Thurrock: A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish

Housing Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **19 December 2017**

Committee Room 1, Civic Offices, New Road, Grays, Essex RM17 6SL

Membership:

Councillors Luke Spillman (Chair), Gerard Rice (Vice-Chair), John Allen, Terry Piccolo, Jane Pothecary and Joycelyn Redsell

Lynn Mansfield, Housing Tenant Representative

Substitutes:

Councillors Russell Cherry, Gary Collins, Oliver Gerrish, Ben Maney and Kevin Wheeler

Agenda

Open to Public and Press

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Agenda published on: **11 December 2017**

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DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

When should you declare an interest *at a meeting?*

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**

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Does the business to be transacted at the meeting

- **relate to; or**
- **likely to affect**

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

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What is a Non-Pecuniary interest? – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

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- **leave the room while the item is being considered/voted upon**

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature

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You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

Vision: Thurrock: A place of **opportunity**, **enterprise** and **excellence**, where **individuals**, **communities** and **businesses** flourish.

To achieve our vision, we have identified five strategic priorities:

1. Create a great place for learning and opportunity

- Ensure that every place of learning is rated “Good” or better
- Raise levels of aspiration and attainment so that residents can take advantage of local job opportunities
- Support families to give children the best possible start in life

2. Encourage and promote job creation and economic prosperity

- Promote Thurrock and encourage inward investment to enable and sustain growth
- Support business and develop the local skilled workforce they require
- Work with partners to secure improved infrastructure and built environment

3. Build pride, responsibility and respect

- Create welcoming, safe, and resilient communities which value fairness
- Work in partnership with communities to help them take responsibility for shaping their quality of life
- Empower residents through choice and independence to improve their health and well-being

4. Improve health and well-being

- Ensure people stay healthy longer, adding years to life and life to years
- Reduce inequalities in health and well-being and safeguard the most vulnerable people with timely intervention and care accessed closer to home
- Enhance quality of life through improved housing, employment and opportunity

5. Promote and protect our clean and green environment

- Enhance access to Thurrock's river frontage, cultural assets and leisure opportunities
- Promote Thurrock's natural environment and biodiversity
- Inspire high quality design and standards in our buildings and public space

Minutes of the Meeting of the Housing Overview and Scrutiny Committee held on 17 October 2017 at 7.00 pm

Present:	Councillors Luke Spillman (Chair), Gerard Rice (Vice-Chair), John Allen, Terry Piccolo, Jane Pothecary and Joycelyn Redsell.
	Lyn Mansfield, Housing Tenant Representative.
In attendance:	Roger Harris, Corporate Director of Adults, Housing and Health. John Knight, Assistant Director of Housing. Charlotte Raper, Democratic Services Officer. Wendy Le, Democratic Services Officer.

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

8. Minutes

The minutes of Housing Overview and Scrutiny Committee meeting held on 18 July 2017 were approved as a correct record.

9. Urgent Items

There were no items of urgent business.

10. Declaration of Interests

There were no declarations of interest.

11. HRA Service Charges Update

The Assistant Director of Housing (ADH), John Knight, introduced the report to the Committee updating the Members on the service charges to Council tenants introduced in December 2016. This had been included as part of the 30 year Business Plan for the Housing Revenue Account (HRA). Although the service charges had gone through consultation with all affected tenants in March 2017 and were set to be implemented from 2 October 2017, an influx of enquiries and concerns regarding the service charges had been received from tenants and Members.

The decision was made by the Leader of the Council with the Chair of the Housing Overview & Scrutiny Committee on 27 September 2017 to suspend the Grounds Maintenance Charge (GMC) pending a review. A motion was carried at Full Council on the same date which called upon the Cabinet to re-evaluate the need for the GMC for general needs tenants. A comprehensive review would be carried out with a wider consultation following the points in paragraph 4.3 of the report. Members would be welcome to come to the consultation meetings. A full report of the grounds service maintenance charge review would be submitted for consideration at the next Housing Overview and Scrutiny Committee meeting on 19 December 2017.

The Corporate Director of Adults, Housing and Health (CDAHH), Roger Harris, stated that the report of the GMC review would also go to Cabinet in January 2018, once the Housing Overview and Scrutiny Committee had discussed and made recommendations on it.

The Chair felt that the proposal of the GMC would need to be more explicit and informative than had been brought forward to the Committee and Cabinet previously. If the proposal had been more explicit before, it could have saved time. Some information could have also been improved on before going to Committee. With these points in mind, the Chair asked that the report of the GMC review be explicit and ensure all information was accurately captured before it came back to Committee. He went on to ask whether there had been any legal challenges to applications of grounds maintenance charges in other boroughs. The ADH agreed that the wording in the previous proposal of the GMC could have been clearer, especially regarding street properties. He agreed the report could also have been updated when it had come back to Cabinet. A benchmarking exercise on other Local Authorities had been carried out and the service was not aware of any legal challenges, there may be some case law which the ADH could look into. The list of Local Authorities in the benchmarking included Birmingham, Suffolk, Lambeth and Camden amongst others so GMC was not an unusual practice for social landlords.

Councillor Redsell echoed the Chair's comments in that the information provided previously was not enough. She had received complaints from two tenants within her ward that had a grass verge outside their homes which everybody used. The letters regarding the GMCs had also been sent out to residents who did not have entry door lighting but had an entry door. The Chair questioned if Councillor Redsell felt the letters were too generic. She agreed and felt that they had been sent out across the board without considering what services homes received and further discussed the types of properties within her ward. She had also seen nine operatives cutting grass outside a block of flats which she thought was too many considering some of the residents who owned the flats were able to cut the grass themselves. The ADH said there were some areas of complexity and that the GMC was new. In sheltered housing, there had been an existing charge of £8 per week to residents since 2013. Referring to a 'method statement' document which set out how tenants receiving the service was identified and was based on local Members' knowledge and base data, he said the Northgate database had been used for the letters and like all large data systems, was subject to some error. It did need regular cleansing and was not going to be 100% fully up to date. The letters that had been sent out had stated that tenants were receiving one of the above services and the letters had not been sent to all residents. The decision taken was to consult those affected and the FAQ was attached to the letters. There had been very few enquiries from general needs tenants during the consultation phase and a low number of residents participating which was not unusual during Council consultations. It was not so low that it would lead the service department to believe that nobody understood the GMC. In recent weeks, the service had dealt with nearly 300 residents regarding the GMC and many had been unaware of other areas that were being maintained. Whilst more could have been done to help make the charges clearer, most related to the principle of introducing the charge and not any ambiguities

The ADH went on to discuss a question that had been presented by a resident regarding the GMC at the previous Full Council meeting and reiterated that gardens were not included in the charge. Residents could be assisted with maintaining their gardens if they met the required criteria in the non-chargeable Assisted Gardening Scheme which looked at more than just the age of the tenant. He stated that 'grounds' referred to the wider areas of land, grass edges etc., that was maintained for Housing with a Service Level Agreement (SLA) in place and charged to the HRA. This was a £1.7 million charge overall in 2017/18 and when split equally between tenants benefitting from the services, would come to over £5 per week. The same principles used for sheltered housing and other charges (which were lower but were still based on contract costs) were applied in the GMC costings. Nothing was set in stone; the decision could be made to not collect the charge separate from the basic rent.

The ADH also wished to clarify that the impact of collecting the charge is that the raised cost of collecting the £1.7 million would be paid from the basic rent. If there was no charge, every tenant would still be contributing a small amount from their basic rent whether they received the services or not, which could be argued not to be equitable or reasonable. In collecting the money for the charge, it would give wider scope to the budget to carry out other activities set out in the report of the GMC. This would mean the money would not have to be found elsewhere from other budgets. For half the year, there would be an available £845,000 to spend on other services. As a result of the suspension of the GMC, this was the amount the HRA did not have available to put into repairs and maintenances.

Echoing the Chair's earlier comments, Councillor Pothecary agreed the review could have been clearer the first time round. She felt the review should not be restricted to the GMC and that the values of the Council needed to be reconsidered. She went on to mention that tenants in tower blocks had to pay for lift maintenance as if it were a luxury for them. These tenants had not chosen to live in a tower block or chosen to have a lift and she asked that the review be expanded to include all the service charges to be looked at again. She felt that the service department needed to consider what they were trying to achieve through the charges and that the principles of the GMC should be applied to the lift maintenance charge. The ADH said the motion was for the Cabinet to reconsider the need for a GMC and not of other service charges. Service charges were normal in rental property arrangements and no provisional service provided was a luxury or privilege. Some additional services were provided beyond the basic functions which was chargeable outside the basic rent. He assured Members that all the charges could be included in rents for the purpose of Housing Benefits and Universal Credit. Last year, the Council had evicted 30 tenants but they had also assisted 300 tenants with rent payments. The service was not in the business of finding grounds for eviction and was very much for the assistance of people. The initial report of the GMC was explicit in the continuance of the rent reduction and its impact on the HRA. Revenue raising measures had been sought and the GMC had been identified. As a social landlord, the service was not charging for a range of services provided in addition to the basic rent.

To Councillor Pothecary, the Chair expressed his sympathy and suggested raising a motion for the route of the other service charges. Due to the scale of the money involved, the full implications would need to be considered to provide a viable way forward. He stated he was not for the GMC but he did not want to see the HRA struggle either. He would listen to any motion and be open to persuasion if it were to occur but without a motion at that moment, there was no basis for other service charges within the Committee.

The CDAHH stated that the rent reduction would be more over the period of five years than the introduction of the grounds maintenance charges. During that time, the HRA would lose £500,000 to £750,000 a year over the five year period, even with the GMC in place. The ADH reminded Members that the impact of no service charge would be £845,000. He had considered the budget with and without the ground maintenance service charge so there had never been a presumption that this money would be coming in. Assuming the charge would not be implemented until April 2018, the gain from other service charges was considerably less as fewer people were charged. The general needs charges provided £132,000 and sheltered housing charges came to £180,000 which was not enough to bolster the basic repairs budget that was already underfunded. This meant the service would not be able to be too ambitious in future developments or improvements. The Chair sought reassurance that Officers would be available to help Councillor Pothecary if she decided to carry a motion on other service charges to which they agreed.

The Vice-Chair asked for the figures of the GMC to be clarified in the report, as the Leader of the Council had quoted £1.6 million and 6300 tenants at Full Council. He also questioned whether the charge would be applied to private landlords or tenants in the same road as a council tenant; and if the charge could be applied in totality towards the General Fund as it was outside the curtilage of those properties. He proposed the charge should come from the General Fund and not the HRA to which a case could be made.

The ADH replied that the land and assets were held in the HRA and not the General Fund. The areas of HRA land were maintained through SLAs which the HRA was currently funding and staff for grounds maintenance were not tasked with maintaining areas that was not within the SLA. He agreed the Vice-Chair's proposition could be considered but the HRA was currently funding £1.7 million for activities carried out in grounds maintenance. There was a bigger consideration relating to the local plan and development opportunities. A bigger piece of work would need to be done on what sat in the HRA and General Fund and some people had been surprised grass verges were maintained by the housing department. To move those areas of land from the HRA to the General Fund or vice-versa would be a wider strategic process but the service department would need a budget to do this. The service department had no power to levy HRA charges on freeholders or private tenants despite having a council tenant in the same road. As a borough with a lot of development ambition, there needed to be careful consideration on moving land out of the HRA which would risk the financial responsibilities that came with it. The figure of £1.6 million quoted by the Leader of the Council had been for the full year impact and the figure the ADH had given earlier was for the remaining six months of the budget and had no discrepancies.

The Vice-Chair suggested Officers to look into the process of moving land from HRA to the General Fund. He felt that in the fairness of equity, the curtilage remained part of the General Fund and not the HRA as it was part of the road. Council tenants were responsible up to the garden gate, back and side fences. Outside of the gate was the responsibility of the General Fund. If another budget had to pay for this, at least it would be in the right account. The ADH said the land outside the tenant's gate had always been housing land as understood by all parties hence the SLA and GMC.

The Housing Tenant Representative (HTR), Lyn Mansfield, sought clarification on whether the grounds maintenance service charge was the same service charge as sheltered housing and that no extra services were added. The ADH stated the GMC used the same services as sheltered housing and the charge was not to enhance anything. The service would continue to look into the operational side of SLAs to see if there was scope to make it more efficient or to potentially reduce costs. Services would be kept under review to ensure the service was as good as possible to justify the charges. In some areas where services were not as good, measures had been put in place to improve this.

Linking to the HTR's question, Councillor Pothecary asked if GMC would change anything. She also asked the Officers to visit Broxburn Drive where there was no ground maintenance work carried out and no door entryways working. The CDAHH confirmed he would follow this up. The Chair added that this would be in the Key Performance Indicators.

Councillor Redsell said the borough had changed and people were now capable of cutting the grass themselves so the Council did not always have to do this. She agreed with the Vice-Chair's comments on fairness of equity and the service should look at where letters were being sent.

Councillor Piccolo sought clarification on whether a privately owned flat within a council block also paid service charges which he could understand why. He did not understand why the council tenants had to pay the GMC and not the private tenant in the same road. The Chair said this backed up the Vice-Chair's proposal on moving the charge to the General Fund. This would limit how much council tax could be raised to and whether there was enough scope to do so. The ADH said Councillor Piccolo's point was touched upon in the third bullet point of paragraph 4.2 but there were very few leaseholders so the income there was low. He stated that the GMC was a part of the HRA raising revenue and would remain so.

The Members and Officers went on to discuss how council tenants had believed they were the only ones to be charged for the grounds maintenance charge and private tenants were evading the charge. They further discussed using the Members' knowledge of their wards for future communications and the Vice-Chair's proposal of moving the GMC to the General Fund. Officers could look into this but swapping land was a bigger issue than the service charges and would need to be separated from the HRA review.

RESOLVED:

1) **That the Committee comments on the report.**

2) **That the Committee agrees the approach proposed in the report to reconsidering the grounds maintenance charge, following the decision in September 2017 to suspend the introduction of the charge for tenants pending a review.**

12. Homelessness Reduction Act Update

Presented by the ADH, the report gave an update of the Homelessness Reduction Act. This would come into force in April 2018 and created a legal framework for people that were homeless; at risk of homelessness; or threatened with homelessness. The Council had done what was mandatory under the Act so far. Earlier on the day of the Committee meeting, the new Code of Guidance had been published which would give different timeframes for the homelessness procedure from April. The service department was going through the guide to ensure they were in line with what was set up in their report. Government had also given an update on the New Burdens Funding, which had increased so that each borough would receive £240,000 for a total of three years which ensured local authorities would have a significant fund to follow through on the Act. Over the next three years, the assumption is that practises and policies would be updated to address homelessness issues and ensure the best practice was put in place.

The Chair was sceptical about the level of efficiency in the homelessness department and asked if this would burden the service department further. The ADH replied that the pilot in the report would help them for a while but they were looking at different service models. The department was also going through a culture change.

Councillor Pothecary sought clarification on those who were threatened with homelessness as some tenants who were handed a section 21 (notice of eviction) did not take it seriously until it expired as advised by the Council. She went on to say she was pleased with the increase of the New Burdens Funding and queried whether the £240,000 was limited to what it could be spent on. The fund may be spent on a bespoke IT service to help manage the service department better but the fund was not limited. The ADH anticipated that most of the funding would be spent on hiring extra staff that specialised in certain case types to create a better infrastructure. The ADH stated that section 21 notices should be taken seriously but it does raise questions on when to accept someone could become homeless. Each applicant had a prevention duty to fulfil in which there was an expectation for them to take reasonable steps to prevent their own homelessness.

The Vice-Chair queried on the definition of single homeless people if it included single status; single with mental health; and people kicked out of their homes by family. The ADH confirmed the definition included all single people and the structure encouraged actions involving vulnerable people. There was a wide range and the service department worked with specialist single teams to identify what housing options single homeless people would need in terms of circumstance and age. Reasonable steps would be taken to find housing for single people and every person was entitled to a personalised housing plan which would include actions the Council would take and actions the individual would take. Currently, the highest cause for single homelessness was section 21 notices; exclusion from family home as the second highest cause; and domestic violence as the third highest cause.

Councillor Redsell commented that there were not enough properties to house single people and queried the plan for this. The service department was looking into the procurement of more properties but new rights did not create new homes. Attempts were made to rescue tenancies or the Council would make discretionary payments but as part of the relief duty as a council, there were reasonable steps to take to relieve homelessness. The service department could refer individuals to other boroughs if they felt the borough suited their needs better, such as lower rents.

The Chair welcomed the legislation and was pleased that provisions for homelessness for single people would be improved. He expressed concern on single people with mental health problems as he felt they were not considered a priority and thought this should be considered. The ADH replied that those with mental health problems were assessed by medical professionals that gave medical recommendations. The service department did not always follow these recommendations and would still consider these people for housing. Mental health was difficult to diagnose compared to physical health and the new legislation was designed to move away from requiring people to prove homelessness vulnerability.

The HTR questioned what would happen to the homeless that were currently on the streets. Referring to 4.8 of the report, the ADH said that other public services would now have a duty to refer them to the local authority. There was an eligibility requirement that people had to pass in order to receive housing options. Those that did not pass the eligibility threshold could be referred to the homeless services.

The Chair queried the role the service department took on with partner agencies for homelessness. There were expectations of the service department but partner agencies would still have the crucial role of assessing housing. The Local Authority would still be responsible for finding housing in the long term but they expected the prevention ratio to increase.

Councillor Allen asked whether the Council was responsible for providing temporary accommodation to the homeless and if so, what the costs were. The ADH answered the costs were not high and the amount requiring temporary accommodation was small. The bill was in the low £100,000s in terms of cost of hotels per annum. Councillor Allen went on to ask whether temporary accommodation would be provided to single people. The service department would need to maximise what they could attain and it was difficult to acquire private properties. Traditionally, councils provided self-contained studios or one bed flat which was something the service department would look into. Councillor Allen also mentioned he had seen containers used in London as homes and asked whether this would be considered in the Borough. The service department would look into modular options and consider offering these. The ADH was aware of a company that used timber structures that could build homes quickly.

Councillor Redsell questioned whether the service department was in touch with the homeless that were sleeping rough in the Borough. She commented that Family Mosaic did not do as much in Thurrock as they used to. The ADH agreed and stated that it would be good to develop a partnership with independent or charity organisations such as Family Mosaic but the service did not have the budget to set this up as they had done in the past. Family Mosaic had withdrawn from temporary accommodation due to personal reasons. At the last statutory count, there had been five or six homeless rough sleepers the service department was aware of but the number of single homeless people was on the increase as opposed to rough sleepers.

The Vice-Chair suggested the Council could look at quick builds on plots of council land, even through Gloriana. There were 8000 people on the Housing Register at the last head count which was increasing daily. The ADH replied that the figure of 8000 was misleading as it included 4000 people who were deemed to be adequately housed. The statistics for single homeless people were also included in the 8000 but was a relatively low number. He agreed that Gloriana was useful but did not think it was close to the modular housing option and a lot of the land in the HRA and General Fund was already accounted. Providers of modular homes were aware of the need in Thurrock and the government was looking into standardised accommodation options. The Council was committed to delivering more homes but the figures were challenging and needed to be looked at.

RESOLVED:

1) **That the Committee comments on the information provided on a) the introduction of the Act and b) the progress of the Housing Solutions Service in preparing for implementation.**

13. Housing Performance (April - August 2017)

Introduced by the ADH, the report provided an overview of the Housing performance for April – August 2017. 65% of targets had been achieved which was up from 48% in quarter one and performance compared against indicators in August had improved by 17% overall. The report highlighted the following key and local performance indicators:

- The performance related to Housing's Key Performance Indicators remained largely on track.
- The general tenant satisfaction with services provided by Housing was below target but had improved by 3% and had received positive comments from residents.
- The number of households in temporary accommodation had improved and was 10 below the target threshold of 125 at the end of August.
- Tenants were dissatisfied with the anti-social behaviour (ASB) service and the Housing service review would be looking at centralising ASB reports to improve record keeping, case management and accountability.
- The Council planned to engage with landlords in the private sector to encourage them to make properties available to those in receipt of housing benefit.

Referring to the Housing Performance Scorecard (HPS) in appendix 1, Councillor Redsell queried on the outcome of damp and mould which was low in the summer but as the winter was coming, would the outcome change. The ADH confirmed that damp and mould was on the increase again. The indicator in the HPS was designed to capture the data as it stood and sub-divided data into categories of a) what a tenant could do to prevent mould; b) what treatments could be used such as vents; and c) building fabric works. The stock condition survey was almost complete and would provide the service department with improved data on the severity of the damp and mould issues and whether it led to structure damage within council properties.

Councillor Allen referred to the re-let voids data in the HPS which had a reduction of six days and mentioned two cases where the quality of work carried out was unsuitable which led to a longer delay of the re-let time. The ADH replied that voids were carried out by contractors but the service department could carry out a full review of each case.

The Vice-Chair was pleased to see a breakdown for the figures of the Housing Register and he went on to comment on the amount of collectable rent paid by travellers which had risen from 95% to 98% before falling back to 97%. He would be interested to find out in the next Committee meeting where the new sites would be placed for travellers.

The Vice-Chair and ADH discussed cases regarding Economy 7 central heating in specific areas of the Borough. Individual properties would need to be investigated as the Council was not in the business of updating. Although a few properties in the same road were being upgraded, it did not mean the whole road would also be upgraded as upgrades were based on the needs of households in each case.

Referring to the Council's private tenants team, the Vice-Chair pointed out the issue of overgrown trees within a private tenant's garden which would grow over onto a council tenant's property. He questioned how the private tenants team could instruct private tenants to trim their trees. The ADH replied highways may have more power in encouraging private tenants to trim their trees but each case varied as there was no direct power from one organisation. The Council could recommend the affected tenants to get an enforcement order through the courts.

Councillor Pothecary sought clarification on the corporate performance reports in particular staff sickness, staff turnover and absence of staff which was stress related. She asked whether there were figures from other directorates within the Council to compare to and if there was a plan in place to resolve stress related absence from staff given the 40% seen in April and May. The ADH said the figures were based on an account of all staff in a given month and the department was doing well compared to other services. Some of the individuals in the April and May timeframe were no longer employed. Councillor Pothecary went on to say that it would be good to see Corporate Performance Indicators (CPI) benchmarked against other departments. The CDAHH stated that CPIs were regularly reviewed at Corporate Overview and Scrutiny Committee but these could be brought to the Housing Overview and Scrutiny Committee. The housing department had historically higher figures and there was a target of nine days per employee but had continued to remain at ten and a half days.

Councillor Redsell and the ADH discussed a case regarding the Transforming Homes programme. There had been some homes missed out in the programme but the department was looking into this. The programme had two and a half years left to go with a third of the homes remaining to be transformed so it was ahead of schedule. The contractors should be able to finish on schedule as there was a set target of 15 days to finish per home. The Chair queried whether there was a plan to bring repairs back in house to which the ADH replied that the preference was to use contractors but it could be considered.

Referring to the tenants satisfaction with the Anti-Social Behaviour (ASB) service on the HSP, Councillor Allen pointed out that ASB was on the increase in the Borough. He felt there was room for improvement on how ASB was dealt with. The ADH referred to paragraph 6.5 which reported tenant satisfaction with the ASB service was below target. The reported level of ASB was not on the increase but as mentioned at the Full Council meeting last month, ASB was probably underreported. There was the bigger challenge of centralising ASB as in which department it should sit in and whether it could be shifted. Reassigning some of the tasks could help or increasing the level of tenant participation as there were low levels of tenant representation. Addressing ASB would help to prevent it from escalating but the service department was trying to find a good model to follow for ASB.

Standing Orders were suspended at 9.20pm to allow Members to complete the item.

Councillor Redsell felt it was a good idea to have tenant representatives for ASB services but there were people who were not willing to come forward to give information on ASB if they felt at risk. The ADH stated the service department was doing their best to address ASB and looking at different ways to gather intelligence. No residents had been forthcoming when the ASB service attended a community hub. He agreed it took courage for people to come forward on ASB and felt perhaps the service was stuck within their case management model which needed to be looked at.

Councillor Allen and the ADH discussed a case of ASB between neighbours where CCTV had been relied on to gather evidence in order for the move panel to move the victims. The Chair queried whether good behaviour agreements were enforced between neighbours. This was an informal agreement and CCTV was not usually required as evidence in a move panel. The Chair also sought clarification on the Community Protection Orders (CPO) within his ward of Aveley and Uplands, which had to go through further scrutiny at Council before Officers could agree the issue of the CPOs. These had been agreed upon but the ADH would clarify with the ASB service. Councillor Redsell added that mediation was not always the solution. Victims did not want to use this to resolve neighbour situations when the perpetrator should be removed.

RESOLVED:

1) **That the Committee comments on the report.**

14. Housing Overview and Scrutiny Committee Work Programme

Members discussed the work programme for the remainder of the municipal calendar. The Vice-Chair requested that a review of the travellers sites be added. Responding to this, the CDAHH said that the report would not be reviewing the travellers sites as it was a matter for the Planning Department. The report from the Housing Department would be reviewing how the current three existing council sites were running.

The following reports were to be added to the work programme:

- Allocation Policy
- Review of Travellers Sites
- Cases of Mental Health in Homelessness
- Discretionary Payments in Housing
- HRA Service Charge Review

The meeting finished at 9.36 pm

Approved as a true and correct record

CHAIR

DATE

Any queries regarding these Minutes, please contact Democratic Services at Direct.Democracy@thurrock.gov.uk

19 December 2017	ITEM: 5
Housing Overview and Scrutiny Committee	
Grounds Maintenance Service Charge Review	
Wards and communities affected: All	**Key Decision:** Non-Key
Report of: John Knight, Assistant Director of Housing	
Accountable Assistant Director: John Knight, Assistant Director of Housing	
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health	
This report is Public	

Executive Summary

This report summarises the review of the proposed grounds maintenance charge which has been carried out in light of the decision in September to suspend its introduction, and sets out the main options for resolving this issue prior to the beginning of the next financial year.

1. Recommendation(s)

1.1 That the Committee comments on the options outlined in the report regarding the grounds maintenance charge.

1.2 That the Committee makes a recommendation to Cabinet based on its consideration of the report.

2. Introduction and Background

2.1 A previous report to the Committee in October outlined the history of the proposed grounds maintenance charge, which was scheduled to be implemented in October. The service has reviewed the charge in light of the decision taken in September to suspend its introduction.

2.2 The rationale for the introduction of a dedicated grounds maintenance charge for general needs tenants is essentially unchanged since being set out in earlier reports in the context of the HRA Business Plan. The grounds maintenance service is an identified cost to the HRA (servicing and maintaining grounds, alleyways, hard areas, play spaces, trees and other HRA designated land) for which no separate charge is currently being made, despite the Council as a landlord being entitled to charge for such services under legislation and within the terms of our tenancy agreement. The overall cost of the service in 2016/17 was £1.7 million, comprising £1.4 million paid under a Service Level Agreement with Environment and Place and a small number of other one-off elements which were separately costed.

2.3 As there is no dedicated charge for the service, the required revenue is in effect collected from the overall `pool' of income in the HRA, mainly derived from basic rents as paid by all tenants, regardless of the individual services they receive (and including tenants in sheltered housing). The overall level of revenue for other purposes available in the HRA is correspondingly reduced. This means that less money is available to maintain and improve the housing stock within the parameters of the HRA as a ring-fenced account. The committee did previously comment on whether consideration could be given to the transfer of land between the HRA and the General Fund. This is a much bigger piece of work beyond the scope of this exercise and in effect would only be transferring costs between different parts of the Council and potentially result in an increase in the Council tax.

2.4 The benefits to all tenants of increasing the revenue in the HRA can be seen by considering the findings of the Stock Condition Survey – which is a later item on the agenda for tonight's meeting and which was recently completed. This empirical data clearly illustrates the ongoing shortfall between the optimum investments requirements for Council properties and the allocations for capital improvements which it is possible to make within the current budget constraints.

2.5 For example, an additional £1 million p.a. would enable the service to achieve greater energy efficiency in around 150 homes each year, reducing future bills and moving more quickly towards our overall target of achieving Band C ratings in all our homes. Similarly, the priorities identified in the survey for the installation of new boilers and the refurbishment of external elements could be completed in a shorter time period. Freeing up revenue of up to £1 million p.a. would serve to reduce year on year the ongoing gap between capital requirements and available resources, and contribute to the avoidance of future costs for both the Council and our tenants. The detailed modelling carried out for the new HRA Business Plan also shows that the `investment gap' is likely to increase over time.

2.6 Specific charges are now included in the rents paid by tenants for a range of other services, including caretaking, the enhanced housing management service for sheltered housing residents, and communal heating and lighting. Where properties are occupied by leaseholders rather than tenants, charges are made for all these services and also for grounds maintenance.

2.7 In this context the review has considered the range of alternative courses of action available to address the ongoing need to meet the costs of the ground maintenance service from the HRA. The remainder of this report provides a summary of the main options, and some indications the potential cost benefit analysis associated with each option from the perspective of the Council as a social landlord.

3. Options for Grounds Maintenance Charge.

Outlined below are some of the potential options for the committee to consider. These are the main options but the committee may consider a hybrid of those listed or create new options. However, any different options will need to fully consider the financial and service impacts.

3.1 Proceed with suspended standard charge for all selected tenants –

This option is clearly available, and would if implemented, yield a high level of revenue compared to most of the alternative options set out below. In the view of the service however, it is more appropriate for the review to result in some amendments to the proposed model.

In particular, it is possible to collect the charge in a more targeted way, and to exclude from it those tenants who benefit directly only through the maintenance of a relatively small area, such as a grass verge or footpath close to their property (and where the majority of other residents in the area are freeholders or private tenants rather than Council tenants) For these reason the review has focussed on the alternative models below.

Summary of advantages/disadvantages

- Advantages – Maximises revenue into the HRA.
- Disadvantages – Concerns which led to the suspension would not have been addressed.

3.2 Introduce a standard charge for all tenants

This option would potentially provide a full cost recovery model, in that the cost of the service could be distributed among a wider group of tenants. The weekly charge could potentially reduce to for example circa £3.20 if applied to all general needs tenants (excluding sheltered).

As previously outlined the full amount of any charge can be included in tenants' rents for the purposes of assessing both Housing Benefit and the housing element of Universal Credit, so those on low incomes will receive additional support through the benefits system.

Whilst providing sufficient revenue to meet the entire cost of the grounds maintenance service, maximising the amount available to meet costs elsewhere, this option would arguably not be consistent with the targeted approach applied to other service charges.

Summary of advantages/disadvantages

- Advantages – No `winners and losers' among tenants ; revenue maximised.
- Disadvantages – Could be viewed as inconsistent with the targeted approach to all other service charges; some tenants likely to appeal on the basis they receive no clear benefit.

3.3 Withdraw the charge in full

This option would mean that the full cost of the grounds maintenance service would have to be met as now from the general HRA budget. As set out in previous reports this would necessarily lead to a reduced priority being given to some items of capital expenditure which are keen to deliver.

The overall financial context of the HRA remains challenging, with the asset base and associated revenue being incrementally reduced by stock sales under Right to Buy, and limited financial flexibility overall given the need to continually invest in properties and to provide improved services whilst achieving a balanced outturn every year.

Although basic rents will be permitted to increase once more from 2020/21 onwards, there are two further years of the mandatory 1% reduction before this takes effect. The effect of any increases thereafter will also be cumulative, meaning the revenue from basic rents will only increase gradually, and will be offset by stock sales and other increasing costs.

Summary of advantages/disadvantages

- Advantages – Resolves concerns raised about the introduction of any charge.
- Disadvantages – No additional revenue to relieve HRA budget pressures; all tenants in effect contributing through the rents `pool', including those with little or no direct benefit from the service; could be viewed as poor financial management; reduced accountability for staff delivering the service.

3.4 Implement a lower standard charge for the same selected tenants

The introduction of the charge at a lower level would reduce the overall revenue which could be obtained. Applying a lower charge to the same group of tenants who were identified before the suspension would mean that those receiving a relatively low level of service would still be charged at the same rate as other tenants.

Summary of advantages/disadvantages

- Advantages – Simple to apply; no new `winners and losers' among those affected.
- Disadvantages – Reduction in revenue; concerns about those receiving lower level of service compared to others would not be addressed.

3.5 Introduce a variegated charge

To address the issue of differential levels of service (excluding tenants already excluded as they are deemed not to have any direct benefit from the service close to their property), one option would be to operate a range of charges according to the level of service provided. Whilst this is similar in principle to the model in place for caretaking – i.e. a `gold, silver or bronze' level of service – that approach is very clearly based on different numbers of visits to a given block, and can be broken down simply into the three levels of provision.

Making clear distinctions between different groups of tenants would be more difficult in respect of grounds maintenance, as the frequency of service is not a variable which could be used (all maintained areas are visited with the same frequency depending on the time of year), and there are more possible gradations between the level of service provided. This model would be administratively difficult, as well as possibly contentious due to the presence of `winners and losers' at the end of any exercise to vary the change based on level of service whilst still collecting as much revenue as from a standard charge.

Summary of advantages/disadvantages

- Advantages – Could be viewed as fairest way of distributing cost; may provide scope for more revenue than some other options.
- Disadvantages – Administratively complex; likely to generate concerns and high number of individual queries/appeals.

3.6 Charging tenants in certain types of property

The grounds maintenance service covers a wide variety of locations across the borough. In some areas the number of Council tenants is relatively low and/or the amount of maintained grass and other features is very small compared to larger areas included in the service. The second category includes spaces on clearly delineated estates, around low rise blocks, and in certain parts of the borough where there are large amenity greens and green spaces maintained under the HRA.

Applying a targeted approach so that only the second category of tenants identified above were individually charged would mean that a large proportion of the street properties included under the methodology used to arrive at the previous data-set of benefitting tenants would be excluded.

The logical corollary of such an approach would be to move away from the principle of full cost recovery from all tenants receiving some individual benefit, however small in context, towards a model through which only tenants receiving a significant benefit would be charged, while the remaining costs would be met as now through the general rents pool.

A binary approach based on property type alone would present difficulties given the presence on estates – which are clearly in receipt of a significant level of service overall – of the full range of property types. i.e. houses, flats, bungalows and maisonettes.

Summary of advantages/disadvantages

- Advantages – Would remove from the charge large numbers of tenants where there is a perception of relatively low level of service and/or unfairness created by surrounding occupiers not also being Council tenants.
- Disadvantages – Likely to be seen as creating new examples of unfairness, especially where charge would be applied to occupiers of one class of property and not another where service is clearly comparable, i.e. on estates.

3.7 Lower standard charge for fewer selected tenants

When the relevant data-sets are considered in detail it is clear that, although a large proportion of all general needs tenants can be described as deriving some individual benefit from the service, it would be possible to set an appropriate threshold below which a charge would not be paid, but above which a charge – set at an appropriate level – would be reasonable.

One potentially viable application of this principle would be to include in the charge a) all properties within estates, b) properties in low-rise blocks with maintained grounds, and c) properties close to large maintained areas of green space, i.e. over 1,400 square metres. This would result in an estimated 3,800 tenants falling within the charge, occupying flats (2,640), houses (635), maisonettes (400) and bungalows (125). The majority of the houses previously identified for inclusion would be excluded as being below the threshold for inclusion under this model.

Summary of advantages/disadvantages

- Advantages – Reduced impact on finances of those still included; could be viewed as fairer than previous proposal, as clearly based on provision of a meaningful level of service to all tenants included; simple to administer.
- Disadvantages – Potential revenue reduced as large numbers of tenants no longer included; could be viewed as disproportionately impacting on certain tenants, including those already paying other charges.

3.8 Phased introduction

It may also be seen as appropriate to introduce any agreed charge over a period rather than as a single increase. This will reduce the amount of revenue collected in the years before full implementation, but give tenants a longer period within which to adjust to the additional cost of their tenancy. This could be seen as the right approach in if the charge is being applied to a smaller group of tenants than first envisaged. It also aligns with the overall approach of seeking a contribution from some tenants above the threshold, rather than trying to achieve full cost recovery by distributing the total cost among all the tenants who could be viewed as receiving an individual benefit.

Summary of advantages/disadvantages

- Advantages – Reduced impact in first year on finances of included tenants; consistent with approach taken to sheltered housing charge after consultation.
- Disadvantages – Reduced revenue in first year of introduction.

3.9 Worked example – option 3.7 phased over 2 years

The table below shows the impact of option 3.7 if set as some different levels and phased in over two years, i.e. in 2018/19 and 2019/20. The overall annual revenue from each variation appears in the final righthand column.

The maximum total used in this model is £1 million, based on excluding from the cost of the service a) some of the elements which are of more general below benefit (tree-pruning etc.) and b) the cost of servicing those areas across the range of sites which would be below the threshold as set out above.

Number of selected tenants – 3,800 Rental weeks - 50 p.a. Weekly charge multiplier for £p.a. figure - 190,000			
Charge p.w.18/19	Revenue 18/19 (phase one)	Charge p.w. 19/20	Revenue 2019/20 (phase two)
£2.60	£500,000	£5.25	£1,000,000
£2.35	£450,000	£4.75	£900,000
£2.10	£400,000	£4.20	£800k
£1.85	£350,000	£3.70	£700k
£1.60	£300,000	£3.20	£600k
£1.30	£250,000	£2.65	£500k

3.10 Prior to any final recommendation to Cabinet more detailed work can be undertaken where necessary to reconcile all costings to the schedules of tasks and locations used by the grounds maintenance service.

A consultation will be carried out with those tenants potentially included, and with residents more widely through Tenants and Residents Associations, the Tenants Excellence Panel, community hubs etc. as well as online and by phone and letter. We will also continue to work with colleagues in

Environment to improve the monitoring of the contract and to reduce costs wherever possible.

4. Impact on corporate policies, priorities, performance and community impact

- None.

5. Implications

5.1 **Financial**

Implications verified by: **Julie Curtis**

HRA and Development Accountant

As set out in the main body of the report the Housing Revenue Account is subject to a range of financial pressures. The collection of additional revenue through service charges will mitigate these to the degree commensurate with the number of tenants affected and the level at which the charges are set.

5.2 **Legal**

Implications verified by: **Martin Hall**

Principal Solicitor

As a landlord the Council is entitled to apply charges for specific services to the rent paid by tenants. The tenancy agreement issued to all tenants expressly provides for this, so new charges can be introduced within the terms of current tenancies. The process requires a preliminary notice of variation and the opportunity for tenants to make representations to the Council if they do not agree with the proposed charges. The Legal team will provide the Housing service with any guidance necessary to ensure that the process is compliant in the event of any new introduction of charges being approved.

5.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**

Community Development Officer

No direct implications from this report.

5.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None.

6. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- HRA Business Planning reports to Housing Overview and Scrutiny Committee, December 2016 and February 2017
- Service charges – report to Cabinet, July 2017
- Service charge update – report to Housing Overview and Scrutiny Committee, October 2017

7. Appendices

- None.

Report Author:

John Knight

Assistant Director of Housing

Adults, Housing and Health Directorate

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19 December 2017	ITEM: 6
Housing Overview and Scrutiny Committee	
Stock Condition Survey	
Wards and communities affected: All	**Key Decision:** Non-Key
Report of: Susan Cardozo, Housing Asset Investment and Delivery Manager	
Accountable Assistant Director: John Knight, Assistant Director of Housing	
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health	
This report is Public	

Executive Summary

This report summarises the results of the recent Stock Condition Survey Commissioned by Housing to inform financial planning and the delivery of capital improvements to the Council's housing stock.

In January 2017, following a procurement exercise, Baily Garner, a construction consultancy company, were appointed to undertake a condition survey of Council-owned housing stock. The purpose of the Survey was to inform future investment requirements for the next 30 years of the HRA Business Plan.

The properties surveyed were a representative sample ensuring a balanced mix of the asset types, including flats, houses, maisonettes, etc., taking into account the standardised construction of many building types with the aim of achieving a 30% representative sample of the residential assets and a sufficient sample of the more standardised non-residential assets i.e. garages and communal areas. In total 3223 surveys were undertaken.

The surveys covered both internal and external elements of the buildings, communal areas, parking areas, garages, outbuildings and recreational areas where they were on housing owned land. The Survey also provided an overall energy assessment of the properties.

The survey results have shown the stock to be in a generally fair to good condition at this point.

The survey data collected provides the building blocks for future planning and enables the service to identify priorities and plan programmes that direct investment appropriately over the next 5 to 30 years.

The Survey has demonstrated an overall investment requirement for £101,819,487 over the next 5 years to ensure all properties are maintained to a good standard and continue to provide reasonably modern facilities and services. This increases to £452,447,897 over the 30 year timespan. Annual requirements as estimated by the Survey fluctuate considerably due to the need to replace or refurbish certain elements based on their lifecycle and current age.

The full cost profile by asset type is set out in Appendix 1.

The Survey identifies an optimum level of financial investment in the stock which greatly exceeds the amount of capital expenditure factored into the HRA Business Plan. As a landlord the Council is not in a position to reach the standards which would be achievable if there were more resources available. Using the survey data in this context will allow expenditure to be more accurately targeted to where it will deliver the most value in terms of future cost avoidance and increasing the resilience of the stock.

Investment requirements as detailed in this report will now be used to inform the future Housing Revenue Account Business plan. Peaks in requirement will need to be aligned with resource availability. Subsequent programming will take into account the highest priorities and spread the investment period where the property is able to sustain a longer lifespan.

Examination of the data also enables the service to focus on some current high priority aspirations for stock such as energy efficiency, damp and mould and external refurbishments.

The Survey reports the average energy efficiency rating of the stock to be at a D rating of 61.9. From April 2018, private sector landlords will be required by law to maintain their properties to an energy efficiency rating of at least Band “E”, and the fuel poverty strategy for England sets an ambition that as many homes as reasonably practicable achieve a Band C energy efficiency standard by 2030. In line with this our aim is ensure that in the medium term all Council homes meet at least a D rating.

The recommended works to bring the lower rated properties up to this target include:

- Improved loft insulation
- Window renewals where single glazed
- Boiler replacements and improved heating controls

It is recommended that the programme addresses the replacement of single glazed windows as a priority in order to significantly improve the energy efficiency of the 1052 of properties affected.

Damp and mould was reported in only 4% of properties surveyed and in the majority of these cases it was attributed to condensation. The recommendation is to install ventilation fans and provide advice to tenants around the day to day management of their properties.

1. Recommendation(s)

1.1 **For the Housing Overview and Scrutiny Committee to comment on the estimated investment requirements to maintain the council's housing owned stock for the next 30 years**

1.2 **For the Housing Overview and Scrutiny Committee to comment on the approach being taken to investment programming for the next five years and the prioritisation of certain elements including single glazed windows.**

2. Introduction and methodology

2.1 The Council owned housing stock consists of almost 10,000 residential properties and almost 3,000 garages. The residential stock ranges in age from those constructed as early as 1900 to a small number (111) of recent new builds, which were not included in the survey. The majority of properties were constructed in the period from 1951 to 1980. The stock overall contains almost as many flats as street properties and includes 15 tower blocks.

2.2 In January 2017 Baily Garner, a construction consultancy company, were appointed following a procurement exercise to undertake a condition survey of Council owned housing stock. The surveys were undertaken between April and September 2017.

2.3 The purpose of the Stock Condition Survey was to estimate current and future investment requirements for the Council-owned housing stock, including garages. The overall aim was to validate and/or update all existing stock data and collect additional condition and lifespan data to ensure that future capital investment is targeted appropriately.

2.4 All surveys were undertaken by appointment and Baily Garner reported that during their visits to over 3,000 units they had no cause for concerns over the behaviour of any residents with surveyors reporting a generally friendly and welcoming attitude. The service communicated with all residents well in advance of the fieldwork beginning to explain the purpose of the survey and the fact that individual surveys would not lead to specific repairs being undertaken.

2.5 The properties surveyed were a representative sample ensuring a balanced mix of property size and build types and have thus provided a statistically representative sample of the stock overall. This has enabled extrapolations from the survey data that provide an understanding of the investment requirements across the entire stock. All the financial figures used in this report are the extrapolated totals for the stock as a whole rather than sums related only to the properties surveyed. The housing database will also be amended accordingly with assumptions based on the survey being entered for non-surveyed properties except where reliable `live' data is already in place.

2.6 Table 1 – Surveys undertaken

Property Type	Stock*	Surveyed	% Surveyed
Sheltered	1223	268	22%
Flats	3379	697	21%
Street Properties	5208	1741	33%
Total	9810	2706	28%
Garages	2948	230	8%
Communal Areas	801	287	36%
Grand total	13,559	3,233	24%

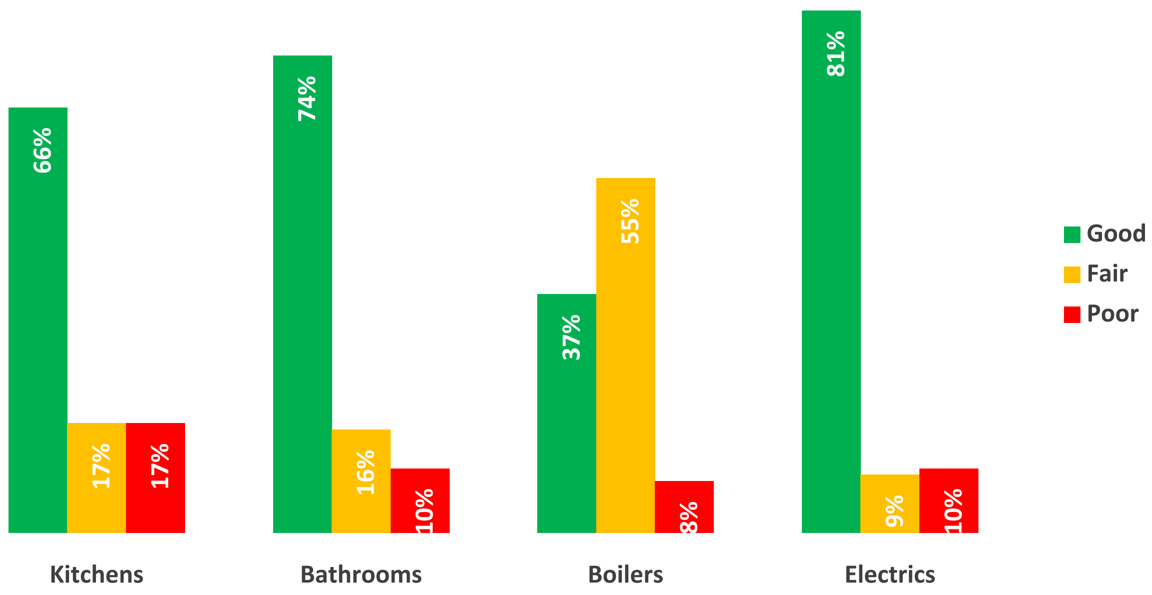
NB: These figures do not include new build Council properties (111)

2.7 The survey scope included internal and external elements of the buildings, communal areas, pathways, parking areas, garages, outbuildings and recreational areas on housing-owned land.

3. Survey Results

3.1 Overall the surveys demonstrated that the stock is in a generally fair to good condition, this being the case with 70% of the properties. Specific themes have emerged in relation to certain elements that require prioritisation, including external elements and boiler renewals.

3.2 Table 2 - Internal Elements

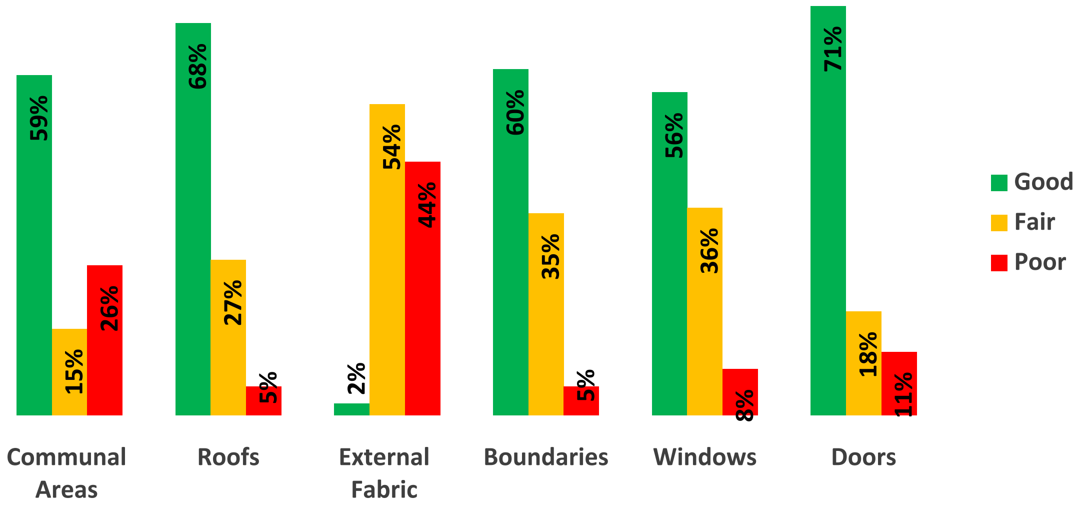


3.3 Kitchens, Bathrooms and Electrics: The majority of these are shown to be in a good condition with a remaining life exceeding 10 years. This reflects the targeting of current and previous programmes including the current Transforming Homes programme. Those in a fair or poor condition are largely in the areas that are still to be addressed under the programme.

3.4 Sheltered properties generally had more bathrooms in a fair condition at 66% - this has been attributed to the fact that many of these bathrooms have been installed as adaptations in response to tenant's needs rather than as part of a wider programme. Where properties have a separate toilet 85% of these were found to be in a good condition with a remaining life of more than 10 years.

3.5 Boilers: The Survey reports that only 37% of boilers are in good condition and 8% in poor condition. The majority therefore are in the fair condition category (55%). Analysis of this information alongside the results of the annual gas safety checks confirms that the stock includes 1232 properties where the boilers are now over 12 years old and of these 641 are over 15 years old and require prioritised replacement.

3.6 Table 3 - Communal and External Elements



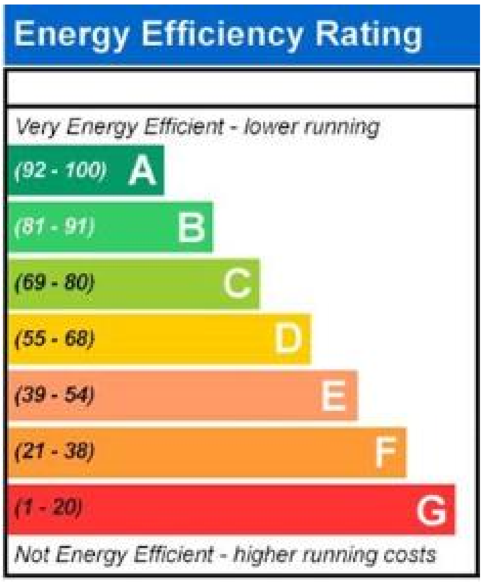
3.7 The table above further reflects the prioritisation that has directed investment to the requirements of the Decent Homes criteria (as reflected in the first years of Transforming Homes) which addresses the core facilities in individual properties. The highest priority now is for early investment in the external fabric of the buildings. This work includes brickwork, rainwater goods, soffits, fascias, rendering and external painting. These requirements correspond to the final two years of the Transforming Homes programme which, from May 2019, will focus investment to address external fabric refurbishments.

3.8 Windows: Just over half of properties (56%) have windows in good condition, 36% are in fair condition and only 8% in poor condition. This rating does not take into account whether the windows are single or double glazed. There are 1052 properties that have single glazed windows. Although the stock condition data tells us these could be retained and repaired, it is recommended all single glazing is prioritised for replacement regardless of condition in order to achieve energy efficiency for these properties. The cost summary profile outlined in section 4 reflects this prioritisation.

3.9 Fencing and Landscaping: 60% of boundaries to street properties have been shown to have a remaining life exceeding 10 years. This is even higher for flatted accommodation with 72% of boundaries to blocks shown to be in a good condition. Only a small percentage of street properties (5%) and blocks (3%) require investment in boundaries in the next 3 years.

3.10 Energy Efficiency: The surveys undertaken included an energy assessment in order to provide an up to date position of the current energy consumption of the dwellings. This is measured under a national framework of calculation called RDSAP. Energy ratings are measured on a scale of A-G with A being the most efficient as shown in table 5 below.

3.11 Table 4 - Energy Efficiency Rating



3.12 The surveys identified an average RDSAP rating of D – 61.9. The lowest individual rating was E – 48 for was a typical 3 bedroom house constructed circa 1930-1949.

3.13 From April 2018, private sector landlords will be required by law to bring their properties to an energy efficiency rating of at least Band E and the Fuel Poverty Strategy for England sets an ambition that as many homes as reasonably practicable achieve a Band C energy efficiency standard by 2030.

3.14 The Council is committed to improving the overall thermal efficiency of our homes whilst effectively supporting some of our most vulnerable residents out of fuel poverty. As a relatively high number of Council tenants are vulnerable it is a key priority to reduce their fuel bills. To support this aim the target is to bring all council owned residential properties to a minimum of a Band D rating by 2022.

3.15 The following works have been highlighted to raise the lower rated properties up to the required target of a Band D rating.

- Top up loft insulation
- Window renewals where single glazed
- Boiler renewals and improved heating controls

The average cost to bring the properties below target up to a good energy efficiency rating is estimated at £6,448 per property. This has been included in the 30 year cost profile to align with renewal of associated elements.

3.16 Urgent Works: During the surveys if surveyors encountered anything that required urgent repair these were highlighted to us immediately. Only 34 urgent, previously unreported, repairs were highlighted during the survey process. This included a number of properties that had no staircase handrails or balustrades in place, these having been removed by tenants. Some properties had lintel issues, loose chimney pots, dislodged roof tiles and broken electrical socket plates. There was also one case of Japanese Knotweed found. All works to address these urgent repairs were arranged as a priority and completed shortly after identification.

3.17 Housing Health and Safety Rating System: The Survey also assessed properties against the Housing Health and Safety Rating system (HHSRS) which is a risk- based tool to help identify and protect occupiers against potential risks and hazards. Properties are categorised on a rating of 1 – 5 indicating the severity of the risk. The surveys highlighted only one property with a current `severe' rating of 5, due to lack of heating and associated damp and mould growth.

3.18 A number of properties were identified with a moderate level 4 risk rating and these are being addressed in relation to the individual concern, this includes 25 properties with structural concerns. Level 4 risks include some properties with previously unreported remedial repairs and some relating to layout and the positioning of cooking facilities. Some risks require tenancy management intervention as they relate to the tenant's management of their property. Unsafe kitchen layouts are being addressed as part of the Transforming Homes programme. The mitigation of all identified risks under HHSRS is being co-ordinated by the Housing Asset Investment team to ensure all are addressed in line with their priority within the next six months.

3.19 Damp and Mould: Only 4% of properties surveyed had any risk of damp or mould highlighted. The reports for these properties demonstrated that in the majority of cases this was caused by condensation. The recommendations for resolution were the installation of ventilation fans and advice to tenants around the day to day management of their properties. These results support the approach currently being taken by the service to reported damp and mould by the Housing team, based on a specialist team who complete full surveys and clearly distinguish between properties where works are required and those where housekeeping advice to the tenant should resolve the problem.

4. Issues, Options and Analysis of Options

4.1 The surveys undertaken have included a percentage example of the different archetypes across the Housing stock, excluding non-traditional properties as explained below. The overall results have been extrapolated to calculate the investment requirements over the next 5 to 30 years. The results demonstrate an investment need of £101,819,487 over the next 5 years and £452,447,897 over the next 30 years. The details of this are shown in Appendix 1.

4.2 In order to calculate the cost of potential works a schedule of estimated rates was applied, based on industry recommendations and the Council's current tendered basket rates for works packages. It should be noted that costs included in this report do not include VAT or inflation costs.

4.3 Non-Traditional Properties: The housing stock includes 138 non-traditionally constructed properties which require significant investment in order to continue to provide fit for purpose living accommodation for a further 30 years. A specialist stock condition report was undertaken in 2015 of these properties and they have not been included in this recent survey. The investment requirement for these properties is estimated to be £2.9m with works required before 2020. This is therefore additional to the cost profile set out in this report.

4.4 Stock condition surveys do not include the testing of mechanical or electrical components as this testing is undertaken on a cyclical basis as routine planned programmes. Similarly fire safety inspections and associated works were not included in the scope of this survey.

4.5 The Stock Condition Survey data collected now provides the basis for future investment planning. This information will now be used to inform the Councils HRA business planning process and the prioritisation of works packages under the Housing Capital Investment Programme currently delivered through Transforming Homes.

4.6 The overall cost profile is summarised below in Table 5 and is presented in detail in Appendix 1 of this report. Overall this demonstrates that generally the prioritisation applied to the current programme of works under the Transforming Homes programme is targeting appropriately for the next three years. This programme continues in 2018 to address the internal element replacement and in 2019 moves on to prioritise external repairs and refurbishments. The detailed profile of the programme for the next three years will now be aligned with the stock condition information to ensure these resources are on target to address the properties with the most significant need.

4.7 Table 5 - Summary of Investment Requirement by Property Type

Type	5 Year Cost	30 Year Cost	No of Properties	5 Year Cost Per Property	30 Year Cost Per Property
Street Properties	£35,815,859.60	£223,984,893.02	5208	£6,877.09	£43,007.85
Flats	£55,991,991.09	£186,067,865.73	3379	£16,570.58	£55,065.96
Sheltered	£3,054,426.92	£20,032,689.99	1223	£2,497.49	£16,379.96
Garages	£6,957,209.61	£22,362,449.05	2948	£2,359.98	£7,585.63

NB: For detailed breakdown by element see Appendix 1

4.8 Initial analysis of the overall results has highlighted significant peaks in the investment requirements in both 2020 and 2022. These peaks are due to the lifecycle requirements for external refurbishment and roof renewals as well as peaks in the requirement for heating replacements.

4.9 Delivery programmes will need to address these highest priority elements and spread the investment period into future years where properties are able to sustain a longer lifespan. While this will not reduce the investment need overall, delivery programmes will be balanced to align with the availability of funding.

4.10 The Survey also provides us with a detailed understanding of the lifecycle costs of properties on individual estates and this information will be used to inform option appraisal and feasibility studies for potential estate regeneration areas.

4.11 Value for money in delivery is of primary importance and programmes of capital investment will need to closely align with repairs and maintenance programmes if the Council is to ensure the full lifecycle of elements is sustained.

4.12 Delivery will need to continue to target geographically, combine associated elements and take full advantage of access requirements in order to deliver the best value.

4.13 Engaging residents in the requirements of their Tenancy Conditions is also important to ensure resources address lifecycle replacement appropriately and are not diverted to tackle avoidable property damage or rectify unauthorised alterations.

5. Reasons for Recommendations

5.1 The Stock Condition Survey data provides the building block for future planning and allows the service to identify priorities and plan programmes for investment over the next 5 to 30 years.

5.2 Investment requirements detailed in this report can now be used to inform the future Housing Revenue Account Business plan. Peaks in requirement will need to be aligned with resource availability. Subsequent programming will be required to take into account the highest priorities and spread the investment period where the property is able to sustain a longer lifespan.

5.3 The Survey reported the average energy efficiency rating of the stock to be at a D rating of 61.9. This is explained in detail in Table 5 in the main body of the report. The Council aims to meet at least a Band D rating for all its residential properties by 2022 and a Band C rating in the longer term.

5.4 The recommended works to bring all lower rated properties up to this target include:

- Improved loft insulation
- Window renewals where single glazed
- Boiler replacements and improved heating controls

5.5 It is recommended that the programme addresses the replacement of single glazed windows as a priority in order to significantly improve the energy efficiency of the 1052 of properties affected.

5.6 Based on the survey results relating to damp and mould it is also recommended that the current approach to reports of these issues is maintained to target effectively expenditure on building fabric works, as distinct from minor repairs and treatments and housekeeping advice.

6. Consultation (including Overview and Scrutiny, if applicable)

6.1 The planning of the Stock Condition Survey was discussed at the Tenants Excellence Panel in February 2017. All tenants in selected properties were sent full details of the exercise prior to surveyors attending their homes.

6.2 The report to Overview and Scrutiny of December 2016 on the HRA Business Plan and Budgets outlined the Stock Condition Survey plans. The report outlined the anticipated requirements for investment in energy efficiency measures such as loft insulation and boiler replacements which have now been confirmed by the empirical data gathered through the Survey. .

7. Impact on corporate policies, priorities, performance and community impact

7.1 The maintenance and improvement of the Council's housing assets is linked to the following key corporate priorities:

- Creating a great place for learning and opportunity
- Encourage and promoting job creation and economic prosperity
- Building pride, responsibility and respect
- Improving health and well-being

8. Implications

8.1 **Financial**

Implications verified by: **Julie Curtis**

HRA and Development Accountant

The full investment requirement cannot be accommodated within the current HRA Business Plan. The current Transforming Homes programme is fully resourced, with the budgets agreed at February 2017 Cabinet being included in the Plan. The HRA business plan has an annual capital budget allocation of £10m included until 2026/27 against a need indicated of £15m per year. The ongoing investment requirement will need to be revisited annually. On current assumptions it may not be possible to sustain the £10m per year capital investment beyond 2026/27 due to ongoing stock loss and increasing costs.

8.2 **Legal**

Implications verified by: **Chima Obichukwu,**
Housing Solicitor

There are no legal implications arising in respect of the Stock Condition Report. However I note the point about 34 properties where previously unreported urgent repairs were identified and have been prioritised for action. I also agree that resident engagement and adherence to tenancy conditions is essential to achieving our goal of maintaining housing stock in a planned cycle.

Works to the structure and communal areas of flatted accommodation will require full leasehold consultation under Section 20B of the Landlord and Tenant Act 1985 (amended). Therefore adequate timescales need to be considered in the implementation of future investment programmes.

8.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**
Community Development and Equalities Team

A full impact assessment has been undertaken of the implementation of the delivery of the housing investment programme across both responsive repairs and major works.

The programme principles take into account the individual needs of tenants and makes adjustments for vulnerability. The diversity considerations include adherence to the Equality Codes of Practice in Procurement which require consideration of the equality arrangements of all companies any works on behalf of the Council; that they have relevant policies on equal opportunities and are able to demonstrate commitment to equality and diversity.

The significant investment required represents an opportunity to secure additional social value to the local communities in the borough.

8.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None.

9. Background papers used in preparing the report (including their location on the Council’s website or identification whether any are exempt or protected by copyright):

- HRA Business Plan and Budgets 2017/18 Report to Cabinet, 8 February 2017

10. Appendices to the report

- Appendix 1 – Table of Housing Stock Investment Needs

Report Author:

Susan Cardozo

Housing Asset Investment and Delivery Manager

Housing Department

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Appendix 1 – Table of Housing Stock Investment Needs (extrapolations from SCS data)

Element - TOTAL - Extrapolated	£ estimate total	Backlog - 2017	2018	2019	2020	2021	2022	2023-27	2028-2032	2033-2037	2038-2042	2043-2047	30 years +
Dwelling													
Kitchen	£35,353,189.20	£1,127,755.39	£2,248,753.91	£725,231.47	£1,502,050.78	£88,218.36	£2,130,448.63	£3,528,365.80	£12,340,457.59	£9,812,609.07	£1,471,979.07	£377,319.13	£0.00
Bathroom	£23,454,641.98	£481,382.02	£594,561.80	£242,483.96	£506,090.80	£53,069.82	£1,220,121.10	£3,945,025.08	£2,990,420.64	£5,834,961.96	£3,360,175.44	£4,214,100.84	£12,248.52
Heating	£37,808,500.00	£627,900.00	£521,400.00	£187,500.00	£1,080,100.00	£45,000.00	£1,712,800.00	£8,586,600.00	£6,325,900.00	£11,693,000.00	£2,310,800.00	£4,593,300.00	£124,200.00
Electrics	£41,543,020.79	£1,037,591.54	£930,213.11	£1,323,587.40	£1,825,973.00	£144,631.34	£1,989,856.93	£11,259,995.10	£4,287,484.83	£6,207,996.48	£8,090,544.02	£4,406,144.18	£39,002.86
Misc	£5,641,758.04	£202,003.88	£137,990.32	£8,468.72	£59,530.12	£747.24	£138,986.64	£1,354,992.00	£3,307,881.64	£329,781.92	£35,369.36	£55,544.84	£10,461.36
Communal Areas													
Basket Rate - per floor	£2,419,610.00	£326,026.00	£138,890.00	£33,626.00	£928,370.00	£26,316.00	£48,246.00	£296,786.00	£285,090.00	£29,240.00	£270,470.00	£36,550.00	£0.00
Lifts	£2,990,000.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£1,655,000.00	£135,000.00	£390,000.00	£810,000.00	£0.00	£0.00
External Areas													
Roof Renewal	£57,595,740.00	£0.00	£0.00	£34,800.00	£2,294,625.00	£34,800.00	£922,925.00	£12,511,760.00	£8,261,810.00	£20,460,660.00	£3,466,950.00	£1,972,000.00	£7,635,410.00
Basket Rate – External Fabric	£27,406,518.72	£328,837.12	£1,883,106.32	£3,833,007.68	£6,987,788.80	£1,582,528.64	£4,056,514.16	£8,503,522.40	£92,485.44	£92,485.44	£15,414.24	£30,828.48	£0.00
Boundaries, Landscaping, etc.	£21,089,960.00	£173,000.00	£262,000.00	£204,000.00	£336,920.00	£186,000.00	£763,800.00	£4,664,000.00	£5,183,400.00	£3,869,200.00	£2,831,800.00	£2,454,120.00	£161,720.00
New windows and Doors	£41,016,408.00	£1,209,174.00	£3,802,912.00	£140,628.00	£2,561,296.00	£31,380.00	£1,600,642.00	£7,049,878.00	£7,901,778.00	£10,902,602.00	£3,791,650.00	£1,900,142.00	£124,326.00
Scaffold Access	£77,668,000.00	£512,000.00	£2,932,000.00	£5,980,000.00	£12,000,000.00	£2,476,000.00	£6,988,000.00	£20,764,000.00	£5,560,000.00	£10,752,000.00	£3,144,000.00	£840,000.00	£5,720,000.00
SUB TOTAL	**£373,987,346.73**	**£6,025,669.95**	**£13,451,827.46**	**£12,713,333.23**	**£30,082,744.50**	**£4,668,691.40**	**£21,572,340.46**	**£84,119,924.38**	**£56,671,708.14**	**£80,374,536.87**	**£29,599,152.13**	**£20,880,049.47**	**£13,827,368.74**
Garages	£19,445,607.87	£675,558.22	£147,113.44	£557,744.72	£44,100.00	£0.00	£5,300,789.32	£2,687,316.47	£1,148,194.60	£5,099,190.00	£330,000.00	£3,455,601.10	£0.00
SUB TOTAL	**£393,432,954.60**	**£6,701,228.17**	**£13,598,940.90**	**£13,271,077.95**	**£30,126,844.50**	**£4,668,691.40**	**£26,873,129.78**	**£86,807,240.85**	**£57,819,902.74**	**£85,473,726.87**	**£29,929,152.13**	**£24,335,650.57**	**£13,827,368.74**
Other													
Prelims at 15%	£59,014,943.19	£1,005,184.23	£2,039,841.14	£1,990,661.69	£4,519,026.68	£700,303.71	£4,030,969.47	£13,021,086.13	£8,672,985.41	£12,821,059.03	£4,489,372.82	£3,650,347.59	£2,074,105.31
TOTAL	**£452,447,897.79**	**£7,706,412.40**	**£15,638,782.04**	**£15,261,739.64**	**£34,645,871.18**	**£5,368,995.11**	**£30,904,099.25**	**£99,828,326.98**	**£66,492,888.15**	**£98,294,785.90**	**£34,418,524.95**	**£27,985,998.16**	**£15,901,474.05**

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19 December 2017	ITEM: 7
Housing Overview and Scrutiny Committee	
Housing Revenue Account - Business Plan and Budgets (2018/19 – 2048)	
Wards and communities affected: All	**Key Decision:** Non-Key
Report of: Roger Harris, Corporate Director of Adults, Housing and Health	
Accountable Assistant Director: John Knight, Assistant Director of Housing	
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health	
This report is Public	

Executive Summary

This report sets out the base position after updating and reviewing the 30 year Housing Revenue Account (HRA) Business Plan for 2018/19 onwards including the HRA budgets for 2018/19. The 30-year Business Plan is a statutory requirement, and the HRA needs to be financially viable whilst being able to continue to deliver the Council's Housing priorities.

The Business Plan takes into account revenue from all sources, principally tenants' rents and leaseholders' service charges, set against anticipated expenditure on stock (revenue and capital), staffing and other running costs, and all other expenditure including recharges to the General Fund.

The continuation of the government's mandatory rent reduction policy for the next two years continues to reduce the resources available in the HRA in the short term. In October 2017 the government announced the policy for social rents from 2020/21, allowing councils to again increase their basic rents and providing certainty over rents for 5 years. The Business Plan figures reflect these changes. The Plan also takes account of the phased extension of service charges for tenants from October 2017, generating additional income to the HRA.

A review of the housing service, including all activities funded by the HRA, is now fairly advanced. The review has identified a range of areas where efficiencies and improvements can be made in HRA activities thereby freeing up resources for reinvestment in the service. These are also reflected in the Business Plan.

The Stock Condition Survey is now completed and indicates the total investment required to maintain and improve the current stock over the next 30 years is estimated at £452,447,897. This is an average investment of £15m per annum across the 30 years of the Business Plan. These estimates include internal and external features of residential units (general needs and sheltered) as well as other assets such as communal hallways, parking areas, and garages.

The investment requirements identified through the Survey greatly exceed the amounts it has been possible to allocate annually to capital investment in the HRA. This overall context, of available resources being below the necessary level for all desirable maintenance and refurbishment to be carried out to optimum timescales, is anticipated to continue throughout the lifetime of the Plan.

The Housing service is focussed on ensuring both that the HRA remains financially viable, and that the right priorities are set for capital expenditure in particular, so that our residents have safe and secure accommodation, maintained at a good standard of repair and improved through further investment within the overall limitations described above.

We will also pursue every opportunity to secure additional funding for new-build programmes, and to deliver improved value for money as a modern social landlord. This work will incorporate the announcements made in the Budget, which are also highlighted in the report, although full details of some measures will emerge at a later date.

As shown in the Business Plan Thurrock has committed all of its remaining available HRA borrowing limit to the remaining new homes to be delivered under the current programme, so we will shortly be technically among those boroughs who have no opportunity to enter into further borrowing.

Without additional borrowing capacity and/or external funding it will not be possible for the Council to deliver new social homes as part of reaching the affordable housing requirements clearly identified in the draft Local Plan.

The Business Plan will be recommended to Cabinet as part of the budget-setting process for 2018/19.

1. Recommendation(s)

1.1 That the Committee comments on the assumptions reflected HRA Business Plan, as summarised in the report.

1.2 That the Committee comments on the budget information which is also provided.

2. Introduction and Background

2.1 The anticipated Housing Revenue Account budget for 2018/19 is summarised below, along with the main budget movements between 2017/18 and 2018/19.

2.2 The HRA 2018/19 budgets have been compiled in accordance with the 30 Year HRA Business Plan. This takes into account the long term strategy for the financial viability of the service. The Business Plan sets out how the Council will manage the range of services delivered under the HRA, using the income raised locally through council rents and other sources of HRA income for revenue and capital purposes.

2.3 **Key messages and assumptions**

The main realities and opportunities reflected in the Business Plan can be summarised as follows:

- Investment required for the current stock is higher than the currently available annual sum for capital investment – this is now confirmed by current empirical data from the Stock Condition Survey which gives a figure of £15m p.a. as the optimum investment requirement against the £10m p.a. assumed in the Plan

- Effective planning is essential to maintain and improve properties as required, and this limits the scope for further desirable capital investment

- The ability to raise rents from 2020/21 mitigates the revenue position from that point – increases of 3% p.a. are assumed based on the formula of CPI plus 1%

- Ongoing high levels of Right to Buy sales are assumed, incrementally reducing stock numbers and rent revenue and offsetting the impact of annual rent increases when they are resumed

- Reducing the cost of delivering the service remains a high priority, and will be a main priority of the housing review and further changes to the service

2.4 **HRA Position as at 1st November 2017**

The table below shows the positive reserve position and other available resources currently in the HRA. There are conditions attached to expenditure in each instance.

Reserve	Balance at 1/11/17 (£m's)
HRA General Reserves	(2,175)
Earmarked Reserves	
Development Reserve	(3,150)
Housing Zones and Capacity Grant	(1,440)
Right To Buy Receipts	
Non Ring-fenced Capital Receipts	(1,577)
One for One Receipts	(12,438)

- The HRA General Reserve currently stands at £2.175m in line the Council's Reserves Strategy which recommends that the HRA maintains a minimum level of general reserves of £1.7m, up to a prudent level of £3m. It is planned that reserves will be maintained at the current level for each year until 2020/21, and then move towards the optimum level.

- The Development Reserve is an earmarked reserve which will ensure the current New Build Programme can continue to be financed and completed as planned by the end of 2019/20, subject to any unforeseen delays.

- The Housing Zones and Capacity Grant Funding is provided for specific work around future New Build and Estate Regeneration.

- Ring-fenced One for One receipts from the sale of properties under Right to Buy can be used to partly finance New Build schemes. Their use has been maximised within the current Business Plan, taking into account the conditions set for their use, in order to avoid these monies being transferred to central government rather than re-invested in housing in this borough.

- The level of unspent receipts in the future is forecast to increase in line with increasing sales. If a new programme of social homes directly delivered by the Council becomes a viable option following the Budget announcement of increased borrowing limits for selected areas, these receipts could be used as one funding stream alongside the additional borrowing to build out some relatively large sites with planning permission.

- The non-ring-fenced receipts can be used to repay HRA debt as the level of stock reduces due to Right to Buy sales. Alternatively they can be utilised to fund capital investment. A contingency fund of £1 million from this source was identified earlier this year, and a total of £795k had been spent by the end of October on a range of fire safety enhancements, such as the stripping out of `legacy' gas installations from below some tower blocks

- As a modern social landlord we will ensure both that the value of each of the positive ledger items above is maximised, and that resilient funding models are developed for any additional development and/or regeneration opportunities that may arise. This is relevant to the announcements in the

Budget of additional funding streams and potential additional borrowing flexibilities, which may result in additional resources being brought into the HRA.

- The budget included announcements of both an additional £400 million for the regeneration of Council estates in selected areas, and an additional £1 billion of additional HRA borrowing headroom nationally over 3 years, to fund the delivery of new social homes in `*areas of high affordability pressure'.* Based on the analysis carried out for the Strategic Housing Market Assessment, which has informed the development of the draft Local Plan, we would expect Thurrock to fall within this definition, although there is no certainty at present which criteria will be used to arrive at the definition to be applied.

- In the context of the Business Plan these opportunities - and any other funding streams that may be announced - provide the only realistic prospect for the Council to deliver a significant number of new homes using the HRA as the vehicle. Applying an estimate for construction costs of £200k on average, the cost of delivering 50 new homes is approximately £10 million, or 1% of the total additional amount to be allocated to boroughs across England and Wales through this announcement.

- Based on this even a successful bid for new funding is unlikely to provide sufficient support for more than a small proportion of the potential new homes which have been identified through analysis of the pipeline of sites for development. We have identified £50-75 million as the kind of sum needed to kickstart a meaningful programme of new social homes which would begin to approach the numbers objectively needed over the next 30 years.

- In this challenging context we are preparing to bid for each of these funding streams when the full details are known, and are confident based on discussion with the DCLG to date that our proposals would be seriously considered. It is clear however that, subject to the bid criteria being so tight that many councils will be unable to bid, there will be a massive imbalance between the £1 billion committed and the requirements identified by councils across the country, many of whom can point to `affordability pressures' at least as severe as those obtaining in Thurrock.

- At this stage no positive assumptions have been made in the Business Plan – the Plan would be amended in the future should significant new funding be secured by these or other means.

3. Issues, Options and Analysis of Options

3.1 Adjustments during 2017/18

Robust budget monitoring has taken place throughout the financial year to date to ensure that expenditure remains on track and potential variances are identified and addressed.

The HRA budget projections were revised with effect from period 6 to reflect the extension of sheltered and other service charges which were implemented from 2nd October 2017. The positive impact of these changes on the budget increased revenue during this financial year by £312k.

Alongside this, the decision to suspend the introduction of a grounds maintenance charge has reduced the overall potential increase by £845k. This has limited the amount of capital investment this year, specifically on both loft insulation for properties in the Transforming Homes programme, and the external refurbishment of properties with non-traditional construction.

Depending on the overall revenue available in 2018/19, these and some other items of capital investment will be deferred, or implemented over a longer period so as to spread the costs over a number of financial years. The service will continue to work within the constraints of the budget to achieve a balanced outturn for responsive repairs and all other revenue budgets.

The revised 2017/18 budgets are included as the base year in the tables from the 30-year plan which are shown at the end of this report. The figures shown reconcile to the current year's budget as outlined in the Cabinet Report of February 2017.

3.2 Future assumptions – costs

Across the period of the Business Plan inflation has been assumed at 1% p.a. for salaries, and 1.8% for building fabric works linked to contractual uplifts. The assumption in the Plan is that all other costs across the life of the Business Plan can be kept flat, as any inflation affecting general running costs will be absorbed through general efficiencies.

The HRA stock continues to reduce due to increasing numbers of RTB Sales. In the whole of 2016/17 there were 94 completed sales, while in the first six months of 2017/18 68 properties were sold. Given the increasing attractiveness of Thurrock as a location, reflected in asset values and the buoyancy of the local housing market, it is assumed that these non-discretionary sales will remain at a relatively high level in the future. The Business Plan assumes that the current trend continues over the first 5 years of the Business plan, and starts to reduce slightly over the following 5 to 10 years. The level of stock loss resulting from these sales means that even with a significant new-build programme the Council will struggle to stand still in terms of the overall number of Council homes available to rent.

3.3 Rental income

In line with the previous government's policy a mandatory 1% reduction has been applied to all social rents for 2018/19 and 2019/20. On 4th October 2017 the government announced the revised policy for social rents from 2020/21, which gives certainty over rents for 5 years. The new policy is that rents can, as previously, be increased annually, using a set formula of the level of the Consumer Price Index +1%, for the 5 years beginning in 2020/21.

Although implemented each April, rent increases will be partly based on the CPI in the preceding September. In the Business plan we have assumed CPI at 2% p.a., reflecting the assumptions now made by the Office of Budget Responsibility as reflected in the budget documentation. On this basis estimated basic rents have been increased by 3% for each of those 5 years, with a freeze thereafter as a prudent assumption.

Affordable rents inclusive of service charges being applied to all New Build properties are currently capped at 70% of market rents (10% less than the allowable maximum of 80%), or the Local Housing Allowance level for the area, whichever is the lower. This rent level will apply to the remainder of the current new-build programme, i.e. Claudian Way, Calcutta Road and the Tops club site, which is due to be delivered over the next two full financial years to complete during 2019/20.

The average rents forecast in the Plan for 2018/19 are set out below:

Social Rents

Bedroom Size	No of Properties	2018/19 Average Weekly Rent	2018/19 Average Monthly Rent
Bedsits	243	58.23	252.35
1	2,829	71.76	310.96
2	2,217	77.54	336.02
3	4,286	97.68	423.29
4	208	109.86	476.05
5	4	106.86	463.05
6	2	119.31	517.01
Total/average	**9,789**	**84.92**	**367.98**

Affordable Rents (new build properties only)

Bedroom Size	No of Properties	2018/19 Average Weekly Rent	2018/19 Average Monthly Rent
1	18	119.82	519.23
2	59	146.64	635.45
3	13	182.44	790.58
Total	**90**	**146.45**	**634.61**

3.4 **Service Charges**

In July the Cabinet agreed to the extension of certain specific charges for both sheltered and general needs tenants as put forward in the equivalent report in February 2017. With the exception of the proposed grounds maintenance charge these charges were introduced from October 2017, based on a phased introduction moving to full cost recovery over three years. The additional income from these charges is now reflected in the Business Plan. The suspension of the grounds maintenance charge reduced this potential increase in service charge by £845k in 2017/18. The options relating to this charge following a review are the subject of a separate report to the Committee.

3.5 **Capital Investment**

The current budgets set and agreed by Cabinet in February 2017 to complete the Transforming Homes Programme are set out below.

In 2018/19 the programme will mainly be focussed on all those areas of the borough not covered in earlier years, i.e. Ockenden, Orsett, Stanford East, Corringham, Grays Thurrock and Stifford Clays. There is then a shift to external works across the whole of the borough for the last two years, affecting the allocated annual budgets as shown below.

Year	**Budget £m's**
2017/18	11.8
2018/19	10.0
2019/20	8.2
2020/21	9.2

The Stock Condition Survey has now been completed, and is the subject of a separate report to the Committee. The conclusions of the survey will inform decisions about future planned maintenance programmes and other areas of prioritisation for works on residential properties and other assets.

The survey indicates an overall investment need to maintain the current stock over the next 30 years of circa £452.5 million. This equates to a requirement of £15m for each year across all aspects of capital investment as currently accounted for under the Transforming Homes programme, planned maintenance programmes, and some elements of responsive repairs.

Revenue-funded cyclical testing and servicing works and most responsive repairs are in addition to this capital requirement, and will continue to be prioritised to ensure the maximum lifecycles of our council owned buildings are sustained.

3.6 **Fire Safety Works**

The work done earlier this year to provide maximum assurance in relation to fire safety has resulted in some additional spending, the total impact of which is £795k in 2017/18 to date. As a further contingency a total of £200k is currently set aside. There is a possibility of larger spending items being required, in particular the retro-fitting of sprinkler systems in all blocks, which is one a potential outcome of the enquiry into the fire which is currently in progress.

3.7 **Service Review**

A saving of £300k in revenue costs has been anticipated in the 2018/19 budget arising from the outcome of the service review. This is based on a number of efficiencies and initiatives which have already been implemented to increase revenue and reduce expenditure - for example the decision to move away from the externalised Choice Homes system for lettings, with the relevant functions now incorporated into the main Northgate database, saving an annual fee of £45k to the third-party provider of the system.

A revised staffing structure is also envisaged which will reduce salary costs, and other revenue-raising measures and possible cost savings are also currently being evaluated. Since the commencement of the review a number of financial pressures have been addressed, including the level of spend on exclusion repairs within the Mears contract (where a reduction for the year of £200k is projected) and the time taken to re-let void properties (now reduced to under 25 days on average). We have also taken steps to consolidate the number of smaller repairs and maintenance contracts with the main Responsive Repairs and Transforming Homes partnerships - in order to reduce costs and strengthen accountability.

3.8 **Demand and delivery analysis**

The service is monitoring housing trends through the development of a cross-service Demand and Delivery group, which will track the delivery of new homes, including affordable units of all kinds, the number of households on the housing register, and other key variables. This will assist in gauging the overall pressure on various parts of the Housing service including those elements funded by the HRA, and position us to address housing need more effectively by basing our interventions on accurate data – for example establishing the number of households in our own stock and elsewhere who might be able to access Shared Ownership products.

3.9 **HRA New Build – Continuing to Build**

Details of the current New Build programme in the HRA are set out below; the budgets are in line with those agreed at Cabinet in February 2017 adjusted to reflect the profiling across the financial years.

(all figures £m's)	2017/18	2018/19	2019/20	Total
Scheme	**Projected**	**Budget**	**Budget**	**Budget**
Calcutta	0.61	7.95	0.66	9.22
Claudian	0.64	11.33	0.67	12.64
Tops Club	0.60	7.33	1.00	8.93
Total	**1.85**	**26.61**	**2.33**	**30.79**

	2017/18	2018/19	2019/20	Total
Financing	**Projected**	**Budget**	**Budget**	**Budget**
Borrowing	1.30	16.73	0.00	18.03
Development Reserve	0.00	1.90	0.70	2.60
S106	0.00	0.00	0.93	0.93
Revenue Contribution	0.00	0.00	0.00	0.00
1-4-1 Receipts	0.56	7.98	0.70	9.24
Total	**1.85**	**26.61**	**2.33**	**30.79**

The HRA is currently facing substantial budget pressures. Notwithstanding this there is a clear ambition to continue a pipeline of HRA development activity to meet urgent housing needs. Despite making best use of RTB receipts to date, the current requirement to `match' these funds from the main HRA budget acts as a clear constraint on development.

In this context the Council has already requested that the Government consider increasing the HRA Debt Cap. The Budget announcement of £1 billion of extra borrowing capacity for Councils in areas of high affordability pressure to build more social housing has confirmed that there is an opportunity for Thurrock to pursue this increased flexibility.

Officers met with DCLG officials in early November and will be continuing this dialogue to maximise the benefits to Thurrock of the budget announcements and related changes.

3.10 **Use of Right to Buy Receipts**

The Council has in excess of £9.5m unallocated RTB receipts. If released as a contribution to delivering new homes this would require a HRA contribution of around £21m. It is clear that under the present HRA funding arrangements this would not be sustainable. Under current Treasury rules, if the Council does not use the RTB receipts they must be repaid to government at an interest rate of 4% p.a. To avoid this, the first unallocated receipts must be spent by December 2019, which will be very challenging given the lead-in times associated with new build programmes.

To ensure these funds do not leave the borough we are exploring the setting up of a Housing Association fund through which a selected Housing Association partner could be funded to develop new build housing or to purchase existing satisfactory homes on the housing market that are in high demand for residents on the Councils waiting list. This approach would ensure that Thurrock residents benefit from the affordable housing delivered, through a nomination agreement with the Association as a grant condition, leading to timely use of the receipts. The Council is also in discussions with DCLG about the possibility of amending the financial rules to make further use of these receipts, although this does not appear a likely adjustment as these arrangements are still in place following the Budget.

3.11 **Estate Regeneration**

The Council continues to assess the viability of a future programme for estate regeneration. There are clear financial challenges to be addressed before any such programme could be formulated. These include the perceived unfavourable combination in the borough of high construction costs, comparable with those found in outer London, and low sales values more associated with Essex. This means viability is challenging even when the possible benefits of regeneration are clear, including for example a net increase in the number of social homes, the creation of more mixed communities through multi-tenure provision, and avoiding the substantial costs of maintaining a large number of properties beyond their optimum lifecycle.

The announcement in the Budget of an additional £300-400 million nationally for regeneration schemes provides a potential opportunity for regeneration options to be further explored, although as with funding for new homes any amount which might realistically be allocated to Thurrock will be a small proportion of the overall costs of any such schemes. .

3.12 **Capital Investment**

Based on the Stock Condition Survey data and other information it will be possible to plan a programme of planned maintenance works over the lifetime of the Business Plan, and to continue developing more efficient ways of keeping our assets in good condition whilst containing and rationalising the expenditure on properties. The survey data indicates when investment becomes essential, and also – in relation to non-residential assets – where the necessary outlay to maintain an asset should be balanced against its ongoing utility.

This applies in particular to garages, where it may be logical to dispose of the asset at the point where essential works are indicated. A full review of the garages is now nearing completion, and will be the subject of a separate report to the Committee.

A further strand of the housing review is considering how to arrive at the ideal balance between revenue and capital spend, and to carry out phased programmes of property improvements which command the confidence of residents and reduce the emphasis on reactive works. The current repairs policy is also being reviewed in this context, and the proposed new policy will form the basis of a separate report to the Committee.

The figures in the Business Plan and the stock data as refined by the survey provide a robust framework for planning capital expenditure in the medium term. In this context the service also needs to be responsive to unforeseen developments, and to ensure that where it is necessary to divert funds at short notice for any reason this does not lead to unsustainable budget gaps elsewhere. By the same token we will be alert for new funding streams and initiatives which will reduce budget pressures in the long term and be of benefit to our residents – for example by making sure all our homes meet the energy efficiency standards required in the private sector.

3.13 **Reserves**

As mentioned above the plan is for HRA reserves to be increase from their current level of £2.17m to the recommended amount of £3m over the next five years. The first increase is now scheduled for 2020/21. This reflects the relative stability of the overall budget from that point, as rents are again permitted to increase rather than reduce each in year.

3.14 **Future viability**

The Housing Revenue Account Business Plan is an essential document providing an assurance of our compliance with statutory requirements. Beyond this it can also be viewed as a crucial working document. The Plan provides the financial context for the Council, as a modern social landlord, to deliver service improvements and increase efficiency. It also highlights the need to use the service's financial resources to improve the appearance, `liveability' and safety of all our physical assets, as well as working to improve life more widely for all our residents in the communities where they are situated.

The remainder of this report sets out some further details of a) the budget changes which have occurred since the current Plan was adopted, b) the main budget allocations year on year for the current year and the first four years of the new 30-year Plan, and c) how expenditure and income, as projected, reconcile in each financial year as required.

3.15 **Budget movements**

A summary of the budget movements from 2017/18 to 2018/19 across the HRA Revenue and Capital Budgets is set out in the table below.

2018/19 HRA Revenue Budgets	**Budget Changes £000's**
Loss of income - 1% rent reduction	**441**
Loss of income - stock loss	**780**
Increased Income	
Established service charges (caretaking etc.) – 2%	(67)
2nd Phase of Extension of General Needs Service	(396)
2nd Phase of Extension of Sheltered Service Charges	(323)
Total Increased Income	**(786)**
Savings	
Service Review	(300)
Total Savings	**(300)**
Inflation	
Salaries and Pay Award	211
Contractual Uplift on Repairs	200
Total Inflation	**411**
Growth	
Revenue Repairs	**288**
Total Growth	**288**
Sub Total	**826**
Interest Charge on HRA Debt	82
Revenue Movement	**946**
Existing Capital	
Transforming Homes	**(1**,758**)**
Planned Maintenance	300
New Capital Investment	
Capital Investment	542
Net HRA Position 2018/19	0

3.16 **HRA Budget**

The main HRA budgets and variables from the Business Plan for this year and the next four years are set out below:

Thurrock HRA Business Plan	Base Year 1	2	3	4	5
Forecast Stock Numbers (Average)	**10,014**	**9,864**	**9,743**	**9,681**	**9,551**
£m	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Income					
Dwelling Rents	(44.73)	(43.27)	(42.86)	(43.77)	(44.51)
Voids	0.67	0.43	0.43	0.44	0.45
Net Rents	(44.06)	(42.84)	(42.43)	(43.34)	(44.06)
Non Dwelling Rents	(0.96)	(0.96)	(0.96)	(0.96)	(0.96)
Charges for services and facilities (net of voids)	(5.72)	(5.72)	(5.72)	(5.72)	(5.72)
Contribution towards expenditure	(3.34)	(4.13)	(4.52)	(4.56)	(4.61)
HRA investment income	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Total Income	**(54.09)**	**(53.66)**	**(53.63)**	**(54.59)**	**(55.36)**
Expenditure					
Salaries	8.44	8.35	8.56	8.77	8.99
Supervision and Management	16.05	16.05	16.05	16.05	16.05
Repairs and Maintenance	10.51	10.99	11.18	11.39	11.59
Rents, rates, taxes and other charges	0.22	0.22	0.22	0.22	0.22
(Increase)/decrease in provision for bad or doubtful debts	0.05	0.06	0.08	0.10	0.10
Total Expenditure	**35.27**	**35.67**	**36.10**	**36.53**	**36.96**
Net rental surplus	(18.82)	(17.99)	(17.54)	(18.06)	(18.40)
Interest payable on HRA Debt	6.91	7.00	7.10	7.25	7.64
DME	0.11	0.11	0.11	0.11	0.11
Available HRA revenue funds	11.80	10.88	10.33	10.69	10.65
New Borrowing	1.30	16.73	0.00	0.00	0.00
Development Reserve Fund	0.00	1.90	0.70	0.00	0.00
RTB New Build Re-provision (1-4-1)	0.56	7.98	0.70	0.00	0.00
S106	0.00	0.00	0.93	0.00	0.00
Grant and new borrowing	1.85	26.61	2.33	0.00	0.00
Total HRA funding	**13.65**	**37.50**	**12.65**	**10.69**	**10.65**
Investment in Own Stock - TH	11.80	10.04	8.20	9.20	10.00
Capital Investment TBC	0.00	0.84	2.12	1.00	0.26
New Build	1.85	26.61	2.33	0.06	0.00
Total Applied spend	13.65	37.49	12.65	10.26	10.26
HRA Cash balances b/f	2.17	2.17	2.17	2.17	2.60
in year change	0.00	0.00	0.00	0.43	0.40
HRA Cash balances c/f	**2.17**	**2.17**	**2.17**	**2.60**	**3.00**

4. Reasons for Recommendation

4.1 The report sets out the implications for the HRA for 2018/19 onwards. The proposals put forward have been calculated and assessed in line with affordability consideration and regard for reserve levels. It is essential that a balanced budget is set for the HRA. This is a legal and operational requirement.

5. Consultation

5.1 This report will be considered by the Overview and Scrutiny Committee in advance of the February Cabinet Meeting and the recommendations noted.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The Council's Medium Term Financial Strategy (MTFS) recommends that the HRA maintains a minimum level of general reserves of £1.7m up to a prudent amount of £3.0m.

6.2 The management and operation of the HRA strives to support vulnerable people. The 30 year business plan sets out to ensure there is value for money within the Housing Service.

7. Implications

7.1 Financial

Implications verified by: **Julie Curtis**
HRA and Development Accountant

Financial implications are detailed throughout the report.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Legal and Monitoring Officer

The Council has a legal requirement to review the Housing Revenue Account and ensure that it does not go into deficit. In addition, determinations made under the Local government and Housing Act 1989 prescribed what can be charged to the HRA and the calculation of those charges.

7.3 Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development officer

The HRA Business Plan and budgets for 2018/19 onwards reflect the Council's policy in relation to the provision of social housing with particular regard to the use of its own stock. In addition to the provision of general housing, it incorporates a number of budgetary provisions aimed at providing assistance to disadvantaged groups. This included adaptations to the stock for residents with disabilities.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None.

9. **Appendices**

- None.

Report Author:

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Housing, Adults and Health

Julie Curtis

HRA and Development Accountant

Corporate Finance

19 December 2017	ITEM: 8
Housing Overview and Scrutiny Committee	
Fees & Charges Pricing Strategy 2018/19	
Wards and communities affected: All	**Key Decision:** Non-Key
Accountable Assistant Director: John Knight, Assistant Director of Housing Management	
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health	
This report is Public	

Executive Summary

Local Authorities are involved in a wide range of services and the ability to charge for some of these services has always been a key funding source to Councils.

This report specifically sets out the charges in relation to services within the remit of this Overview and Scrutiny Committee. All of the charges dealt with are for the General Fund by the Housing Service. Charges will take effect from the 1 April 2018 unless otherwise stated. In preparing the proposed fees and charges, Directorates have worked within the charging framework and commercial principles set out in the report.

Further director delegated authority will be sought via Cabinet to allow Fees and Charges to be varied within financial year in response to legal, regulatory or commercial requirements.

The full list of proposed charges is detailed in Appendix 1 to this report. The proposed deletion of current fees and charges are detailed in Appendix 2 to this report.

1. Recommendations

1.1 That Housing Overview and Scrutiny Committee note the revised fees, including those no longer applicable, and that Housing Overview and Scrutiny Committee comment on the proposals currently being considered within the remit of this committee.

1.2 That Housing Overview and Scrutiny Committee note that director delegated authority will be sought via Cabinet to allow Fees & Charges

to be varied within a financial year in response to legal, regulatory or commercial requirements.

2. Background

2.1 The paper describes the fees and charges approach for the services within the Housing Scrutiny Committee remit for 2018/19 and will set a platform for certain pricing principles moving forward into future financial years.

2.2 The paper provides narrative for the General Fund aspects of the Housing area and include:

- Existing Houses in Multiple Occupation (HMO) Licence
- Future HMO licences – legislative changes
- Housing Enforcement Notices
- Penalty Charges – Housing Planning Act 2016
- Penalty Charges – Smoke & Carbon Monoxide Alarm Regulations 2015
- Energy Efficency Regulations 2015
- Non-Statutory Housing Reports
- Travellers Sites

2.3 The fees & charges that are proposed are underpinned in some instances by a detailed sales and marketing plans for each area. This will ensure delivery of the income targets for 2018/19, for ease these are summarised below for Housing fees and charges income codes.

2.4 Housing Figures

Service	Last Year Outturn 16/17	Revised Budget 17/18	Forecast Outturn 17/18	Proposed Budget 18/19
Housing (general fund)	(354,234)	(376,792)	(358,992)	(423,213)

2.5 The Private Sector Housing forecast outurn has decreased in 2017/18 due to the Parliament's delay on implementing extendind licensing of Houses in Mutiple Occupation [HMO] this financial year.

2.6 The individual service streams are summarised below

Service	Last Year Outturn 16/17	Revised Budget 17/18	Forecast Outturn 17/18	Proposed Budget 18/19
Private Sector Housing	(3,058)	(53,712)	(20,000)	(53,712)
Travellers Sites	(351,176)	(323,080)	(338,992)	(369,501))
Housing (GF) Total	**(354,234)**	**(376,792)**	**(358,992)**	**(423,213)**

3. Thurrock Charging Policy

3.1 The strategic ambition for Thurrock is to adopt a policy on fees and charges that is aligned to the wider commercial strategy and ensures that all discretionary services cost recover.

3.2 Furthermore, for future years, while reviewing charges, services will also consider the level of demand for the service, the market dynamics and how the charging policy helps to meet other service objectives.

3.3 Rather than set a blanket increase across all service lines, when considering the pricing strategy for 2018/19 some key questions were considered.

- Where can we apply a tiered/premium pricing structure
- How sensitive are customers to price (are there areas where a price freeze is relevant)
- What new charges might we want to introduce for this financial year
- How do our charges compare with neighbouring boroughs
- How do our charges compare to neighbouring boroughs and private sector competitors (particularly in those instances where customers have choice)
- How can we influence channel shift
- Can we set charges to recover costs
- What do our competitors charges
- How sensitive is demand to price
- Statutory services may have discretionary elements that we can influence
- Do we take deposits, charge cancellation fees, charge an admin fee for duplicate services (e.g. lost certificates.)

4. Proposals and Issues

4.1 The fees and charges for each service area have been considered and the main considerations are set out below.

4.2 A council wide target of £6.835m has been proposed within the MTFS for additional income generation in respect of fees and charges income for 2018/19 and represents a 4.1% increase from 2017/18.

4.3 For Housing Services the increase equates to a target of £423k to be secured through the implementation of extended mandatory HMO licensing and increased fees and charges in 2018/19. The increased fees and charges are challenging and represent our commercial ambitions as a Council.

4.4 To allow the Council services to better respond to changes in legal, regulatory or commercial challenges; delegated authority will be sought through Cabinet to permit the Director of the Service Area jointly with the Director of Commercial Services to vary these charges within financial year to comply with:

- legally prescribed statutory fees and charges which may be subject to prescribed variation during the year, and that it may be necessary to adjust the relevant fees and charges during the year to reflect a change to their cost recoverability calculation; and that
- discretionary services provided on an traded basis for profit may be subject commercial operational considerations, and that it may be necessary to adjust the relevant fees and charges during the year to reflect a change to their cost recoverability calculation.

4.5 The following sections outline the fees and charges implications for the individual service streams.

5. Existing Houses in Multiple Occupation (HMO) Licences

5.1 The HMO licence fee is regulated under Section 63(3) of the Housing Act 2004. This allows the Council to set its fee taking into account all costs it incurred in carrying out its licensing function. This has been done for all licence applications for up to 5 years.

5.2 The regulations do not allow the Council to make a surplus on increasing its licence fee above the cost of issuing a license. As a result, these existing charges are recommended to remain the same in 2018/19.

5.3 The Private Sector Housing (PSH) Team undertook a benchmarking exercise in 2016/17 with its Essex Housing Authorities and found that existing HMO licensing charges were on average 2% higher than the Essex area.

6. Future HMO licences – legislative changes

6.1 Extending Mandatory HMO Licensing guidance issue has been delayed by Parliament. The DCLG forecast the legislation changes will be implemented in 2018/19, at which point fee level implications can be determined. This shall increase licence requirement for between 60-80 properties for up to 5 years.

6.2 In addition, the PSH Team is progressing the case for implementing an Additional Licensing scheme in Thurrock. This proposed scheme will license small HMO properties with 3 or more people who are unrelated living together and sharing basic amenities such as bathroom or kitchen. This could conservatively cover around 100 – 400 properties, but could be significantly higher and therefore staffing implications will have to be considered to manage the scheme. All licensing income must be ring fenced to administer the licensing scheme as per the regulatory guidance on HMO licence fees.

7. Housing Enforcement Notices

7.1 Housing enforcement notices are discretionary charges. The council will only serve an Improvement Notice on the landlord if this is the 'only way' of protecting the health and safety of the occupiers requiring the landlord to meet the minimum housing standards. The Housing Act 2004 allows the Councils to charge for the service of legal notices under the Act. The regulations state the costs should be reasonable and auditable.

7.2 The introduction of a proposed variable charge according to the property size and number of hazards scored in the dwelling from 1 to 4 and 5 plus, rather than the previous flat fee structure, is reasonable to recover our full administration costs.

7.3 The table below shows how much income was charged in 2016/17 to demonstrate the benefits of a proposed variable charge based on size and hazard severity risk assessed. Last year our landlords scored 5 or more hazards. This shows a difference of £1944 extra income collectable under this proposed framework.

Income Charged 2016/17		
Improvement Notice Fee Cost	Total no of improvement notices served within 2016/17	Total Income Charge
474	14	£5688

Proposed Variable Administration Charge			
House / Bedroom size	No of properties	5 or more Hazards Improvement Notice Fee Charge	Total Income Charge
3	8	612	£4896
2	4	470	£1880
1	2	428	£856
		Total	£7632

8. Penalty Charges – Housing Planning Act 2016

8.1 Legislative changes under this Act allow the Council to serve civil financial penalties for certain housing offences under the Housing Act 2004.

8.2 Civil penalties cover:

- Failure to comply with an improvement notice [section 30]
- Offences in relation to licensing of HMO [section 72]
- Offences in relation to licensing of houses under Part 3 of the Act [Section 95]
- Offences of contravention of an overcrowding notice [section 139]
- Failure to comply with management regulations in respect of HMO [section 234]

8.3 The standard of proof must meet a criminal prosecution standard to serve a Civil Financial Penalty.

8.4 The Council charge applied is scalable from the published minimum fee up to a maximum of £30k; at the discretion of the Private Housing service based on the severity, repetition and cooperation of the third party in resolving the issues.

8.5 Under this framework the Council retain the financial penalty imposed rather the Courts for the fine paid as punishment for the offence. This new income from civil penalties must be ring fenced on private housing enforcement activities as per the regulation guidance.

8.6 This will be a transparent process which will be outlined in the council statement of principles, to be issued with the new fee structure. Appeals may also be made against the civil penalty charge, with the charge varied or waived dependent on individual mitigating circumstances. Where non-payment occurs the civil debt recovery process will be used to recovery the outstanding liabilities.

9. Smoke and Carbon Monoxide Alarm Regulations 2015

9.1 Legislative changes under this Act allow the Council to require the Landlord to pay a penalty charge for failing to comply with a remedial notice in regards to installing smoke and carbon monoxide alarms within a single dwelling private rented home. The amount to be charged has not been prescribed by the regulations; however, it must not exceed £5k.

9.2 The setting of a minimum charge of £1k increasing to to the maximum sum of £5k allowed will be levied for repeated breaches within two years. The PSH Team undertook a bench marking exercise with our Essex Housing Authorities and found our proposed new charges are in line with the Essex sub region.

9.3 The service expects most landlords to comply with the law than face this financial penalty imposed by the Council.

10. Energy Efficiency [Private Rented Property] 2015

10.1 This new legislation will require private landlords to reach an Energy Performance Certicicate (EPC) rating of E before granting a tenancy from April 1 2018 and will apply to all all tenancies from April 1 2020. Landlords with an EPC rating of band F or below G may not grant a tenancy to new or existing tenants.

10.2 The Private Housing Service can impose a civil penalty notice if its satisfied that a property has been let in breach of the Regulations or if the landlord has lodged false information on the PRS Exemption Register.

10.3 The council will impose a civil penanlty if the landlord has let a sub standard property in breach of the Regulations for a period of less than 3 months scalable upto £4k at the discretion of the Private Housing Service. Also, if the landlord has registered false formation or misleading information on the PRS Exemptions Register it will impose the maximum fine of £1k.

11. Housing Non Statutory Reports

11.1 This new traded service relates to charging providers of supported accommodation such as a children's care home or hostel requiring Houses in Multiple Occupation (HMO) reports to satisfy their local authority providers they comply with HMO management regulations and local amenity standards. This variable charge depends on the size of the dwelling and number of hazards identified on carrying out the inspection, to recover our full administration costs.

11.2 In 2016/17, the Private Housing Service undertook four 5 bedroom surveys at no cost to the housing provider commissioned by Children Services. Under this proposed framework we could have collected [4 x 556 [1-4 hazards, 5 bed accommodation] £2224

12. Travellers

12.1 The Council has three Travellers Sites with a total of 65 plots.

Location	Number of Plots
Ship Lane, Aveley, RM15 4HB	21 plots
Gammon Field site, Long Lane, Grays, RM16 2QH	22 plots
Pilgrims Lane site, North Stifford, Grays, RM16 5UZ	22 plots

12.2 An average of 83% of the residents receive full or partial Housing Benefit.

Location	HB Percentage
Ship Lane, Aveley, RM15 4HB	100%
Gammon Field site, Long Lane, Grays, RM16 2QH	68%
Pilgrims Lane site, North Stifford, Grays, RM16 5UZ	82%

12.3 In order to fully cost recover and deliver the budgeted surplus to the Council a 12.45% increase would be required from £96.59 to £108.62.

12.4 Previous increases over recent years have been in line with inflation only and have not taken full account of increases to utilities costs and maintenance costs. It is proposed that for financial year 2018/19 50% of the increase is applied as such the increase will be £102.60 representing a 5.8% increase.

13. Reasons for Recommendation

13.1 The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services. The approval of reviewed fees and charges will also ensure that the Council is competitive with other service providers and neighbouring councils. The ability to vary charges within financial year will enable services to more flexible adapt to changing economic conditions.

13.2 The granting of delegated authority to vary these charges within financial year will allow the Council to better respond to the needs of the communities, legal requirements, regulatory changes and commercial challenges.

14. Consultation (including Overview and Scrutiny, if applicable)

14.1 Consultations will be progressed where there is specific need. However, with regard all other items, the proposals in this report do not affect any specific parts of the borough. Fees and charges are known to customers before they make use of the services they are buying.

15. Impact on corporate policies, priorities, performance and community impact

15.1 The changes in these fees and charges may impact the community; however it must be taken into consideration that these price rises include inflation and no profit will be made on the running of these discretionary services.

16. Implications

16.1 Financial

Implications verified by: **Julie Curtis**

HRA and Development Accountant

Additional income will be generated from increases but this is variable as it is also dependent on demand for the services. Increases to income budgets have been built into the MTFS.

16.2 Legal

Implications verified by: **David Lawson**

Monitoring Officer

Fees and charges generally fall into three categories – Statutory, Regulatory and Discretionary. Statutory charges are set in statue and cannot be altered by law since the charges have been determined by Central government and all authorities will be applying the same charge.

Regulatory charges relate to services where, if the Council provides the service, it is obliged to set a fee which the Council can determine itself in accordance with a regulatory framework. Charges have to be reasonable and must be applied across the borough.

Discretionary charges relate to services which the Council can provide if they choose to do so. This is a local policy decision. The Local Government Act 2003 gives the Council power to charge for discretionary services, with some limited exceptions. This may include charges for new and innovative services utilising the power to promote environmental, social and economic well-being under section 2 of the Local Government Act 2000. The income from charges, taking one financial year with another, must not exceed the cost of provision. A clear and justifiable framework of principles should be followed in terms of deciding when to charge and how much, and the process for reviewing charges.

A service may wish to consider whether they may utilise this power to provide a service that may benefit residents, businesses and other service users, meet the Council priorities and generate income.

Decisions on setting charges and fees are subject to the Council's decision making structures. Most charging decisions are the responsibility of Cabinet, where there are key decisions. Some fees are set by full Council.

16.3 **Diversity and Equality**

Implications verified by: **Rebecca Price**
Community Development Officer

The Council is responsible for promoting equality of opportunity in the provision of services and employment as set out in the Equality Act 2010 and Public Sector Equality Duty. Decisions on setting charges and fees are subject to Community Equality Impact Assessment process and the Council's wider decision making structures to determine impact on protected groups and related concessions that may be available.

16.4 **Other implications (where significant)** – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

17. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

18. Appendices to the report

- Appendix 1 – Schedule of Proposed Fees and Charges for 2018/19
- Appendix 2 – Schedule of Fees and Charges no longer applicable

Report Author:

Andrew Austin
Commercial Manager
Finance

APPENDIX 1

Name of fee or Charge Housing	Statutory/ Discretionary Charge	VAT Status 17/18	Charge excl. VAT 2017/18	VAT Amount 2017/18	Charge incl. VAT 2017/18	VAT Status 18/19	Charge excl. VAT 2018/19	VAT Amount 2018/19	Charge incl. VAT 2018/19
Assisting with Licensing application (First 30 minutes free for accredited landlords, thereafter £50.00 per hour pro rata) - Landlord Accredited	D	O	£ 50.00	£ -	£ 50.00	O	£ 60.00	£ -	£ 60.00
Assisting with Licensing application (First 30 minutes free for accredited landlords, thereafter £50.00 per hour pro rata) - Non Accredited	D	O	£ 50.00	£ -	£ 50.00	O	£ 60.00	£ -	£ 60.00
Dispersed Alarms - Lifeline Private	D	S	£ 17.00	£ 3.40	£ 20.40	S	£ 17.00	£ 3.40	£ 20.40
Failure to notify changes in ownership or management (non-license holder) - Landlord Accredited	D	O	£ 250.00	£ -	£ 250.00	O	£ 250.00	£ -	£ 250.00
Failure to notify changes in ownership or management (non-license holder) - Non Accredited	D	O	£ 250.00	£ -	£ 250.00	O	£ 250.00	£ -	£ 250.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 11 to 15 people - Landlord Accredited	D	O	£ 549.55	£ -	£ 549.55	O	£ 550.00	£ -	£ 550.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 11 to 15 people - Non Accredited	D	O	£ 631.98	£ -	£ 631.98	O	£ 632.00	£ -	£ 632.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 16 to 20 people - Landlord Accredited	D	O	£ 599.40	£ -	£ 599.40	O	£ 599.00	£ -	£ 599.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 16 to 20 people - Non Accredited	D	O	£ 689.31	£ -	£ 689.31	O	£ 689.00	£ -	£ 689.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 21 to 29 people - Landlord Accredited	D	O	£ 689.13	£ -	£ 689.13	O	£ 689.00	£ -	£ 689.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 21 to 29 people - Non Accredited	D	O	£ 792.50	£ -	£ 792.50	O	£ 793.00	£ -	£ 793.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 30 or more - Landlord Accredited	D	O	£ 798.80	£ -	£ 798.80	O	£ 799.00	£ -	£ 799.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 30 or more - Non Accredited	D	O	£ 918.62	£ -	£ 918.62	O	£ 919.00	£ -	£ 919.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 4 to 5 people - Landlord Accredited	D	O	£ 474.85	£ -	£ 474.85	O	£ 475.00	£ -	£ 475.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 4 to 5 people - Non Accredited	D	O	£ 546.08	£ -	£ 546.08	O	£ 546.00	£ -	£ 546.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 6 to 10 people - Landlord Accredited	D	O	£ 499.70	£ -	£ 499.70	O	£ 500.00	£ -	£ 500.00
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 6 to 10 people - Non Accredited	D	O	£ 574.66	£ -	£ 574.66	O	£ 575.00	£ -	£ 575.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 11 to 15 people - Landlord Accredited	D	O	£ 549.55	£ -	£ 549.55	O	£ 550.00	£ -	£ 550.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 11 to 15 people - Non Accredited	D	O	£ 631.99	£ -	£ 631.99	O	£ 632.00	£ -	£ 632.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 16 to 20 people - Landlord Accredited	D	O	£ 599.40	£ -	£ 599.40	O	£ 599.00	£ -	£ 599.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 16 to 20 people - Non Accredited	D	O	£ 689.31	£ -	£ 689.31	O	£ 689.00	£ -	£ 689.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 21 to 29 people - Landlord Accredited	D	O	£ 689.13	£ -	£ 689.13	O	£ 689.00	£ -	£ 689.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 21 to 29 people - Non Accredited	D	O	£ 792.50	£ -	£ 792.50	O	£ 793.00	£ -	£ 793.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 30 or more - Landlord Accredited	D	O	£ 798.80	£ -	£ 798.80	O	£ 799.00	£ -	£ 799.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 30 or more - Non Accredited	D	O	£ 918.62	£ -	£ 918.62	O	£ 919.00	£ -	£ 919.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 4 to 5 people - Landlord Accredited	D	O	£ 474.85	£ -	£ 474.85	O	£ 475.00	£ -	£ 475.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 4 to 5 people - Non Accredited	D	O	£ 546.08	£ -	£ 546.08	O	£ 546.00	£ -	£ 546.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 6 to 10 people - Landlord Accredited	D	O	£ 499.70	£ -	£ 499.70	O	£ 500.00	£ -	£ 500.00
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 6 to 10 people - Non Accredited	D	O	£ 574.66	£ -	£ 574.66	O	£ 575.00	£ -	£ 575.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 11 to 15 people - Landlord Accredited	D	O	£ 1,099.10	£ -	£ 1,099.10	O	£ 1,099.00	£ -	£ 1,099.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 11 to 15 people - Non Accredited	D	O	£ 1,263.97	£ -	£ 1,263.97	O	£ 1,264.00	£ -	£ 1,264.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 16 to 20 people - Landlord Accredited	D	O	£ 1,198.80	£ -	£ 1,198.80	O	£ 1,199.00	£ -	£ 1,199.00

Name of fee or Charge Housing	Statutory/ Discretionary Charge	VAT Status 17/18	Charge excl. VAT 2017/18	VAT Amount 2017/18	Charge incl. VAT 2017/18	VAT Status 18/19	Charge excl. VAT 2018/19	VAT Amount 2018/19	Charge incl. VAT 2018/19
New HMOs 5 year License (Fees for single tenancies and shared houses) - 16 to 20 people - Non Accredited	D	O	£ 1,378.62	£ -	£ 1,378.62	O	£ 1,380.00	£ -	£ 1,380.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 21 to 29 people - Landlord Accredited	D	O	£ 1,378.26	£ -	£ 1,378.26	O	£ 1,380.00	£ -	£ 1,380.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 21 to 29 people - Non Accredited	D	O	£ 1,585.00	£ -	£ 1,585.00	O	£ 1,585.00	£ -	£ 1,585.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 30 or more people - Landlord Accredited	D	O	£ 1,597.60	£ -	£ 1,597.60	O	£ 1,600.00	£ -	£ 1,600.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 30 or more people - Non Accredited	D	O	£ 1,837.24	£ -	£ 1,837.24	O	£ 1,840.00	£ -	£ 1,840.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 4 to 5 people - Landlord Accredited	D	O	£ 949.70	£ -	£ 949.70	O	£ 950.00	£ -	£ 950.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 4 to 5 people - Non Accredited	D	O	£ 1,092.16	£ -	£ 1,092.16	O	£ 1,099.00	£ -	£ 1,099.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 6 to 10 people - Landlord Accredited	D	O	£ 999.40	£ -	£ 999.40	O	£ 999.00	£ -	£ 999.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 6 to 10 people - Non Accredited	D	O	£ 1,149.31	£ -	£ 1,149.31	O	£ 1,149.00	£ -	£ 1,149.00
Other Misc. Income - Change of Manager or Ownership - Landlord Accredited	D	O	£ 150.00	£ -	£ 150.00	O	£ 150.00	£ -	£ 150.00
Other Misc. Income - Change of Manager or Ownership - Non Accredited	D	O	£ 172.50	£ -	£ 172.50	O	£ 173.00	£ -	£ 173.00
Other Misc. Income - License Variation - Landlord Accredited	D	O	£ 150.00	£ -	£ 150.00	O	£ 150.00	£ -	£ 150.00
Other Misc. Income - License Variation - Non Accredited	D	O	£ 172.50	£ -	£ 172.50	O	£ 173.00	£ -	£ 173.00
Other Misc. Income - Permitted number changes - Landlord Accredited	D	O	£ 150.00	£ -	£ 150.00	O	£ 150.00	£ -	£ 150.00
Other Misc. Income - Permitted number changes - Non Accredited	D	O	£ 172.50	£ -	£ 172.50	O	£ 173.00	£ -	£ 173.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 11 to 15 people - Landlord Accredited	D	O	£ 549.55	£ -	£ 549.55	O	£ 550.00	£ -	£ 550.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 11 to 15 people - Non Accredited	D	O	£ 631.98	£ -	£ 631.98	O	£ 632.00	£ -	£ 632.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 16 to 20 people - Landlord Accredited	D	O	£ 599.40	£ -	£ 599.40	O	£ 599.00	£ -	£ 599.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 16 to 20 people - Non Accredited	D	O	£ 689.31	£ -	£ 689.31	O	£ 689.00	£ -	£ 689.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 21 to 29 people - Landlord Accredited	D	O	£ 689.13	£ -	£ 689.13	O	£ 689.00	£ -	£ 689.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 21 to 29 people - Non Accredited	D	O	£ 792.50	£ -	£ 792.50	O	£ 793.00	£ -	£ 793.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 30 or more - Landlord Accredited	D	O	£ 798.80	£ -	£ 798.80	O	£ 799.00	£ -	£ 799.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 30 or more - Non Accredited	D	O	£ 918.62	£ -	£ 918.62	O	£ 919.00	£ -	£ 919.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 4 to 5 people - Landlord Accredited	D	O	£ 474.85	£ -	£ 474.85	O	£ 475.00	£ -	£ 475.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 4 to 5 people - Non Accredited	D	O	£ 546.08	£ -	£ 546.08	O	£ 546.00	£ -	£ 546.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 6 to 10 people - Landlord Accredited	D	O	£ 499.70	£ -	£ 499.70	O	£ 500.00	£ -	£ 500.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 6 to 10 people - Non Accredited	D	O	£ 574.66	£ -	£ 574.66	O	£ 575.00	£ -	£ 575.00
Failure to comply with an improvement notice [section 30] - Minimum Charge, capped at £30k maximum	D	O		£ -	£ -	O	£ 1,500.00	£ -	£ 1,500.00
Offences in relation to licensing of Houses in Multiple Occupation [section 72] - Minimum Charge, capped at £30k maximum	D	O		£ -	£ -	O	£ 2,500.00	£ -	£ 2,500.00
Offences in relation to licensing of houses under Part 3 of the Act [Section 95] - Minimum Charge, capped at £30k maximum	D	O		£ -	£ -	O	£ 2,500.00	£ -	£ 2,500.00
Offences of contravention of an overcrowding notice [section 139] - Minimum Charge, capped at £30k maximum	D	O		£ -	£ -	O	£ 1,000.00	£ -	£ 1,000.00
Failure to comply with management regulations in respect of Houses in Multiple Occupation [section 234] - Minimum Charge, capped at £30k maximum	D	O		£ -	£ -	O	£ 1,500.00	£ -	£ 1,500.00
New Non Statutory Housing Reports - HMO reports for support providers - 1 Bed accomodation	D	O	£ -	£ -	£ -	O	£ 180.00	£ -	£ 180.00

Name of fee or Charge Housing	Statutory/ Discretionary Charge	VAT Status 17/18	Charge excl. VAT 2017/18	VAT Amount 2017/18	Charge incl. VAT 2017/18	VAT Status 18/19	Charge excl. VAT 2018/19	VAT Amount 2018/19	Charge incl. VAT 2018/19
New Non Statutory Housing Reports - HMO reports for support providers - 2 Bed accomodation	D	O		£ -	£ -	O	£ 210.00	£ -	£ 210.00
New Non Statutory Housing Reports - HMO reports for support providers - 3 Bed accomodation	D	O		£ -	£ -	O	£ 240.00	£ -	£ 240.00
New Non Statutory Housing Reports - HMO reports for support providers - 4 Bed accomodation	D	O		£ -	£ -	O	£ 315.00	£ -	£ 315.00
New Non Statutory Housing Reports - HMO reports for support providers - 5 Bed accomodation	D	O		£ -	£ -	O	£ 369.00	£ -	£ 369.00
New Non Statutory Housing Reports - HMO reports for support providers - 6 Bed accomodation	D	O		£ -	£ -	O	£ 480.00	£ -	£ 480.00
Sheltered Housing Visitor's Room - Per night per person	D	O	£ 12.30	£ -	£ 12.30	O	£ 12.67	£ -	£ 12.67
Travellers Charges - Rent/ Water/ Amenity	D	O	£ 96.59	£ -	£ 96.59	O	£ 102.60	£ -	£ 102.60
Offences for Smoke & Carbon Monoxide Alarm Regulations non compliance	D	O		£ -	£ -	O	£1000 initial fine, increasing to £5000 for repetition within 2 years.	£ -	£1000 initial fine, increasing to £5000 for repetition within 2 years.
Private Housing Services - Housing Enforcement Notices - 1 to 4 Hazards - 1 Bed accomodation	D	O				O	£ 342.00	£ -	£ 342.00
Private Housing Services - Housing Enforcement Notices - 1 to 4 Hazards - 2 Bed accomodation	D	O				O	£ 385.00	£ -	£ 385.00
Private Housing Services - Housing Enforcement Notices - 1 to 4 Hazards - 3 Bed accomodation	D	O				O	£ 428.00	£ -	£ 428.00
Private Housing Services - Housing Enforcement Notices - 1 to 4 Hazards - 4 Bed accomodation	D	O				O	£ 513.00	£ -	£ 513.00
Private Housing Services - Housing Enforcement Notices - 1 to 4 Hazards - 5 or 6 Bed accomodation	D	O				O	£ 556.00	£ -	£ 556.00
Private Housing Services - Housing Enforcement Notices - 1 to 4 Hazards - over 6 Bed or HMO accomodation	D	O				O	£ 670.00	£ -	£ 670.00
Private Housing Services - Housing Enforcement Notices - 5 or more Hazards - 1 Bed accomodation	D	O				O	£ 428.00	£ -	£ 428.00
Private Housing Services - Housing Enforcement Notices - 5 or more Hazards - 2 Bed accomodation	D	O				O	£ 470.00	£ -	£ 470.00
Private Housing Services - Housing Enforcement Notices - 5 or more Hazards - 3 Bed accomodation	D	O				O	£ 513.00	£ -	£ 513.00
Private Housing Services - Housing Enforcement Notices - 5 or more Hazards - 4 Bed accomodation	D	O				O	£ 612.00	£ -	£ 612.00
Private Housing Services - Housing Enforcement Notices - 5 or more Hazards - 5 or 6 Bed accomodation	D	O				O	£ 655.00	£ -	£ 655.00
Private Housing Services - Housing Enforcement Notices - 5 or more Hazards - over 6 Bed or HMO accomodation	D	O				O	£ 726.00	£ -	£ 726.00
Private Housing Services - Housing Non Statutory work for Border Agency (per case)	D	O	£ 161.00	£ -	£ 161.00	O	£ 161.00	£ -	£ 161.00
Offences for Energy Efficency Regulations 2015 non compliance - registered false or misinformation on PRS Exemption Register capped at 1k	D	O		£ -	£ -	O	£ 1,000.00	£ -	£ 1,000.00
Offences for Energy Efficency Regulations 2015 non compliance - sub standard property let with EPC E or below ,capped at 4k	D	O		£ -	£ -	O	£ 1,000.00	£ -	£ 1,000.00

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APPENDIX 2

Name of fee or Charge Housing	Statutory/ Discretionary Charge	VAT Status 17/18	Charge excl. VAT 2017/18	VAT Amount 2017/18	Charge incl. VAT 2017/18	VAT Status 18/19	Charge excl. VAT 2018/19	VAT Amount 2018/19	Charge incl. VAT 2018/19
DBS Landlord Check - Landlord Accredited	D	O	£ 25.00	£ -	£ 25.00	O		£ -	£ -
DBS Landlord Check - Non Accredited	D	O	£ 25.00	£ -	£ 25.00	O		£ -	£ -
Dispersed Alarms - Domestic Violence Lifelines	D	S	£ 17.00	£ 3.40	£ 20.40	S		£ -	£ -
Dispersed Alarms - Private Sector Monitoring - per month	D	S	£ 7.26	£ 1.44	£ 8.70	S		£ -	£ -
HMO Public license register fee - Landlord Accredited	D	O	£ 59.20	£ -	£ 59.20	O		£ -	£ -
HMO Public license register fee - Non Accredited	D	O	£ 59.20	£ -	£ 59.20	O		£ -	£ -
Private Housing Services - Housing Enforcement Notices	D	O	£ 488.00	£ -	£ 488.00	O	£ 488.00	£ -	£ 488.00

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Work Programme

Committee: Housing Overview & Scrutiny **Year:** 2017/2018

Dates of Meeting: 18 July 2017, 17 October 2017, 19 December 2017, 20 February 2018 & 24 April 2017*(*if required)*

Topic	**Lead Officer**	**Requested by Officer/Member**
	18 July 2017	
Housing Review updates	Roger Harris /John Knight	Officer
Repairs Policy	Roger Harris /John Knight	Officer
~~KPI – Q1 Performance Report~~	~~Roger Harris /John Knight~~	~~Officer/ Member~~ **Moved to October meeting**
Housing development Project update	Roger Harris /John Knight	Officer/ Member
Gloriana update (Provisional)	Steve Cox / Helen McCabe	Officer/ Member
Work Programme	Democratic Services Officer	Standard Item
	17 October 2017	
KPI – Q1 Performance Report	Roger Harris /John Knight	Officer/ Member
Allocations policy	Roger Harris /John Knight	Officer
Travellers site review	Roger Harris /John Knight	Members
Homelessness Reduction Act	Roger Harris /John Knight	Officer

Work Programme

Topic	Lead Officer	Requested by Officer/Member
Update on the implementation of Service Charges	Roger Harris /John Knight	Members
Work Programme	Democratic Services Officer	Standard Item
19 December 2017		
HRA Business Plan and Budgets (2018/19 – 2048)	Roger Harris/ Julie Curtis	Officer
Fees & Charges Pricing Strategy 2018/19	Roger Harris/ John Knight	Officer
Stock Condition survey	Roger Harris /John Knight	Officer
Ground Maintenance Service Charge Review	Roger Harris / John Knight	Officer
Work Programme	Democratic Services Officer	Standard Item
20 February 2018		
Housing Review updates	Roger Harris /John Knight	Officer
Review of New Travellers Sites	Roger Harris / John Knight	Officer
Private Sector Licensing update (subject to progress)	Roger Harris /John Knight	Officer
Housing Allocation Review	Roger Harris / John Knight	Officer

Work Programme

Topic	Lead Officer	Requested by Officer/Member
Mental Health in Homelessness Cases	Roger Harris / John Knight	Officer / Member
Work Programme	Democratic Services Officer	Standard Item
24 April 2018		
Housing Review updates	Roger Harris /John Knight	Officer
Estate Regeneration	Steve Cox / Keith Arch	Officer
Work Programme	Democratic Services Officer	Standard Item
Date To Be Confirmed		
HMO (House of Multiple Occupation) – Update	Bali Nahal	Officer
Fixed Term Tenancies	Roger Harris /John Knight	Members
National Building Policy update	Roger Harris / John Knight	Officer/ Member
Keep Mote	Roger Harris / John Knight	Members
Discretionary Housing Payments	Roger Harris / John Knight	Member
Review of garages	Roger Harris /John Knight	Members
Repairs policy	Roger Harris /John Knight	Officer

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