

Scrutiny Standing Panel Agenda



Housing Scrutiny Standing Panel Tuesday, 31st January, 2012

Place: Council Chamber, Civic Offices, High Street, Epping

Time: 5.30 pm

Democratic Services Officer: Mark Jenkins (The Office of the Chief Executive)
Tel: 01992 564607 Email:
democraticservices@eppingforestdc.gov.uk

Members:

Councillors S Murray (Chairman), A Mitchell MBE (Vice-Chairman), Ms R Brookes, K Chana, Mrs A Grigg, Ms J Hart, Mrs S Jones, W Pryor, D Stallan, H Ulkun and Mrs J H Whitehouse

SUBSTITUTE NOMINATION DEADLINE:

16:30

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1. WEBCASTING INTRODUCTION (Pages 5 - 8)

1. This meeting is to be webcast. Members are reminded of the need to activate

their microphones before speaking.

2. The Chairman will read the following announcement:

“Due to public interest the first item of this meeting will be webcast for subsequent uploading to the Internet for later viewing. Copies of recordings may be made available on request.

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2. APOLOGIES FOR ABSENCE

3. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

(Assistant to the Chief Executive) To report the appointment of any substitute members for the meeting.

4. DECLARATION OF INTERESTS

(Assistant to the Chief Executive). 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.

5. NOTES OF THE LAST MEETING (Pages 9 - 24)

To agree the notes of the Panel meetings held on 25 October and 28 November 2011 (attached).

6. TERMS OF REFERENCE / WORK PROGRAMME (Pages 25 - 32)

(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.

7. PARK HOMES LICENCES - PROGRESS REPORT AND CONSIDERATION OF FURTHER ISSUES (Pages 33 - 46)

(Director of Housing) Both the park home site owners and the park home residents

associations have been invited to nominate one representative from each interest group (site owners and residents associations) to attend the meeting, to orally summarise the views of their interest group on the issues in the report. However, they will not take part in any subsequent debate. Report attached.

8. REVIEW OF SOCIAL HOUSING FRAUD INITIATIVE - PRESENTATION (Pages 47 - 52)

(Director of Housing) To receive a presentation and consider the attached report.

9. FIRE SAFETY IN FLAT BLOCKS (Pages 53 - 68)

(Director of Housing) To consider the attached report.

Officer Report – Page 53

(a) CLG Letter to Councillor D Stallan (then Housing Portfolio Holder) – page 63

(b) Essex County Fire & Rescue Service Letter to Councillor J Knapman – page 65

(c) Essex County Fire and Rescue Service Letter to P Ledger – page 67

10. RESPONSE TO CLG CONSULTATION PAPER ON "REINVIGORATING THE RIGHT TO BUY AND ONE FOR ONE REPLACEMENT" (Pages 69 - 100)

(Director of Housing) To consider the attached report.

11. MEMBER INFORMATION EVENING - LOCALISM ACT AND WELFARE REFORMS

The Housing Scrutiny Panel are asked to note that there will be a Member Information evening on the Localism Act on Tuesday 28 February 2012 at 7pm in the Council Chamber. In addition, the Council's Benefit's Manager will be giving a briefing to Members on the current position regarding the proposed Welfare Reforms.

This is a very important event as it is an opportunity to update Members on a number of discretionary powers being given to Local Authorities and Housing Providers under the Localism Act which means that more decisions about the provision and management of housing can be taken locally. These include:

- Ability to offer new tenants fixed term Flexible Tenancies
- Changes to succession rules for all new tenants and the possibility of granting additional rights above the level set out on the Act
- Having an eligibility criteria for homeseekers joining the Housing Register
- Having the ability to discharge the homelessness duty in the private rented sector without the agreement of the applicant

At future meetings, the Panel will be considering a number of related issues including:

1. The Council's response to the Government's Draft Statutory Guidance on the Allocation of Accommodation and Armed Forces Regulations;
2. Recommending to the Cabinet subsequent changes under the Review of the Housing Allocations Scheme; and
3. Considering a report on the Council's new Tenancy Policy making recommendations to the Cabinet on potential tenure reforms.

It is considered to be essential that all Members attend this event as it will assist them throughout the process.

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

The Panel agreed to an extra-ordinary meeting scheduled for 5 March 2012 at 5.30p.m. in Committee Room 1. The following meeting will be on Tuesday 13 March at 5.30p.m., also in Committee Room 1.

EPPING FOREST DISTRICT COUNCIL

**PROTOCOL FOR WEBCASTING OF
COUNCIL AND OTHER MEETINGS**



Introduction

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Main provisions:

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This would include:

- (i) Public disturbance or other suspension of the meeting;
- (ii) Exclusion of public and press being moved and supported;
- (iii) Any other reason moved and seconded and supported by the Council/Committee or Subcommittee.

2. No exempt or confidential agenda items shall be webcast.

3. Subject to paragraph 4 below all archived webcasts will be available to view on the Council's website for a period of six months. Council meetings are recorded onto DVD, which will be stored in accordance with records management procedures.

4. Archived webcasts or parts of webcasts shall only be removed from the Council's website if the Monitoring Officer considers that it is necessary because all or part of the content of the webcast is or is likely to be in breach of any statutory provision or common law doctrine, for example Data Protection and Human Rights legislation or provisions relating to confidential or exempt information.

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5. Any elected Member who is concerned about any webcast should raise their concerns with the Head of Research and Democratic Services

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Meetings of the Area Plans Subcommittees, District Development Control Committee, Licensing Committee and other 'Quasi Judicial' Hearings

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"Please note that Council meetings may be filmed for live or subsequent broadcast via the Authority's Internet site. If you do not wish the hearing of your application to be filmed, please contact the Senior Democratic Services Officer to discuss their concerns. The Council will not film speakers if they do not wish to appear in the webcast"

Conduct of Meetings

At the start of each meeting to be filmed, an announcement will be made to the effect that the meeting is being or may be web cast, and that the Chairman may also terminate or suspend the web casting of the meeting, in accordance with this protocol. This will be confirmed by the Chairman making the following statement:-

"I would like to remind everyone present that this meeting will be broadcast live to the internet and will be capable of repeated viewing.

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**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF HOUSING SCRUTINY STANDING PANEL
HELD ON TUESDAY, 25 OCTOBER 2011
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 5.30 - 8.00 PM**

Members Present: S Murray (Chairman), A Mitchell MBE (Vice-Chairman), Ms R Brookes, Mrs A Grigg, Ms J Hart, Mrs S Jones (Deputy Portfolio Holder (Planning and Technology)), D Stallan and Mrs J H Whitehouse

Other members present: Mrs M McEwen and J Knapman

Apologies for Absence: S Hyde (Co-Optee Tenants and Leaseholder's Federation)

Officers Present A Hall (Director of Housing), P Pledger (Assistant Director (Property and Resources)), L Swan (Assistant Director (Private Sector & Resources)) and M Jenkins (Democratic Services Assistant)

15. APOLOGIES FOR ABSENCE

It was noted that Mrs M Carter, the co-opted Panel member who had been the Chair of the Tenant's and Leaseholder's Federation had stepped down from the Federation and had been replaced by Mr S Hyde, who had sent his apologies to this meeting.

16. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

There were no substitute members at the meeting.

17. NOTES OF THE LAST MEETING

RESOLVED:

That the notes of the last meeting of the Panel held on 19 July 2011 be agreed.

18. DECLARATION OF INTERESTS

Pursuant to the Council's Code of Member Conduct, Councillor D Stallan declared a personal interest in the following item of the agenda by virtue of having been the Housing Portfolio Holder at the time when the decision involved was made. The Councillor had determined that his interest was not prejudicial and would stay in the meeting for the consideration of the item concerned:

- Item 8 Fire Safety in Common Parts of Flat Blocks

19. TERMS OF REFERENCE / WORK PROGRAMME

- (1) The Panel's Terms of Reference were noted.
- (2) The following was noted from the Work Programme:
 - (a) Item 12 HRA 30-Year Financial Plan in Preparation for HRA Self-Financing

A special meeting was being convened on 28 November 2011.

(b) Item 27 Outcome report on the implementation of new licences for park home sites

It was advised that the postholder dealing with the new licences had resigned and that the Environment Health Officer who had been assisting him was also leaving. Officers were meeting with resident's representatives and site owners of Park Homes in November to discuss some issues that had arisen and it was intended to report to the meeting of the Scrutiny Panel in January 2012.

20. COUNCIL HOUSEBUILDING PROGRAMME

The Panel received a report from the Director of Housing regarding the proposed Council Housebuilding Programme.

The Cabinet had agreed in principle that the Council undertake a modest Council Housebuilding Programme, and had asked this Panel to consider the detailed issues of implementing the programme and make recommendations to the Cabinet.

The last Council property was built in June 1985. Since 1977, the Council had sold around 6,160 properties, predominantly through the Right to Buy. Currently, the Council owned and managed around 6,500 properties. Since the 1980s, councils had been discouraged by successive governments from building new social housing themselves, and encouraged to act as "enablers," by facilitating housing associations to build new social housing. However, the policies of the previous and current Governments had changed and, mainly as a result of the collapse of the property market in 2008, local authorities had more recently been encouraged to build once again. In August 2009, the previous Government introduced new regulations which removed major financial disincentives.

The Council had a number of difficult-to-let garage sites and other sites that could be developed to provide an estimated 120 homes over a 6 year period. The proposed approach was to appoint an existing housing association, through a competitive tender process, acting as a Development Agent, and providing all the required development and project management services, rather than the Council employing its own professional team of staff. Development appraisals for each of the identified sites would assess whether or not they had development potential, the costs and anticipated income.

It was proposed that rents charged for the new developments would be at the new "Affordable Rent" levels up to 80% of market rent levels.

Grant funding from the Homes and Communities Agency (HCA) may be available in the future, but it was suggested that any shortfalls in capital funding for developments should be met through the sale of some development sites on the open market, without any financial support from the General Fund.

It was proposed that the Cabinet would adopt a Development Strategy and approve the budgetary requirement for the Housing Capital Programme. It was currently estimated that capital funding of around £2.5 million per annum would be required for the construction of 20 properties each year, and that a programme of 120 properties over 6 years would cost around 16 million.

The Chairman explained that he would be unable to present the Scrutiny Panel's report to the Cabinet on the 5 December 2011 himself, due to an important work commitment. However, after consulting the Vice Chairman of the Scrutiny Panel, he had asked Councillor D Stallan to present the report on the Panel's behalf and asked for the Panel's endorsement of this proposal which was given.

RECOMMENDED:

That the following recommendations are made to the Cabinet:

- (1) That a housing association be appointed to provide a Housebuilding Development Agency Service for the Council, including all development and project management services, and the provision of all professional building services including architectural, employer's agency, quantity surveying, cost consulting, planning supervision, engineering and surveying, but excluding works construction;
- (2) That the Housing Portfolio Holder be authorised to appoint a Development Agent in respect of the following:
 - (a) After a competitive tender process using the EU OJEU Restricted Procedure procurement process;
 - (b) That has existing development partner status with the Homes and Communities Agency (HCA);
 - (c) Based on the most economically advantageous tender (in terms of price and quality) received from at least 5 housing associations, shortlisted through a Pre-Qualification Questionnaire (PQQ) process, in accordance with pre-determined evaluation criteria;
 - (d) After the Housing Portfolio Holder has previously approved the evaluation criteria to be used for both the PQQ Stage and Tender Stage, prior to the implementation of each stage, in accordance with procurement requirements;
 - (e) On the recommendation of a Selection Panel comprising the Housing Portfolio Holder, Chairman of the Housing Scrutiny Panel, Director of Housing and Assistant Director of Housing (Property); and
 - (f) For a four year period with options to extend the contract for three further individual years;
- (3) That the Essex Procurement Hub be asked to undertake the EU procurement process for the appointment of the Development Agent, on behalf of the Council;
- (4) That a suitably experienced housing development consultant be appointed to undertake the appointment process for the Development Agent, in liaison with the Essex Procurement Hub funded from within the existing resources of the HRA's Feasibilities Budget;
- (5) That, through the contract with the Development Agent, all the Development Agent's consultants be required to provide the Council with collateral warranties, as a safeguard to enable the Council to take legal action against a consultant direct if problems arise in the future due to negligence;

(6) That the evaluation of PQQs and tenders be undertaken by officers and the housing development consultant, in accordance with the pre-determined and approved evaluation criteria;

(7) That the Housing Portfolio Holder be authorised to agree any other aspects of the appointment process for the Development Agent, not covered by this report or recommendations/decisions;

(8) That once the initial desktop development assessments of garage and other housing sites have been completed by officers and the HRA Financial Plan agreed, reports be submitted to the Cabinet on a proposed Council Housebuilding Development Programme, based on the completion of around 20 new affordable homes per annum, and seeking approval to undertake development appraisals and seek planning permission for specific sites;

(9) That, once the Cabinet has approved the Housebuilding Programme, further reports be submitted to the Cabinet on the required budgetary provision for the Housing Capital Programme

(10) That, in the meantime, appropriate capital provision for the Housebuilding Programme be included within the Indicative HRA Financial Plan to be considered by the Cabinet at its meeting on 5 December 2011;

(11) That appropriate revenue provision be made within the Housing Revenue Account from 2012/13, to fund the associated revenue costs of the Housebuilding Programme, including a budget for abortive fees for developments that do not proceed;

(12) That Affordable Rents (not Social Rents) be charged for the completed Council properties, in accordance with the Government's Affordable Rents Framework with rent levels to be charged for individual properties as part of development appraisals;

(13) That the Cabinet approves all financial and development approvals, any borrowing requirements and the required Housing capital Programme funding for proposed "development packages" by the Council on an individual basis;

(14) That such development packages be funded from the following sources (with full details to be set out in the development appraisals for individual schemes approved by the Cabinet), on the basis that the Council House building Programme is self-funded, without any financial support from the General Fund:

- (a) Housing Revenue Account (HRA) surpluses;
- (b) HCA funding (where possible);
- (c) Borrowing (if necessary);
- (d) Cross-subsidy from the sale of other development sites within the Housebuilding Programme on the open market if necessary; and/or
- (e) Capital receipts from future Right to Buy sales, if the Government introduces its recently announced policy to increase discounts under the Right to Buy, and replace each property sold with a new affordable home.

(15) That, once the Development Agent has been appointed, a Development Strategy be formulated setting out the proposed approach to planning and delivering the Housebuilding Programme, for adoption by the Cabinet;

(16) That a new part-time Senior Housing Officer (Development) post 18 hours per week) be established once the Development Agent has been appointed, the post be job-evaluated; and appropriate budget position be made within the Housing revenue Account for 2012/13 once the salary grade has been determined;

(17) That, once appointed, the selected Development Agent seeks development partner status for the Council from the HCA, and completes the Pre-Qualification Questionnaire on behalf of the Council; and

(18) That the appointed Development Agent be required to procure contractors to construct the properties within the development packages on behalf of the Council, in accordance with the Council's Contract standing Orders and EU procurement requirements (if necessary).

21. SOLAR PV TO COUNCIL HOUSING

The Panel received a report from the Assistant Director of Housing regarding Solar PV to Council Housing.

The Climate Change Act 2008 had been established as a long term national framework tackling Climate Change, it aimed to reduce carbon emissions by at least 34% in 2020 and 80% in 2050. Local authorities and housing associations were seen as having a vital role in reducing carbon dioxide emissions. The reduction of carbon emissions was inextricably linked to reductions in energy consumption and consequently in individual energy costs.

According to USwitch energy prices were likely to increase 4-fold by 2020. one way of tackling the rise in energy costs was to generate free use electricity, using renewable energy such as harnessing energy generated by the sun through Solar Photovoltaic (Solar PV) panels fixed to roofs. This was relatively new technology and cost was quite high. Although over time costs were expected to reduce.

To encourage the use of renewable technology, the Government had introduced a grant linked directly to the amount of electricity generated. The grant was payable through a scheme known as the "Feed In Tariff." This was available to anyone that owned a renewable electricity system and was payable for energy kilowatt hour that was generated. Whilst the FIT would reduce over time, the rate was applicable at the time the system was installed and registered, and that rate was locked for a 25 year period but then index-linked to RPI. The intention was for these tariffs to cover the initial capital cost of installation and according to the Government, earn a return to the system owner up to 8% p.a. In practice, the Council should earn back the initial capital cost by at least two to three times over the duration of the 25 year tariff if the Council was to fund the full cost of the installation itself.

Procurement Options

The FIT was only available to the owner of the Solar PV installation, which did not necessarily have to be the building owner. The Council paid for, and therefore owned, the installation outright. A third party installed the systems onto the roofs of

Council properties and rents the roof space, meaning the Council did not have to pay for the installation. A shared arrangement whereby the Council and a third party jointly funded and jointly owned the systems.

Initial Feasibility Study

(a) Of the 6,500 Council dwellings, around 5,250 properties could benefit from Solar PV. Around 19% of all Council properties would not benefit from some free electricity.

(b) If all 5,250 properties were to have Solar PV, the capital outlay needed to install the systems would be in the region of £50 million.

(c) If all 5,250 properties were to have Solar PV, collectively over 10,500 MW hr of electricity could be generated, which over a 25 year period could qualify for £155 million in FIT.

(d) In addition to the FIT, £26 million worth of free electricity could be generated.

(e) If the Council was to allow the tenants and leaseholders to use the free electricity generated, and rely only on the FIT and export of unused electricity, then the pay back period for the initial capital outlay was estimated to be around 9 years.

(f) The rate of return was greater for flats and maisonettes, than for houses or bungalows due to the larger roof areas.

Option Appraisal

Below were the four main groups of properties that made up the Council's housing stock:

(i) Sheltered Accommodation

The sheltered accommodation blocks generally had larger uninterrupted roofs, which could benefit from a greater number of solar panels and therefore generate a greater amount of electricity. At sheltered accommodation sites, the Council were also using a lot of electricity powering essential communal services. The amount of electricity generated would not be sufficient to power all of these elements. However, it could contribute towards the running costs, and therefore reduce the Council's energy bills.

(ii) Flat Blocks and Maisonettes

Maisonettes had larger uninterrupted roofs than houses, which could benefit from a greater number of solar panels and generate a greater amount of electricity.

(iii) Houses and Bungalows

The smaller roof areas and the individual nature of each installation would mean higher initial installation costs per kWhr of electricity generated. Since this category of property was constrained in terms of electricity use, the Council would not benefit from any reduced energy consumption.

(iv) Rural Communities

According to Government statistics, residents living in rural communities were 29% more likely to fall into fuel poverty. Properties located outside of built-up areas tended

to be more exposed, requiring more energy to heat them. In recognition of this, the Council's Repairs and Maintenance Business Plan and its Housing Energy Efficiency Strategy both identified this group of properties to be the focus of any developments in renewable energy opportunities.

Proposed Way Forward

The properties that would benefit the most were those with the largest roof area, that were orientated south and where electricity was being consumed during the day as well as in the evening. On that basis, installing a Solar PV system onto sheltered housing blocks would have the greatest benefit and see the greatest return. It was therefore recommended that the Council install Solar PV itself to all suitable sheltered housing blocks, received the FIT and used any electricity that was generated to power the communal services, thereby reducing service charges for residents.

The funding for such an installation programme, estimated to be in the region of £2.25 million based on the initial feasibility study undertaken by Climate Consulting Ltd, would need to be taken into account as part of the Council's Capital Strategy, Housing Capital Programme and the HRA Business Plan.

RECOMMENDED:

- (1) That the report regarding Solar PV to Council Housing be noted;
- (2) That the Cabinet be asked to agree to the proposed approach to a programme for the installation of Solar PV;
- (3) That any future Solar PV programme be based on the following:
 - (a) that sheltered accommodation blocks be fully funded by the District Council with any free electricity being generated used to power communal services, and for the District Council to receive the "Feed In Tariff;"
 - (b) that flat blocks and maisonettes be installed by third party companies with its own private finance based on "Rent a Roof" scheme, with the landlord's communal services and individual residents benefitting from free electricity generated; and
 - (c) that houses and bungalows be installed by third party companies with their own private finance based on "Rent a Roof" scheme, with individual residents benefitting from free electricity generated subject to tenants requesting the installation.
- (4) That the Capital Strategy, Housing Capital Programme and the HRA Financial Plan take account of the £2.25 million funding needs for the installation of Solar PV;
- (5) That any income from the "Rent a Roof" scheme be used to top up the energy efficiency programme for the benefit of those properties that are not suitable for Solar PV; and
- (6) That a further report be considered by the Cabinet on the proposed detailed arrangements for the "Rent a Roof" scheme including the selection of the provider.

22. FIRE SAFETY IN COMMON PARTS OF FLAT BLOCKS

The Panel received a report from the Assistant Director of Housing (Property) regarding Fire Safety in Common Parts of Flat Blocks.

Following consultation with the Housing Scrutiny Standing Panel, in January 2011, the Housing Portfolio Holder agreed a policy on fire safety in flat blocks. Personal belongings, fitted or loose long carpets, mats and other items stored in common parts of flats were prohibited and removed with the exception of certain concessions agreed with the Workplace Fire Safety Officer of the Essex Fire and Rescue Service.

Letters were sent to all tenants and leaseholders in the blocks advising them of these changes. However a small number of residents requested that a further review should be undertaken as they felt the policy was too risk adverse and prevented the common parts of flat blocks becoming more homely. In response in January 2011 the Housing Portfolio Holder temporarily suspended the policy relating to carpets in the common parts only, until a further feasibility was carried out.

The former Portfolio Holder wrote to the Housing Minister in March 2011 expressing concerns about the lack of clarity and guidance for local authorities when assessing fire safety in flat blocks. A response from the Parliamentary Under Secretary of State was received in July 2011 which made reference to the Local Government Improvement and Development (LGID). It was a clearer document helping local authorities inform their risk assessments.

Fire Safety Guidance

The fire safety guidance issued by the Local Government Group advised that few deaths occurred as a result of fire in a neighbour's flat or in common parts, most deaths occurred in the flat where the fire started. The most dangerous fires were those within the common parts as these were the areas which facilitated escape. There should be a clear policy on whether common parts must remain completely sterile or subjected to managed use.

Officers advised that they had received guidance from Essex Fire and Rescue which suggested that the previously agreed policy should be implemented. However Councillor J Knapman commented that he had received a letter from Essex fire and Rescue service that suggested that carpets could be allowed within communal areas of blocks for flats if managed properly. Councillor J Knapman offered to provide a copy of the letter to the Housing Portfolio Holder for her to consider.

Under the circumstances, it was agreed that this part of the report should be deferred for further consideration at a future meeting of the Panel, to enable officers and the Housing Portfolio Holder to consider the contents of the letter and provide further guidance to the Panel.

Feasibility Study – Smoke Alarms

In line with a request from the decision of the previous Housing Portfolio Holder in January 2011, a feasibility study had been carried out into the cost of providing mains wired smoke detectors in individual flats, maisonettes and common parts of flat blocks. The feasibility study revealed the following options and costs:

Option 1 – Smoke alarms in individual flats and maisonettes only.

The Council was currently installing smoke detectors within individual dwellings as part of the on-going decent homes works which must comply with the Building Regulations. Only 500 properties had benefitted from this improvement, with a further 427 sheltered accommodation homes for older people that were linked to Careline, which were already benefitting from mains smoke detectors. The following was noted:

- The cost of providing mains operated smoke detectors in each flat and maisonette was around £1,046,825.
- The cost of providing mains operated smoke detectors in all Council properties, excluding those that had mains operated smoke detectors was around £1,810,900.
- There would be an ongoing cost to test these smoke alarms, which equated to around £92,600 per annum.

Option 2 – Smoke alarms in individual flats and maisonettes, linked to alarms in the common parts.

This option was broken down into two separate costs due to requirements of the relevant British Standards. Blocks of flats 2-storeys or less did not require a hard wired link between the detectors. However blocks of 3-storeys or more did.

- The total cost of providing smoke alarms in individual flats and maisonettes, linked to smoke alarms in the common parts for all blocks, would be around £3,409,950
- There would also be an on-going cost to the Council for testing smoke alarms, which equated to around £185,000 per annum

Installing mains-operated smoke detectors was clearly an improvement that would save many lives and therefore should be considered as part of any future improvements. It was therefore recommended that the Council considered undertaking a programme of installing smoke detectors in all properties, funded from any resources arising from HRA Self Financing, along with other funding priorities, which would be considered by the Housing Portfolio Holder at a later date.

Shared Services

An opportunity had arisen to work in conjunction with Harlow District Council whereby the role of undertaking Fire Risk Assessments could be undertaken collectively, saving resources as a result. A preliminary meeting had taken place, and subject to the existing staffing resources at Harlow District Council being able to cope with the additional number of fire risk assessments, and the cost of them to this the Council being less than the current arrangement, then this may be an opportunity that the Council may wish to pursue.

RECOMMENDED:

- (1) That the Policy on Fire Safety in Flat Blocks be deferred to the next scheduled Panel meeting to consider the contents of the letter received by Councillor J Knapman from Essex Fire and rescue Service and the further resultant guidance from officers;

(2) That the Council consider undertaking a programme of installing mains-wired smoke detectors in all properties, funded from any resources arising from HRA Self Financing, along with other funding priorities which will be considered by the Housing Portfolio Holder at a later date;

(3) That no smoke alarms be installed in common parts of flat blocks in line with the recommendations within the Local Government Group Guidance document "Fire safety in purpose built flat blocks;" and

(4) That the Director of Housing explores further a joint working approach to fire safety risk assessments in flat blocks with Harlow District Council.

23. HOUSING REVENUE ACCOUNT BUSINESS PLAN KEY ACTION PLAN (2011/12) - PROGRESS REPORT

The Panel received a report from the Director of Housing regarding the Housing Revenue Account Business Plan Key Action Plan (2011/12).

In March 2011, the Council's latest Housing Revenue Account (HRA) Business Plan (2011/12) was produced, incorporating the Repairs and Maintenance Business Plan. This set out the Council's objectives, strategies and plans as landlord in relation to the management and maintenance of its own housing stock.

An important section of the HRA Business Plan was the Key Action Plan. This set out the proposed actions the Council would be taking over the next year. It was good practice that the progress made with the stated actions was monitored, one of the Panel's Terms of Reference was to review progress during the year.

RESOLVED:

That the Housing Revenue Account Business Plan Key Action Plan (2011/12) – Progress Report be noted.

24. JOINT HOUSING AND FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY STANDING PANEL - HRA

In April 2012 the Government would be introducing a major, long term change in the way that local authority Housing Revenue Accounts (HRAs) were funded. This would involve a change away from the current "HRA Subsidy System" to a new "HRA Self Financing System," under which the Council would need to make a one-off payment to the Government in excess of £180 million, instead of making annual payments to the Government, currently in excess of £11 million per annum. This would require the Council borrowing a substantial proportion.

The Council needed a well thought out robust 30 Year Financial Plan for the HRA, setting out all expected housing income and expenditure to meet the Council's housing objectives, and the right treasury management solution for borrowing the money in order to meet the cost of the payment to the CLG, and ensure that the Council receive the best terms.

Following informal consideration by the Cabinet and in view of the introduction and importance of HRA Self Financing, the Chairmen of the Housing and Finance and Performance Management Scrutiny Panels had agreed that a Joint Meeting of the two Scrutiny Panels should be held with officers and the Council's HRA Business Planning Consultants CIHConsult – chaired by Councillor S Murray - to discuss

CIHConsult's draft report before the Indicative HRA Financial Plan was adopted by the Cabinet on the 5 December 2011. The Joint Meeting of the Housing and Finance Scrutiny Panels would be held at 7.00p.m. on 28 November 2011 in the Council Chamber, and all members of the Council were invited to attend the meeting.

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

There were no reports being submitted to the next Overview and Scrutiny Committee by this Panel.

26. FUTURE MEETINGS

The next scheduled meeting of the Panel was 31 January 2012 at 5.30p.m.

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**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF HOUSING SCRUTINY STANDING PANEL
HELD ON MONDAY, 28 NOVEMBER 2011
IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING
AT 7.00 - 9.25 PM**

Members Present: S Murray (Chairman), K Chana, Mrs A Grigg, Ms J Hart, D Stallan, H Ulkun, Mrs J H Whitehouse and D Wixley

Other members present: D Jacobs, K Angold-Stephens, R Bassett, C Finn, L Leonard, G Waller, Mrs R Gadsby, Mrs M McEwen, G Mohindra, J Philip, Mrs L Wagland, Ms R Brookes, B Rolfe, C Whitbread and J M Whitehouse

Apologies for Absence: A Mitchell MBE and Mrs S Jones

Officers Present D Macnab (Acting Chief Executive), A Hall (Director of Housing), P Pledger (Assistant Director (Property and Resources)), P Maddock (Assistant Director (Accountancy)), M Jenkins (Democratic Services Assistant) and A Hendry (Democratic Services Officer)

27. WEBCASTING INTRODUCTION

The Chairman reminded everyone present that the meeting would be broadcast live to the Internet, and that the Council had adopted a protocol for the webcasting of its meeting.

28. APOLOGIES FOR ABSENCE

In addition to the apologies noted above, apologies were also received in respect of Councillor Mrs S Watson, Deputy Portfolio Holder (Housing).

29. SUBSITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

It was noted that Councillor D Wixley was a substitute member for Councillor Mrs R Brookes, and in respect to the Finance and Performance Management Scrutiny Standing Panel, Councillor C Finn was substituting for Councillor R Cohen.

30. DECLARATION OF INTERESTS

There were no declarations made pursuant to the Member's Code of Conduct.

31. TERMS OF REFERENCE

The Panel's Terms of Reference were noted.

32. HOUSING REVENUE ACCOUNT (HRA) FINANCIAL PLAN - CONSULTATION ON THE REPORT OF THE HOUSING PORTFOLIO HOLDER TO THE CABINET ON 5 DECEMBER 2011

The Panel received a report from Mr A Hall, the Director of Housing, regarding the HRA Financial Plan – Consultation on Strategic Approach.

In March 2012, the Government would be introducing a major change in the way that local authority Housing Revenue Accounts (HRAs) were funded, called Self-Financing. It was therefore necessary to agree the approach to be adopted for the Council's 30-Year HRA Financial Plan, which would be used to inform the treasury management options for borrowing the required finance. The Council would need to make a one-off payment to the Government of probably around £190 million, for which a substantial proportion would be borrowed.

There were two key aspects to this process from the Council's point of view. Firstly, it needed a well planned robust 30-Year Financial Plan for the HRA setting out all expected housing income and expenditure to meet the Council's housing objectives. Secondly, it needed to consider the treasury management options for borrowing the finance, in order to meet the cost of the payment to the CLG, and to ensure that the Council received the best terms.

The Council's Treasury Management advisers, Arlingclose, had provided advice to the Council on the effects of the HRA debt settlement on the Council's General Fund. This was noted as follows:

(a) The Council's balance sheet position was such that the Housing Revenue Account (HRA) was effectively lending the General Fund to fund an element of its unfinanced capital expenditure, this loan was in the region of £10 million;

(b) The adoption of debt resulting from the HRA Subsidy settlement would change the face of the Council's balance sheet but the GF position, in terms of requiring £10 million to fund this internal borrowing position would not change;

(c) The Council had worked with its treasury advisors modelling the impact of the HRA transaction on the Council's balance sheet position particularly in terms of the cost of this internal loan to the GF. The HRA could borrow £122 million from external sources and fund the balance of the transaction, around £58 million, from internal resources; and

(d) The GF would continue to fund the internal borrowing position at the current rate of interest and there would be no detriment to the GF, providing cash flow balances existed within the Council. Assuming the HRA took on an additional £10 million of external debt, this would maintain a cash position within the HRA which could be lent to the GF, this would have no negative impact on the GF. The GF might need to externalise its borrowing position at some point in the future.

The treasury advisors had stated that around £58 million from internal resources could be used to fund the debt settlement. This was one option open to the Council and may decide to change the amount of internal resources used. Within the model produced by CIHConsult, the Council's HRA Business Planning consultants, they had assumed £39 million of internal resources would be used which was the negative HRA CFR.

On the 5 December 2011, the Cabinet was scheduled to consider a report and recommendations of the Housing Portfolio Holder, together with an accompanying report from CIHConsult, on the proposed strategic approach to be taken to the HRA Financial Plan in readiness for the introduction of the Government's self-financing for the HRA from April 2012.

The Cabinet had previously suggested that both the Housing Scrutiny Standing Panel, and the Finance and Performance Management Scrutiny Standing Panel

should consider the issues and options and provide the Cabinet with their views before they make a decision. Present at the meeting by invite were the Finance and Performance Management Scrutiny Standing Panel members. The Tenants and Leaseholders Federation were meeting separately to consider these issues.

It was advised that the Cabinet had held an informal meeting with CIHConsult. The Panel noted that the final version of the report to the Cabinet may differ from that seen by the Panel.

In attendance at the meeting, was Mr S Smith from CIHConsult to present his report and answer member's questions.

It had been proposed to the Panel that it may be appropriate to apply the rent increase assumed by the Government within the Council's debt settlement, which would be an average rent increase of RPI plus 2.3% should be imposed on Council housing tenants for three years between April 2012 and April 2014 inclusive. This represented a 7.9% average rent increase in April 2012. However the panel felt that tenants would find this increase to be too hard, in many cases they were experiencing economic difficulties because of the recession. Therefore the Panel recommended a 6% average rent increase to the Cabinet.

The Chairman thanked Mr S Smith for his presentation and advice provided for the Panel. He added that he, the Chairman, would not be able to attend the Cabinet meeting on 5 December 2011 to present the Panel's report, therefore Councillor D Stallan had agreed to present this report on his behalf. This received the consent of the Panel.

RECOMMENDED:

That the following be recommended to the Cabinet:

- (1) That the Housing Scrutiny Standing Panel supports the Housing Portfolio Holder's recommendations to the Cabinet;
- (2) That, subject to the views of the Tenants and Leaseholders Federation, the general strategic approach for the HRA Financial Plan be as follows:
 - (a) That provision be made within the Financial Plan to fully maintain the Council's housing stock to a modern standard, based on current stock condition and standard industry life cycles, as opposed to maintaining the stock at the current minimum Decent Homes Standard;
 - (b) That, to achieve the District Council's aspirations to commence a new Council House Building Programme, provision be made within the Financial Plan to fund such a programme on the basis that individual development packages are self-funding, without any support or funding from the General Fund, subsidised, if necessary, from:
 - (i) Grant from the Homes and Communities Agency (HCA);
 - (ii) Section 106 Agreement contributions from developers in lieu of on-site affordable housing provision;
 - (iii) If allowed by the Government, the proceeds of Right to Buy (RTB) sales as a result of the Government's proposal to increase RTB discounts

whilst ensuring that a new affordable home is provided to replace the affordable home lost;

- (iv) Housing Revenue Account (HRA) surpluses; and/or
- (v) Cross-subsidy from the sale of other development sites within the Housebuilding Programme on the open market;

(c) That the Financial Plan assume an average rent increase of 6% from April 2012, with subsequent rent levels achieving convergence with average housing association rents by April 2017, accepting that this would:

(i) Require subsequent average rent increases of RPI plus 1.96% between April 2012 and April 2016 inclusive; and

(ii) Reduce the amount that could fund housing improvements and service enhancements to an estimated £770,000 per annum for the next 8 years from the £970,000 per annum that could be funded if rents were increased in April 2012 by the amount assumed by the Government for its proposed self-financing debt settlement for the Council (7.9%);

(d) Notwithstanding the provision for rent increases included within the Financial Plan, consideration be given each year during the HRA budget process, to the possibility and appropriateness of making a lower rent increase for the following year, having regard to the short and long term effects on the Financial Plan, the need to meet the Council's housing and financial objectives, Government guidance and the effects on tenants; and

(e) Provision be made within the Financial Plan to fund £1.4 million per annum for housing improvements and service enhancements, increased to £5.3 million per annum from Year 10;

(3) That the indicative HRA Financial Plan based on the assumptions outlined above, be adopted, and that the final version of the Financial Plan be adopted by the Cabinet on the 30 January 2012 or 12 March 2012, dependent on the date the final HRA debt settlement for the Council is confirmed by the Government;

(4) That, following consultation with the Tenants and Leaseholders Federation, the Cabinet be asked to consider a range of potential housing improvements and service enhancements that could be undertaken, funded from the additional £1.4 million per annum provision made within the Financial Plan;

(5) That a further report be submitted to the Cabinet by the Housing Portfolio Holder on the additional staffing requirements for delivering a full maintenance programme to a modern standard; and

(6) That the Council's Treasury Management advisers, Arlingclose, be asked to provide advice to the Council on the effects of the HRA debt settlement (if any) on the Council's General Fund.

33. FUTURE MEETINGS

The next programmed meeting of the Panel was scheduled for Tuesday 31 January 2012 at 5.30p.m. in Committee Room 1.

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.

(8) In relation to Traveller issues to consider and monitor:

- (a) the position regarding tolerated sites and;
- (b) the management of travellers who enter onto land within the district with a view to unauthorised encampments, with particular reference to the legal remedies available, interactions with other agencies such as Essex Police and Essex County

Council and the provision of emergency and/or transit sites within the district;

(c) Government's guidance on the needs of travellers in the context of the Council's review of its District Local Plan and the Essex Housing Needs Assessment;

(d) the results of the Commission for Racial Equality's study on traveller issues in which this Council participated, once published;

(9) To report to the Overview and Scrutiny Committee, the Council and the Cabinet with recommendations on matters allocated to the Panel as appropriate.

Chairman: Cllr Stephen Murray

Housing Scrutiny Standing Panel – 2011/2012

Item	Report Deadline / Priority	Scheduled Date	Progress / Comments	Programme of Future Meetings
(1) Presentation by Mears on proposed approach to Repairs Management Contract	Low	July 2011	Completed – July 2011	19th July 2011 25th October 2011 28th November 2011 (Joint with Finance & Performance Management Scrutiny Panel) 31 st January 2012 5 th March 2012 Extra-Ordinary Meeting 13 th March 2012
(2) Annual Report on the HomeOption Choice Based Lettings Scheme	Low	July 2011	Completed – July 2011	
(3) HouseMark Benchmarking Report of Housing Services	Low	July 2011	Completed – July 2011	
(4) Annual Ethnic Monitoring Review of Housing Applicants	Medium	July 2011	Completed – July 2011	
(5) Housing Performance Indicators - 2010/11 Out-turn (Tenant-Selected & KPIs)	Low	July 2011	Completed – July 2011	
(6) 12-Month Progress Report on Housing Strategy Action Plan 2010/11	Low	July 2011	Completed – July 2011	
(7) Housing Strategy Action Plan 2011/12	High	July 2011	Completed – July 2011	

(8) Performance against Housing Service Standards and Review	Medium	July 2011	Completed – July 2011
(9) Six-monthly Progress Report on Housing Business Plan Action Plan	Low	October 2011	Completed - 25 th October 2011
(10) Approach to future Council House-building Programme	High	October 2011	Completed - 25 th October 2011
(11) HRA 30-Year Financial Plan in Preparation for HRA Self-financing	High	October 2011	Completed - 28 th November 2011
(12) Briefing on the proposed Council rent increase for 2010/11	Low	January 2012	Not Required – Following detailed consideration of the HRA Financial Plan and associated rent increases, this is not required this year
(13) Housing Service Strategy on Empty Properties (Review and update)	Medium	October 2011	Deferred to 5th March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel
(14) Review of Private Sector Housing Strategy	High	January 2012	Rescheduled to 5th March 2012 meeting – To spread the workload of the Scrutiny Panel
(15) Six-monthly Progress report on Housing Strategy Action Plan 2011/12	Low	January 2012	Rescheduled to 5th March 2012 meeting – To spread the workload of the Scrutiny Panel
(16) Feed-in Tariff Scheme for Council Housing Stock	High	July 2011	Considered on 25th October 2011 – but requires further consideration at 13th March 2012 meeting
(17) Housing Service Strategy on Repairs and Maintenance (New)	Medium	October 2011	Deferred to 13th March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel

(18) Housing Service Strategy on Energy Efficiency (Review and update)	Medium	October 2011	Deferred to 13th March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel
(19) Housing Service Strategy on Home Ownership (Review and update)	Medium	January 2012	Deferred to 13th March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel
(20) Housing Service Strategy on Housing and Estate Management (Review and update)	Medium	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting
(21) Housing Service Strategy on Rent Administration (Review and update)	Medium	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting
(22) 12-monthly Progress report on Housing Business Plan Action Plan	Low	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting
(23) Housing Service Strategy on Older Peoples Housing (Review and update)	Medium	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting
(24) HRA Business Plan 2012/13	High	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting
(25) Annual Review of the Housing Allocations Scheme	High	October 2011	Deferred to the October 2012 – To await the Commencement Order for this part of the Localism Act and publication (and consideration by officers) of the final version of the new Code of Guidance on Allocations.

Items added after the original Work Programme was agreed			
(26) Provision of smoke detectors in Communal blocks or Council properties	Medium	October 2011	Considered on 25th October 2011 – but requires further consideration at 31st January 2012 meeting
(27) Outcome report on the implementation of new licences for park home sites	High	October 2011	On Agenda for 31st January 2012 Meeting – Has been delayed from originally scheduled date, due to the resignation of both the Technical Officer (Private Sector) and the Environmental Health Officer undertaking the site inspections, which has delayed the programme, and to await the outcome of liaison meetings with site owners and representatives of residents associations, held before Christmas.
(28) Consideration of Council response to CLG Consultation Paper <i>“Reinvigorating the Right to Buy and one for one replacement”</i>	Low	January 2012	On Agenda for 31st January 2012 Meeting
(29) Presentation and review of the success of the Council’s Social Housing Fraud Pilot Scheme and consideration of recommendations to the Cabinet	High	January 2012	On Agenda for 31st January 2012 Meeting
(30) Consideration and recommendations to Cabinet of proposed housing service improvements and service enhancements, as a result of the additional resources available from HRA self financing	High	March 2012	Not yet due – Scheduled for 5 th March 2012 meeting

(31) Consideration of Council response to CLG Consultation Paper " <i>Allocation of accommodation: guidance for local housing authorities in England</i> "	Low	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting	
(32) Homelessness Strategy – Revision and update	High	March 2012	Not yet due – Scheduled for 13 th March 2012 meeting	

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Report to Housing Scrutiny Panel

Date of meeting: 31st January 2012

Portfolio: Housing – Cllr M. McEwen

Subject: Subject: New Site Licence Conditions for Park Home Sites

Officer contact for further information: Sally Devine, Private Housing Manger (Technical) (01992 56 4149)

Committee Secretary: Mark Jenkins (01992 56 4607)



Recommendations/Decisions Required:

1. That the Housing Scrutiny Panel considers the following interpretations with regard to the Standard Licence Conditions for Permanent Residential Park Home Sites in Epping Forest District Council and recommends them to Cabinet accordingly:

- a) **Smoke Detection.** Officers should recommend to residents that mains-linked smoke detection should be installed in their homes and offer funding, whilst available, to provide this where the home owner is eligible. However, where owners do not install mains-linked systems, they be allowed to install one battery operate alarm in the porch and one in the home;
- b) **Fences.** That the same guidelines that are applied under Planning legislation, in terms of adornments and calculation methodology, be used to assess whether the height of fences meet the requirements of the Site Licence Conditions; and,
- c) **Hedges.** That the following definition, that a hedge is '*a number of woody plants, whether capable of growing into trees or not, which are so planted as to be intended to be in line and which, when mature, to be so integrated together as to form a screen or a barrier*' is adopted for the purposes of the Site Licence Conditions.

2. That, with regard to timber decking, the Panel considers the following options for interpretation and recommends one of them to the Cabinet accordingly:

- a) That decking is a structure within the terms of Condition 2(iv)(c) and, therefore, require that any combustible decking that extends more than 1 metre into the separation distance or reduces the space between homes to less than 4.5 metres is removed;
- b) To interpret 'decking' as a structure within the terms of Condition 2(iv)(c) but to allow any decking that is in place on the date the licence is issued to remain; or
- c) To interpret decking as being part of the property and as such allow existing decking to remain by virtue of Condition 2(i).

3. That, with regard to porches, the Panel considers the following options for interpretation and recommends one to the Cabinet accordingly:

- a) That porches are ‘structures’ for the purposes of Condition 2(iv)(c) and are required to be removed if they are closer than a 4.5m clear distance from any adjacent park home;**
- b) That porches are ‘structures’ for the purposes of Condition 2(iv)(c) and should not be positioned closer than a 4.5m clear distance from any adjacent park home, but that any that are so positioned at the time the site licence is issued shall be allowed to remain; or,**
- c) That porches are not ‘structures’ for the purposes of Condition 2(iv)(c) and are, therefore, allowed to be positioned closer than 4.5m from any adjacent park home.**

4. That, as a result of the Scrutiny Panel’s views and the decisions of the Cabinet, any required amendments to the Council’s previously-agreed Licence Conditions be made by officers, in order to incorporate and/or clarify the Cabinet’s decisions.

Report:

1. On 18 April 2011, the Cabinet agreed to the adoption of the ‘Standard Park Home Licence Conditions for Permanent Residential Sites in Epping Forest District Council’ (ref: C-069-2010/11). The agreed Conditions include some variations to the Model Standards 2008 and also allow for certain contraventions to remain provided they are in existence on the date the new site licence is issued.

2. Following the Cabinet decision, good progress has been made and Officers have completed inspections on all of the sites, measuring and recording existing arrangements with respect to the positioning of homes and identifying any contraventions to the new Site Licence Conditions. It is important to identify the contraventions that the Cabinet has agreed may continue because if they are not such agreed exceptions to the Conditions, homeowners will have to remove them. The Officers’ inspection reports will be presented to the respective site owners to explain both the contraventions that need to be remedied and the contraventions that exist but are allowed to remain by virtue of the Cabinet’s decision.

3. At its meeting on 19 July 2011, the Housing Scrutiny Panel agreed to add an additional item to its Work Programme to receive a progress report on the implementation of the new licence conditions for park homes. It was noted that it was likely that this would be submitted to the Panel around January 2012.

4. During the course of Officers’ inspections, however, certain anomalies have come to light since the time of the Cabinet meeting in April 2011, which are not specifically covered in the Conditions. Officers therefore now need determination from members on the interpretation to be adopted for these matters, which are explained below, so that they can interpret the decisions of the Cabinet correctly and in accordance with the spirit of the Members’ decisions, particularly bearing in mind the strength of feeling of the residents and site owners. The particular anomalies, and the number of recorded occurrences on each of the sites, are shown in the table at Appendix 1.

5. Officers held a meeting with Park Home Site Owners and representatives of each of the site residents associations to gauge their views on the matters below. Apart from the

owner of Woodbine Close and Breach Barns in Waltham Abbey and any representative of the residents on the Woodbine Close site, all the sites were represented. At the meeting representatives were informed that their comments would be included in this Report of which they have received a copy. The comments received are attached in Appendix 2.

6. A meeting is also scheduled to take place between the Leader, the Housing Portfolio Holder, Officers and the Senior Divisional Officer for Essex Fire and Rescue Services on 24 January 2012; the outcome of which will be reported at the Housing Scrutiny Panel meeting

Porches and Smoke Detectors

7. This issue relates to park homes with a porch attached. The 2008 Model Standards 2008 allows only one door to either the porch or the home, however, many existing park homes have two doors; one between the home and the porch and another between the porch and the outside. Many residents prefer two doors as it improves thermal efficiency as well as providing extra storage.

8. Following the recommendations of the Housing Scrutiny Panel and consultation with residents, the Cabinet agreed that two doors could be allowed, provided mains-linked smoke detectors are installed both in the porch and the living space of the home, for fire safety. During inspections, however, many homes were found to have two doors but only had battery operated or hard-wired interlinked smoke detectors that do not meet the specification agreed by Members.

9. There is considerable resistance from residents against complying with the requirements as they stand. Residents appear prepared to put in smoke detectors but consider that battery operated ones are adequate on the basis that:

- When Essex Fire and Rescue Service has installed smoke alarms at home-owners' request (as part of the Home Fire Safety Scheme), the Fire Service has considered it sufficient to install one battery operated alarm even where porches with two doors were present;
- There is no requirement in the Conditions to test that the wired system is properly maintained, therefore there is no advantage to require mains-wired rather than battery operated detectors (although it should be noted that, by definition, batteries discharge and make the detector inoperable unless the battery is changed);
- At an estimated cost of £300, the work to install detectors that meet the specification would be costly; and
- The installation of new detectors will be disruptive to occupiers and destructive to property, requiring either chasing-in and redecoration, or surface mounting which will be unsightly.

10. Officers have sought the opinion of Essex Fire and Rescue Service who, although initially reiterated their position that there should be no detraction from the Model Standards which stipulate that closed porches should not be tolerated on park home sites at all, have now agreed that battery operated smoke detection is acceptable.

11. The Council's Home Improvement Agency, C.A.R.E., has been provided with £20,000 of funding by Supporting People to provide help to older and/or otherwise vulnerable people on Park Home Sites to meet certain site licence requirements, such as the removal of sheds and hedges. Some of this funding could be used to provide smoke detection systems that meet the terms of the Conditions, however, not all residents would qualify for this financial support. It is understood, however, that the Fire Service will install battery operated smoke detectors free of charge for the time being, although this situation may change in future

months following a recent review of the service.

12. The purpose of smoke detectors is to provide early warning to residents to leave their home rather than to prevent fires or stop them spreading from home to home, which many of the Licence Conditions relate to. There is no licence requirement to provide smoke detection in park homes generally, it could therefore be argued that the provision and maintenance of smoke detectors in the home is a personal responsibility and choice, the implications of which affect a single household, rather than general fire safety affecting the wider park home community.

13. At the meeting on 17 November 2011, the Site Owners and representatives of park home residents were in agreement with the proposal to accept battery operated smoke detectors and it is recommended, therefore, that Officers should recommend mains-linked smoke detection to park owners and offer funding to provide this where the home owner is eligible. However, where owners do not install mains-linked systems, they be allowed to install battery operated systems with one alarm being placed in the porch and one in the home.

Timber Decking

14. The issue under consideration is whether timber decking constitutes a 'structure' under the terms of the Site Licence Conditions. Condition 2(iv)(c) states that, 'Any structure including steps, ramps etc. (except a shed, garage or car port), which extends more than 1 metre into the separation distance shall be of non-combustible construction. There should be 4.5 metres clear distance between any such structure and any adjacent park home.' The reference to sheds within the Condition is not within the Government's Model Standards, but was added by the Cabinet within the Council's own Condition.

15. It has now been established that there are many cases on the sites of timber decking extending more than 1 metre into the separation distance and in some cases decking surrounds the home on 3 sides. While timber decking is not specifically mentioned as a 'structure' in Condition 2(iv)(c), neither is it listed as an exception. In some cases, the installation of timber decking has resulted in the 4.5 metre separation space between structures being compromised, particularly if the distance between the 2 mobile homes is less than the required 6 metres (but is being tolerated by virtue of being in place before the new site licences are issued).

16. At the consultation meeting, home-owners were strongly of the view that decking should not be considered to be a structure and, therefore, not be restricted in terms of size or construction. Decking is expensive to provide and lay; some decking is very elaborate and forms an attractive surround to the home. In addition, on some of the sites, the value of park homes is enhanced by their view over the surrounding countryside. Residents argue that removing it will devalue their property. In a number of cases, the decking is integral to the home as it provides a useful platform between the home and garden that are on different levels. In addition, if the condition with regard to a separation distance of 4.5m was imposed, situations may occur where, regardless of decking construction, the width of the decking allowed may compromise the optimal width needed for wheelchair access.

17. At the meeting on 17 November, one site owner reported that she had commissioned fire risk assessments on her sites and had been informed that extremely high temperatures must be reached before decking would burn. Another site owner suggested that treating the timber with a fire retardant might offer an increased level of safety and the consensus view was that in future decking should only be allowed if it is suitably fire treated or non-combustible.

18. To summarise, the owners of mobile homes that have decking vehemently oppose removing or modifying it. They consider that decking is part of the main home and, as such,

should be allowed to remain by virtue of Condition 2(i) of the Standard Licence Conditions, which states:

'Every park home must where practicable be spaced at a distance of not less than 6 metres (the separation distance) from any other park home which is occupied as a separate residence. However, any park home that contravenes this condition at the date on this licence will be allowed.'

19. However, officers are of the view that timber decking is a structure (similar to steps and ramps), is of a combustible material, is therefore covered by Condition 2(iv)(c) and requires a 4.5 metre separation distance. Officers are also concerned about the increased risk of fire spreading between park homes if the provision of decking does not provide a 4.5 metre separation distance.

20. Notwithstanding this concern, Members are reminded that the Model Standards on which the proposed site licences are based do allow the Council to depart from the Model Standards, to exclude or change one or more of the conditions about which residents have concerns if, having regard to the Model Standards and the views of the Fire Authority, it considers that:

(i) the current licence conditions are adequate in serving their purpose in respect of these issues, and the new standards/conditions should not therefore, be applied;

(ii) having regard to all the relevant circumstances of the sites, the Council is satisfied that it has justifiable reasons for allowing these contraventions that take place on the date of the new licence, after taking account of the representations made by existing park home owners and site owners; and

(iii) the benefits that the new licence conditions will achieve (by complying with the Model Standards) are outweighed by the interests of existing residents and site owners in respect of these issues, having regard to the substantial representations made.

21. The views of the Essex Fire and Rescue Service on all the issues referred to in this report are provided under the "Conclusion" section.

Options:

22. The following appear to be the main options of interpretation for consideration by the Scrutiny Panel and Cabinet:

- a) To interpret 'decking' as a structure within the terms of Condition 2(iv)(c) and, therefore, require that any combustible decking that extends more than 1 metre into the separation distance, or any decking that reduces the space between homes to less than 4.5m to be removed, within a prescribed period (to be determined);
- b) To interpret 'decking' as a structure within the terms of Condition 2(iv)(c) but to allow any decking that contravenes the Condition, but is in place on the date the licence is issued to remain; or
- c) To interpret decking as being part of the property and as such allow existing decking to remain by virtue of Condition 2(i).

23. If Members are minded to allow all, or some, decking to remain (Options b) and c)) they may wish to take into account the possibility of it being treated with a fire retardant preparation, either by pressure treatment or brush application. However, in their consideration of this, Members should also take into account the fact that Officers will need to

make sure that the Conditions are being adhered to and it may prove difficult to ensure that any fire retardant treatments have been applied in accordance with manufacturer's instructions and as frequently as required. The effectiveness of any brush application is likely to be compromised with time by pedestrian traffic and inclement weather; and pressure treatment of structures already in situ is likely to be cost prohibitive

24. In addition, if Members agree that decking may not remain, either by virtue of Option a) or Option b), all parties need to be aware that Officers will ensure that this condition is enforced and that park home owners will be made to remove any decking not meeting the requirements.

Fences

25. The issue under consideration concerns the definition of the term 'fences'. Condition 2(iv)(f) of the Council's Standard Licence Conditions states that, 'fences and hedges, where allowed and forming the boundary between adjacent homes should be a maximum of 2 metres high'. It should be noted that the Government's Model Conditions state that the height should be 1 metre, but this was varied by the Cabinet for the Council's own Conditions.

26. Over the years many residents have erected decorative and sometimes elaborate constructions to separate themselves from their neighbours. These may be incorporated in the fencing (e.g. trellis on top of fencing) or an extension of it (e.g. archways and pergolas) and, as a result, it is subject to interpretation where the fencing starts and finishes as it appears to continue around the whole perimeter of the home.

27. Site residents have argued that the Condition relates to 'fencing' only and, therefore, any other timber constructions attached to the fencing should be allowed to remain and at any height. Many are very reluctant to remove some of these decorative arrangements as they add character and individuality to their homes and in many cases have been costly to provide.

28. At the meeting on 17 November, the Site Owners and representatives of the residents also put forward the view that on a sloping site, a 2m high fence is not sufficient to provide privacy. Officers informed them, however, that Planning legislation includes a requirement that fences over 2m in height require Planning Permission and it is considered that it would be sensible to apply the same criteria and to measure the height of fences in the same way. When applying this legislation, Planning Officers measure the height of fences from ground level to the top including any gravel board and/or trellising.

29. It is recommended, therefore that the same guidelines that are applied by Planning Officers are used to assess whether the height of fences meet the requirements of the Site Licence Conditions, namely that any construction made of combustible material and attached to a fence or forming a barrier between two homes within the separation distance is considered to be 'a fence'. The '2m rule' applies to it all, thereby requiring any structures that do not comply to be removed.

Hedges

30. This issue relates to the definition of trees and hedges. As mentioned above, Condition 2(iv)(f) refers to the height of fences and hedges. However, the Council's own Conditions depart from the Model Conditions and state that, 'trees are not considered to be hedges and therefore not being subject to any height restriction, provided they do not present any nuisance or health and safety risk'. Therefore, distinguishing between a tree and a hedge has implications in determining whether there is a height limit or not and it is not always a straightforward decision particularly where a row of trees stand close together to form something looking like a hedge.

31. It is recommended, therefore, that the following definition, which exists in common law, is used as a guide. A 'hedge' is, *'a number of woody plants, whether capable of growing into trees or not, which are so planted as to be intended to be in line and which, when mature, to be so integrated together as to form a screen or a barrier'*. Site Owners and representatives of the residents at the meeting on 17 November expressed agreement with this approach.

Porches

32. Condition 2(iv)(a) states that, although porches may protrude 1 metre into the separation distance, they but must be no more than 2 metres in length and 1 metre in depth. Members have already agreed that porches that do not comply with these dimensions at the date of the site licence will be allowed to remain until the home is replaced. In addition to this, however, Officers have always considered that porches are 'structures' for the purpose of Condition 2(iv)(c) and, therefore, there should be a clear 4.5m clear distance between any such structure and any adjacent park home. This is for fire safety, by reducing the risk of fire spread between park homes. Under Condition 2(iv)(c) this requirement must be met regardless of whether the porch is in place on the date the licence is issued.

33. Site Owners and the representatives of residents at the meeting on 17 November were aggrieved at this as they had understood that it had been agreed that **all** contraventions, not only those that had been specifically identified as exceptions, could stay forever if they were in place at the date of the new site licence. Officers clarified that this was certainly not the approach agreed by members and that only specific contraventions would be allowed to remain. However, representatives expressed a considerable strength of feeling on the issue of porches and asked Officers to relay this to Members.

34. As with timber decking, Officers are of the opinion that porches are structures and are therefore covered by Condition 2(iv)(c) and require a 4.5 metre separation distance. However, Members are reminded that the Model Standards do allow the Council to depart from its provisions, to exclude or change one or more of the conditions about which residents have concerns, provided it has regard to the Model Standards and the views of the Fire Authority. The Fire Authority's views are set out in the Conclusion section of this report.

Options:

35. The following appear to be the main options of interpretation for consideration by the Scrutiny Panel and Cabinet:

- a) To not consider porches to be 'structures' for the purposes of 2(iv)(c) and therefore allow them to be positioned closer than 4.5m from any adjacent park home.
- b) To consider porches to be 'structures' and not to allow any new porches to be positioned closer than a 4.5m clear distance from any adjacent park home but to allow any that are so positioned at the time the site licence is issued to remain.
- c) To consider porches to be 'structures' and not to allow any new porches to be positioned closer than a 4.5m clear distance from any adjacent park home and to require any porches that are already closer than this to be removed, within a prescribed period (to be determined)..

36. As with decking, Members may wish to consider the option of improving the fire retardant properties of porches that are allowed to remain (Options a) and b)). However, in their consideration of this, Members are reminded again that Officers will need to make sure that the Conditions are being adhered to and it may prove difficult to ensure that any treatments have been applied in accordance with manufacturer's instructions and as frequently as required.

37. In addition, if Members agree that porches do not meet the requirements of the Conditions, either by virtue of being considered a 'structure' (Option c)) or by virtue of it being a structure that was installed after the date of the new Site Licence (Option b)), Officers will ensure that this condition is enforced and porches not meeting the requirements will have to be removed.

Conclusion

38. Officers have consulted with Essex Fire and Rescue Service during the process of agreeing the Conditions to attach to site licences and have also sought their views on the matters outlined above. The Fire Officer's view has always been that there should be no detracting from the Model Standards. However, given that the Conditions already vary from the Model Standards, Members may consider it acceptable to make a decision on some, or all, of the issues outlined above which is at variance with the Fire Officer's recommendations, particularly given the extent of public and Member interest in this matter. As explained earlier, this is permissible, provided Members have regard to the Model Standards and the views of the Fire Authority. Feedback from the meeting on the 24 January 2012 between the Leader, the Housing Portfolio Holder, Officers and the Senior Divisional Officer for Essex Fire and Rescue Services, which will be reported at the Housing Scrutiny Panel meeting, may also assist Members in making their decision.

39. The Scrutiny Panel is asked to consider the issues above and set out in the Recommendation on Officers' interpretations of some of the Conditions, and the options available for others, and to make recommendations accordingly to the Cabinet as, unless these matters are clarified, the process of issuing the new licences will be delayed. Once these matters have been clarified, Officers will proceed to issue the new site licences and a further progress report will be made to the Housing Scrutiny Panel in July 2012.

40. Subject to the views of the Scrutiny Panel and the decisions of the Cabinet, it may be necessary to amend some of the Council's previously-agreed Licence Conditions to incorporate and/or clarify the Cabinet's decision.

Reason for decision:

Officers have completed the inspection of all of the park home sites in the District but are not able to issue the site licences because the Conditions are unclear on the points outlined in the Report. Given the strength of feeling of residents and Site Owners, Officers feel that the Scrutiny Panel should give consideration to these issues and make a recommendation to the Cabinet accordingly.

Options considered and rejected:

Particularly because of the high profile that this issue has among Members, Site Owners and park home residents, Officers feel that it would be inappropriate to make a decision on them without them first being considered by the Scrutiny Panel. Therefore no alternative options have been considered.

Consultation undertaken:

Site Owners and representatives of park home residents were consulted at a meeting with Officers on 17 November 2011. Apart from the owner of Woodbine Close and Breach Barns in Waltham Abbey and any representative of the residents on the Woodbine Close site, all the sites were represented. All Site Owners and residents' representatives received a draft copy of this Report and their comments are attached as an Appendix.

Resource implications:

Budget provision: Within existing resources, unless legal action has to be taken against a large number of site owners, which could be costly and unable to estimate at present.

Personnel: Nil

Land: Nil

Relevant statutory powers: Caravan Sites and Control of Development Act 1960

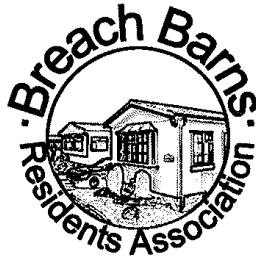
Background papers: Standard Licence Conditions for Permanent Residential Park Home Site Owners in Epping Forest District Council.

Environmental/Human Rights Act/Crime and Disorder Act Implications: The purpose of the Model Standards are to ensure a safe environment for residents. As explained in the report, there are no contraventions of the Human Rights Act

Appendix 1

Table Showing Contraventions for Each Site

Contraventions	Breach Barns	Woodbine Close	Abridge	The Elms	Ludgate	The Owl	Roydon Mill	Total
Less than 6m from neighbouring home	123	88	44	21	18	12	9	315
Number homes less than 3m from boundary	7	4	7	3	15	4	3	43
Less than 2m from a road	22	13	1	13	0	0	0	49
Porches above 2m x 1m	26	39	20	20	10	6	10	131
Closed porches	21	31	23	18	12	3	8	116
Hedges above 2m	41	35	6	4	2	4	11	103
Fences above 2m	0	5	2	4	1	0	2	14
Decking more than 1m into separation and combustible	20	7	2	6	7	6	1	49
less than 4.5m between decking and neighbouring park home	12	2	0	4	5	4	1	28
Less than 4.5m between porch and park home	0	0	7	5	10	0	0	22



Comments on (DRAFT) Report to Housing Scrutiny Panel 31 January 2012

Recommendations/Decisions Required

P.3 1 a) Smoke Detection

We agree that residents be allowed to install one battery operated alarm in the porch and one in the home.

On P.5 ~~(8)(c)~~ Essex Fire Service have been satisfied in the past with installing one battery operated alarm in the home regardless of the porch.

Batteries discharge and become inoperable; however we have had long power cuts into and sometimes throughout the night in recent years which would make mains operated alarms useless.

On P.5 (12) as pointed out this is not a measure to prevent spread of fire, just a warning to individuals. There is no condition in our Home Insurance policies that stipulates we have to install an alarm.

1 b) Fences

We agree

1 c) Hedges

We agree

2 We support option b)

Ref. P.6 (17) Comments made by a site owner regarding the likelihood that decking will take a long time to ignite and on P. 7 (23) the impracticality of application of fire retardant products to decking in any enforceable manner.

We support the comments made on P.7 ~~(19)~~ (i) (ii) and (iii) as a sensible way forward.

P.4 3. We support option b)

We would like to emphasise again the outstanding record of safety on Breach Barns Park since its inception in the 1960's and the low number of fires resulting in destruction of a home and no injuries.

Most of the porches, fences, hedges and decking have been in existence for many years and residents are well aware of measures that need to be taken to keep their homes safe.

We would like the site licence conditions to be based on common sense decisions regarding risk.

NB. para nos. amended by hand by virtue of new paragraph 6. being inserted into draft report after its circulation to residents associations and site owners

11 January 2012

My name is Estelle Martin and I speak on behalf of the residents at Ludgate House.

To say that our residents are upset with the latest developments is an understatement. Shocked, angry and distressed would be a better description. Like everybody else, they were under the impression that matters had been resolved and were looking forward to living a stress-free existence in a peaceful environment. However, it now appears that this is not going to be the case yet again. Their premises have been lovingly decorated and improved over the years and to find that this is now under threat is causing a great deal of anxiety and stress. They only ask to be left in peace to enjoy their properties and surroundings.

I cannot see how our premises differ from a bricks and mortar property where decking and porches are concerned. Most of these properties now have decking in their gardens but would the Council take such a stance in those circumstances? I think not. We take pride and care in our properties and would not put ourselves or any other resident at risk. I would say that we are most vigilant where this is concerned.

If such structures had to be removed, this would put residents to a great deal of expense, most of whom could not afford to replace them or make alterations, and this would seriously devalue the premises if they had to be sold in the future. Indeed, such structures have been in place for many years and a lot of these were installed by previous residents. In most cases, the decking has been installed to level off the gardens as a lot of these are built on an incline, and they also provide a safe and easy access to the gardens.

I would therefore ask that the Council not require residents to remove these structures but only to apply the rule to new premises which are erected.

E- mail response from the Site Owner of The Owls, The Elms and Ludgate Park Home Site

16 January 2012

Dear Sally

I have spoken to the Residents Associations on the Elms, Owl and Ludgate Parks.

We feel the best options would be:

C for porches

B for decking

With regard to decking this would mean that no one in the future could have decking that was more than one metre wide. As discussed at the meeting on 17 November that is not big enough for a wheelchair. This also disadvantages residents who live on a slope, who require some sort of platform so there is not a large drop from their door to the ground, or level ground on which to place tables, chairs etc. From what I understand from the independent advisors that I hired to do risk assessments decking only burns at extreme temperatures. Surely pressure treated, fire retardant decking would be acceptable in the future?

As you are aware there is considerable anger and distress amongst the residents who feel victimised and deeply resentful of these restrictions. I will be meeting with representatives from the Elms, Owl and Ludgate Parks on Wednesday. We were unable to meet prior to today's deadline so will email / write to the Councillors directly.

I would like to thank you for your help in this difficult situation. Your time and effort has been much appreciated.

Peter McMillan from the Owl Park will be speaking on 31 January.

Kind Regards

Dr Claire Zabell

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Report to Housing Scrutiny Panel

Date of meeting: 31 January 2012

Portfolio: Housing – Councillor Mrs M McEwen

**Subject: Social Housing Fraud Pilot Scheme
- Evaluation**

**Officer contact for further information:
Roger Wilson extension 4419**

Committee Secretary: Mark Jenkins extension 4607



Recommendations/Decisions Required:

1. That the Housing Scrutiny Panel;

(a) Receives a presentation on progress with the Social Housing Fraud Pilot Scheme from the Council's Housing Officer (Social Housing Fraud);

(b) Undertakes a formal evaluation of the Social Housing Fraud Pilot Scheme on behalf of the Cabinet;

(c) Reports to the Cabinet on the outcome of the evaluation; and

(d) Recommends to the Cabinet, as part of the evaluation report, that the existing part-time post of Housing Officer (Social Housing Fraud) be made, with immediate effect, both permanent and full-time, with the increase of 13.5 hours per week being funded from the Housing Revenue Account; and

2. That the creation of a second Housing Officer (Social Housing Fraud) post be included on the list of possible housing improvements and service enhancements to be considered by the Housing Scrutiny Panel at its next meeting, along with the other proposals brought forward, in order for a public awareness campaign to be undertaken and for further social housing fraud to be detected and investigated, more properties brought back into proper use, and further savings made to the Council as a result.

Report:

Please note that a presentation will be given by the Housing Officer (Social Housing Fraud) on the success of the Social Housing Fraud Pilot Scheme, as part of the consideration of this item.

1. At its meeting on 19 May 2010, the Cabinet agreed that a new part-time post of Housing Officer (Social Housing Fraud) be appointed on a temporary part-time basis (22.5 hours per week) for a Social Housing Fraud Pilot Scheme for a 12-month period. The post was partly funded by a £10,000 grant received from the Department of Communities and Local Government (CLG), with the balance funded by the Housing Revenue Account. The CLG funding is part of the Government's national initiative to tackle social housing fraud, with the main focus on the unlawful sub-letting of Council properties.

2. The Cabinet further agreed that:

- A Social Housing Fraud Pilot Scheme be established;
- The Housing Options Section of the Housing Directorate introduce a system to provide photographic ID of tenants and housing applicants
- A District-wide Housing Fraud awareness raising initiative be undertaken
- A data matching regime for recent deaths within the District be implemented to cross-check with Housing records

3. Following the recruitment and selection exercise, a successful candidate was offered the Post in July 2010. However, for a number of reasons that cannot be referred to in the report, the offer was withdrawn and the Post had to be left open until matters were resolved. As a result, the Council was not able to appoint to the Post until May 2011. The Cabinet asked that after 10 months of the commencement of the project, a formal evaluation be undertaken, and a further report be submitted detailing the findings and future action proposed.

4. Progress has been made on the issues referred to in Paragraph 2. The Housing Options Section of the Housing Directorate has now introduced a system to provide photographic ID of tenants and housing applicants and the data matching regime is in place. In addition, the Government intends to introduce a new "Tell Us Once" initiative within the next couple of months – with which the Council is participating - whereby people registering deaths at the Registrar's Office can opt to have the Council automatically notified. Internal procedures have been established to ensure that all relevant Council officers are advised of such notifications. However, the awareness raising initiative has been put on hold due to the lack of staffing resources, as the Housing Officer (Social Housing Fraud) post is only part-time.

5. The Housing Scrutiny Panel will receive a presentation at the meeting from the Housing Officer (Social Housing Fraud) on both progress made to date and his general approach to the work.

6. Since the part-time Housing Officer (Social Housing Fraud) took up his Post in May 2011, 37 cases of potential social housing fraud have either been, or continue to be, investigated. The table attached as an Appendix to this report sets-out examples of cases where serious social housing fraud has been detected and resolved. The table also shows details of on-going investigations.

7. As can be seen, due to the work of the part-time Housing Officer (Social Housing Fraud), the following results have been achieved, including the potential recovery of 6 properties:

- Two fraudulent Right to Buy applications have been prevented, avoiding the Council giving discounts of around £68,000 with both properties being recovered and subsequently let to legitimate applicants on the Council's Housing Register.
- One property was found to be sub-let and has been re-possessed and let to an applicant from the Council's Housing Register.
- One property was not allocated to a housing applicant as they were found to be providing false information on a housing application form. Without the post, the property would have been let to a fraudulent applicant. Instead, it was offered to a legitimate applicant.
- One case is being investigated by Housing Benefit Fraud Investigators, which may result in the recovery of overpaid housing benefit
- Two further cases are close to being resolved, which are expected to result in two properties being recovered due to non-occupation or sub-letting and re-let to legitimate Housing Register applicants, with Housing Benefit's Investigators also investigating associated benefit fraud

8. In addition to specific case work, the Housing Officer (Social Housing Fraud) has undertaken "Tenancy Audits" on certain housing estates to ensure that properties are being occupied by the lawful tenants, and has also arranged for Housing Management Officers to undertake joint visits with the Council's Valuer when Right to Buy valuations are undertaken.

9. As around 75% of all cases either investigated or under investigation involve housing benefit claimants, the Housing Officer (Social Housing Fraud) has made important links with the Housing Benefit Fraud Investigation Team and often briefs the Team on progress. On some occasions, joint home visits and interviews under caution are undertaken. As a direct result of the work of the Housing Officer (Social Housing Fraud), in one case, the Council are in the process of recovering £7,800 in overpaid benefit. Smaller amounts are also being recovered and it is expected that in other cases housing benefit will be withdrawn, which is only due to the introduction of the Social Housing Fraud Pilot.

10. As social housing is a very valuable asset, it is important to ensure that properties are let fairly and are occupied by the legitimate tenants. Currently, the legal remedy for proven cases of sub-letting is re-possession in order that it can be let to a housing applicant who has the greatest need of the accommodation. However, the Government has now announced proposals to help ensure that "tenancy cheats" who deny social housing homes to families in need will face tougher justice. The Housing Minister has recently set-out proposals to criminalise the abuse of social homes (particularly unlawful sub-letting), with a possible two-year prison sentence, which the Government believes will free-up thousands of homes for waiting lists. The Government is consulting on the proposals to strengthen councils' legal rights as landlords to help them detect and prosecute tenancy fraud more effectively.

11. In addition, the Audit Commission has recently published a report entitled "Protecting the Public Purse 2011" in order to identify trends in fraud generally, gather best practice and assess actions being taken by councils. The results of the survey will be shared with councils nationally. A questionnaire within the publication is asking what action councils are taking specifically to deal with "housing tenancy fraud". This underlines the importance placed upon combating social housing fraud by both the Government and the Audit Commission at a national level. As the Council is likely to lose its Benefit Fraud function when this is centralised, the Government is keen that councils continue to combat fraud in other areas.

12. The amount of progress made with the Council's Social Housing Fraud Pilot Scheme, which has only been operating for just 8 months from a standing start, is considered to be a major achievement by the present incumbent, bearing in mind that this is only a part-time role. It is considered that many further cases could be identified and resolved if staff resources were increased in this area. Indeed, the success to date has been without **any** public awareness campaign encouraging members of the public to provide information on potential social housing fraud. This is because the Housing Officer (Social Housing Fraud) is unable to cope with the current number of referrals being received from housing officers, members and the public, and as a result is reluctant to raise awareness with the general public as the response and expectations would be difficult to manage. Although Housing Management Officers do on occasions investigate cases themselves, there is not sufficient staff resources available to be proactive in seeking out fraud.

13. In view of the success of the Social Housing Fraud Pilot Scheme, it is proposed that the Scheme be made permanent, and that the existing part-time post of Housing Officer (Social Housing Fraud) be made both permanent and full-time, with an increase in hours from 22.5 hours to 36 hours per week. The cost of these additional 13.5 hours per week would only be £8,200 per annum and would be funded from the HRA. The current post-holder has indicated that he would have no objections to either of these proposals.

14. The £68,000 alone that the post has saved the Council within the past 8 months by identifying and investigating the two Right to Buy frauds, amounts to more than treble the annual cost of employing one full-time Fraud Officer, which is in addition to all the other social benefits of combating and deterring social housing fraud and providing accommodation to legitimate housing applicants on the Housing Register in the most need.

15. Under HRA self financing, the Cabinet has agreed that provision be made within the HRA Financial Plan to fund £770,000 per annum for housing improvements and service enhancements from 2012/13, increased to £5.5m per annum in Year 10 (2020/21), and has asked the Housing Scrutiny Panel, in consultation with the Tenants and Leaseholders Federation, to come forward with proposals on the best use of this additional funding. A report will be considered by the Housing Scrutiny Panel at its next meeting on the 5th March 2012.

16. In view of the success of the Scheme, and the demonstrable significant financial saving to the Council that can be achieved, it is proposed that the creation of a second Housing Officer (Social Housing Fraud) post be included on the list of possible service enhancements considered by the Housing Scrutiny Panel at that time, along with the other proposals brought forward. The creation of a second full-time post would also enable a public awareness campaign to be undertaken, which it is believed will bring forward a significant number of additional leads that could be investigated, with more properties brought back into proper use and further savings to the Council achieved. It would also enable the Council to be in a better position to respond to the Government's proposals to criminalise social housing fraud, which brings with it a higher test of evidence.

Reason for decision:

The work undertaken by the temporary part-time Housing Officer (Social Housing Fraud) since his appointment in May 2011, has demonstrated that there are a number of tenants and applicants who are either sub-letting properties, obtaining Council properties by deception or fraudulently exercising the Right to Buy. The work completed to date suggests that the level of social housing fraud within the District is potentially extensive, and that the cost of creating the post is far less than the financial savings alone have achieved. It therefore appears to be sensible to make this temporary post permanent and to increase the hours to full-time in order that the excellent work already undertaken can be taken forward.

The creation of a second post through the service enhancements budget would enable a public awareness campaign to be undertaken, which would increase the benefits.

Options considered and rejected:

1. To extend the part-time Housing Officer (Social Housing Fraud) post on a temporary basis for a further period.
2. To extend the Housing Officer (Social Housing Fraud) post on a temporary basis for a further period on a full-time basis.
3. To cease the Social Housing Fraud initiative.
4. Not to give further consideration to the creation of a second post.

Consultation undertaken:

The Tenants and Leaseholders Federation will be consulted on the report at their meeting on 26 January 2012. Their comments will be reported orally.

List of Resolved Fraud Investigation Cases

Type of Suspected Fraud	Action Taken	Outcome
Sub-letting	Home visit undertaken including interviews with neighbours. Suspected Tenant had moved to Spain. Liaised with the Spanish Embassy and the Foreign Office. Benefits being claimed on behalf of tenant by a third party	Discovered tenant had sub-let the property and subsequently died 2 years ago and left the "sub-tenant" in occupation. Proceeded to Court and gained possession and the property was let to an applicant from the Housing Register. DWP notified as pension was continuing to be paid into the former tenant's bank account.
Attempting to gain accommodation by deception	Homeseeker was claiming that his two children were part of his household and in these circumstances his application was assessed as Band 3. However, following investigation it was found that the two children were not part of his household.	A property was not allocated to this housing applicant who was providing false information and under the requirements of the Housing Allocations Scheme he was removed from the Housing Register for a period of 12 months.
Obtaining a property by deception	Following an anonymous call reporting that a tenant had failed to inform the Council that they had assets which could exceed the amount allowed under the Council's Housing Allocations Scheme, records were obtained from the tenant's solicitor to prove this to be the case. False statements were made on the housing application and to the Housing Benefits Division	Assets were found not to be in excess of the permitted amount under the Allocations Scheme, therefore the tenant remains in occupation. However, a fraud investigation is being undertaken by Benefits Investigation staff

List of on-going Fraud Investigation Cases

Type of Suspected Fraud	Action Taken	Current Position
Right to Buy Fraud	Tenant applied to exercise his Right to Buy. However, following investigation it was found that he was not living there but allowing his daughter and partner and child to occupy the property exclusively with no tenancy status	Notice to Quit served, proceeding to Court, right to buy application terminated saving the Council £34,000 discount and the property will be allocated to a housing applicant
Right to Buy Fraud	Following investigation it was found that the tenant had left the property and allowed her sister and her sister's partner to live in the property with no tenancy status	Notice to Quit to be served late January 2012, proceed to Court, Right to Buy application will be terminated saving the Council £34,000 discount and the property will be allocated to a housing applicant
Non-occupation & benefit fraud	Report received from a neighbour about non-occupation and potential benefit fraud. Neighbours have been interviewed and statements taken, all neighbours making the same accusations. Tenant to be interviewed by the Housing Officer (Social Housing Fraud) and the Benefits Fraud Investigations Team.	Decision on way forward will be taken after tenant is interviewed under caution
Sub-letting & benefit fraud	Case reported by a Ward Member. Occupier interviewed, witness statements taken from neighbours which has resulted in the Council serving a Notice to Quit in order to gain possession of the property	Following the Court process the property will be re-possessed and let to an applicant on the Council's Housing Register

Report to Housing Scrutiny Panel

Date of meeting: 31st January 2012

Portfolio: Housing – Cllr M. McEwen

Subject: Fire Safety in Common Parts of Flat Blocks

Officer contact for further information:

Paul Pledger, Assistant Director of Housing (Property) (01992 564281)

Committee Secretary: Mark Jenkins (01992 56 4607)



Recommendations:

That the Housing Scrutiny Panel provides comments to the Housing Portfolio Holder on the following proposed policy relating to fire safety in flat blocks before she makes a formal decision.

1. That the Council adopts the Policy on Fire Safety in Flat Blocks, agreed by the former Housing Portfolio Holder in January 2010, namely:

That the Council continues to enforce the removal of personal belongings and any other items stored in common parts of flats, with the exception of the following concessions as put forward by the Workplace Fire Safety Officer of the Essex Fire and Rescue Service:

- a. Pictures hung on the wall, provided that they do not contain glass in the frame;**
- b. Mats placed outside front doors, provided that these are rubber backed (non-slip) and have a chamfered edge all around;**
- c. Curtains at windows that are flame retardant; and**
- d. Non-flammable items which are aesthetically pleasing (eg plant pots) stored in recesses away from any means of escape routes, and not on window cills.**

2. That the Council considers undertaking a programme of installing smoke detectors in all properties, funded from any resources arising from HRA Self Financing, along with other funding priorities, which will be considered by the Housing Portfolio Holder at a later date;

3. That smoke alarms are not installed in common parts of flat blocks in line with the recommendations within the Local Government Group Guidance document "Fire safety in purpose built flat blocks;" and

4. That the Director of Housing explores further a joint working approach to fire safety risk assessments in flat blocks with Harlow District Council.

Executive Summary:

In January 2011, the then Housing Portfolio Holder decided to suspend the removal of carpets in flat blocks as part of the Policy on fire safety in flat blocks pending further guidance from the Housing Minister on the associated risks. In addition, the Housing Portfolio Holder commissioned a feasibility study into the merits, including the cost of installing smoke detection equipment into individual properties and the communal parts of flat blocks, with the outcome informing the decision on whether to continue to allow carpets to be fitted in the communal corridors and stairs to flat blocks.

Following a response from the Parliamentary Under Secretary of State (Appendix 1), the release of the guidance document "Fire safety in purpose-built blocks of flats" by the Local Government Group and the outcome of the feasibility study into the installation of smoke detectors, this report draws together the advice, risks and costs to determine the new Policy on fire safety in Flat Blocks.

The Housing Scrutiny Panel considered this report at its meeting in October 2011. However, the debate was deferred pending further consultation with the Essex County Council Fire and Rescue Service. The response to that consultation is attached at appendix 2 and 3.

Reasons for Proposed Decision:

In order to comply with the Regulatory Reform (Fire Safety) Order 2005, the Council must set a clear Policy and subsequently enforce that Policy by undertaking Fire Risk Assessments, and then following up any actions that arise as a result. The current Policy is partly "at large" pending a review of carpets installed in the common parts, and therefore requires a decision on the terms of the Policy.

Other Options for Action:

(1) To allow existing carpets in flat blocks to remain only where the carpet is fitted professionally and in a good condition, and where there is a door entry security system and all individual flats have a smoke detector, until such time as the carpet deteriorates causing a trip hazard, at which point it must be removed and not replaced. However, this will require additional annual risk inspections to determine the condition of the carpet. In addition, there would still remain a risk to health should a fire occur.

(2) To undertake a full programme of installing smoke detection equipment in flats, and door entry security to the main entrances before then actively allowing carpets to be installed. However, the cost of this is disproportionate to the benefits, especially as there still remains a risk to health should a fire occur.

Introduction and Background

1. In January 2010, following consultation with the Housing Scrutiny Panel, the then Housing Portfolio Holder agreed a policy on fire safety in flat blocks. The policy stated:

- That personal belongings, fitted or loose lay carpets, mats and any other items stored in common parts of flats be prohibited and removed, with the exception of the following concessions agreed with the Workplace Fire Safety Officer of the Essex Fire and Rescue Service:

- i. Pictures hung on the wall, provided that they do not contain glass in the frame.
- ii. Mats placed outside front doors, provided that these are rubber backed (non-slip) and have a chamfered edge all around.
- iii. Curtains at windows that are flame retardant
- iv. Non-flammable items which are aesthetically pleasing (eg small plant pots) stored in recesses away from any means of escape routes, and not on window cills (specifically not including prams, pushchairs, wheelchairs, electric scooters, bicycles and motorbikes.)
 - That letters be sent to all tenants and leaseholders in the blocks advising them of these concessions.

2. Following the introduction of that Policy, a small number of residents requested that a further review be undertaken as they felt the policy was too risk averse and prevented them from making their flat blocks feel more homely by allowing carpets in common areas.

3. In January 2011, the then Housing Portfolio Holder decided to temporarily suspend the policy relating only to carpets in the common parts until such time as a further feasibility study was carried out.

4. That decision to suspend the policy was a temporary measure, until such time as a number of additional factors could be taken into account. The following were included in the decision to suspend the policy:

a. That a feasibility study be carried out into the cost and practicalities of installing mains operated smoke detectors in:

- Flats and Maisonettes; and/or
- Houses and bungalows; and/or
- Common parts to flats

b. That a letter be sent to the Housing Minister seeking clarification on the extent to which landlords must go when undertaking fire risk assessments;

c. That the Portfolio Holder for Legal and Estates be asked to review the Council's legal responsibility in respect of undertaking Fire Risk Assessments and in particular the risks associated with fitted carpets on means of escapes in common parts to flat blocks;

d. That until the outcome of the issues above are known, the current Policy on fire safety in common parts of flat blocks agreed in January 2010 relating to residents not being allowed to retain fitted or loose lay carpets be suspended until further notice; and

e. That personal belongings and any other items stored in common parts of flats continue to be prohibited and removed, with the exception of the following:

- Pictures hung on the wall, provided that they do not contain glass in the frame.
- Curtains at windows that are flame retardant
- Non-flammable items which are aesthetically pleasing (eg small plant pots) stored in recesses away from any means of escape routes, and not on window cills (specifically not including prams, pushchairs, wheelchairs, electric scooters, bicycles

and motorbikes.)

5. The former Housing Portfolio Holder sent a letter to the Housing Minister in March 2011 expressing the concerns of Members about the lack of clarity and guidance available to local authorities when assessing fire safety in flat blocks following the Regulatory Reform (Fire Safety) Order. A response was received from the Parliamentary Under Secretary of State in July 2011, a copy of which can be found at Appendix 1.

6. The response from the Parliamentary Under Secretary of State made reference to the Local Government Improvement and Development (LIGD) part of the Local Government Group being given grant funding to develop and own practical and proportionate fire safety guidance specifically for residential buildings. That guidance was formally issued shortly after the letter was received, and is made up of 192 pages and therefore forms a background document to this report. Whilst the guidance does not make specific reference to carpets, it is a much clearer document, with statistics that support the guidance to help local authorities inform their risk assessments.

Fire Safety Guidance

7. The fire safety guidance specifically issued by the Local Government Group advises that very few deaths occur as a result of a fire in a neighbour's flat or a fire in the common part, mainly due to the fire separation between the flats. This assumes that the protected common parts are themselves free of all sources of ignition and material that could contribute to the spread of flames. The report goes on to state that nearly all deaths occur in the flat in which the fire starts. This means that more emphasis should be put on smoke detection in the flats rather than the common parts.

8. Further more, the guidance strongly discourages the installation of smoke detectors in common parts as this leads to false alarms, chaotic evacuation of an unsupervised building and potential complacency from residents.

9. The report also states that whilst the most likely place for a fire to start is in the flat, the most dangerous fires are those within the common parts, as the common parts are the means by which residents must escape. The guidance suggests that poor housekeeping in the common parts is a significant fire hazard, and adds that there should be a clear policy on whether common parts must remain completely sterile ('zero tolerance') or may be subject to 'managed use'.

10. A zero tolerance policy is one in which residents are not permitted to use the common parts to store or dispose of their belongings or rubbish with no exceptions. This would maintain an environment that is free of obstructions, ignition sources and trip hazards. This is the easiest policy to adopt and easier to police when carrying out inspections; residents know exactly what is expected of them and the risks are low.

11. A managed use policy on the other hand allows residents some scope to make the common parts more homely. However, a managed use policy must be very specific in terms of what is allowed and what is not. It must leave no scope for ambiguity. The guidance suggests that any managed use policy should generally apply only to buildings with added security, such as blocks with a door entry system.

12. The policy adopted by the Housing Portfolio Holder in January 2010 would be categorized as a 'managed use' policy as defined by the guidance, whereby

residents were given clear guidance on what could and could not be placed in the common parts.

13. Additional guidance has also been sought from Due Diligence, who are a specialist company employed by the Council to undertake fire risk assessments to high risk category blocks, including the sheltered housing schemes as well as the Council's Homeless Hostel. Their advice states that if the Council was to relax the policy to allow carpets in the common parts, then there are several implications that would need to be taken into account. From their observations and experience, the carpets that are generally fitted to common parts are 'off cuts', and that they are not fitted professionally. This gives rise to the following issues:

a. DIY laid carpets can and do become loose and wrinkled, causing slip and trip hazards. If another tenant was to trip or injure themselves, then who would be liable, the person that fitted the carpet, the Council or a combination of them both?

b. If the tenant that fitted the carpet was to move away, who would be responsible for removing and replacing the carpet when it becomes worn or dangerous?

c. Carpets and rugs increase the potential for spread of flame, and production of smoke and toxic fumes.

d. Allowing carpets and rugs may increase the risk level from "low" to "medium", which may require automatic fire detection equipment (ie smoke detectors) as a compensatory measure.

14. Their advice goes on to say that if the Council was to allow carpets to be fitted, then there should be a clear policy, regular monitoring and the introduction of an application and approval process, which would need to stipulate that these are to be professionally fitted using non flammable adhesives and then inspected on a regular basis for wear and tear. This is broadly the same advice as set out in the Local Government Forum guidance.

15. At its meeting in October 2011, the Environment Portfolio Holder made reference to a letter he had received from the Essex Fire and Rescue Service, which suggested that it was acceptable to allow carpets to be installed in common parts, subject to a satisfactory risk assessment (see appendix 2). In light of this, the Housing Scrutiny Panel asked that the report be deferred until such time as the contents of that letter could be reviewed.

16. Upon receipt, a further letter was sent to the Essex Fire and Rescue Service seeking clarification on a number of points, particularly seeking guidance on examples of where it may be acceptable for carpets to be installed in common parts. The response from the Essex Fire and Rescue Service, which is attached at Appendix 3, advises that generally, carpets in common parts should be avoided.

17. In view of this new advice, it is the Officers view that the recommendations as set out at the top of this report be re-presented in their original form for consideration.

Feasibility Study - Smoke Alarms

18. In line with the decision of the previous Housing Portfolio Holder in January 2011, a feasibility study has been carried out into the cost of providing mains wired smoke detectors in individual flats, maisonettes and common parts to flat blocks. This

decision would sit favorably with the guidance from the Local Government Forum and Due Diligence if it was not to include alarms in the common parts. However, the feasibility study was undertaken prior to that guidance and as such the feasibility study revealed the following options and costs:

Option 1 – Smoke alarms in individual flats and maisonettes only

It should be noted that the Council is currently installing smoke detectors within individual dwellings as part of the on-going decent homes works, more specifically, where properties receive electrical upgrade works, which must then comply with Part P of the Building Regulations. This is an ongoing programme. However, only 500 properties have benefited so far from this improvement, with a further 427 sheltered accommodation homes for older people that are linked to Careline, which are already benefiting from mains smoke detectors.

- a. The cost of providing mains operated smoke detectors just in each individual flat and maisonette is around £1,046,825.
- b. The cost of providing mains operated smoke detectors in all individual Council properties, including flats, maisonettes, bungalows and houses, excluding those that already have mains operated smoke detectors is around £1,810,900
- c. Smoke detectors that comply with the relevant British Standard have a non replaceable built-in lithium battery for mains back-up. These have a 10 year life, which means the capital cost of installing the smoke alarms will need to be included in a 10-year replacement cost cycle.
- d. There would be an ongoing cost to the Council to test these smoke alarms, which equates to around £92,600 per annum.

Option 2 – Smoke alarms in individual flats and maisonettes, linked to alarms in the common parts.

This option is broken down into two separate costs due to requirements of the relevant British Standards. This means that blocks of flats 2-storeys or less do not require a hard wired link between the detectors. However for blocks of 3-storeys or more do.

- Installation costs for all blocks of flats with 2-storeys or less would be around £567,450, and
- Installation costs for all blocks of flats with 3-storeys or more would be around £2,842,500
- Therefore the total cost of providing smoke alarms in individual flats and maisonettes, linked to smoke alarms in the common parts for all blocks, would be around £3,409,950 (sum of the two costs above)
- There also be an ongoing cost to the Council to test these smoke alarms, which equates to around £185,000 per annum

As stated earlier in this report, the fire safety guidance issued by the Local Government Group strongly discourages the installation of smoke detectors in common parts as this leads to false alarms, chaotic evacuation of an unsupervised building and potential complacency from residents.

19. As part of the investigations into what other local authorities are doing with

regard to carpets in flat blocks, Officers have found that virtually all Local Authorities and housing associations are adopting the 'zero tolerance' approach, whereby the common parts are to remain as sterile environments. However, one neighboring authority Harlow District Council has adopted a slightly different approach whereby those blocks that already have carpets fitted, so long as:

- a. they are in good condition, fitted professionally and do not present a trip hazard; and
- b. the flats have smoke detectors; and
- c. the main entrance has a door entry security system;

then the carpet may remain until the carpet is no longer in a good condition. That Authority is not currently allowing any further requests for carpets to be installed irrespective of the other measures being in place.

20. Adopting a similar approach is an option for the Council, since many of the Council owned flat blocks have door entry security already installed. However, it will be necessary to agree who is responsible for the reinstatement of the common parts once the carpets are no longer fit for purpose and present a hazard. It should be made absolutely clear that adopting a similar approach would result in a higher risk to life should a fire occur in a block where a carpet installed.

21. Installing mains operated smoke detectors is clearly an improvement that would save many lives and therefore should be considered as part of any future improvements. It is therefore recommended that the Council considers undertaking a programme of installing smoke detectors in all properties, funded from any resources arising from HRA Self Financing, along with other funding priorities, which will be considered by the Housing Portfolio Holder at a later date.

Shared Services

22. Whilst not specific to the issue of carpets in flat blocks, it is worth mentioning that whilst researching the policies adopted with other local authorities, it has become clear that there may be an opportunity to work in conjunction with Harlow District Council whereby the role of undertaking Fire Risk Assessments could be undertaken collectively, therefore potentially saving resources as a result. In this case, the neighboring Authority undertaking the fire risk assessments and the Council saving on the cost of employing Consultants and overtime for existing staff to carry out them ourselves. A preliminary meeting has taken place, and subject to the existing staffing resources being able to cope with the additional number of fire risk assessments, and the cost of them to the Council being less than the current arrangement, then this may be an opportunity that the Council may wish to pursue.

Resource Implications:

Nil, on the basis the installation of smoke detection equipment is already included as part of an on-going re-wire and electrical upgrade programme.

Legal and Governance Implications:

Regulatory Reform (Fire Safety) Order 2005
Housing Act 1985

Safer, Cleaner and Greener Implications:

Generation of renewable energy

Consultation Undertaken:

Housing Minister, with a response from the Parliamentary Under Secretary of State. Due Diligence, a specialist Consultancy employed by the Council to undertake fire risk assessments.
Consultation with neighboring Local Authorities, other Local Authorities and Registered Social Landlords.

Background Papers:

- a. Housing Portfolio Holder decision dated January 2010, setting the Policy on Fire Safety in flat blocks.
- b. Housing Portfolio Holder decision dated January 2011, suspending the decision not to allow carpets to be installed in flat blocks.
- c. Guidance document produced by the Local Government Group entitled "Fire safety in purpose-built blocks of flats"
- d. Report from Due Diligence who are a specialist company employed by the Council to undertake fire risk assessments to high risk category blocks, giving advice on the installation of carpets in flat blocks

Impact Assessments:Risk Management

(1) If the Council was to allow carpets currently fitted in flat blocks to remain and there was a fire, which resulted in toxic fumes or other hazard causing a fatality, then the Council may be responsible. Whilst the severity cannot be downgraded, the likelihood could be reduced. However, this would mean increased numbers of inspections to assess the risk, which would add to the staff workload. Even then, the risk is higher than if carpets were not permitted.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No.

What equality implications were identified through the Equality Impact Assessment process?

This report sets out policies on fire safety matters that will apply to all Council owned flat blocks irrespective of tenure or occupancy. The views of residents have been taken into account. However, these have been weighed up against the Council's Duty of Care towards the residents when putting forward the recommendations set out in the report.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

Not applicable.



Councillor David Stallan
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Our Ref: GS/BN/022225/11

Dear Councillor Stallan

08 JUL 2011

FIRE SAFETY IN FLAT BLOCKS

Thank you for your letter of 7 April to the Rt Hon Grant Shapps MP, about fire safety in purpose built blocks of flats. I am replying as I have responsibility for fire safety policy.

I recognise concerns about the provision of fire safety in blocks of flats. The tragic fire in Lakanal House, Camberwell, gave rise to concerns among housing providers – local authorities, housing associations and the private sector – and the enforcing authorities about the adequacy of risk assessments and fire safety measures necessary to ensure sufficient protection to residents and deliver compliance under both the Regulatory Reform (Fire Safety) Order 2005 (the FSO) and the Housing Act 2004.

Both the housing and fire sectors considered that additional fire safety guidance should be developed to focus on the particular circumstances and challenges presented by purpose built blocks of flats. We listened carefully to the concerns of the sector on this, and have provided Local Government Improvement and Development (LGID) – part of the Local Government Group – with grant funding to develop and own, on behalf of the sector, practical and proportionate fire safety guidance specifically for these types of residential buildings. The guidance is expected to clarify a number of issues around managing fire safety and ensuring residents in purpose built flats get appropriate advice on what to do in the event of a fire. LGID has consulted widely on the draft guidance, and plan to make the final guidance available on its website, and for dissemination by sector partners, by the end of July.

Finally, you ask about the role of the Fire and Rescue Authorities (FRAs). As the enforcing authorities, FRAs are, of course, unable to carry out the risk assessment for those with responsibilities under the FSO. However, they are expected to support compliance through the provision of advice and information as appropriate.

BOB NEILL MP

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Essex County Fire & Rescue Service

Chief Fire Officer: David Johnson LL.b(Hons), BSc, MA, MSc, FCFI



Our ref: PB/CD
Your ref:
Enquiries to: Camilla Disley
Email: camilla.disley@essex-fire.gov.uk

18 June 2010

Councillor Knapman

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www.essex-fire.gov.uk

Dear Councillor Knapman

Surface Spread of Flame within Common Areas

Further to our conversation regarding surface spread of flame in common areas at the recent Fire Authority meeting, I can confirm the following definitions, which are referred to within various guides, including the Building Regulations and Approved Document B.

In essence, the choice of materials for walls and ceilings can significantly affect the spread of fire and its rate of growth, even though they are not likely to be the first materials ignited. The flame spread over wall and ceiling surfaces is controlled by providing for the lining materials to meet given performance levels in tests appropriate to the materials or products involved.

The national test for establish the surface spread of flame is British Standard 476. This tests all materials, and gives a grading of between 1 and 4, with 1 as the least flammable. The Building Regulations describe a Class 0 material, which is a totally non flammable material (i.e. gypsum plaster or a brick). Whilst accepted within the guides, these are not covered by the British Standard.

The above provisions do not apply to the upper surfaces of floors and stairs because they are not significantly involved in a fire until it is well developed, and thus do not play an important part in fire spread in the early stages of a fire that are most relevant to the safety of occupants, and therefore any floor covering that may be in place.

However, should the fire risk assessment for the premises show that the floor covering presents an excessive risk of exacerbating the spread of fire, it would be deemed as not complying with the Regulatory Reform (Fire Safety Order) 2005, and the Fire Authority may take action to address this element.

I hope this is of some help; however should you require any further information, please do not hesitate to contact me at the above address.

Yours sincerely

Paul Bowers
Senior Divisional Officer
Prevention, Protection & Community Risk Management

Essex County Fire & Rescue Service

Mr David Johnson LL.B(Hons), BSc, MA, MSc, FCFI
Chief Fire Officer & Chief Executive



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Date: Wednesday, 21 December 2011
Our Ref: C00098
Your Ref: FRA/PP
Enquiries to: jon.payne@essex-fire.gov.uk



Dear Mr Pledger

Carpets in Common Parts to Flat Blocks

I am writing in response to your letter to SDO Paul Bowers of 15th November 2011, regarding the matter of carpets in common parts to blocks of flats.

I would take this opportunity to reinforce the informal advice that has been previously provided by Essex County Fire & Rescue Service Officers, that carpets in common parts should be avoided. The decision to remove existing carpets from common parts will be influenced by the findings of a site specific risk assessment and should take account of a number of factors, many of which are detailed in the report presented to the Housing Scrutiny Panel in October 2011. Therefore, and as this is a matter for the Responsible Person as designated under the Regulatory Reform (Fire Safety) Order 2005, I am unable to provide more specific advice on your enquiry.

Yours sincerely

DO Jon Payne
Fire Safety Officer

cc

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Report to Housing Scrutiny Panel

Date of meeting: 31st January 2012

Portfolio: Housing – Cllr M. McEwen

**Subject: Response to CLG Consultation Paper on
“Reinvigorating the Right to Buy and one for one
replacement”**



Officer contact for further information: Alan Hall – Director of Housing (01992 564004)

Committee Secretary: Mark Jenkins (01992 56 4607)

Recommendations/Decisions Required:

- (1) That the abridged version of the CLG Consultation Paper “*Reinvigorating the Right to Buy and one for one replacement*”, attached as Appendix 2, be noted;**
- (2) That consideration be given to the proposed Council response to the Consultation Paper; and**
- (3) That the Scrutiny Panel considers whether any different or additional comments should be included within the Council’s response.**

Report:

1. Just before Christmas, the Department for Communities and Local Government issued a Consultation Paper on “*Reinvigorating the Right to Buy and one for one replacement*”. An abridged version of the Consultation Paper (i.e. excluding all the annexes) is attached as Appendix 2 to this report. The Closing Date for responses is 2nd February 2012.
2. A proposed response by the Council to the Consultation Paper is attached as Appendix 1. It should be noted that, rather than attempting to provide a response to each question raised in the Consultation Paper, the response only comments on those aspects of the Consultation Paper which it is felt warrants comment from the Council.
3. The Scrutiny Panel is invited to consider the proposed Council response and whether any different or additional comments should be included within the response.
4. The Tenants and Leaseholders Federation is due to also consider the Consultation Paper, and whether it wishes to make its own response, at its meeting to be held on the 26th January 2012. The Federation has been provided with a copy of the attached draft response from Council for its information. The outcome of the Federation’s considerations will be reported orally at the meeting for information.

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Date: 31 January 2012

Our ref: HS/AMH/MB

Your ref:

Right to Buy Consultation
Affordable Housing Regulation and Investment Division
Zone 1/B3
Eland House
Bressenden Place
London
SW1E 5DU

Mr A Hall (01992) 564281
email: ahall@eppingforestdc.gov.uk

Dear Sirs

Response of Epping Forest District Council to the CLG Consultation Paper on "Reinvigorating the Right to Buy and one for one replacement"

I am writing on behalf of my Council to provide you with the Council's comments on the Consultation Paper issued by the Department for Communities and Local Government on "Reinvigorating the Right to Buy and one for one replacement".

The Consultation Paper was considered in detail by the Council's Housing Scrutiny Panel on the 30 January 2012. Under the Council's Constitution, the Housing Scrutiny Panel is responsible for responding to consultation papers relating to housing functions.

Please note that the Council is not responding to each of the sixteen questions set out in the Consultation Paper. Instead, we are only responding on those issues within the Consultation Paper on which the Council has a specific view. In addition, where possible, information sought from your Department within the Consultation Paper has been provided.

The comments that the Council would like to make are as follows:

Proposals for Caps, Discount Rates and Eligibility

(Question 1)

We believe that the resultant effect of, and the level of interest from tenants to the Government's proposals will be quite different in different parts of the Country. The current maximum RTB discount in our Region is £34,000; therefore, the Government's proposals result in the maximum discount for our Region being increased by 47%. However, in London, where the current maximum RTB discount is only £16,000, the maximum RTB discount is increased by over 210%. Therefore, notwithstanding the fact that property prices are, generally, slightly higher in London than the Epping Forest District, it is likely that the take-up of the Consultation Proposals by tenants in London will be greater than in similarly high-priced areas such as Epping Forest.

The Consultation Paper asks for views on whether there is a case for changing the minimum and maximum discount rates applying to houses and flats, or the rate at which tenants qualify for increased percentage discounts. It is the Council's view that the current discount rates are very generous and should not be changed in order to further reinvigorate the Right to Buy.

The Council welcomes the Government's intention not to change the qualifying period for eligibility.

The Right to Acquire

Paragraph 37 of the Consultation Paper points out that, as assured tenants, some housing association tenants benefit from the Right to Acquire. The Council would suggest that, in fact, many housing association tenants are eligible for the Right to Acquire, but do not necessarily exercise this right, due to the financial benefits being less than even the current Right to Buy Scheme.

The paragraph goes on to explain that the proposals for increasing the maximum discount under the Right to Buy do not apply to the Right to Acquire.

It is the Council's view that, since many housing applicants on council housing registers are now nominated to housing associations for accommodation, and not housed directly by their Council, it is now inequitable to have a different purchase scheme for housing association tenants and council tenants. It is the Council's view that the arrangements and discounts for sitting tenants to purchase either their Council property or their housing association property should be the same. It follows, therefore, that the Council believes that the proposals within the Consultation Paper should also apply to housing association tenants, and that the Right to Acquire should be re-aligned with the (proposed) Right to Buy Scheme.

Exclusions

The Council welcomes the Government's intention, set out in Paragraph 40, not to change the rules on properties excluded from the Right to Buy.

Use of Right to Buy Receipts: Proposals on Allowances and Deductions

(Questions 5, 6, 7 and 12)

The Council welcomes the Government's proposals to compensate local authorities for the loss of income to the Housing Revenue Account (through the HRA self financing arrangements) for each Council property sold above the total number of sales assumed by the Government within local authorities' HRA Self Financing Settlements.

We also welcome the fact that the Government has at last recognised that all local authorities incur costs in relation to the administration of **withdrawn** sales.

However, the Council strongly disagrees with the Government's proposal to assess the local authority transaction and administration costs for the Right to Buy based on a flat rate allowance, instead of the actual cost to the Council as at present.

It is also our view that Paragraph 7 of Annex B is either incorrect or unclear. This paragraph, as currently written, states that;

“the flat rate allowances for transaction and administration costs on sales for withdrawn applications would be ... £1,070 per sale (outside London).”

However, we believe that this figure relates to the proposed flat rate allowance for both actual sales and withdrawn applications. This is on the basis that the proposed flat rate allowance for actual sales alone (set-out in Paragraph 5 of Annex B) is only £850 outside of London.

If our understanding is correct, clearly, the wording within Paragraph 7 needs to be corrected. If our understanding is wrong, we feel that the proposals within Paragraphs 5 and 7 of Annex B need to be made clearer.

More importantly, from the Council’s point of view, the actual Right to Buy administration costs claimed from Right to Buy sales over the past three full years under the current arrangements have been as follows:

Year	Number of Sales	Total Admin Cost Claimed	Average Admin Cost per RTB
2010-11	9	£44,313	£4,923
2009-10	9	£35,505	£3,945
2008-09	7	£39,344	£5,620

You will see from the above table that the Council’s actual average administration costs per (successful) Right to Buy sale was £4,766 per sale. This actual cost to the Council was therefore around £3,700 more than the proposed flat rate allowance of £1,070 – despite the fact that the proposed allowance (we believe) includes an allowance for the cost of administering withdrawn applications, which of course the Council’s actual claims over the past three years cannot include.

Therefore, if the Government’s proposals to introduce a flat rate administration allowance go ahead, the Council will lose around £3,400 per sale compared to the current arrangements. Based on the Government’s assumption that our Council will sell 37 properties over the next four years under the existing Right to Buy Scheme, the Council will lose around £136,000 over the next four years, compared to the current arrangements.

The Council notes from Paragraph 47 that the Government believes that adopting a flat rate allowance at the 40th percentile of costs will provide a strong incentive to councils to achieve efficiency in their operations. However, the Council continuously strives to make efficiency savings within all of its areas of operation and we fundamentally disagree that savings of this magnitude can be made in a relatively small area of operation for the Council.

The Council would therefore strongly urge the Government to either retain the existing approach of allowing local authorities to reclaim the actual administration costs, or to increase the proposed flat rate allowance to a more realistic and equitable level.

In addition, and in any event, since the current RTB arrangements will effectively apply to assumed sales, the Council feels that it is only fair and appropriate that the flat rate administration allowance should only apply in relation to **additional** sales to those assumed.

Nos. of Withdrawn RTB Applications

The Consultation Paper states that the Government would welcome any information local authorities can provide on actual numbers and costs incurred in managing RTB applications which are subsequently withdrawn. The Council has kept a running total of:

- The number of RTB applications (and discretionary sale applications prior to 1980) received since 1977;
- The number of completed sales; and
- The number of applications that have been withdrawn.

Over this 35-year period, the Council has received 11,634 RTB applications, which have resulted in 6,169 actual sales and 5,465 applications withdrawn. Therefore, as can be seen, 45% of all Right to Buy applications received of this period have subsequently been withdrawn.

More recently, over the 12 month period January 2011 to December 2011, the Council has received 26 RTB applications and, within the same period, only 7 RTB sales have been completed. Therefore, although there is a time lag between applications received and sales completed, it is reasonable to deduce from this information that, currently, around 75% of RTB applications being received by the Council are subsequently being withdrawn.

This evidence therefore suggests that the proposed uplift of 25% referred to within Paragraph 7 of Annex B to cover withdrawn applications is insufficient. The Council would suggest that the uplift should be more in the region of 60% - 70%, if it is to properly reflect the relatively high number of withdrawn applications that occur.

Proposals for Delivering Right to Buy Replacement Homes for Affordable Rent

(Question 13)

The Council currently has over 5,700 households on its Housing Register seeking affordable rented housing, provided either by the Council or one of our Housing Association Partners. The numbers registered on our Housing Register have been increasing continuously over the past five years. The increase in numbers is predominantly due to the difficulties that local residents are having in either purchasing their own property or meeting their housing need in other ways.

In view of the high number of households seeking and needing affordable housing in the Epping Forest District and other areas within our Region, the Council is strongly of the view that any Council homes lost within a district due to the proposed changes to the Right to Buy should be replaced by at least one new affordable home within that District.

The Council has recently agreed to embark on a new Council Housebuilding Programme for the provision of new rented housing, at affordable rents, on Council-owned land (predominantly difficult-to-let garage sites). However, our initial feasibility studies have identified that, even with charging affordable rents (as opposed to social rents), there will still be a funding gap between the amount of loan that can be supported from the rental income received from the new properties over a 30-year period (taking into account management and maintenance expenditure) and the construction costs – even with no land cost. Therefore, we have identified that we will still need some form of grant funding to enable the Council Housebuilding Programme to be viable.

Therefore, the additional capital receipts that are expected to arise from the increased RTB sales as a result of the Government's proposals could provide an invaluable source of funding for our Housebuilding Programme, if we are able to use them.

For these reasons, the Council is of the firm view that the "Local Delivery" model for the replacement programme is the most appropriate, and is the model that the Council supports.

The Consultation Paper sets out three variations of the Local Model. Understandably, because the "Base" Local Model (i.e. without any direction or agreement) provides local authorities with

maximum flexibility to manage its own affairs and, as recognised by the Consultation Paper, is generally consistent with replacement homes being built in areas of greater housing need, the Base Local Model is the Council's first preference.

However, we recognise that, due to the maximum flexibility offered under this Base Local Model, it is unlikely that all the available receipts would be used for replacement homes and that it would therefore be unlikely to deliver on the Government's commitment of one-for-one replacement at the national level.

Therefore, if the Government is of the view that the Base Local Model is inappropriate, it is the Council's view that the variation of the Local Model with Agreement should be the model adopted by the Government. This is because this variation of the Local Model provides three main benefits:

- (1) It enables the Government's commitment of one-for-one replacement at a national level to be achieved;
- (2) We consider it to be a fairer way of utilising the receipts arising from additional RTB sales, since the additional capital receipts will only be used within the local authority areas in which they have been generated; and
- (3) All of the capital receipts generated from additional RTB sales will be used to provide and replace affordable housing, and not used for other housing purposes.

For the avoidance of doubt, the Council does not support the National Model.

I hope that you find this response from my Council of assistance in formulating the Government's final regime.

Yours faithfully

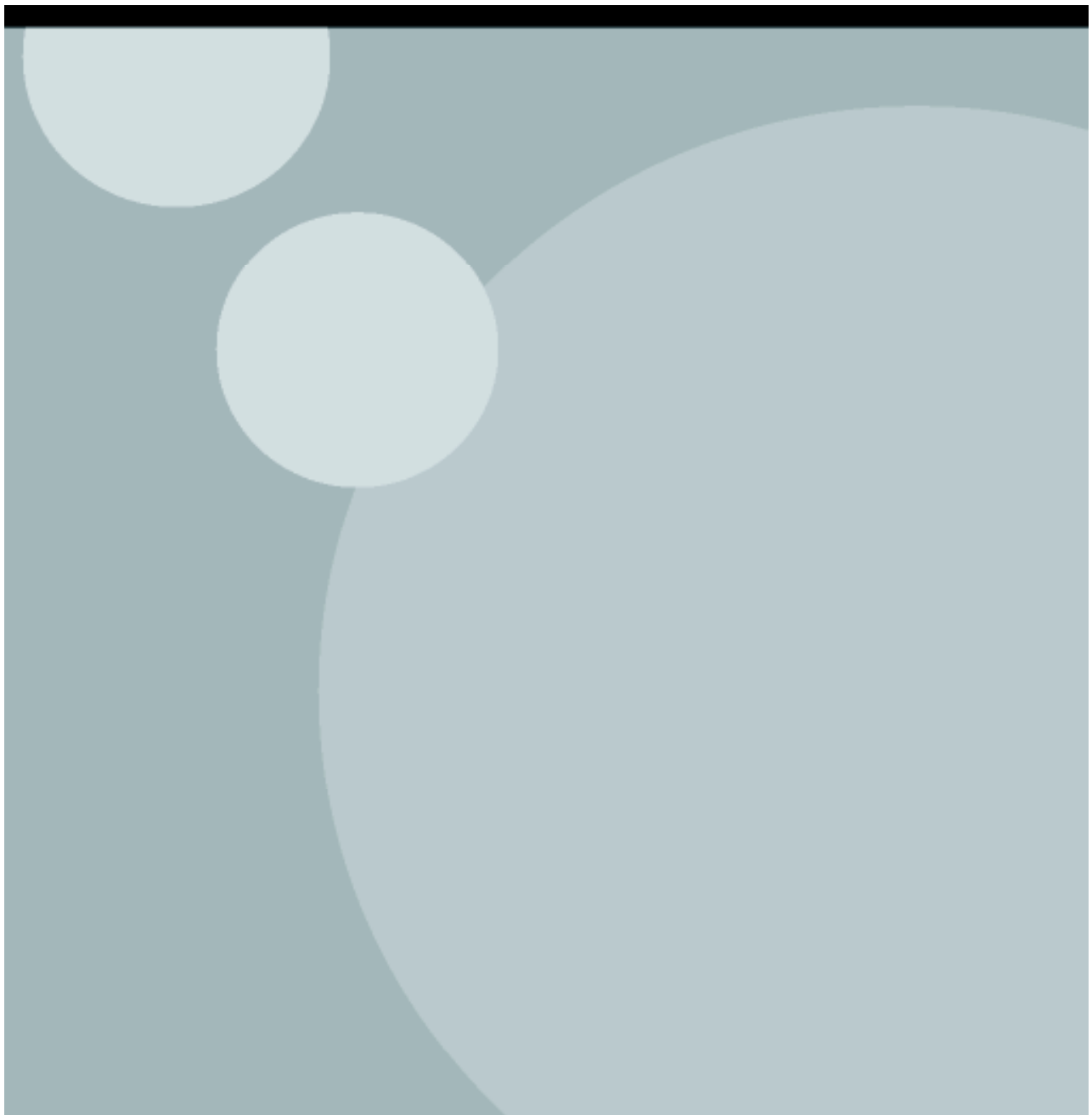
Alan Hall
Director of Housing

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Reinvigorating the Right to Buy and one for one replacement

Consultation



Summary

The Housing Strategy

1. In its paper *Laying the Foundations: A Housing Strategy for England*, the Government announced its intention to increase the caps on Right to Buy discounts and “hence the average discount received by buyers in England would be up to half the value of their homes – which would be roughly double the current average discount”.
2. The strategy also set out Government’s commitment to ensuring that every additional home sold under the Right to Buy is replaced by a new home for Affordable Rent and that additional receipts from sales will be recycled towards the cost of replacement.

Introduction and background

Current arrangements

3. Under the current Right to Buy legislation council tenants and housing association tenants who transferred with their homes from council landlords have the right to buy their home at a discount¹. Where a council makes a Right to Buy sale, the receipts² are subject to pooling. The council may retain the administrative costs of the sale and the costs incurred on improving the dwelling up to three years before the sale. After those costs have been taken into account, the council may retain 25 per cent of the remaining receipts and the balance of 75 per cent is paid to government.

¹ Right to Buy is available to secure tenants of local authorities and non-charitable housing associations. Assured tenants of housing associations who were secure tenants and have been transferred with their homes as part of a stock transfer from a local authority to a housing association also have the Right to Buy - this is known as Preserved Right to Buy. Broadly the same terms apply to both schemes.

² Apart from homes covered by an agreement between the local authority and the Secretary of State under section 80B of the Local Government and Housing Act 1989, which, in the main, are new homes built since July 2008

Proposed arrangements

4. The Government now intends that net receipts from sales (after allowable costs, repayment of housing debt and currently forecast receipts for councils and central government) should be used to replace the additional homes sold as a result of the higher discount levels. That is, all Right to Buy sales above current predicted levels will be replaced by new homes for Affordable Rent funded (in part) by the additional Right to Buy receipts.
5. The receipt needed to fund replacement will only be a fraction of the cost of a new home. This is because most of the funding for new affordable rented homes comes from borrowing by the provider against the future rental income stream and, in many cases, cross-subsidy from the landlord's own resources, including land.

This consultation

6. This document sets out this Government's detailed proposals to change the caps on discounts and the rates that will apply to Right to Buy sales.
7. We are consulting on:
 - our proposals to increase caps on the Right to Buy discount
 - protections for tenants who exercise their Right to Buy
 - preventing abuses
 - rural areas
 - exclusions
 - our proposals for councils on allowances and deductions from Right to Buy receipts
 - our proposals for councils in apportioning Right to Buy receipts
 - our proposals for changes to the Local Authority (Capital Finance and Accounting) Regulations 2003
 - our proposals for delivering Right to Buy replacement homes for Affordable Rent
 - how Right to Buy will work in the housing association sector
 - working with lenders.

The Government's proposals for tenants

8. To qualify for Right to Buy or Preserved Right to Buy, tenants must have spent five years as public sector tenants. Once eligible, current discount rates are:
 - for houses: 35 per cent of the property's value plus 1 per cent for each year beyond the qualifying period up to a maximum of 60 per cent
 - for flats: 50 per cent plus 2 per cent for each year beyond the qualifying period up to a maximum of 70 per cent.
9. In practice, most Right to Buy discounts are limited by caps set in secondary legislation. These currently range from £16,000 in most parts of London to £38,000 in parts of the South East. The effect of the caps is that the average discount rate received by buyers in England is around 25 per cent - ranging from 13 per cent in London to 32 per cent in the North West.

Proposals for caps, discount rates and eligibility

10. There is a balance to be made between offering generous discounts and having enough receipts to fund the building of replacement homes.
11. We propose to raise the upper limit (the cap) on the Right to Buy discount entitlement to £50,000 throughout England. This will be implemented by an order made under section 131 of the Housing Act 1985. This more than triples the cap currently applied in most of London and provides a substantial increase in the rest of England.
12. We are interested in views on whether there is a case for changing the minimum and maximum discount rates applying to houses and flats, or the rate at which tenants qualify for increased percentage discounts.
13. We do not intend to change the qualifying period for eligibility.
14. The proposed changes will also apply to the Preserved Right to Buy.
15. Subject to the outcome of the consultation and Parliamentary business, we plan to implement these changes in April 2012.

Q1: We would welcome views on the proposals outlined above

Protecting tenants who exercise their Right to Buy

The tenant experience and the responsibilities of home ownership

16. The responsibilities of home ownership are different from those facing tenants. The increased discounts offer new opportunities but it is important that tenants have clear information on what is involved in entering home ownership so that risks of them being unable to sustain owner occupation are mitigated.
17. The Department's booklet for tenants, *Your Right to Buy your Home*, which is available in both hard copy and on the website, will be updated. It currently includes advice on the costs and responsibilities of home ownership and the importance of obtaining independent legal and financial advice before deciding whether to buy. The booklet also provides a chart allowing tenants to compare the costs of renting or buying their home. In addition, free advice to help tenants understand what home ownership means is available through organisations such as the Money Advice Service.
18. The **Money Advice Service** provides free tailored money advice to help people make informed choices on financial matters. The service was set up by Government and is financed by a levy on financial services firms. It can be accessed online, over the phone or face to face.
19. The **Citizens Advice Bureau** also provides free information to tenants to help them understand the practical implications (both day-to-day and long term) of the change from being a council tenant to becoming a home owner. In addition, both the Citizens Advice Bureau and Shelter provide training to local authorities to enable their staff to give basic money advice to tenants.
20. In taking up the Right to Buy most tenants will fund their purchase through a mortgage. The discount offered reduces the mortgage required and means that the lender is able to offer a loan to value below that which would normally be required.
21. The **Financial Services Authority** currently requires firms to take account of consumer's ability to pay when providing mortgage finance. It is undertaking a wide ranging review of its mortgage regulation, the Mortgage Market Review, which includes proposals to strengthen rules to protect consumers. It published a consultation paper - http://www.fsa.gov.uk/pages/Library/Policy/CP/2011/11_31.shtml on 19 December 2011 with a number of proposals in the areas of responsible lending and the distribution of mortgages. The measures will apply to Right to Buy lending and will help prevent Right to Buy borrowers from getting into financial difficulty on their mortgage.

Leasehold service charges

22. Flats currently comprise around half of all local authority stock. Where a tenant buys a flat, they have to pay service charges which include costs for routine maintenance and for any major works. In some cases, major repair costs for blocks of flats have resulted in financial difficulties for some Right to Buy purchasers. In particular, major renovation programmes to improve local authority properties generated significant major works bills for a small number of Right to Buy leaseholders. Right to Buy purchasers may also find it harder to sell their home in the future if subsequent purchasers are likely to face large major repair bills.
23. A package of measures to assist leaseholders was introduced between 1997 and 2008 including:
- a good practice guide to help local authorities improve their management of service charges and to avoid leaseholders being presented with unexpectedly, or unreasonably, high bills
 - directions providing for mandatory and/or discretionary reduction of service charges
 - the requirement for local authorities to provide loans for service charges
 - a financial incentive for local authorities to operate a Buyback³ scheme
 - statutory rights for leaseholders to be consulted about major works and to challenge service charges.
24. Together these have reduced the risk of Right to Buy leaseholders being faced with unexpected and unaffordable bills.
25. Tenants thinking of purchasing their flat under Right to Buy can obtain free advice and information from the **Leasehold Advisory Service**, a specialist body funded by the Department for Communities and Local Government to give independent advice on a wide range of residential leasehold issues.
26. In addition, the Department's booklet, *Thinking of buying a council flat?* provides information for tenants on the particular responsibilities associated with owning a flat.

Q2: Do you agree that information currently provided to prospective Right to Buy purchasers is sufficient? If not, what else should be included?

³ See paragraphs 55-57

Purchasing with family members

27. Family members may join in the purchase if they are on the tenancy agreement or if they have lived in the property (as their only or principal home) for at least 12 months immediately prior to the Right to Buy application being made.
28. Family members are defined in section 186 of the Housing Act 1985 and include children, aunts and uncles, and nephews and nieces.
29. The landlord can, if they wish, allow any family member to join in purchasing a property under Right to Buy even if they do not meet the qualifying criteria.
30. There has been anecdotal evidence of family members encouraging tenants to exercise their Right to Buy and then persuading them to sell in order to realise the asset, resulting in the former tenant needing to be re-housed by a social landlord. The *Right to Buy your Home* booklet has been amended to highlight all the issues which a tenant should take into account when deciding whether to exercise their Right to Buy.

Q3: Are there further steps which could be taken to ensure that tenants who purchase under Right to Buy know about and understand the implications of home ownership, including their obligations on becoming a leaseholder?

Preventing abuses

31. In the past companies have offered tenants a lump sum to take up their Right to Buy, leave the property having leased it to the company (who then sublet it at market rates), and agree to sell to the company after the end of the period for repayment of discount (a sale and lease agreement); and encouraged tenants to employ them to administer their Right to Buy purchase, often charging over the odds for their services.
32. Research by Heriot-Watt University on this issue, commissioned by the Department in 2003, concluded that this was almost entirely an inner London problem; that it was a cheap way for companies to build up a portfolio of private rented properties; and that it particularly attracted tenants in high rise blocks or on problem estates, and those who needed sub-prime mortgages.
33. The Housing Act 2004 made several changes to discourage Right to Buy exploitation:

- agreements to resell were defined as 'relevant disposals'. This means that, where tenants agree to a resale agreement, they must repay some or all of the discount based on the date the agreement was entered into
 - the period during which discount was repayable was extended from 3 years to 5 years
 - the amount of discount repayable changed from a 'percentage of discount received' to a 'percentage based on the resale value of the property'
 - a right of first refusal was introduced, requiring Right to Buy owners to offer their home back to a social landlord first, when they wanted to sell.
34. These changes make sale and lease agreements less attractive. In addition, the Department's booklet for tenants, *Your Right to Buy your Home*, carries warnings for tenants about approaches from Right to Buy companies
35. We want to strike a balance between guarding against abuse, and over-limiting the rights of individuals buying their own homes through the Right to Buy.
36. The Government considers that the current legislation on resale agreements and discount repayment, which have been introduced since the last peak in Right to Buy sales, are a proportionate response to the exploitation issue but will keep this under review.

Tenants without a Right to Buy

37. Not all social tenants have a Right to Buy their rented home. Some housing association tenants benefit from a Right to Acquire with slightly different terms and discount arrangements. The proposals for Right to Buy discount do not apply to the Right to Acquire. Some landlords may offer discounted voluntary sales schemes, including Social HomeBuy, to assist those tenants without a Right to Buy.

Other home ownership schemes

38. Irrespective of whether tenants have a Right to Buy, they will want to make informed choices about the range of home ownership options available, including other Government funded schemes such as shared ownership (part buy/part rent) and the FirstBuy equity loan scheme for which social tenants have priority. Further information on these schemes can be obtained from HomeBuy Agents. A list of HomeBuy Agents and their contact details is available at:

www.homesandcommunities.co.uk/homebuy_agents

Rural areas

39. Over the years, concern has been expressed over the impact of Right to Buy on rural areas where the original stock of council housing was small and high house prices made owner occupation inaccessible for many local people. A number of measures (under section 157 of the Housing Act 1985) ensure that properties sold under Right to Buy in rural areas remain in the ownership of local people. For example, where homes are sold under Right to Buy in National Parks, Areas of Outstanding Natural Beauty or areas designated as rural by the Secretary of State, social landlords can impose restrictions on their resale. The restrictions are either:
- that the property can only be resold to someone who has been living or working locally for at least three years; or
 - that if the owner wishes to resell within 10 years of the Right to Buy sale, they must first offer the property to the original social landlord.

Q4: We would welcome evidenced assessments of the impact on rural affordable housing of the proposed changes to Right to Buy discounts.

Exclusions

40. Some properties are excluded from the Right to Buy. These include, among others, homes which are suitable for occupation by older people, sheltered housing for older people and those with disabilities. There are no plans to change the rules on properties excluded from Right to Buy.

The Government's proposals for councils

Use of Right to Buy receipts: proposals on allowances and deductions

41. Right to Buy receipts include all receipts from tenants under Right to Buy legislation. Additionally, we propose to include receipts arising from voluntary sales at discounts to secure tenants, including some shared ownership sales as set out in our recent consultation *Streamlining council housing assets: Disposals and use of receipts*⁴. Receipts from Preserved Right to Buy sales are discussed later.

Loss of income to the Housing Revenue Account

42. The valuations used in calculating the self-financing settlement payments to end Housing Revenue Account subsidy include a forecast of lost surplus income arising from Right to Buy sales under the current Right to Buy policy. The methodology is set out in the consultation on *Housing Revenue Account Self-financing Determinations*, published on 21 November 2011 on the Department for Communities and Local Government's website⁵. However, under our proposals to reinvigorate Right to Buy, we expect sales to be substantially higher than the self financing projections, and we propose that a part of the Right to Buy receipt should be used to pay down the housing debt supportable from the lost income from these additional sales.
43. Our proposals for calculating the amount of housing debt that should be cleared are set out in Annex 3.

Q5: We would welcome your views on these proposals

⁴ www.communities.gov.uk/publications/housing/streamliningcouncilhousing

⁵ www.communities.gov.uk/publications/housing/draftdeterminationsselffinancing

Local authority transaction and administration costs

44. Under our proposals for increased discounts we expect take-up of the Right to Buy to be substantially higher than current levels and the costs of administering sales (successful and withdrawn) will rise correspondingly. Currently councils can deduct the actual administration and transaction costs of successful sales from Right to Buy receipts, but there is no allowance for costs relating to applications under Right to Buy which do not result in a sale.
45. We propose a simpler, fairer and more transparent system.
46. Councils will no longer need to make and justify expenses claims to central government, making a detailed retrospective allocation of staff time between successful and unsuccessful applications. This system encourages inefficiency and creates unnecessary red tape. Instead councils will be able to simply deduct and retain a flat rate per successful sale. They will continue to be able to charge administration costs to the Housing Revenue Account.
47. Flat rate allowances will be set for each region with regard to the 40th percentile of costs⁶ achieved by councils in that region over the last three years. Adopting a flat rate at the 40th percentile of costs provides a strong incentive to councils to achieve efficiency in their operations. Where councils are able to push costs below this figure they can retain the surplus.
48. The Government is considering making a further allowance to deduct the costs of handling withdrawn applications. This would be a helpful change for councils from the current position where such costs cannot be claimed. However we do not currently collect information on the number of cancelled applications and have limited evidence on the costs of administering these. We would therefore welcome any information councils can provide on actual numbers and costs incurred in managing applications which are subsequently withdrawn.
49. Annex 2 sets out the proposed flat rate allowances for transactional and administrative costs.

⁶ 40 per cent of councils have costs below the 40th percentile.

For local authorities:

Q6: What proportion of Right to Buy applications are subsequently withdrawn in your area?

Q7: What costs are incurred in managing aborted applications?

Improvement costs

50. Under current arrangements, councils can claim any costs they have incurred improving the sale property in the last three years from Right to Buy receipts. Whilst this has been an arrangement of long standing, we are no longer persuaded this is necessary or appropriate and propose to remove this allowance. To the extent that improvements increase the value of the property, this will be reflected in the market price and (at a discounted rate) in the Right to Buy receipt. Some improvement costs relate to expenditure under the Decent Homes programme which is funded by central government. Where the improvements do not increase the market value they are more of the nature of regular maintenance work which is a normal landlord responsibility.

For local authorities:

Q8: What sources of funding have you used for improvement works in your area?

Protecting council and central government projected shares of receipts

51. The Local Government Settlement was made on the basis of prudent assumptions about future receipts and these would have included council shares of Right to Buy receipts. Under current arrangements a council with retained stock can keep from any Right to Buy receipt the sale costs plus any costs incurred improving the property in the last three years. In limited circumstances they then have the option of using some of what is left to buy back former council homes. From whatever is left after that, 75 per cent is paid to government and 25 per cent is retained by the local authority which it may use for any capital purpose. In practice we understand that receipts are used for a variety of purposes including repayment of housing debt, private sector renewal and Disabled Facilities Grant.

52. We expect that councils will have made prudent projections of their share of future Right to Buy receipts in this spending review period (2011-12 to 2014-15) under current discount rates and we intend to implement arrangements which protect that income stream⁷.
53. Annex 1 sets out our calculations. These are based on published estimates of Right to Buy sales used in calculating financial arrangements for the self financing of council housing. We conclude that a reasonable estimate for local authority assumed income over the period is £253m. Some £24m has been received by councils to date in 2011-12 leaving £229m outstanding (referred to as *Local Authority assumed income* in the calculations).
54. We also intend to protect central government's projected share of Right to Buy receipts which are included in the Office for Budget Responsibility's public expenditure forecasts⁸. Central government's projected share of receipts from Right to Buy sales over the Spending Review period is £571m. Some £73m has been received by central government to date in 2011-12 leaving £498m outstanding (referred to as *Government assumed income* in calculations).
55. In respect of homes newly built or otherwise newly acquired, the Department will continue to accept applications to enter into agreements for sale receipts to be excluded from the pooling regime⁹.

Q9: We would welcome views on the proposed approach to projected receipts.

Buyback

56. Under current arrangements, councils have the option of using Right to Buy receipts to cover part of the costs of buying back former council homes. The Government is considering whether to continue to allow the use of receipts for this purpose once other costs have been covered.
57. The Buyback allowance, as currently proposed, is relatively high at 50 per cent of the cost to authorities of buying back former council homes and its extensive uptake by

⁷ This income stream can only be fully protected if receipts are sufficient to cover allowances, Local Authority assumed income and Government assumed income. Where receipts fall short, we propose that, after debt and other costs, receipts are shared between councils and Government (broadly in line with current arrangements).

⁸ Office for Budget Responsibility: November 2011 Economic and fiscal outlook

⁹ Currently such agreements are made under section 80B of the Local Government and Housing Act 1989, but post March 2012 will be made under section 174 of the Localism Act 2011.

councils would reduce funding available for replacement homes. Some homes bought under Buyback are added to the council's rental stock, but others are bought for demolition under estate regeneration schemes. Where the local authority lets a property bought under Buyback and commits to its long term use as social housing, then this would contribute to the one-for-one replacement numbers.

58. In coming to a decision on Buyback allowances, it would be helpful if councils using the scheme could provide information on the numbers of Buyback properties which have been brought back into rental use or have been demolished.

Q10: We would welcome any information councils can provide on the use of Buyback properties. We would also welcome views on this proposal.

Cost floor

59. Section 131 of the Housing Act 1985 (the cost floor) limits the Right to Buy discount to ensure that the purchase price of the property does not fall below what has been spent on building, buying, repairing or maintaining it over a certain period of time (relevant expenditure). This is to ensure that the public sector can generally recoup significant expenditure on upgrading homes. We do not propose to make any changes here.

Q11: Do you have any comments on this proposal?

Proposals for apportioning Right to Buy receipts

60. Where receipts are sufficient to cover all allowable costs and Local Authority and Government assumed income then we propose that councils should apportion Right to Buy receipts as follows:

from the receipt the council may deduct:

- housing debt supportable from the income on additional sales
- transaction and administration costs on all sales
- local authority assumed income

the council pays to central government:

- government assumed income

61. The remaining receipt is available to support funding for replacement homes. The treatment of the remaining balance will depend on decisions on Buyback and the delivery model implemented for replacement homes.
62. Our estimates of take-up for Right to Buy over the spending review period indicate that receipts are very likely to be sufficient to cover all allowable costs and local authority and government assumed income and to provide sufficient additional funding to secure one for one replacement on additional sales. However, in the event that receipts fall short, after debt and costs, the receipts would be shared between the council and government in proportion to their respective assumed incomes.
63. A more detailed explanation is at Annex 4.

Q12: We would welcome views on the calculation of allowable deductions

Proposals for changes to the Local Authority (Capital Finance and Accounting) Regulations 2003

64. The Government recently sought views on proposed amendments to the *Local Authority (Capital Finance and Accounting) (England) Regulations 2003* (Streamlining council housing asset management: disposals and use of receipts).
65. Consultation closed on 17 November 2011 and the Government expects to publish its response to the comments it has received shortly. The response will, however, be confined to those amendments relating to non-Right to Buy receipts: that is, receipts that are not the subject of this separate consultation exercise.
66. In relation to Right to Buy we propose to remove the current requirement to pool Right to Buy receipts. It will be replaced with a calculation that would apportion Right to Buy receipts as set out above.
67. The main provisions would:
 - remove the requirement to pool Right to Buy receipts as set out in the current regulations
 - provide for housing debt that is supportable from the income from additional sales
 - provide for administration and transaction costs on all sales and uplift for costs of handling withdrawn applications
 - require councils to use Right to Buy receipts up to the assumed levels (after paying housing debt and administrative costs) to pay the Government or itself the appropriate amounts
 - require councils to make Right to Buy receipts above the assumed levels (after paying attributable debt and administration costs) available to provide replacement social housing
68. A summary of the proposals and simple examples of how they would operate are at Annex 4.

Proposals for delivering Right to Buy replacement homes for Affordable Rent

Distribution of receipts from Right to Buy sales of council houses

69. Under our take-up modelling, receipts are generally greatest and sales increase the most in areas of high housing need, because these are the areas where house prices are highest and Right to Buy demand has previously been limited by setting the caps at low levels (for example £16,000 in much of London).
70. However, receipts generated locally will not necessarily secure one-for-one replacement in each area. For example, on average, our estimates suggest that receipts in the North West may be insufficient to support the funding required for one-for-one replacement while in London the receipt from a single sale could support more than one Affordable Rent replacement home.
71. This section sets out for consultation a range of possible delivery models for managing the replacement programme. These are:
 - Local delivery – where receipts for replacement are left with the council where the Right to Buy sale took place for reinvestment
 - National delivery – where receipts for replacement are brought together and then allocated through the Greater London Authority in London and by the Homes and Communities Agency in the rest of England
 - Combined approaches – with some central direction on use of the receipts but leaving substantial local control.

Funding replacement homes

72. Under all models receipts used for replacement homes will need to be supplemented by borrowing, provider contributions in land or other funding. Unlike the current Affordable Homes Programme it is not intended to allow conversions¹⁰ to support funding for replacement affordable homes.

¹⁰ In the current Affordable Homes Programme, some of the additional funds for new affordable homes are generated by conversions. This allows registered providers to raise rents from lower social rents to higher Affordable Rents when the stock is re-let. The landlord can borrow against the increased rental stream providing the additional funds needed.

Replacement delivery models

Local Model

73. Receipts available for the delivery of replacement homes could be left with the local authority for investment in local priorities including new homes for Affordable Rent. Authorities could either choose to manage development themselves or to develop in partnership with neighbouring councils or to commission housing associations or other registered providers directly.
74. While we anticipate that most councils would prioritise the use of receipts for replacement homes, there may be some areas where, for example, estate regeneration or Decent Homes were considered more pressing and receipts applied for those purposes.
75. This approach is consistent with local authorities managing their own affairs and is generally consistent with replacement homes being built in areas of greater housing need. However, it would be unlikely that all the available receipts were used for replacement homes and so would be very unlikely to deliver one-for-one replacement at the national level.

Local model with Direction

76. Receipts available for the delivery of replacement homes could be left with the local authority with the requirement that they are used for investment in new homes for Affordable Rent.
77. Local authorities are well placed to decide where, what size and type of new homes for Affordable Rent should be provided and could use their own land and other resources to support development. They would be free to undertake development directly, to develop in partnership with neighbouring councils or to commission housing associations or other developers.
78. One way of directing local authorities to use available receipts for replacement homes would be to specify the uses of available receipts in the Local Government Capital Finance Regulations. Compliance could be checked by the local authority's auditor and failure to meet it would result in clawback. This Department would administer scrutiny and clawback arrangements (with consequent administration costs) and funds clawed back would be reinvested in Affordable Rent homes through the Homes and Communities Agency and the Greater London Authority.
79. In this model, councils would be free to decide the balance between receipts, their own resources and borrowing to support funding of replacement homes. There could be no obligation to use their own resources and so the proportion of receipt used for replacement would most probably be higher than necessary to secure one-for-one replacement at the national level.

80. This approach is consistent with local authorities managing their own affairs and is generally consistent with replacement homes being built in areas of greater housing need. However, while directing councils on the use of receipts is likely to increase the number of replacement homes (compared to the Local Model), it is still very unlikely to achieve one-for-one replacement across England

Local Model with Agreement

81. Receipts available for the delivery of replacement homes could be left with the local authority, subject to agreement with the Secretary of State, including agreement on the contribution to replacement costs that the council will make from its own resources.
82. The Secretary of State's agreement to leave receipts with a council could depend on a local funding plan for delivering new affordable homes. The plan would set out proposed borrowing, contributions the council would make from its own resources (land and funds) and a "maximum contribution" from available Right to Buy receipts. The maximum contribution would be agreed at a level intended to secure one-for-one replacement at a national level. The plan should also demonstrate that the council can secure value for money in its use of funding and is addressing need in the area. Under this model some areas would not be able to replace all additional Right to Buy sales while for others replacements would exceed sales.
83. Local authorities would report regularly on progress of the replacement programme to provide evidence they were delivering the replacement homes within a reasonable timeframe. If a local authority failed to meet its stated plans this Department would clawback the funding for redistribution.
84. This approach leaves receipts with local authorities which are able to demonstrate their ability to deliver good value for money in the use of receipts for replacement homes, and will secure one-for-one replacement at the national level. It is generally consistent with replacement homes being built in areas of greater housing need. However, the model adds a layer of administrative complexity and cost for both local authorities and this Department. It would require local authority proposals to be assessed, specific agreements to be drafted, and monitoring and enforcement arrangements implemented. It is likely that the delivery of replacement homes may take longer than through a national model.

National Model

85. Receipts available for replacement homes at Affordable Rent could be surrendered to this Department which would pass these to the Greater London Authority and the Homes and Communities Agency to manage replacement programmes in London and the rest of England. The programme could be managed along the lines of the previous National Affordable Homes Programme, whereby providers, including councils, would bid for

replacement funds for use in their areas on a continuous basis (known as continuous market engagement).

86. The Homes and Communities Agency would reinvest within each of their five operating areas¹¹ and within those areas give priority to local authority areas where there has been a high volume of sales and which had high levels of need. Similar arrangements could operate in London through the Greater London Authority.
87. As under the Affordable Housing Programme, local authority endorsement would be sought for proposals in their areas to ensure fit with local priorities. This approach would take advantage of the efficiencies of scale and value for money that both the Homes and Communities Agency and the Greater London Authority can achieve through the competitive process and funds could be directed to areas of higher need. However, it implies a less direct route for local decision making in allocating funds and some local authorities might be less willing to provide their own land to support development.
88. This approach would allow some redistribution of funding between council areas and provide an open and efficient procurement process through continuous market engagement. It is probably best placed to achieve one for one replacement nationally but would have less local support from councils than Local Models.

Consideration of Models

89. Local Models are most consistent with arrangements where receipts are spent where they are generated. While this will not ensure one-for-one replacement in every locality, under the Local Model with Agreement it could be consistent with national one-for-one replacement.
90. Local Models are consistent with councils managing their own affairs and bringing to bear local knowledge on priorities. However, competition from developers to build replacement homes may be limited by the small scale of some local replacement requirements and a limited number of developers based in the area. To some extent this drawback would be mitigated in the Local Model with Agreement where value for money benchmarks could be incorporated into decisions.
91. Local Models may not work for all councils. Some may not wish to manage the development process and might prefer to bid into a centralised scheme for delivering replacement homes. Others may not be able to borrow to fund the full cost of development if they are operating close to their borrowing limits under self financing and some may not wish to participate in a replacement programme. If a Local Model is chosen, then arrangements through the Homes and Communities Agency and the Greater London Authority would still be required to manage available receipts of those councils who did not wish to manage locally.

¹¹ From 1 April 2012

92. The Local and National Models could be adapted to allow some redistribution from “high receipt” areas to “lower receipt” areas. In high receipt areas, local authorities would surrender “surplus” receipts to this Department but they would continue to lead on delivering their local replacement programmes funded from retained receipts. This Department could then pass the surplus receipts either to councils with lower receipt levels for use in their local replacement programmes or to the Greater London Authority in London and the Homes and Communities Agency in the rest of England to administer replacement programmes. Redistribution would be more consistent with one-for-one replacement locally, if that were an objective, but adds administrative complexity to the Models.
93. If some redistribution is agreed we will need to decide whether receipts arising in London should be ringfenced for use in London. This would limit the potential for national redistribution but might reflect the higher need for affordable housing in London.
94. Under Local Models we would have to develop arrangements for monitoring of replacements. For the Local Model and Local Model with Direction, monitoring could be implemented through completion of a new section in the annual return of the English Local Authority Statistics on Housing to this Department. This is an annual return completed by local authorities on a voluntary basis. For the Local Model with Agreement, this Department would need to set up a monitoring regime. For the National Model, monitoring would be through the Homes and Communities Agency and Greater London Authority’s existing systems.
95. Under all Models, where local authorities develop homes for Affordable Rent, they would need to gain exemption from the limit rent in order to retain the benefit of the higher Affordable Rent. Arrangements to achieve this could build on those used in the current Affordable Homes Programme where local authorities developing homes for Affordable Rent are required to gain the Homes and Communities Agency’s support. Similar arrangements enable private registered providers to deliver Affordable Rent homes without grant from the Homes and Communities Agency; these arrangements would need to be adapted to support the provision of council funded Affordable Rent homes by private registered providers.

Criteria for decisions

96. The critical issues in deciding between these models will be the extent to which the arrangements:
 - can secure competition and value for money in commissioning replacement homes
 - provide assurance that, for England as a whole, one-for-one replacement is secured
 - secure replacement in a reasonable timeframe
 - deliver replacement homes in areas of higher housing need, and

- are administratively simple and transparent.

Q13: Which model for delivery of replacement housing do you consider the most appropriate, and why?

The Government's proposals for *housing associations*

How Right to Buy will work in the housing association sector

Tenants benefiting

97. Assured tenants of housing associations who were secure tenants of a local authority and have transferred with their homes as part of a stock transfer from the local authority to a housing association also have a right to buy – this is known as the Preserved Right to Buy.
98. Eligibility, discount rates and caps applying to Right to Buy automatically apply to Preserved Right to Buy.
99. The number of tenants with Preserved Right to Buy is not known directly but on the basis of a number of reasonable assumptions we estimate that about 620,000 tenants in the housing association sector are eligible.

Allocation of receipts

100. Arrangements for distributing receipts from Preserved Right to Buy sales in the housing association sector are varied and depend on the local agreements made with transferring councils. In most cases Preserved Right to Buy sale receipts are shared between the housing association and council but for early transfers (pre 1991-92) associations generally retain the full receipt. Where receipts are shared the portion retained by the association covers sales costs and compensates for lost rental income. This is important so that the sale has a minimal impact on the association's business plan and it can continue to meet loan covenants.

Local Authority	Region	RTB Sales Forecast from Self Financing Model				Actual RTB Sales (P1B data)				Provisional 2011/12 RTB sales data (Q1, Q2)	Actual Capital Receipts (after discount) (P1B data) £'000				Average Capital Receipt £'000	Average Admin Cost £	Average Improvement Cost £	Compensation - LA maximum retained receipt per RTB sale... £'000				LA actual income 2011/12	LA assumed income £'000				Government assumed income £'000			
		2011/12	2012/13	2013/14	2014/15	2008/09	2009/10	2010/11	2010/11		2008/09	2009/10	2010/11	2010/11				2011/12	2012/13	2013/14	2014/15		2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15
Epping Forest	E	7	9	10	11	7	8	9	3	980	1,030	982	125.1	2,349	358	30.6	30.6	30.6	30.6	77	406	312	349	870	692	760				
Total		2410	2955	3458	3878	2,690	2,191	2,518	1,353	209,962	164,574	197,438							24,176	82,638	68,858	77,220	177,000	153,000	168,000					

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