

Scrutiny Standing Panel Agenda



Housing Scrutiny Standing Panel Tuesday, 30th January, 2007

Place: Committee Room 1, Civic Offices, High Street, Epping

Time: 5.30 pm

Democratic Services Officer: Adrian Hendry, Research and Democratic Services
Tel. 01992 564246; email: ahendry@eppingforestdc.gov.uk

Members:

Councillors S Murray (Chairman), Mrs R Gadsby (Vice-Chairman), K Angold-Stephens, D Bateman, Mrs P Brooks, Mrs D Borton, Mrs H Harding, Mrs J Lea, G Mohindra, Mrs P Richardson, Mrs J H Whitehouse and J Wyatt

Epping Forest Tenants & Leaseholders Federation: Mrs M Carter

<p>PLEASE NOTE THAT THIS MEETING IS OPEN TO ALL MEMBERS TO ATTEND</p>
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1. APOLOGIES FOR ABSENCE

2. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

(Head of Research and Democratic Services) To report the appointment of any substitute members for the meeting.

3. DECLARATION OF INTERESTS

(Head of Research and Democratic Services). To declare interests in any items on the agenda.

In considering whether to declare a personal or a prejudicial interest under the Code of Conduct, Overview & Scrutiny members are asked pay particular attention to paragraph 11 of the Code in addition to the more familiar requirements.

This requires the declaration of a personal and prejudicial interest in any matter before an OS Committee which relates to a decision of or action by another Committee or Sub Committee of the Council, a Joint Committee or Joint Sub Committee in which the Council is involved and of which the Councillor is also a member.

Paragraph 11 does not refer to Cabinet decisions or attendance at an OS meeting purely for the purpose of answering questions or providing information on such a matter.

4. TO NOTE THE MINUTES OF THE LAST MEETING HELD ON 31 OCTOBER 2006 (Pages 5 - 8)

Attached.

5. TERMS OF REFERENCE / WORK PROGRAMME (Pages 9 - 14)

(Chairman/Lead Officer) The Overview and Scrutiny Committee has agreed the Terms of Reference of this Panel and associated Work Programme. This is attached. The Panel are asked at each meeting to review both documents.

6. VERBAL UPDATE ON CHOICE BASED LETTINGS

(Head of Housing Services) To receive a verbal update from the Assistant Head of Housing on the Choice Based Letting Scheme.

7. HOUSEMARK BENCHMARKING REPORT ON EFDC HOUSING SERVICE - 2005/06 (Pages 15 - 16)

(Head of Housing Services) To consider the attached report.

8. HOUSING REVENUE ACCOUNT BUSSINESS PLAN 2006/07 (KEY ACTION PLAN) - PROGRESS REPORT (Pages 17 - 26)

(Head of Housing Service) To consider the attached report.

9. REPORT ON THE TRI-ANNUAL TENANT SATISIFCATION SURVEY 2006 (Pages 27 - 28)

(Head of Housing Services) To consider the attached report.

10. PRIVATE SECTOR HOUSING STRATEGY - HOUSING ASSISTANCE POLICY 2006 (Pages 29 - 48)

(Head of Housing Services) To consider the attached report.

11. RECOVERY OF ARREARS FROM LEASEHOLDERS (Pages 49 - 72)

(Head of Housing Services) To consider the attached report.

12. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE

To consider which reports are ready to be submitted to the Overview and Scrutiny Committee at its next meeting.

13. FUTURE MEETINGS

To consider the forward programme of meeting dates for the Panel.

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**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF HOUSING SCRUTINY STANDING PANEL
HELD ON TUESDAY, 31 OCTOBER 2006
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 5.30 - 7.30 PM**

- Members Present:** S Murray (Chairman), Mrs R Gadsby (Vice-Chairman), K Angold-Stephens, D Bateman, Mrs P Brooks, Mrs D Borton, Mrs H Harding, Mrs J Lea, Mrs P Richardson, Mrs J H Whitehouse and J Wyatt
- Other members present:** D Stallan
- Apologies for Absence:**
- Officers Present** A Hall (Head of Housing Services), R Wilson (Assistant Head of Housing Services (Operations)), R Wallace (Housing Needs Manager), T Shelly (Asst. Housing Needs Manager) and A Hendry (Democratic Services Officer)

Also in attendance:

18. SUBSITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

The Panel noted that there were no substitute members.

19. DECLARATION OF INTERESTS

The Panel noted that there were no declarations of interest.

20. TO NOTE THE MINUTES OF LAST MEETING HELD ON 11 SEPTEMBER 2006

The minutes from the last meeting were noted and agreed.

21. TERMS OF REFERENCE / WORK PROGRAMME

The Terms of Reference and Work Programme were noted. The Panel agreed the request of the Chairman that item 15 on the Work Programme (Leaseholder Service Charges for Major Works and Improvement – Payment Arrangements), be added to the Work Programme (classified as 'medium' priority) for consideration by the Panel in January 2007.

22. CHANGE IN ORDER OF AGENDA

By the leave of the Chairman the Housing Services Strategy on Empty Council Dwelling was considered next.

23. HOUSING SERVICES STRATEGY - EMPTY COUNCIL DWELLINGS

The Panel considered the strategy relating to vacant Council dwellings. This strategy was updated from the 2003 version and did not include empty properties in the

private sector. The Tenants and Leaseholders Federation had already considered and supported this strategy, with no proposed amendments.

The Head of Housing Services took the Panel through the document pointing out that Section 5 listed the aims and objectives of the strategy. He was asked if there were so many vacant properties why did so many people have to wait a long time to be housed. He replied that at 0.8% of the total housing stock, the vacant properties were not that numerous, and these vacancies comprised of different size properties (flats and houses with different bedroom combinations). Houses were generally the most sought after, and these were not always available.

Councillor Angold-Stephens asked which were the hardest to let properties. He was told that was mostly the bed-sits in sheltered housing schemes. In response to the question as to why the Council could not house younger people in these bed-sits, he was told it was not advisable to mix the younger, possibly homeless persons in with older people in sheltered housing schemes, also if the Council mixed the ages in sheltered housing schemes they would open them up to 'right to buy' rights.

Councillor Mrs Lea asked if the council could restrict re-housing people who leave their old properties in a bad condition. She was told that the council could not, but could charge the tenant for the damage caused, but it would have to be severe damage if they were to take them off the Housing Register.

It was noted that the table in section 11, Key Targets and Performance Monitoring, the heading 'Performance' should be replaced by the word 'Targets'. It was agreed that the target percentage of rent loss from empty properties be reduced to less than (<) 1%.

Councillor Murray asked if the third point of the action plan, about multiple viewings, was just to be considered or was to be implemented. He was informed that officers were considering this but had not implemented this as yet.

RESOLVED:

That, having considered the Housing Service Strategy on Empty Council Dwellings, the Strategy be supported and the only comment to be provided to the Housing Portfolio Holder is that the target percentage of rent loss (Section 11, table) from empty properties be reduced to less than (<) 1%.

24. EPPING FOREST LOCAL SUPPORTING PEOPLE STRATEGY 2006-2010 - SIX-MONTH PROGRESS REPORT (OCTOBER 2006)

The Head of Housing Services took the Panel through the six-month progress report on the Epping Forest Supporting People Strategy 2006-2010. He told the Panel that this was not a Council document but is produced by the Local Supporting People Core Strategy Group, of which the Council is a member.

Councillor Mrs Whitehouse asked what control the Council had over the placing of emergency pull cords in sheltered housing. She was told that it would depend on who owned the premises; if the Council owns the homes then it is responsible. It was noted that the Council did provide the monitoring service for all sheltered accommodation.

Councillor Angold-Stephens asked about Point 24, that the Homelessness Prevention Officer was to be part time but is now full time; will they have enough

work? The Head of Housing Services replied that because it was partly funded by Government, the Council was pleased to get funding for a full time officer. This officer is now heading up a small team who do all they can to prevent homelessness, which in turn has helped to reduce the number of homelessness applications and acceptances.

Councillor Mrs Harding noted that under Point 19 there was still a vacancy at Cripsey Avenue for a person with learning difficulties, why this was the case. It was explained in response that it was because Essex County had informed this Council that there was no-one in this district that was suitable for the amount of care. The Head of Housing Services commented that he had found this hard to believe, so was resisting an allocation being made to someone from outside the District, until a suitable candidate from this district could be found.

RESOLVED:

That the Panel noted the six-month progress report for the Epping Forest Local Supporting Strategy 2006-2010.

25. HOUSING ALLOCATION SCHEME

The Assistant Head of Housing Services introduced this report on the review of the Council's Housing Allocation Scheme. He also introduced Russell Wallace the Housing Needs Manager and Tracy Selly the Assistant Housing Needs Manager who were there to answer any detailed questions on the Scheme.

It was explained that the proposed changes to the Scheme would be implemented in stages; the first stage will be general changes required as a result of the review, which would take effect from 1 April 2007, and stage two will be changes to the Allocations Scheme to meet with the requirements of Choice Based Lettings. Part of the proposals included a reduction from 7 to 6 bands.

It was noted that:

- The Council could not ask applicants for ID photos with their application forms;
- Clarification was given to acts of anti social behaviour in paragraph 8.6;
- Paragraphs 9.1 and 9.2 is aimed at meeting the governments targets;
- Under paragraph 13.3 a tenant has the chance to appeal against being taken off the Housing Register through their failure to renew their application. The Scrutiny Panel agreed that, a letter informing them to this effect should be sent;
- Ex-army families and servicemen are treated sympathetically if they wish to join the Housing Register, each case is judged on it's own merits;

Appendix 3:

- To move all non-priority homelessness cases to new Band 4;
- Persons of 'no fixed abode' are not necessarily homeless as they could be staying with friends and family; a lot of these people would be picked up by the Single Homelessness Accommodation for Epping Forest (SAFE) Project;

RESOLVED:

That, having considered the review of the Housing Allocations Scheme, the Panel's comments be passed on to the Housing Portfolio Holder for his consideration prior to its submission to the Cabinet.

26. HOUSING SERVICE STRATEGY - EQUALITY AND DIVERSITY

The meeting considered the Housing Service Strategy on Equality and Diversity, which was introduced by the Assistant Head of Housing. It was noted that the Tenants and Leaseholders Federation had already considered this Strategy, which had suggested that the Strategy be put on the Council's Website. Also it was thought to be useful for Citizen Advice Bureaux to be given copies of them.

RESOLVED:

That, having considered the Housing Service Strategy on Equality and Diversity, the Strategy be supported.

27. CHOICE BASED LETTINGS UPDATE

An update on this scheme was given by the Assistant Head of Housing. He informed the meeting that consultants had been employed and paid for by the Government funding, an advert had gone into the EU journal asking for expressions of interest to appoint a Choice Based Letting Agency, hopefully by February 2007, and would be in place before the end of 2007.

There is now a memorandum of understanding between all participants, which included agreement that all the local authorities would have individual contracts with the choice based lettings agency. Officers would be consulting with all external agencies on 6 December 2006 and would also be consulting with all the Council's tenants and applicants.

It was noted that Uttlesford DC had now dropped out of the partnership, claiming they were not happy with having a blanket scheme across all the areas.

EFDC staff training would be commencing shortly. A list of potential distribution points for the two-weekly publication was tabled, and it was noted that it would be possible to post the publication out to vulnerable members of the public who were unable to pick up their own copy. The meeting asked if Post Offices could be added to the list as well as Loughton Leisure Centre and Loughton Town Council. Asked if people could subscribe to the publication the Assistant Head of Housing Services replied that they could if they paid. All councillors would also receive a copy of the publication.

28. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE

The Chairman agreed that all items reported tonight should be reported to the next Overview and Scrutiny Committee.

29. FUTURE MEETINGS

The scheduled future meetings of 30 January 2007 and 30 April 2007 were agreed.

TERMS OF REFERENCE - STANDING PANEL

Title: Housing

Status: Standing Panel

Terms of Reference:

(1) To undertake reviews of public and private sector housing policies on behalf of the Overview and Scrutiny Committee, Housing Portfolio Holder or Head of Housing Services and to make any recommendations arising from such reviews to the Housing Portfolio Holder or Cabinet as appropriate.

(2) To undertake specific projects related to public and private sector housing issues, as directed by the Overview and Scrutiny Committee, and to make any recommendations arising from such reviews to the Housing Portfolio Holder or Cabinet as appropriate.

(3) To consider and provide comments to the Housing Portfolio Holder on the following matters, prior to consideration by the Cabinet:

- (i) Draft Housing Strategy (to be adopted by full Council in accordance with the Council's Constitution)
- (ii) Draft Private Sector Housing Strategy
- (iii) Draft Private Sector Housing Grants Policy
- (iv) Annual Review of the Housing Allocations Scheme

(4) To consider and provide comments to the Housing Portfolio Holder on draft versions of the following documents:

- (i) Housing Revenue Account (HRA) Business Plan
- (ii) Local Supporting People Strategy
- (iii) Housing Service Strategies

(5) To undertake the Annual Ethnic Monitoring Review of Housing Applicants and Housing Allocations, in accordance with the Code of Practice in Rented Housing.

(6) To monitor progress with the actions plans contained in the following documents, on a six-monthly basis:

- (i) Housing Strategy
- (ii) Local Supporting People Strategy
- (iii) Private Sector Housing Strategy
- (iv) Housing Services Development Plan

(7) To consider the Housing Portfolio Holder's draft response to any consultation papers relating to public or private sector housing that the Housing Portfolio Holder considers warrants a response from the Council.

Work Programme 2006/07

Item	Priority	Report Deadline
(1) Annual Ethnic Monitoring Review of Housing Applicants	Medium	July 2006
(2) Updated Draft Housing Strategy	High	Was July now October 2006
(3) Empty Property Strategy	High	July 2006
(4) Housing Service Strategy on the Private Rented Sector	Low	July 2006
(5) Housing Services Strategy on Empty Council Properties	Low	Was July now October 2006
(6) Annual Review of the Housing Allocations Scheme	High	October 2006
(7) Six-monthly Progress Report on Local Supporting People Strategy Action Plan	Medium	October 2006
(8) Private Sector Housing Assistance Policy	High	October 2006
(9) Six-monthly Progress Report on Housing Strategy Action Plan	Medium	January 2007
(10) Updated draft HRA Business Plan	High	April 2007
(11) Updated Draft Local Supporting Peoples Strategy	High	April 2007
(12) Implementation of Choice Based Lettings	High	Final Report – April 2007

Chairman: Cllr Stephen Murray

Report to the Housing Scrutiny Panel

Date of meeting: 30 January 2007

Subject: Housing Scrutiny Panel Work Programme 2006/7



Officer contact for further information: Alan Hall, Head of Housing Services

Committee Secretary: Adrian Hendry

Recommendations:

That the Progress Report on the Panel's Work Programme 2006/7, attached as an Appendix, be noted.

Report

1. At its first meeting in July 2006, the Panel noted its Work Programme set by the Overview and Scrutiny Panel.
2. Attached as an Appendix is the current position with regard to each of the tasks assigned to the Panel, which includes additional tasks agreed by the Panel since July 2006.

**Housing Scrutiny Panel
Work Programme 2006/7**

PROGRESS REPORT

Item	Priority	Original Report Deadline	Current Position
WORK PROGRAMME			
Issues Within the Original Work Programme			
(1) Annual Ethnic Monitoring Review of Housing Applicants	Medium	July 2006	Completed – At 27 July 2006 meeting.
(2) Updated draft Housing Strategy	High	July 2006	No longer required – Report on letter from GO-East to be considered at this meeting.
(3) Empty Property Strategy	High	July 2006	Completed – At 27 July 2006 meeting.
(4) Housing Service Strategy on Empty Council Properties	Low	July 2006	Completed – At 31 October 2006 meeting.
(5) Annual Review of the Housing Allocations Scheme	High	October 2006	Completed – At 31 October 2006 meeting.
(6) Six-monthly Progress Report on Local Supporting People Strategy Action Plan	Medium	October 2006	Completed – At 31 October 2006 meeting.
(7) Private Sector Housing Assistance Policy	High	October 2006	Completed – At 27 July 2006 meeting

(8) Six-monthly Progress Report on Housing Strategy Action Plan	Medium	January 2007	No longer required for this year - Report on letter from GO-East to be considered at this meeting.
(9) Implementation of Choice Based Lettings	High	July 2007	In progress – The Panel considered the draft specification at its special meeting on 11 September 2006. Oral report to be given at this meeting
(10) Six-monthly Progress Report on Housing Business Plan Action Plan	Medium	January 2007	To be considered at this meeting – The Six-monthly Progress Report is due to be considered at this meeting.
(10) Updated draft HRA Business Plan	High	April 2007	Not yet required
(11) Updated Local Supporting People Strategy Action Plan	High	April 2007	Not yet required
Issues Added to the Work Programme During the Year			
(12) Housing Service Strategy on Harassment	Medium	July 2006	Completed – At 27 July meeting.
(13) Housing Service Strategy on Diversity and Equality	Medium	September 2006	Completed – At 31 October 2006 meeting.
(14) Leaseholder Service Charges for Major Works and Improvements – Payment Arrangements	Medium	January 2007	To be considered at this meeting – Report requested by the Chairman of the Housing Scrutiny Panel.
(15) Tenant Satisfaction Survey Results	Low	January 2007	To be considered at this meeting – The detailed results of the tri-annual Tenant Satisfaction Survey are due to be considered at this meeting.
(16) Housemark Benchmarking Report of Housing Services	Low	January 2007	To be considered at this meeting – The results of the first Housemark Benchmarking Report of Housing Services are due to be considered at this meeting.

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Report to the Housing Scrutiny Panel

Date of meeting: 30 January 2007

Portfolio: Housing – Cllr D. Stallan

Subject: Housemark Benchmarking Report on EFDC Housing Services – 2005/6

Officer contact for further information: Alan Hall, Head of Housing Services

Committee Secretary: Adrian Hendry



Recommendations:

That the Housemark Benchmarking Report on EFDC Housing Services 2005/06 (previously circulated separately to all members of the Scrutiny Panel) be considered and that the Panel provides any comments on the results of the benchmarking exercise to the Housing Portfolio Holder and Head of Housing Services as appropriate.

Report

1. Epping Forest DC Housing Services is a member of Housemark, a national housing benchmarking organisation. Housemark enables housing organisations to submit detailed information on their performance and costs, electronically, and then to compare these with other housing organisations nationally.
2. Housemark enables member organisations to compare themselves with user-defined data sets. For example, the Council can compare itself with all housing organisations nationally; all district councils; all local authorities; or all housing associations. It can also define the locations (by regions) of those organisations to be included within the comparison, and can restrict the comparison to housing organisations of more or less than a defined number of properties.
3. In Autumn 2006, all the required performance and cost data for Housing Services relating to 2005/6 was uploaded to the Housemark website. This data was then verified by Housemark.
4. The Head of Housing Services has produced a report on the benchmarking exercise, which was circulated separately to all members of the Scrutiny Panel at the beginning of January 2007. **Members of the Panel are asked to bring their copy of the report to the meeting.**
5. The Benchmarking Report sets out the benchmarking results with all the 51 housing organisations in the Eastern and London Regions who have provided Housemark data returns for 2005/6.
6. Section 1 of the report gives information on the benchmarking process; Section 2 summarises which quartile of organisations EFDC is placed for each benchmarked data set; and Section 3 provides all the detailed tables for each data set that have been printed out from Housemark's webpages, where the Council has provided data.
7. The table below summarises the Council's quartile placings for all 76 benchmark results:

Quartile	Explanation	No. of EFDC Placements in Quartile
Top	EFDC is within the top 25% of housing organisations for this activity (i.e. the costs are low or the performance is high)	37 (49%)
2 nd	EFDC is within the range between the top 25% and the top 50% of housing organisations for this activity	13 (17%)
3 rd	EFDC is within the range between the bottom 50% and bottom 25% of housing organisations for this activity	16 (21%)
Bottom	EFDC is within the bottom 25% of housing organisations for this activity (i.e. the costs are high or the performance is low)	10 (13%)

8. The Scrutiny Panel is asked to consider the Housemark Benchmarking Report and provide any comments on the results to the Housing Portfolio Holder and Head of Housing Services as appropriate.

Report to the Housing Scrutiny Panel

Date of meeting: 30 January 2007

Portfolio: Housing – Cllr D. Stallan

Subject: Housing Revenue Account Business Plan 2006/7 (Key Action Plan)
– Progress Report

Officer contact for further information: Alan Hall, Head of Housing Services

Committee Secretary: Adrian Hendry



Recommendations:

That the Panel considers the Progress Report for the Key Action Plan contained within the HRA Business Plan 2006 and provides any feedback to the Housing Portfolio Holder and Head of Housing Services accordingly.

Report

1. In April 2006, the Council's latest Housing Revenue Account (HRA) Business Plan (2006) was produced, incorporating the Repairs & Maintenance Business Plan. This document sets out the Council's objectives, strategies and plans as landlord, in relation to the management and maintenance of its own housing stock.
2. An important section of the HRA Business Plan is the Key Action Plan. This sets out the proposed action the Council will take over the following 1-3 years. Having included the Key Action Plan within the Business Plan, it is good practice that the progress made with the stated actions is monitored; one of the Scrutiny Panel's Terms of Reference is to review progress during the year.
3. A Progress Report (as at 1 January 2007) has therefore been produced and is attached as an appendix to this report.
4. The Scrutiny Panel is asked to consider the Progress Report and to feed back to the Housing Portfolio Holder and Head of Housing Services any comments it considers appropriate.
5. The HRA Business Plan will be revised and updated in April 2007, to cover 2007/8.

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**Housing Revenue Account (HRA) Business Plan 2006/7 – Progress Report on Key Action Plan
(As at 1 January 2007)**

Action	Corporate Housing Objective	Responsibility for Achievement	Target Date	Progress Report
Housing General				
1. Undertake a census of Council tenants	HO 2	Principal Housing Officer (Information/Strategy)	Dec 2006	In Progress The arrangements for the census are in place and is due to be undertaken in January 2007 – it was purposefully delayed to avoid it being undertaken too close to the Tenant Satisfaction Survey
2. Undertake the tri-annual Tenants Satisfaction Survey	HO 1 / 2	Principal Housing Officer (Information/Strategy)	Dec 2006	Achieved The survey has been completed, with the detailed results being considered by the Housing Scrutiny Panel in January 2007
3. Complete the implementation of the Service Development Plan, formulated following the Best Value Service Review of Housing Services	HO 1	Head of Housing Services	Sept 2006	In Progress Only 15% of the 104 tasks are outstanding.
Housing Management				
4. Introduce the Leasehold Services module of the integrated housing IT system	HO 2 / 6	Housing Resources Manager	April 2007	Delayed The implementation has had to be delayed once again, due to the capacity of the ICT Service being insufficient to undertake the implementation in 2006/7. However, it is hoped that the project can be implemented in 2007/8.
5. Introduce the Estate Management module for the housing IT system	HO 2	Asst Head of Housing Services (Operations)	April 2007	Delayed Due to a corporate wish to have an IT system that various agencies could access to monitor anti-social behaviour, this proposal was not pursued. However, it has recently been established that the Anite Estate Management system would probably serve the best purpose. It is therefore planned to implement the system in 2007/8

6. Introduce a Harassment Policy for dealing with residents experiencing harassment from Council tenants	HO 2	Asst Head of Housing Services (Operations)	Sept 2006	Achieved The Harassment Policy was adopted by the Housing Portfolio Holder in October 2006.
7. Implement a joint choice based lettings scheme, in conjunction with the five neighbouring councils.	HO 2	Asst Head of Housing Services (Operations) / Housing Needs Manager	April 2007	In Progress Good progress has been made, and the point has been reached where the Consortium is ready to invite tenders from choice based lettings agencies to provide the service. However, there has been a delay due to the uncertainty of Uttlesford DC about whether they want to remain a member of the Consortium. Concerns are also emerging about the ability of some of the other Consortium members to be ready to implement the system at the same time as those councils most prepared (e.g. Epping Forest)
8. Implement the Introductory Tenancy Scheme, giving new tenants a non-secure tenancy for 12 months.	HO 2	Asst Head of Housing Services (Operations)	July 2006	Achieved The Introductory Tenancy Scheme was implemented as planned in April 2006.
9. Place the Housing Mutual Exchange Register on the Council's internet, with photos and search facilities	HO 2	Principal Housing Officer (Information/Strategy)	Sept 2006	Delayed Difficulties have been experienced with placing the Mutual Exchange Register on the website. However, other alternatives are being explored, including greater use of the national HOMES website
10. Introduce a facility for tenants to apply for the Housing Register on-line	HO 2	Housing Needs Manager	April 2007	Partly Achieved Applicants are now able to download housing applications, to complete manually and return by post. Development work is in progress to enable applicants to complete and transmit application forms on line
Tenant Participation				
11. Facilitate the formation of two additional recognised tenants associations within the District	HO 5	Tenant Participation Officer	April 2007	In Progress The Tenant Participation Officer is working with residents on the formation of new tenants associations in:

					Ninefields, Waltham Abbey Debden, Loughton Hornbeam Road, Buckhurst Hill
12. Introduce a Rural Tenants Forum comprising representatives in rural locations that have no recognisable estates and where formal associations are difficult to establish.	HO 5	Tenant Participation Officer	April 2007	In Progress A lot of work has been undertaken by the Tenant Participation Officer to form the Forum. He has visited a number of parish councils and other fora and has established a steering group of interested tenants from a number of villages. It is envisaged that the Forum will be properly launched in early 2007, with the Forum having representation on the district-wide Tenants and Leaseholders Federation	
Supporting People and Supported Housing					
13. Transfer the Council's sheltered housing scheme at Wickfields, Chigwell to Warden Housing, to facilitate an improvement scheme to convert existing bedsits into self contained flats	HO 1 / 2 / 3	Head of Housing Services	July 2006	Achieved Wickfields was transferred to Home Housing (previously known as Warden Housing Association) in October 2006.	
14. Submit at least one tender for the monitoring of alarm systems for other authorities and housing associations by the Council's own Careline Service.	HO 1 / 2	Asst Head of Housing Services (Management)	April 2007	No Progress No opportunities have arisen to tender for the provision of a Careline Service in 2006. However, officers are engaging with the Telecare initiative being promoted by Essex County Council, with funding from the Government, in order to seek to use the Careline Service to operate Telecare in 2007. Telecare is the use of technology to monitor the health and wellbeing of clients in their own home, to avoid the need for residential accommodation or hospital admission.	
Housing Repairs and Maintenance					
15. Timetable at least one meeting each year with the Tenants Federation to discuss the repairs and maintenance expenditure programme.	HO 3	Asst Head of Housing Services (Prop & Resources) / Housing Assets Manager	April 2007	In Progress This is undertaken in April each year as part of the Repairs and Maintenance Business Planning process.	

16. Implement electronic mobile working for the Housing Repairs Section	HO 3	Housing Repairs Manager	April 2007	<p>Partly Achieved</p> <p>The software has been installed and tested. However, as part of the test period, the Portable Digital Appliances (PDAs), which are used by Officers in the field to log repairs, proved to be inadequate and alternative equipment is being sourced to support the application.</p>
17. Recommend to the Housing Portfolio Holder that the target time for routine works be reduced from 8 weeks to 6 weeks.	HO 3	Asst Head of Housing Services (Prop & Resources)	April 2007	<p>Delayed – Now in Progress</p> <p>This has been delayed due to the difficulties experienced by the Works Unit in recruiting tradesmen. However, since the Works Unit joined the Job Evaluation Scheme in 2006, together with the introduction of apprentice posts, many of the vacant posts have now or are in the process of being filled. A report is soon to be submitted to the Housing Portfolio Holder recommending that the target time for routine works be reduced from 8 weeks to 6 weeks and formally launched in April 2007.</p>
18. Investigate further ways of using the accompanied viewing process to help let difficult-to-let properties.	HO 3	Asst Head of Housing Services (Prop & Resources)	April 2007	<p>Partly Achieved</p> <p>The impending introduction of Choice Based Lettings is the long-term initiative to deal with difficult-to-let properties. However, in the short term, initiatives such as multiple accompanied viewings have been considered to help with difficult-to-let properties.</p>
19. Make more information available about disabled adaptations to residents, setting out the responsibilities of the Council, procedures, targets, contacts in the form of a leaflet.	HO 3	Housing Assets Manager	April 2007	<p>In Progress</p> <p>A leaflet, setting out the responsibilities of the Council, procedures, targets, contacts etc is due to be introduced in April 2007</p>
20. Explore the feasibility of an OT being jointly employed between Housing Services, Environmental Services and Social Services to oversee all disabled adaptation and DFG requests within the District, subject to the approval of funding	HO 3	Housing Assets Manager	April 2007	<p>In Progress</p> <p>Initial discussions have taken place with Essex County Council Social Care, who in principle supports the approach. More detailed discussions are due to take place to explore funding options. Separately, the Head of Housing Services has been asked to lead a project group covering the whole of the London Commuter Belt</p>

					<p>Housing Sub Region (15 local authorities) to investigate common problems with adaptation and DFGs. He is currently undertaking a survey of all local authorities and RSLs within the Sub-Region to obtain a position statement. One of the outcomes of this project may be a greater acceptance to jointly-funded OTs across the Sub-Region</p>
21. Set up partner frameworks with the voluntary sector organisations and the EFPC to widen the scope of benefits for residents.	HO 3	Housing Assets Manager	April 2007	<p>Partly Achieved</p> <p>Partner frameworks have been set up through the Council's Energy Efficiency Programme in conjunction with British Gas through their Home Essentials for Life Programme (HELP), which will assist older residents and those in fuel poverty. Partner agencies include Help the Aged, SCOPE, RNIB, Family Welfare Association, National Debt Line and Save the Children.</p>	
22. Implement upgrade to latest version of CodeMan system	HO 3	Housing Assets Manager	April 2007	<p>In Progress</p> <p>This is currently in the process of being implemented.</p>	
23. Apply partnering to external repair and redecoration work	HO 3	Housing Assets Manager	April 2007	<p>Achieved</p> <p>Introduced for the 2006/7 programme of external repairs and redecoration. The contract is for a 5-year term with two contractors, which runs through until 2010/11.</p>	
24. Reconsider the incorporation of the Building Maintenance Section (of the Works Unit) within Housing Services	HO 3	Management Board	April 2007	<p>In Progress</p> <p>Discussions have held been between the Joint Chief Executive (Community), Head of Housing Services and Chief Works Officer. Following further financial information being obtained relating to the costs of incorporation, Management Board will consider whether or not to recommend to the Cabinet that the incorporation takes place. This may also be considered as part of the Top Management Structure</p>	
25. Consider the issue of adopting generic repairs and voids officers either as part of, or following, the required restructuring of the proposed combined Housing Services and Building Maintenance Works Unit.	HO 3	Housing Repairs Manager	April 2007	<p>Delayed</p> <p>The introduction of generic repairs and voids officers is delayed, pending a decision on the Building Maintenance Works Unit being incorporated within Housing Services (See Action 24 above)</p>	

<p>26. Implement a Tenants' Repairs Scheme after the application of job evaluation to the Building Maintenance Section, but that the scheme be suspended (or eligibility restricted to just elderly and disabled people) at any time when the scheme would detrimentally affect the Council's Repairs Service.</p>	HO 3	Chief Works Officer	April 2007	<p>No Progress</p> <p>Although job evaluation has been introduced within the Works Unit, the priority for the Works Unit now is to work towards the reduced improved target times for routine repairs (referred to at Action 17 above). The capacity of the Works Unit to implement a Tenants Repairs Scheme will then be reviewed after the introduction of the new target times</p>
<p>27. Consider extending the Tenants' Repairs Scheme to cover leaseholders at a later date.</p>	HO 3	Chief Works Officer	April 2007	<p>Not yet Possible</p>

<p>Key to Corporate Housing Objectives</p> <p>HO 1 - Best Value HO 2 - Housing Management HO 3 - Repairs and Maintenance HO 4 - Energy Efficiency HO 5 - Tenant Participation HO 6 - Housing Finance</p>
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Report to the Housing Scrutiny Panel

Date of meeting: 30 January 2007

Portfolio: Housing – Cllr D. Stallan

Subject: Report on the Tri-annual Tenant Satisfaction Survey 2006

Officer contact for further information: Alan Hall, Head of Housing Services

Committee Secretary: Adrian Hendry



Recommendations:

That the National Housing Federation's (NHF's) report on the results of the Council's tri-annual Tenant Satisfaction Survey (previously circulated separately to all members of the Scrutiny Panel) be considered and that the Panel provides any comments on the results of the Satisfaction Survey to the Housing Portfolio Holder and Head of Housing Services as appropriate.

Report

1. Every three years, the Council is required to undertake a detailed Tenant Satisfaction Survey. A standard satisfaction form is used nationally (called the STATUS Survey) in order to compare results amongst landlords. The previous satisfaction survey was carried out in 2003; as then, the Council's latest survey was undertaken by an independent organisation called the National Housing Federation (NHF). The NHF has carried out around 200 satisfaction surveys for local authorities and housing associations, so they are in a good position to compare performance amongst landlords.

2. The results of the Satisfaction Survey have now been received and a copy of the NHF's detailed report on the results have previously been circulated separately to all members of the Scrutiny Panel to study. Helpfully, the detailed report includes an Executive Summary of the results (which was provided to all Members of the Council through the Council Bulletin at the beginning of January 2007).

3. Around 1,400 tenants (22% of all the Council's tenants) were randomly selected by the NHF to be surveyed. An exceptionally high response for a postal survey of 72% was received, giving a 3% margin of error at the 95% confidence level. This means that if the Council surveyed all 100% of its tenants, there is a 95% certainty that the results for all the questions would be somewhere between 3% less and 3% more than the results from the sample survey.

4. Based on their findings, the NHF concluded that:

"The Council's tenants have shown they believe the Council is continuing to provide an excellent housing service. They are much more likely to be satisfied with most of the landlord services they receive than the tenants of most other social landlords. In particular, they are exceptionally pleased with the Council's repairs and maintenance services and also with the contact they have with the Council's staff. They usually find that staff are helpful and good at dealing with their problems. The survey identified no weak service areas."

5. In very brief summary, overall satisfaction with the housing service remains consistently high, increasing slightly from 84% in 2003 to 85% being satisfied (compared to the national average of 77%). 85% of tenants were satisfied with the repairs and maintenance service (compared to the national average of 73%). The Council ranked a

strong first in its Peer Group for all 6 aspects of the repairs and maintenance service measured.

6. The Council's tenants also recorded more positive responses for all 4 of the aspects measured relating to customer contact with Housing Services than any of the other Peer Group landlords. Indeed, 72% of the Council's tenants were satisfied with the final outcome of their contacts - 10% higher than average.

7. The only disappointing results were that only 67% of tenants felt that the Council took account of their views (1% less than the national average) and only 49% felt that they were given opportunities for involvement in the management of their homes (6% less than the national average) – although it should be noted that only 7% of tenants thought that involving tenants in the management of their homes was important.

8. The detailed report on the results of the Satisfaction Survey were due to be considered by the Tenants and Leaseholders Federation, at its meeting on 23 January 2007. The main headlines will also be reported in the next issue of Housing News.

9. The Scrutiny Panel is asked to consider the NHF's report and provide any comments on the results to the Housing Portfolio Holder and Head of Housing Services as appropriate.

Report to Housing Scrutiny Standing Panel

Date of meeting: 30 January 2007

Subject: Private Sector Housing Strategy – Housing Assistance Policy 2006

Officer contact for further information: Sue Stranders (ext 4197)

Committee Secretary: Adrian Hendry (ext 4246)



Recommendation:

That the Panel recommend to Cabinet the attached draft Housing Assistance Policy be adopted as part of the Private Sector Housing Strategy.

Background:

1. The Panel agreed on 27 July 2006 to recommend to Cabinet that the draft Private Sector Housing Strategy be adopted as Council policy, subject to the submission of Appendix A (Housing Assistance Policy). The Strategy was presented to Cabinet on 18 December 2006.
2. The Panel also agreed to receive a further report that set out a detailed Housing Assistance Policy, which regulates the manner in which financial assistance is given to private sector households.

Report:

3. The Housing Assistance Policy forms Appendix A of the Private Sector Housing Strategy. It sets out the basis on which Epping Forest District Council will offer financial assistance for works of repair, renewal or adaptation in the private housing sector. It is a detailed statement of what financial assistance will be available and the conditions that will apply.
4. The Policy could only be submitted once approval had been received with regard to the proposed changes and initiatives as set out the Strategy.
5. Housing Assistance may be offered in accordance with the Policy towards the cost of:
 - (i) The improvement, repair or adaptation of existing living accommodation including mobile homes and houseboats;
 - (ii) The creation of new living accommodation by the conversion of existing buildings (including existing dwellings and commercial premises);
 - (iii) Any other initiatives that are consistent with the aims and objectives of the Council's Private Sector Housing Strategy.
6. The Policy specifies the conditions for eligibility and the amounts for the following types of discretionary grants:
 - Small Works Assistance;
 - Decent Homes Assistance;
 - Thermal Comfort Grants;
 - Empty Homes Grants;
 - Conversion Grants; and

- Discretionary Disabled Facilities Grants/Relocation Grants.

7. It also contains information on mandatory Disabled Facilities Grants but does not specify the rules for processing them or the conditions attached as these are laid down in the Housing Grants Construction and Regeneration Act 1996 (as amended).

8. The Policy sets out:

- How an application should be made and the rights of appeal;
- The restrictions on assistance;
- The responsibilities with regard to the supervision of works; and
- How payments will be made and caveats attached with regard to the repayment of any assistance.

9. Of importance to note for Small Works Assistance and Decent Homes Assistance is the proposal to extend the eligibility criteria to now include other vulnerable households such as the chronically sick and disabled and families with dependent children as well as just those over 60 years old. Applicants can be on low income (there will be test of resources) as well as just those in receipt of benefit.

10. A notable proposal with regard to Decent Homes Assistance is that the time period for a Certificate of Owner Occupation is 20 years. This means that any disposal of the dwelling within that time will trigger repayment of the grant. In practice, this is likely to mean that a significant proportion of grants made will be 'recycled' back into the capital fund.

11. Empty Property Grants are being introduced as part of the overall Empty Property Strategy and Conversion Grants are being introduced to encourage the owners of properties with redundant space (for example over shop premises) to convert the space to housing accommodation. Landlords will have to give a Certificate of Availability for Letting for 5 years. The Council can apply nomination rights if appropriate.

12. The Policy will be subject to annual review to take into account changing policies at national and regional level and all available information on the condition of private sector housing in the District.

Options considered and rejected: None but members may wish to adopt the proposed Policy as drafted or may wish to remove, add, alter or amend its provisions.

Consultation undertaken: Legal and Financial Services.

Resource implications: None as this Policy is an appendix to the Private Sector Housing Strategy.

Budget provision: None as this Policy is an appendix to the Private Sector Housing Strategy.

Personnel: None

Land: None

Community Plan/BVPP reference: BVPI 64

Relevant statutory powers: Housing Acts, Regulatory Reform Order 2002.

Background papers: House Condition Survey, Vacant Property Survey, Private Sector Housing Strategy.

Environmental/Human Rights Act/Crime and Disorder Act Implications: N/A

Key Decision reference: (if required):

Appendix A of the Private Sector Housing Strategy

HOUSING ASSISTANCE POLICY 2007

This Policy will commence 1 April 2007 and is made under the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002. It sets out the basis on which Epping Forest District Council will offer financial assistance (“Housing Assistance”) for works of repair, renewal or adaptation in the private housing sector. It is to be read in conjunction with the Council’s Private Sector Housing Strategy. This Policy will be subject to annual review to take into account changing policies at national and regional level and all available information on the condition of private sector housing in the District.

All grants approved under this policy will be discretionary and are subject to the Council having sufficient funds. The Policy does not affect the offer of mandatory Disabled Facilities Grants (DFGs) and these will continue to be processed in line with the previous Grants Policy 2003 and with the appropriate legislation and guidance.

1.0 Purpose and Form of Housing Assistance

1.1 Housing Assistance may be offered by Epping Forest District Council in accordance with this Policy towards the cost of: -

- (i) The improvement, repair or adaptation of existing living accommodation including mobile homes and houseboats;
- (ii) The creation of new living accommodation by the conversion of existing buildings (including existing dwellings and commercial premises); and
- (iii) Any other initiatives that are consistent with the aims and objectives of the Council's Private Sector Housing Strategy.

1.2 Housing Assistance may be offered in any form including but not restricted to grants, advice, provision of materials, carrying out of works, loans or loan guarantees. Some forms of financial assistance are delivered by the Council's Home Improvement Agency, Caring and Repairing in Epping Forest (C.A.R.E.). The Council may enter into partnership with other organisations or agencies to deliver financial assistance.

1.3 The specific types of Housing Assistance available in this Policy, the conditions for eligibility and the amounts for each type of grant are specified in Part 7 of this Policy.

2.0 Persons Eligible for Housing Assistance

2.1 Any person who makes an application for Housing Assistance must: -

- (i) Be over 18 years of age at the date of the application; and
- (ii) Live in the dwelling as his/her only main residence (except where the applicant is a landlord who intends to let the dwelling); and
- (iii) Have an owner's interest in the dwelling (other than an interest by virtue of being a Registered Social Landlord under Part 1 of the Housing Act 1996 or being eligible for such registration), or be a tenant or licensee of the dwelling, alone or jointly with others but not being a member of the landlord's family, with a tenancy or license permitting occupation of the dwelling for a minimum period of twelve months after approval of the grant; and
- (iv) Have the power or duty to carry out the works and where appropriate have the owner's consent in writing to carrying out the works; and

- (v) Satisfy such test(s) of resources (see Part 7 and Appendix 3 of this Policy) as determined by the Council; and
- (vi) In the case of applications in respect of houseboats and mobile homes (and in the event of any approved applications for major works outside the scope of grants listed in Part 7 which may be approved in wholly exceptional circumstances), an owner occupier or long leaseholder must have owned the property for a period of three years prior to making the application (in all other cases one year); and
- (vii) Not be ineligible by virtue of the Housing, Grants, Construction and Regeneration Act 1996, Regulations made under the Act or any other enactment.

3.0 Making a Formal Application

3.1 All applications must be on a form provided by the Council and must include the following original documentation: -

- (i) Where the estimated cost of the work is below £2,000, one quotation set out on the schedule of grant works provided by the Council is required. Where the estimated cost of the works is between £2,000 - £5,000, a minimum of two such quotations is required. If the estimated works is above £5,000, a minimum of three quotations is required. The Council may accept less than the specified number of quotations where the works involve specialist services or the nature of the work makes it reasonable to do so. The Council reserves the right to require additional quotations in all cases;
- (ii) Particulars of the work to be carried out including where appropriate plans, schedule of work/specifications and specialist reports;
- (iii) Details of any professional fees or charges relating to the work and for which assistance is being sought;
- (iv) Confirmation of Planning and/or Building Control approval where appropriate;
- (v) Proof of ownership from a solicitor or mortgagee, or copies of the title deeds/land certificate, or copy of the tenancy agreement or licence to occupy;
- (vi) Where the applicant is the owner, a signed undertaking to repay the Housing Assistance if the conditions imposed by this policy as to future occupation or letting are breached.

3.2 The application will only be considered complete when the Council has all the information it needs to be able to make a decision on the application. Part 9 explains how to go about making initial enquires and processes before the formal application.

3.3 The Council expects all work receiving Housing Assistance to be carried out by a reputable contractor with a proven record. Details of the Council's requirements in respect of choice of builder (Appendix 1 of this Policy) are available by contacting the Grants Team in the Residential Control Unit or C.A.R.E. (contact details at the end of this Policy).

4.0 Restrictions on Assistance

4.1 No assistance will normally be given for work started before formal approval of an application, except that:

- (i) The Council may in exceptional circumstances exempt an application from this condition, for example where a defect may present a serious risk to health and safety;
 - (ii) The Council may, with consent of the applicant, treat the application as varied so to exclude any works that have been started before approval;
 - (iii) This provision will not apply where the relevant works have been started/completed by the applicant in order to comply with a statutory notice served by the Council.
- 4.2 The Council will not consider an application for assistance in respect of premises built or converted less than 10 years from the date of the application, except in the case of an application for a DFG.
- 4.3 No assistance will be given in respect of properties owned by Statutory Authorities or trusts. This includes properties owned by Registered Social Landlord, NHS Trusts and Police Authorities.

5.0 Supervision of Works

- 5.1 In the absence of any agency agreement with C.A.R.E., the responsibility for supervision of the works rests with the applicant or with any suitably qualified and indemnified building professional or agent acting on the applicant's behalf and not with the Council.

6.0 Payment of Assistance

- 6.1 The Housing Assistance will only be paid if:
- (i) The assisted works are completed within six months from the date of approval for Small Works Assistance and within twelve months for all other forms of Assistance or such shorter time as may be specified in the case of applications for Thermal Comfort Grants made by landlords; and
 - (ii) The assisted works are carried out in accordance with the Schedule of Work and/or a Specification set out in the formal Approval Notice, or as varied with the agreement of the Council; and
 - (iii) The assisted works are carried out to the reasonable satisfaction of the Council and the applicant; and
 - (iv) The Council are provided with an invoice, demand or receipt for payment in an acceptable format. Any such invoice must contain sufficient detail for the Council to identify in full the works carried out and the price charged and must not be provided by the applicant or a member of his/her family.
- 6.2 If the cost of the work varies because of agreed changes in the Schedule of Work/Specification, the Council may vary the amount of grant payable and notify the applicant accordingly.
- 6.3 The Council may pay the Housing Assistance to the applicant in the builder or contractor's name or, if requested in writing by the applicant and agreed by the Council, direct to the builder or contractor engaged by the applicant. The Housing Assistance may be paid in one lump sum on satisfactory completion of the works or in instalments ("stage payments") as the work proceeds. Stage payments will only be made where the Council is satisfied the value of the work completed exceeds the value claimed. The total value of interim payments shall not exceed 90% of the Housing Assistance approved.

- 6.4 No Housing Assistance will be given until agreements appropriate to the form of assistance have been formally executed.
- 6.5 The Council will not enter into any Form of Contract with a builder or contractor and, in the absence of any agency agreement between the applicant and C.A.R.E. it is a matter for the applicant to agree any contract with the builder or contractor.

7.0 Types of Housing Assistance

- 7.1 The types of Housing Assistance offered from 1 April 2007 and the conditions applicable are as follows and will remain so until this Housing Assistance Policy is revised and published. All are discretionary and are subject to the Council having sufficient resources.

Small Works Assistance

- 7.2 **Small Works Assistance** is available:
- (i) Where there is a statutory hazard under the Housing Health and Safety Rating System (Appendix C to the Private Sector Housing Strategy) within the property rated at Band D or above, or a defect which is likely to damage the fabric of the property unless repaired; and
 - (ii) To owner occupiers and long leaseholders who receive a qualifying benefit as specified in Appendix 3 of this Policy, or are assessed under the mandatory DFG means test as having a 'nil contribution'. Applicants must be aged 60 years or over or must be chronically sick or be a household with dependent children.
- 7.3 The works for which Small Works Assistance will be offered are:
- (i) Works of repair and/or improvement to remedy the deficiency causing the hazard; and/or
 - (ii) Works of repair and/or improvement to rectify the defect causing the damage to the dwelling; and/or
 - (iii) Works to improve thermal comfort.
- 7.4 The maximum cost of the work that will be considered for Assistance is £5,000.
- 7.5 Grants are allocated in date order. The Council may deal with an application out of date order where there is an imminent risk to health and safety.
- 7.6 No more than one application can be made in any one 12 month period.

Decent Homes Assistance

- 7.7 **Decent Homes Assistance** is available:
- (i) Where there is a statutory hazard under the Housing Health and Safety Rating System within the property rated at Band D (Appendix C to the Private Sector Housing Strategy) or above, or disrepair, which amounts to a breach of the Decent Homes Standard (Appendix D of the Private Sector Housing Policy);
 - (ii) To owner occupiers and long leaseholders who must be aged 60 years or over or must be chronically sick or be a household with dependent children; and
 - (iii) Where the property is included in Council Tax Bands A – E.

- 7.8 The works for which Decent Homes Assistance will be offered are:
- (i) Works of repair and/or improvement to remedy the deficiency causing the hazard; and/or
 - (ii) Work to repair or replace building components which are old and because of their condition require replacing or repair (if there is only one such building component it must be a key building component (Appendix D of the Private Sector Housing Policy); and/or
 - (iii) Work to replace defective kitchen or bathroom/wc fittings or kitchen fittings over 20 years old and bathroom fittings over 30 years old; and/or
 - (iv) Work to provide a reasonable degree of thermal comfort (Appendix D of the Private Sector Housing Policy).

The property will normally be expected to meet the Decent Homes Standard upon the completion of the works. However, in exceptional cases it may be acceptable for the completed works not to fully meet the Standard; for example where the cost of the work required would be prohibitive. In such cases the application would have to be made under the 'Special Circumstances' provisions (see Appendix 2 to this Policy).

- 7.9 No grant will be made available **only** for the replacement of defective kitchen or bathroom/WC fittings unless the condition of the fittings gives rise to a statutory hazard.
- 7.10 The maximum cost of the work that will be considered for grant is £15,000. Applicants who receive a qualifying benefit as specified in Appendix 3 of this Policy will receive 100% grant up to £15,000 provided they satisfy the other eligibility criteria. For applicants who do not receive a qualifying benefit, the level of assistance will be determined under the mandatory DFG means test.
- 7.11 A owner occupier or long lease holder will be required to give a signed undertaking to occupy the dwelling as their principal residence for a period of twenty years after completion of the assisted works (a Certificate of Owner Occupation) as a binding condition of the grant. In the event of a breach of the conditions in a current Certificate of Owner Occupation for whatever reason, the Council will require repayment of the grant. Please also see Part 8 of this Policy.
- 7.12 Grants are allocated in date order. The Council may deal with an application out of date order where there is an imminent risk to health and safety.

Thermal Comfort Grants

- 7.13 A discretionary **Thermal Comfort Grant** may be available:
- (i) Where a property fails the Decent Homes Standard (Appendix D of the Private Sector Housing Strategy) because of inadequate heating or thermal insulation;
 - (ii) To owner occupiers or long leaseholders who receive a qualifying benefit as specified in Appendix 3 of this Policy or are assessed under the mandatory DFG means test, and landlords. Owner-occupier or long leaseholder applicants must be aged 60 years or over or must be chronically sick or be a household with dependent children.
- 7.14 The maximum cost of the work that will be considered for assistance is £3,000 for a dwelling in single occupation or £750 per letting in a house in multiple occupation (subject to a maximum of £4,500 per house in multiple occupation). Future owner occupiers and long leaseholders who receive one of the qualifying benefits as specified in Appendix 3 of this Policy will receive 100% of the cost of the work up to these limits. For owner occupiers who do not receive one of the qualifying benefits the level of grant

will be determined by the means test. Landlords will receive a grant of 50% of the cost of the work up to these limits.

- 7.15 Landlords will be required to complete a Certificate of Availability for Letting as permanent residential accommodation for 5 years after completion of the assisted works. In the event of a breach of these conditions the Council reserves the right to require repayment of the Grant. Please also see Part 8 of this Policy.
- 7.16 Where a landlord applies for a Thermal Comfort Grant and inspection shows both that a Category 1 hazard exists and that the grant criteria are satisfied, the Council will serve a Hazard Awareness Notice. If the work specified in the Hazard Awareness Notice is not carried out within the time stipulated in the grant approval, the Council will withdraw it and serve an Improvement Notice requiring the landlord to carry out the remedial work.

Mandatory Disabled Facilities Grants (DFGs)

- 7.17 The rules for processing **Mandatory DFGs** and the conditions attached to them are laid down in the Housing Grants Construction and Regeneration Act 1996 as amended. They are to help provide:
- Essential facilities within the home, such as a level access shower; and/or
 - Essential adaptations to give better freedom of movement into and around the home and to essential facilities within it, such as widening doorways for wheelchair access.
- 7.18 The amount of the grant is determined by the 'Test of Resources' or Means Test carried out on the disabled person that the work is being carried out for. If this person is under 18 years of age, however, no means test is carried out and the grant is for the full cost of the work up to the maximum eligible expense limit. Appendix 3 to this Policy gives details of the Means Test. The maximum eligible expense for mandatory DFGs is currently £25,000.
- 7.19 Regardless of whom the work is for, the application must be made by the legal owner, tenant or landlord of the dwelling and any applicant must be over 18 at the time the application is made. Tenants must get their Landlord's permission before the grant can be approved.
- 7.20 The person for whom the work is being requested must live in the dwelling as their main or only residence. They must be registered, or eligible to be registered, as disabled, and the Occupational Therapist at Essex County Council's Adult Social Care department must confirm that the work is both necessary and appropriate for them.
- 7.21 The normal conditions attached to Housing Assistance requiring repayment if the property is sold within the condition period do not apply in the case of mandatory DFGs. However, if the property is sold in the five years following the completion of the work the Council may recover specialist equipment installed under the grant. If the Council intends to do so this will be specified in the grant Approval Notice.

Discretionary DFG/Relocation Grant

- 7.22 A **discretionary DFG** may be available:
- (i) Where the applicant is eligible for a mandatory DFG and the cost of the works exceeds the maximum eligible expense limit or the type of work which is necessary is not eligible for mandatory grant aid; and
 - (ii) 'Special Circumstances' apply (see Appendix 2 of this Policy); and
 - (iii) The Council has adequate budgetary provision.

- 7.23 It is unlikely that the maximum cost of work that will be considered for assistance will exceed £15,000. The standard DFG test of resources (see Appendix 3 of this Policy) will apply to all applications for discretionary DFG.
- 7.24 The approval of the Head of Environmental Services will be required for any discretionary DFG.
- 7.25 A discretionary **Relocation Grant** may be available:
- (i) Where an applicant is eligible for a mandatory DFG but the necessary works are not feasible at the property, or could only be carried out at wholly disproportionate cost; and
 - (ii) The new property can be occupied as it stands or with adaptation at reasonable cost.
- 7.26 The maximum cost of the work that will be considered for assistance is £10,000. The standard DFG test of resources (see Appendix 3 of this Policy) will apply.
- 7.27 No household can receive any more than one Relocation Grant.
- 7.28 The approval of the Head of Environmental Services will be required for any discretionary Relocation Grant.

Empty Homes Grant

- 7.29 A discretionary **Empty Homes Grant** may be available:
- (i) Where a property been vacant for a minimum period of one year before the submission of any application; and
 - (ii) There is a significant hazard within the property rated at Band D (Appendix C of the Private Sector Housing Strategy) or above, or disrepair, which amounts to a breach of the Decent Homes Standard (Appendix D of the Private Sector Housing Strategy).
 - (iii) To landlords or persons who have inherited the property.
- 7.30 The works for which an Empty Homes Grant will be offered are:
- (i) Works of repair and/or improvement to remedy the deficiency causing the hazard; and/or
 - (ii) Work to repair or replace building components which are old and because of their condition require replacing or repair (if there is only one such building component it must be a key building component (Appendix D of the Private Sector Housing Strategy)); and/or
 - (iii) Work to replace defective kitchen or bathroom/wc fittings or kitchen fittings over 20 years old and bathroom fittings over 30 years old; and/or
 - (iv) Work to provide a reasonable degree of thermal comfort (Appendix D of the Private Sector Housing Strategy).
- 7.31 No grant will be made available only for the replacement of defective kitchen or bathroom/wc fittings unless the condition of the fittings gives rise to a statutory hazard.
- 7.32 The maximum amount of the work that will be considered for assistance is £10,000. Future owner-occupiers and long leaseholders will be subject to a test of resources (see Appendix 3 of this Policy), which will also determine how much the grant will be. Landlords will receive a grant of 50% of the cost of the work up to this limit.
- 7.33 A owner occupier or long lease holder will be required to give a signed undertaking to occupy the dwelling as their principal residence for a period of ten years after completion of the assisted works (Certificate of Owner Occupation) as a binding condition of the

grant. Landlords will be required to give a signed undertaking to make the dwelling available for letting as permanent residential accommodation for 5 years after completion of the assisted works (A Certificate of Availability for Letting). The Council reserves the right to apply nomination rights to a Certificate of Availability for Letting. In the event of a breach of the conditions in a current Certificate of Owner Occupation or a Certificate of Availability for Letting for whatever reason, the Council will require repayment of the grant. Please also see Part 8 of this Policy.

Conversion Grants

- 7.34 A discretionary **Conversion Grant** may be available:
- (i) To convert redundant space in existing buildings to permanent residential accommodation available for rent at rent levels consistent with the market for rented dwellings generally in Epping Forest;
 - (ii) To landlords.
- 7.35 The maximum cost of the work that will be considered for Grant is £10,000 per unit of accommodation subject to a further maximum of £30,000 per scheme or building. The grant will be a maximum of 50% of the work up to these limits.
- 7.36 Landlords will be required to give a signed undertaking to make the dwelling available for letting as permanent residential accommodation for 5 years after completion of the assisted works (A Certificate of Availability for Letting). The Council reserves the right to apply nomination rights to a Certificate of Availability for Letting. In the event of a breach of the conditions in a current Certificate of Availability for Letting for whatever reason, the Council will require repayment of the grant. Please also see Part 8 of this Policy.

8.0 Repayment of Housing Assistance

General

- 8.1 If an application is approved but it subsequently appears to the Council that the applicant (or one of two or more joint applicants) was not, at the time the application was approved, entitled to the assistance approved, then no payment shall be made (or no further instalments paid) and the Council may seek to recover immediately from the applicant any payments made together with interest accruing from the date of payment.
- 8.2 If the applicant is the owner of a dwelling in respect of which Housing Assistance has been approved and ceases to be the owner before the works are completed he/she shall repay to the Council on demand the total amount of Housing Assistance that has been paid.

Breach of Undertakings

- 8.3 Where an owner occupier or leaseholder has given a signed undertaking to occupy a property as his/her principal residence after completion of the assisted works, and if they cease to occupy the relevant dwelling as their principal residence during the period specified in the undertaking, then they shall repay on demand to the Council the total amount of Housing Assistance paid out.
- 8.4 Where a landlord has given a signed undertaking that the property will be available for letting for a period of five years after completion of the assisted works, and if they cease to make the relevant property available for letting during the five year period, then they shall repay on demand to the Council the total amount of Housing Assistance paid out.
- 8.5 Where the Council has the right to demand repayment but extenuating circumstances exist, the Council may determine to waive the right to repayment or to demand a sum less than the full amount of Housing Assistance.

Death of Applicant

- 8.6 If the applicant should die before the Housing Assistance is approved, the application will be treated as withdrawn.
- 8.7 If the applicant should die after approval of the Housing Assistance or whilst the approved works are in progress, the Council may at its discretion agree to completion or making good of the works and pay the Housing Assistance in full or, if the works originally agreed are not completed in full, an appropriate proportion of the Housing Assistance.
- 8.8 Where an applicant dies after completion of the works but before the expiry of the period of the undertaking, the Council will seek repayment of the Housing Assistance from the applicant's estate if a disposal by sale or a change in tenure takes place.

Additional Conditions

- 8.9 The Council reserves the right to impose additional conditions when making a grant approval. These may include but are not restricted to:
- (i) A contribution to the cost of the assisted works by the applicant;
 - (ii) The right to nominate tenants to housing accommodation available for rent;
 - (iii) Housing accommodation being maintained in repair after completion of the assisted works;
 - (iv) The right of the Council to recover specialised equipment when no longer needed.
- 8.10 Breach of any additional conditions gives the Council the right to seek repayment of the Housing Assistance on demand.

Security and Repayment

- 8.11 Where a grant condition imposes a liability to repay the Housing Assistance, the condition will be registered by the Council as a local land charge.
- 8.12 The Council may at its discretion determine to require repayment of a lesser sum than the full amount of Housing Assistance. Examples of circumstances where the discretionary may be exercised include breaches of grant conditions arising where the applicant or spouse or partner has had to move to avoid unemployment or because the applicant's employer has required a move, or where the property is subject to a mortgage entered into before the grant application and the mortgagee is exercising the power of sale.

9.0 Enquiries and Applying for Assistance

- 9.1 All enquiries should be addressed to the Residential Control Unit and /or C.A.R.E. on 01992 564092/01992 564086. Leaflets explaining the types of financial assistance and advice on these will be available during normal office hours (9.00am – 5.00pm). Informal advice is available by telephone contact. Where appropriate, visits may be made to home of a person making the enquiry.
- 9.2 Persons wishing to pursue a grant where a test of resources (see Part 7 and Appendix 3 of this Policy) applies will be asked to complete an application form to confirm whether they are eligible and their financial status. After preliminary assessment, the Council will give an initial indication of the assistance likely to be available before the enquirer decides if they wish to proceed further with an application.

- 9.3 Where a person decides to continue with an application, then an inspection of the property will be carried out and where appropriate to proceed, a schedule of works drawn up. The schedule will specify the works to be carried out as a requirement for financial assistance and will be used by the applicant to obtain quotations from builders and/or specialist suppliers.
- 9.4 The application will be considered to have been formally made when the applicant has submitted a formal application along with a priced schedule and any other document required (such as plans, building and planning consents, specialist reports, etc). The documents required are set out in Part 3.
- 9.5 Once approval has been given, the applicant has up to six months for Small Works assistance and up to twelve months for all other forms of assistance from the date of approval, to complete the works or such shorter time as may be specified with Thermal Comfort Grants to landlords.

10.0 Decision and Notification

- 10.1 The Council will notify applicants in writing whether their application has been approved or refused. The decision will be notified as soon as reasonably practicable and in any event no later than six months after receipt of a complete application.
- 10.2 If the application is approved, the notification will specify the works that are eligible for assistance, the value of the assistance, the form the assistance will take, the builder/contractor who will carry out the works and the time by which the works must be completed.
- 10.3 If the application is refused, the Council will give the reasons for the refusal and also confirm the procedure for appealing against the decision (see Appendix 2 of this Policy).

11.0 Re-determination of the Grant

- 11.1 Where the Council is satisfied that because of circumstances beyond the control of the applicant and which could not have reasonably been foreseen, the cost of the assisted works has either increased or decreased, the Council may at its discretion re-determine the assistance given in accordance with the grant framework set out in this document and notify the applicant accordingly. See Appendix 1 of this Policy, 'Unforeseen Work'.

12.0 Appeals Against Decisions

- 12.1 Any person who is aggrieved by a decision not to give financial assistance as a consequence of this policy may appeal to seek review of the decision. The Appeals Process is set out in Appendix 2 of this Policy.
- 12.2 Any possible departure from this Policy will only be considered where the applicant can demonstrate wholly exceptional circumstances to justify such a departure.
- 12.3 If you are not happy with the service you receive (rather than any part of this Policy) you should first contact directly the Private Sector Housing Policy and C.A.R.E. Manager on 01992 564177 or the Principal Team Leader for the Environmental Protection Team on 01992 564197.

APPENDIX 1 to Housing Assistance Policy

CONDITIONS COMMON TO ALL TYPES OF HOUSING ASSISTANCE

Contractors

Where the Council is giving assistance/a grant, the work must be carried out by a reputable contractor with a proven record. Competent contractors who have, within six months before the application is made, carried out assistance/grant work in Epping Forest District will automatically be accepted but others will have to provide documentation to the Council before their estimates will be accepted as part of a Housing Assistance application. The requirements are:

For work costing under £2000

- Public Liability and Employer's Liability Insurance including Product Liability;
and:
- Accounts for last two years or a letter from the contractor's accountant confirming that he/she is a bona fide trader in the construction industry and the length of time for which he has been trading as such;
and:
- Entry in telephone directory;
and (if applicable):
- VAT Registration or CIS Certificate;
and (if relevant):
- Proof of membership of a regulatory body or trade association, e.g. CORGI, IEE, FENSA, Federation of Master Builders, etc.

For work costing over £2000

- Is contractor registered with Constructionline? (If yes no other proofs are necessary);
or:
- All of the checks for work costing less than under £2000;
and:
- National Anti-Fraud Network Company/Director search including credit check. Please note that the contractor has to give written permission for this to be carried out. The Council will supply a form for contractors to do this.

The Council does keep a list of the names of contractors who have previously carried out assistance/grant work and this will be supplied upon request to anyone applying for Housing Assistance. It is made clear to applicants wishing to use one of the contractors from the list that the contractors are not recommended or approved by the Council although they do fulfil the requirements outlined above.

Housing Assistance will not be given for work carried out by the applicant or anyone related to them except on a Do-it-Yourself basis, where no charge is being made for labour.

In normal circumstances the work must be carried out by one of the contractors that supplied estimates with the application. If more than one estimate was supplied this will usually be the one who gave the lowest estimate. Where the builder is no longer trading, for example, and this is not possible, the applicant must obtain written approval from the Council to use a different contractor.

Data Protection and Fraud

The Council has a duty to protect the public funds it handles and Documentary proof will be required to verify that the information given by the applicant in support of any application is correct.

Epping Forest District Council is a Data Controller under the Data Protection Act and holds information for the purposes specified in its notification made to the Information Commissioner.

In processing an application for assistance the Council may get information about the applicant from others, or give information to them. If this is the case, it will only be as the law permits, to:

- Check accuracy of information.
- Prevent or detect crime.
- Protect public funds.

The Council may check information received about the applicant with other information already held in Council records. This can include information provided by the applicant as well as by others such as government departments and agencies.

Information about the applicant will not be given to anyone outside Epping Forest District Council unless the law permits it.

Applicants can obtain further information from the Councils Data Protection Officer.

Insurance

If the applicant receives a payment from an insurance company for work that has already been paid for out of Housing Assistance they will be required to repay the assistance/grant from the proceeds of the insurance payment.

Unforeseen Work

Once the Housing Assistance has been approved it can only be reassessed if there is additional work that could not have been foreseen at the time the original estimate was given. Examples of this might be where the Housing Assistance is for an extension and the Building Surveyor requires the foundations to be dug deeper, or where rotten woodwork is uncovered when a roof repair is being carried out. It would not be where a contractor has given insufficient time to making a proper inspection of the work before preparing his estimate or failed to include work that should have been apparent.

APPENDIX 2 to the Housing Assistance Policy

APPLICATIONS UNDER SPECIAL CIRCUMSTANCES AND APPEALS PROCESS

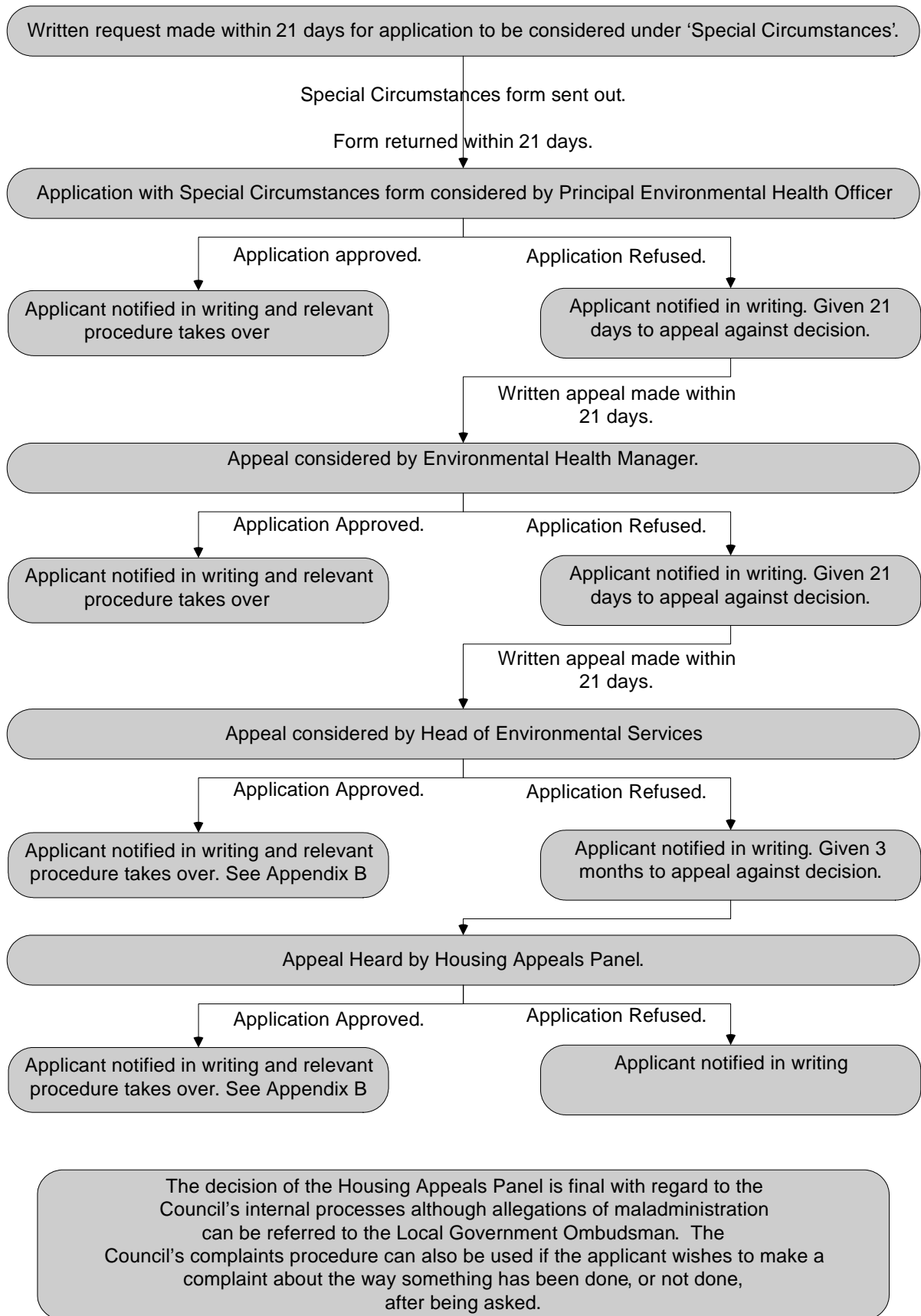
When the Council receives the appropriate completed Housing Assistance application form the Grants Officer will decide whether the applicant appears to be eligible for Housing Assistance. If the application meets the criteria, the applicant will be notified in writing and one of the procedures outlined below will be followed.

If the application does not appear to fulfil the requirements, the applicant will be notified in writing and given a period of twenty-one days to say whether they wish to apply under 'special circumstances'. This would apply where the applicant felt that their personal circumstances were such that the Council should make an exception to its normal policy in their case.

The budget for Housing Assistance is limited. Whatever the circumstances the Council can only provide Housing Assistance if funds are available. Preference will always be given to mandatory DFG applicants.

The procedure for processing a grant application under 'Special Circumstances' follows on the next page.

Grant Processing – Special Circumstances Procedure



APPENDIX 3 to the Housing Assistance Policy

CALCULATION OF THE GRANT AND THE TEST OF RESOURCES, OR MEANS TEST

1. The 'Benefits Passport'

Applicants who fulfil certain criteria can be 'passported' through the means testing part of the grants process. This only applies to applicants for Small Works Assistance, Decent Homes Assistance and owner occupiers' applications for Thermal Comfort Grants.

Where the applicant can satisfy the criteria in one of the boxes below, provided they satisfy the other eligibility criteria, they will automatically qualify for the full grant up to the relevant eligible expense limit:

<i>Applicants who are over 60</i>
<ul style="list-style-type: none">• Income support• Council Tax Benefit• Housing Benefit• Income-based Jobseeker's allowance• Pension Credit

<i>Applicants with a long-term chronic illness</i>
<ul style="list-style-type: none">• Working Tax Credit (with an income of less than £15,460 and which must include a disability element)• Attendance Allowance• Disability Living Allowance• Income Support (which must include a disability premium)• Housing Benefit (which must include a disability premium)• Council Tax Benefit (which must include a disability premium)• War Disablement Pension (which must include a mobility supplement of Constant Attendance Allowance)• Industrial Injuries Disablement Benefit (which must include Constant Attendance Allowance)

Applicants with children under 16 (or are pregnant and have a maternity certificate MAT B1)

- Child Tax Credit
(with an income of less than £15,460)
- Income Support
- Housing Benefit
- Council Tax Benefit
- Income-based Jobseeker's Allowance
- Pension Credit

Applicants for the types of assistance described above who do not satisfy at least one of the criteria may still receive a grant by submitting to the Mandatory DFG Means Test (see below).

2. Mandatory Disabled Facilities Grants (DFGs)

All Mandatory DFGs are means tested with the exception of those for work for disabled children. The rules governing the way in which the means test or 'Test of Resources', is carried out is specified in The Housing Grants Construction and Regeneration Act 1996 as amended.

With both Mandatory and Discretionary DFGs, it is the disabled person that work is being carried out for that is means tested regardless of whether they are the legal owner of the property.

Applicants who do not receive the qualifying benefits in paragraph 1. above, may qualify for certain types of Assistance under the Mandatory DFG means test. The circumstances in which this will apply are given in Section 7. In these circumstances it will be the legal owner of the property that is means tested.

How the level of DFG is Calculated

The applicant's contribution (the amount they have to pay towards the grant work) is called the 'notional loan'. This is the amount that the applicant could raise in a loan over a ten-year period for an owner-occupier, or five years for a tenant, using their disposable income. The grant is calculated by taking away the applicant's contribution from the estimated cost of the work as follows:

$$\text{Grant} = \text{Cost of Work} - \text{Contribution}$$

Once the contribution has been determined in the Approval Notice, it will remain the same even if the cost of the work goes up or down.

Calculation of Disposable Income

Disposable income is assumed to be the difference between the applicant's weekly income and expenditure:

Disposable Income = Income – Expenditure

Actual income and savings are taken into account but, instead of actual expenditure, a reasonable cost of living is calculated from a series of 'allowances' and 'premiums' defined in legislation. The allowances and premiums applied in the test are revised, generally at least annually and it is not intended, therefore, to itemise them here. A list of the allowances and premiums currently in operation can be made available on request.

The income is the applicant's total weekly income from all sources with the exception of some benefits which are ignored in full, such as Income Support and Attendance Allowance, and some of which part is ignored, such as War Disablement Pension.

The first £6,000 of the applicant's total savings is converted into weekly income (known as 'Tariff Income') at a rate of £1 per week for every £250 for people under 60 and at a rate of £1 per week for every £500 for people of 60 and over.

Calculation of the applicant's financial contribution

Owner-occupiers

Weekly Disposable Income (see above)	£
The first £47.95 is multiplied by:	19.37
The next £47.95 is multiplied by:	38.73
The next £95.90 is multiplied by:	154.93
All remaining income is multiplied by:	387.33

Tenants

Weekly Disposable Income (see above)	£
The first £47.95 is multiplied by:	11.21
The next £47.95 is multiplied by:	22.41
The next £95.90 is multiplied by:	89.66
All remaining income is multiplied by:	224.15

(NB Figures correct at September 2006)

The figures are added together and the total is the applicant's contribution.

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Report to the Housing Scrutiny Panel

Date of meeting: 30 January 2007



Subject: Recovery of Arrears from Leaseholders

Officer contact for further information: Sandy Lindsay, Housing Resources Manager, ext.4035

Committee Secretary: Adrian Hendry, ext.4246

Recommendation:

That the position in relation to leaseholder charges for 2004/5 and 2005/6, and the proposed introduction of a Corporate Sundry Income and Debt Policy be noted.

Report

Background

1. The Chairman of the Housing Scrutiny Panel has asked that a report be prepared, which considers the position in respect of Leaseholder charges.
2. All secure Council tenants have the right to buy their properties under the Right To Buy Scheme. Where these are flatted premises, the Council sells a lease, but maintains the freehold interest. The lease sets out the terms and conditions upon which the Council may pass on the cost of repairs, improvements and other management charges to the leaseholders. The Commonhold and Leasehold Reform Act 2002 sets out, amongst other things, the legislative framework by which leaseholders are to be consulted and controls on administrative and service charges. Currently there are 912 leasehold properties where the Council owns the freehold.
3. In March each year, all leaseholders are advised of their estimated charges for the forthcoming year. Under the terms of the lease they are required to pay the estimated charges in advance on a monthly basis in instalments. Where planned major works on individual flat blocks are known by the Council, the costs are included in the estimated charges. However, whilst the programmes of work are known in March each year, the actual properties that are to be included in those programmes are not always known, therefore separate notices are issued to leaseholders in line with the legislation as and when the details are established.
4. After the end of the financial year, normally in September, the actual accounts are calculated and an invoice is issued to each leaseholder providing details of the actual costs of repairs and services during the year. In line with legislation, the Council is required to produce the final account by the end of October (within 18 months from the start of the financial accounting period i.e. April each year).
5. Once the actual account is issued, leaseholders are currently required to pay any outstanding balance in full within 28 days of the date of the invoice.
6. Whilst the terms of the lease are quite clear, leaseholders do not have the ability to plan for when major planned repairs or improvements are carried out, as this responsibility rests with the Council. This means that, from time to time, leaseholders are faced with a large bill, and then have to pay these charges from their savings, take out a loan or remortgage.

Sundry Income and Debt Policy

7. To date, the Council has not had a formal Debt Policy. However, a Sundry Income and Debt Policy

has recently been formulated and is due to be considered at the forthcoming Finance and Performance Management Cabinet Committee on 29 January 2007. A copy of the draft Policy is at Appendix 1. The Policy sets out the following payment options for all sundry debtors of the Council including leaseholders:

Value	Terms of Repayment (from date of invoice)
Debts below £500	No more than 3 months
Debts below £1,500	No more than 6 months
Debts below £2,500	No more than 9 months
Debt above £2,500	No more than 12 months

8. Should the Policy be approved by the Finance and Performance Management Cabinet Committee in January 2007, then leaseholders with larger debts over £2,500 will have up to an additional 12 months to pay their charges from the date the actual account is raised. This will therefore allow up to 2½ years in total to clear their account (including the period to pay estimated accounts), as opposed to the current 19 months as it currently stands.

9. Using the bandings within the Debt Policy, Appendix 2 and 3 sets out the number of leaseholders in each band, the average debt for those leaseholders and the number of leaseholders that did not make any payments towards their debts until the actual account was issued.

10. In 2005/06 around 50% of the leaseholders were in credit when their actual account was calculated and issued in August/September 2006/07. This is mainly due to the fact they made regular monthly payments based on the estimated charges or that the actual charges have proved to be lower than estimated. However, there were 439 accounts in arrears totalling £164,227.07. On average, this amounts to £374.09 for each leaseholder in arrears. In the main, the reason these are in arrears is because the leaseholders have not kept up with their regular payments based on the estimated charges. In some instances it is due to the actual costs being higher than estimated.

11. To date (December 2006) this debt has decreased to £13,936.77, or 8.49% of the total debt.

12. The total amount due in 2005/06 was £654,310.61, averaging £738.50 per leaseholder (This includes all major maintenance works totalling £320,870.45) Appendix 4 compares the position between 2004/5 and 2005/6.



**Epping Forest
District Council**

Sundry Income & Debt Policy

Version 1 – December 2006

Contents

Section		Page
1	Introduction	3
2	Exclusions	4
3	Key Objectives of Fees and Charges	4
4	Responsibilities	4
5	Invoicing	5
6	Payment Methods	6
7	Credit Limits	6
8	Credit Terms	6
9	Accounting Arrangements	7
10	Collection	7
11	Queries/Disputes	8
12	Litigation	8
13	Credit Notes	9
14	Write Offs	9
15	Interest Loss	9
16	Debt Management	9
17	Monitoring	10
18	Review	10
Appendix A	Debt Recovery Procedure	11
Appendix B	Recovery Flowchart	13

1 Introduction

- 1.1 This Policy shall be known as “The Sundry Income & Debt Policy” and covers the collection of sundry debt due to Epping Forest District Council.
- 1.2 It is the Council’s policy to recover all collectable debt owed to it.
With this overall objective in mind this policy aims to:
- Maximise the Council’s Income
 - Reduce the time taken to collect charges
 - Reduce the level of debt owed to the Council and hence its provision for bad debts, and
 - Reduce the incidence of debt that cannot be collected.
- 1.3 This Policy supports these aims by:
- Promoting ownership of debts by service providers
 - Ensuring wherever possible that collection of the fee or charge involved takes place prior to the service being provided so that credit is only given when it is essential to do so
 - Promoting a system of credit control
 - Ensuring invoicing procedures are carried out on an accurate and timely basis
 - Requiring that evidence to support the invoice exists in the form of an order or other written contract
 - Encouraging debtors to pay promptly, and
 - Making collection and enforcement activity more efficient.
- 1.4 The Policy aim is to achieve the following rates of collection in terms of both numbers and value of invoices:
- a) 85% of debt to be collected within 42 days of the invoice being issued
 - b) 90% of debt to be collected within 60 days of the invoice being issued
- 1.5 The Senior Finance Officer will review the targets given above each year.
- 1.6 The Council will publicise the fact that it has this policy and that it intends to pursue the collection and recovery of all debts owed to it.

2. Exclusions

- 2.1 The following areas are excluded from this policy:
- a) Council Tax
 - b) National Non Domestic Rates
 - c) Housing Rents
 - d) Housing and Council Tax Benefits Overpayments

3. Key Objectives of Fees and Charges

- 3.1 The fee or charge imposed by the Council should be fair in relation to the goods and/or services provided.
- 3.2 The charge should reflect the principles outlined in the appropriate charging policy and in the Council's Financial Regulations.
- 3.3 The charge should, depending on legislation, always at least cover the cost of providing the goods or service and the costs of collection, unless the Council has taken a policy decision to subsidise the service.
- 3.4 The charge should wherever possible be obtained in advance of the goods and/or services being provided. If not, and where appropriate, the prior written agreement of the person receiving the goods and services should be obtained to pay for the goods and/or service.
- 3.5 The charge should be collectable.
- 3.6 Fees and charges must be reviewed at least annually.
- 3.7 There should be a clear and prompt billing and collection process.
- 3.8 There should be a clear and consistent council-wide approach to the giving of credit and the collection of debt that is led by this policy.
- 3.9 There should be a system that ensures Services only retain credit for an invoice if the income is actually collected.

4. Responsibilities

- 4.1 Heads of Service must ensure that:
- a) Financial Regulations in relation to the collection of sundry debt are adhered to
 - b) The parts of this policy that apply to their service are correctly followed
 - c) They proactively support the achievement of corporate targets

for debt collection

- d) Budget Managers are fully appraised of their responsibilities
 - e) Relevant systems and procedures are put in place
 - f) Staff involved in the debt collection process are appropriately trained, and
 - g) The successfulness of training is kept under continuous review.
- 4.2 The Head of Finance is charged with the responsibility of providing central support and the relevant electronic processes needed to ensure this policy can be adhered to.

5. Invoicing

- 5.1 Services are responsible for raising invoices in respect of the goods and/or services they supply on credit.
- 5.2 An invoice should be raised within 10 working days of the goods and/or services being supplied.
- 5.3 Amounts due to the Council should not generally be held in holding accounts. However, where it is unavoidable for a holding account to be used then that account must be cleared on not less than a 10 working day cycle.
- 5.4 An invoice should not be raised:
- For less than £10, unless it is a statutory charge (Fees and charges below this level should be collected in advance by other methods.)
 - If an order (or equivalent) has not been received
 - When it cannot be proven that the goods and/or services have been supplied
 - When the amount due is not still owed
 - If a debt is already bad or doubtful
 - Where a potential debtor fails to obtain credit limit approval, or
 - Where a previous invoice for the same goods or service has already been credited.
- 5.5 For periodic charges, a direct debit should, wherever possible, be set up in advance of the service being provided.
- 5.6 An invoice must not be raised to provide a hidden subsidy.
- 5.7 An invoice must not be raised to artificially enhance income targets.

6. Payment Methods

Invoices should be able to be paid by all of the following methods:

Cheque
Direct Debit
Debit card
Standing order
BACS payment
Cash

- a) By telephone, and
- b) Via the Internet.

7 Credit Limits

- 7.1 For goods and/or services being supplied and costing over £10,000 a credit check must be run on all customers except those in the public sector.
- 7.2 Credit must not be given to previous customers who have been consistently late payers or have not paid at all.
- 7.3 Preferential credit limits must not be agreed for any customer.

8. Credit Terms

- 8.1 The Council should aim to collect monies owing to it fully and promptly.
- 8.2 Payment terms should only be granted where the debtor is not able to settle the debt in full in one payment. On receipt of an invoice a debtor can make arrangements to clear the account by weekly, fortnightly or monthly instalments. These payments should be by direct debit wherever possible.
- 8.3 Only Legal Recovery and Central Debtor Teams can arrange payment terms with the debtor.
- 8.4 The Central Debtors Team should consider withdrawing payment terms if a debtor fails to honour the agreement entered into.
- 8.5 The following table should be used as guidance when arranging credit. However, **no terms can be agreed over twelve months.**

Value	Terms (from date of invoice)
Debts below £500	No more than 3 months
Debts below £1,500	No more than 6 months
Debts below £2,500	No more than 9 months
Debt above £2,500	No more than 12 months

- 8.6 If the debtor requests that they would want the Council to take an exceptional view due to their financial circumstances. A detailed income and expenditure sheet should be completed for their case to be considered. The Senior Finance Officer should be consulted when exceptional cases are being considered.
- 8.7 The Senior Finance Officer must review the monetary values contained in this section on an annual basis. When it is considered that those values should be changed the new figures shall only apply once the Head of Finance has agreed them in writing.

9. Accounting Arrangements

- 9.1 The Service will receive the credit when an invoice is raised.
- 9.2 If the invoice is paid within 60 days the Service will retain the credit. No internal invoice will be raised to the originating Service to meet costs of recovering the debt.
- 9.3 If the invoice is not paid within 60 days an internal invoice will be raised by the Central Debtors Team (this action will take place at the point the original invoice is paid). This will be issued to the originating Service requesting payment of 10% of the value of the original invoice to cover recovery costs incurred in collecting the debt.
- 9.4 The 10% contribution will be paid to Legal Services if the debt is being dealt with by Legal, or to Finance Service if the debt is being pursued through a debt agency.
- 9.5 In all cases the 10% contribution to costs arrived at by the calculation at 9.3 above shall be cash limited to a maximum figure of £3,000.

10. Collection

- 10.1 A written reminder should be sent for all invoices unpaid after 21 days.
- 10.2 If after a further 7 days (i.e. 28 days from date of invoice) the account is unpaid a final reminder notice should be issued.
- 10.3 If after a further 7 days (i.e. 35 days) the account is unpaid a letter before action letter should be issued.

- 10.4 After a further 7 days (i.e. 42 days) if an invoice is still outstanding it should be passed to Legal Services for county court action for debts over £100 or referred to a debt collection agency for debts below £100.
- 10.5 If an invoice of £5,000 or more is unpaid after 34 days (the service will receive a task on AIMS advising that the debt remain outstanding) a telephone reminder should be made to the debtor by the relevant Service to confirm receipt of the invoice and to identify any queries relating to it. In cases where it proves difficult to make contact with a private individual during normal working hours telephone calls should also be made between 6pm and 8pm Monday to Friday.
- 10.6 The Council should employ two debt collection agencies with the workload being split in the ratio 60:40 between them.
- 10.6 Each year the Senior Finance Officer should review the performance of the two agencies and the best performing one should receive the 60% workload in the following year.
- 10.7 Once a case has been referred to the debt collection agency any payment arrangement the debtor enters into must be made directly to that agency.
- 10.8 If an account is referred for action to a debt collection agency and the case is then withdrawn, any fees incurred will be charged to the originating service.
- 10.9 Recovery action can be halted at any part of the process if the debtor enters into payment terms to clear the debt by instalments.
- 10.10 Recovery action can be halted at any part of the process if the originating Service decides not to pursue recovery for the good of the service. When this happens the originating Service must bear the cost. Any adjustment to the amount invoiced must be requested by submitting a write off request to the Central Debtors Team by the Head of Service.
- 10.11 The debt recovery procedure can be seen at Appendix A.

11 Queries and Disputes

- 11.1 If there is a dispute the Service that raised the invoice must attempt to resolve the matter within 35 days of the invoice being raised.

12 Litigation

- 12.1 All debts outstanding above £100 should be referred to Legal Services with the necessary documentation being provided by the

service.

13 Credit Notes

- 13.1 In conjunction with financial regulations there must be a clear distinction between raising a credit note and writing off a debt.
- 13.2 A credit note to cancel or reduce a debt must only be issued to:
 - a) Correct a factual inaccuracy
 - b) Correct an administrative error
 - c) Process a discount granted by the Head of Service where the account was originated.
- 13.3 Only authorised staff at the discretion of service managers should issue credit notes.
- 13.4 A credit note should only be issued when the credit request memo is signed by an authorised signatory and an explanation for the credit note is stated in every case

14 Write Offs

- 14.1 The following officers have delegated powers to write off bad debts as follows:
 - a) Head of Finance for debts under £500
 - b) Finance & Performance Management Portfolio Holder for debts of £500 and above.

15 Interest Loss

- 15.1 If it is evidenced that any action by a Service leads to a significant detrimental effect on the Council's cash flow by not following this policy, the Head of Finance should consider imposing a charge on that service equivalent to the lost interest incurred.
- 15.2 A loss of £500 should be considered as being significant.

16 Debt Management

- 16.1 The following data should be used to monitor performance against targets and timescales set for each Service:
 - a) Level of debt

- b) Number of days debts are outstanding – “debtor days” for invoices raised within the preceding 12 months
- c) Number of days debts are outstanding – “debtor days” for invoices more than 1 years old
- d) Level of irrecoverable debt provision
- e) Aged debt analysis by value
- f) Analysis of write offs by income section and age
- g) Number and value of disputed accounts and those where action is on hold
- h) Performance monitoring of external agents
- i) Number and value of accounts in the different stages of the legal process
- j) Percentage of debt by number and value collected in 42 days, and
- k) Percentage of debt by number and value collected in 60 days.

17 Monitoring

17.1 The Senior Finance Officer is authorised to:

- a) Carry out the central monitoring of this policy,
- b) Agree amendments to the policy for operational, efficiency and effectiveness purposes,
- c) Report to Finance & Performance Management Cabinet Committee any major issues arising from the above.

18 Review

18.1 The Policy once approved and implemented will be subject to regular review.

1 FINANCE RECOVERY

- 1.1 When an invoice is being raised the recovery profile is defaulted to 'New Debt Recovery' (code being 'DR'). This recovery profile should be used for all invoices except for Estates, this being 'ES' (Estate Debts). If the debt is for an employee of the Council then recovery profile should be 'SD' (Staff Debts).
- 1.2 The recovery profile dictates the set of events. The flow chart of each of these profiles can be seen at Appendix B.
- 1.3 During any stage of the finance recovery:
 - a) If full payment is received, the debt is closed;
 - b) If an offer to pay in instalments is made, Finance will be responsible for setting up and monitoring the payments. Before the arrangement is agreed the debtor will need to sign and return one copy of the agreement;
 - c) If there is default on payment, a reminder letter is sent. If the debt remains outstanding the debt is passed back to the service advising them to instruct Legal to take Legal action (copy of the agreement should be forwarded to the service).
 - d) If the debtor disputes the debt, before it reaches Legal, Finance will refer this to the service to resolve. Finance will put a hold on collecting the debt until the service informs Finance with what action to take i.e. resume; cancel; adjust the debt.

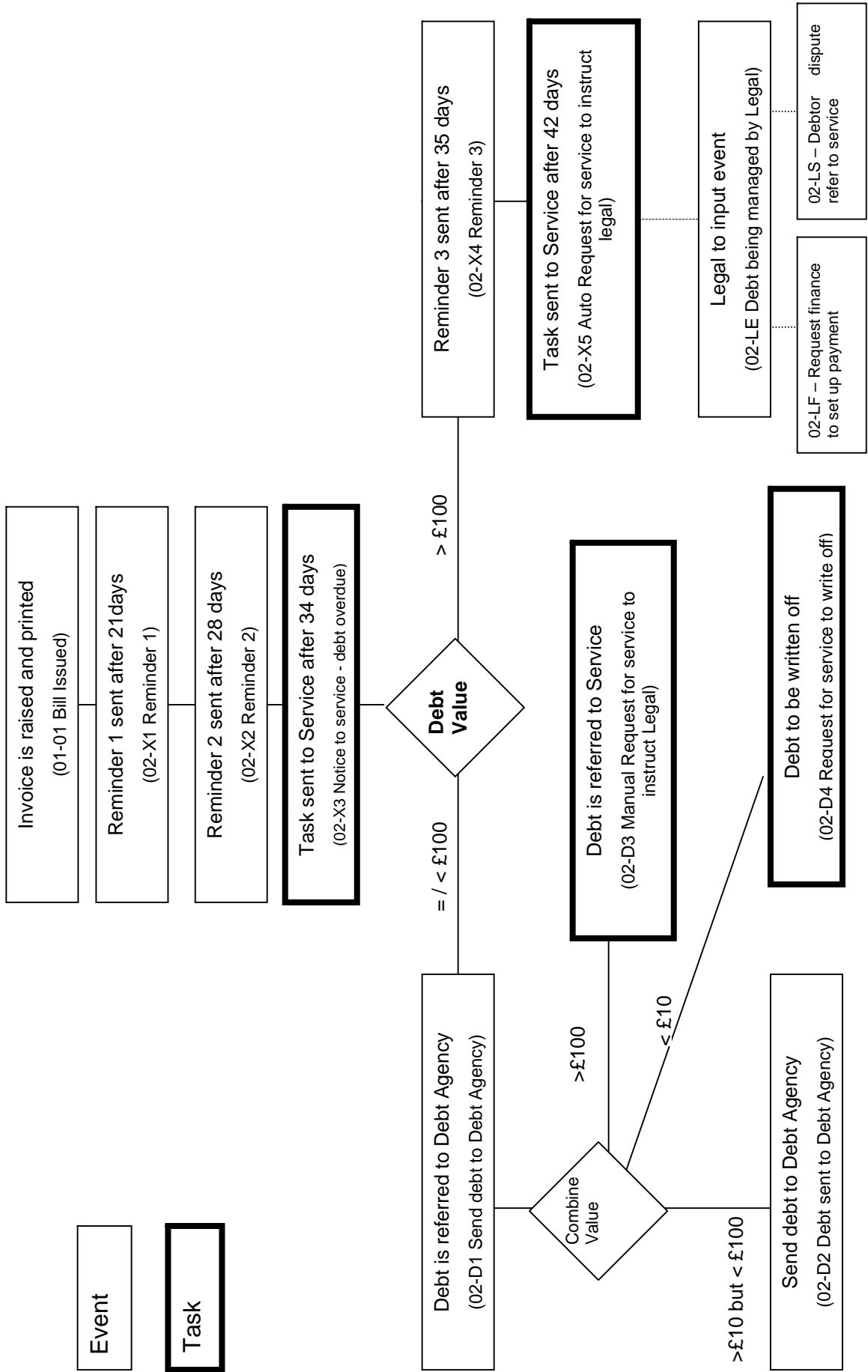
2 LEGAL RECOVERY

- 2.1 Whilst the debt is with Legal:
 - a) If the debtor asks to make arrangement to pay the debt, Legal will close their file and refer the request onto Finance.
 - b) If the debtor disputes the debt, following Pre Action Protocol Letter, Legal will close the file and refer the debtor back to the Client Service.
 - c) Legal WILL only re-open their file, if either Finance or Client Service request Court action to be continued and evidence is provided that shows that the dispute has been discussed with the debtor.
 - d) If the debtor raises a Defence following the service of the Claim Form then Legal will not close their file, but liaise with the Client Service to receive instructions on how to proceed. Client Service will have to comply with any time limits imposed by Legal, as the matter will now be in the control of the Court and its timetable.

3 MEETINGS AND REPORTING

- 3.1 In order for all parties to keep up to date with the latest development monthly / quarterly (depending on the service) meetings will be arranged between originating Service, Legal and Finance.
- 3.2 Legal will provide monthly listings on all their cases and where they are with each one to the client service and finance.
- 3.3 Finance will provide the following reports to client services on a monthly basis:
 - a) Aged debt reports – this will show the amount in value and numbers outstanding by period
 - b) Debts to be referred to Legal – this will show the debts where the client service has not yet instructed legal to take Court action against the debtor
 - c) Debts placed on hold – this will show the debts where they are put on hold until the service informs Finance of the outcome
 - d) Any other specific report to a client

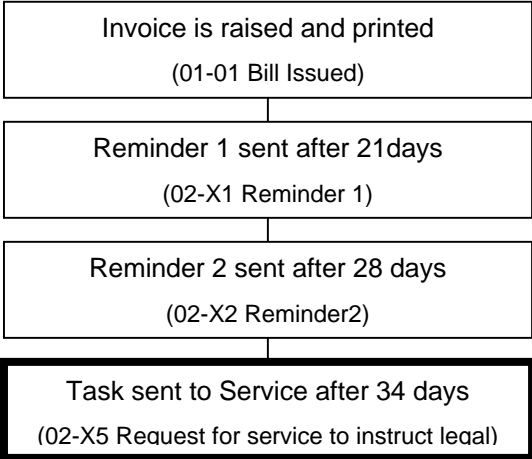
Recovery DR = New Debt Recovery



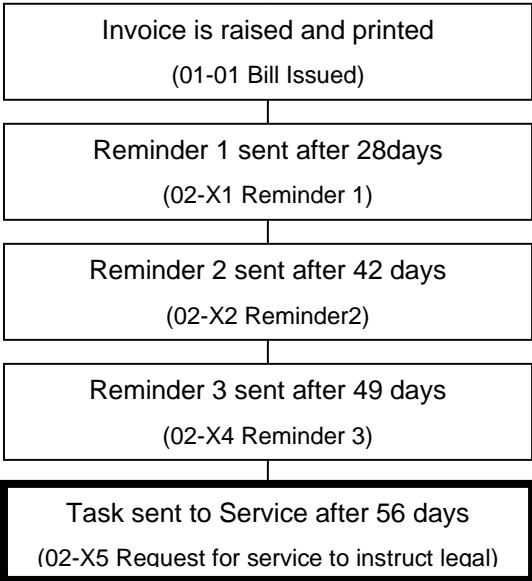
Event

Task

Recovery SD = Staff Debts



Recovery ES = Commercial Rent



Event	Action	Timescale to achieve action
On receipt of instruction from service	Legal will check the evidence received and if correct will enter on AIMS that the invoice is now being managed by Legal. Proof of address is obtained and a Pre-Action Protocol Letter is sent giving 7 days to pay.	10 working days
8 th Day after Pre-Action Protocol Letter sent	Legal to issue Court Proceedings, if no contact has been made by the debtor.	10 working days
Day 15 after issue of proceedings	If no response is made by the debtor. Legal will obtain Judgment.	10 working days
Once Judgment is obtained	Legal will take the appropriate action to recover the debt through discussions with the originating service where necessary.	10 working days

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Statistics based on Leaseholders Charges - 2004/5

	Debt less than £500	Overall debt between £500 - £1,500	Overall debt between £1,500 £2,500	Debt over £2,500
Number of leaseholders	615	213	28	14
Number of leaseholders that made no payments until the actuals were issued	90	23	2	4
Average debt £	£ 262.35	£ 815.18	£ 1,914.44	£ 2,916.23

Statistics based on those leaseholders receiving planned maintenance works

	Debt less than £500	Overall debt between £500 - £1,500	Overall debt between £1,500 £2,500	Debt over £2,500
Number of leaseholders	34	89	27	14
Number of leaseholders that made no payments until the actuals were issued	3	14	2	4
Average debt £	£ 399.29	£ 1,045.44	£ 1,910.86	£ 2,916.23

Statistics based on those leaseholders not receiving any planned maintenance works

	Debt less than £500	Overall debt between £500 - £1,500	Overall debt between £1,500 £2,500	Debt over £2,500
Number of leaseholders	582	122	1	0
Number of leaseholders that made no payments until the actuals were issued	87	9	0	0
Average debt £	£ 254.26	£ 643.97	£ 2,011.22	£ -

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Statistics based on Leaseholders Charges - 2005/6

	Debt less than £500	Overall debt between £500 - £1,500	Overall debt between £1,500 - £2,500	Debt over £2,500
Number of leaseholders	486	331	12	57
Number of leaseholders that made no payments until the actuals were issued	84	95	0	9
Average debt £	£ 261.37	£ 756.46	£ 1,649.22	£ 4,510.67

Statistics based on those leaseholders receiving planned maintenance works

	Debt less than £500	Overall debt between £500 - £1,500	Overall debt between £1,500 - £2,500	Debt over £2,500
Number of leaseholders	45	252	12	57
Number of leaseholders that made no payments until the actuals were issued	10	87	0	9
Average debt £	£ 455.34	£ 777.39	£ 1,649.22	£ 4,510.67

Statistics based on those leaseholders not receiving any planned maintenance works

	Debt less than £500	Overall debt between £500 - £1,500	Overall debt between £1,500 - £2,500	Debt over £2,500
Number of leaseholders	441	79	0	0
Number of leaseholders that made no payments until the actuals were issued	74	8	0	0
Average debt £	£ 241.57	£ 689.69	£ -	£ -

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	2004/5	2005/6
Total number of Leaseholders	870	886
Total sum of charges (inc planned maintenance & annual management charges)	£ 429,413.65	£ 654,310.61
Average leasehold charge	£ 493.58	£ 738.50
Number of leaseholders receiving planned maintenance works	165	366
Total sum of planned maintenance charges	£ 121,115.51	£ 320,870.45
Average leasehold charges for planned maintenance works only	£ 734.03	£ 876.70
Highest individual debt (planned maintenance cost only)	£ 2,663.57	£ 5,720.22
Number of leaseholders with planned maintenance charges >£5k	0	23
Highest individual debt (Incorporating planned maintenance & annual management charges)	£ 3,613.28	£ 6,684.25
Average leasehold charges for leaseholders <u>not receiving any</u> planned maintenance works	£ 324.19	£ 309.65
Number of leaseholders who did not make any payments until the actual invoice was issued	120	188
Number of leaseholders who cleared their account in full or were in credit by the date the actual invoices were raised	433	421
Average leasehold debt for those that cleared their account in full or were in credit	£ 296.26	£ 377.24
Number of leaseholders who did not receive any planned maintenance works but cleared their account in full or were in credit	386	343
Number of leaseholders that did not receive any planned maintenance works and did not make any payments until the actual invoice was issued	96	82

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