

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 **2 February 2017**

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

### Membership:

Councillors Gerard Rice (Chair), Chris Baker (Vice-Chair), Jan Baker, Tunde Ojetola, Jane Pothecary and Joycelyn Redsell

Lynn Mansfield, Housing Tenant Representative

### Substitutes:

Councillors John Allen, Tony Fish, Ben Maney, Terry Piccolo and Kevin Wheeler

### Agenda

Open to Public and Press

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<b>1 Apologies for Absence</b>	
<b>2 Minutes</b>	<b>5 - 10</b>
To approve as a correct record the minutes of the Housing Overview and Scrutiny Committee meeting held on 13 December 2016.	
<b>3 Urgent Items</b>	
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.	
<b>4 Declaration of Interests</b>	
<b>5 Procurement of Housing Capital Programme Delivery</b>	<b>11 - 20</b>
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Agenda published on: **25 January 2017**

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# DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

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

## Helpful Reminders for Members

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

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

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



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 13 December 2016 at 7.00 pm

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- Present:** Councillors Gerard Rice (Chair), Chris Baker (Vice-Chair), Jan Baker, Jane Potheary and Joycelyn Redsell
- Lynn Mansfield, Co-Opted Member
- Apologies:** Councillors Tunde Ojetola
- In attendance:** Roger Harris, Corporate Director of Adults, Housing and Health  
John Knight, Head of Housing  
Dulal Ahmed, Housing Enforcement Manager  
Julie Curtis, HRA and Development Accountant  
Sue Kane, Sheltered Housing Manager  
Kenna-Victoria Martin, 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.

### **16. Minutes**

The Minutes of Cabinet, held on 9 November 2016, were approved as a correct record.

### **17. Urgent Items**

There were no items of urgent business.

### **18. Declaration of Interests**

There were no declarations of interest.

The Chair of the Committee took the opportunity to welcome John Knight, the new Head of Housing to the Committee.

### **19. Sheltered Housing Changes to Service – Update**

The Sheltered Housing Manager presented the report to Members informing them that Thurrock Sheltered Housing currently provided 1283 units of sheltered accommodation at 30 sites across the borough.

She continued to advise the Committee feedback from tenants' showed satisfaction levels with the Estate Officers service was good with over 80% of tenants judging the service as good or above. It was also mentioned of the 489 tenants who responded to the latest survey 35% scored the service as

excellent, Members were notified this was an improvement from the previous year.

Members were informed Anti-social behaviour (ASB) remained a concern given the vulnerability of the tenants in Sheltered Housing. However, the service was successfully managing ASB, with only 3 recorded open cases as of 28 November 2016.

It was explained that in spite of the reassuring set of survey results, the additional responsibilities for estate management had proved difficult within the sheltered housing team and therefore recently an extra 3 members of staff were employed, this brought the team to 18 Officers.

Members enquired as to whether the void level had been benchmarked against other local authorities in the area. Officers apologised as they didn't have any benchmarking figures to hand, however this could be sent to Members. However, voids were very low and there was a waiting list.

The Corporate Director of Adults, Housing and Health stated that he had visited all but 3 of the sheltered accommodation complexes in the borough; he informed members that he was very impressed with the quality of the stock and proud of the community spirit of tenants. It was mentioned by the Sheltered Housing Manager that the team held McMillian Coffee Mornings within the complexes and raised just over £6,000.

#### **RESOLVED:**

**That the Housing Overview and Scrutiny Committee noted the update report concerning the Sheltered Housing service.**

#### **20. Update on HMO Licence Fee Consultation and the Proposal of Additional Licensing**

The report was delivered by the Housing Enforcement Manager, and in doing so he highlighted the following to the Committee:

- At their last meeting, the Housing Overview and Scrutiny Panel agreed to review the HMO (Houses in Multiple Occupation) licence fee changes proposed by the Private Sector Housing Service;
- The report outlined the consultation feedback and recommendations of residents, private landlords and stakeholders who would be affected by the proposed changes;
- The Government had announced its decision to extend mandatory HMO licensing. This included removing the storey rule so all houses with 5 or more people from 2 or more households are involved; and
- There were 300 plus HMOs within the borough that Officers were aware of.

The Housing Enforcement Manager advised the Committee following a telephone survey undertaken by KWest in July 2016, results showed 67% out

of 166 residents were supportive of extending HMO licencing. It was also agreed that the Council should be doing more to tackle poorly managed HMOs. It was mentioned that Essex Police and Fire Brigade were in strong support of extending mandatory HMO licensing in Thurrock.

Members were further advised landlords with more than one HMO welcomed the capped discount to support them. This would be a 20% cap per property should the landlord own more than one property.

The Chair welcomed the report and commented he felt the fees were acceptable and well controlled.

Members queried as to why temporary licences were for 12months. Officers explained that guidance advised 12 months, benchmarking against other local authorities had also been carried out.

**RESOLVED that Members:**

- 1. Note the Central Government changes to mandatory HMO licensing scheme;**
- 2. Note the feedback to Thurrock Council's public consultation on this extension to HMO licencing and on the revision of HMO licence fees to carry out this duty;**
- 3. Note the proposed HMO licence fee charges for 2017/18 to Cabinet in January 2017.**
- 4. Note the proposal to explore the option of Additional HMO licensing to properties below the Government's mandatory definition. This assessment will test it's appropriateness for additional licensing powers in Thurrock.**

**21. HRA Business Plan and Budgets 201718 Onwards**

The Corporate Director of Adults, Housing and Health introduced the report informing Members the item was to be present to Cabinet in February.

The HRA and Development Accountant addressed the Committee and notified Members that the report set out the current position and progress in developing a new HRA Business Plan for 2017/18.

She continued by informing Members there was uncertainty around previously announced government proposals and the Housing White paper due in December should give Officers clarity.

It was mentioned that inflation had been included at 1% for salaries, 1.5% for repairs linked to contractual uplifts and 0% for all other costs during the Business Plan.

Members were advised that in line with the governments rent policy a 1% reduction has been applied to all rents for 2017/18. Furthermore, in addition to the general services provided to all tenants and leaseholders the Council

provided a range of specific services. These services included communal lighting, door entry systems, lift maintenance and maintenance for the grounds.

The HRA and Development Accountant explained that other Councils currently charged tenants for the costs of a range of services depending on locally delivered services via the HRA, these included Basildon, Havering, Barking and Dagenham and Medway.

The Committee were advised the Council had two main options;

- To continue with the current arrangements and only charge leaseholders the actual costs of the services provided, or
- To introduce service charges for tenants as well.

Members were further advised should they decide to introduce charges for tenants the Council could do so immediately or on a phased basis.

During the Committees discussions the following was raised:

- If tenants living in high rise flats owned their property would they have to pay the same costs as those who were renting. Officers explained that all costs would be calculated in the same way so that costs were fair for tenants and leaseholders;
- Members asked if the proposed charges would force more people into the a benefit cap. It was explained that all service charges would be worked out with the Rents team and that would show if anyone would be affected.

The Chair of the Committee raised concerns as to the service charge for people living in sheltered accommodation. He asked that Officers awaited the Government White Paper and report back to Committee once all guidance had been issued.

#### **RESOLVED:**

**That the report be brought back to the next meeting of the Housing Overview and Scrutiny Committee, once the Government White Paper has been released.**

## **22. Council Spending Review Update**

The Corporate Director of Adults, Housing and Health delivered the report to the Committee stating that the report had been presented all of the Overview and Scrutiny Committees.

It was mentioned the report summarised the main changes to the Medium Term Financial Strategy (MTFS) for the period 2017/18 through to 2019/20.

The Committee were advised that at the current stage there were no specific housing general fund savings proposals.

Members were further advised the Medium Term Financial Strategy position included the assumption of a 3.99% increase in council tax each year, which included 1.99% general increase and 2% adult social care precept.

The Committee commented that the report mentioned where the budget gap could not be closed through recommendations it was likely that reductions or full cessation of services would be looked at. Members enquired which services would be subject to cessation. The Corporate Director of Adults, Housing and Health stated that there were no formal proposals to close services at the present time. He continued by advising services may be delivered in a different way.

**RESOLVED:**

**That the Housing Overview and Scrutiny Committee note the revised MTFs position and the Council Spending Review approach and timetable.**

**23. Housing Overview and Scrutiny Work Programme**

Members discussed the Work Programme, with the Chair seeking that the Pay to Stay Update report be removed from the February meeting.

The Corporate Director of Adults, Housing and Health sought if the Committee would be happy for Officers to incorporate a number of the items for February meetings into one report. It was confirmed Members were happy for this.

**RESOLVED:**

**That the Housing Overview and Scrutiny Work Programme be updated, in line with Members discussions.**

**The meeting finished at 8.00 pm**

Approved as a true and correct record

**CHAIR**

**DATE**

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<b>2 February 2017</b>		<b>ITEM: 5</b>
<b>Housing Overview and Scrutiny Committee</b>		
<b>Procurement of Housing Capital Programme Delivery</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key Decision – spending above £500K	
<b>Report of:</b> Susan Cardozo, Housing Asset Investment and Delivery Manager and Stefanie Seff, Corporate Procurement Strategy & Delivery Manager		
<b>Accountable Head of Service:</b> John Knight, Head of Housing Services		
<b>Accountable Director:</b> Roger Harris, Corporate Director Adults, Housing and Health		
<b>This report is Public</b>		

## Executive Summary

This report sets out the proposals for the re-procurement and contract package of the Housing Capital Programme for years six to eight of the current Transforming Homes programme (2018 to 2021).

The programme brings significant improvements to the long term viability of Council housing and to the living conditions for our residents and ensures the Council fulfills its duty to provide warm homes with modern facilities. Continuation of the programme will enable Thurrock Council to complete internal refurbishment and commence additional required external works, thereby raising all residential Council assets to the new Thurrock standard.

Details of options around contract package and procurement are contained within the report, with a general recommendation for two packages of refurbishment and one for specialist contract and cost management support, both to be procured using pre-approved Public Sector frameworks in order to generate cost efficiency and resource time savings.

### 1. Recommendation(s)

- 1.1 Housing Overview and Scrutiny Committee is recommended to Comment on the proposed process and contract package as set out in the report for re-procurement of the refurbishment and strategic cost management elements of the Housing Capital Programme.**

## **2. Introduction and Background**

2.1 Currently, both refurbishment and cost management services for the Housing Capital Programme were awarded as work packages on the basis of 2 years plus 1, by way of a mini-competition for commencement in July 2015 (construction) and August 2015 (cost-management) using the Council's framework contracts:

- PS/2013/575 – Housing Capital Programme Building Contractors
- PS/2013/678 – Design and Consultancy Framework

2.2 The current contracts are delivering well and meeting KPI targets. However these work packages expire in May and June 2018 and therefore to ensure continuity, a re-procurement exercise needs to take place for the programme to continue delivery through to 2021 (Year 8).

2.3 The Housing Capital Programme provides a comprehensive internal and external refurbishment programme through Transforming Homes which commenced in 2013 and is currently part-way through its fourth year. The original programme timeframe aimed to upgrade all major internal facilities and carry out any required external works in 5 years to 2018/19, thereby raising all domestic Council assets to the new Thurrock standard. The programme brings significant improvements to the long term viability of the council housing assets and to the living conditions for our residents. It also ensures the Council fulfils its duty to provide warm homes with modern facilities.

2.4 Significant success has been achieved in the delivery of Transforming Homes in years 1 to 4, both in the improvements made to living conditions for Council tenants and through the added value these contracts have brought to the local economy.

Headline achievements to date include:

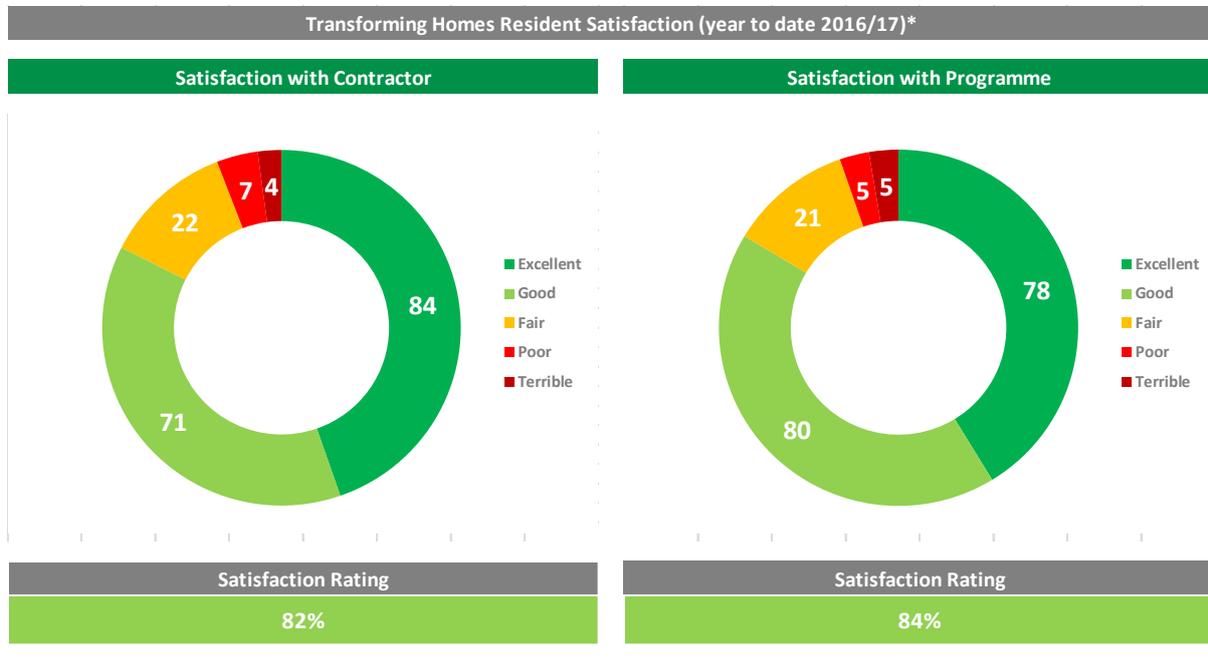
- 6803 properties benefitting so far from the programme
- 60% of the construction value is spent in the local economy
- 45% of the local delivery team are Thurrock residents
- 50% of the supply chain is registered in Thurrock

2.5 The programme also supports independent living ensuring our housing stock meets the specific housing needs of elderly, vulnerable or disabled households by carrying out adaptations relevant to the household as part of the works programme.

- 1146 properties adapted for specific needs of residents

2.6 Customer satisfaction with the current programme delivery arrangements have been consistently above target:

- 82% of residents rating the contractor as good or excellent
- 84% of residents rating the overall delivery of the programme as good or excellent



\*All figures represent position as at end of December 2016

Some examples of recent feedback received from residents surveyed after works:

*“The tradesmen arrived when they were meant to and came when they were supposed to. Therefore Thurrock program was excellent”*

*“I rated the Transforming Homes Programme as excellent because the workers were here on time, and made no mess of it, it was all really good”*

*“Thurrock has kept to their word. The timing has been good and they have fulfilled their promises. Therefore Thurrock’s service was good.”*

2.7 In December 2015, Cabinet reviewed the financial implications of the budget announcements and key policy changes through the government’s introduction of the Housing and Planning Bill and Welfare Reform Bill 2015. Cabinet subsequently approved an extension of the Transforming Homes programme by up to 1 year for internal improvements and up to 3 years for external improvements, where the asset can withstand delayed completion. This extends the timeframe for completion of the current programme to 2021.

2.8 Two key principles have been central to delivery of this programme of work: The first: to ensure investment is targeted at maximising improvements to the Councils assets; and the second: to provide a mechanism for stringent contract administration and cost management, challenging our contractors to deliver the best value and service for our residents. The latter is achieved with the specialist support for contract administration, cost management and quantity

surveying services.

### 3. Issues, Options and Analysis of Options

- 3.1 Due to the size and scale of service provision, the Council is required to procure this contract through the Public Contracts Regulations (2006 and 2015) and comply with procedures associated with, and advertise the contract in, the Official Journal of European Union (OJEU).
- 3.2 The current delivery arrangements for the Housing Capital Programme were procured via a mini competition through the Thurrock frameworks set out in 3.1 of this report, procured in accordance with the above EU requirements. The works delivery is via 3 packages (lots) across 2 main contractors as follows:

<b>Package</b>	<b>Building Contractor</b>	<b>Specialist Strategic Support provided by</b>
Transforming Homes Lots 1a (estimated value £1m/pa) and 1b (estimated £5m/pa)	Wates	Potter Raper Partnership (PRP)
Transforming Homes Lot 1b (estimated value £5m/pa)	Keepmoat	Pellings LLP

- 3.3 Moving forward, it has been decided that it is in the Council's best interest to continue with two main refurbishment packages; but that one specialist cost management company should provide the strategic and cost management support across both packages. This arrangement will provide value for money, consistency and resilience in terms of ongoing programme delivery.
- 3.4 These arrangements will enable the delivery of works packages to complete the Transforming Homes programme and respond to any urgent investment requirements that may arise from the stock condition survey which is being undertaken during 2017.
- 3.5 The Housing Revenue Account Business plan makes provision for capital investment through Transforming Homes with a budget of £27.8m for the years 2018/19 through to 2020/21 distributed as follows:

2018/19 - £10.04m  
2019/20 - £8.2m  
2020/21 - £9.2m

## Procurement Route

- 3.6 Both framework contracts from which the contract packages were procured expire in 2018 and therefore Legal Services have advised that it is too late to run further mini-competitions from these frameworks and award contracts that extend to 2021. Officers have therefore considered the following options for reprocurement against both elements.

Procurement Route	Advantages	Disadvantages
Full EU Procurement (using a two stage "Restricted" process)	<ul style="list-style-type: none"> <li>• Gives the Council the greatest level of control on the process</li> <li>• Open to every bidder to express an interest</li> </ul>	<ul style="list-style-type: none"> <li>• Timescale is longer than some other options</li> <li>• The market for contracts of this size is limited and it is likely that a full process will still bring forward the same contractors</li> <li>• Requires a greater level of internal resource.</li> </ul>
Direct purchase from a purchasing consortium framework available for Thurrock to use	<ul style="list-style-type: none"> <li>• Quickest turnaround timeframe</li> <li>• Can award to the highest scoring bidder using the criteria applied by the purchasing consortium</li> <li>• Choice of frameworks allows the Council to select a contractor of our preference</li> <li>• Includes provision for local social value delivery targets Consortium buying power generates (known) economies of scale</li> <li>• A level of specialist procurement support is provided alongside use of the framework</li> </ul>	<ul style="list-style-type: none"> <li>• No further opportunity for price or quality competition</li> <li>• With this option we would only be able to award one contract package.</li> </ul>
Mini competition from a purchasing consortium framework available for Thurrock to use – eg. Fusion 21	<ul style="list-style-type: none"> <li>• Shorter timescale than full OJEU</li> <li>• Contractors and consultants have been pre-approved for quality and price</li> </ul>	<ul style="list-style-type: none"> <li>• Some restriction in bidder list may be unpopular if it excludes any of the current incumbents</li> </ul>

Procurement Route	Advantages	Disadvantages
	<ul style="list-style-type: none"> <li>• Mini competition enables further price and quality competition from within the suppliers already proven to be offering highest quality and most competitive pricing</li> <li>• Contractor lists contain the major construction companies and smaller specialist providers</li> <li>• Choice of frameworks that can be used to best fit Thurrock requirements</li> <li>• Includes provision for local social value delivery targets</li> <li>• Consortium buying power generates (known) economies of scale</li> <li>• A level of specialist procurement support is provided alongside use of the framework</li> </ul>	

3.7 Given the likely level of interest in the work packages and the limitations of the market along with the reduced timescale and potential savings through economies of scale, the recommended option for the procurement is a mini competition through a purchasing consortium framework. This will enable the service to select from a list of providers who have already demonstrated their suitability, and evaluate their tenders on the basis of key criteria including price and quality.

#### **Choice of Purchasing Consortium Framework**

3.8 With the preferred option to be use of an existing framework, officers are currently considering a number of options:

Purchasing Consortium	Advantages	Disadvantages / Restrictions
London Housing Consortium (LHC)	<ul style="list-style-type: none"> <li>• Thurrock is a member of this framework</li> <li>• These frameworks are already used for a number of other contracts</li> <li>• Flexible and easy to use</li> </ul>	<ul style="list-style-type: none"> <li>• Do not have a “Whole House” (building) framework currently that meets Thurrock’s requirements</li> </ul>

Purchasing Consortium	Advantages	Disadvantages / Restrictions
	<ul style="list-style-type: none"> <li>• Includes a suitable framework for specialist support</li> </ul>	
Fusion 21	<ul style="list-style-type: none"> <li>• Thurrock is a member of this framework</li> <li>• Nationwide contract list</li> <li>• Framework list includes whole house</li> <li>• Approved contractor list includes current providers</li> <li>• Not for profit organisation</li> </ul>	<ul style="list-style-type: none"> <li>• No suitable specialist support services framework at the time of writing this report.</li> </ul>
South East Consortium (SEC)	<ul style="list-style-type: none"> <li>• Whole house framework with good range of contractors</li> <li>• Suitable specialist support framework</li> <li>• Membership (if chosen) brings other benefits such as training opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Thurrock is not yet a member of SEC and there is a cost to join.<sup>1</sup></li> <li>• Whole house framework does not include all current providers</li> </ul>

3.9 There are advantages and disadvantages across the different choices of frameworks. Further evaluation of options is underway and the final choice from the list above will be included in the Cabinet Report to be presented in June 2017.

3.10 All frameworks support the Council's requirement for social value delivery providing training and employment opportunities and maximising spend in the local economy.

#### 4. Reasons for Recommendation

4.1 This report is submitted to Health Overview and Scrutiny to comment on the proposals for the re-procurement arrangements for the Housing Capital Programme, prior to its submission to Cabinet.

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<sup>1</sup> based on 25p per property (c. £2K at current figures)

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

- 5.1 This proposal has been discussed and agreed with internal and external stakeholders and will be subject to Section 20 Leaseholder Consultation at all stages.

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

- 6.1 The improvement of the Council's housing assets is linked to key corporate priorities:

Priority	Delivered By
Creating a great place for learning and opportunity	By improving the council's housing assets
Encourage and promote job creation and economic prosperity	Through the provision of local employment and training opportunities
Building pride, responsibility and respect	Through improvements in the quality of the homes provided
Improve health and wellbeing	Through improvements in the quality of the homes provided

## 7. Implications

### 7.1 Financial

The re-procurement of delivery arrangements is required to ensure continuity of programme delivery in order to meet the budget investment profile for years 2018/19 through to 2020/21. The estimated spend is in line with the HRA Business Plan provision for the contract period.

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

### 7.2 Legal

The current Thurrock housing framework contracts were put in place in May 2014 with their 4 year period expiring in May 2018. It is therefore not possible to use these frameworks to facilitate further contracts for which the term will extend beyond this period.

The recommended option for reprocurement will require full leasehold consultation from Stage 1 to Stage 3 under Section 20B of the Landlord and

Tenant Act 1985 (amended). Therefore adequate timescales need to be considered as part of the procurement process for this.

The value of the contracts for both construction and cost management support exceed the threshold within the Public Contracts Regulations 2015 which therefore requires either advertisement through the Official Journal for the European Union (OJEU) or use of a previously procured and accessible framework. The recommendation is for use of the second option using public sector accessible frameworks; the final choice of which will be advised prior to report submission to Cabinet.

The report author and responsible directorate are advised to keep Legal Services fully informed at every stage of the proposed tender exercise.

**Implications verified by: Kevin Molloy  
Solicitor, Law and Governance**

### 7.3 **Diversity and Equality**

A full impact assessment has been undertaken of the implementation of the Housing delivery of the Transforming Homes investment programme.

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

The significant investment which is currently taking place in the Council's housing stock represents a real opportunity to provide additional social value to the local communities in the borough. It is therefore important that the commissioning and contract management approach continues to support a framework for social value delivery to support training and employment opportunities for our communities and maximise spend in the local economy.

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

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

- None

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): -

Implications of the Housing and Planning Bill and Welfare Reform 2015 on the HRA Services and Affordable Housing Programme – Report to Cabinet  
December 2015

<https://thurrockintranet.moderngov.co.uk/ieListDocuments.aspx?CId=129&MIId=2562&Ver=4>

10. **Appendices to the report**

- None

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<b>2 February 2017</b>	<b>ITEM: 6</b>
<b>Housing Overview and Scrutiny</b>	
<b>HRA Business Plan and Budgets 2017/18</b>	
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key
<b>Report of:</b> Roger Harris, Corporate Director of Adults, Housing and Health	
<b>Accountable Head of Service:</b> John Knight, Head of Housing	
<b>Accountable Director:</b> Roger Harris, Corporate Director of Adults, Housing and Health	

## Executive Summary

This report sets out the base position after developing a new HRA Business Plan for 2017/18 onwards and in turn the HRA Budgets for 2017/18. The HRA needs to be financially viable whilst being able to continue to deliver the Council’s housing priorities. We are still awaiting clarity around previously announced government proposals and the Housing White paper due shortly should give greater clarity that will allow the HRA Business Plan and budgets to be further developed and refined.

The continuation of the government’s rent reduction policy reduces the resources available in the HRA and as a result other ways of generating additional resources have been explored. The introduction of service charges for tenants will ensure more tenants are contributing correctly for the services they directly receive.

A review of the housing service, including all activities funded by the HRA, is currently underway. It is anticipated that the review will identify areas where efficiencies and improvements can be made in HRA activities thereby freeing up resources for reinvestment in the service. These will be reflected in further updates to the Business Plan.

Recommendations need to be made to Cabinet regarding the assumptions in the HRA Business Plan and the setting of the 2017/18 Budgets.

### 1. Recommendations:

- 1.1 That the assumptions included in the HRA Business Plan be noted.
- 1.2 That the budgets for 2017/18 be noted.
- 1.3 That the HRA New Build programme maximises the use of Right to Buy (RTB) Receipts in place of Homes and Communities Agency funding.

- 1.4 That growth for revenue repairs and capital investment is noted.
- 1.5 That a 3% increase to all existing tenant charges is noted in line with the Council's increases to Fees and Charges.
- 1.6 That tenants receiving certain housing management services be consulted on the phased introduction of service charges, which are currently only levied on leaseholders, with a final report back to Cabinet in April.
- 1.7 That tenants are consulted on the phased extension of the inclusive Sheltered Support Charge to all tenants with a final report back to Cabinet in April.

## **2. Issues, Options and Analysis of Options**

2.1 This report sets out the 2017/18 Budgets for the Housing Revenue Account (HRA) along with the proposals for rent and service charges. The main changes are discussed within the report. The report identifies the changes within the budgets between 2016/17 and 2017/18.

2.2 The HRA 2017/18 budgets have been compiled in accordance with the 30 Year HRA Business Plan. This takes into account the long term strategy for the financial viability of the service. The Business Plan sets out how the Council will manage all aspects of its HRA services using the income raised locally through council rents and other sources of HRA income for revenue and capital purposes. The Business Plan:

- Sets out how the Council will deliver its housing commitments financially via a Self-Financing HRA as required
- Lists the main financial assumptions in the plan
- Sets out the main risks and how they will be managed

### **2.3 Base Model – Assumptions and Factors**

The HRA Business Plan current Base Model reconciles to the 2016/17 HRA budget. The following assumptions are included in the Base Model in order to ensure the Business Plan is fit for purpose.

### **2.4 Revenue Budgets and Base Position**

The current 2016/17 budgets are included as the base year in the plan. These reconcile to the Budget outlined in the Cabinet Report of February 2016.

### **2.5 Inflation**

Inflation has been included at 1% for salaries, 1.5% for repairs linked to contractual uplifts and 0% for all other costs across the life of the Business Plan.

## 2.6 Rents

In line with the governments rent policy a 1% reduction has been applied to all rents for 2017/18 and the following two years (2018/19 and 2019/20) with a 1% increase thereafter. Affordable rents inclusive of service charges being applied to all New Build properties are capped at 70% of market value which was agreed by Cabinet in December 2015 with new lettings post April 2017 limited to Local Housing Allowance levels. The average weekly rents for 2017/18 by bedroom size are set out below.

Bedroom Size	No of Properties	2017/18 Average Rent
Bedsits	241	£58.60
1	2,832	£72.51
2	2,308	£79.18
3	4,367	£98.67
4	201	£110.96
5	6	£112.96
6	2	£120.51
<b>Grand Total/average rent</b>	<b>9,957</b>	<b>£86.00</b>

## 2.7 Tenants Service Charges

In addition to the general services provided to all tenants and leaseholders councils provide a range of specific services for particular groups of dwellings, i.e. high, medium and low rise flats and other dwellings with communal facilities. These services include communal lighting (and in some cases communal heating), door entry systems, lift maintenance and maintenance for the grounds within the curtilage of the block or group of dwellings. Councils are entitled to recover the costs of these services from all users but at present we only recover the charges for these services from leaseholders and not from tenants. The costs of providing these services is considerable, over £2m in the current financial year of which only £60k is currently recovered from leaseholders, and the pressures on the HRA, has brought the question of charging tenants into focus. The council should also consider the equity of charging leaseholders for these services but not charging tenants living in the same group of dwellings and getting the same services.

Other Councils charge tenants for the costs of a range of services depending on locally delivered services via the HRA. Basildon, Havering, Barking and Dagenham and Medway all charge their tenants and leaseholders for a range of services in order to recover costs.

Service	Basildon	Havering	B&D	Medway
<b>Existing Service Charges</b>				
Caretaking	Yes	Yes	Yes	Yes
Concierge	No	Yes	Yes	No

<b>Proposed Service Charges</b>				
Lift Maintenance	No	No	No	No
Door Entry	No	Yes	No	No
Communal Electricity	Yes	No	Yes	Yes
Grounds Maintenance	No	Yes	Yes	Yes

The council has two main options; i) continue with the current arrangements and only charge leaseholders the actual costs of the services provided, and ii) introduce service charges for tenants as well. If introducing charges for tenants the council can do so immediately or on a phased cost or time basis.

### **Option 1 – continue with the current arrangements**

This option perpetuates the differential between leaseholders and tenants and accepts that the wider tenant body subsidises those living in homes with communal facilities, at a time when the overall level of resources is reducing with the commensurate effect on service delivery and investment.

### **Option 2 – introduce service charges for tenants in one go**

This option is the most fair and transparent in that all service users will pay the same charge for the same service. Service charges are eligible for Housing Benefit and the housing element of Universal Credit and those households with limited income and in receipt of benefit will be helped with the additional cost. Applying the service charges to all services users immediately will bring in an additional £1.9m p.a. into the Housing Revenue Account to cover costs currently borne by all HRA rents. The impact on tenants would however be potentially severe without some phasing of these extra costs for which they have not previously been charged, and the HRA budget can be modelled against an increasing amount per year, with full charges then remaining in place over the longer term, rather than it being necessary to apply the full levy immediately.

### **Option 3 – introduce service charges on a phased basis**

This option addresses the inequity of leaseholders paying for services that tenants do not, but balances this with recognition that the new charges are significant and that tenants need time to adjust their budgeting for these additional liabilities. Option 3 is the recommended option.

### **Service Charges for 2017/18**

The table below shows the total cost of providing lift maintenance, door entry, communal electricity and grounds maintenance services to tenants and leaseholders in 2016/17. Of the total of just over £2.025m costs this year £60k is recovered from the Council's 823 Leaseholders but the remaining £1.9m is not currently recovered from the tenants who receive these additional services.

<b>Service</b>	<b>2015/16 Actuals</b>	<b>Leaseholder Charges</b>	<b>Residual (Potential Income)</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Lift Maintenance	118,453	4,149	114,304
Door Entry	483,625	5,967	477,658
Communal Electricity	366,796	31,038	335,758
<b>Sub- total</b>	<b>968,874</b>	<b>41,154</b>	<b>927,490</b>
Grounds Maintenance	1,056,811	19,321	1,037,720
<b>Grand Total</b>	<b>2,025,685</b>	<b>60,475</b>	<b>1,965,210</b>

The service charges described above are all currently eligible for Housing Benefit and for the housing Element of Universal Credit. At the beginning of this financial year 48% of tenants were in receipt of full or partial housing benefit. There are currently 9,800 tenancies.

### **Charging Proposals for Service Charges**

It is suggested that service charges are phased in from 2017/18 and that a service charge of £5.00 per week be levied to tenants from 2017/18 for grounds maintenance. The services directly provided to tenants are continually reviewed and monitored to ensure they offer value for money.

In Year 1 introducing actual costs for three of the proposed service charges will deliver additional income of approximately £470k into the HRA and in Year 2 approximately £1.2m. Based on current costs introducing service charging fully for all the services shown above in Year 3 would bring in additional resources to the HRA of circa £1.9m per annum.

### **Draft Proposed Charges 2017/18 Year 1**

<b>Service</b>	<b>Phased Charge Year 1 per week</b>
	<b>£</b>
Lift Maintenance	0.97
Door Entry System	1.11
Communal Electricity	0.71
<b>Sub Total</b>	<b>2.79</b>
Grounds Maintenance	5.00
<b>Total</b>	<b>7.79</b>

In total it is estimated that 3,210 tenants will be affected by the introduction of the first three new service charges shown above in Year 1 with the majority paying for two of the three service charges proposed. Approximately 58% of

these tenants are on full or partial Housing Benefit. The maximum weekly increase for a tenant not in receipt of benefits would be £7.79 in 2017/18. An analysis of services (Lift Maintenance, Door Entry System, Communal Electricity) provided by location indicates that there are approximately 634 properties where one charge will apply, and approximately 1,816 where two will apply.

Work is still ongoing with regard to establishing who should be paying Grounds Maintenance and how much income the interim charge in 2017/18 would generate along with refinement of the data sets for all service charges. Whilst tenants will see an increase in their weekly service charges this will be partially offset by the 1% rent reduction reducing the overall impact.

All tenants affected by the changes will be consulted in accordance with the requirements of the Housing Act 1985 and the provisions of our own tenancy agreement. It is proposed to send a preliminary notice setting out the reasons for the changes and inviting tenants to give their views, prior to issuing a final variation after the consultation period of 28 days if the decision is to proceed. The preliminary letter will include an assurance that the charges in question can be included in 'eligible rents' for both Housing Benefit and the Housing element of Universal Credit. The outcome of the consultation will be referred to Cabinet in April 2017 for final agreement.

### **Sheltered Service Charges**

The Sheltered Housing Service is focused on the provision of enhanced housing management. We have reconsidered the current charging arrangements that were introduced in 2014. Under the current arrangements a weekly "Sheltered Charge" of £8 is applied only to new sheltered housing tenants. The current cost of the sheltered housing service is approximately £1.3m per annum. It is proposed to increase the HRA contribution by charging all Sheltered Housing tenants a weekly Support Charge towards the cost of the service. The support charge will fund the Enhanced Housing Management element of the service provision as Housing Management is covered by rent. A charge in the region of approximately £15 per week would cover costs related to delivering the service in the HRA of £900k per annum and allow the HRA to break even. 71% of Sheltered Tenants are on full or partial Housing Benefit.

Other local authorities and Housing Providers charge between £15 and £25 per week for an enhanced Housing Management Service to Sheltered tenants. Basildon Council charge £17.77 per week to all Sheltered Tenants. It is proposed to introduce a charge to all Sheltered tenants over a phased period of 3 years. The charge in 2017/18 will be £5 per week, in 2018/19 £10 per week and the full charge of £15 will apply from 2019/20.

The Housing Overview and Scrutiny Committee on 13th December 2016 were concerned about the impact of both the extension of Service Charges to some general needs tenants and the extension of Sheltered Service Charges to all

Sheltered Residents, and requested that officers go back and look at alternative ways to reduce expenditure and/or generate additional resources in the HRA. Consideration has been given to not applying these charges, but we have concluded, a) that in order to deliver satisfactory services to tenants and leaseholders and to continue to invest both in the current HRA stock and in building new homes, all the expenditure detailed in the budget is required, and b) that the phased extension of service charges is the most appropriate means of generating the required additional revenue. Tenants in both categories will in future pay for all of the services they directly receive, with the costs no longer being met by those not receiving a specific service. Rent levels including the charges will still be well below both the Affordable Rents charged by Housing Associations, and rents in the private sector. Help with these additional housing costs is available to those who need it, as the charges can be included in the rent levels used to assess benefits. The service will work intensively with any tenants who may have difficulty paying their rents after the increase to ensure that they access all the support available. Work is in progress to identify which tenants should pay each charge, and factor in any impact of the benefit cap and the introduction of Universal Credit on these tenants – full be reported to Cabinet in April.

## **2.8 CCTV Admin Charge**

Some limited additional revenue from other sources has also been identified. It is proposed from 1st April 2017 to charge an Admin Fee of £50 for Third Party CCTV requests from Solicitors, Insurance Companies etc but excluding requests from the Police or the Council. This fee will cover investigation, download of footage and burning CCTV evidence including up to 4 hours CCTV Operators time spent.

## **2.9 Transforming Homes**

In 2015/16 the Transforming Homes outturn was £19.59m against the overall budget of £58.4m spread across the remaining 6 years of the programme. A mid-term financial review of the programme has highlighted after a review of the financial management of the programme that additional funding will be required in the region of £10.4m, compared to the budgets agreed by Cabinet in December 2015. This is required to achieve the full internal programme by 2019 and the external programme by 2021. This has been reflected in the Business Plan. There are a number of reasons for this which include:

- A number of high cost properties that have required extensive structural works such as underpinning. An example of this is a terrace of 9 properties carried out in year 1 of the programme at a cost in excess of over £500k. The unit rate for remedial works is varied because they differ significantly in scope. In the current financial year the programme will complete 15 such properties at an average unit cost of circa £21k, based on this year's trend, we estimate that approximately 53 such properties are likely to require works over the remainder of the programme.

- High level of spend on voids requiring major works to bring them up to a lettable standard. The original budget did not consider the additional cost of voids over a standard transforming homes internal refurbishment. Over the last 3 years void refurbishment has required on average £7,800 additional investment per property completed. Whilst the total spend on voids has been reducing both in terms of the number required and the unit costs, there will be a continued requirement, this has been established as an additional budget of £4.042m over the remainder of the programme to year 8.
- Higher than anticipated spend on combatting damp and mould. A £2m allowance was included for these works over the life of the programme. Following detailed surveys of the properties, the programme has exceeded this allowance by £522k to date. We are projecting a further £1.3m over the remaining properties, which represents a budget pressure of £1.8m on the whole programme.
- Funding required for the energy efficiency works. It was not originally anticipated that investment would be required from the Transforming Homes budget. In order to benefit from the energy company contributions available the programme has so far invested £1.6m. This has seen 342 properties benefit from external wall insulation so far. Moving forward the programme makes allowance for further investment of £2m across the life of the programme to enable the Council to take full advantage of further energy company contributions for this type of energy efficiency work.
- Fire Safety Works were not part of the original programme budget. Under the Regulatory Reform (Fire Safety) order 2005, fire risk assessments are undertaken of the communal areas of buildings. Improvements arising as a result of these assessments have been undertaken within the Transforming Homes programme alongside other works for economies of scale.

In addition to the above a number of improvements to the original specification have been made in the programme to date in order to comply with recent changes in electrical regulations, as well as in response to customer feedback and to reduce ongoing maintenance costs. The proposed transforming homes budgets are as follows:

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

## 2.10 Future Capital Investment

There a number of Capital requirements outside of the Transforming Homes programme and these have not been considered as part of the £10.4m funding gap detailed above totalling £7.75m that has been included in the budget for 2017/18.

- Refurbishment of the non-traditional constructed properties on the Flowers Estate. An estimated cost of £4.1m is required in 2019/20 to upgrade these properties that have not previously been included in the programme.
- In addition to the above the Council has a further 138 non-traditionally constructed properties which require significant refurbishment to ensure they provide fit for purpose living accommodation for a further 30 years. The estimated total cost for these works is £2.9m which would be spread across 4 years from 2017/18 to 2020/21.
- Enable the scope of works in the Transforming Homes programme to include provision/upgrade of loft insulation for the most inefficient properties. Estimated cost £750k across the next 3 financial years 2017/18 and 2019/20. The Housing Investment team is also pursuing options for external funding contribution, which if secured would be targeted to retrospectively tackle properties that have already had works but will not have benefitted from this extended scope.

<b>New Capital Investment</b>	<b>2017/18 Budget £m's</b>	<b>2018/19 Budget £m's</b>	<b>2019/20 Budget £m's</b>	<b>2020/21 Budget £m's</b>	<b>Total</b>
Flowers Estate	0.00	0.00	4.10	0.00	4.10
Non Traditional Properties	0.75	0.75	0.75	0.65	2.90
Loft Insulation	0.15	0.25	0.35	0.00	0.75
<b>Total</b>	<b>0.90</b>	<b>1.00</b>	<b>5.20</b>	<b>0.65</b>	<b>7.75</b>

## 2.11 New Build

There are six HRA funded, affordable Housing schemes within the HRA. Of these three are now complete, Seabrooke Rise, Bruyns Court and Bracelet Close. Three other schemes Calcutta Road, Claudian Way and Tops Club are well advanced with planning applications already submitted for Claudian Way and Tops Club. The original budgets for these were revised during October 2016 and are included in the HRA Business Plan across three financial years 2016/17 to 2018/19 at a total cost of £33.9m. It is proposed that in order to reduce costs to the HRA for the remaining three HRA schemes the funding route is changed to use RTB receipts rather than HCA grant. Under this scenario the amount of HRA funding required on each scheme reduces to 70% of the total scheme cost rather than 89% as at present. It also has the benefit of making use of the RTB receipts which if not fully used within three

years of receipt under the government's one-for-one replacement arrangements must be paid to the government together with interest at 4% above base rate. Sufficient unallocated RTB receipts are available.

<b>Scheme</b>	<b>2016/17 Revised £m's</b>	<b>2017/18 Budget £m's</b>	<b>2018/19 Budget £m's</b>	<b>Total £m's</b>
Seabrooke Rise	0.52	0	0	<b>0.52</b>
Bracelet	2.00	0	0	<b>2.00</b>
Bruyns Court	0.07	0	0	<b>0.07</b>
Calcutta	0	8.79	0.77	<b>9.56</b>
Claudian Way	0	7.20	6.18	<b>13.38</b>
Tops Club	0.65	6.90	0.82	<b>8.37</b>
<b>Total</b>	<b>3.24</b>	<b>22.89</b>	<b>7.77</b>	<b>33.90</b>

## 2.12 Estate Regeneration

The July 2016 Housing Development Update report to the Housing Overview and Scrutiny Committee set out progress in bringing forward regeneration of housing estates. This would be where the costs of meeting the Transforming Homes standard is very high and where there is potential to bring forward better quality housing alongside enhanced public realm and local services. Work has continued to progress in developing outline proposals and a business case utilising funding and support from the HCA, with the aim of bring forward proposals in 2017. The impact of these proposals on the HRA Business Plan will be incorporated into future reports.

## 2.13 Stock

Assumptions around the movement in HRA stock numbers are included in the Base Model. The number of RTB sales in 2015/16 was 102. A view has been taken on the level of RTB sales based on recent activity and the trend of high sales is forecast to continue over the next few years. On this basis we have assumed 100 sales from 2016/17 to 2018/19 and then 40 each year thereafter. The stock has also been adjusted to include the new build properties when they are due to be let along with a reduction linked to the sale of high value properties.

## 2.14 Headlines post 2015/16 year end

The HRA general reserves stand at £1.7m as at 1<sup>st</sup> April 2016. The minimum balance included within the Business Plan is £1.7m. There is an earmarked reserve of £634k to be used to fund the New Build capital programme. It is prudent to hold a general HRA balance of between 5% and 10% of HRA Turnover. Based on this the current minimum balance is below this threshold and would need to be £2.7m to £5.4m. The Director of Finance and IT has set a target to increase HRA to £3.0m over three years.

The attributable debt from RTB Sales for the first two quarters of 2016/17 is £663k, in 2015/16 this was £2.7m for the year and was used to fund the overspend on the Transforming Homes Programme. Some of this will be used to fund the completion of a Stock Condition Survey across the HRA Stock.

## **2.15 In year pressures 2016/17**

The Housing Monthly Finance Monitor is forecasting a number of revenue pressures amounting to £486k, whilst the service continues to try and manage these by way of savings across other service areas there may be an impact on the HRA Business Plan. There is also a potential pressure on Transforming Homes due to the number of Capital Voids of £502k.

## **2.16 Impact of government proposals**

The Business Plan Model has been updated to reflect the government's rent policy and the potential impact of the proposals of the High Value Voids levy. This will allow us to shape the HRA Business Plan, Budget and Rent Proposals for 2017/18.

### **Void and Bad Debt Rates**

The void rate used in the Business Plan is 1.5% and Bad Debt Rate is 1.6%. The impact of the benefit changes announced as part of the Welfare Reform and Work Bill, and specifically Universal Credit, will have an impact on the level of debt. Although it is difficult to model the predicted impact absolutely it is anticipated that there will be an increase in tenancy turnover with commensurate void expenditure and higher levels of bad debt as tenants' arrears increase. The HRA does not have any provision set aside to mitigate against loss of income from write-off of bad debt. It is proposed that in 2018/19 that we set aside £230k to mitigate against the fall in collection rates following the introduction of Universal Credit.

### **Pay to Stay**

On 21<sup>st</sup> November 2016 the Minister of State for Housing announced that the government would not be proceeding with a compulsory approach. Local authorities will have local discretion. Guidance on a local approach is not yet available.

### **The impact of the forced sale of high value properties**

The Housing Minister wrote to all Councils on Thursday 24<sup>th</sup> November 2016 advising them that the government would not be requesting any high value sales payments in 2017/18. The Council is still waiting for the Consultation Paper on the forced sale of high value voids from the DCLG to be published so we can accurately model the likely impact on Thurrock. Initial modelling has been carried out based on the draft valuation thresholds and this

indicates that Thurrock will have approximately 55 properties that fall into the category of high value and will have to pay a levy on these properties when they fall void. The council will be required to pay an annual levy to the Government regardless of whether it chooses to sell these properties or not. There is no policy in place regarding High Value Void sales and this needs to be considered and reflected in the Business Plan. At present we have assumed an additional levy will be paid from existing HRA Resources from 2018/19 onwards.

## 2.17 Growth and Savings

### Revenue Repairs

The financial forecast of the Revenue Repairs Team is to require growth in 2017/18 from the current level of expenditure of £950,000 to meet contractual demands. This expenditure relates to the delivery of the responsive repairs contract with our delivery partner Mears and also the delivery of 65 other smaller contracts ensuring the housing department continues to deliver an efficient service to its residents whilst also complying with the legislative requirements on elements such as asbestos management and legionella monitoring. This base growth is forecast for the next three years to ensure the required level of investment is delivered into the asset in a planned way, this will reduce the reactive works under the responsive repairs contract and deliver value for money as well as an effective service. Inflationary uplift is already included within the HRA Business Plan and some work areas will see budgets reprofiled to meet the needs of service delivery. The table below summarises the areas where additional resources are required over and above existing budget reprofiling and inflationary uplift.

Area	£
External Maintenance	350,000
Exclusions	450,000
Boiler Replacements	150,000
<b>Total Growth</b>	<b>950,000</b>

### External Maintenance

One of the major programmes proposed for 2017/18 and the following two years is the delivery a new external maintenance package. Since the development of the Transforming Homes programme in 2013 external works stopped under the planned preventative maintenance delivery work streams. The original scope of the Transforming Homes programme was to include external works year on year across the borough, however with the significant reduction in resources, whilst some external works have been delivered, this has not been to the level first planned with the majority of external refurbishment works being delayed until years 7 & 8 of the programme (2020/2022). This has meant elements such as timber soffits and fascia boards with associated rain water goods and front and rear entrance doors

have not had basic painting and maintenance for a minimum of 4 years. These elements are now failing and are having to be dealt with under the response repairs contract, by which time they can no longer be repaired and require wholesale replacement at a greater unit cost than if they were programmed., Ensuring our residential dwellings are maintained externally is essential when addressing one of the key drivers in the authority around damp and mould.

### **Exclusions**

Delays and deferrals in the Transforming Homes external programme have had a direct impact on the responsive repairs contract where planned works have now become reactive and as this type of work was not included in the Mears' TPC contract are delivered through the exclusions arrangements. While the overall number of exclusion repairs has reduced year on year the nature of these works has meant the level of expenditure has actually increased, primarily as a result of works requiring scaffolding and high-level access, such as roofing, pointing and flashing and rain-water goods.

### **Boilers**

The absence of accurate stock condition data has meant that the number of gas boiler replacements was underestimated. The authority must replace defective boilers when identified and the additional cost must be met. The proposed stock condition survey will provide accurate data for future forecasting from next September.

## **3. Overall Outlook and Position**

3.1 Based on the assumptions included in the Plan HRA Balances increase minimally each year (mainly due to no inflation being assumed on general budgets)

- The HRA Borrowing Capacity in reached in 2018/19
- The HRA New Build programme ceases in 2018/19 on completion of the agreed programme
- Transforming Homes completes in 2020/21
- The Council will then be looking for further investment opportunities across the Business Plan in line with the outcome of the stock condition survey

A summary of the budget movements from 2016/17 to 2017/18 across the HRA Revenue and Capital Budgets is set out in the table below.

<b>2017/18 HRA Revenue Budgets</b>	<b>Budget Changes £000's</b>
<b>Loss of income - 1% rent reduction</b>	<b>710</b>

<b>Budget Savings/Increased Income</b>	
Existing Service Charges – 3% Increase	(67)
Garage Rents – 3% Increase	(34)
Heating – 3% Increase	(1)
Leaseholder Service Charges	(221)
<b>Total Budget Savings/Increased Income</b>	<b>(323)</b>
<b>Budget Pressures/Inflation</b>	
Salaries and Pay Award	80
Contractual Uplift on Repairs	170
Increased Recharges to the GF	180
<b>Total Budget Pressures/Inflation</b>	<b>430</b>
<b>Sub Total</b>	<b>817</b>
Interest Charge	100
<b>Revenue Movement</b>	<b>917</b>
<b>Increased Use of RTB Receipts for Capital reducing call on HRA Revenue Contribution</b>	<b>(1,997)</b>
<b>New Items</b>	
Repairs Growth	950
Extension of Tenants Service Charges 01/07/17	(470)
Extension of Sheltered Service Charges 01/07/17	(230)
New Capital Investment	900
<b>Net HRA Position 2017/18</b>	<b>0</b>

#### 4. Reasons for Recommendations

- 4.1 The report sets out the implications for the HRA for 2017/18 onwards. The proposals put forward have been calculated and assessed in line with affordability consideration and regard for reserve levels. It is essential that a balanced budget is set for the HRA. This is a legal and operational requirement.

#### 5. Consultation

- 5.1 This report has been considered by the Overview and Scrutiny Committee in advance of the February Cabinet Meeting and the recommendations noted.

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

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

### **7.2 Legal**

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

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

### **7.3 Diversity and Equality**

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

The HRA Business Plan and budgets for 2017/18 onwards reflect the Council's policy in relation to the provision of social housing with particular regard to the use of its own stock. In addition to the provision of general housing, it incorporates a number of budgetary provisions aimed at providing assistance to disadvantaged groups. This included adaptations to the stock for residents with disabilities.

## **8. Appendices to the report**

- HRA Business Plan Dashboard 2017/18 Onwards

### **Report Author:**

Julie Curtis

HRA and Development Accountant

Corporate Finance

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**DRAFT HRA Budget 2017/18 to 2026/27**

	£m's 2017/18 1	£m's 2018/19 2	£m's 2019/20 3	£m's 2020/21 4	£m's 2021/22 5
<b>Income</b>					
Dwelling Rents	(44.74)	(44.38)	(44.35)	(44.60)	(44.84)
Voids	0.67	0.67	0.67	0.67	0.67
<b>Net Rents</b>	<b>(44.07)</b>	<b>(43.72)</b>	<b>(43.69)</b>	<b>(43.93)</b>	<b>(44.17)</b>
Non Dwelling Rents	(0.93)	(0.93)	(0.93)	(0.93)	(0.93)
Charges for services and facilities (net of voids)	(5.94)	(5.94)	(5.94)	(5.94)	(5.94)
Contribution towards expenditure	(2.84)	(2.89)	(2.93)	(2.97)	(3.02)
HRA investment income	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
<b>Total Income</b>	<b>(53.79)</b>	<b>(53.48)</b>	<b>(53.50)</b>	<b>(53.78)</b>	<b>(54.07)</b>
<b>Expenditure</b>					
Salaries	7.85	7.93	8.01	8.09	8.17
Supervision and Management	14.32	14.32	14.32	14.32	14.32
Repairs and Maintenance	11.40	11.57	11.74	11.92	12.10
Rents, rates, taxes and other charges	0.19	0.19	0.19	0.19	0.19
(Increase)/decrease in provision for bad or doubtful debt	0.05	0.23	(0.00)	0.00	0.00
<b>Total Expenditure</b>	<b>33.81</b>	<b>34.24</b>	<b>34.26</b>	<b>34.52</b>	<b>34.78</b>
<b>Net rental surplus</b>	<b>(19.98)</b>	<b>(19.25)</b>	<b>(19.24)</b>	<b>(19.26)</b>	<b>(19.29)</b>
Interest payable on HRA Debt	6.91	6.91	6.91	6.91	6.91
DME	0.11	0.11	0.11	0.11	0.11
<b>Available HRA revenue funds (A)</b>	<b>12.95</b>	<b>12.22</b>	<b>12.21</b>	<b>12.24</b>	<b>12.26</b>
New Borrowing	12.75	5.08	0.00	0.00	0.00
Development Reserve Fund	3.28	0.36	0.00	0.00	0.00
Other Receipts (inc non-restricted RTB)	0.00	0.00	0.00	0.00	0.00
RTB New Build Re-provision (1-4-1)	6.87	2.33	0.00	0.00	0.00
HCA Grant	0.00	0.00	0.00	0.00	0.00
Grant and new borrowing (B)	22.90	7.77	0.00	0.00	0.00
<b>Total HRA funding (A+B)</b>	<b>35.85</b>	<b>19.99</b>	<b>12.21</b>	<b>12.24</b>	<b>12.26</b>
Investment in own stock (a)	11.80	10.04	8.20	9.20	10.00
New Build (b)	22.90	7.77	0.00	0.00	0.00
Estate Regeneration (c)	0.00	0.00	0.00	0.00	0.00
Contribution to Development Reserve	0.00	0.00	0.00	0.00	0.00
High Vale Sales Levy (set aside in 17/18)	0.00	0.87	0.87	0.87	0.87
<b>Total Applied spend (a+b+c)</b>	<b>34.70</b>	<b>18.68</b>	<b>9.07</b>	<b>10.07</b>	<b>10.87</b>
<b>Year End Position</b>	<b>1.75</b>	<b>2.90</b>	<b>4.21</b>	<b>7.36</b>	<b>9.53</b>
HRA Cash balances b/f in year change	1.15	1.31	3.15	2.17	1.39
<b>HRA Cash balances c/f</b>	<b>2.90</b>	<b>4.21</b>	<b>7.36</b>	<b>9.53</b>	<b>10.92</b>
<b>HRA Cash balances c/f</b>	<b>2.67</b>	<b>3.94</b>	<b>7.05</b>	<b>9.18</b>	<b>10.53</b>

**Items Subject to Consideration**
**2017/18 Growth and Savings**

Repairs	0.95	0.95	0.95	0.95	0.95
Sheltered Support Charges	(0.23)	(0.60)	(0.90)	(0.90)	(0.90)
Service Charges	(0.47)	(1.26)	(1.90)	(1.90)	(1.90)
	<b>0.25</b>	<b>(0.91)</b>	<b>(1.85)</b>	<b>(1.85)</b>	<b>(1.85)</b>

**New Capital Investment**

Flowers Estate	0.00	0.00	4.10	0.00	0.00
Non Traditional Properties	0.75	0.75	0.75	0.65	0.00
Loft Insulation	0.15	0.25	0.35	0.00	0.00
	<b>0.90</b>	<b>1.00</b>	<b>5.20</b>	<b>0.65</b>	<b>0.00</b>

**Potential Year End Position**

HRA Cash balances b/f in year change	1.70	1.70	2.92	2.72	6.09
	0.00	1.22	(0.20)	3.37	3.24
<b>HRA Cash balances c/f</b>	<b>1.70</b>	<b>2.92</b>	<b>2.72</b>	<b>6.09</b>	<b>9.33</b>

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<b>2 February 2017</b>		<b>ITEM: 7</b>
<b>Housing Overview and Scrutiny Committee</b>		
<b>Fees &amp; Charges Pricing Strategy 2017/18</b>		
<b>Wards and communities affected:</b> All	<b>Key Decision:</b> Key	
<b>Accountable Head of Service:</b> John Knight, Head of Housing		
<b>Accountable Directors:</b> Roger Harris, Corporate Director of Adults, Housing and Health		
<b>This report is public</b>		

## Executive Summary

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

This report specifically sets out the charges in relation to services within the remit of this Overview and Scrutiny Committee. Charges will take effect from the 1 April 2017 unless otherwise stated.

In preparing the proposed fees and charges, Directorates have worked within the charging framework and principles set out in the report.

The full list of proposed charges is detailed in Appendix 1 to this report.

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

### 1. Recommendations

- 1.1 **That Housing Overview and Scrutiny Committee note the revised fees and charges proposals including those no longer applicable**
- 1.2 **That Housing Overview and Scrutiny Committee comment on the proposals currently being considered within the remit of this committee**

### 2. Introduction and Background

- 2.1 The paper describes the fees and charges approach for the services within the Housing Scrutiny Committee remit for 2017/18 and will set a platform for certain pricing principles moving forward into future financial years.

2.2 The paper provides narrative for the following areas

- HMO Licences
- Travellers Sites

2.3 Relevant service income targets are summarised below

Service: £000's	Actual 15/16	Budget 16/17	Budget 17/18
Travellers Sites	74	77	80
<b>TOTAL</b>	<b>74</b>	<b>77</b>	<b>80</b>

### 3. Thurrock Charging Policy

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

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

3.3 When considering the pricing strategy for 2017/18 some key questions were considered.

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

### 4. Proposals And Issues

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

4.2 A council wide target of £0.350m has been proposed within the MTFs for additional income generation in respect of fees and charges income for 2017/18.

## **5. HMO Licenses**

- 5.1 On 13th December 2016 Housing Overview and Scrutiny Committee received a paper outlining proposals in respect of HMO Licensing. The fee changes are based on the extension of HMO licencing as a statutory requirement. This relates to the Council's five year licence fee charges in 2017/18.
- 5.2 Appendix 1 shows the proposed fees for licencing HMO dwellings. This includes 'early bird' discounts to encourage early compliance and discounted fees for landlords with more than one property. A five year licence will be granted to our private landlords who pass their HMO management conditions and maintenance inspection.
- 5.3 The 2017/18 new licence fees are comparable to other local authorities providing the same service. The proposed fee structure will also encourage private sector Landlords operating in Thurrock to pay and become members of the Accredited Landlord Scheme.

## **6. Travellers Sites**

- 6.1 The Council manages 3 travellers' sites with a total of 65 plots. The sites are run by a traveller liaison officer with 2 part-time assistant travellers' wardens. The sites are located at:
- 6.2
- Ship Lane, Aveley (21 plots)
  - Gammonfield site, Long Lane, Grays (22 plots)
  - Pilgrims Lane site, North Stifford, Grays (22 plots)
- 6.3 Residents on these sites rent plots on a licence agreement. They pay a weekly rent plus water rates and an amenity charge, and can buy electricity through the site warden.

## **7. Reasons for Recommendation**

- 7.1 The setting of appropriate fees and charges will enable the Council to generate essential income for the funding of Council services. The approval of reviewed fees and charges will also ensure that the Council is competitive with other service providers and neighbouring councils.

## **8. Consultation (including Overview and Scrutiny, if applicable)**

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

## **9. Impact on corporate policies, priorities, performance and community impact**

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

## **10. Implications**

### **10.1 Financial**

Implications verified by: **Carl Tomlinson**  
**Finance Manager**

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

### **10.2 Legal**

Implications verified by: **David Lawson**  
**Monitoring Officer**

Fees and charges generally fall into three categories – Statutory, Regulatory and Discretionary. Statutory charges are set in 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 charges relate to services where, if the Council provides the service, it is obliged to set a fee which the Council can determine itself in accordance with a regulatory framework. Charges have to be reasonable and must be applied across the borough.

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

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

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

### 10.3 **Diversity and Equality**

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

The Council has a statutory responsibility under the Equality Act 2010 to promote and have due regard to the need to eliminate discrimination and advance equality of opportunity between individuals who share a relevant protected characteristic and those who do not share it. Decisions on setting charges 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 create negative impact or lead to exclusion from activities.

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

- None applicable

### 11. **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

### 12. **Appendices to the report**

- Appendix 1 – Schedule of Proposed Fees and Charges for 2017/18
- Appendix 2 – Schedule of Fees and Charges that are no longer applicable

### **Report Author:**

Carl Tomlinson

Finance Manager

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Name of fee or Charge	Statutory/ Discretionary Charge	VAT Status 17/18	Charge excl. VAT 2016/17	VAT Amount 2016/17	Charging incl. VAT 2016/17	Charge excl. VAT 2017/18	VAT Amount 2017/18	Charging incl. VAT 2017/18
Assisting with Licensing application (First 30 minutes free for accredited landlords, thereafter £50.00 per hour pro rata) - Landlord Accredited	D	O	New			£ 50.00	£ -	£ 50.00
Assisting with Licensing application (First 30 minutes free for accredited landlords, thereafter £50.00 per hour pro rata) - Non Accredited	D	O	New			£ 50.00	£ -	£ 50.00
Communal Hall Hire - Hall Hire (Weekdays and Weekends) per hour	D	O	£ 10.00	£ -	£ 10.00	£ 10.30	£ -	£ 10.30
Communal Hall Hire - Hall Hire to Charitable Organisations (Weekdays and Weekends) per hour	D	O	£ 5.00	£ -	£ 5.00	£ 5.15	£ -	£ 5.15
DBS Landlord Check - Landlord Accredited	D	O	New			£ 25.00	£ -	£ 25.00
DBS Landlord Check - Non Accredited	D	O	New			£ 25.00	£ -	£ 25.00
Dispersed Alarms - Domestic Violence Lifelines	D	S	£ 16.50	£ 3.30	£ 19.80	£ 17.00	£ 3.40	£ 20.40
Dispersed Alarms - Lifeline Private	D	S	£ 16.50	£ 3.30	£ 19.80	£ 17.00	£ 3.40	£ 20.40
Dispersed Alarms - Private Sector Monitoring - per month	D	S	£ 7.00	£ 1.40	£ 8.40	£ 7.26	£ 1.44	£ 8.70
Failure to notify changes in ownership or management (non-license holder) - Landlord Accredited	D	O	New			£ 250.00	£ -	£ 250.00
Failure to notify changes in ownership or management (non-license holder) - Non Accredited	D	O	New			£ 250.00	£ -	£ 250.00
HMO Public license register fee - Landlord Accredited	D	O	New			£ 59.20	£ -	£ 59.20
HMO Public license register fee - Non Accredited	D	O	New			£ 59.20	£ -	£ 59.20
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 11 to 15 people - Landlord Accredited	D	O	New			£ 549.55	£ -	£ 549.55
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 11 to 15 people - Non Accredited	D	O	New			£ 631.98	£ -	£ 631.98
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 16 to 20 people - Landlord Accredited	D	O	New			£ 599.40	£ -	£ 599.40
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 16 to 20 people - Non Accredited	D	O	New			£ 689.31	£ -	£ 689.31
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 21 to 29 people - Landlord Accredited	D	O	New			£ 689.13	£ -	£ 689.13
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 21 to 29 people - Non Accredited	D	O	New			£ 792.50	£ -	£ 792.50
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 30 or more - Landlord Accredited	D	O	New			£ 798.80	£ -	£ 798.80
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 30 or more - Non Accredited	D	O	New			£ 918.62	£ -	£ 918.62
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 4 to 5 people - Landlord Accredited	D	O	New			£ 474.85	£ -	£ 474.85
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 4 to 5 people - Non Accredited	D	O	New			£ 546.08	£ -	£ 546.08
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 6 to 10 people - Landlord Accredited	D	O	New			£ 499.70	£ -	£ 499.70
License Holder Change - Fee reduced by 50% if application for new license within 12 month of issue and subject to property condition/ inspection - 6 to 10 people - Non Accredited	D	O	New			£ 574.66	£ -	£ 574.66
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 11 to 15 people - Landlord Accredited	D	O	New			£ 549.55	£ -	£ 549.55
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 11 to 15 people - Non Accredited	D	O	New			£ 631.99	£ -	£ 631.99
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 16 to 20 people - Landlord Accredited	D	O	New			£ 599.40	£ -	£ 599.40
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 16 to 20 people - Non Accredited	D	O	New			£ 689.31	£ -	£ 689.31
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 21 to 29 people - Landlord Accredited	D	O	New			£ 689.13	£ -	£ 689.13
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 21 to 29 people - Non Accredited	D	O	New			£ 792.50	£ -	£ 792.50
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 30 or more - Landlord Accredited	D	O	New			£ 798.80	£ -	£ 798.80
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 30 or more - Non Accredited	D	O	New			£ 918.62	£ -	£ 918.62
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 4 to 5 people - Landlord Accredited	D	O	New			£ 474.85	£ -	£ 474.85
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 4 to 5 people - Non Accredited	D	O	New			£ 546.08	£ -	£ 546.08
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 6 to 10 people - Landlord Accredited	D	O	New			£ 499.70	£ -	£ 499.70
New HMO's 12 month temporary License (Fee for single tenancies and shared houses) - 6 to 10 people - Non Accredited	D	O	New			£ 574.66	£ -	£ 574.66
New HMOs 5 year License (Fees for single tenancies and shared houses) - 11 to 15 people - Landlord Accredited	D	O	New			£ 1,099.10	£ -	£ 1,099.10
New HMOs 5 year License (Fees for single tenancies and shared houses) - 11 to 15 people - Non Accredited	D	O	New			£ 1,263.97	£ -	£ 1,263.97
New HMOs 5 year License (Fees for single tenancies and shared houses) - 16 to 20 people - Landlord Accredited	D	O	New			£ 1,198.80	£ -	£ 1,198.80
New HMOs 5 year License (Fees for single tenancies and shared houses) - 16 to 20 people - Non Accredited	D	O	New			£ 1,378.62	£ -	£ 1,378.62
New HMOs 5 year License (Fees for single tenancies and shared houses) - 21 to 29 people - Landlord Accredited	D	O	New			£ 1,378.26	£ -	£ 1,378.26
New HMOs 5 year License (Fees for single tenancies and shared houses) - 21 to 29 people - Non Accredited	D	O	New			£ 1,585.00	£ -	£ 1,585.00
New HMOs 5 year License (Fees for single tenancies and shared houses) - 30 or more people - Landlord Accredited	D	O	New			£ 1,597.60	£ -	£ 1,597.60
New HMOs 5 year License (Fees for single tenancies and shared houses) - 30 or more people - Non Accredited	D	O	New			£ 1,837.24	£ -	£ 1,837.24
New HMOs 5 year License (Fees for single tenancies and shared houses) - 4 to 5 people - Landlord Accredited	D	O	New			£ 949.70	£ -	£ 949.70
New HMOs 5 year License (Fees for single tenancies and shared houses) - 4 to 5 people - Non Accredited	D	O	New			£ 1,092.16	£ -	£ 1,092.16
New HMOs 5 year License (Fees for single tenancies and shared houses) - 6 to 10 people - Landlord Accredited	D	O	New			£ 999.40	£ -	£ 999.40
New HMOs 5 year License (Fees for single tenancies and shared houses) - 6 to 10 people - Non Accredited	D	O	New			£ 1,149.31	£ -	£ 1,149.31
Other Misc. Income - Change of Manager or Ownership - Landlord Accredited	D	O	New			£ 150.00	£ -	£ 150.00
Other Misc. Income - Change of Manager or Ownership - Non Accredited	D	O	New			£ 172.50	£ -	£ 172.50
Other Misc. Income - License Variation - Landlord Accredited	D	O	New			£ 150.00	£ -	£ 150.00
Other Misc. Income - License Variation - Non Accredited	D	O	New			£ 172.50	£ -	£ 172.50
Other Misc. Income - Permitted number changes - Landlord Accredited	D	O	New			£ 150.00	£ -	£ 150.00
Other Misc. Income - Permitted number changes - Non Accredited	D	O	New			£ 172.50	£ -	£ 172.50
Private Housing Services - Housing Enforcement Notices	D	O	£ 474.00	£ -	£ 474.00	£ 488.00	£ -	£ 488.00
Private Housing Services - Housing Non Statutory work for Border Agency (per case)	D	O	£ 156.00	£ -	£ 156.00	£ 161.00	£ -	£ 161.00
Renewable HMO's License (5 year-no changes or management regulation breaches) - 11 to 15 people - Landlord Accredited	D	O	New			£ 549.55	£ -	£ 549.55

Renewable HMO's License (5 year-no changes or management regulation breaches) - 11 to 15 people - Non Accredited	D	O	New			£	631.98	£	-	£	631.98
Renewable HMO's License (5 year-no changes or management regulation breaches) - 16 to 20 people - Landlord Accredited	D	O	New			£	599.40	£	-	£	599.40
Renewable HMO's License (5 year-no changes or management regulation breaches) - 16 to 20 people - Non Accredited	D	O	New			£	689.31	£	-	£	689.31
Renewable HMO's License (5 year-no changes or management regulation breaches) - 21 to 29 people - Landlord Accredited	D	O	New			£	689.13	£	-	£	689.13
Renewable HMO's License (5 year-no changes or management regulation breaches) - 21 to 29 people - Non Accredited	D	O	New			£	792.50	£	-	£	792.50
Renewable HMO's License (5 year-no changes or management regulation breaches) - 30 or more - Landlord Accredited	D	O	New			£	798.80	£	-	£	798.80
Renewable HMO's License (5 year-no changes or management regulation breaches) - 30 or more - Non Accredited	D	O	New			£	918.62	£	-	£	918.62
Renewable HMO's License (5 year-no changes or management regulation breaches) - 4 to 5 people - Landlord Accredited	D	O	New			£	474.85	£	-	£	474.85
Renewable HMO's License (5 year-no changes or management regulation breaches) - 4 to 5 people - Non Accredited	D	O	New			£	546.08	£	-	£	546.08
Renewable HMO's License (5 year-no changes or management regulation breaches) - 6 to 10 people - Landlord Accredited	D	O	New			£	499.70	£	-	£	499.70
Renewable HMO's License (5 year-no changes or management regulation breaches) - 6 to 10 people - Non Accredited	D	O	New			£	574.66	£	-	£	574.66
Sheltered Housing Visitor's Room - Per night per person	D	O		£	12.00	£	-	£	12.00	£	12.30
Travellers Charges - Rent/ Water/ Amenity	D	O	New			£	93.78	£	-	£	93.78

Name of fee or Charge	Statutory/ Discretionary Charge	VAT Status 2015/16	VAT Amount 2016/17			Directorate	Service	Overview and Scrutiny Committee
			Charge excl. VAT 2016/17		Charging incl. VAT 2016/17			
Private Housing Services - Houses in Multiple Occupation Mandatory Licence	D	O	£ 808.00	£ -	£ 808.00	Housing	Housing	Housing O&S

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# Work Programme

**Committee:** Housing Overview & Scrutiny

**Year:** 2016/2017

**Dates of Meeting:** 21 July 2016, 06 October 2016, 13 December 2016 & 02 February 2017

Topic	Lead Officer	Requested by Officer/Member
<b>21 July 2016</b>		
Update report – The Housing and Planning Act	Dawn Shepherd	Officer
Repairs Working Group Report Include: update on repairs & current contracts	Richard Parkin	Officer
Housing Development Update	Steve Cox/Matthew Essex	Member
<b>06 October 2016</b>		
Homelessness Strategy	Dawn Shepherd	Member
<i>Update Report: Transforming Homes</i>	Richard Parkin	Officer
Quarterly Performance Report	Roger Harris/ Richard Parkin	Member
An update on sheltered housing decommissioning	Dawn Shepherd	Officer

## Work Programme

13 December 2016		
HRA Business Plan Review	Richard Birchett/ Julie Curtis	Officer
Sheltered Accommodation Wardens update	Dawn Shepherd	Member
Council Spending Review Update	Sean Clark	Officer
02 February 2017		
Homelessness Service Review	Dawn Shepherd	Member
Allocations Policy Review	Susan Cardozo / Dawn Shepherd	Member/Officer
Disposal of high value asset report	Susan Cardozo / Dawn Shepherd	Officer
Fees and Charges	Laura Last	Officer
Procurement Arrangements for Housing Capital Programme'	Susan Cardozo / Richard Birchett	Officer
HRA Business Plan, Budget and Rent Setting 2017/18	Julie Curtis / Roger Harris	Officer
Date To Be Confirmed		
Improving Energy Efficiency	Richard Birchett	Member

*\* Shaping the Council Budget Update on themed items as and when required*