

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF HOUSING SCRUTINY PANEL
HELD ON TUESDAY, 22 JULY 2014
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 5.35 - 7.05 PM**

Members Present: S Murray (Chairman), Ms G Shiell (Vice-Chairman), K Chana, Mrs J Lea, C Roberts, Mrs T Thomas, H Ulkun, Mrs J H Whitehouse and W Marshall (Tenants and Leaseholders Federation)

Other members present: D Stallan

Apologies for Absence: Mrs S Jones and B Rolfe

Officers Present R Wilson (Assistant Director (Housing Operations)), L Swan (Assistant Director (Private Sector Housing & Communities Support)) and M Jenkins (Democratic Services Assistant)

1. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)

There were no substitutions made at the meeting.

2. DECLARATION OF INTERESTS

(a) Pursuant to the Member's Code of Conduct, Councillor Mrs J Whitehouse declared a non pecuniary interest in the following item of the agenda by virtue of being a trustee of Epping Forest Re-Use. The Councillor advised that she would remain in the meeting for the consideration of the item and any subsequent voting thereon:

- Item 6 Communities Directorate's Housing Service Strategy on the Private Rented Sector.

(b) Pursuant to the Member's Code of Conduct, Councillor S Murray declared a non pecuniary interest in the following item of the agenda by virtue of his mother using Careline. The Councillor advised that he would remain in the meeting for the consideration of the item and any subsequent voting thereon:

- Item 9 Housing Service Standards – Performance Report 2013/14 and Review

3. NOTES OF THE LAST MEETING

RESOLVED:

That the notes of the last meeting of the Panel, held on 23 April 2014, be agreed subject to an amendment under "Members Present" – W Marshall (Tenants and Leaseholders Federation) and under "Other Members Present" – Councillor D Stallan, had not been recorded as being present.

4. TERMS OF REFERENCE / WORK PROGRAMME

(a) Terms of Reference

The Panel's Terms of Reference were noted.

(b) Work Programme

The Panel's Work Programme was noted and the following advised:

- Item 20 Housing Service Strategy on Rent Arrears (Review and Update) would now be submitted to the October Panel meeting.

The Chairman advised that due to the Panel's work load an extra meeting would be needed in October-November 2014.

5. COMMUNITIES DIRECTORATE'S HOUSING SERVICE STRATEGY ON THE PRIVATE RENTED SECTOR

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

RECOMMENDED:

That the Communities Directorate's Housing Service Strategy on the Private Rented Sector be recommended to the Housing Portfolio Holder for approval.

6. DCLG GUIDANCE ON RENTS FOR TENANTS ON HIGH INCOMES

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

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

- (a) The principle of high earners, living in social housing, paying higher rents was supported, providing that income thresholds were set to ensure residents had a reasonable expendable income and bureaucracy kept minimal.
- (b) The scheme would be appropriate if the income was more than the cost of the scheme.
- (c) The scheme could create low income "ghettos" with the consequent effect on mixed communities in social housing.

- (d) Income thresholds should be based upon property size and increased annually as rent increased.
- (e) There should be different thresholds for different areas of the country, however an absolute threshold would give tenants a reduced incentive to increase earnings. A person's expendable income could reduce following a small increase in earnings.
- (f) Provision should be made to take into account other high earners within the household.
- (g) Income disclosure arrangements should be in place in advance, and the income threshold should be no less than £60,000.

Government Guidance "Rents for Social Housing"

In May 2014, the DCLG issued its Guidance on rents for Social Housing, which would come into effect from April 2015. Chapter 4 of the Guidance was entitled Guidance on rents for Social Tenants with High Incomes. In regard to social tenants with high incomes, the Government did not expect local authorities to adhere to its Social Rent Policy for properties let to households with an income of £60,000 per year. Instead authorities could choose to charge them up to full market rent. It was noted that this proposal was at variance with the original proposal at 80% of market rents made under the "Pay to Stay consultation in 2013.

Difficulties were identified with administering any separate rent policy for the Council's high income social tenants, these were:

- (i) The Government did not specify how landlords should find out about tenant's earnings and had stated that tenants will be expected to self-declare their income. This would cause difficulties, as the Council would not be able to accurately assess the income of any household.
- (ii) The scheme would be open to fraud and difficult to enforce particularly as there was no legislation requiring tenants to declare income.
- (iii) The Council would need to undertake an annual review of changes in tenants' incomes, and additionally tenants could request a review of rent during the year, when their income changes. This process would be very bureaucratic.
- (iv) Additional staffing would be required to administer the scheme, reducing the amount of added income received.

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

RECOMMENDED:

- (1) That the Panel note the DCLG Guidance on Rents for Social Tenants with High Incomes;
- (2) That the District Council be recommended to take no further action on this issue at present; and
- (3) That a further report be submitted to the Panel setting out the options regarding a separate Rent Policy for high income tenants when legislative compulsion on tenants to declare incomes is established along with sanctions for tenants found to have failed to declare.

7. HOUSING UNDER-OCCUPATION OFFICER POST - 1 YEAR REVIEW

The Panel received a report from the Assistant Director (Housing Operations) regarding Housing Under-Occupation Officer Post – 1 Year Review.

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

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

Under the Welfare Reform Act 2012, working age tenants on low incomes and in receipt of housing benefit who under-occupied their property had their housing benefit reduced. Due to the Cabinet agreeing the appointment of two additional posts, housing management officers, it had been possible to visit all tenants, around 380 affected and provide advice.

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

Since being appointed in May 2013, there had been 93 enquiries from tenants wishing to downsize, 10 of these had been given practical assistance to move, with a further 18 receiving on-going support.

It was reported that there was some scope to expand the role and re-designate the post to Re-Housing Support Officer.

RECOMMENDED:

- (1) That the 1 year review of the Housing Under-Occupation Post be noted;

- (2) That the role of the Housing Under-Occupation Officer post be expanded as set out in the report; and
- (3) That the post be re-designated as Re-Housing Support Officer to reflect its future role

8. HOUSING SERVICE STANDARDS - PERFORMANCE REPORT 2013/14 AND REVIEW

The Panel received a report from the Assistant Director (Housing Operations) regarding Housing Service Standards – Performance 2013/14 and Review.

In 2007, following consultation with the Panel and the Tenants and Leaseholders Federation, the Housing Portfolio Holder agreed a range of Housing Service Standards, covering all of the service's main areas of activity. All tenants were provided with a leaflet setting out the agreed Housing Service Standards.

It was emphasised that it was not possible to measure performance against every service standard. It was recommended that no changes to the Service Standards should be proposed.

RECOMMENDED:

- (1) That performance against the previously agreed Housing Service Standards 2013/14 be noted;
- (2) That, subject to consultation with the Tenants and Leaseholders Federation, no changes or additions to the Housing Service Standards be recommended to the Housing Portfolio Holder for this year; and
- (3) That the Housing Service Standards, and performance against the Service Standards in 2014/15 be reviewed again in July 2015.

9. TENANT PROFILE REPORT 2014

The Panel received a report from the Assistant Director (Private Sector Housing and Communities Support) regarding the Tenant Profile Report 2014.

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

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

A mailing including covering letter, questionnaire and reply envelope was made in August 2013. A total of 6,390 households received questionnaires and 3,649 were subsequently returned by the closing date in January 2014. Tenants were asked their name, address, contact details and type of property occupied. The questionnaires then went onto ask:

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

Information was also sought on the protected characteristics of tenants as set out under the Equality Act 2010.

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

RECOMMENDED:

That the Tenant Profile Report 2014 be endorsed by the Panel and recommended to the Housing Portfolio Holder.

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

The Chairman advised that he would update the next Overview and Scrutiny Committee on the Panel's work.

11. FUTURE MEETINGS

The next scheduled meeting of the Panel would be held on Tuesday 21 October 2014 at 5.30p.m. in Committee Room 1. The Chairman advised that an extra meeting would be needed to deal with the Panel's Work Programme, there were two dates available which were:

- (a) Thursday 16 October 2014; and
- (b) Thursday 6 November 2014

Officers would email all Panel Members regarding the dates to ascertain the most suitable date.