a higher level of rent to stay in their homes. The DCLG's proposal at that time was based on higher rents set at 80% of market rents.

In May 2014, the DCLG issued its Guidance on rents for Social Housing, which would come into effect from April 2015.

In regard to social tenants with high incomes, the Government did not expect local authorities to adhere to its Social Rent Policy for properties let to households with an income of £60,000 per year. Instead authorities could choose to charge them up to full market rent. It was noted that this proposal was at variance with the original proposal at 80% of market rents made under the "Pay to Stay consultation in 2013.

However, difficulties were identified with administering any separate rent policy for the Council's high income social tenants.

Government estimates suggested that between 11,000 and 21,000 social tenants, representing around 1% of all social tenancy households in England met the threshold. When applied to the number of properties in the Council's housing stock, around 64 high earning Council tenants would be required to pay market rents. It was found that rents would increase on average by around £83.00 for each of the 64 tenants affected, bringing in total additional income of around £276,000 per annum.

The Panel concluded that the District Council be recommended to take no further action on this issue at present; and that a further report be submitted to the Panel setting out the options regarding a separate Rent Policy for high income tenants when legislative compulsion on tenants to declare incomes is established along with sanctions for tenants found to have failed to declare.

(iii) Housing Under-Occupation Officer Post – 1 Year Review – At the Cabinet meeting in April 2012, the recommendations from this Panel, to appoint some additional new posts, were agreed. One post was that of a new Housing Under-Occupation Officer. The Cabinet requested that the Panel review the effectiveness of any new posts agreed after a period of 1 year.

It was known that many Council properties were under-occupied, which did not make the best use of the Council's housing stock but often resulted in older and vulnerable tenants incurring greater household running costs.

The new Housing Under-Occupation Officer was appointed in May 2013. Prior to the review of the Housing Allocations Scheme, letters were sent to around 1,300 homeseekers on the Housing Register. As a result, there were around 40 enquiries, all of which were followed up. This led to 5 of the Council's existing tenants moving to smaller accommodation. During the year, a further 1,300 letters were sent to all existing tenants over 60 years of age who were under-occupying Council accommodation, promoting sheltered accommodation and offering other opportunities. This led to 30 enquiries, all followed up with 6 appointments.

The Panel recommended that the role of the Housing Under-Occupation Officer post be expanded and that the post be re-designated as Re-Housing Support Officer to reflect its future role

(iv) Tenant Profile report 2014 - In August 2013, the District Council's Housing Information Team began a postal survey or "census" of Council tenants. At the time there were approximately 6,400 properties on the Housing Revenue Account. The two principal aims for conducting the survey were to:

- (a) Check that the data held on the Housing system was correct; and
- (b) Build a better profile of tenants for service planning purposes.

A total of 6,390 households received questionnaires and 3,649 were subsequently returned by the closing date in January 2014. The questionnaires then went onto ask:

- (a) Their preferred form of communication;
- (b) Their main language;
- (c) Whether they had internet access;
- (d) If they had any disabilities;
- (e) Whether they wanted assistance with communications;
- (f) Their contact details for next of kin and keyholders; and
- (g) If they had access to a current account with a bank or building society.

The data gathered through the survey gave Housing staff access to more accurate information of tenants. Special needs identified were being flagged on the computer system so officers were aware of them. In addition, the Council had appointed a firm of external consultants, ARP Research, to produce a tenant profile report. ARP was provided with data collected from the survey returns and from this they produced a written report, executive summary, district mapping and ward profiles.

(v) Presentation by Essex County Council's Floating Support provider – Family Mosaic – The Panel welcomed Karla McLeish, Acting Floating Support Manager and Angela Randle of Family Mosaic, who gave a presentation regarding their organisation's work.

Family Mosaic possessed around 24,000 good quality homes available for rent serving more than 45,000 people, providing care and support services. They were one of the largest housing providers in London, Essex and the South East. Karla McLeish managed a team in Waltham Abbey which covered Epping Forest and Uttlesford.

(vi) Key performance Indicators 2014/15 - The Panel received quarterly reports for their Key Performance Indicators 2014/15 from the Director of Communities.

The Scrutiny Panels were now each responsible for the review of quarterly performance against specific KPIs within their areas of responsibility.

(vii) Government Consultation Paper "Right to Move" - The Panel received a report regarding a Department for Communities and Local Government (DCLG) Consultation Paper entitled "Right to Move".

The Consultation Paper explained that the Government expected local authorities to ensure that their Housing Allocations Schemes, residency requirements enabling social tenants to move across local authority boundaries for work related reasons so as not to impede labour mobility. The proposed regulations would remove the residency requirement for local authorities or housing association tenants who sought to transfer from another local authority district in England in order to be closer to their work or take up job offers, apprenticeships or work related training opportunities in order to avoid financial hardship.

The Government further proposed to ensure that authorities set aside a proportion of lets for tenants who needed to move for this purpose with a minimum expectation of 1% of lettings.

The Council respond to the consultation paper setting out the following:

(i) The Council would welcome the Government's proposal to "spell out" in more detail the circumstances in which they would expect local authorities to apply the addition to the "hardship" reasonable preference category for those needing to move for work or work related training.

(ii) The Council asked that it was clarified whether such preference would only apply to those in financial hardship and how such hardship were measured, particularly as there were no legal powers available to require applicants to declare their income.

(iii) The Council had concerns about setting aside a proportion of lets for this purpose and the difficulties with publishing information on the demand and lettings on any right to move quota.

(iv) There were a number of difficulties with giving priority to existing tenants for a "community contribution" in order to assist them to move within their own local authority area.

(viii) Review of the Housing Allocations Scheme - The Government required local authorities to have a Housing Allocations Scheme for determining priorities and the procedure for selecting a person for accommodation. Government guidance allowed for authorities to decide how accommodation should be allocated based upon local priorities, provided schemes were both legal and rational.

The Panel was advised that the amended Housing Allocations Scheme would be considered by an external legal advisor prior to statutory consultation being undertaken and final Cabinet approval

(see Case Study for full details)

(ix) Review of the Tenancy Policy - Under the Localism Act 2011 registered housing providers were granted additional powers allowing for local decisions on the management of social housing. This included enabling providers of social housing with the option to use flexible tenancies for a minimum period of 5 years. Flexible tenants generally enjoyed the same rights as secure tenants, including the Right to Buy, subject to the current qualifying criteria. On expiry of the fixed term, the tenant was assessed against an agreed Assessment Criteria to determine whether a further tenancy should be granted. If another tenancy was not offered, there was a requirement to provide the tenant with advice and assistance.

(x) Home Option Choice Based Lettings Scheme – Progress Report - The Choice Based Lettings Scheme introduced in November 2007 was administered externally by Locata Housing Services (LHS). Under the scheme, all vacant social rented properties were advertised to applicants on the website and a two weekly Property List giving details of location, type, rent, service charge, council tax band and landlord of the available accommodation. Applicants applying for a property by

expressing an interest in up to a maximum of three properties for which they had an assessed need.

Between 1 September 2013 and 31 August 2014, 345 properties had been allocated to homeseekers on the Housing Register. A further 49 properties were allocated direct to homeless applicants and an additional 11 to applicants leaving supported housing.

Some of the 345 properties allocated from the Housing Register had been advertised on more than one occasion, as they were difficult to let, this had resulted in 427 advertisements being placed on the website and in the Property Lists. With 24,307 expressions of interest being made, this was an average of around 70 expressions of interest from homeseekers each time a property was advertised. Most properties attracted in excess of 200 expressions of interest. Almost 97% of homeseekers expressed an interest in properties over the Internet.

Around 71% of all applicants registered on the Housing Register had participated in the scheme during the last year.

As a result of the introduction of the Local Eligibility Criteria under the current Housing Allocations Scheme, the numbers of homeseekers on the Housing Register had substantially reduced. As at 31 August 2014 there were 1,563 homeseekers on the Housing Register compared to 6,219 in June 2011.

(xi) Annual Review of Protected Characteristics – Housing Applicants and Lettings - In previous years, the Panel had undertaken an annual review of the ethnicity of applicants on the Housing Register and compared this with the ethnicity of those allocated accommodation, considering any disparities and whether there should be any resultant changes to the Housing Allocations Scheme. No such disparities had yet been identified.

Following the introduction of the Equality Act 2010 and the Public Sector Equality Duty in 2011, public bodies had to consider all individuals when carrying out their day to day work. There were nine “Protected Characteristics” which had considerations as follows:

- Age
- Disability
- Gender reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and Belief
- Sex
- Sexual Orientation

Generally, it was found that the statistics confirmed that the Protected Characteristics of homeseekers housed in Council accommodation were similar to those on the Housing Register. Therefore, it was recommended that no amendments be made to the Council’s Housing Allocations Scheme.

(xii) Landlord Accreditation Scheme – At their February 2015 meeting the Panel received a presentation regarding the Landlord Accreditation Scheme from the Private Housing Manager.

The Essex Landlord Accreditation Scheme (ELAS) was intended to raise standards in private sector rented accommodation. The scheme encouraged private landlords to come forward, make themselves known and enhance their professionalism.

ELAS was a consortium of 8 Essex District Councils, including Epping Forest District Council, administered through Blue Watch a wholly owned trading company of the Chief Fire Officer's Association (CFOA) Blue Watch Ltd for 5 years. Membership was £95.00 per annum and once a landlord was registered their properties could be advertised free on the ELAS website, they could receive discounted property insurance, they would have access to free impartial advice and information and for landlords that have licenceable houses in multiple occupation (HMO), some councils including Epping would reduce the HMO licence fee.

Despite the scheme being launched in September 2014 it had made slow progress with only two landlords having joined across Essex. It was hoped that with further publicity and exposure there would be an increase in membership.

(xiii) Housing Improvements and Service Enhancements Fund 2015/16 - It was noted that for the past three years, the Cabinet had asked the Housing Scrutiny Panel to consider and recommend a proposed list of housing improvements and service enhancements to the Cabinet utilising the additional funding received by the HRA which the Panel had last examined in March 2014.

There were 7 new housing improvements and service enhancements being undertaken in 2014/15, in addition to the completion of a further 7 projects extending/carried forward into 2014/15. Generally good progress had been made with the delivery of most of the projects during the year to date.

(xiv) Housing Services Strategy - The Housing Service Strategies were produced in accordance with an agreed standard framework, regularly updated. In total, 14 Housing Service Strategies had been produced covering:

- (a) Equality and Diversity;
- (b) Housing and Neighbourhood Management;
- (c) Tenant Participation;
- (d) Private Rented Sector;
- (e) Empty Council Properties;
- (f) Anti-Social Behaviour;
- (g) House Sales and Leasehold Services;
- (h) Rent Arrears;
- (i) Rent Collection and Administration;
- (j) Under-Occupation;
- (k) Housing Information;
- (l) Older People's Housing Services;
- (m) Energy Efficiency; and
- (n) Harassment

The strategies were produced to a common format that set out how individual housing services would be delivered.

Case Study: Housing Allocations Scheme

At its meeting on 21 October 2014, the Housing Scrutiny Panel reviewed the Council's Housing Allocations Scheme.

It is a Government requirement that local authorities have a Housing Allocations Scheme for determining priorities and a procedure for selecting a person for accommodation. Their guidance allowed for authorities to decide how accommodation should be allocated based on local priorities, provided their schemes were legal and rational.

The Council's Cabinet had asked the Housing Scrutiny Panel to undertake a 12 month review of the Housing Allocations Scheme. The Panel received the Department for Communities and Local Government (DCLG) Guidance providing social housing for local people (October 2013) and allocation of accommodation (June 2012) which the Panel had regard in respect of its deliberations on the proposed changes to the scheme.

The Housing Portfolio Holder had initial views on the 12 month review following informal discussions with the Cabinet. These were as follows:

- (1) That the Residency Criteria should be increased with new applicants who had lived in the district for less than five continuous years immediately prior to their date of registration, not qualifying for inclusion on the Housing Register.
- (2) That all existing home seekers on the Housing Register who had lived within the district for less than 4 ½ continuous years immediately prior to the date the new Housing Allocations Scheme was introduced, should be removed from the Register.
- (3) That all existing home seekers who were removed from the Register because they did not meet the Local Eligibility Criteria, should be allowed to re-register if, or when, they did meet the criteria but that their registration date be their date of registration.

The Housing Portfolio Holder advised that despite the local housebuilding programme, there was still a shortage of social housing. He felt that local residents with the longest connection to the district ought to be prioritised.

It was felt that the wording within the Government's Code of Guidance was open to interpretation, particularly in regard to exceptions relating to applicants with a "strong association" to the area. However the Panel felt that an exception should be made for existing social housing tenants who were seeking to move from another local authority in order to access work. A paragraph should be added to include those who had secured either permanent employment comprising of a minimum of 24 hours each week, or an apprenticeship or full time work related training and currently lived either in excess of 50 miles from their current or intended place of work.

The Panel recommended that those who had moved out of the district into settled accommodation for less than 3 years but had lived in the district for at least 5 years

immediately before moving out should be treated as home seekers who had lived in the district for more than 5 years. Members also recommended that a lesser residential requirement of 3 years should be applied to those leaving care.

It was recommended that where an applicant's gross annual household income including residential property equity, savings, shares or other assets exceeded £76,000, they should not qualify to join the Council's Housing Register.

The Chairman of the Panel was concerned that the long term effects of these proposals would change the social mix of the social housing sector, however the Panel supported the proposals.

Any tenant of the Council is offered an incentive payment to encourage downsizing their accommodation, where both properties were owned by the Council. The maximum payment is currently £2,000. During 2013/14, 41 tenants of the Council downsized to another property owned by the Council with less bedrooms. This resulted in 54 bedrooms being released, the total amount paid in downsizing payments was £47,500.

The Housing Portfolio Holder felt that the downsizing incentive payments should be increased. Accordingly, the Panel supported the incentive payments for each bedroom released being doubled to £1,000 with the amount paid for removal costs remaining the same and a standard decoration allowance payment of £500.00 being paid using "Homebase" vouchers subject to a maximum payment of £4,000.

The Panel was of the view that the increased incentive payments should only apply to tenants who were not subject to the removal of the spare room subsidy. It was noted that the increased incentives could result in an estimated increase in budget provision of around £68,000 making a required total annual budget of £115,500.

The Panel endorsed the view that the current policy on homeseekers refusing two offers of suitable accommodation within any three months period having their application being deferred for 6 months should be strengthened to two refusals within any period having their housing application deferred for 12 months. However, although those downsizing Council accommodation would be penalised in the same way, the penalty would apply following three refusals. The Panel supported a number of more minor changes suggested by officers

The Panel was advised that the amended Housing Allocations Scheme would be considered by an external legal advisor prior to a statutory consultation being undertaken and final Cabinet approval.