

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF HOUSING SCRUTINY STANDING PANEL
HELD ON TUESDAY, 11 JANUARY 2011
IN COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING
AT 6.05 - 9.15 PM**

Members Present:	S Murray (Chairman), Mrs R Gadsby (Vice-Chairman), Mrs A Grigg (Chairman of Council), Ms J Hart, Mrs S Jones, Mrs J Lea, L Leonard, A Lion and Mrs J H Whitehouse
Other members present:	R Bassett, Ms R Brookes, W Breare-Hall, Mrs D Collins, R Morgan, B Rolfe, Mrs M Sartin, D Stallan and D Wixley
Apologies for Absence:	R Barrett and D Dodeja and Mrs M Carter (Tenants and Leaseholders Federation)
Officers Present	A Hall (Director of Housing), L Swan (Assistant Director (Private Sector & Resources)) and M Jenkins (Democratic Services Assistant)
By Invite	A Anderson, G Boulton, P Hilton, S Hyde, J Phillips and M Tobin (Tenants and Leaseholders Federation)

35. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

There were no substitute members present.

36. DECLARATION OF INTERESTS

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

37. NOTES OF THE 29 JULY 2010 LAST MEETING

RESOLVED:

That the notes of the last meeting held on 29 July 2010 be agreed.

38. TERMS OF REFERENCE / WORK PROGRAMME

(a) Terms of Reference

The Terms of Reference were noted.

(b) Work Programme

The Work Programme was noted.

39. PRESENTATION - PROPOSED NEW NATIONAL HOUSING POLICIES AND LEGISLATION

The Panel received a presentation from Mr A Hall, Director of Housing, regarding Proposed New National Housing Policies and Legislation.

As part of the Comprehensive Spending Review, publication of the new Decentralisation and Localism Bill and the consultation paper "Local Decisions: A

Fairer Future for Social Housing” and ministerial announcements the Government proposed a number of changes in national housing policy. These changes would have a significant effect on the Council, its tenants and housing applicants.

(a) Comprehensive Spending Review – Government Objectives

The Government was aiming to make social housing:

- Responsive, Flexible, Fair
- Accessible
- Reflect individual needs/changing circumstances
- Funded from higher HA rents
- Deliver 150,000 new affordable houses over CSR period

(b) CSR – Funding for New Housing

- Almost 50% reduction in funding for new affordable housing over next 4 years
- New Homes Bonus, making payments to District Council for every new home given planning permission

(c) HRA Self Financing

- Replacing existing Housing Subsidy System
- In 2011/12, the District Council would be paying Government around £11.4 million from tenants’ rents through the current housing subsidy system.

(d) CLG Consultation Document – “Local Decisions: A Fairer Future for Social Housing”

(i) Key Proposals

- Create new (optional) LA Tenancy – “Flexible fixed term” (Minimum 2 years)
- Introduce “Affordable Rent Tenancies” (Up to 80% of market rents)
- Invest £100 million – bringing empty homes back into use
- Accommodating homeless applicants in the private sector without their agreement.

(ii) Tenure – LAs and HAs

- Ability to let social housing on fixed term rather than lifetime tenancies
- Minimum of two years
- When ended, the options for tenants would be:
 - Remain in social/affordable rented housing
 - Private rented sector
 - Home ownership

(iii) Affordable rents in EFDC

- Averages for 1/2/3 bed properties:
- Average HA rent £96 p/w
- Average market rent £177 p/w
- 80% of Average Market rent £142 p/w
- Potential surplus for new development £46 p/p/p/w

- Potential subsidy for new prop (25 years) £60,000 p/p

(iv) Homelessness

- LAs would be able to discharge homelessness duty by accommodating homeless people in private rented sector – without requiring the applicant's agreement
- Should enable more social homes to be allocated to non-homeless households

(v) Empty Homes

- Government to invest £100 million for HAs to refurbish over 3,000 empty properties
- HAs to manage at affordable rents for up to 10 years
- Recent CLG announcement – properties must be empty for over 2 years (currently 6 months)

RESOLVED:

That the Presentation of Proposed New National Housing Policies and Legislation be noted.

40. CLG CONSULTATION PAPER - "LOCAL DECISIONS: A FAIRER FUTURE FOR SOCIAL HOUSING"

The Panel received a report regarding the CLG Consultation Paper – “Local Decisions: A Fairer Future for Social Housing,” which had been published on the 22 November 2010. The Consultation Paper set out the Government's proposals for reforming social housing.

Members of the Tenants and leaseholders Federation had been invited to the meeting to take part in the discussion and to consider whether or not the Federation would be prepared to submit a joint response to the CLG with the Council. On discussion at the end of the debate, the members of the federation present stated that they were not in a position to say whether or not the Federation would be prepared to submit a joint response. It was agreed that the Federation would consider the Consultation Paper and the Council's proposed response at its meeting later in the week and advise the Council of its decision.

The Scrutiny Panel considered each of the questions raised in the Consultation Paper and agreed the following responses:

Question 1: As a landlord, do you anticipate making changes in light of the new tenancy flexibilities being proposed? If so, how would you expect to use these flexibilities? What sort of outcomes would you hope to achieve?

Response: The members welcomed the proposed flexibilities that fixed term tenancies appeared to present, and that it would be discretionary for landlords to decide whether or not to introduce them.

It was felt that tenants should be consulted before any decision was made. However the Panel felt that fixed term tenancies should be introduced for some groups at some stage.

Members suggested that fixed term tenancies of 2 years would be too short, it was likely that the minimum period the District Council would use would be 5 years.

The District Council hoped to achieve the following outcomes:

- A higher turnover of Council accommodation
- Better use of Council housing stock
- More applicants being housed
- Tenants no longer in need of Council housing making way for those in current housing need

There was concern that for many people the “affordable rents” would, in fact, be unaffordable, especially if they were set at 80% of market rents.

Question 2: When, as a landlord, might you begin to introduce changes?

Response: The District Council would wish to consult all its tenants on the proposed approach taken. The Council would require 9 months for implementation.

Question 3: As a local authority, how would you expect to develop and publish a local strategic policy on tenancies? What costs would you expect to incur?

Response: It was the Council’s intention to develop the proposed required local strategic policy on tenancies in close liaison with both the Council’s five Preferred Housing Association Partners, other housing associations and the Tenants and Leaseholders Federation.

The draft policy would be considered by the Housing Scrutiny Panel, with final adoption by the Cabinet and possibly the Full Council. Other details would need attention such as a new leaflet for all housing applicants. The cost of this exercise was estimated at around £6,000.

Question 4: Which other persons or bodies should local authorities consult in drawing up their strategic tenancy policy?

Response: In general terms, the District Council would consult the following types of organisations:

- Housing Associations with housing stock over 100 properties in the District; and
- Recognised District – wide organisations that represented tenants and leaseholders

Question 5: Do you agree that the Tenancy Standard should focus on key principles? If so, what should these be?

Response: The revised Tenancy Standard should only focus on key principles, these should include:

- Transparency of the landlord’s approach;
- Consistency of approach by the landlord; and
- Fairness amongst housing applicants and tenants

Question 6: Do you have any concerns that these proposals could restrict current flexibilities enjoyed by landlords? If so, how can we best mitigate that risk?

Response: It was not felt that current flexibilities would be restricted. However, if there were any unintended negative consequences, the Government should mitigate against them.

Question 7: Should we seek to prescribe more closely the content of landlord policies on tenancies? If so, in what respect?

Response: Members felt the answer here was “No,” as the Government had committed to a localism agenda. It was the role of the landlord to prescribe how tenancy policies should operate locally.

Question 8: What opportunities as a tenant would you expect to have to influence the landlord’s policy?

Response: The answer was dependent on the views of the Tenants and Leaseholders Federation.

Question 9: Is two years an appropriate minimum fixed term for a general needs social tenancy, or should the minimum fixed term be longer? If so, how long should it be? What is the basis for proposing a minimum fixed term of that length? Should a distinction be drawn between tenancies on social and affordable rents? If so, what should this be? Should the minimum fixed term include any probationary period?

Response: The minimum fixed term should be 5 years. This was on the basis that:

- There was a need to provide some stability for tenants, for a longer period than 2 years
- A minimum period of 5 years would give fixed term tenants a much longer period of time than 2 years, in order to save money to afford alternative accommodation
- A longer period than 2 years would reduce the officer time and additional associated costs involved with administering tenancy reviews every 2 years
- It was considered that short term fixed tenancies of less than 5 years went against the Government’s stated objective of not penalising citizens who improved their circumstances

The Panel felt that any fixed term period should include any probationary period of introductory or starter tenancies operated by the landlord. There should be no distinction between those charged social rents and those charged affordable rents.

Question 10: Should we require a longer minimum fixed term for some groups? If so, who should these groups be and what minimum fixed terms would be appropriate? What is the basis for proposing a minimum fixed term of that length? Should a distinction be drawn between tenancies on social and affordable rents? If so, what should this be?

Response: It was felt that this issue should be left to the discretion of landlords, in consultation with the local authorities where their stock was situated.

Question 11: Do you think that older people and those with a long term illness or disability should continue to be provided with a guarantee of a social home for life through the Tenancy Standard?

Response: The answer was "Yes." Older people and those with long term illnesses or disabilities, should be provided with a guarantee of a social home for life through the Tenancy Standard.

Question 12: Are there other types of household where we should always require landlords to guarantee a social home for life?

Response: The Panel felt that the answer was "No." Excepting that they supported the Government's stated view, that existing secure and assured tenants should retain their secure and assured tenancies until the tenancy was terminated in accordance with the Conditions of Tenancy.

Question 13: Do you agree that we should require landlords to offer existing secure and assured tenants who move to another social rent property a lifetime tenancy in their new home?

Response: Yes. Otherwise it would deter existing tenants from transferring to alternative social housing to meet their needs. Such transfers eventually resulted in vacancies that could be let on fixed tenancies.

Question 14: Do you agree that landlords should have the freedom to decide whether new secure and assured tenants should continue to receive a lifetime tenancy when they move?

Response: Yes. For the same reasons in response to Question 13.

Question 15: Do you agree that we should require social landlords to provide advice and assistance to tenants prior to the expiry of the fixed term of a tenancy?

Response: The Panel's answer was "Yes." The provision of advice and assistance was essential to ensure that such tenants were aware of all the housing options open to them. However it was felt that the form, type or extent of the advice should be prescribed by the Government, although it should be a requirement that landlords set this out within the Tenancy Policy.

Question 16: As a landlord, what are the factors you would take into account in deciding whether to reissue a tenancy at the end of the fixed term? How often would you expect a tenancy to be reissued?

Response: This would be a matter that the council would need to consider carefully once the final guidance had been issued.

Question 17: As a local authority, how would you expect to use the new flexibilities to decide who should qualify to go on the waiting list? What sort of outcomes would you hope to achieve?

Response: The District Council supported the proposal to give local authorities the power to determine who should, and who should not, be allowed to register on local authority housing registers.

Admittance to the Housing Register should be clearly set out in the Local Authority's Housing Allocations scheme.

This issue needed careful consideration, once the final guidance was received. However, based on criteria that the Council previously adopted before housing registration criteria was determined by the Government, it was felt that the Council would probably consider excluding the following categories of people:

- Applicants with significant previous unpaid rent arrears
- Applicants who had exhibited significant anti-social behaviour in the past
- Applicants who had lived permanently within the District for less than one year
- Applicants who the Council determined as having sufficient assets and income to enable them to purchase their own property

It was anticipated that this would achieve the following key outcomes:

- Applicants, whose past behaviour suggested that they would not make good Council tenants would not be able to secure the scarce resource of a Council tenancy
- The opportunities for local residents to receive Council tenancies would increase
- It would reduce the amount of "multiple housing applications" being made by applicants to more than one local authority
- Applicants who were unable to afford to purchase their own property, would not be lost out to applicants who were able to afford their own property
- The District Council determined to have sufficient assets and income enabling them to purchase their own property

Question 18: In making use of the new waiting list flexibilities, what savings or other benefits would you expect to achieve?

Response: The District Council did not anticipate any savings from the proposed new waiting list flexibilities. Although greater waiting list flexibilities should result in less housing applications needing to be registered, it was felt that any savings in officer time would be offset by the need for Housing staff to provide significant amounts of time providing tenants whose fixed term tenancies were due to expire

Question 19: What opportunities as a tenant or resident would you expect to have to influence the local authority's qualification criteria?

Response: This question was aimed at tenants

Question 20: Do you agree that current statutory reasonable preference categories should remain unchanged? Or do you consider that there is scope to clarify the current categories?

Response: It was agreed that the current statutory reasonable preference categories should remain unchanged.

Question 21: Do you think that the existing reasonable preference categories should be expanded to include other categories of people in housing need? If so, what additional categories would you include and what is the rationale for doing so?

Response: There was no need to expand the existing reasonable preference categories.

Question 22: As a landlord, how would you expect to use the new flexibility created by taking social tenants seeking a transfer who are not in housing need out of the allocation framework? What sort of outcomes would you hope to achieve?

Response: This proposal was generally welcomed since it would appear to take existing tenants wishing to transfer out of the allocation system, which would avoid them competing with “new applicants” on the Housing Register. In particular, it would enable tenants who were not in a defined housing need, but wanted to move to another property, possibly in another location, to transfer, which would assist them in their desire to move to alternative accommodation, whilst still releasing a vacancy that could be offered to an applicant.

Question 23: What are the reasons why a landlord may currently choose not to subscribe to a mutual exchange service?

Response: The Government’s proposal requiring national mutual exchange services to share data was welcomed. This would enable a tenant registered with one service to access the pools of potential exchanges registered with other services. The District Council was already a member of the Homeswapper Service, which was one of the two main national web-based mutual exchange services, and paid a subscription enabling the Council’s tenants to use the service free of charge.

Question 24: As a tenant, this national scheme will increase the number of possible matches you might find through your web-based provider but what other services might you find helpful in arranging your mutual exchange as well IT-based access?

Response: Dependent on the views of the Federation members.

Question 25: As a local authority, how would you expect to use the new flexibility provided by this change to the homelessness legislation?

Response: Members welcomed the proposed flexibility to bring a homelessness duty to an end with offers of accommodation in the private rented sector. Under existing legislation, it was a requirement that such a placement should be “suitable.”

With increasing housing need, it was felt that it was not unreasonable to meet homeless applicant’s housing requirements by securing accommodation in the private sector. This would place them in no different position to many other households already accommodated in the private sector, who would no doubt welcome permanent council or housing association accommodation themselves. In many cases, such applicants would have become homeless from privately rented accommodation in any event. This flexibility may encourage households whose private rented tenancies were coming to an end making a greater effort to secure alternative private rented accommodation themselves, before seeking homelessness assistance and permanent accommodation from the local authority.

Question 26: As a local authority, do you think there will be private rented sector housing available in your area that could provide suitable and affordable accommodation for people owed the main homelessness duty?

Response: The District Council was already successful in securing private rented accommodation for homeless people to whom the Council did not have a duty to provide accommodation, through its Homelessness prevention Service. Even if there were only limited opportunities, every private sector placement would result in one vacancy of a Council or housing association home being available for a non-homeless household.

Question 27: Do you consider that 12 months is the right period to provide as a minimum fixed term where the homelessness duty is ended with an offer of an assured shorthold tenancy? If you consider the period should be longer, do you consider that private landlords would be prepared to provide fixed term assured shorthold tenancies for that longer period to new tenants?

Response: It was agreed that 12 months was the right period to provide us a minimum fixed term, where the homelessness duty was ended with an offer of an assured shorthold tenancy.

Question 28: What powers do local authorities and landlords need to address overcrowding?

Response: It was felt that it continued to be appropriate for each dwelling to have a "room standard" and a "permitted number," and that the number of people living in the property should be no more than this permitted number. If this was exceeded, it was believed that there should be severe financial penalties for the owner/landlord.

However, it was felt that current calculation of the "permitted number" was outdated, inappropriate and allowed too many people to be unreasonably accommodated in overcrowded conditions. The calculation always resulted in a permitted number that was too high. It was therefore felt that there should be an appropriate review of the permitted number calculation.

Question 29: Is the framework set out in the 1985 Housing Act fit for purpose? Are any detailed changes needed to the enforcement provisions in the 1985 Act?

Response: It was felt that it was generally fit for purpose.

Question 30: Should the Housing Health and Safety Rating System provide the foundation for measures to tackle overcrowding across all tenures and landlords?

Response: It was felt that the Housing Health and Safety Rating System (HHSR System) provided a suitable foundation. In particular, it provided local housing authorities with flexibility to deal with overcrowding, although local housing authorities had to take action to deal with a Category 1 Hazard. The HHSR system took a wider approach to overcrowding. It took account of the effects of a lack of privacy, and the risk of accidents.

RESOLVED:

That the presentation regarding the Communities and Local Government Paper – “Local Decisions: A Fairer Future for Social Housing” be noted.

41. APPOINTMENT OF PRIVATE REPAIRS MANAGEMENT CONTRACTOR

The Panel was advised that the Council intended to appoint a Private Repairs Management Contractor. This was a key component of the Council’s Repairs Refresh Programme, the strategy to further improve the Council’s Housing Repairs Service.

Following the formulation of a bespoke specification and Invitation to Tender by the Council’s consultants, which was signed off by the Housing Repairs Advisory Group, tenders had been invited. The anticipated commencement date for the contract was the 2 May 2011. The contract period was for 3 years, with the possibility of two extensions of three years each.

The Pricing Framework for the contract had three components:

- Contract Management – for the provision of an on-site Repairs Manager and back office support, to run and improve the repairs Service on a day-to-day basis;
- Key Deliverables – for the implementation of specific projects, including the introduction of a full appointments system for all repairs, the provision of an improved supply chain, and the implementation of a new IT system that allowed mobile working for tradesmen; and
- Incentivised Payments – received by the contractor if all 5 Key Indicators were achieved in a quarter.

Assessment would be undertaken on each contractor’s proposals. The final appointment would be made on a combination of price and quality.

The Housing Portfolio Holder, who chaired the Repairs Advisory Group which was overseeing the appointment, had suggested that the Panel should receive a presentation from the Assistant Director of Housing (Property) at its next meeting in March 2011, on the main elements of the new contract. The Members agreed that they receive a presentation.

RESOLVED:

That the Panel receive a presentation regarding the Appointment of Private Repairs Management Contractor.

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

There were no reports to be forwarded to the next meeting of the Overview and Scrutiny Committee.

43. FUTURE MEETINGS

The next Panel meeting was on 27 January 2011.