

## Scrutiny Panel Agenda



### **Housing Scrutiny Panel Tuesday, 21st October, 2014**

You are invited to attend the next meeting of **Housing Scrutiny Panel**, which will be held at:

**Committee Room 1, Civic Offices, High Street, Epping  
on Tuesday, 21st October, 2014  
at 5.30 pm .**

**Glen Chipp  
Chief Executive**

**Democratic Services  
Officer**

Mark Jenkins (Directorate of Governance)  
Tel: 01992 564607 Email:  
democraticservices@eppingforestdc.gov.uk

#### **Members:**

Councillors S Murray (Chairman), Ms G Shiell (Vice-Chairman), K Chana, Mrs R Gadsby, Mrs S Jones, Mrs J Lea, C Roberts, B Rolfe, Mrs T Thomas, H Ulkun, Mrs J H Whitehouse and W Marshall (Tenants and Leaseholders Federation)

**SUBSTITUTE NOMINATION DEADLINE:**

**16:30**

**1. APOLOGIES FOR ABSENCE**

**2. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

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

**3. 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.

**4. TERMS OF REFERENCE / WORK PROGRAMME (Pages 3 - 10)**

(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.

**5. HOME OPTION CHOICE BASED LETTINGS SCHEME - PROGRESS REPORT (Pages 11 - 16)**

(Director of Communities) To consider the attached progress report.

**6. ANNUAL REVIEW OF PROTECTED CHARACTERISTICS - HOUSING APPLICANTS AND LETTINGS (Pages 17 - 24)**

(Director of Communities) To consider the attached report.

**7. GOVERNMENT CONSULTATION PAPER "RIGHT TO MOVE" (Pages 25 - 28)**

(Director of Communities) To consider the attached report.

**8. REVIEW OF THE HOUSING ALLOCATIONS SCHEME (Pages 29 - 48)**

(Director of Communities) To consider the attached report.

**9. REVIEW OF THE TENANCY POLICY (Pages 49 - 52)**

(Director of Communities) To consider the attached report.

**10. HOUSING SERVICE STRATEGY ON RENT ARREARS (Pages 53 - 70)**

(Director of Communities) To consider the attached report.

**11. 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.

**12. FUTURE MEETINGS**

The next programmed meetings of the Panel will be in Committee Room 1 at 5.30p.m. on Tuesday 20 January 2015 and then on Tuesday 24 March.

## TERMS OF REFERENCE - SCRUTINY PANEL

**Title:** Housing

**Status:** Scrutiny 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 consider matters relating to the performance of the Council's Repairs Management Contract and to make any recommendations to the Housing Portfolio Holder or the Cabinet, as appropriate, as a result.

(10) 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 – 2014/2015

Item	Report Deadline / Priority	Scheduled Date	Progress / Comments	Programme of Future Meetings
<b>Standard (Periodic) Items</b>				<del>22 July 2014</del> <del>16<sup>th</sup> October 2014</del> 21 October 2014 20 January 2015 24 March 2015
(1) Performance against Housing Service Standards and Review <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	July 2014	<b>Completed – July 2014</b>	
(2) 12-Month Progress Report on Housing Strategy Action Plan 2013/14	Low	October 2014	<b>To be considered at the meeting on 16<sup>th</sup> October 2014</b>	
(3) Housing Key Performance Indicators (KPI) – Quarter 1	Low	October 2014	<b>To be considered at the meeting on 16th October 2014</b>	
(4) Six-Month Review of the HRA Financial Plan	Medium	October 2014	<b>To be considered at the meeting on 16th October 2014</b>	
(5) Six-monthly Progress Report on Housing Business Plan Action Plan	Low	October 2014	<b>To be considered at the meeting on 16th October 2014</b>	
(6) Private Sector Housing Strategy Action Plan – Annual Progress Report	Low	October 2014	<b>To be considered at the meeting on 16th October 2014</b>	
(7) Annual Review of the Housing Allocations Scheme and Tenancy Policy <i>(Recommendations to Cabinet)</i>	High	October 2014	<b>On agenda for this meeting</b>	

(8) Annual Diversity Report of Housing Applicants (Recommendations to Housing Portfolio Holder))	Medium	October 2014	<b>On agenda for this meeting</b>
(9) Housing Strategy Action Plan 2015 (Recommendations to Cabinet)	High	<del>October 2014</del> January 2015	
(10) Housing Key Performance Indicators (KPI) – Quarter 2	Low	January 2015	
(11) Briefing on the proposed Council rent increase for 2015/16	Low	January 2015	
(12) Proposed housing service improvements and service enhancements – 2015/16 (Recommendations to Cabinet)	High	January 2015	
(13) Housing Key Performance Indicators (KPI) – Quarter 3	Low	March 2015	
(14) HRA Business Plan 2015/16 (Recommendations to Housing Portfolio Holder)	High	March 2015	
(15) 12-monthly Progress report on Housing Business Plan Action Plan	Low	March 2015	

**Special (Planned) Items – Including Updated Housing Service Strategies**

(16) Housing Service Strategy on the Private Rented Sector (Review and update) <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	July 2014	<b>Completed – July 2014</b>
(17) Consideration of the Government’s “Pay to Stay” Policy (DCLG Guidance on Social Housing Rents)	Medium	July 2014	<b>Completed – July 2014</b>
(18) Housing Under-occupation Officer post – 1 Year Review	Low	July 2014	<b>Completed – July 2014</b>
(19) EFDC Tenant Profile Report	Low	July 2014	<b>Completed – July 2014</b>
(20) Presentation from Family Mosaic on their Floating Support Service to vulnerable people to help prepare/sustain their tenancies	Low	October 2014	<b>To be considered at the meeting on 16th October 2014</b>
(21) Housing Service Strategy on Rent Arrears (Review and update) <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	<del>July 2014</del> October 2015	<b>On agenda for this meeting</b>

(22) Housing Service Strategy on Harassment (Review and update) <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	<del>October 2014</del> January 2015		
(23) Possible operation of operating a "Sinking Fund" for new leaseholders in new or existing flat blocks where there are no existing leaseholders	Medium	<del>October 2014</del> January 2015		
(24) Housing Strategy 2015-2018	High	January 2015		
(25) Homelessness Strategy 2015-2018	High	January 2015		
(26) Housing Service Strategy on Anti-Social Behaviour (Review and update) <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	January 2015		
(27) Housing Service Strategy on Older Peoples Housing (Review and update) <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	March 2015		
(28) Housing Service Strategy on Housing and Estate Management (Review and update) <i>(Recommendations to Housing Portfolio Holder)</i>	Medium	March 2015		



(29) Housing Service Strategy on Empty Properties (Review and update) ( <i>Recommendations to Housing Portfolio Holder</i> )	Medium	March 2015		
(30) Report of the Tenant Scrutiny Panel on its Service Review of Tenant Involvement	Medium	March 2015		
<b>Items added after the original Work Programme was agreed</b>				
<b>Items for Future Years</b>				
Review of Housing Management Staffing Levels following the introduction of Universal Credit	Medium	2015/16		

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## **Report to Housing Scrutiny Panel**

**Date of meeting: 21 October 2014**

**Portfolio: Housing – Councillor D Stallan**

**Subject: HomeOption Choice Based Lettings Scheme – Progress Report**

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

**Committee Secretary: Mark Jenkins ext 4607**



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### **Recommendations/Decisions Required:**

**That the Housing Scrutiny Panel reviews the Information Bulletin setting out progress made on the HomeOption Choice Based Lettings Scheme, and considers the Housing Register Activity Report, both for the period 1 September 2013 to 31 August 2014.**

### **Report:**

1. As part of its Work Programme, the Housing Scrutiny Panel considers an annual report on the "HomeOption" Choice Based Lettings Scheme.

2. The Choice Based Lettings Scheme was introduced in November 2007, which was necessary to meet the requirements of Government at that time that such a scheme be in place by 2010 at the latest. The scheme is administered by the external Choice Based Lettings agency Locata Housing Services (LHS). Under the scheme, all vacant social rented properties are advertised to applicants on the website and a two-weekly Property List giving details of location, type, rent, service charge, council tax band and landlord of the available accommodation. Applicants apply for a property by "expressing an interest" in up to a maximum of three properties for which they have an assessed need, either in person, by telephone, text, email or Internet.

3. At the end of the two weekly cycle, the Council analyses the "expressions of interests" received and allocates each property following a prioritisation and selection process in accordance with its own Housing Allocations Scheme. In general terms, the property is offered to the applicant in the highest band, who has been registered the longest, who had "expressed an interest" for the specific vacancy. The results of the "expressions of interest" on each property advertised is then published on the website and the next periodic Property List, setting out the number received on each property, as well as the Band and registration date of the successful applicant. This helps applicants to see how long the successful applicant has been waiting and gives greater transparency in the allocation of accommodation, as each applicant would be able to clearly understand how the scheme works.

4. The Council is a member of the Herts and Essex Housing Options Consortium (HEHOC) which jointly operates the Choice Based Lettings Scheme and consists of the following six authorities:

- Brentwood Borough Council
- Chelmsford City Council
- Broxbourne District Council

- Epping Forest District Council
- Uttlesford District Council
- East Herts District Council

### **HomeOption Choice Based Lettings Information Bulletin**

5. The HomeOption Choice Based Lettings Information Bulletin for the period 1 September 2013 to 31 August 2014 is attached as an appendix to the report. This represents the 12 month period following the latest Housing Allocations Scheme coming into force.

6. As can be seen, 345 properties (including Housing Association allocations) have been allocated to homeseekers on the Housing Register during the period.

7. A further 49 properties were allocated direct to homeless applicants and an additional 11 properties to applicants leaving supported housing. Such applicants are no longer included on the Housing Register and are provided with one direct offer of suitable accommodation.

8. Some of the 345 properties allocated from the Housing Register have been advertised on more than one occasion as they are difficult to let (particularly those designated for older persons' use). This has resulted in 427 advertisements being placed on the Website and in the Property Lists. With 24,307 expressions of interest being made, this is an average of around 70 expressions of interest from homeseekers each time a property is advertised. Most properties, apart from the difficult to let older persons' properties referred to, attract in excess of 200 expressions of interest. Almost 97% of homeseekers expressing an interest in properties did so over the Internet.

9. Around 71% of all applicants registered on the Housing Register have participated in the scheme during the last year. LHS confirm that, nationally, this is a high participation rate. Some applicants may not participate for a variety of reasons including:

- Joining the Register to accumulate time on the Register, should they want Council accommodation in the future.
- Applicants who wish to move to smaller accommodation and may be biding their time until a property becomes available that meets all of their aspirations.

### **Housing Register Activity Report**

10. The Housing Register Activity Report for the same period, which is also attached, shows the number of lets and number of homeseekers in each of the three priority Bands. It should be noted that there were 82 (23%) properties refused during the period.

11. Following the introduction of the Local Eligibility Criteria under the latest Housing Allocations Scheme which came into force on 1 September 2013, the numbers of homeseekers has substantially reduced. As at 31 August 2014 there were 1,563 homeseekers on the Housing Register compared to 6,219 in June 2011. Under the revised Scheme, a new Supplementary Waiting List was created to enable applicants over 60 years of age who do not meet with the Residency Criteria, or have a housing need, to bid on properties in sheltered accommodation and to receive an offer (if no homeseekers on the Register are interested) as such properties are often difficult-to-let. As at 31 August 2014, there were 210 applicants on the Supplementary Waiting List.

### **Support Currently Provided to Vulnerable Applicants**

12. The Housing Allocations Team within the Housing Options Section offers a great deal of support to vulnerable applicants including:

- A list of all vulnerable applicants is maintained. The list is compiled by referrals made by Scheme Managers, other Council staff and external agencies.
- The Council's Relocation Support Officer provides assistance to vulnerable people to join the Housing Register, submit bids on properties and importantly assists with the practicalities of moving home.
- All Scheme Managers are given lists of older tenants they visit who are on the Housing Register. When visiting, they ensure the residents fully understand how to participate in the Choice Based Lettings Scheme.
- When any new applicant joins the Housing Register, they are given an Information Pack which gives details of the scheme and how assistance can be obtained.
- Articles have been included in the tenants' magazine, "Housing News" in the past on how the scheme operates, explaining that applicants can seek assistance from staff.
- A letter is sent to all those who are not participating in the scheme for more than 6 months asking them if they wish to remain on the Housing Register, but more importantly, asking if they require any assistance in participating in the Scheme.
- Access to the Scheme is provided electronically by way of a "kiosk" and a computer terminal currently provided in receptions at the Area Housing Office (South) at The Broadway, Loughton and at the Limes Centre in Chigwell. The kiosks also give access to a range of other Council services
- Staff are able to refer applicants to Essex County Council's floating support provider, Family Mosaic, for assistance with a range of housing-related support matters, including participating in the HomeOption scheme.
- All Housing Options staff are very experienced in providing support to all applicants.

13. The Housing Scrutiny Panel is asked to review progress made on the HomeOption Choice Based Lettings Scheme.

**Reason for decision:**

To submit a report on progress with the HomeOption Choice Based Lettings in accordance with the Housing Scrutiny Panel's Work Programme.

**Options considered and rejected:**

Not to submit a report on progress with the HomeOption Choice Based Lettings Scheme.

**Consultation undertaken:**

The Tenants and Leaseholders Federation will consider the report at its next meeting.

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## APPENDIX 1

### HomeOption – Information Bulletin

(1 September 2013 – 31 August 2014)

Number of properties allocated (including Housing Association allocations) to homeseekers on the Housing Register	345
Number of properties allocated to homeless applicants by direct offer	49
Number of properties allocated to applicants leaving supported housing	11
Number of advertisements	427
Number of expressions of interest during the period	24,307
Number of homeseekers on the Housing Register (31 August 2014)	1,563
Number of homeseekers on the Housing Register who have not participated in the scheme	452 (29%)
Number of applicants on the Supplementary Waiting List (August 2014)	210
Number of applicants on the Supplementary Waiting List who have not participated in the scheme	125 (60%)
Method of expressing an interest	Internet 96.81% Phone 1.5% Staff help 1.05% Coupon 0.09% Text 0.55%

<b>Housing Register</b>		
<b>Band</b>	<b>Number of Lets</b>	<b>Number of Homeseekers (At 31 August 2014)</b>
A	121	181
B	102	454
C	84	928
Homeless direct offers	49	N/A
Supported Housing direct offers	11	N/A
Supplementary Waiting List	38	210
<b>Total</b>	<b>405</b>	<b>1,773</b>



## **Report to Housing Scrutiny Panel**

**Date of meeting: 21 October 2014**

**Portfolio: Housing – Councillor D. Stallan**

**Subject: Annual Review of Protected Characteristics  
– Housing Applicants and Lettings**

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

**Committee Secretary:  
Mark Jenkins extension 4607**



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### **Recommendations/Decisions Required:**

**That no recommendations be made concerning amendments to the Council's Housing Allocations Scheme, due to the Review of the Protected Characteristics of housing applicants and lettings as current figures do not show a significant disparity between the Protected Characteristics of applicants on the Housing Register, and those allocated accommodation through the Housing Register.**

### **Report:**

1. In previous years, the Housing Scrutiny Panel has undertaken an annual review of the ethnicity of applicants on the Housing Register, and compared this with the ethnicity of those allocated accommodation, to consider if there is any disparity and whether there should be any resultant changes to the Housing Allocations Scheme. To date, no such disparities have been identified.

2. Following the introduction of the Equality Act 2010, and the Public Sector Equality Duty in 2011, public bodies have to consider all individuals when carrying out their day-to-day work, shaping policy, and delivering services. Under the Act there are nine "Protected Characteristics" which must be considered as follows:

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

3. Due to the requirements of the Act, the Housing Scrutiny Panel is now asked to include within the annual review, a review of the Protected Characteristics of homeseekers on the Housing Register compared to the Protected Characteristics of those allocated accommodation. This is to consider if there has been any disparity, and to identify whether or not there are any indications to suggest the Council may be discriminating against any one group and if as a result, any changes should be made to the Housing Allocations Scheme.

4. The statistical information set out in the tables below for 2013/2014 monitors the period 1 September 2013 to 31 August 2014, being the same 12 month Review period for both the Housing Allocations Scheme and Tenancy Policy. For comparative purposes, in terms of ethnicity, the figures for the financial year 2012/2013 are provided.

***Ethnic origin of applicants on the Housing Register***

<b>Ethnic Group</b>	<b>2012/13</b>	<b>2013/14</b>
White British/Irish	5,113 (73.64%)	1,410 (90.22%)
Bangladeshi/Pakistani/Indian	65 (0.94%)	24 (1.54%)
African/Caribbean	275 (3.96%)	35 (2.24%)
Mixed Race	97 (1.4%)	43 (2.75%)
Other	437 (6.29%)	21 (1.34%)
Not Stated	956 (13.77%)	30 (1.91%)
<b>Total</b>	<b>6,943 (100%)</b>	<b>1,563 (100%)</b>

***Ethnic origin of Homeseekers housed in Council accommodation***

<b>Ethnic Group</b>	<b>2012/2013</b>	<b>2013/14</b>
White British/Irish	281 (78.9%)	274 (89.25%)
Bangladeshi/Pakistani/Indian	2 (0.6%)	1 (0.33%)

<b>Ethnic Group</b>	<b>2012/2013</b>	<b>2013/14</b>
African/Caribbean	4 (1.1%)	8 (2.61%)
Mixed Race	2 (0.6%)	2 (0.65%)
Other	12 (3.4%)	3 (0.97%)

Not Stated	55 (15.4%)	19 (6.19%)
<b>Total</b>	<b>356 (100%)</b>	<b>307 (100%)</b>

5. The breakdown of the ethnicity of the population of the District is set out in the table below for information (source EFDC Census 2011):

<b>Ethnic Group</b>	<b>Number</b>	<b>Percentage (%)</b>
White: British/Irish	107,836	86.5
White: Other e.g. European etc.	5,033	4.04
Asian: Bangladeshi/Pakistani/Indian/Chinese/Sri Lankan	5,922	4.76
African/Caribbean	2,404	1.93
Mixed: Multiple Ethnic Groups in one household	2,649	2.12
Other non-British	815	0.65
<b>Total</b>	<b>124,659</b>	<b>100</b>

#### ***Other Protected Characteristics***

6. The following tables set out the monitoring of six of the remaining Protected Characteristics for the period 1 September 2013 to 31 August 2014, being the same 12 month Review period for both the Housing Allocations Scheme and Tenancy Policy. Statistics are not available for Marriage and Civil Partnership, and Pregnancy and Maternity. Furthermore, as this is the first annual review of these Protected Characteristics, information from the previous year is not available.

<b>Protected Characteristic - Religion</b>	<b>2013/14 (Housed)</b>	<b>2013/14 (Housing Register)</b>
Buddhist	Nil	5 (0.32%)
Christian	169 (56.12%)	812 (51.95%)

Hindu	Nil	2 (0.13%)
Muslim	3 (1%)	25 (1.60%)
No Religion	57 (18.9%)	361 (23.09%)
Other	30 (10%)	124 (7.93%)
Not stated	48 (14%)	234 (14.98%)
<b>Total</b>	<b>307 (100%)</b>	<b>1563 (100%)</b>

<b>Protected Characteristic - Gender Re-assignment</b>	<b>2013/14 (Housed)</b>	<b>2013/2014 (Housing Register)</b>
Gender Re-assignment	Nil	6 (0.38%)
Non- Gender Re-assignment	231 (75.24%)	1,268 (81.12%)
Not stated	76 (24.76%)	289 (18.50)
<b>Total</b>	<b>307 (100%)</b>	<b>1,563 (100%)</b>

<b>Protected Characteristic - Sexual Orientation</b>	<b>2013/14 (Housed)</b>	<b>2013/2014 (Housing Register)</b>
Bi Sexual	4 (1.30%)	11 (0.70%)
Gay/Lesbian	4 (1.30%)	4 (0.26%)
Heterosexual	223 (72.8%)	1,157 (74.02%)

Not stated	76 (24.60%)	391 (25.02%)
<b>Total</b>	<b>307 (100%)</b>	<b>1,563 (100%)</b>

<b>Protected Characteristic - Disability</b>	<b>2013/14 (Housed)</b>	<b>2013/2014 (Housing Register)</b>
Physical	42 (13.68%)	203 (12.98%)
Learning	11 (3.58%)	78 (4.99%)
Visual	9 (2.93%)	40 (2.56%)
Mental Health	55 (17.92%)	226 (14.46%)
Hearing	12 (3.90%)	42 (2.69%)
None or Not stated	178 (57.99%)	974 (62.32%)
<b>Total</b>	<b>307 (100%)</b>	<b>1563 (100%)</b>

<b>Protected Characteristic - Age (years)</b>	<b>2013/14 (Housed)</b>	<b>2013/2014 (Housing Register)</b>
18-39	144 (46.9%)	932 (59.63%)
40-49	46 (14.97%)	249 (15.93%)
50-54	27 (8.8%)	80 (5.12%)
55-59	18 (5.9%)	57 (3.65%)
60 and over	72 (23.43%)	245 (15.67%)
<b>Total</b>	<b>307 (100%)</b>	<b>1563 (100%)</b>

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<b>Protected Characteristic - Sex (Lead Applicant)</b>	<b>2013/14 (Housed)</b>	<b>2013/14 (Housing Register)</b>
Male	107 (34.85%)	521 (33.33%)
Female	200 (65.15%)	1042 (66.66%)
<b>Total</b>	<b>307 (100%)</b>	<b>1563 (100%)</b>

7. Generally, the statistics confirm that the Protected Characteristics of homeseekers housed in Council accommodation is similar to those on the Housing Register. It is therefore recommended that no amendments are made to the Council's Housing Allocations Scheme, due to the Review of the Protected Characteristics of housing applicants and lettings.

8. In previous years, when undertaking this Review the Panel have considered the ethnicity of applicants on the Housing Register awaiting sheltered accommodation compared to those allocated sheltered accommodation. Due to the increased statistical monitoring required in order to meet with the requirements of the Equality Act 2010, this information is not included this time. Although there is no requirement to monitor sheltered accommodation separately, as this is considered good practice, officers will explore the possibility in the future of monitoring all Protected Characteristics of homeseekers awaiting sheltered accommodation compared to those housed.

#### ***Flexible (fixed-term) Tenancies***

9. The following table sets out the ethnicity of those allocated Flexible (fixed-term) Tenancies between 1 September 2013 and 31 August 2014.

<b>Ethnic Group</b>	<b>2013/14</b>
White British/Irish	18
Bangladeshi/Pakistani/Indian	3
African/Caribbean	1
Other	2

Not Stated	5
<b>Total</b>	<b>29</b>

**Reason for decision:**

10. Although a large number of housing applicants do not disclose their Protected Characteristic, it is evident from the analyses shown in the report that the Protected Characteristics of those on Housing Register mirrors the allocation of vacancies sufficiently for the Council to be confident that its Housing Allocations Scheme does not racially discriminate, either directly or indirectly. Therefore, no adjustments to the Housing Allocations Scheme are recommended.

**Options considered and rejected:**

11. Not to consider the Protected Characteristics of homeseekers on the Housing Register compared to those housed, in order to determine if there has been any disparity and whether any changes should be made to the Housing Allocations Scheme.

**Consultation undertaken:**

12. The Tenants and Leaseholders Federation will be updated on the report at their next meeting.

**Resource implications:**

Budget provision: None

Personnel: None

Land: None

Community Plan/BVPP reference: N/A

Relevant statutory powers: Housing Act 1985; Housing Act 1996; Localism Act 2011

Background papers: Housing Allocations Scheme circulated separately

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

Key Decision reference: (if required) Not a key decision.

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## **Report to Housing Scrutiny Panel**

**Date of meeting: 21 October 2014**

**Portfolio: Housing – Councillor D. Stallan**

**Subject: Government Consultation Paper  
“Right to Move”**

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

**Committee Secretary: Mark Jenkins ext 4607**

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### **Recommendations/Decisions Required:**

- (1) That the Housing Scrutiny Panel considers the DCLG Consultation Paper “Right to Move” which is attached as an Appendix to the report; and**
- (2) That consideration be given to any Council response to the Consultation Paper and its implications on the 12 month Review of the Housing Allocations Scheme, being the next item on the Agenda.**

### **Report:**

1. The Department for Communities and Local Government (DCLG) issued a Consultation Paper on 10 September 2014 entitled “Right to Move.” The Consultation Paper is attached as an Appendix to the report. The closing date for responses is 22 October 2014.
2. The Consultation Paper explains that the Government expects local authorities to ensure that under their Housing Allocations Schemes, residency requirements enable social tenants to move across local authority boundaries for work related reasons, so as not to impede labour mobility. The proposed Regulations would remove the residency requirement for existing local authority or housing association tenants who are seeking to transfer from another local authority district in England and who need to move in order to be closer to their work, or to take up a job offer, apprenticeship, or work related training opportunity in order to avoid financial hardship.
3. The Government further proposes to ensure that authorities set aside a proportion of lets for tenants who need to move for this purpose, with a minimum expectation of 1% of lettings.
4. The Government are proposing to “spell out” at a later date, the circumstances in which it expects local authorities to apply the addition to the “hardship” preference to those moving for work, or work related training.
5. The consultation is seeking views on how local authorities are using the flexibilities they already have to support tenants who want to move within and across local authority boundaries. In the meantime, it is “expected” that local authorities ensure their residency requirements enable social tenants to move across boundaries for work related reasons.
6. The Housing Scrutiny Panel is asked to consider two questions;
  - (a) *Should the contents of the Paper be taken into account when framing the Council’s revised Housing Allocations Scheme?***
7. Under the Council’s current Housing Allocations Scheme, any Homeseeker needing to

move, including existing tenants with a good tenancy record, to be nearer to their place of work, or to take up an offer of permanent employment, or a long term (full-time) training opportunity which will lead to employment are placed in Band C. However, this provision does not meet with Government's expectations, as in order to be included a person would also need to meet with the Council's 3 year Residency Criteria.

8. The 12 month Review of the Housing Allocations Scheme is to be considered by the Panel under the next Item on the Agenda. In order to meet with Government's expectations, it is being suggested as part of the Review that a further exception be made to the Residency Criteria and a Paragraph be added at 14.3 (f) in the Scheme as follows:

"Applicants who are seeking to move from a local authority district in England to take up a job or be closer to their work provided:

(a) They are in or have secured either permanent employment comprising of a minimum of 24 hours each week, or an apprenticeship or full time work related training, and they live either in excess of 50 miles from their current or intended place of work; and/or their return journey time on public transport is generally in excess of 3 hours. Journey times will be based upon Internet based Journey Planners.

9. Furthermore, that the existing Band C (i) be amended as follows to comply with the above:

"All Homeseekers (in accordance with Paragraph 14.3 (f) of this Housing Allocations Scheme) who need to move to be nearer to their place of work or to take up an offer of permanent employment, an apprenticeship or full-time work related training".

***(b) Does the Council wish to respond to the Consultation Paper?***

10. It is suggested that the Council responds to the Consultation Paper setting out the following:

- The Council would welcome the Government's proposal to "spell out" in more detail the circumstances in which they would expect local authorities to apply the addition to the "hardship" reasonable preference category for those needed to move for work or work related training;
- The Council asks that it is clarified whether such preference would only apply to those in financial hardship and if so how such hardship is measured, particularly as there are no legal powers available to require applicants to declare their income;
- The Council's has concerns about setting aside a proportion of lets for this purpose, and the difficulties with publishing information on the demand and lettings on any right to move quota;
- There are a number of difficulties with giving priority to existing tenants for a "community contribution" in order to assist them to move within their own local authority area

11. Furthermore, under Paragraphs 15 to 17, views are being sought on whether to regulate to create a new reasonable preference category for transferring tenants who need to move for work related reasons. It is suggested that this be supported and such preference only be for transferring tenants as those living in owner occupied or private rented accommodation should generally be able to secure similar permanent accommodation for themselves across local authority boundaries.

**Reason for decision:**

To give the Housing Scrutiny Panel the opportunity to consider the Government's Consultation Paper and, if appropriate, agree a response in order to to influence and comment on the Guidance. Furthermore, to note the implications to the 12 month Review of

the Housing Allocations Scheme which is the next Item on the Agenda.

**Options considered and rejected:**

Not to consider or respond to the Government's Consultation Paper.

**Consultation undertaken:**

A copy of the Consultation Paper is being circulated to the Tenants and Leaseholders Federation as their next meeting is after the consultation deadline. Any comments received will be forwarded on by officers on their behalf. The matter will also be raised at their next meeting.

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## **Report to Housing Scrutiny Panel**

**Date of meeting: 21 October 2014**

**Portfolio: Housing – Councillor D. Stallan**

**Subject: Review of the Housing Allocations Scheme**

**Officer contact for further information:  
Alan Hall ext 4419**

**Committee Secretary: Mark Jenkins ext 4607**

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### **Recommendations/Decisions Required:**

- (1) That, as part of its Work Programme, the Housing Scrutiny Panel carries out a 12 month Review of the Housing Allocations Scheme and considers the suggested amendments to the Scheme set out at Appendix 1 and Appendix 2 of the report;**
- (2) That, following the agreed amendments being incorporated into the draft Housing Allocations Scheme, the Scheme be considered by an external Legal Advisor;**
- (3) That any advice given by the external Legal Advisor be incorporated into the draft Scheme and a consultation exercise be undertaken, in accordance with Statutory Guidance, with the Tenants and Leaseholders Federation, Registered Providers of Housing operating in the District, Local Councils and partner agencies with an interest in the Scheme;**
- (4) That, although the external legal advisor previously advised that the consultation period referred to in Recommendation (3) should be for a period of 12 weeks, this be reduced (in accordance with the associated advice that this is reasonable should the Council have good reason for choosing a shorter period) to 10 weeks, due to the reasons set out in Paragraph 23 of the report, which is predominantly due to the timing of the re-newal of the contract for the administration of the Choice Based Lettings Scheme;**
- (5) That, due to the lengthy consultation period and the required implementation work, including all homeseekers needing to update their information on-line, the target date for the revised Scheme coming into force be 1 July 2014;**
- (6) That the next review of the Scheme be considered by the Panel following 2 years of operation; and**
- (7) That the Housing Scrutiny Panel submits a report on the proposed revised Scheme to the April 2015 meeting of the Cabinet for consideration.**

### **Report:**

#### ***Background***

1. The Council is legally required to have a Housing Allocations Scheme for determining priorities and the procedure to be followed in selecting a person for accommodation, or nominating a person to be a tenant for accommodation held by another Registered Provider of social housing (e.g. Housing Association). In addition, the Council's Housing Allocations Scheme historically states who will and will not be admitted onto the Council's Housing Register.

2. At its meeting on 15 April 2013 (Minute 139 refers), the Cabinet considered a report of the Housing Scrutiny Panel, presented by the Chairman, on a proposed new Housing Allocations Scheme. It was reported in summary that, under Government Guidance, authorities are given powers to decide locally how accommodation should be allocated based upon local priorities. The Cabinet noted that local authorities are empowered to allocate their accommodation in any way they see fit, provided schemes are both legal and rational.

3. Due to these additional powers, the last review was potentially the most comprehensive ever undertaken. A copy of the draft Housing Allocations Scheme was considered by an external Legal Advisor, being a QC specialising in housing law. The Legal Advisor stated "in my opinion the Draft Housing Allocations Scheme is lawful". The revised Scheme came into force on 1 September 2013.

### ***12-Month Review of the Housing Allocations Scheme***

4. When adopting the new Scheme, the Cabinet asked that an Item be included in the Scrutiny Panel's Work Programme for 2014/2015, to undertake a 12 month Review of the Scheme, hence the need for this report. The Panel is therefore asked to review the Scheme, in order to consider whether any further changes are required, and to submit a report to the Cabinet on the outcome of its review and any recommended changes.

### ***The Housing Portfolio Holder's Initial Views***

5. The Housing Portfolio Holder has held informal discussions with Cabinet colleagues to help inform his initial views on the major aspects to be considered under the 12 month review. He considered this essential, as it gives the Scrutiny Panel and officers direction on the general approach to be taken in reviewing both the Council's Housing Allocations Scheme and Tenancy Policy (the subject of a separate report to the Housing Scrutiny Panel) in an effort to prevent any unnecessary work and any recommendations being put forward to the Cabinet by the Scrutiny Panel that would not be supported.

6. As a result of these informal discussions, the Housing Portfolio Holder made a formal decision that, under the 12 month review, the Scheme should be amended based on the Cabinet's initial views. Set out at Appendix 1 are the Housing Portfolio Holder's initial views along with the background on each issue, and where appropriate, officers' suggested options and/or recommendations. When considering his decision, the Housing Portfolio Holder took into account the approach taken by 6 other Essex Authorities which are set out in the table attached at Appendix 3.

7. In addition, some further less substantial changes suggested by officers are set out at Appendix 2.

8. The Scrutiny Panel is asked to consider the Housing Portfolio Holder's initial views, contained within his Portfolio Holder decision, and to advise the Cabinet of any issues with which they disagree, so that the Cabinet can consider these issues when considering the adoption of the proposed changes.

9. The Scrutiny Panel is also asked to consider the following two matters:

### ***District responsibilities for Corporate Parenting***

10. The Council has received a letter from Essex County Council's Director of Delivery (West). The letter raises concerns that due to increased discretion under the Localism Act, when housing allocations schemes are framed by Local Authorities some highly marginalised groups could fall through the gaps. The County Council asks if there could be more flexibility in the Council's Housing Allocations Scheme "in relation to care leavers for whom the District

Council does share corporate parenting responsibilities”. Set out below are the flexibilities suggested by the County Council and the officer response:

*Setting aside a quota of properties for care leavers*

11. Care leavers are those who are leaving Foster Care having reached 18 years of age. The Council works very closely with the National Association for Care and Resettlement of Offenders (NACRO) to assist such people. This scheme is known locally as the Single Accommodation For Epping Forest (SAFE). There are 39 bed spaces available for single homeless people who require support. Some of these units of accommodation have been provided for Essex care-leavers and will continue to be provided depending upon need.

12. If the Council were to set aside accommodation specifically for care leavers, the concern is that they may not be able to sustain a secure tenancy on a permanent basis in the first instance. The current intention is that when a young person has completed their stay and benefitted from the support under the SAFE project, then they would have better prospects of sustaining a tenancy thereafter.

13. Officers consider that the service currently provided to care leavers meets with their needs and no further changes to the Scheme are necessary.

*Not to apply the Residency Criteria to care leavers*

14. In order to be eligible for housing with NACRO (SAFE) a person must be currently resident in the District for one year unless there are exceptional circumstances. It is possible that a care leaver with links with the District Council to be considered for such accommodation under exceptional circumstances where they do not meet the Residency Criteria. In order for a SAFE resident to be moved on into Council accommodation, 3 years residency is currently required. However, it is possible that a SAFE resident could stay for the 3 years in exceptional circumstances in order to meet the Council’s Residency Criteria. At the end of their stay, one offer of Council flatted accommodation would generally be made in accordance with Appendix 4 of the Council’s Housing Allocations Scheme. If the offer is refused, the Council will make no further offers of accommodation.

15. The Panel’s attention is drawn to Paragraph 7 of the Housing Portfolio Holder’s initial views at Appendix One. The Code of Guidance is referred to, which states that authorities “may wish to consider” exceptions for those who have a “strong association” to the local area, including provision for care leavers. Officers are recommending that if the Residency Criteria is increased to 5 years (in accordance with the Housing Portfolio Holder’s initial views), a lesser residency requirement of 3 years be applied to those leaving care.

*Not applying, in the case of care leavers, the Criteria under Paragraph 14.8 of the Scheme “Serious Unacceptable Behavior”.*

16. Under the Council’s current Housing Allocations Scheme the Local Eligibility Criteria states that, any homeseeker (or member of their household) who within the previous 3 years has been guilty of serious unacceptable behaviour will be ineligible to join the Council’s Housing Register. Officers do not consider that care leavers should be exempt from this provision due to the importance of eradicating anti-social behaviour within communities.

***Hillsden v Epping Forest District Council***

17. The Council is currently being challenged by way of Judicial Review in the High Court against the Council’s decision not to allow a non-qualifying applicant to join the Council’s Housing Register due to her exceptional circumstances. The Claimant’s two main arguments

are that:

- (i) Although the Council argues that the delegated authority granted to the Director of Communities (Paragraph 7.2 of the Scheme refers), to make decisions as he considers appropriate in exceptional circumstances not covered by the Scheme only applies to qualifying persons (i.e. people already admitted onto the Housing Register and does not apply to whether or not applicants are admitted to the Housing Register in the first instance), the Claimant says the Scheme infers it applies to both qualifying and non-qualifying persons; and
- (ii) That housing allocation schemes nationally, regardless of how framed, should consider exceptional circumstances of all non-qualifying applicants following a request for a review.

18. Although it is being suggested that Paragraph 7.2 of the Scheme is amended as part of this Review to make it clear that the discretion only applies to qualifying persons already admitted onto the Housing Register (and qualifying applicants), if the Claimant is successful in her claim under (i), then the Council would need to amend its Scheme as soon as possible after the judgment by way of a Housing Portfolio Holder or Cabinet decision, depending upon whether it is considered as a minor or major change. Furthermore, a review of the Claimant's case would need to be undertaken by the Director of Communities (and any other person's case who may request a similar review) to determine whether there are any exceptional circumstances for the Claimant to be a qualifying person to join the Council's Housing Register.

19. If the Claimant is successful in her second claim under (ii), then this could potentially affect every local authority's Scheme in England as they will be required to consider any exceptional circumstances of any person not meeting with any aspect of their Scheme, irrespective of how they are framed.

20. The Council is vigorously defending the Claim. At the time of the Agenda dispatch, the decision of the Court is awaited, and it is hoped that the Judgment will be received before the date of the Housing Scrutiny Panel, in which case an oral report will be given. Depending upon the outcome, Counsel has advised that an Appeal application could be made by the Claimant depending upon the final judgment including the reasoning given by the Judge for his decision. The Council will need to consider its position depending upon the outcome.

### ***Consultation and Cabinet Approval***

21. Following the Panel agreeing the amendments to be incorporated into the draft Housing Allocations Scheme, it is suggested that the new draft Scheme be considered by an external Legal Advisor, prior to the Statutory consultation being undertaken (see below) and the Cabinet considering the final Scheme.

22. Any advice given by the external Legal Advisor will then be incorporated and a consultation exercise undertaken, in accordance with Statutory Guidance, with the Tenants and Leaseholders Federation, Registered Providers operating in the District, Local Councils and partner agencies with an interest in the Scheme. The draft Scheme will also be posted onto the Council's Website seeking comments.

23. In accordance with legal advice previously received, the consultation period is required to be at least 12 weeks. However, in accordance with associated advice given, the Council can choose a shorter period if it has good reason. It is therefore recommended that the consultation period is reduced to 10 weeks. This is due to the expiry of the contract for the administration of the Choice Based Lettings Scheme being in June 2015 which is close to the proposed date for the revised Scheme coming into force. Locata Housing Services (LHS) have advised that should they not be successful under the Tendering process, any changes to the Scheme, including homeseekers having to update their information on-line, would need



to be completed by the end of the contract. By reducing the consultation period, this will enable a report to be submitted by the Panel to the March meeting of the Cabinet and provide much needed additional time for officers and LHS to complete this process.

24. Due to this and the implementation work needed, including all homeseekers having to update information on-line, the target date for the revised Scheme coming into force is 1 July 2014. It is suggested that the next review of the Scheme be considered by the Panel following 2 years of operation.

25. The Housing Scrutiny Panel is asked to submit a report on the proposed revised Scheme to the March 2015 meeting of the Cabinet for consideration.

26. The current Scheme and Code of Guidance (December 2013) have been circulated to Panel Members separately, and Members are asked to have regard to the Code of Guidance when considering proposed changes to the Schemes (especially since this was raised as an issue by the Judicial Review Claimant).

**Reason for decision:**

For the Housing Scrutiny Panel to consider the 12 month review of the Housing Allocations Scheme as part of its Work Programme and to make recommendations to the Cabinet accordingly.

**Options considered and rejected:**

That the Housing Scrutiny Panel does not consider the 12 month review of the Housing Allocations Scheme, or makes recommendations to the Cabinet.

**Consultation undertaken:**

As set out in Paragraphs 22 & 23 of the report.

## APPENDIX ONE – HOUSING PORTFOLIO HOLDER’S INITIAL VIEWS

The following paragraphs set out under each issue the background, the Housing Portfolio Holder’s initial views, and officers suggested options and/or recommendations.

### ***Residency Criteria***

#### *Background*

1. Under one aspect of the current Local Eligibility Criteria set out at Paragraph 14 of the Scheme, in order to join the Council’s Housing Register an applicant must have been resident in the District for 3 continuous years.

#### *Housing Portfolio Holder’s Initial Views*

2. That the Residency Criteria be increased, with any new applicant who has lived in the District for less than five continuous years immediately prior to their date of registration, not qualifying for inclusion on the Council’s Housing Register;

3. That all existing homeseekers (already on the Housing Register) who have lived within the District for less than 4½ continuous years immediately prior to the date the new Housing Allocations Scheme is introduced, be removed from the Council’s Housing Register; and

4. That existing homeseekers removed from the Housing Register due to them not meeting the Local Eligibility Criteria should be allowed to re-register if/when they meet the new Local Eligibility Criteria, but that their Registration Date be the date of re-registration.

#### *Officer recommendation*

5. That the Housing Portfolio Holder’s initial views be recommended to the Cabinet.

### ***Exceptions to the Residency Criteria***

#### *Background*

6. Under the current Scheme, there are exceptions to the Residency Criteria for Armed Forces Personnel, and those who have moved out of the District for less than 3 years but have lived in the District for at least 3 years before moving out of the District. In addition, applicants who are over 60 years of age (who do not meet the Residency Criteria or have a housing need) on the Supplementary Waiting List can bid on vacancies in sheltered accommodation, although Homeseekers on the Housing Register who have submitted bids are given priority.

7. Under the Code of Guidance, it states that authorities “may wish to consider” exceptions for those who have a “strong association” to the local area. Including:

- those with a family association
- providing protection to those escaping violence or harm
- care leavers
- existing tenants wishing to move between authorities to downsize accommodation

8. The Code of Guidance further explains that the Government wants to increase opportunities for hardworking households and are intending to introduce the “Right to Move” for social tenants who are seeking to move across boundaries to take up a job or to be closer to their work. The Guidance states “in the meantime, we expect housing authorities to make appropriate exceptions to their residency test for social tenants so as not to impede the

labour market”.

#### *Housing Portfolio Holder’s Initial Views*

9. That no exceptions be made to the Residency Criteria for those who have a “strong association” with the District as this could lead to inconsistent decision-making;

10. That in accordance with the Government’s Code of Guidance and recent Consultation Paper “Right to Move” an exception be made to the Residency Criteria for existing social housing tenants who are seeking to move from another local authority district in England across boundaries to be closer to their work, take up a job, apprenticeship or full-time training that will lead to employment.

#### *Officer recommendation*

11. That an additional Paragraph be added into the Scheme at 14.3(f) as follows:

“Are in or have secured either permanent employment comprising of a minimum of 24 hours each week or an apprenticeship or full-time work-related training, and currently live either in excess of 50 miles from their current or intended place of work; and/or their return journey time on public transport is generally in excess of 3 hours. Journey times will be based upon Internet Journey Planners”; and

In order to comply with the above, to amend Band C (i) as follows:

“All Homeseekers (in accordance with Paragraph 14.3 (f) of this Housing Allocations Scheme) who need to move to be nearer to their place of work or to take up an offer of permanent employment, an apprenticeship or full-time work related training”

12. Officers further recommend that, should the Residency Criteria be increased to 5 years, the provision for those who have moved out of the District also be amended. It is suggested that those who have moved out of the District into settled accommodation for less than 3 year (being the current period) but have lived in the District for at least 5 years immediately before moving out of the District (in accordance with the proposed new Residency Criteria), will be treated as homeseekers who have lived in the District for more than 5 years prior to application.

13. The Code of Guidance is referred to which states that local authorities “may wish to consider” exceptions for those who have a “strong association” to the local area, including provision for care leavers. Further to representations made by Essex County Council, referred to at Paragraph 14 of the main report, officers are recommending that if the Residency Criteria is increased to 5 years, a lesser residency requirement of 3 years be applied to those leaving care.

#### ***Financial Criteria aspect of the Local Eligibility Criteria***

##### *Background*

14. Under the current Scheme, any applicant who, in the opinion of the Council, has sufficient funds including; annual income, residential property equity, savings, shares or other assets to enable them to meet his or her housing costs will be ineligible to join the Housing Register. The thresholds at which this criterion applies is currently where;

- three times the gross annual household income including; residential property equity, savings, shares or other assets, exceeds £200,000 and the applicant qualifies for studio or 1 bedroom accommodation

- three times the gross annual household income including; residential property equity, savings, shares or other assets, exceeds £275,000 and the applicant qualifies for 2-bedroom or larger accommodation.

15. Any lump sums received, as compensation for an injury or disability sustained on active service by either, members of the Armed Forces, former Service personnel, bereaved spouses and civil partners of members of the Regular Forces, or serving or former members of the Reserve Forces, is disregarded from this criterion.

#### *Housing Portfolio Holder's Initial Views*

16. That the Financial Criteria aspect of the Local Eligibility Criteria should be substantially reduced to reflect, income and assets, residential property, equity, savings, shares or other assets, that would be required in order for any applicant to be able to secure accommodation in the private rented sector (rather than owner occupied accommodation which is the basis of the current criteria), and that officers put forward options to the Panel for consideration.

#### *Officer recommendation*

17. In May 2014, the DCLG issued its Guidance on Rents for Social Housing, which comes into effect from April 2015. The Guidance included Guidance on Rents for Social Tenants with High Incomes. For social tenants with high incomes, the Government allows local authorities to charge full market rents for properties let to households with an income of £60,000 per year. Authorities can choose to charge them up to full market rent. The DCLG's definition of "Households" mean tenants named on the Tenancy Agreement and any named tenant's spouse, Civil Partner or partner where they reside in the accommodation. "Income" is meant by the taxable income. Furthermore, under separate housing benefit rules, any person who has savings in excess of £16,000 is ineligible for housing benefit.

18. It is therefore recommended that the Financial Criteria limits for lead applicant/s being ineligible to join the Housing Register be based upon those set out in Paragraph 17 above and where any lead applicant/s (being those who intend to be either tenants or joint tenants) whose gross annual household income including; residential property equity, savings, shares or any other assets, exceeds £76,000 (i.e. £60,000 plus £16,000) they not qualify to join the Council's Housing Register, regardless of the size of accommodation required.

### ***Downsizing incentive payments***

#### *Background*

19. Under the current Scheme, any tenant of the Council is offered a payment to encourage them to downsize accommodation, where both properties are owned by the Council. This includes £500 for removal costs and £500 for each bedroom "released" to a maximum payment of £2,000.

20. The budget for downsizing payments and removal expenses for 2013/2014 was £44,000. During this period 41 tenants of the Council downsized to a property owned by the Council with less bedrooms. This resulted in 54 bedrooms being "released". The total amount paid in downsizing payments and removal expenses was £47,500.

#### *Housing Portfolio Holder's Initial Views*

21. That the downsizing incentive payments should be increased and the Housing Scrutiny Panel be asked to consider other options to incentivise the Council's tenants to downsize accommodation including, rent free periods in their new smaller property and increased decorations allowances.

### *Officers' suggested options*

#### Option One

22. That the amount paid for removal costs remains the same, as this appears to be a reasonable allowance for this purpose, but that the incentive payments for each bedroom "released" be doubled to £1,000, to a maximum payment of £3,500.

#### Option Two

23. That the incentive payments for each bedroom "released" be doubled to £1,000 to a maximum payment of £3,500. In addition, that the amount paid for removal costs remains the same, but a standard decoration allowance payment of £500 is paid by way of "Homebase" vouchers (which is around twice the full amount paid to any tenant when all rooms in a property are in need of re-decoration) making a total payment of £1,000 for both removals and re-decorations.

#### Option Three

24. That the incentive payments for each bedroom "released" be doubled to £1,000 to a maximum payment of £3,500. In addition, that the amount paid for removal costs remains the same, but a standard decoration allowance payment of £500 is paid by way of "Homebase" vouchers (which is around twice the full amount paid to any tenant when all rooms in a property are in need of re-decoration) making a total payment of £1,000 for both removals and re-decorations. Furthermore, that the tenant be offered a rent-free period of 3 months in their new smaller property.

### *Officer recommendations*

25. Option Two is recommended, with the incentive payments paid for each bedroom released being increased from £500 to £1,000. In addition, that the amount paid for removal costs remains the same, but a standard decoration allowance payment of £500 is paid (which is around twice the full amount paid to any tenant when all rooms in a property are in need of re-decoration) making a total payment of £1,000 for both removals and re-decorations. Rent free periods should not be granted as these would not benefit tenants who are receiving housing benefit.

26. If increased incentives set out in Option Two are agreed, this is expected to result in an estimated increase in budget provision of around £68,000 making a required total annual budget of £115,500. The increase would need to be funded from the Housing Improvements and Service Enhancements Fund when the Housing Scrutiny Panel considers the use of the Fund in January 2015.

### ***Penalties for refusals of offers of accommodation***

#### *Background*

27. Under the current Scheme, any homeseeker (apart from an existing tenant of the Council who is under-occupying and wishing to move to smaller accommodation) who refuses two offers of suitable accommodation for which they have expressed an interest within any three-month period will have their application deferred for a period of six months.

#### *Housing Portfolio Holder's Initial Views*

28. That any homeseeker who refuses two offers of suitable accommodation for which they have expressed an interest within any period should have their application deferred for a period of twelve months; and

29. That any homeseeker who is an existing tenant of the Council who is under-occupying and wishing to move to smaller Council accommodation who refuses three offers of suitable accommodation for which they have expressed an interest within any period, will have their applications deferred for a period of twelve months.

*Officer recommendation*

30. That the Housing Portfolio Holder's initial views be recommended to the Cabinet. It is further suggested that any previous refusals by homeseekers of offers of suitable accommodation be waived and not counted, from the date the new Scheme comes into force.

## APPENDIX TWO

Paragraph No.	Change to the Scheme	Reason
1	<p>Amend – first line “...under Section 166A of the Housing Act 1996...”</p> <p>Add - last line “..... (DCLG June 2012) Providing social housing for local people: statutory guidance on social housing allocations for local authorities in England (December 2013) and other relevant legislation and Guidance”.</p>	<p>To update Act References</p> <p>To clarify that the Scheme has taken account of this recent guidance which came into force after the last review</p>
6.3	Delete: (b) 16 and 17-year-olds owed a full housing duty by the Council under homelessness legislation	No longer required as all homeless persons are not included on the Housing Register and are dealt with under Appendix 4 of the Scheme
7.2	Amend to: “The Council recognises that there may be some exceptional circumstances concerning qualifying persons which are not covered by the Scheme. In such instances, the Director of Communities will have delegated authority to make decisions as he considers appropriate. The Director of Communities does <u>not</u> have delegated authority to decide whether there are exceptional circumstances for allowing any ineligible applicant to join the Housing Register.	To clarify that, although the Director of Communities has delegated authority to make decisions in exceptional circumstances not covered by the Scheme, this will only apply to qualifying persons.
7.5	Move this Section of the Scheme to Appendix 4 under “Other Allocations Outside of the HomeOption Scheme	To avoid any duplication and set out all allocations made outside of the Scheme in one Section.
10	<p>Add 10.3</p> <p>“When an existing tenant applies to change their sole tenancy to a joint tenancy, this will be subject to any new joint applicant meeting with the Local Eligibility Criteria of this Scheme at Paragraph 14 (apart from the Housing Need element) and all of the requirements set out in the Council’s leaflet on Joint Tenancies current at the time of application being met”.</p>	To clarify the conditions on which a sole tenant can enter into a joint tenancy

**APPENDIX TWO (Continued)**

Paragraph No.	Change to the Scheme	Reason
11.1	Amend to: "Most homeseekers will be given an opportunity to view the property they are being offered prior to giving the Council a decision". Also, merge Paragraphs 11.1 & 11.2	Clarifies the process better
14.1	Amend last sentence to: "Within this Housing Allocations Scheme, those who do not meet all aspects of the criteria are classed as persons not qualifying".	To clarify that all applicants must meet with all parts of the Local Eligibility Criteria.
14.3 (a) to (d)	<p>Amend to:</p> <p>14.3 "...prior to their date of registration with the exception of persons who:</p> <p>(a) are serving in the regular forces and are suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service;</p> <p>(b) Formerly served in the regular forces where the application is made within 5 years of discharge;</p> <p>(c) have recently ceased, or will cease to be entitled, to reside in accommodation provided by the Ministry of Defence following the death of that person's spouse or civil partner who has served in the regular forces and whose death was attributable (wholly or partly) to that service, or</p> <p>(d) are serving or have served in the reserve forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service where the application is made within 5 years of discharge.</p> <p>The "regular forces" and the "reserve forces" have the meanings given by section 374 of the Armed Forces Act 2006</p>	<p>Section 166 A (3) of the Housing Act 1996 determines who has priority for an allocation of social housing.</p> <p>Regulations have been made by the Secretary of State. The change to the Scheme accurately reflects the amendments made in respect of the additional preference given to Armed Forces Personnel, which is worded slightly different from the provisions originally set out in the Guidance and consequently the current Scheme.</p>



**APPENDIX TWO (Continued)**

Paragraph No.	Change to the Scheme	Reason
14.3 (f)	Delete	No longer required as those applicants would have re-registered
Band A (vi)	Add at end of criterion  “.....but not as a result of the introduction of a further household”	It is important that such priority is not given to those occupying insanitary or overcrowded housing if it is as a result of the host household moving another household into the property.
New Band B (i)	Homeseekers defined as a household, who are sharing accommodation with another household, which is resulting in a lack of at least one bedroom.  (Also amend numbering within this Band)	To give priority to a household sharing with another household who have been living in such circumstances for 12 months or more. This should result in the second household continuing to reside with the “host” household until they are housed and prevent homelessness in these circumstances.
Band B (iv)	Amend to:  Existing tenants of the Council: <ul style="list-style-type: none"> <li>• living in 2 or 3 bedroom flatted accommodation (including maisonettes) who meet the Local Eligibility Criteria (under paragraph 14 of the Scheme), making expressions of interest for houses that meet with their housing need</li> </ul> <p>with their registration date being the tenancy commencement date of their current property.</p>	The words “with no housing need” have been deleted. This is in order that those living in 3 bedroom flats or 2 bedroom flats who have a housing need e.g. lacking a bedroom can also benefit from their registration date being their tenancy commencement date.  Two bullet points would be merged  Under this proposal, homeseekers would be able to bid on houses that meet their housing need should they be lacking a bedroom.

**APPENDIX TWO (Continued)**

Paragraph No.	Change to the Scheme	Reason
Band B (vi)	Delete	This continued to be included in the Scheme in order that when, in very rare circumstances, homeless applicants are placed in accommodation within the Council's stock, they should be allowed to bid on properties in order to move as soon as possible. As, those placed in the Council's housing stock are generally given a direct offer of that property this category has proven not to be needed. It is also considered that as all other homeless applicants are no longer able to bid, all such applicants should be treated consistently.
Band C (vi)	Delete	Under the old Scheme those found intentionally homeless were given low priority. Suggested this Criterion is deleted as under the current Scheme, homeless applicants are no longer included on the Housing Register.
Band B (vi)	Additional category a follows:  "Existing tenants of the Council aged over 60 years living in 1 bedroom Council accommodation wishing to move to sheltered accommodation regardless of need.	To give an opportunity to a person over 60 years of age living in 1 bedroom Council accommodation to move to sheltered accommodation, thereby freeing up much needed general needs accommodation.

**APPENDIX TWO (Continued)**

Paragraph No.	Change to the Scheme	Reason
14.8	<p>Remove the following sentence:</p> <p>“Applicants most likely to be rejected on these grounds are those who have been evicted from a council, housing association or private rented tenancy”.</p>	<p>This clause suggests that the Council would only exclude or remove applicants from the Housing Register who had been evicted. This prevents excluding those committing acts of serious unacceptable behaviour where the Courts may not have granted possession and problems are continuing.</p>
14.8	<p>Amend Paragraph setting out the various new remedies for Anti-Social Behaviour in bullet point form in accordance with the Anti-Social Behaviour Crime and Policing Act 2014.</p>	<p>To set out the new terminology for the Orders and Injunctions under the new legislation. Any persons subject to these or any other similar penalties introduced under future legislation will not qualify.</p>
16.3	<p>Amend to:</p> <p>“.....to be made. A household is two persons or more who are intending to live together at the same property offered. Homeseekers should only include persons on their application who have been part of their household for at least a 12 month period and who will occupy the accommodation offered as their only or principal home”. In respect of the Financial Criteria set out at Paragraph 14.6 of this Scheme, Household is defined as any person intended to be either tenants or joint tenants”</p>	<p>A clearer definition of “Household” Furthermore, to ensure that all applicants are permanent members of the household.</p>

**APPENDIX TWO (Continued)**

<b>Paragraph No.</b>	<b>Change to the Scheme</b>	<b>Reason</b>
16.5	<p>Amend to:</p> <p>“Required documents in respect of 16.4 above will include an original Full Birth Certificate and current Passport and any other appropriate documents as determined by the Housing Options Manager ”</p>	<p>As there is an extensive list of documents that may be required and can vary from case to case, it is better to make a broader statement. Being less specific gives the Housing Options Manager the ability to make decisions based upon the applicant’s circumstances.</p>
17.1 (f)	<p>Add (iii) how any decision about the facts of their case has been taken into account.</p>	<p>To comply with the DCLG Code of Guidance</p>
<p>Appendix 4</p> <p>1.3</p>	<p>Amend final sentence to:</p> <p>“If the offer is refused, the applicant will have the right to seek a Review of the suitability of the accommodation. If not successful, the Council’s duty under the Housing Act 1996 as amended to provide accommodation will be considered to be discharged”.</p>	<p>To clarify that applicants have the right to seek a Review of the suitability of the accommodation offered.</p>

**Appendix 3 - Information from stockholding authorities:**

Allocation Policies	Epping	Basildon	Brentwood	Castle Point	Colchester	Harlow	Tendring
How many years does an applicant need to be resident in your District in order to qualify to join your Housing Register?	3 years (exceptions and conditions apply)	7 years (exceptions and conditions apply)	Continuously for 6 out of last 12 months, or 3 out of 5 years or family connections for last five years	Resident in district for last 12 months <b>and</b> 3 out of the last 5 years. Considered if strong family connection to area (at least 5 years) or have permanent work in borough of at least 16 hours per week	Applicants need to show they currently reside in borough, or are in permanent paid work within borough or have a close relative who has lived in the area for at least 5 years	Applicant, or close relative, has lived in area for a minimum of 5 years, or has permanent work in district for 12 months or more of at least 24 hours a week.	3 years
Do you have any exceptions to your Residency Criteria?  Page 45	<ul style="list-style-type: none"> <li>➤ Those who meet armed forces criteria</li> <li>➤ Have moved away from area less than 3 years ago but lived in area for 3 or more years previously.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Those who meet armed forces criteria</li> </ul>	<ul style="list-style-type: none"> <li>➤ Applicants of pensionable age with family members in need of support within borough</li> <li>➤ Members of witness protection endorsed by police</li> <li>➤ Those who meet armed forces criteria</li> </ul>	<ul style="list-style-type: none"> <li>➤ Those with family members in need of support within borough</li> <li>➤ Members of witness protection endorsed by police</li> <li>➤ Those who meet armed forces criteria</li> </ul>	<ul style="list-style-type: none"> <li>➤ Those who meet armed forces criteria</li> </ul>	<ul style="list-style-type: none"> <li>➤ Existing social housing tenants</li> <li>➤ Those who meet armed forces criteria</li> <li>➤ Applicant has no safe connection in other areas due to violence or special medical support needs</li> </ul>	<ul style="list-style-type: none"> <li>➤ Those who meet armed forces criteria</li> <li>➤ Former residents who had been living in specialist accommodation not available in district.</li> </ul>
What incentives do you have for existing tenants who downsize accommodation?	<ul style="list-style-type: none"> <li>➤ £500 for each room released plus removal expenses up a limit of £2,000.</li> <li>➤ Help is also offered with organising move.</li> </ul> <p>Conditions apply.</p>	<ul style="list-style-type: none"> <li>➤ £1,500 to move from 3,4 or 5 bed to a 1 bed</li> <li>➤ £1,000 for move from 2 bed to 1 bed</li> </ul>	No details available	<ul style="list-style-type: none"> <li>➤ 1 bed flat to bedsit – £2,000,</li> <li>➤ 1 bed bungalow /house to 1 bed flat - £1,500,</li> <li>➤ 2 bed house to 1 bed house or 3 bed house to 2 bed house - £1,000</li> </ul>	<ul style="list-style-type: none"> <li>➤ £500 for downsizing by one bedroom, and up to £1,500 for downsizing by two or more bedrooms.</li> </ul>	<ul style="list-style-type: none"> <li>➤ £1,000 for one bedroom, £1,500 for two, £2,000 for three £2,500 for four</li> <li>➤ Additional £1,000 is paid if a tenant moves from a house/bungalow to a maisonette/flat.</li> <li>➤ All tenants receive removal costs.</li> </ul>	<ul style="list-style-type: none"> <li>➤ 3 bedrooms moving to 1 bedroom up to £1,000</li> <li>➤ 3 bedrooms moving to 2 bedrooms up to £750</li> </ul>

Allocation Policies	Epping	Basildon	Brentwood	Castle Point	Colchester	Harlow	Tendring
What penalties are in place for refusal of offers?	➤ Any applicant (except existing downsizing tenants) who refuses two reasonable offers within any three month period will have their application deferred for 6 months.	➤ Those who refuse their final offer, or fail to bid during 8 consecutive cycles will be suspended from the register for 1 year.	➤ Refusal of two reasonable offers within 12 month period could lead to application being deferred for 12 months (conditions apply)	➤ After refusal of two offers, applicant will be interviewed. ➤ Unreasonable refusals may result in 12 month suspension from register or a change in banding.	➤ No penalties	➤ One refusal without penalty; applicants refusing a second time may be moved down a band for a period of 6 months.	➤ If two reasonable offers are refused, no further offers will be made for a period of 12 months. If a third and final offer is refused, the applicant will be removed from the housing register.
What financial limits are set on savings, assets and income?	➤ Applicants have total household savings, equity or 3 times income(s) of £200,000 or more for 1 bed accommodation, £275,000 for 2 bed.		➤ Applicants not allowed to join if they have savings over £16,000, or combined assets (income, savings etc.) totalling £60,000 or more.		➤ Significant assets	➤ Single or joint applicants have savings, equity or income of £50,000 or more. ➤ Non-dependent children's incomes do not form part of assessment.	➤ Applications dealt with on own merits, dependent on need ➤ A base figure of £16,000 of assets has been set, but is subject to circumstances.
What financial limits are set on savings, assets and income?	Applicant(s) have total household savings, equity or 3 times income(s) of £200,000 or more for 1 bed accommodation, £275,000 for 2 bed.	➤ Allowed savings up to £16,000 and/or total household income, including non-dependent children, of £50,000. ➤ Applicants aged 55 or over, with total assets less than £250,000 allowed to apply for sheltered housing, but placed in lowest band.	➤ Applicants not allowed to join if they have savings over £16,000, or combined assets (income, savings etc.) totalling £60,000 or more.	➤ Can apply if they have savings and/or equity of less than £16,000. ➤ Level of income is assessed case by case, subject to status and need. ➤ Background financial checks are carried out regarding previous financial status and disposal of assets etc.	➤ Reduced preference for applicant with "significant financial resources", which would enable them to secure alternative accommodation at market rent.	➤ Single or joint applicants have savings, equity or income of £50,000 or more. ➤ Non-dependent children's incomes do not form part of assessment.	➤ Applications dealt with on own merits, dependent on need. ➤ A base figure of £16,000 of assets has been set, but is subject to circumstances.

Page 46

**Information from non-stockholding authorities:**

Broxbourne	East Hertfordshire
<ul style="list-style-type: none"> <li>➤ 5 year residency</li> <li>➤ Up to £750 to downsize</li> <li>➤ No Flexible Tenancy Scheme</li> </ul>	<ul style="list-style-type: none"> <li>➤ 12 months residency (additional points given for other local connections)</li> <li>➤ Up to £1,000 to downsize</li> <li>➤ The two main housing associations offer 5 year flexible tenancies</li> </ul>

# Tenancy Policy Report

Flexible Tenancy Policies	Epping	Basildon	Brentwood	Castle Point	Colchester	Harlow	Tendring
Do you have a Flexible Tenancy Scheme?	Yes	Yes (September 2014 onwards)	Yes	Yes	No	No	Yes
If yes, what properties are let on Flexible Tenancies?	Properties with 3 or more bedrooms	All property types except sheltered housing and those transferring from existing secure tenancies	All property types except sheltered accommodation or special needs housing to meet long term need	All property types included in scheme.	n/a	n/a	All except sheltered, or where there is a long term need for supported accommodation.
What is the period of the Flexible Tenancy?	10 years, inclusive of 12 month introductory period (conditions apply).	5 years	5 year fixed term, including 12 month introductory period,	2, 5 or 10 year fixed term including introductory period for tenancy management purposes. Secure tenancies available to most new or existing tenants	n/a	n/a	5 years, inclusive of introductory period. Fixed terms of 2 to 5 years may be offered in certain circumstances.

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## **Report to Housing Scrutiny Panel**

**Date of meeting: 21 October 2014**

**Portfolio: Housing – Councillor D. Stallan**

**Subject: Review of the Tenancy Policy**

**Officer contact for further information:  
Alan Hall ext 4419**

**Committee Secretary: Mark Jenkins ext 4607**

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### **Recommendations/Decisions Required:**

**1. That, as part of its Work Programme, the Housing Scrutiny Panel carries out a 12 month Review of the Council's Tenancy Policy and considers the suggested amendments to the Policy set out in the report;**

**2. That following the agreed amendments being incorporated, a consultation exercise be undertaken with the Tenants and Leaseholders Federation, Registered Social Landlords operating in the District, Local Councils and partner agencies with an interest in the policy;**

**3. Following the consultation exercise, the Housing Scrutiny Panel submits a report on the amendments to the Cabinet for consideration; and**

**4. That the revised Tenancy Policy comes into force on the same date as the revised Housing Allocations Scheme.**

### **Report:**

1. Under the Localism Act 2011, registered housing providers were granted additional powers which enable decisions to be taken locally about the management of social housing. This included enabling providers of social housing with the option to use flexible tenancies (also known as fixed-term tenancies), which in most cases will be for a minimum period of 5 years or between 2 & 5 years in exceptional circumstances. Flexible tenants generally enjoy the same rights as secure tenants including the Right to Buy subject to the current qualifying criteria.

2. On expiry of the fixed-term, the tenant is assessed against an agreed Assessment Criteria to determine whether a further tenancy (Flexible or Secure) will be granted. If another tenancy is not offered, there is a requirement to provide the tenant with advice and assistance. It should be noted that sheltered housing tenants are only granted secure tenancies in accordance with the Act.

3. All Registered Providers are required to publish and be responsible for their own individual Tenancy Policy which sets out:

- The kinds of tenancies granted
- Circumstances where a tenancy of a particular type will be granted and the length of the term
- Circumstances where a term of less than 5 years will be granted
- Circumstances where another tenancy will be granted on expiry on the same or another property

- How applicants/tenants can appeal against the length of the Flexible Tenancy or the decision not to grant a further tenancy
- How the needs of vulnerable people will be taken into account
- Provision of advice and assistance if another tenancy is not granted at the end of the term
- Discretionary succession rights

4. The Council's current Tenancy Policy has been circulated separately from the Agenda.

5. At its meeting on 15 April 2013 (Minute 138 refers), the Cabinet adopted the current Tenancy Policy with effect from 1 September 2013. The Cabinet further agreed that the Housing Scrutiny Panel be asked to review the success of the Pilot Scheme to grant Flexible (fixed-term) Tenancies on all properties of 3 bedrooms or more, after 12 months of commencement, hence the need for this report. The Panel was asked to submit a report to the Cabinet on its review including, in particular;

(a) whether to discontinue, continue or extend the scheme to include 2 bedroom properties; and

(b) whether in future to means test tenants as part of the Assessment Criteria at the end of the Flexible Tenancy period.

### ***Extending Flexible (fixed-term) Tenancies***

6. The Housing Portfolio Holder has held informal discussions with Cabinet colleagues to inform his initial views on the major aspects of the 12 month review. He considered this essential, as it gives the Scrutiny Panel and officers direction on the general approach to be taken in reviewing both the Council's Housing Allocations Scheme and Tenancy Policy in an effort to prevent any unnecessary work and any recommendations being put forward to the Cabinet by the Scrutiny Panel that would not be supported.

7. As a result of these informal discussions, the Housing Portfolio Holder made a formal decision that, under the 12 month review of the Policy, Flexible (fixed-term) Tenancies continue and be for a fixed-term of ten years, and the Council's Tenancy Policy be amended with Flexible (fixed-term) Tenancies being extended to include all Council properties, except sheltered accommodation.

8. When considering his initial views, the Housing Portfolio Holder took into account the approach taken by 6 other Essex Authorities, which are set out in the table attached at Appendix 1.

9. If Flexible (fixed-term) Tenancies are extended to include all properties (excluding sheltered accommodation), this may discourage some tenants from transferring or downsizing accommodation as, in order to transfer, they would have to enter into a new Flexible (fixed-term) Tenancy and therefore no longer have a Secure (Lifetime) Tenancy. It is therefore suggested that, in addition to the protection already granted under legislation to Pre-Localism Act tenants whereby they are granted Secure (Lifetime) Tenancies for one move only when transferring, all existing Post-Act Secure (Lifetime) Tenants are also protected in the same way.

### ***Means testing tenants as part of the Assessment Criteria***

10. Under the Review of the Housing Allocations Scheme which is being considered elsewhere on the Agenda, officers are recommending that where any lead applicant/s whose gross annual household income including; residential property equity, savings, shares or other assets, exceeds £76,000 they will not qualify to join the Council's Housing Register regardless of the size of accommodation required.

11. Officers are recommending that for consistency, there be an additional requirement under the Assessment Criteria which determines whether at the end of the fixed-term if a further tenancy be granted. The additional requirement would be that a further tenancy (Flexible or Secure) will generally not be granted in the following circumstances:

“Where the tenant/s annual household income including; residential property equity, savings, shares or other assets, exceeds £76,000”.

12. It should be noted that the new requirement would only apply to new Flexible (fixed-term) Tenants who sign up after the new Tenancy Policy comes into force.

**Reason for decision:**

For the Housing Scrutiny Panel to Review the Council’s Tenancy Policy prior to submitting a report to the Cabinet.

**Options considered and rejected:**

That the Housing Scrutiny Panel does not consider the Review of the Council’s Tenancy Policy prior to its consideration by the Cabinet.

**Consultation undertaken:**

Following the meeting of the Panel, the Tenants and Leaseholders Federation, all Registered Social Landlords operating within the District, all Local Councils and partner agencies with an interest in the Policy will be consulted, prior to the Panel submitting a report to the Cabinet.

**Resource implications:**

Budget provision: Within existing resources

Personnel: None

Land: N/A

Community Plan/BVPP reference: N/A

Relevant statutory powers: Housing Act 1985, Localism Act 2011

Background papers: Housing Portfolio Holder report; Tenancy Policy

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

Key Decision reference: (if required) Not a key decision

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## **Report to Housing Scrutiny Panel**

**Date of meeting: 21 October 2014**

**Portfolio: Housing – Councillor D Stallan**

**Subject: Housing Service Strategy on Rent Arrears**

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

**Committee Secretary: Mark Jenkins extension 4607**

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### **Recommendations/Decisions Required:**

**1. That the Housing Scrutiny Panel considers and endorses the Housing Service Strategy on Rent Arrears, attached as an appendix, and provides any comments to the Housing Portfolio Holder for incorporation.**

### **Report:**

1. The Housing Service Strategies were originally produced around 15 years ago in accordance with an agreed standard framework, and have since been updated. The Strategies give more detail than the Council's main Housing Strategy on the various housing services provided. In total, 16 Housing Service Strategies have been produced to date, covering:

Equality and Diversity	House Sales & Leasehold Services
Rent Arrears	Rent Collection and Administration
Under-occupation	Harassment
Housing Information	Tenant Participation
Private Rented Sector	Older Peoples' Housing Services
Housing Advice	Empty Council Properties
Energy Efficiency	Prevention of Social Housing Fraud
Anti-Social Behaviour	
Housing and Neighbourhood Management	

2. The Strategies are produced to a common format that set out how individual housing services will be delivered. They have assisted the Housing Service in achieving the Customer Service Excellence award and ISO 9001:2008 Quality Accreditation, and have been important to meeting the minimum requirement for Supporting People funding under the conditions of the contract.

3. The Housing Scrutiny Panel is asked to consider and endorse the Housing Service Strategy on Rent Arrears attached as an appendix to the report and provide any comments to the Housing Portfolio Holder for incorporation.

### **Reason for decision:**

In order for the Panel to agree the updated Housing Service Strategy on Rent Arrears. The Service Strategies have assisted the Housing Service in achieving the Customer Service Excellence award and ISO 9001:2008 Quality Accreditation, and have been important to meeting the minimum requirement for Supporting People funding under the conditions of the contract.

**Options considered and rejected:**

Not to consider and agree the updated Housing Service Strategy on Rent Arrears.

**Consultation undertaken:**

The Tenants and Leaseholders Federation will be consulted on the Strategy at their next meeting.

**Resource implications:**

Budget provision: As set out in the Strategy

Personnel: As set out in the Strategy

Land: N/A

Community Plan/BVPP reference: N/A

Relevant statutory powers: As set out in the Strategy

Background papers: N/A

Environmental/Human Rights Act/Crime and Disorder Act Implications: As set out in the Strategy

Key Decision reference: (if required) N/A

## **1. Introduction**

- 1.1 This Housing Service Strategy relates to the Council's approach to the recovery of rent arrears. The control of rent arrears is viewed by Housing as one of the key elements of its performance. This Strategy sets out how this element of the service is delivered, (in accordance with the County Court's Rent Arrears Pre-action Protocol), including the methods used for preventing and reducing arrears and for notifying tenants at an early stage.
- 1.2 Comprehensive systems are in place and are detailed later in the Strategy. The efficiency of these systems are confirmed by Housing being accredited with both the international quality standard of ISO 9001:2008 and the Customer Service Excellence award, for all of its services including rent arrears recovery.
- 1.3 Tenants are given ample opportunity to make arrangements for payment and are given advice on how to manage their debt. However, when all remedies have failed, the Council will not hesitate to take Bailiff or Court action in appropriate cases and to seek to gain possession of the property.
- 1.4 This Rent Arrears Strategy has been formulated in consultation with representatives of the Epping Forest District Tenants and Leaseholders Federation. The Strategy was considered and endorsed by the Council's Housing Scrutiny Panel on 21 October 2014 and approved by the Housing Portfolio Holder in November 2014.

## **2. Background to Arrears Recovery**

- 2.1 Housing views the control of current and former rent arrears as a key element of its performance, and will have a firm but fair approach to its tenants on this issue.
- 2.2 Rent arrears recovery is undertaken by staff in the two Area Housing Offices (north and south), and the Housing Office based at the Limes Centre Chigwell, which is a sub office of the Area Housing Office (south).
- 2.3 The Assistant Director (Housing Operations) chairs quarterly Customer Improvement Meetings with the Area Housing Managers to monitor performance on a number of areas, including the recovery of rent arrears, and to discuss policy and initiatives in order to maximise performance.
- 2.4 Area Housing Managers are responsible for the arrears performance of their Section, which they will monitor closely to ensure that all of their staff are working to the procedures.

2.5 Housing recognises that early identification and action in response to unpaid rent can prevent long-term difficulties for both the tenant and the Council.

2.6 The following table sets out the Council's past performance on rent arrears and former tenant arrears:

Rent Arrears & former tenant arrears collection				
Year	2010/11	2011/12	2012/13	2013/14
Rents collected as a proportion of rents owed	98.14%	97.68%	97.16%	97.60%
Amount of former tenant arrears collected per annum	£57,408	£66,616	£77,051	£76,134

### 3. Coverage

This Housing Service Strategy covers mainly the Council's;

- a) Prevention of tenant rent arrears;
- b) Use of Bailiffs;
- c) Procedures for dealing with rent arrears recovery for both secure and Introductory Tenants, in accordance with the Rent Arrears Pre-action Protocol;
- d) The ways in which tenants are assisted in managing their debt;
- e) The approach taken with tenants in arrears who have special needs;
- f) The link between the Housing Service and the Benefits Division of Finance;
- g) Performance indicators;
- h) The Welfare Reforms and the Welfare Mitigation Action Plan
- i) Review of the strategy; and
- j) Confidentiality

### 4. Relationships with other Documents

- 4.1 Rent arrears recovery forms part of the Council's overall Housing Strategy.
- 4.2 A booklet entitled Housing Appeals and Compliments and Complaints sets out for all tenants the Council's policy in such matters.
- 4.3 The Council has a general Service Level Agreement with each of the 3 Citizens Advice Bureaus within the District.
- 4.4 The Council has adopted its Housing Charter, which sets out, in simple, clear and precise terms the Council's general approach to all its housing services. In addition, there are a number of agreed service standards which will be publicised setting out our aims in all aspects of our "interfaces" with customers.
- 4.5 Section 2 of the Council's new Standard Tenancy Agreement, states in respect of



rent, and other charges:

a) The rent is payable fortnightly in advance and two weeks inclusive rent shall be payable prior to the commencement of each fortnight;

b) The weekly net rent, which is inclusive of any service/support charges is payable fortnightly and may be altered on written Notice of no less than 4 weeks being given to the Tenant by the Council specifying the rent proposed;

c) The tenancy is subject to any housing benefit scheme of the Council (or other statutory agency) that may be in force at any given time. The Tenant is responsible for making rent payments prior to any Housing Benefit determination being made; and

d) If the Tenant's rent is in arrears at any time (including any time during the fixed period of a Flexible Tenancy), the Council may (at once) serve the Tenant with a Notice and subsequently institute legal proceedings for recovery of the arrears and/or seek to regain possession of the Premises through the Court. The Council may take all other steps within the law (or any Protocols) in force at the time to recover the debt outstanding.

4.6 The Council's Standard Tenancy Agreement was reviewed during 2013/14 and the new Agreement came into force on 1 April 2014.

4.7 The Council's Housing Allocations Scheme sets out its Local Eligibility Criteria which applicants need to meet with in order to be included on the Housing Register. The aspect that relates to this Strategy is Paragraph 14.8 and states (in part) that any tenant in serious rent arrears will not be eligible.

4.8 The Council's Tenancy Policy explains the types of tenancies that will be offered to homeseekers. In respect of Flexible (fixed-term) Tenancies, at the end of the term Tenants are assessed against an Assessment Criteria which is set out in the Policy. The aspect of the Criteria that relates to this Strategy is that any Flexible (fixed-term) Tenant who has persistent arrears of rent will not be granted a further tenancy.

4.9 The Housing Service has detailed Work Instructions for all of its functions and rent arrears recovery is covered by these documents, which gives important guidance to staff.

4.10 Literature on rents, benefits, etc. are on display at both Area Housing Offices and the Housing Office at the Limes Centre, Chigwell and featured from time to time in relevant publications, ("Housing News" etc.). All tenants have received a copy of the Tenant's Handbook, which explains about all matters relating to their tenancy including rent payments and arrears. This literature is available in braille, meeting the requirements of the National Royal Institute for the Blind. Large print documents can also be provided upon request.

## **5. Aims and Objectives**

5.1 The aim of the Council's Housing Service Strategy on Rent Arrears is:

"To keep outstanding current and former rent arrears to a minimum through an appropriate combination of preventative and remedial actions in a firm but fair manner".

5.2 This aim will be met by:

- a) Ensuring that current and former tenants are made aware of their rent arrears at an early stage, making every effort to ensure that tenants clear their debt;
- b) Providing assistance, support and advice to tenants on managing their arrears and other debts;
- c) Complying with statutory requirements as detailed in Section 6 of this Strategy;
- d) Utilising the power of distraint in appropriate circumstances;
- e) Taking action through the Courts to recover possession of properties and/or outstanding debts; and
- f) Operating policies on the provision of discretionary housing services that penalise tenants who are in rent arrears.

## 6. Statutory Requirements

6.1 The relevant statutory requirements for recovery of rent arrears are as follows:

a) Welfare Reform Act 2012

- Introduction of the “Under-occupation Penalty”
- Payment of Housing Benefit Direct
- Reduction in Housing Benefit due to non-dependants
- Introduction of the Benefit Cap
- Introduction of the new Welfare Benefit “Universal Credit”
- Introduction of the new “Local Council Tax Support Scheme

b) Data Protection Act 1998

- The protection and use of personal data held by the Council.

c) Housing Act 1996

- Discretionary powers to operate an Introductory Tenancy Scheme for all new secure tenants

d) Housing Act 1985

- Notice of proceedings for possession or termination (Section 83)
- Grounds and orders for possession (Section 84)
- Variation of terms of tenancy (Section 102 & 3)
- Provision of information and consultation (Section 104)
- Consultation on matters of housing management (Section 105)
- Variation of rent (Section 102b)

e) Protection from Eviction Act 1977

- Requirement of landlord to apply to Court before regaining possession
- Any Notices served must give the tenant 28 days notice

f) Local Government Act 1972

- Valid service of Notice (Section 233)

g) Human Rights Act (Articles 6, 8, and 14)

- Rights of a fair trial, respect for private family life, home and correspondence.

h) Civil Procedure Rules

- Rent Arrears Pre-action Protocol

**7. Client Consultation, Information & Involvement (Statutory Requirement)**

7.1 The way in which tenants will be consulted, informed and involved with regard to the Council's policy on rent arrears recovery in accordance with the Housing Act 1985 is as follows:

- a) Consultation with the Epping Forest Tenants and Leaseholders Federation
- b) Information to tenants in publications e.g. Housing News, Annual Report;
- c) Posters displayed throughout the district;
- d) Quarterly liaison meetings with the Citizens Advice Bureau;
- e) One to one consultation with tenants;
- f) Changes in policy through The Cabinet or Housing Portfolio Holder; and
- g) Consultation under Part 1V Section 102/3 of the Housing Act 1985 to amend the standard Tenancy Agreement.

**8. General Principles – Rent Arrears Recovery – Secure Tenants**

8.1 Section 5 of this Housing Service Strategy sets out the aims and objectives to reduce rent arrears. This Section details the general approach taken and procedures, which are in place in order to combat the problem.

8.2 The Council has agreed the following measures be used to combat rent arrears;

- a) Hard hitting posters are placed at appropriate locations throughout the district e.g. Information Desks, Libraries, Town Hall, CAB, etc.;
- b) Older tenants (over 70 years of age) in arrears of rent are ineligible to apply for the internal decorations service, and the garden maintenance scheme; and
- c) Tenants with serious rent arrears within the previous three years are ineligible to join the Council's Housing Register.

8.3 Members will be encouraged to work with officers and tenants on appropriate cases to prevent arrears.

- 8.4 Referrals are made to appropriate agencies to provide support to vulnerable tenants in rent arrears.
- 8.5 Press releases will be issued and articles placed in the Council's Tenant Magazine "Housing News" at appropriate times to publicise the Council's approach on rent arrears.
- 8.6 Distraint (also called "distress") will be used in appropriate cases, whereby bailiffs would be instructed by the Council to remove certain goods from the ownership of the Tenant to be sold to pay off the debt.
- 8.7 All new tenants will be visited within 12 weeks of their tenancy commencement date by appointment. A vital part of this visit is to explain to new tenants the importance of keeping their rent account up to date, advising them of the different methods of payment (including direct debit), housing benefit, and the penalty for failing to pay their rent on time.
- 8.8 Should new tenants be in arrears in the early stages of their tenancies, officers will check to ascertain if a housing benefit application has been received. Following the signing of a consent form, Housing Management may liaise with the Benefits Division about their claim.
- 8.9 Annual rent balance statements, showing payments made during the year and their account balance will be sent out to tenants who have an arrear or a credit of £1 or more. All tenants are notified formally of annual rent increases.
- 8.10 Tenants will be contacted as soon as it is reasonably possible after they have fallen into arrears to agree affordable sums for the tenant to pay based upon their income and expenditure.
- 8.11 Quarterly rent statements in a comprehensive format will be sent out to all tenants in arrears. In addition, when requested by the tenant, a statement will be provided from the date when the arrears first arose showing all amounts due, the dates and amount of all payments made.
- 8.12 If the Council is aware that the tenant has difficulty understanding any information, reasonable steps will be taken to ensure that the tenant understands their position. If the Council is aware that the tenant is particularly vulnerable it will ensure that the appropriate action is taken including home visits and liaison with relevant agencies.
- 8.13 If a tenant meets the appropriate criteria, the Council may arrange for arrears to be paid by the Department of Work and Pensions (DWP).
- 8.14 Rent arrears management will be a regular agenda item at each two-monthly staff Section Meetings at the Area Housing Offices. In addition, Housing has quarterly liaison meetings with the Benefits Division.
- 8.15 Area Housing Managers will set targets for each Housing Management Officer, and the Area Housing Office.
- 8.16 Tenants in arrears who have garages will be notified that the Council will serve a Notice to Quit in respect of the garage if their arrears are not cleared in full and maintained thereafter.

- 8.17 Possession proceedings for rent arrears are rarely issued against any tenant who has provided the Council with all the evidence to process a housing benefit claim, has a reasonable expectation of eligibility for housing benefit and has paid other sums not covered by housing benefit.
- 8.18 When tenants first miss a rent payment, a standard letter will be sent immediately notifying the tenant of the missed payment. This letter will advise the tenant to seek assistance from their Citizens Advice Bureau or any other relevant agency.
- 8.19 If the debt is not cleared within two weeks a second standard letter will be sent to the tenant explaining that if the arrear is not cleared then a Notice of Seeking Possession (NOSP) will be served.
- 8.20 Where there are persistent small amounts of arrears the Housing Management Officer may visit the tenant, request the tenant to visit the office, or telephone.
- 8.21 If the debt is not cleared and, generally, exceeds 4 weeks (net or gross) rent the tenant will be served with a Notice of Seeking Possession (NOSP) under Ground One (Schedule II of the Housing Act 1985) relating to rent arrears and other breaches of tenancy condition as follows;
- has "Rent lawfully due from the tenant has not been paid or an obligation of the tenancy been broken or not performed".
- 8.22 The Notice must be in a form prescribed by regulations made by the Secretary of State and specify the ground on which the court will be asked to make an order for the possession of the dwelling house.
- 8.23 The NOSP will be served with an accompanying standard letter from the Area Housing Manager stressing the importance of them reading the Notice.
- 8.24 There are exceptional circumstances when the rent arrears process will be held in abeyance, e.g. older tenants, or tenants suffering from serious illness, etc. However, only the Area Housing Manager will exercise this discretion.
- 8.25 Most NOSP's will be served by hand, and the Housing Management Officer will take this opportunity to discuss the arrears with the tenant and attempt to agree an arrangement for the arrears to be settled in full within the 28 day Notice period. Tenants will be advised that if the Council applies to Court, they will incur costs.
- 8.26 The use of distraint will be considered at this stage. Distraint can only be used in cases prior to Court, and where the amount of arrear is relatively small. Distraint cannot be used after the tenancy has ended (i.e. for former tenant debt). All tenants will be given 7 days notice of distraint in writing giving them an opportunity to settle their debt prior to the bailiff being instructed.
- 8.27 If no contact is made at service of the NOSP, the Housing Management Officer will write and request tenants to come into the office at a pre-determined time. If they fail to attend, Housing Management Officers will telephone the tenant to either arrange another appointment to visit or make an agreement to repay the debt by telephone. Every effort will be made to make contact. Should a written agreement be made (after serving the NOSP) to pay current rent plus a reasonable amount towards the

arrears, proceedings will be postponed as long as the tenant keeps to the agreement.

- 8.28 Personalised letters will be used when appropriate to ensure that the procedure does not become too regimented, and to ensure cases are managed in accordance with each situation.
- 8.29 In addition to the use of bailiffs, at every opportunity tenants will be visited by Area Housing Managers, Assistant Area Housing Managers, and Housing Management Officers, to explore all possible means of arranging for the debt to be settled.
- 8.30 When the NOSP expires, should the arrear not be cleared or an agreement breached, even once, the Management Officer will write to the tenant advising that if payment is not received in full in 14 days, Court action will commence.
- 8.31 Every effort to secure payment of the arrear, or to make formal written arrangements, will be made throughout the recovery process.
- 8.32 The occupier will be sent a standard letter explaining that the case has been referred to Legal Services for eviction.
- 8.33 The tenant will be advised of the date and time of any hearing and the order applied for. They will also be advised to attend as their home is at risk. If payment has not been made before the Court hearing and an order is granted, it will be carefully monitored for compliance. Where an order is broken an application to Court for a Warrant of Possession will be made immediately, and authorised by the Area Housing Manager.
- 8.34 If a Warrant of Possession is obtained, appropriate arrangements to vacate will be made.
- 8.35 If the eviction is contested by the tenant, the Housing Management Officer will attend Court. If a Stay of Execution is granted, this order will be monitored for any further Breach.
- 8.36 If a further Breach occurs a Warrant of Execution will be applied for immediately.
- 8.37 Evictions will only be cancelled by officers on payment of all arrears and costs paid in cash or by debit card at either the Civic Offices or the Area Housing Office (South). Building Society Cheques will be accepted.
- 8.38 If an agreement is made at the serving of the NOSP, which continues beyond 12 months, a further NOSP will be served to ensure the tenant continues to be under Notice. A further letter explaining this will be sent to the tenant.
- 8.39 Housing recognises that rent arrears will not be recovered by letter writing alone, officers at all levels will ensure that face to face contact with tenants is maximised through visits and interviews.
- 8.40 All available means will be used to recover arrears including; repossession actions, distress warrants, attachment of earnings and money judgement orders.
- 8.41 Area Housing Managers will attend occasional Court User Groups to ensure that the

Courts take into account the Council's viewpoint.

- 8.42 In all matters relating to rent arrears, Housing will ensure that confidentiality is observed, and all staff will be discrete when dealing with tenant's problems.

## **9. Rent Arrears Recovery – Welfare Reform Act 2012**

- 9.1 Under the Welfare Reform Act 2012, from April 2013. tenants of working age receiving housing benefit who under-occupy their accommodation by one bedroom had their housing benefit reduced by 14% of the rent, and tenants under-occupying by two or more bedrooms had their housing benefit reduced by 25% of the rent. In addition, a Benefit Cap of £500 per week came into force for families, with a Cap of £350 being applied to single claimants.
- 9.2 Furthermore, from April 2013, the new Local Council Tax Support Scheme which replaced the Council Tax Benefit Scheme was introduced which resulted in reduced Council Tax Support of around 20% for working age claimants.
- 9.3 In order to understand the effects of the reforms, the Council commissioned the Chartered Institute of Housing to undertake a major study into the impact and implications of the reforms on the Council and the residents in the District.
- 9.4 It was expected that there would be a substantial increase in rent arrears due to all of the Council's working-age tenants collectively losing around £475,000 in benefit per annum, with a further loss of around £250,000 per annum for tenants who have non-dependants living with them due to the increase in non-dependant charges.
- 9.5 In view of the significant affect the Welfare Reforms had on the Council's tenants; a Welfare Reform Mitigation Action Plan was formulated, which identified around 60 different actions. The actions relating to the Housing Service Strategy on Rent Arrears are as follows:
- The appointment of two additional Housing Management Officers (with one officer located in each Area Housing Office) increasing the capacity for dealing with rent arrears by around 40%
  - Providing funding to the CAB for the appointment of two full-time Debt Advisors for a period of 18 months to provide advice to the Council's tenants
  - Advise all current and new tenants of the main Welfare Reforms and the potential implications
  - Minimise the number of the Council's tenants who under-occupy their Council accommodation by appointing a Re-housing Support Officer
  - Identify and visit all of the Council's tenants affected by the under-occupation penalty
  - Encourage under-occupying tenants of working age to transfer to smaller accommodation

## **10. Rent Arrears Recovery - Introductory Tenants**

- 10.1 On 1 April 2006, the Council introduced an Introductory Tenancy Scheme for all new

potentially secure tenants. Under the scheme, all new tenants are not secure until after a twelve-month “trial” period. During the twelve-month period, Introductory Tenants do not have the same statutory rights as secure tenants. Therefore, if the Council wished to seek possession of the property for any breach of a tenancy condition, (e.g. rent arrears) provided certain procedures are followed, the Introductory Tenancy could be terminated, following the issuing of a Notice of Proceedings, with the courts having no discretion but to grant possession provided the Council has followed the correct procedures.

- 10.2 Before the Council applies to the Court for possession, it will give the Introductory Tenant at least two warnings, then serve a Notice of Possession Proceedings setting out the Council’s decision to apply for such an order and the date before which the Council cannot apply for a court order, which must be at least four weeks from the date of service.
- 10.3 Introductory Tenants who are served with notice are advised that they may request a review of the decision to seek possession within 14 days of the notice being served. The Council will not proceed with an application for possession until it knows whether the Introductory Tenant intends to exercise their right to review. If a review is requested, the Council will review its decision by way of an Officer Review Panel comprising the Assistant Director (Housing Operations) and the Area Housing Manager neither of whom would have had any involvement in the original decision to seek possession. The Reviews would be a “paper” review unless the tenant informs the Council that they wish to have an oral hearing.

## **11. Rent Arrears Recovery – Introductory, Potentially Secure, Flexible (fixed-term) Tenancies**

- 11.1 The Localism Act 2011 provides for a new type of fixed-term tenancy to Council tenants – the “Flexible Tenancy”. Flexible Tenancies (or Fixed-Term Tenancies) are tenancies that are offered for a specified period of time, as opposed to traditional “lifetime tenancies” A Flexible (fixed-term) Tenancy is a form of secure tenancy, and generally, tenants with a Flexible (fixed-term) Tenancy have the same rights as other secure tenants.
- 11.2 The Localism Act 2011 amends the Housing Act 1996 to allow Introductory Tenancies to become Flexible (fixed-term) Tenancies at the end of the introductory period, where local authorities provide Flexible (fixed-term) Tenancies.
- 11.3 Under the Council’s Tenancy Policy, Flexible (fixed term) Tenancies will be granted to all homeseekers who sign-up to a tenancy of a property comprising three or more bedrooms. This will assist the Council in tackling the problem of under-occupation in the future and remove the potential for tenants of working age on Housing Benefit to have to pay a proportion of their rent due to under-occupation. The fixed term for the Flexible Tenancy will be 9 years. An Introductory Tenancy term of 12 months (or 18 months where the term is extended due to minor breaches of tenancy conditions) will be added to the 9-year Flexible Tenancy making a total fixed term of 10 years. The Flexible Tenancy term will be for 8 ½ years where introductory tenancies are for 18 months. At the commencement of the Introductory Period, the Council will serve a



Notice on the tenant stating that a Flexible Tenancy will be granted at the end of the introductory period and what the length of the fixed term will be, provided the terms of the Introductory Tenancy are not breached.

- 11.4 At the commencement of each Flexible (fixed-term) Tenancy, the tenant will be informed of the Assessment Criteria that will be applied to determine, at the end of the flexible term, if a further tenancy will be granted. At least 6 months prior to the ending of the fixed term the Council will provide Notice in writing to the tenant stating that it either proposes to grant a further tenancy (Flexible or Secure – of the same or another property) on the expiry of the existing fixed term or that it intends to end the tenancy. Prior to serving the Notice, the Tenant will be assessed against the Assessment Criteria. The general presumption will be that a further tenancy is granted. However, a further tenancy (Flexible or Secure) will generally not be granted where the Tenant has not complied with the Conditions of Tenancy. The circumstances where a further tenancy will not be granted which directly relates to this Housing Service Strategy on Rent Arrears is as follows:

*“Where the tenant (or a member of their household) who, during the Flexible (fixed-term) Tenancy term has been guilty of serious unacceptable behaviour. Such behaviour is behaviour that would give sufficient grounds to issue possession proceedings if they were a Secure or Flexible (fixed-term) Tenant and includes rent arrears (including housing benefit and Court cost arrears), and other breaches of tenancy conditions”.*

- 11.5 However, at the end of the Flexible (fixed-term) Tenancy term, where the tenant meets one or more aspects of the above Assessment Criteria but there are special circumstances, a further Flexible (fixed-term) Tenancy term of between 2 years and (in certain circumstances) 10 years may be granted. This is in order for the special circumstances to be monitored and re-assessed at a later date. Such special circumstances include where:

- the tenant is an active Foster Carer
- the Council’s Medical Advisor confirms that the tenant or member of their household has a terminal illness or a long-term disability
- the tenant is a care leaver who is still in need of support
- there are dependent vulnerable children

- 11.6 Where a further tenancy is not granted to a Flexible (fixed-term) Tenant, the Tenant has the right to request a review of the decision.

## 12 Action Plan

- 12.1 The following actions (some of which are contained in Section 8 and 9 of this Strategy) will be undertaken in the future by Housing to combat the problem of rent arrears;

Action	Lead Officer	Timescale	Resource Implications
Submit a report to the Housing Scrutiny Panel on Housing Management staffing levels following the introduction of Universal Credit and Housing Benefit rent payment direct	Assistant Director (Operations)	October 2015	Not known
Work closely with the Re-housing Support Officer identifying and referring tenants who are under-occupying Council accommodation and may be prepared to downsize	Area Housing Managers	October 2017	Within Existing Resources
Liaise with the Housing Allocations Team identifying homeseekers on the Housing Register who are in rent arrears and notify those tenants that they may in the future not qualify to remain on the list unless they clear the arrears	Area Housing Managers	On-going	Within Existing Resources
Continue implementing improvements with information technology	Area Housing Managers	On-going	Within Existing Resources
Exploring the possibility of using more Baliff companies	Area Housing Managers	On-going	Existing Resources

Encouraging more tenants to pay their rent by direct debit	Communities Support Manager	On-going	Existing Resources
Attend Court User Groups to put forward the Council's viewpoint on arrears cases	Area Housing Managers	On-going	Existing Resources

### 13. Future Developments

13.1 The following "SWOT" analysis identifies the strengths, weaknesses, opportunities and threats for the areas covered by this Service Strategy:

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Knowledgeable and committed staff</li> <li>• Policy and Procedures manual</li> <li>• Integrated housing system</li> <li>• Compliance with the ISO 9001:2008 Accreditation</li> <li>• Customer Service Excellence Award</li> <li>• Good relationships with tenants</li> <li>• Good tenant consultation framework</li> <li>• Two de-centralised Area Housing Offices</li> <li>• Comprehensive performance monitoring</li> <li>• Strong preventative measures in place</li> <li>• Providing funding to the CAB for two full-time Debt Advisors for a period of 18 months</li> <li>• Appointment of a Housing Under-occupation Officer to assist tenants affected by the Housing Benefit Spare Room Subsidy</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Lenient approach of the Courts.</li> <li>• Requirements of the rent arrears protocol delays the recovery process thereby increasing arrears</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Two additional Housing Management Officers appointed 2013</li> <li>• Revised Tenancy Agreement (2014)</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Economic climate</li> <li>• Introduction of payments direct to housing benefit claimants</li> <li>• Implementation of Universal Credit</li> <li>• Effect upon tenants of working age receiving housing benefit, and affected by the Spare Room Subsidy</li> </ul>

#### 14. Resourcing the Strategy

14.1 For housing management purposes the Epping Forest District is split into two areas, with one Area Housing Office based at The Broadway, Loughton in the south of the district and the other based at the Civic Offices, Epping.

14.2 The number of staff involved in covering all housing management duties in 2014/2015 is 18 full-time equivalents. Area Housing Managers are based at each of the Area Housing Offices. Each of the Area Housing Offices has as an Assistant Manager, which includes the Limes Centre Estate Office, Chigwell.

14.3 All staff are included in the Performance Development Review process, whereby they have an annual interview to assess their own performance including a six-monthly update on progress. All new staff receive induction training and has access to a mentor. Recent training received by staff, which relates to this Strategy, is as follows:

- Court Skills
- Training as part of the Two-Monthly Section Meetings
- IT
- Staff Briefings on Various Matters
- Data Protection
- Recruitment and Selection for Managers
- Performance Development Review for Managers
- Managing Sickness Absence for Managers
- Health and Safety
- Safeguarding

14.4 The projection for the number of staff required to deliver the housing management service for this year and the following 3 years is detailed in the following table:

Staff Resource Projections				
Posts	2014/2015	2015/16	2016/17	2017/18
Housing Management Staff (FTE)	18	18	18	18

14.5 The following table details the estimated proportion of Housing Management, and other officers' time, spent on arrears recovery for 2013/2014:

Staff Resources Breakdown	
Posts	FTE
Assistant Director (Housing Operations)	0.1
Area Housing Managers x 2	0.6
Assistant Area Housing Managers x 3	1.5
Housing Management Officers x 9.5	4.75
Housing Assistants x 3 FTE	1.0
<b>Total</b>	<b>7.95</b>

## 15. Key Targets & Performance Monitoring

15.1 The performance for rent arrears recovery for 2013/14 together with the proposed key targets for the following three years is detailed in the table below:

Key Targets & Performance				
Performance Indicator	2013/14	2014/15	2015/16	2016/17
	(Actual)	(Target)	(Target)	(Target)
Rent collected as a proportion of rents owed	97.60%	96.0%	96.0%	96.0%
Amount of former tenant arrears collected per annum	£76,000	£70,000	£70,000	£70,000

15.2 It should be noted that the target for rent arrears was reduced from 97% in 2012/13 to 96% in both 2013/14 and 2014/15 as a result of the expected increase in arrears due to the Welfare Reforms. As can be seen, despite the impact of the reforms, performance on arrears exceeded the target in 2013/14.

## 16. Reviewing the Strategy

16.1 The Strategy for Rent Arrears will be reviewed by the Housing Scrutiny Panel in consultation with the Eppng Forest Tenants and Leaseholders Federation in October 2017.