

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 **6 January 2016**

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

Membership:

Councillors Cathy Kent (Chair), Chris Baker (Vice-Chair), Jan Baker, Clare Baldwin, Sue MacPherson and Tunde Ojetola

Lynn Mansfield, Housing Tenant Representative

Substitutes:

Councillors Yash Gupta (MBE), Graham Hamilton, Barry Johnson, Steve Liddiard and Joycelyn Redsell

Agenda

Open to Public and Press

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To approve as a correct record the minutes of the Housing Overview and Scrutiny Committee meeting held on 30 November 2015.	
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To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972.	
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Queries regarding this Agenda or notification of apologies:

Please contact Jenny Shade, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **22 December 2015**

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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?**



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.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

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:

- Not participate or participate further in any discussion of the matter at a meeting;
- Not participate in any vote or further vote taken at the meeting; and
- 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



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 30 November 2015 at 7.00 pm

Present: Councillors Cathy Kent (Chair), Chris Baker (Vice-Chair), Jan Baker, Tunde Ojetola, Steve Liddiard (substitute for Clare Baldwin) and Joycelyn Redsell (substitute for Sue MacPherson)

Lynn Mansfield, Housing Tenant Representative

Apologies: Councillors Clare Baldwin and Sue MacPherson

In attendance: Councillor Lynn Worrall, Cabinet Member for Housing
Councillor Graham Snell, Group Leader for UKIP
Kathryn Adedeji, Head of Housing - Investment and Development
Richard Parkin, Head of Housing - Community & Needs
Dermot Moloney, Strategic Lead Housing
Matthew Boulter, Principal Democratic Services Officer
Jenny Shade, Senior 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.

17. Minutes

The Minutes of the Housing Overview and Scrutiny Committee, held on 2 September 2015, were approved as a correct record.

The Officer provided the following feedback from the Homelessness Prevention Strategy 2010-15 Report, Recommendation 6:

A confirmation of the number of failed new tenancies for Care Leavers that can be shared with Committee members are:

Year	New Tenancies	Failures	% of Failures
2013-14	17	3	17%
2014-15	20	0	0%
2015-16 (to date)	24	1	4%

Housing and Children's Services are committed to preventing the loss of such tenancies where ever possible. There is a joint working protocol in place to identify remedial action as it arises and ensures that the appropriate support workers are involved.

18. Urgent Items

There were no items of urgent business.

19. Declaration of Interests

There were no interests declared.

20. Call In to Cabinet Decision 01104415 - Housing Estate Regeneration

The Chair invited Councillor Ojetola to introduce the Call-In and asked him to briefly introduce the reasons for the Call-In. The Call-In referred to Cabinet Decision 01104415 – Housing Estate Regeneration. Councillor Ojetola stated that the Cabinet Decision failed to take into account how the Council would find £6 million to maintain the tower blocks at 'decent home' standard. Councillor Ojetola also questioned why the council was proposing to undertake more consultation if the majority of residents already expressed a view to regenerate the area.

The Chair invited the Cabinet Member for Housing, Councillor Worrall, to respond to the Call-In and advise the committee of any points that were relevant. Councillor Worrall outlined her reasoning for proposing the original decision stating that the consultation sat within the wider work of the South Grays master plan and it was clear that residents had requested more information on what future regeneration would look like before they gave a final opinion on the future of the tower blocks. Therefore more consultation was required. Councillor Worrall added that 40 per cent of residents did not want to see the tower blocks go and this was a significant amount of people for the Council to take note. The consultation had been of good quality and there would be no funding gap as the improvements to the flats had already been factored into the Transforming Homes Programme. Those residents wishing to move away from the tower blocks had the opportunity to move to a new development nearby called The Echoes.

The Chair invited comments from third parties. Three residents who had previously spoke at the Cabinet meeting were asked to make further representations and each took this opportunity, some in favour of keeping the tower blocks and some keen to start regeneration. Those that spoke were:

- Ms Rachel Low – Seabrook Rise Resident. In favour of demolishing Butler, Davall and Greenwood High Rise blocks in Grays

Ms Low read out her statement to the Committee which she had made previously to Thurrock Council Cabinet on 14 October 2015.

The committee received a written statement prior to the meeting.

- Mr Gerry Calder – Seabrook Rise Residents Steering Group. Against the demolishing of Butler, Davall and Greenwood High Rise blocks in Grays

Mr Calder handed out to the Committee his statement made to Thurrock Council Cabinet on 14 October 2015 and emphasised that it was wrong that residents should not be able to speak out about other developments. Residents receiving offers of a new home only raised the aspirations and hopes of young families.

Mr Calder stated that there was no good reason to knock down the youngest block of flats in Grays.

Mr Calder finished his statement made by previous Director of Housing that the land was a valuable piece of land in Grays.

- Ms Marian Harries – Seabrook Rise Resident. Against the demolishing of Butler, Davall and Greenwood High Rise blocks in Grays

Ms Harries explained to the Committee that a survey undertaken independently resulted in 64 per cent of residents were against the demolishing, this survey was undertaken with no harassment to residents. Concluding that it should be the people who live in the flats should have their say.

Ms Harries also stated the building was still structurally sound and that nobody had actually said how much it would cost to pull down and rebuild.

Ms Harries further explained to the committee that residents do not want to be housed outside the borough and that The Echoes was not suitable for all as there was only one lift, which would not be ideal for the disabled or mums with prams.

Ms Harries finished her statement by asking the Councillors how many of them would like to be in her position.

The Chair invited Councillor Snell, as Group Leader for UKIP, the opportunity to speak. Councillor Snell stated that there had been plenty of opportunity for Conservatives or other Councillors to ask questions at the Cabinet meeting in October. Councillor Snell felt there was a win-win situation as those who wanted to stay could and those residents that wished to leave the blocks had the opportunity to move to The Echoes.

The Chair asked Councillor Ojetola to summarise the Call-In and that he stated that simply wanted long term certainty for the residents.

The Chair asked Committee Members for questions and debate. The Members discussed the lifespan of the tower blocks and some councillors felt there should not have been a consultation if there were still decades of longevity left in the tower blocks. Officers clarified the use of a thirty year appraisal was not a comment on the lifespan of the blocks but for the purpose of measuring financial costs of demolition verses maintaining the flats to decent homes standard.

A recorded vote then took place:

Accept : Councillors Redsell and Ojetola (2)

Reject: Councillors C. Kent, C Baker, Jan Baker and Liddiard (4)

The Chair confirmed that the results of the vote were in favour to reject the Call-In with four votes to two with the prevailing viewpoint that Cabinet had made a sound decision with the information available at its October meeting.

RESOLVED:

That the Committee reject the call-in for the reasons that the committee were satisfied that the cabinet made the sound decision based on the information available to them at the October Committee.

21. Local Lettings Plan - Seabrooke Rise and Derry Avenue

Revised copies of the Appendix were distributed to Members prior to the start of the Committee.

The Officer introduced the report and informed Members that Thurrock Council had a statutory duty to publish a scheme which outlined how social housing was allocated within the borough.

Thurrock Council's current Housing Allocation Scheme was agreed by Cabinet in November 2012 and was subsequently reviewed by Cabinet in January 2014 when a number of minor amendments were approved.

One of the amendments was to allow "Local Lettings" plan to be implemented on a case by case basis for new developments sites with Housing Overview & Scrutiny agreement.

The Council have developed new build properties at Seabrooke Rise in Grays and Derry Avenue in South Ockendon. These builds were due for completion in January and November 2015 respectively.

The Officer confirmed that the report would provide Members with the following information:

- The properties which the local lettings plan would apply to.
- How new tenants would be prioritised.

- The criteria which new tenants would need to meet in order to qualify for an allocation.
- The process for allocating properties.

The officer explained the allocation process to the members which clarified that 75 per cent of first lettings will be for current Thurrock Council tenants who meet a set criteria and the remaining 25 per cent will be allocated via the Council's Housing allocations scheme.

Councillor Redsell asked the Officer if the one bedroom apartments in Derry Avenue were designed for elderly residents. The Officer confirmed that the apartments can be adapted round the needs of tenants and follow the same guidance as of Sheltered Housing.

Councillor Ojetola asked the Officer for confirmation on how residents will know if they have the right to apply. The Officer confirmed properties were clearly advertised and eligible to Thurrock Council tenants. The Officer explained that residents would register an expression of interest where the allocations team will consider within a set timescale.

Councillor Liddiard asked if any consultation has been undertaken and if so, why had Tilbury not been included in that consultation. The Officer confirmed that 78 per cent that took part in the consultation were in favour of prioritising new build properties for people who already lived in the area. The Officer also confirmed that due to geographical locations Tilbury was not included in this consultation Applicants across the borough will be able to bid on the remaining 25% allocated via the Council's usual processes.

Councillor Ojetola asked what the guidelines were for the exit strategy. The Officer confirmed that the local lettings plan only applies to first lets and as such will have a restricted life span.

Councillor Worrall stated that to allow local letting plans for new development sites would be determined on a case by case basis and would come to Housing Overview and Scrutiny for agreement.

Councillor Redsell commented that areas currently being looked at were Elizabeth Gardens and those tenants should stay within their own community.

Lynn Mansfield asked how the 75 per cent will be informed. The Officer explained that tenants will be informed directly by letter once details were available. There will also be promotions, meetings with local groups and open days and Members will be informed.

The Chair asked for reassurance from the Officers that those unable to bid on-line would have the opportunity to speak to an officer at the council offices. The Officer reassured the Chair that this was already in place and the options available will be discussed in a later report.

RESOLVED:

- 1.1 That the powers within Thurrock Council's Housing Allocations Scheme to agree a local lettings plan for the new build properties in Seabrooke Rise and Derry Avenue as outlined within this report;**
- 1.2 That the said local lettings plan allows 75 per cent of first lets to be made to eligible Thurrock Council tenants, who were living within the "applicable boundary" and who were managing their tenancies correctly, as outlined within this report;**
- 1.3 That the applicable boundary for the Seabrooke Rise development;**
- 1.4 That the road boundary as outline in the report at 3.8 be the applicable boundary to be used for the Derry Avenue development.**
- 1.5 Agree that the remaining 25 per cent of first lets, and any subsequent relets, were allocated in line with Thurrock Council's Housing Allocations scheme and usual allocations processes.**
- 1.6 Agree that where a tenant has been living at more than one property within the applicable boundary, the combined time will count, provided they have lived within the applicable boundary continuously, leading up to their current tenancy.**

22. Implications Welfare Reform Bill 2015 on HRA Business Plan

The Officer presented the report which provided the Committee with an update on the budget announcements made in July 2015 which introduced key policy changes that will have financial implications on the Council's Housing Review Account (HRA) Business Plan. The key issues that will impact on HRA business plan were as follows:

- 1 per cent reduction in social rents for four years from 1 April 2016
- "Pay to Stay" proposals from 2017/18
- A requirement for local authorities to finance the cost of the expansion of the Right to Buy and associated discount to tenants in Housing Association Homes.

The Officer clarified each key issue and explained the comparable tables that illustrated the difference of the impact by location of the setting affordable levels at 80, 70 and 60 per cent.

The Officer also clarified the cumulative benefits to tenants by year tables and explained the calculations for the benefit of the Members.

The Officer explained the number of principles for addressing the estimated gap that is likely to be created should the proposals in the Housing and Planning Bill and Welfare Reform Bill 2015 be agreed.

Councillor Liddiard asked the Officer if there were sufficient flexibility to meet any future reductions in rent. The Officer confirmed that any future developments would be returned to Housing Overview & Scrutiny for discussion

Councillor Ojetola asked the Officers who made the final decision. The Officer confirmed that the report went to Cabinet in November 2015 asking to approval an application to the Secretary of State. After tonight's Housing Overview and Scrutiny Committee if members approve the recommendations the report will be returned to Cabinet in December 2015, thereafter the Full Council will have the final decision.

A discussion amongst Officers and Members took place on what the process would be if the Secretary of State did not approve the application. The Officer confirmed that should the application for exemption for the need to apply the full one per cent in Thurrock not be granted by the Secretary of State further reductions in the current affordable home building programme may need to take place.

Councillor Worrall stated the importance of ensuring that rent that were set were affordable to residents.

The Committee agreed the following recommendations although one Member, Councillor Ojetola, abstained from voting on recommendation 3.

RESOLVED

- 1. That the application to the Secretary of State for an exemption of the 1 per cent reduction, or part therefore, to allow the continuation of our current, mature and much needed affordable housing programme.**
- 2. That the setting affordable rents for Seabrooke Rise and Derry Avenue as at 70 per cent of market rent, to support the continuation of the current HRA affordable homes programme.**
- 3. That the proposed revisions to the current published timetable for the Transforming Homes programme, extending internal improvements by up to 1 year (1,000 homes) and external improvements by up to 3 years (5,000 homes), where the asset supports delayed completion.**
- 4. That the HRA revenue cost savings and efficiencies plan equating to £500k per annum or £2m over the four-year period from 1 April 2016 will be delivered to support the continuation of the HRA affordable homes programme.**

23. Thurrock Choice Homes - Newspaper Advertising

The Officer presented the report which provided the Committee with an overview of the Thurrock Choice Home (TCH) system that is used by Housing to allocate void properties, both Thurrock Council and Thurrock registered Provider (RP) properties with nomination agreements.

Currently the Housing Allocations Policy states that properties will be advertised in the local newspaper and therefore this would be a change to the allocations policy which will require cabinet approval.

The Officer explained that an amendment to the report should be noted that the change would not need to be referred back to Cabinet for approval as the change constitutes a minor amendment; instead the report will be delegated to the Director of Housing.

The report identified that properties were currently advertised electronically on the Council and TCH websites, and on the TCH mobile site. Properties are also advertised in Thurrock Gazette at a cost of £35,000 per year.

It had been identified that less than 1 per cent of applications only view adverts through the newspaper and the report states that the Housing Directorate now wishes to remove newspaper advertising.

The Officer confirmed that a consultation had been undertaken with representative groups to identify ways of mitigating the impacts on residents and briefing explained these to Members.

A discussion between Members and Officers took place to identify what options were available to those residents who did not have any means of using IT equipment. The Officer confirmed that residents could use the telephone, local libraries and hubs, support from housing officers, support from support workers, and ask family members or friends to assist. The officer also outlined the different means of assisted bidding that are already in place and are currently being provided to applicants.

Councillor Ojetola asked Officers if the scheme had been run as a pilot and was texting an option for residents to use. The Officer confirmed that the supported measures to assist with bidding are already in place and can be extended to those requiring assistance. The officer confirmed that texting already exists.

Councillor Redsell left the committee room at 21.15.

Councillor Liddiard asked how the 0.7 per cent that used the newspapers advert to view properties will be kept up to date of properties. The Officer confirmed that property information can be either emailed or posted to them.

Standing Orders were called at 21.20 and agreed by all members.

RESOLVED:

That the Housing Overview & Scrutiny Committee considered and commented on the proposed changes to advertising set out in the Housing Allocations Policy and noted the proposed mitigations.

24. Work Programme

Since the publication of the agenda a number of amendments to the work programme had been proposed and agreed earlier in the meeting, included:

- That the item on Improving Energy Efficiency Report be moved on the work programme from 6 January 2016 to 17 February 2016.
- That the item on Housing Services Performance Update be removed from the work programme.
- That an item on Right to Move will be removed from the work programme and members supplied with a briefing update at the 6 January 2016 committee.
- That an Item on Extra Care Service Charges be included on the work programme for January 2016.
- That an item on Housing Strategy Action Plan be moved on the work programme from 6 January 2016 to 16 March 2016.

Members were in agreement with the proposed changes to the work programme, following which the Chair requested that an updated work programme be circulated to the Committee and officers following the meeting.

RESOLVED:

That the work programme be noted, subject to the amendments detailed above.

The meeting finished at 9.28 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

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6 January 2016	ITEM: 5
Housing Overview and Scrutiny Committee	
Changes to Fees and Charges 2016/17	
Wards and communities affected: All	Key Decision: Non-key
Report of: Mike Jones, Strategic Resources Accountant	
Accountable Head of Service: Sean Clark, Head of Corporate Finance	
Accountable Director: Lyn Carpenter, Chief Executive	
This report is Public	

Executive Summary

This report seeks approval to revise fees and charges for Thurrock Council with effect from 1 April 2016.

The paper provides narrative for all discretionary charges for each directorate. It is to be noted that there is a wider review of commercial opportunities across the Council in progress. Any proposed price changes proposed as part of the wider review will be managed under the delegated authority of the Chief Executive and relevant Cabinet Member (where appropriate.)

1. Recommendation(s)

1.1 That the committee consider the proposed charges as detailed in the appendix.

2. Introduction and Background

2.1 In reviewing the fees and charges for 16/17 officers (where practicable) have ensured cost recovery of discretionary activities while at the same time undertaken a benchmark against neighbouring authorities.

2.2 The table below highlights the actual (14/15) and forecast (15/16) income from external fees and charges.

Service Area	Actual 14/15 £000's	Budget 15/16 £000's	Forecast¹ 15/16 £000's
Adults	7,463.0	8,358.6	8,254.6
Thameside Theatres	471.4	346.7	425.0
Children's Services	4,881.9	5,248.3	5,204.3
Environment	681.9	739.8	846.7
Legal Services ²	119.8	84.5	124.9
Registrars	234.4	155.8	213.4
Commercial Hall Hire	88.5	82.6	83.9
Public Protection	363.8	337.8	378.7
Housing (General Fund)	844.1	744.5	786.0
Transport & Highways	949.7	994.8	1,109.8
Planning & Developments	1,709.1	1,449.2	1,865.8
TOTAL	17,807.6	18,542.6	19,293.1

- 2.3 In setting the fees for 16/17, a total growth of £775k has been applied that equates to a stretch target of £600k and £175k previously agreed at the first phase of the MTFS process, the following tables provides a high-level reconciliation.

Description	Amount £000's
Budget 15/16	18,542.6
1% uplift on existing fees & charges (bud 15/16)	185.4
<u>Rebaseline budgets to actual performance for 15/16</u>	68.0
➤ Registrars (Fcst Outturn £213.4k in 15/16)	102.0
➤ Environments (Fcst Outturn £846.7k in 15/16)	75.0
➤ Thameside Theatre(Fcst Outturn £425k in 15/16)	20.0
➤ Growth in Grangewaters Income	
➤ Parking Charges Increase	150.0
<u>MTFS Items previously agreed</u>	
➤ Filming/Sponsorship	100.0
➤ Growth in Legal Traded Services	50.0
➤ Increases in Planning Fee Income	25.0
TOTAL EXTERNAL INCOME BUDGET 16/17	19,318.0

Service Area	Budget 15/16 £000's	1% uplift £000's	Growth Items £000's	Budget 16/17 £000's
Adults	8,358.6	83.6		8,442.2
Thameside Theatres	346.7	3.5	75.0	425.0
Children's Services	5,248.3	52.5	20.0	5,320.8
Environments	739.8	7.4	102.0	849.2
Legal Services	84.5	0.8	50.0	135.4
Filming & Sponsorship			100.0	100.0
Registrars	155.8	1.5	68.0	225.0
Commercial Hall Hire	82.6	0.8		83.9
Public Protection	337.8	3.4		341.1
Housing General Fund	744.5	7.5		751.9
Transport & Highways	994.8	9.9	150.0	1,154.8
Planning & Growth	1,449.2	14.5	25.0	1,488.7
TOTAL	18,542.6	185.4	590.0	19,318.0

2.4 As part of the commercial transformation work that is in progress, detailed sales and marketing plans will be developed for each service area.

3. Thurrock Charging Policy

3.1 The strategic ambition for Thurrock is to adopt a policy on fees and charges that are aligned to the wider commercial strategy and ensure 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.

4. Implications

4.1 Financial

Implications verified by: **Mike Jones**
Management Accountant

The increase in fees and charges set out in the report have been built into the overall 2016/17 budget.

4.2 Legal

Implications verified by: **Daniel Toohey**
Principal Solicitor Contracts and Procurement

Fees and charges generally fall into three categories – Statutory, Regulatory and Discretionary. Statutory charges are set in statute 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 charged 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.

4.3 Diversity and Equality

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

The Council has a statutory duty under the Race Relations Act 2000 (Amendment), the Disability Discrimination Act 2005 and the Sex Discrimination Act 1975 (Amendment) to promote equality of opportunity in the provision of services and employment. Decisions on setting charged and fees are subject to the Council's decision-making structures. Concessions should be available to groups or individuals in the community, where the increase may result in them being excluded from particular activities.

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

Not applicable.

5. **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.

6. **Appendices to the report**

- Appendix 1: Draft Fees and Charges Booklet 2016/17.

Report Author:

Mike Jones

Strategic Resources Accountant

Corporate Finance

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Fees and Charges Booklet

2016-17

KEY

VAT indicator

Throughout this booklet the following VAT indicators are used
Z = zero
O = outside scope
E = exempt
S = standard

Statutory or Discretionary indicator

This Booklet is divided into 2 parts;

Part A is Statutory or reasonable charges
Part B is Discretionary charges

POA - Price on Application

Notes on presentation

It is assumed that the date of increase in all cases will be 1st April.

Fees and Charges Booklet

2016-2017

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HOUSING	STATUTORY OR DISCRETIONAR	BASIC CHARGE 2015/16	VAT GROUP	2016-17 PROPOSED BASIC CHARGE	2016-17 PROPOSED CHARGE INCLUDING VAT
		£		£	£
<u>SHELTERED HOUSING VISITOR'S ROOM</u>					
Per night per person	D	8.75	O	12.00	12.00
<u>COMMUNIAL HALL HIRE</u>					
Hall Hire (Weekdays and Weekends) per hour	D	10.00	O	10.00	10.00
Hall Hire to Charitable Organisations (Weekdays and Weekends) per hour	D	5.00	O	5.00	5.00
<u>DISPERSED ALARMS</u>					
Private Sector Monitoring - per month	D	7.00	S	7.00	8.40
Lifeline Private	D	16.50	S	16.50	19.80
Domestic Violence Lifelines	D	16.50	S	16.50	19.80
PRIVATE HOUSING SERVICE					
Houses in Multiple Occupation Mandatory License	D	796.00	O	808.00	808.00
Housing Enforcement Notices	D	467.00	O	474.00	474.00
Housing Non Statutory work for Border Agency (per case)	D	154.00	O	156.00	156.00

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6 January 2016	ITEM: 6
Housing Overview & Scrutiny Committee	
Housing Allocations Scheme – Second Year Review	
Wards and communities affected: All	Key Decision: Yes
Report of: Councillor Lyn Worrall, Portfolio Holder for Housing	
Accountable Head of Service: Dermot Moloney, Strategic Lead, Housing	
Accountable Director: David Bull, Director of Planning, Transportation & Housing	
This report is Public	

Executive Summary

In May 2013, following an extensive public consultation, the Council introduced a new Housing Allocations Scheme along with a new online housing application form.

A review of the scheme was undertaken in 2014 following the introduction of new statutory guidance and legislation and in January 2015 Cabinet approved a number of amendments to the scheme.

A further review has been undertaken and further amendments are recommended along with more detail to reflect recent additional legislative requirements.

This report details the recommended changes which include:

- Procedural changes to how properties are advertised
- Local lettings plans for new developments on existing Council housing estates
- Pre-tenancy training for all new tenants
- Allowing tenants to under occupy 2 bedroom, older person properties, where there are no waiting applicants who meet the 2 bedroom criteria
- Discretion to award a welfare priority for homeless prevention
- The annual review of financial qualification
- A scheme for older owner occupiers

1. Recommendation(s)

That Housing Overview and Scrutiny committee recommend the changes in this report to Cabinet for approval and implementation from April 2016.

2. Introduction and Background

- 2.1 Thurrock Council's Housing Allocations scheme was implemented in May 2013.
- 2.2 The scheme introduced local preferences and statutory requirements under the Localism Act 2011 and Housing Act 1996 part VI and VII. These included a local connection criteria and financial qualification.
- 2.3 A review of the scheme was undertaken in 2014 and subsequently some changes were introduced in January 2015.
- 2.4 As the scheme enters its 3rd year, further updates are required to ensure that the scheme continues to meet its objectives. There have also been changes in legislation and statutory guidance which need to be reflected in the scheme and Council procedures.
- 2.5 Since the last review the Council has reviewed its Homelessness Prevention Strategy and identified a number of innovative schemes for increasing the availability of accommodation for those facing homelessness and for ensuring prevention is at the top of the agenda. Changes to the allocations scheme are required to support these innovations.

3. Issues, Options and Analysis of options

3.1 Procedural changes for advertising properties

On 30 November 2015, Housing Overview & Scrutiny committee considered and commented on proposed changes to the way the Council advertises void properties.

Changes include the removal of adverts from the newspaper and increased support for the small number of clients who were exclusively using this method of viewing properties.

With properties being advertised via websites and mobile sites there is no reason why they cannot be advertised continuously. There would still be the same number of advertisement days but this would prevent any delay in waiting to let properties, spread the administration of shortlisting more evenly across the week and reduce void times and consequently rent loss.

It is recommended that bidding cycles are no longer limited to weekly but may be continuous.

3.2 Local lettings plans for new developments on existing Council housing estates

The Council has embarked on a large building programme and will be producing new housing developments across the borough in the coming years.

The Allocations Scheme allows Housing Overview & Scrutiny Committee to determine local lettings plans for new developments on a case by case basis.

Consultation has shown that tenants living in the areas where there has been new development strongly believe some preference for the new properties should be given to local people. Subsequently, a paper to Housing Overview & Scrutiny Committee on 30 November 2015 recommended a local lettings plan for the new builds at Derry Avenue and Seabrooke Rise.

In order to ensure consistency, fairness and transparency for all new build developments on existing Council Housing estates, this paper recommends a borough wide local lettings plan for 1st lettings based on the same principals agreed for the Derry Avenue and Seabrooke Rise properties.

The recommended local lettings plan is outlined in Appendix 1

3.3 Pre-tenancy training for all new tenants

The Housing department have introduced introductory tenancies and support for new tenants in order to promote good tenant like behaviour and to reduce the number of evictions.

A new programme of pre-tenancy training is being recommended to ensure that all new tenants know what is expected of them and that officers can determine from a very early stage whether tenants are vulnerable and likely to need extra support.

This programme supports the work of homeless prevention and is identified within the recently adopted Homelessness Prevention Strategy. Recommendations are that the programme is made mandatory for all new tenants and that training programmes are tailored for different client groups.

Programmes will include an online option which can be completed at any time of the day – enabling those applicants who are working to carry out the training at their own time and pace.

There will also be a face to face training programme with officers, including one to one support, for the minority who require this type of training.

The pre-tenancy training will be developed in house which will enable it to be tailored to meet the needs of different client groups – for example sheltered housing tenants and young people such as care leavers . The training will include money management, budgeting, carrying out repairs and being mindful to noise management.

Participation in the training will be mandatory before a property is offered and support will be provided to enable applicants complete the training as they reach the top of the bidding list.

There will be no set pass mark but the expectation is that applicants will complete all modules. Where applicants attempt but struggle with the training, the Council will be able to identify at an early stage any potential support needs of the prospective tenant improving the opportunity to sustain the tenancy.

The Council has consulted on the idea and received wide spread support amongst officers, support workers, agencies and applicants themselves.

The Council is currently consulting through its online consultation portal on the changes (consultation runs from 26th November until 21st January). So far 806 people have taken part in the on line survey, of which 85% agrees that pre tenancy training is a good idea.

It is recommended that pre-tenancy training is mandatory for all new tenants.

3.4 Sheltered or extra care 2 bedroom properties

Within the current Allocations scheme married or co-habiting couples are expected to share a bedroom and will be assessed as needing a 1 bedroom property unless there is a medical need for an extra bedroom - for example to accommodate medical equipment or carers – or they are downsizing from a 3 or 4 bedroom house into a flat or bungalow.

However, very occasionally a 2 bedroom property specifically for older people e.g. sheltered or extra care will become available but there are no waiting older applicants meeting the criteria above.

In such circumstances, it is recommended that a 2 bedroom property be allocated to an applicant with a 1 bedroom need but that priority is given to couples over single applicants. This will ensure that void periods and subsequent rent loss are minimalised.

It is recommended that where there are no waiting applicants meeting the criteria for a 2 bedroom property specifically designed for older people, the property can be offered to a couple or single person subject to the criteria above.

3.5 Discretionary power to award a welfare banding for homeless prevention

The council has implemented a new homelessness prevention strategy and is keen to ensure that wherever possible homelessness is prevented.

The most common reasons identified for homelessness are:

1. Eviction by a parent, family member or friend

The Council uses a mediation service which is very successful in persuading the evictor to keep the person at home. However, it has been identified that if an incentive could be offered then the evictor may be more

willing to keep the person for a longer period of time because they can see that ultimately the person will be rehoused.

2. Eviction from an assured short hold tenancy

The highest reason for homelessness is now eviction from an assured short hold tenancy – most commonly because the landlord wants to increase the rent to an unaffordable level or because the landlord wishes to sell the property.

Housing solutions staff will try to find alternative private rented accommodation but often applicants will be reluctant to take up this option since they fear facing eviction again further down the line. Many applicants have been in this situation on a number of occasions and desire a long term and sustainable solution to their housing need. However, if they take up a further privately rented property they will be adequately housed and placed in band 5. This can have the effect of incentivising applicants to use the statutory homelessness route.

In both circumstances it would be useful to have an incentive which allows priority to be awarded where the applicant is willing to take an alternative route to homelessness. It also allows a more planned approach to rehousing and prevents the use of temporary accommodation.

The current online consultation asked whether a priority band should be awarded to those at risk of homelessness who have taken some action to prevent their homelessness.

Of the 806 responses to date 85% agreed that this was a good idea.

It is recommended that a welfare priority band 3 is awarded at the discretion of the Housing management panel on the condition that the applicant is able to remain in the current or an alternative home, following intervention by the Housing solutions team, for at least 6 months

3.6 Annual review of financial qualification

An annual review of the figures regarding qualification for the Housing register is required in order to determine the thresholds at which applicants would not be able to meet their own housing need in the private sector.

An assessment of the costs of renting and purchasing different property by bedroom number in Thurrock was undertaken in December 2015.

	Studio £	1 bed £	2 bed £	3 bed £	4 bed £	Retirement £	Extra care £
Average cost of property for sale	94,750	143,071	212,604	256,491	345,402	150,749	not available
Annual net income required to buy*	17,496	26,424	41,436	50,004	67,356	29,376	not available

Average cost of property for rent	631	691	950	1,137	1,628	not available	not available
Annual net income required to rent*	22,725	24,861	34,207	40,916	58,613	not available	not available

The required net income assumes that it is affordable to use one third of net income for housing cost – this is the standard assessment used in the current Housing Allocations scheme.

There were no available properties available for extra care – either to rent or buy.

There were a limited number of sheltered properties available to buy but none to rent.

Therefore it is recommended that the current sheltered levels remain the same, but that any case exceeding the limits is considered against values of property available at the time of application.

On the basis of the above figures the following threshold levels are recommended.

Property size required – according to household make-up	Threshold annual income/assets*	
	2015-16	2016-17
Bedsit or room in shared house (single under 25 years old)	£18,000	£23,000
1 Bedroom (single over 25 or couple)	£24,500	£25,000
2 Bedrooms (Single/couple plus child/ren)	£30,000	£35,000
3 Bedrooms (Single/couple plus children)	£40,000	£41,000
4 Bedrooms (Single/couple plus children)	£53,500	£59,000
Sheltered Housing (includes sum for long term service charges)	£158,000	£158,000
Extra Care Housing (includes sum for long term service charges)	£225,000	£225,000

* figures are net of tax and national insurance and represent the total sum of all income of the joint applicants including any benefits received, and/or the total assets.

It is recommended that the financial qualification criteria is updated for 2016-17 as outlined above

3.7 Options for older owner occupiers

The council identified through its review of homelessness in 2015, that there were higher levels of under occupation in the borough compared to over occupation, amongst all tenure types except the private rented sector.

Variance by tenure type	Under occupied (2 or more bedrooms)	Over occupied
Owned or shared ownership	37.6%	3.3%
Social rent	14.8%	7.8%
Private rented	10.9%	11.9%
All Stock	29.5%	5.4%

Of those under occupying, the majority (37.6%) are owner occupiers and generally expected to be older residents whose families have grown up and moved on, leaving them in larger family homes.

Often older residents find it difficult to manage a larger property in terms of keeping it heated, clean & maintained. However, owning the property means they have an asset which may exclude them from joining the housing register due to the qualification criteria.

Alongside this situation, the housing solutions team are striving to encourage more private landlords to work with them by renting suitable family homes to homeless households.

The Council would like to pilot a scheme whereby sheltered housing could be offered to under occupying older Thurrock residents on the basis that the resident leases their own property to the Council for the lifetime of their Council tenancy. The Council could then place homeless applicants into the property on short term leases.

The scheme would be widely advertised and officers would work closely with colleagues in adult social care, especially the Local Area Coordinators and social workers to identify suitable residents.

In order to facilitate such a scheme, an exception to the financial qualification criteria for owner occupiers who sign up to a 5 year leasing scheme with the Council would be required.

The pilot would be reviewed at the end of the first year to determine its success and decide whether to continue.

The scheme would only be available to residents meeting the following criteria:

- Aged over 60 or 55-59 with a disability
- Requiring sheltered accommodation
- Downsizing from a larger property – at least 2 bedrooms
- Willing to sign up a minimum 5 year lease with the Council.

Residents taking part would receive Council sheltered accommodation on a fixed term tenancy which matches the length of their lease agreement for their own property – minimum of 5 years.

Residents would receive a sum of money which would be equivalent to the Local Housing allowance for the property size, less the cost of maintenance and a management fee. They would be expected to pay the full rent of their council accommodation.

Local housing Allowance (LHA) rates for Thurrock for November 2015 are:

	2 bed	3 bed	4 bed
Weekly LHA	£161.26	£188.33	£266.65

The cost of Council sheltered accommodation averages around £85 per week

The Council would be responsible for the management of their property, including some repairs and insurance during the lease period.

This option provides peace of mind to older residents; enables them to keep the family home to pass on to their children and increases the availability of suitable long term accommodation for homeless households. The change would also allow exploration of other options in this area such as in the cases of owner occupiers who require residential care.

It is recommended that the financial qualification be removed for sheltered and extra care applicants who lease their properties back to the Council .

4. Reasons for Recommendations

- 4.1 The Housing Allocations scheme must be followed when allocating the Councils' own properties and those belonging to other registered Providers in the borough with whom we have nomination agreements.
- 4.2 An annual review ensures that the policy meets all statutory requirements and is responsive to the changing needs of the borough.
- 4.3 In particular, the homelessness prevention strategy, which was adopted in October 2015, requires a number of amendments and additions to the policy to enable its full implementation.
- 4.4 It is also good practice to ensure that the policy is consistently reviewed and updated.

5. Consultation

- 5.1 A full consultation was undertaken on the removal of TCH adverts from the newspaper, which also included an impact assessment by the Thurrock Diversity network.

5.2 A consultation regarding other changes is currently underway and lasts until 21 January 2016. This includes:

- An online survey through the councils consultation port – to date 806 people have taken part this way;
- All active applicants on the Councils waiting lists were sent messages and reminders inviting them to participate, either through the online survey or in writing;
- The survey was advertised in the Thurrock Gazette and on the Council and Thurrock Choice Homes websites;
- There will be face to face consultation meetings during December and January.

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

6.1 The demand for social housing far outstrips the stock available; the Council has to prioritise certain groups but can also choose how to allocate accommodation in the best way to meet the competing needs.

6.2 The Council is keen to ensure that all tenants, especially new ones, are fully aware of the responsibilities that holding a tenancy brings, and to minimise the risks of homelessness.

6.3 These criteria assist in achieving the Councils corporate priority to “Build pride, responsibility and respect” and “to improve health and wellbeing”.

7. Implications

7.1 Financial

Implications verified by: **Jonathan Wilson**
Chief Accountant, Corporate Finance

The Council has a duty to allocate properties via its published housing allocations scheme. The decision to remove adverts of properties available from the newspaper and to advertise via other media such as the website and mobile phone will make savings.

The proposed pre-tenancy training will require development of an online training system but this will be developed in-house at minimal cost - mostly officer time.

However, officers who will be carrying out face to face and group training will undertake a formal level 3 training programme.

Costs have been minimalised by ensuring maximum numbers take up the training. Training costs are approximately £5800 for 14 officers.

The cost of assisting a homeless household is estimated by Crisis to be between £1,426 - £4,726 per month.

If, as anticipated, pre-tenancy training reduces the number of Council evictions, the potential savings far exceed this cost.

7.2 Legal

Implications verified by: **Martin Hall**
Housing Solicitor / Team Leader

Unless specifically addressed below, there are no legal implications arising out of the content of this report.

The introduction of a new priority band for homeless prevention may be a useful strategy; however it is important that this is not used to prevent those who wish to make an application for homelessness assistance applying. The Council has a duty to accept an application from anyone who is threatened with homelessness, and may be eligible and in priority need.

The leasing private properties under longer term leasing arrangements would also require the use of flexible tenancies for a limited group of people to ensure that secure tenancies are not given to tenants who continue to own a property. This would require a change to the Councils' tenancy policy.

In addition to the above, further consideration will need to be given to (i) recovering possession of the flexible tenancy at the end of the fixed term, (ii) who will bear the costs of any repairs, and (iii) what happens if the lease or flexible tenancy is ended mid-term.

7.3 Diversity and Equality

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

It has been identified that the removal of the TCH adverts from the newspaper will impact the elderly and those less able to use computers and/or mobile phones and devices. However, a number of actions will be implemented to mitigate the impacts and these will be regularly monitored.

There will also be a large scale programme of advertising to ensure that applicants are aware of changes and those needing assistance can be identified.

An impact assessment was carried out by Thurrock Diversity Network and recommendations were made and will be implemented, including financial support for TCIL to assist disabled applicants in looking for properties and placing bids.

- 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):

Housing Overview & Scutiny Minutes – 30 November 2015

<https://thurrockintranet.moderngov.co.uk/ieListDocuments.aspx?CId=167&MId=4808&Ver=4>

- 9. Appendices to the report**

Appendix 1 - Draft Local lettings plan

Report Author:

Dawn Shepherd
Housing Strategy Manager
Business Improvement, Housing

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THURROCK COUNCIL

LOCAL LETTINGS PLAN

**First lets for new Council
properties built within existing
Thurrock Council housing estates**

1. Introduction

This local lettings plan sets out the criteria to be followed when allocating all newly developed Council properties as infill within existing Thurrock Council housing estates.

It only applies to first lets – all subsequent lets will be made in line with the Council's usual allocations process.

2. Objective

The objective of this local lettings plan is to maintain balanced and sustainable communities. This is particularly relevant to sites where the development is part of a rededication of the land, in contrast to a completely new development on previously unbuilt or brown field sites. Inserting new developments with a concentration of properties can destabilise a community and therefore it is important to ensure that a high number of the new tenants are already part of the community.

3. Allocation

3.1 Properties

75% of the properties within the new development will be allocated in line with section 3.2

25% of the properties within the new development will be allocated in line with the Council's usual allocations process.

3.2 Qualification

Tenants will only qualify for the 75% allocation if they meet all of the criteria in A, B, C and D

A. Tenants must hold a current Thurrock Council secure tenancy – introductory and demoted tenants will not be eligible

AND

B. Tenants must meet Thurrock Council's criteria for joining the housing transfer list as laid out in the Housing Allocations scheme:

- Tenants with rent arrears or other outstanding housing related charges (such as re-charges for previous works) will not be eligible
- Where a tenant has breached their tenancy agreement, or has otherwise managed their tenancy in an unacceptable manner, they will not be eligible

AND

C. Tenants must live in a property, rented to them by Thurrock Council, which is situated within the designated boundary of the scheme

AND

D. Tenants must pass a transfer inspection of their current property

3.3 The designated boundary

The designated boundary described in 3.2 will vary from scheme to scheme and will be agreed by the Director of the Housing Service

3.4 Prioritising applicants for the 75% quota

All tenants who wish to be considered for the 75% quota will be required to register their interest in the scheme. Details for registering an interest will be widely advertised.

The allocations team will assess the following in line with the housing allocations scheme and allocate the properties accordingly, outside of the usual Choice Based Lettings (CBL) process:

- Size and type of property needed by the household
- Number of bedrooms required in line with the bedroom standard
- Any mobility or adaptation needs
- Any age criteria that applies

Where there are more tenants expressing an interest than properties available, tenants will be prioritised according to the amount of time they have lived consistently within the designated boundary.

Where a tenant has been living at more than one property within the designated boundary, the combined time will count, provided they have lived within the designated boundary continuously leading up to their current tenancy.

For example:

- A tenant, who had lived in property A within the designated boundary for 10 years and then moved to their current property B within the designated boundary 5 years ago, will have a combined time of 15 years.
- A tenant, who has lived in property C within the designated boundary for 30 years, and then moved to property D outside of the designated boundary for 3 years, and then moved back to their current property within the designated boundary for 2 years, will have a combined time of 35 years.

However, where the development is specifically designed for older people and/or those with disabilities or dementia, prioritising applicants for the 75% quota would be undertaken by the Extra Care panel (consisting of both housing and social care

professionals) that would assess each case and determine which has the higher need for the accommodation.

3.5 Property quotas

- 75% of first lettings will be for current Thurrock Council tenants, who meet the criteria in 3.1 and 3.2
- The remaining 25% of first lettings will be allocated via the Councils Housing allocations scheme in line with the usual processes i.e. through Thurrock | Choice Homes (TCH)
- A mixture of property sizes and floor levels will be made available for each group.
- Properties will be allocated to households who have a need for the number of bedrooms provided, as determined by the Housing Allocations schemes' bedroom standard.
- These provisions only apply to the first lettings.

3.6 Miscellaneous

Where there would be a joint tenancy and only one tenant meets the age criteria the Allocations team would determine whether or not a joint tenancy could be issued, taking into account factors such as the age difference, disabilities, etc.

Where applicants are downsizing from a larger Council property the current rules regarding downsizing incentives would apply.

4. Monitoring

When a new development of Council properties within an existing estate is identified they will form the list of applicable properties which qualify for the local lettings plan.

Where a new development has properties which have been specifically adapted for residents with disabilities, these will be allocated outside of the local lettings plan via the Councils' usual allocations process, in order to ensure that such properties are matched to those with a disability and need for adaptations.

The local lettings plan will only be used for first lettings; any subsequent re-lettings will be made through the Councils Housing allocations procedures.

Notification of how properties have been allocated will be provided via the Councils usual scheme of notification via the Choice based lettings process.

6 January 2015		ITEM: 7
Housing Overview and Scrutiny Committee		
Housing Revenue Account Base Budgets and Rent Setting 2016/17		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor J Kent, Portfolio Holder for Finance		
Accountable Head of Service: Sean Clark, Head of Corporate Finance		
Accountable Director: David Bull, Interim Director of Housing		
This report is Public		

Executive Summary

This report sets out the proposals for the Housing Revenue Account (HRA) base budgets for 2016/17 and identifies the changes between 2015/16 and 2016/17. Any growth and loss of income within the budgets will be funded through savings and efficiencies identified elsewhere.

On the 8 July 2015 the Government announced key policy changes that impact on the Council's HRA business plan. They were as follows:

- A 1% reduction in social rents for four years from the 1 April 2016
- Pay to stay proposals from 2017/18
- The disposal of 'high value' properties as they become vacant to finance the expansion of the 'Right to Buy' to tenants of registered social landlords

In order to ensure that the HRA remains financially viable following the proposed legislative changes set out in the Governments budget statement, detailed work has been undertaken on the options available to bridge the financial gap.

The current estimated cumulative impact of the Government's proposals has the potential to make the Council's current HRA business plan unviable. However at this stage, the focus has been on making recommendations that would mitigate the financial impact of the most mature of these proposals, the 1% reduction in rents for four years from 1 April 2016. This alone has an estimated impact of taking £14.6m out of the business plan from 2016/17 to 2019/20, and £218m over the 30-year life of the business plan.

Recommendations need to be made to Cabinet and subsequently Council regarding the setting of the base budgets, rent levels for dwellings, garages and travellers sites for the next financial year 2016/17.

1. Recommendation(s)

- 1.1 That the changes included in the base budget for 2016/17 be agreed.**
- 1.2 That the 1% rent reduction outlined in the Summer Budget be noted.**
- 1.3 That a 1% increase in de-pooled service charges for 2016/17 be agreed.**
- 1.4 That a 2.5% increase in garage rents for 2016/17 be agreed.**
- 1.5 That a 1.5% increase in to central heating charges in 2016/17 be agreed.**
- 1.6 That a 2.5% increase in traveller's sites rents be agreed.**

2. Introduction and Background

- 2.1 This report sets out the Base Budgets for the Housing Revenue Account (HRA) for 2016/17 along with the proposals for rent and service charges. The main changes are discussed within the report.
- 2.2 The report identifies the changes within the base budgets between 2015/16 and 2016/17. Increases to budgets and the reduction in rental income will be funded from savings and efficiencies on existing expenditure along with inflationary increases to charges.
- 2.3 The HRA base budgets have been compiled in accordance with the 30-year business plan. This takes into account the long term strategy for the financial viability of the service.

Background

- 2.4 The base budgets represent the cost to the Council of continuing to operate the existing level of service.

The main areas of income are:

- Rent and Service Charges - paid by tenants
- Other Income - income from residential and commercial leaseholder service charges and other miscellaneous income

- 2.5 The major items of expenditure are:

- Capital financing – the sum is used to finance the cost of major works as part of the HRA capital programme. This is calculated in accordance with the 5 year capital programme.
- Repairs and Maintenance – responsive repairs, planned maintenance and adaptations
- Salaries – the cost of employing staff
- Funding of further housing development and regeneration. This includes schemes to build 90 new properties which are on site this financial year.

3. Issues, Options and Analysis of Options

3.1 Forecast Outturn Position 2015/16

Before considering the budget proposals for 2016/17, it is necessary to review the 2015/16 position. This gives an indication of the likely level of the HRA balances to be carried forward into 2016/17. Details from the October 2015 (Period 7) forecast position are detailed below:

Table 1 – Overall forecast variance

Service Area	Revised Budget £000's	Forecast Pressures £000's	Forecast Underspends £000's	Total Variance £000's
Repairs & Maintenance	12,671	418	(172)	246
Supervision & Management	10,734	156	(402)	(246)
Service Improvement	83	0	0	0
Financing & Recharges	24,547	0	0	0
Rent & Income	(48,828)	0	0	0
Development	793	0	0	0
Grand Total	0	574	(574)	0

Commentary on forecast variances

Repairs and Maintenance

There is a net forecast overspend of £0.246m in relation to Housing Repairs. Expenditure relating to voids and responsive repairs is forecast to be overspent by £0.418m against a budget of £10.029m. Repairs to voids are demand led and dependant on the condition of the dwelling and responsive repairs can be volatile due to fluctuations in demand. An underspend of

£0.172m on general investment and development costs partially offsets the overspend. This underspend is mainly due to reduced staffing costs.

Housing Management

Housing Management represents the cost of delivering the landlord and business services functions, as well as central overheads and operational support. Across these services there is a net forecast underspend of £0.246m. Staff vacancies and general efficiencies account for the underspends across a number of areas and these mitigate the impact of forecast pressures elsewhere. A review of expenditure and individual budgets will be carried out as part of the detailed budget setting process to ensure they reflect service delivery.

Table 3 – New Build Schemes

Scheme	Forecast Scheme Cost £000's	Actual Expenditure 2013/14 £000's	Actual Expenditure 2014/15 £000's	Forecast Expenditure 2015/16 £000's
Seabrooke Rise	13,211	25	5,884	7,302
Bracelet Close	4,928	7	249	3,907
Derry Avenue	8,880	0	2,828	6,052
Empty Homes Renovation	1,881	0	597	1,284
Calcutta Road	10,259	0	8	593
Grand Total	39,159	32	9,566	19,138

- 3.2 Table 3 shows the forecast and actual spend in relation to the Council's new build schemes. While this is classified as Capital Expenditure, the HRA part of the funding for such projects can be financed through direct revenue funding. As a result, the balances held within the Development Reserve are intrinsically linked to the operating revenue position.
- 3.3 The forecast outturn position has the following impact on the level of HRA Reserves.

Table 4a – Forecast Retained Surplus at 31st March 2015

	£m	£m
<i>Forecast net operational overspends</i>	0.574	
<i>Forecast net underspends</i>	(0.574)	
Net Operating Surplus		0.000

Table 4b – Forecast level of financial reserves at 31st March 2015

Unallocated Balance	£m
Balance as at 1 April 2015	(2.654)
Use of balances	0
Forecast Balance 31 March 2015	(2.654)

Development Reserve	£m
Balance as 1 April 2015	(3.117)
Budgeted contribution	0
Net operating surplus	(3.117)
Forecast Balance 31 March 2015	(3.117)

2016/17 Base Budgets

- 3.4 The proposal for a £2m reduction in revenue expenditure from the HRA will be delivered via a four year savings plan that will build on existing actions that have been taken to realise efficiencies over the last three years. These will include further opportunities for increases income, reductions in consultancy spend as a result of contraction of investment programmes, reductions in service delivery costs through reshaping and restructuring and a reduction in third party spend. As agreed at December 2015 Cabinet.

A summary of the changes to the budgets from 2015/16 to 2016/17 are shown in Table 5 below.

Table 5 – 2016/17 Base Budget Changes

2016/17 Budget Estimates	Budget Changes £000's
Budget Pressures/Inflation	
Salaries and Pay Award	282
Total Budget Pressures/Inflation	282
Budget Savings/Increased Income	
Service Charges	(22)
Garage Rents	(27)
Heating	(1)
SERCO Transition	(500)
Total Budget Savings/Increased Income	(550)
Rent Reduction – loss of income	460
Contribution from reserves	192
Total HRA Net 2016/17 Budget	0

The main reasons for the changes between the 2015/16 budgets and those proposed for 2016/17 are as follows:

- 3.5 **Salaries and pay award growth: £0.282m** As part of the terms and conditions of employment, incremental increases due as well as a provision for a pay award (1%) have been included within the estimates for 2016/17
- 3.6 **SERCO transition saving:** As a result of the reintegration of SERCO into the council there will be savings of £500k to the HRA.

Rent

- 3.7 Social housing rents are currently set according to the Government's rent policy guidance. The current rent guidance was published in May 2014 (with effect from April 2015) and expected annual rent increases to CPI +1% for the next 10 years. This was the assumption applied within the HRA 30-year business plan. The 8th July 2015 budget announcement effectively suspends the current social rent policy guidance and instead of on-going rent increases of CPI +1%, the Council is now required to reduce rents by 1% from current levels (with a base date of 8th July 2015) i.e. the rent for a dwelling in 2016/17 should be 1% less than the rent as at 8th July 2015 and the rent in subsequent years should be 1% less than the previous year. The treatment of service charges is unaffected by the announcements.
- 3.8 The majority of tenants are paying target rent in 2015/16 which means the 1% reduction will be applied to that base. Rents for new properties will be calculated at the 2015/16 target level and then reduced by 1% to give the 2016/17 rent.
- 3.9 The Council has an ambitious programme to improve the quality of Council owned homes within the borough to a high standard that supports the long-term viability of the asset and to build new affordable homes for current and future generations. With our investment programmes well underway, the Council does not have significant surpluses in which to absorb the impact of more major changes in central Government policy, unlike many registered providers within our sector. These changes, therefore, requires changes to our existing housing investment and development programmes in order to deliver a balanced HRA and supports the recommendations that were proposed to Cabinet for approval on 11 November 2015.
- 3.10 As outlined in the report to Cabinet on 9 December 2015 there is an opportunity for the Secretary of State to issue a direction to exempt a local authority from the requirement to reduce rents by 1% to:
- Require that rents remain the same each year; or
 - Require that rents reduce by an amount which is less than 1% each year.

An exemption, or a relaxation in the 1% reduction in rents, is possible if a Local Authority is able to evidence that serious financial difficulties are unavoidable if it were to comply with the requirements.

The Council intends to submit a case for exemption early in the New Year.

- 3.11 Cabinet should note the change to the government's rent policy and that the Council will be implementing the policy as set out in the Welfare Reform and Work Bill, whilst seeking an exemption from the Secretary of State. The average rent for a property in Thurrock will be £86.47 reducing from £87.34 in 2015/16. The HRA stock by bedroom size and average rent is shown below:

Bedroom Size	No of properties	2016/17 Average Rent
0	246	£56.60
1	2,863	£73.00
2	2,288	£78.10
3	4,534	£99.62
4	198	£113.21
5	2	£106.44
6	2	£121.74
Grand Total	10,133	£86.47

- 3.12 For comparison purposes only, the previous rent setting arrangements and assumptions would have set an average rent of approximately £88.22 as opposed to £86.47 shown above.

3.13 Depooled Service Charges

It is recommended that the service charges for Caretaking and Concierge are increased by 1%. This is to ensure that these services are self-financing. This increase will finance cost pressures that arise. **Members are asked to agree this as per recommendation Paragraph 1.3.**

3.14 Garage Rents

The current weekly charges for garage rents are £8.81 for a Council tenant garage and £10.21 for a privately rented garage per week. It is recommended to Cabinet that an increase of 2.5% be agreed for 2016/17. **Members are asked to agree this as per recommendation Paragraph 1.4.**

3.15 Traveller's Sites

The council currently maintains and provides services for the following sites: Pilgrims Lane, Ship Lane and Gammons Field.

The gross cost of providing the service must be recovered by the Council through rent charges, excluding utility charges which are not supported by Housing Benefit payments.

The base budget for traveller's sites for 2015/16 has been reviewed and it is expected that there will be an increase in 2016/17 costs due to inflationary pressures. Therefore in order to ensure a breakeven budget we set a 2.5% increase needs to be applied to the current weekly rent charge. **Members are asked to agree this as per recommendation Paragraph 1.6.**

4. Reasons for Recommendation

- 4.1 The report sets out the implications for the HRA Budget in 2016/17. The proposals put forward have been calculated and assessed in line with affordability consideration and ensure that financial reserves remain with agreed levels. It is essential that rent, service charges and other charges match projected expenditure. This is a legal and operational requirement. While acknowledging that the drive for efficiency both in terms of cashable and non cashable savings is a continuous process, there are financial risks associated with assuming that the rent reduction can be mitigated solely through savings and efficiencies.

5. Consultation

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

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 maximum 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 included throughout the report.

7.2 Legal

Implications verified by: **Martin Hall**
Solicitor / Team Leader

This report has been produced pursuant to Part 2 of the Local government Act 2003. The Act contains a series of duties and powers that give statutory support to important aspects of good financial practice in local government, but leaves the outcome of those processes to the judgement of local authorities.

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: **Natalie Warren**
**Community Development and Equalities
Manager**

The base budget for 2016/17 reflects 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.

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

- N/A

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):

- N/A

9. Appendices to the report

- None

Report Author

Julie Curtis
HRA and Development Accountant
Corporate Finance

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6 January 2016		ITEM: 8
Housing Overview and Scrutiny Committee		
Fixed (Flexible)Term Tenancies		
Wards and communities affected: All	Key Decision: None	
Report of: Dermot Moloney, Strategic Lead, Housing		
Accountable Head of Service: Richard Parkin, Head of Housing		
Accountable Director: David Bull, Director of Planning, Transportation & Housing		
This report is Public		

Executive Summary

The ability for a Council to issue Fixed-term (or Flexible) Tenancies was introduced in 2012 by the Localism Act 2011.

As a time-limited form of secure tenancy (typically 5 years) they still provide many of the same rights as a secure tenancy, including the right to buy and the right to succeed.

Thurrock Council considered introducing fixed term tenancies in 2012-13 as part of its Strategic Tenancy consultation but decided against this for the following reasons:

- They do not promote sustainable communities;
- The ending of fixed term tenancies could be complex and could discriminate against certain groups – issues such as age could be factors used for criteria;
- The process of review could be very complex and resource intensive - there was little benefit from adopting this style of tenancy compared to the high costs involved.

Subsequently, the Council's Tenancy policy adopted by Cabinet in March 2013 implemented the following tenancies in addition to the secure tenancies already in place:

- Introductory Tenancies
- Demoted Tenancies

On 8 December 2015 Brandon Lewis (Housing & Planning minister) announced an amendment to the Housing and Planning Bill which would result in the ending of secure tenancies and the introduction of fixed term tenancies for new Council tenants.

Officers have been asked to reconsider the implications of fixed term tenancies in order to enable a discussion on their introduction.

1. Recommendation(s)

1.1 That Housing Overview and Scrutiny note this report and make any comments necessary.

2. Introduction and Background

2.1 Fixed term tenancies were introduced following the Localism Act 2011, where councils had two obligations:

- 1) To produce a Strategic Tenancy Policy covering all social housing in the borough
- 2) Produce a Council housing Tenancy Policy outlining how the Council would manage its own tenancies.

The government envisaged that fixed term tenancies (typically 5 years) would allow housing providers to;

- Increase mobility by encouraging tenants to move between properties and sectors as their housing need changed;
- Ensure that social housing is used only for those in genuine need, by moving people earning a higher wage into other forms of tenure;
- Target social housing to meet the needs of the community, for example by addressing under-occupation of larger family accommodation;
- Promote localism through local decision making at a community level

Following the 2011 Act, Members wished to consider fixed term tenancies, along with Introductory and Demoted tenancies, to develop a more proactive and supportive way to manage tenancies.

However, one of the key considerations was the extra cost associated with the management of fixed term tenancies against their benefit.

Consultation around tenancy types took place with the Tenants Panel and other key stakeholders. In addition an online survey was shared with over 15,000 tenants and prospective tenants.

Of the 173 who responded, the following results were obtained:

- 45% felt that fixed term tenancies were a good idea, 38% felt they were not and 17% did not know;
- 90% favoured introductory tenancies and 86% felt that demoted tenancies were a good idea.

Members considered all the factors including the survey results and agreed to implement Introductory and Demoted Tenancies as part of the Council's tenancy policy.

A new tenancy agreement was drafted to reflect the Tenancy Policy terms and all new tenancies issued after 6 March 2014 were introductory tenancies unless they were in sheltered housing – an exception for sheltered housing was agreed in the Tenancy Policy.

All existing tenants prior to March 2014 remained full secure tenants but the terms of their tenancies varied following a tenancy variation process. This enabled the Council to lay out more clearly their Landlord responsibilities and the tenant's responsibilities.

During the implementation of the tenancy variation, there was full consultation with the Council's secure tenants including face to face meetings with the elderly and vulnerable.

As part of the implementation process new procedures and system changes were undertaken and an in-depth training programme for staff.

On 8th December 2015 Brandon Lewis (Housing & Planning minister) announced an amendment to the Housing and Planning Bill which would result in the ending of secure tenancies and the introduction of fixed term tenancies for new Council tenants.

This paper considers the implications of issuing fixed term tenancies.

3. Issues, Options and Analysis of Options

3.1 Background

When the Localism Act was introduced in 2012 there were high expectations that fixed term tenancies would enable a higher number of Council properties to be made available for those in genuine need and that those who no longer needed the accommodation would move on – either because they could afford to purchase their own accommodation or their household need had changed.

The number of fixed-term tenancies which have been introduced across the UK still remains low. The Department for Communities and Local government (DCLG) collects information on new tenancies but does not specifically break these down into fixed term or non-fixed term tenancy types for local authorities, so it is difficult to determine exactly how many organisations are using them.

Most recent figures indicate that 13% of all new general needs social housing tenancies were fixed term in 2014-15, compared with 9% in 2013-14

In 2014 the Chartered Institute of Housing carried out research into the use of fixed term tenancies, across Councils, Registered Providers and Arm's Length Organisations (ALMOs), speaking in depth with 23 organisations out of 84 that responded to their survey.

They discovered that organisations were using fixed term tenancies in different ways in order to meet their own strategic objectives – for example:

- Wandsworth Council was using them for all general needs lettings;
- North Lincolnshire Homes was using them only for properties that are in short supply or needed for specific household types (such as larger or adapted properties) to ensure they continue to be used by the households for which they were intended.
- Family Mosaic started to issue fixed term tenancies in 2012 as part of its target to get 1,000 residents back into employment over a three year period. All new tenants who are not elderly or vulnerable are given a 5 year fixed term tenancy with the requirement that tenants make efforts to seek employment and engage in opportunities for training during the five year period.

Overall, tenancies tended to be issued for a five year period with exceptions for those who have exhibited anti-social behaviour or non-payment of rent in the past.

Reassessment of the tenants' housing need towards the end of the fixed term period will require a detailed assessment of the tenant's financial circumstances as well as options for future housing to avoid homelessness.

Since the five year fixed term period has not yet been reached, there is no information regarding how the re-assessments will fare or how the courts will react to possession proceedings for tenants who are maintaining their tenancies with no breaches, but who have come to the end of their fixed term.

It is also too early to predict the effect that fixed term tenancies will have on void turnover since much will depend on how many fixed term tenancies are re-issued.

3.2 Implications of fixed term tenancies

- 3.2.1 The main objective of fixed term tenancies is to ensure that social housing is made available only to those who need and are entitled to it, and that when tenants are able to meet their own housing needs they will move on into other options such as affordable rented properties or home ownership.

This allows increased mobility when needed and helps to meet the needs of communities.

Areas of need include larger properties (4 and 5 bedrooms) where the waiting times can be extremely long, and those with major adaptations such as fully adapted wet rooms, lifts and ramped entrances.

Tenants with larger or adapted properties, who no longer require them because family members have moved on, could be expected to give up such properties for use by other needy households.

3.2.2 A detailed assessment of the tenant's circumstances and housing need would be required prior to the expiration of the fixed term. Options are:

- To offer a further fixed term tenancy;
- To offer alternative accommodation on a fixed term tenancy;
- To require the tenant to leave the property and take up alternative housing options such as private renting or purchasing

Alternative accommodation could be a considerable issue, in order to prevent an increase in homelessness and its associated costs – both financial and social. The Council would need detailed policies regarding whether fixed term tenants should be offered alternative accommodation or expected to make their own arrangements and there is a danger of indirect discrimination against certain groups, which must be carefully negotiated – for example older tenants are more likely to be under occupying when their families grow up and move out.

Where alternative Council accommodation is to be provided, sufficient alternatives would need to be available at the right time – this may not always be possible. There could also be an increase in voids and their associated costs.

3.2.3 The cost of administering a fixed term scheme could be high and would involve increased and continual monitoring and reviewing processes to ensure tenants still qualify to remain at their property; this could prove difficult where tenants were unwilling to cooperate and would lead to increased responsibility and workload for staff, with the likely need for additional staff.

To determine the financial implications of this a further piece of work will be required once there is clarification on how the new legislation will work – for example around exemptions.

However a comparison can be made with recent calculations made by officers as part of the government consultation on "Pay to Stay: Fairer Rents in Social Housing". Officers undertook an assessment of the cost of administering proposals to charge market rents to tenants who earn above £30,000 per year. The costs were based on the 16% of anticipated affected tenants and are shown below:

Set Up costs (including implementing changes to tenancy agreements, systems and process, training officers, allocation of resources)	£60,000
Extra resources (Team of four officers to administer the process, and another team of three specialist officers to perform corrections and reassessments, and a Team Manager)	£250,000
Fraudulent Investigation activities (Two officers)	£60,000
Total initial cost	£370,000
Future annual cost	£310,000

These costs represent assessments of the tenants' financial circumstances; an assessment for fixed term tenancies would also require an assessment of the family size and need for the accommodation.

A new tenancy agreement would be required since the terms would be different to current tenancy terms which were varied for all tenants in March 2014. This would mean two different tenancy types to be managed with different procedures and the potential for errors.

It should also be noted that even with a fixed term tenancy the Council would still need to obtain a Court Order to evict tenants should they not wish to move on to alternative accommodation. This could be particularly unpalatable where the tenants have been good tenants who have always paid their rent on time. There are likely to be an increase in evictions and subsequent legal costs.

Right to buy discounts are available to tenants after 3 years of tenancy, and therefore some tenants who may have improved their financial circumstances so that they could buy a property on the open market, could instead be incentivised to buy their Council property rather than move to alternative accommodation.

3.2.4 There are a number of circumstances where the use of fixed terms would be advantageous, for example:

- Where the tenant is eligible at the point of applying for accommodation, but their immigration status changes – for example applicants who are given limited leave to remain. A shorter fixed term might be useful in such circumstances e.g. 2 or 3 years;

- The Council is experiencing difficulty in recruiting staff to certain key roles, for example social workers.
A key worker scheme could be introduced allowing accommodation to be provided to encourage such workers to move into the borough to take up vacant posts. However, we would not wish to offer a full secure tenancy with all its associated rights only to discover that the worker moves to alternative employment within a very short period. In such circumstances it would be preferable to offer a fixed term tenancy – for example a period of 2 years.

3.2.5 The Housing department needs more private rented properties to house homeless households. They have been facing difficulties in recruiting private landlords, particularly because of increased competition and greater incentives from London Authorities.

A new scheme is being considered as part of the Housing Allocations scheme review whereby elderly owner occupiers could be offered a sheltered tenancy in return for a lease of their property to the Council to house homeless households.

If such a scheme were adopted it would require the issuing of flexible tenancies to the owner occupiers to ensure that the sheltered tenancy only lasts as long as the lease of their property back to the council – a recommended period of 5 years.

3.2.6 The council wants to promote and build sustainable communities; this could be difficult where residents are unsure of their ability to stay in one particular place and could result in communities that feel they have less of a stake in the place where they live.

In turn, this could lead to a lower level of concern for the housing stock and environment creating areas in which crime, vandalism and anti-social behaviour are more likely to prosper. All of these factors could have a serious, detrimental impact on any social landlord and its tenants.

4. Reasons for Recommendation

This paper makes no recommendations but lays out the implications of fixed term tenancies in order to inform member's discussion.

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

5.1 If fixed term tenancies are introduced by law the Council would have no discretion on their implementation.

A local policy outlining how tenancies are to be reassessed and the decision making process on options would be discretionary and therefore should be consulted upon.

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

- 6.1. The introduction of fixed term tenancies could potentially lead to reduced community sustainability with a detrimental impact on health and wellbeing and a reduction in pride, responsibility & respect within communities.

7. Implications

7.1 Financial

Implications verified by: **Jonathan Wilson**
Chief Accountant, Corporate Finance

There will be extra costs associated with implementing and managing the administration of fixed term tenancies, including:

- Increased staffing resource costs
- Increased legal costs
- Further consultation costs
- Increased voids and their associated costs

Further work is required to determine more accurate estimations but the comparison with recent work on the pay to stay consultation indicates the sum could be considerable.

- Possible increases in homelessness

If more households are evicted this could lead to increased homelessness and its associated costs. A paper published by the homeless charity Crisis in July 2015, confirms that on average assisting a homeless household can cost a local authority between £1,426 - £4,726 per calendar month, depending on the support and type of housing which is required.

7.2 Legal

Implications verified by: **Martin Hall**
Housing Solicitor and Team leader

The Localism Act 2011 allows local authorities greater control over the types of tenancies it issues, in particular, the use of flexible tenancy agreements, limiting the secure tenancy to a fixed period.

The Housing and Planning Bill has been amended so that all new Council tenancies would be of a fixed term of between 2 and 5 years with no automatic right to continuation.

This report deals with the implications of fixed term tenancies. In addition to the points set out above, it should be noted that these tenancies have more complicated notice requirements to recover possession, which would require officer training.

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
Community Development & Equalities
Manager

The introduction of flexible tenancies would require a full equality impact assessment to determine any adverse implications for certain groups – for example older tenants are more likely to be impacted when their families move on. Actions to mitigate any adverse impacts would need to be identified.

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

An increase in staff would be required in order to manage the fixed term tenancies.

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):

- New approaches to fixed term tenancies – Chartered Institute of Housing, 2014
<http://www.cih.org/resources/PDF/Policy%20free%20download%20pdfs/New%20approaches%20to%20using%20fixed%20term%20tenancies.pdf>
- Thurrock Council's Tenancy Policy <https://www.thurrock.gov.uk/council-tenants/policy-and-strategy>
- Thurrock Strategic Tenancy policy <https://www.thurrock.gov.uk/council-tenants/policy-and-strategy>

9. Appendices to the report

None

Report Author:

Dawn Shepherd
Strategy Manager
Business Improvement, Housing

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**Housing Overview & Scrutiny Committee
Work Programme
2015/16**

Dates of Meetings: ~~17 June 2015, 2 September 2015, 30 November 2015,~~ 6 January 2016, 17 February 2016, 16 March 2016

Topic	Lead Officer	Date
Housing Investment and Development	Kathryn Adedeji	17 June 2015
Homeless Prevention Strategy	Dermot Moloney	17 June 2015
Right to Move	Dermot Moloney	17 June 2015
Update on Repairs Policy	Kathryn Adedeji	2 September 2015
Homelessness Prevention Strategy	Dawn Shepherd	2 September 2015
Elizabeth Gardens – local lettings plan (exception for 2 bed properties)	Dawn Shepherd	2 September 2015
Local Lettings Plan - Seabrooke Rise and Derry Avenue	Dawn Shepard/Kathryn Adedeji	30 November 2015
Impact Assessment of Housing and Planning Bill on HRA Business Plan	Kathryn Adedeji	30 November 2015
Thurrock Choice Homes Adverts	Dermot Moloney	30 November 2015
Shaping the Council Budget Update - Change to the Fees and Charges	Sean Clark	6 January 2016

Updated: 19 October 2015

Allocation Policy Update	Dermot Moloney	6 January 2016
Rent Setting	Richard Parkin/Mike Jones	6 January 2016
Flexible Tenancies	Dermot Moloney	6 January 2016
Right to Move – Brief Only	Dermot Moloney	6 January 2016
Shaping the Council Budget Update on themed items as and when required	Sean Clark	17 February 2016
Housing Asset Management Plan	Kathryn Adedeji	17 February 2016
Housing Investment Programmes Update	Kathryn Adedeji	17 February 2016
Rent Setting	Richard Parkin/Mike Jones	17 February 2016
Improving Energy Efficiency	Kathryn Adedeji	17 February 2016
Extra Care Service Charges	Dermot Moloney	17 February 2016
Shaping the Council Budget Update on themed items as and when required	Sean Clark	16 March 2016
Damp and Mould Update	Kathryn Adedeji	16 March 2016
Housing Strategy Action Plan – End of Year Update	Dermot Moloney	16 March 2016
Update on Homelessness Prevention Strategy	Dawn Shepherd	16 March 2016

Homelessness Strategy will be added to the 2016/17 Work Programme for September 2016.