



# Housing and Health Committee

## Agenda

### Part One

Council Chamber - Town Hall

Wednesday, 11 March 2015 at 7.30 pm

#### **Membership (Quorum – 3)**

##### **Councillors**

Cllrs Carter (Chair), Mrs Davies (Vice-Chair), Baker, Mrs Henwood, Mrs Hones, Mrs Hubbard, Le-Surf, McCheyne, Parker and Tee

##### **Co-opted Members**

Members of Tenants Talkback

**Committee Co-ordinator:** Claire Hayden (01277 312741)

#### **Additional Information:**

##### **Substitutes**

The names of substitutes shall be announced at the start of the meeting by the Chair and the substitution shall cease at the end of the meeting.

Substitutes for quasi judicial Committees must be drawn from members who have received training in quasi-judicial decision making. If a casual vacancy occurs on a quasi judicial Committee it will not be filled until the nominated member has been trained.

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Any Member may attend any body to which Council Procedure Rules apply.

A Member who is not a member of the committee may speak at the meeting. The Member may speak at the Chair's discretion, it being the expectation that a member will be allowed to speak on a ward matter.

## **Point of Order/Personal explanation/Point of Information**

### **8.3.14 Point of order**

A member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of these Procedure Rules or the law. The Member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Chair on the point of order will be final.

### **8.3.15 Personal explanation**

A member may make a personal explanation at any time. A personal explanation must relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate, or outside of the meeting. The ruling of the Chair on the admissibility of a personal explanation will be final.

### **8.3.16 Point of Information or clarification**

A point of information or clarification must relate to the matter being debated. If a Member wishes to raise a point of information, he/she must first seek the permission of the Chair. The Member must specify the nature of the information he/she wishes to provide and its importance to the current debate. If the Chair gives his/her permission, the Member will give the additional information succinctly. Points of Information or clarification should be used in exceptional circumstances and should not be used to interrupt other speakers or to make a further speech when he/she has already spoken during the debate. The ruling of the Chair on the admissibility of a point of information or clarification will be final.

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The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of these activities, in their opinion, are disrupting proceedings at the meeting.

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## Part I

(During consideration of these items the meeting is likely to be open to the press and public)

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4	<b>Preparing for Universal Credit</b>	All Wards	<b>21 - 34</b>
5	<b>Urgent Business</b> An item of business may only be considered where the Chair is of the opinion that, by reason of special circumstances, which shall be specified in the Minutes, the item should be considered as a matter of urgency.		



Chief Executive

Town Hall  
Brentwood, Essex  
03.03.2015

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## Minutes

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### **Housing and Health Committee Wednesday, 7th January, 2015**

#### **Attendance**

Cllr Carter (Chair)	Cllr Le-Surf
Cllr Mrs Davies (Vice-Chair)	Cllr McCheyne
Cllr Baker	Cllr Parker
Cllr Mrs Henwood	Cllr Tee
Cllr Mrs Hones	
Cllr Mrs Hubbard	

#### **Also Present**

Cllr Barrett	
Chris Price	Co-Optee (Tenants Talkback Representative)
Maureen Montgomery	Co-Optee (Tenants Talkback Representative)

#### **Officers Present**

Keith Carter	Property Manager
Helen Gregory	Interim Head of Housing
Claire Hayden	Governance and Member Support Officer
Chris Potter	Monitoring Officer & Head of Support Service
Angela Williams	Principal Officer (Housing Needs)

#### **367. Apologies for Absence**

No apologies were received.

#### **368. Minutes of previous meeting**

The minutes of the Housing and Health Committee held on 5<sup>th</sup> November 2014 were signed by the Chair as a correct record.

Cllr McCheyne asked for a update on the Garage Site Development. Under the current timetable, submission for Planning Permission will happen in March 2015.

### **369. Performance Report**

In addition to the standard performance information the report recommended the implementation of a modernisation programme of the Housing department over the next 12 months. The modernisation programme – Getting our house in order - will be extensive and involve an improvement plan for each service area (excluding Sheltered Housing). Staff will be attending workshops in December 2014 to discuss the programme. Regular updates will be provided in future Committee meetings.

The report also updated Committee on the final stage of the Repairs review, to review the Office/client side of the Repairs team and provide a permanent solution for the Property Manager role. It is proposed to recruit a Property Manager on a 12 month fixed contract; while we complete the modernisation programme. To mitigate the interim risk an internal 6 /12 fixed term, Team Leader secondment is recommended. This will be funded from savings elsewhere in the Property team structure.

Officers will research opportunities for shared services with other local authorities. It was agreed that Thurrock Council will provide assistance with the repairs, leasehold and caretaker services review as they had recently successfully being through a transformation programme

The performance update was supplemented with information on complaints as requested by Cllr Ross Carter.

Members asked for a review of the temporary accommodation KPI and a breakdown the different reasons/household composition be reported to the next Housing and Health Committee.

A motion was MOVED by Cllr Carter and SECONDED by Cllr Mrs Davies to approve the recommendation set out in the report, subject to an amendment to 2.5

2.5 That the Committee notes the impact of the recommendations 2.4 & 2.5 2.2 & 2.3 is a saving to the HRS of £12,500 p.a.

**RESOLVED UNANIMOUSLY to:**

**2.1 The Committee is asked to monitor the performance information submitted within the report.**



- 2.2 The Committee is requested to note the implementation of the housing modernisation programme and the future direction of travel.  
That the committee approves the deletion of a vacant surveyor post.**
- 2.3 The Committee approves the commissioning of Thurrock Council to assist with reviews of Repairs, leasehold management and caretaking.**
- 2.4 That Committee grants approval to increase the responsibilities in an existing Property team role to create a Secondment (6/12 month) opportunity for a Team Leader post for internal recruitment.**
- 2.5 That the Committee notes the impact of recommendations 2.2 & 2.3 is a saving on the HRA of £12,500 p.a.**
- 2.6 That the Committee approves officers to explore possible opportunities with other neighbouring local authorities to work to develop its Property team and achieve a cost effective service delivery.**

### **370. Rent Setting**

The reports seeks the recommendations of the Housing and Health Committee on the proposed new rent levels for 2015/16. The recommendations will be considered by the Finance and Resource Committee on the 11 February 2015 when the final recommendation will be made as part of the budget process; the final decision will be made by Full Council on the 4<sup>th</sup> March 2015.

Co-optee members of the committee welcomed the new rent formula.

A motion was **MOVED** by Cllr Carter and **SECONDED** by Cllr Davies to agree to recommendation set out in the report.

Cllr Le-surf **MOVED** that recommendations 2.1, 2.2 and 2.3 are moved on block and a requested a recorded vote be taken on recommendation 2.4 in accordance with Rule 9.5 of the Council's Procedure Rules. This was accepted by the chair.

After a discussion, recommendation 2.4 was withdrawn, and will be brought back to a future committee.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** to:

**2.1 Members agree to increase Rent to CPI plus 1% from April 2015.**

**2.2 Members agree to freeze the proposed Services Charges at 2014/15 levels as outlined within the report, which will then be incorporated within the 2015/16 Budget, and that a further report be presented to this Committee providing details of the outcome of the planned review of the current charging policies, which will then inform the 2016/17 charging levels.**

**2.3 Members agree to applying the formula rent all new tenancies from April 2015/16.**

### **371. Armed Forces Community Covenant**

As part of the recent review of the Council's Allocation policy additional preference/exemption was awarded to members of the Armed Forces and their families in regard to the Local Connection criteria. These groups are exempt from having to demonstrate a local connection and are able to join the housing waiting list.

However, having reviewed other Local Authorities' Allocations Policies it has demonstrated that we need to consider providing additional support to members of the Armed Forces community by publishing a supplementary document alongside the Council's Allocation Policy.

The supplementary document, in the short term will address the immediate housing issues members of the Armed Forces community face, while in the long term further consideration can be made in a commitment to an Armed Forces Community Covenant.

A motion was **MOVED** by Cllr Carter and **SECONDED** by Cllr McCheyne to received the recommendation set out in the report.

**RESOLVED UNANMIOUSLY** to agree:

**2.1 That approval is given to Option 3 to develop a tailored Housing Advice Service aimed to address the needs of the Armed Forces Community.**

### **372. Resource Room Development at Hutton Community Centre**

It had been suggested by resident groups that a community resource could be developed and be based at the Hutton Community Centre.

The report of the Hutton Community Centre Task and Finish Group to Audit and Scrutiny Committee on 28 October 2014 made reference to a plan put forward to possibly utilise the former cellar for a Housing lead project to create a community advice facility.

The suggested plan was to use the former cellar once it was refurbished as a drop in centre for residents to use computers and speak with volunteers about a number of issues. These would include and not restricted to making universal credit online application, choice based lettings bids, job applications and using the internet in general.

Following a full discussion, a motion was **MOVED** by Cllr Cater and **SECONDED** by Cllr Mrs Davies to received the recommendations set out in the report.

**RESOLVED UNANIMOUSLY** to:

**2.1 It had been suggested by resident groups that a community resource could be developed and be based at the Hutton Community Centre.**

**2.2 The report of the Hutton Community Centre Task and Finish Group to Audit and Scrutiny Committee on 28 October 2014 made reference to a plan put forward to possibly utilise the former cellar for a Housing lead project to create a community advice facility.**

**2.3 The suggested plan was to use the former cellar once it was refurbished as a drop in centre for residents to use computers and speak with volunteers about a number of issues. These would include and not restricted to making universal credit online application, choice based lettings bids, job applications and using the internet in general.**

### **373. Urgent Business**

There were no items of Urgent Business.

**374. Local Government Act 1972 - Exclusion of Press and Public**

Not applicable.

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**11 March 2015**

## **Housing & Health Committee**

### **Housing Performance Report**

*Report of:* Helen Gregory, Acting Head of Housing

*Wards Affected:* All

*This report is:* Public

#### **1. Executive Summary**

- 1.1 This is the regular performance report to update Members on performance and progress of the 'Getting our House in Order' modernisation programme.
- 1.2 Performance continues to improve overall; this is reflected in the results of the KPIs. The only exception is the number of homeless households living in temporary accommodation KPI; which continues to increase, reflecting the national trend.

#### **2 Recommendation(s)**

- 2.1 The Committee is asked to monitor the performance information submitted within the report and the direction of travel of the 'getting our house in order' modernisation programme.**
- 2.2 The Committee is asked to approve £3,000 to be reserved from the Homeless Prevention grant for the use of an external mediation service to help prevent family evictions and reduce homelessness.**

#### **3 Introduction and Background**

- 3.1 Members are aware that the Housing department has prioritised performance improvement since July 2014; notably with the introduction of the KPI workshops held with Staff and Managers.

#### 4 Issue, Options and Analysis of Options

4.1 We are pleased to inform Committee that since our last report on the 7 January 2015 requesting permission to recruit internally to a Repairs Team Leader on a secondment basis – Steve Chapman has been successfully appointed.

4.2 We have to advise that John Grisley who was covering the Estates Manager role on an interim contract has left the Council for permanent employment. We are planning in the short term to advertise internally for an Estates Team Leader on a 3 to 5 month secondment basis; whilst we undertake a review of the Service and structure as part of modernisation programme.

4.3 The repairs team has been working closely with the Customer Service team to provide training and FAQ's for Customer Contact Centre to enable the switch over of the incoming repairs calls. This has gone 'live' from 9 February 2015 and is already providing benefits in Staff time efficiently. We will continue to monitor customer satisfaction in this area.

4.4 The table below outlines performance information up to end of Q3 (31 December 2014)

Key Performance Indicator	Quarter Target	Q1	Q2	Q3	Commentary
Average re let times for LA Housing	23 days	32.67 days	28 days	26.89% days	The work of the KPI workshop continues to improve performance with re-lets.
% rent Collection (annual target)	99.70%	98.42%	98.39 %	100.20 %	This KPI continues to achieve top quartile performance.
% rent arrears of current tenants as a proportion of the rent roll	1.95%	1.63%	1.65%	1.68%	This KPI continues to achieve top quartile performance.
No. of households living in temporary accommodation	29	45	42	52	We are seeing an increase in the numbers of homeless people; with demand greater than supply. This increase is reflected nationally.

- 4.5 Members at 7 January 2015 Committee requested a detailed breakdown of the household composition of families living in Bed & Breakfast accommodation. Please see appendix which provides a snapshot of performance on the 30 January 2015.
- 4.6 The performance listed in Appendix A provides the following information:
- Out of the 51 families living in temporary accommodation - only 9 are currently living in B&B.
  - The highest reason (23 people) for becoming homeless is the loss of Private Sector accommodation. We are planning to improve our relationship with private landlords through providing education and training as part of our membership of the Essex Landlords Accreditation scheme; which we hope will reduce this number.
  - The second highest reason (12 people) is family evictions of children living at home. This is of major concern; we are seeking an external source/service, to provide a professional mediation service for families to provide counselling and support to try and prevent homelessness. We have reserved £3,000 (three thousand pounds) from our homeless prevention grant to pay for this service.
  - In terms of household composition the highest group is single female parents (22 people).
  - The highest group with priority need is single parent with dependant children (37 people).
- 4.7 Members requested at 7 January 2015 Committee for benchmarking information on the number of households in temporary accommodation compared to our neighbouring Councils. We are members of the Essex Housing Officers group which has representations from neighbouring Councils; the next meeting is the 25 March 2015. We have listed this as an agenda item and will feedback to next Committee.
- 4.8 The performance on the additional Repairs KPIs is as follows:

Key Performance Indicator	Quarter Target		Q2	Q3
Customer Satisfaction	95%	Wates	92%	97%
		Oakray	97%	97%

Urgent Repairs completed on (3 day) target	99%	Wates	84.35%	98.65%
Urgent Repairs completed on (3 day) target		Oakray	94.7%	96.08%
Appointments kept	100%	Wates	98%	98.97%
		Oakray	98%	100%
Gas Servicing	100%	Oakray	99.5%	99.54%

- Wates Customer satisfaction performance has improved from 92% to 97% in Q3.
- Wates performance in completing urgent repairs has improved from 84.7% in Q2 to 98.65% in Q3 a notable improvement.
- Gas servicing is still performing under 100% at 99.5 %. This is as a result of four properties; where we are unable to obtain access to complete the gas service. We have applied to the magistrate courts for a warrant to enter the properties.

4.9 We are pleased to report performance generally continues to improve; Staff have been working hard in the KPI workshops and improved focus on performance.

### Complaints Performance information

4.10 The table below outlines complaint performance.

#### Quarter 1

Service area	Stage(s)	Complaint type	Outcome
Temporary accommodation	1 2 3	Temporary accommodation storage	Not upheld None None
Estate management	1 2 3	Garage cleared in error	Upheld None None
Estate management	1 2 3	Service failures following fire	Upheld Upheld Upheld
Sheltered housing/repairs	1 2 3	Emergency access and re-decoration	Partially upheld Not upheld Upheld

Total stage 1 complaints	Total stage 2 complaints	Total stage 3 complaints
4	2	2



### **Quarter 2**

Service area	Stage	Complaint type	Outcome
Allocations	1	Staff attitude and poor customer service	Partially upheld
	2		None
	3		None
Estate management	1	Rent payment missing	Upheld
	2		None
	3		None

Total stage 1 complaints	Total stage 2 complaints	Total stage 3 complaints
2	0	0

### **Quarter 3**

Service area	Stage	Complaint type	Outcome
Repairs	1	Completed repairs have not resolved issues	Partially upheld
	2		None
	3		None

Total stage 1 complaints	Total stage 2 complaints	Total stage 3 complaints
1	0	0

4.11 The number of stage one complaints received during Quarter 3 has reduced by 50% with only one stage one complaint being received; All complaints received during Quarter 2 were resolved at stage 1. This is an improvement compared to Quarter 1; in Quarter 1 we received two stage 2 complaints and 2 stage 3 complaints.

4.12 There has been a focus in the housing team to prioritize complaints; and importantly learning lessons from complaints to help to improve service delivery.

## **5. Reasons for Recommendation**

5.1 To keep members informed of the key performance levels within the Housing service to enable Members to monitor our performance.

5.2 The service improvements proposed in the 'Getting our house in order initiative' will improve service and value for money for residents and stakeholders.

## **6. Consultation**

6.1 None.

## **7. References to Corporate Plan**

Improving service delivery will meet the Council's commitment to service improvements and will also enhance the efficiency of the service. Increasing the number of headline PIs regularly published and analysed will improve the openness of governance.

## **8. Financial Implications**

**Name & Title: Jo-Anne Ireland, Director of Strategy and Corporate Services**

**Tel & Email 01277 312712 / jo-anne.ireland@brentwood.gov.uk**

8.1 The Homeless prevention grant for 2014-15 the grant was £49,250 to date we have spent £11,760 leaving a remaining amount of £37,490. The £3,000 can be met from existing resources.

### **Legal Implications**

**Name & Title: Chris Potter, Monitoring Officer and Head of Support Services:**

**Tel & Email: 01277 312860 / christopher.potter@brentwood.gov.uk**

8.2 None directly arising from this report.

## **9. Background Papers**

None.

## **10. Appendices to this report**

None .

### **Report Author Contact Details:**

**Name:** Helen Gregory, Head of Housing

**Telephone:** 01277 312540

**E mail:** Helen.gregory@brentwood.gov.uk

## Appendix A

### Snapshot of numbers in temporary accommodation as at

30<sup>th</sup> January 2015

#### Type of temporary accommodation

Bed & Breakfast	Shared	Studio	1 bedroom	2 bedroom	3 bedroom	Total
9	7	5	8	19	3	51

#### Reason for homelessness

Family eviction	Relationship breakdown	Loss of private rented accommodation	Mortgage re-possession	Fleeing Domestic violence	Leaving care	Total
12	5	23	1	9	1	51

#### Household makeup

16/17 year old	Single female	Single male	Single female with children and/ or pregnancy	Single male with children and/or pregnancy	Couple with children and/or pregnancy	Total
0	4	10	22	6	9	51

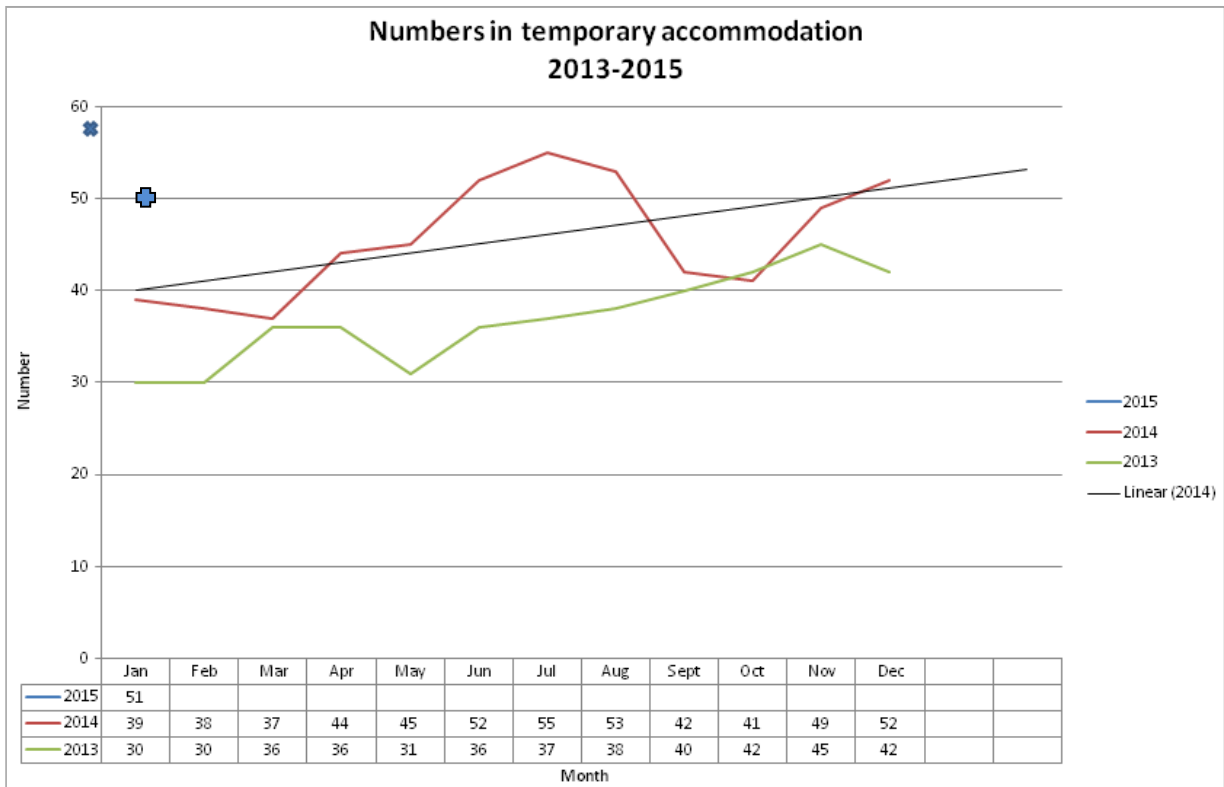
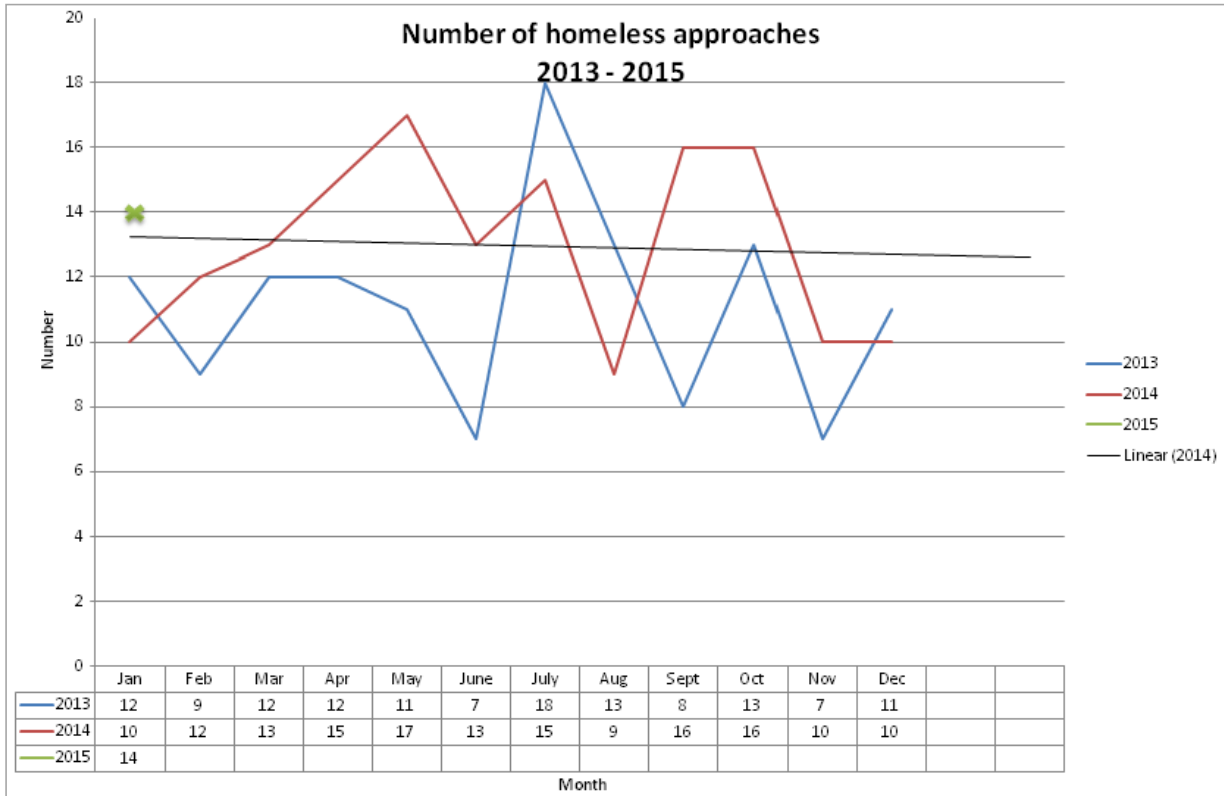
#### Priority Need type

Mental health	Physical health	Children and/or pregnancy	Fleeing domestic violence	Other special reason	Total
11	0	37	3	0	51

#### Length of time in temporary accommodation

0 - 6 weeks	6wk – 3 months	3 – 6 months	6 months +	Families in B & B longer than 6 weeks
6	15	15	14	1*

- \* Pending Section 213 referral to another Authority (Now accepted)



**11 March 2015**

## **Housing & Health Committee**

### **Preparing for Universal Credit**

**Report of:** *Helen Gregory, Acting Head of Housing Services*

**Wards Affected:** *All Wards*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 The Welfare Reform Act 2012 has introduced the biggest overhaul to the benefit system in 60 years; with a number of changes introduced to the benefit system to make it easier for claimants to move back into or change employment. The notable changes are the introduction of the spare room subsidy charge and the emulation of all benefits into a single benefit called Universal Credit.
- 1.2 There is a need to gear up for the roll out of Universal Credit. There will be a fundamental change in the way that tenants receive benefits and we need to have robust systems to ensure that we intervene early and provide support to people. The first tranche of the roll out is February/March 2015 for new single person claimants. The big shift is benefits being paid direct and monthly to claimants; as opposed to the rent being paid to the Landlord. There are approximately 60% of our tenants in receipt of full or partial housing benefit.
- 1.3 The need for tenants to budget and ensure that their rent is paid is essential. The new processes will hopefully help to mitigate the possibility of an increase in arrears by early intervention.
- 1.4 Housing Officers have undertaken a review of processes and systems and set up an Income Management Project Team with colleagues from different departments in the Council. A new streamlined process that provides for earlier intervention and personal contact with tenants who fall into arrears has been devised.
- 1.5 A new Income Management policy has also been written to reflect new approach to income collection and tenancy sustainment.

## **2. Recommendation(s)**

**2.1 Committee is asked to recognise the staff driven improvements to the way we manage income management.**

**2.2 Committee is asked to approve the new Income Management Policy.**

## **3. Introduction and Background**

3.1 The Income management project team has been reviewing the way they collect rent and chase arrears. There has been a steady increase in the level of arrears over the past two years which coincided with the economic downturn.

3.2 Housing Officers fulfil a generic housing management function which includes arrears management, anti-social behaviour, estates management, viewed lettings, neighbour disputes and tenancy changes.

3.3 The processes for chasing arrears through to court and as a last resort sometimes eviction is time consuming, and administrative. The existing processes had not been revised for at least 5 years. Best practice recommends early intervention with people falling into debt and supporting them with money advice and support, arranging an affordable agreement the better chances of keeping the debt low and under control.

3.4 The existing procedures are very system based and lengthy and promote arms length management and only interacting personally with tenants when their debt is substantial.

3.5 The Orchard management system (IT system) was not configured to use all the attributes it has, to assist staff in monitoring accounts, recognising when people were behind in their agreed payment plans. Automated reports and triggers were not being used.

3.6 We will ensure that we were in personal contact with tenants falling into arrears at an early stage to identify the 'Can't pay or Wont pay' tenants. Discussing with tenants their problems in paying, signposting them to Citizens Advice Bureau and Family Mosaic for support and assisting in housing benefit applications.

- 3.7 An Income Management Project team has been set up. Membership includes staff from Housing, Revenues & Benefits, IT, and the Contact Centre. We have been working together to revise the process, improving communication between department, amending procedures and systems.
- 3.8 Housing Officers have been carrying out testing of system changes within Orchard, required to support the new income management policy; redrafting letters that are more informative, inclusive and giving details of support and advice that tenants can receive.
- 3.9 We are introducing new additional direct debit dates. Previously we only collected monthly direct debits on the 15<sup>th</sup> of each month. From April 2015 we will offer the same dates that council tax offers for direct debits. We recognise the need to make it as flexible as possible for people to pay.
- 3.10 The new streamlined process complies with the pre court protocol which places the emphasis on Landlords to make agreements outside the Court where possible and not to serve Notice Seeking Possession on accounts which are waiting for housing benefit to be processed. This will have the affect that we can obtain court orders to pay lower debt.
- 3.11 Testing of the new income recovery on Orchard system is complete and revised processes will be transferred to our live system to introduce our new procedure from April 2015. This will include the introduction of additional payment date for direct debits and making more effort to intervene at a much earlier stage.

#### **4. Issue, Options and Analysis of Options**

- 4.1 The roll out of Universal Credit in Brentwood will begin in March 2015 for new single claimants; and Universal credit for families will be introduced in 2017. We have a risk that new claimants will be paid direct monthly and will need to manage their money to ensure rent is paid.
- 4.2 Our processes will be leaner and customer focused and will be better equipped to deal with these changes. The new procedure has more personal contact with the tenant and more proactive in its approach to develop a payment culture; identify at an early stage when a tenant may be in financial difficulty.

- 4.3 Our performance is top quartile when measured against our comparators in the House mark benchmarking club; which is good performance.
- 4.4 The Council's existing income management process is very process driven and not customer centred; with an over reliance on written communication and limited personal contact. There is a reliance on system (Orchard) recommendations for arrears actions and the process was restricting staff from being more proactive in dealing with tenants in arrears.
- 4.5 While our arrears performance has maintained top quartile performance we must not be complacent as there is a need to improve in line with best practice, and the new procedures should give us the best opportunity to achieve this.
- 4.6 The Housing Officers are motivated by the opportunity given to develop the procedures; building on their experiences and thoughts on how to improve the service.

## **5. Reasons for Recommendation**

- 5.1 The Committee is asked to note the work of the project team and their commitment to maximising income and improved tenancy sustainment.
- 5.2 The Committee is asked to approve a new Income Management Policy in line with best practice and to assist in our preparations for universal credit and minimise the risk to our income stream.
- 5.3 This income project forms part of Housing's 'Getting our House in Order' Modernisation Programme.

## **6. Consultation**

- 6.1 Housing Officers have presented their research and recommendations to the Housing Management Team, Housing Options Team and the Income Project Team.
- 6.2 They also delivered a presentation to Tenant Talkback and received positive feedback.



## **7. References to Corporate Plan**

- 7.1 Localism: we believe that through bringing communities together and working effectively in collaboration with a range of groups and organisations we can better ensure the future wellbeing of our Borough. We will work with local businesses, community groups and voluntary sector to develop projects that will enhance and support the local community.
- 7.2 Housing, Health and Wellbeing: current legislative reforms will lead to significant changes to the way the council supports people in housing need and in receipt of state benefits. We will develop different ways of working, both in the way we deliver services and with the voluntary sector, to make sure that the more vulnerable residents in Brentwood are protected and help goes to those in need of it.

## **8. Implications**

### **Financial Implications**

**Name & Title: Jo-Anne Ireland, Director of Strategy and Corporate Services**

**Tel/Email: 01277 312712/ jo-anne.ireland@brentwood.gov.uk**

- 8.1 The rent roll is £11,964,640 for 2014/15. The introduction of Universal Credit presents a significant risk to rental collection; the revised income management policy will help to minimise the risk.

### **Legal Implications**

**Name & Title: Christopher Potter, Monitoring Officer and Head of Support Services**

**Tel/Email: 01277 312860 / christopher.potter@brentwood.gov.uk**

- 8.2 None directly arising from this report except to note that any policy must not be applied as if it is an inflexible rule as this would fetter the Council's discretion.

**9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

9.1 None

**10. Appendices to this report**

Appendix A - Income Management Policy Appendix A

**Report Author Contact Details:**

**Name:** Helen Gregory, Acting Head of Housing  
**Telephone:** 01277 312540  
**E-mail:** helen.gregory@brentwood.gov.uk



# **Income Management Policy**

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Introduction

Aims and objectives of the Income Management Policy

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## **Introduction**

This policy explains Brentwood Borough Council's approach to collecting rent and charges from its housing stock and reflects national best practice

Rent is charged on a weekly basis, the responsibility for rent collection and the chasing of arrears is a function of the generic housing officers.

This policy sets out the various facets of setting and collecting rent, the support and the debt recovery process

This policy takes account of appropriate legislation and prescribed legal processes involved in collecting debt.

## **Aims and objectives of the Income Management Policy**

This policy is intended to maximise the income for the housing department from rental charges and to ensure rent arrears are kept to a minimum.

In collecting rent and chasing for arrears, the overriding objective is to sustain a person's tenancy. Every effort is made to assist people to manage their money and pay their rent to remain in their home. Ending a tenancy by way of eviction is always a last resort.

## **Rent Setting**

Rental charges are increased annually; the agreement to increase is written into our tenancy agreements. The method in calculating annual increases are issued in guidelines produced by central government

Annual increases are approved through the Council's approved committee procedure.

New increased rental charges will be applied at the beginning of each financial year, usually the first Monday in April.

We must comply with regulation and give tenants at least 28 days notice in writing of an increase and can only increase a tenant's rent once in a given 12 month period.

## **Rent Collection**

Rent is charged on a weekly basis we encourage tenants to pay in advance.

The Council offers a wide range of methods to make rent payments and are designed for the convenience of our residents.

Payment methods include:

- Direct Debit;
- Standing Order;
- 'All Pay' swipe card at any pay point outlet or All Pay phone app;
- Debit or Credit card (in person or over the phone);
- Via internet banking;
- Online Payments via council's website.

The council's preferred method of payment is Direct Debit and tenants are encouraged to set up this payment method.

New tenants at sign up and existing tenants are advised that they are responsible for paying rent. Regardless of the means in which the rent is paid, i.e. if paid through housing benefits the tenant remains the sole responsible person to ensure the rent is paid.

### **Financial Support**

The council understands that at times people may have difficulties in paying rent and other priority debts.

We will adopt a sympathetic approach and provide guidance and assistance for people to manage their money. We will make referrals on their behalf to support agencies that can assist i.e. Citizens Advice Bureau, local contact: 01277220248, National debt helpline: 03454040506

### **Arrears Management**

In some instances it will not be possible to prevent arrears. However we will ensure that early intervention and dialogue with tenants newly in arrears is arranged to quickly identify problems so that people can be quickly referred to organizations that are able to help.

We will issue quarterly statements and when individually writing to people who have fallen into arrears.

Where a tenant falls into arrears, we will work with the tenant to set up an affordable agreement following an income and expenditure assessment and ensure compliance with the regulations in the Pre-court Protocol.

If early interventions have not brought about a reduction in arrears, i.e the agreement has been broken we will inevitably have to commence legal proceedings.

We will ensure that where tenants are in receipt of benefits; that we liaise with the appropriate department/agency to ascertain the status and the correct level of benefit that should be paid.

For new Tenants who have an Introductory Tenancy, quarterly reviews will be conducted to ensure the conduct of the tenant/s has not breached conditions of tenancy this includes payment of rent. If it is considered appropriate the introductory tenancy can be extended for up to a further 6 months in which time the arrears will need to be cleared.

We will adopt a Cant Pay; Wont pay approach – There is a need to identify the tenants who are struggling to pay and evaluate the need for support and/or extension of the introductory period; and those tenants who Won't pay .This early intervention and action should avoid tenants accruing large arrears.

Our systems will be more robust to deal with tenants who won't pay and have been assessed as able to pay. Obtaining court judgments to pay will be obtained more quickly, again reducing our burden of debt.

For Introductory tenancies, a Notice of Proceedings for Possession will be issued should arrears be seen not to be decreasing.

For Secure Tenancies a Notice of Seeking Possession will be issued should arrears be seen not to be decreasing. There will still be an opportunity for the tenant to arrange an agreement to clear the arrears.

Our pre-tenancy service will assist new tenants to understand their obligations to pay rent and provide essential advice on how to make claims for housing benefit and general money matters.

If the agreement to clear the arrears is broken following the serving of the Notice we will apply to the County Court for a possession hearing.

At any time these proceedings can be ended if an agreement to pay or the debt is cleared. We reserve the right to claim for our legal costs should the matter progress to court. These costs will be added to any existing debt.

As a last resort we will request the county court to award an outright possession order (eviction notice). This will result in the eviction of the tenant. We can decide not to go ahead with an eviction if the debt including court costs is cleared in full.

A tenant may apply as homeless to the Housing needs section within 28 days of threatened or actual homelessness. The tenant would have to pass the five statutory tests, Homelessness, eligibility, priority need, Intentionality, local connection. The most relevant tests for these purposes will be priority need and intentional homelessness. If a tenant is in priority need then consideration would be given to whether they had done

something or failed to do something which as a result has lead to the loss of suitable accommodation which would have otherwise been available for them to occupy. As part of this test we will consider whether their actions have been made in bad faith or not. For example, if they have failed to maintain rent payments they may be found to be intentionally homeless. If any applicant is found to be intentionally homeless there is no legal duty under the homeless legislation to provide permanent accommodation.

### **Welfare Reform**

The Welfare Reform Act 2012 brought about a change in the way people can claim state benefits. From April 2013 the Government introduced the Under Occupancy Charge. Working age tenants who claim housing benefit will have a reduction in the money they receive if they under occupy the home. The shortfall between rent and housing benefit is payable by the tenant by other income they receive.

From March 2015 Universal Credit will replace a number of existing benefits including housing benefit. The significant change is that residents will receive a single monthly household payment. Rent payments will no longer be paid direct to the council.

We can request the Department for Work and Pensions pay the housing cost element of Universal Credit direct to Brentwood Borough Council. There are a number of set criteria laid down by the Department for Work and Pensions, and can be explained as the following:

- Claimant is currently in arrears with their rent for an amount equal to or more than two months of their rent.
- Claimant has continually underpaid their rent over a period of time, and they have accrued arrears of an amount equal to or more than one month's rent.
- Claimant has been evicted for rent arrears within the last 12 months.
- Claimant is subject to/threatened with eviction and/or repossession.

Universal Credit factors are continuously under review as the new system is put in place. The Policy will be updated to take account of changes of legislation.

### **Under Occupation**

The council provides a financial incentive in an Under Occupation Allowance for people who are under occupying their home and wish to transfer and downsize. This may be as a consequence of a reduction in benefit under the Welfare Reform Act 2012 regulations.

Ordinarily a tenant is required to have a clear rent account for 6 months to qualify for a transfer. A tenant in arrears wishing to transfer to a smaller home can offset their downsizing payment against debt owed to the council. Providing the whole debt is cleared they will receive an additional level of priority to move



### **Accounts in Credit**

We will periodically review all rent accounts that have a credit balance. From time to time people circumstances change and pay additional sum and their account accrues a credit balance.

We will refund all credit balances providing that we are satisfied that this is a true amount. We will deduct any sum to cover any debt owed to the council when making the refund.

### **Former Tenant Arrears & Write Offs**

Wherever possible when a tenant ends their tenancy we will ensure that rent is fully paid up. If this is not possible we will seek to agree an arrangement and have in place to pay the debt before the tenancy has ended.

Where there is no agreement we will write to the former tenant if a forwarding address has been given requesting that they repay the debt or agree an arrangement to pay.

If in the case of no forwarding address or eviction, we will pass the debt to a collection agency to recover. We will keep under the review the use of collection agencies, to ensure a good return on our debt and ensuring value for money.

Where the debt is on a deceased tenants account, we will seek funds from their estate, via their executor and/or next of kin.

We will only consider to write off a debt in the following circumstances:

- There are no funds in a deceased tenants estate;
- The recovery agency have not been able to trace the former tenant and we are satisfied that all avenues have been exhausted;
- The level of debt is of such a low sum that our recovery costs will exceed the debt owed.

We will agree write offs in accordance to the council's constitution.

### **Authority to Evict**

As previously mentioned eviction is the last resort and the decision to evict will need to show that all possible actions and avenues have been explored.

The process to obtain authority to evict is contained within the council's constitution.

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## **Members Interests**

Members of the Council must declare any pecuniary or non-pecuniary interests and the nature of the interest at the beginning of an agenda item and that, on declaring a pecuniary interest, they are required to leave the Chamber.

- **What are pecuniary interests?**

A person's pecuniary interests are their business interests (for example their employment trade, profession, contracts, or any company with which they are associated) and wider financial interests they might have (for example trust funds, investments, and asset including land and property).

- **Do I have any disclosable pecuniary interests?**

You have a disclosable pecuniary interest if you, your spouse or civil partner, or a person you are living with as a spouse or civil partner have a disclosable pecuniary interest set out in the Council's Members' Code of Conduct.

- **What does having a disclosable pecuniary interest stop me doing?**

If you are present at a meeting of your council or authority, of its executive or any committee of the executive, or any committee, sub-committee, joint committee, or joint sub-committee of your authority, and you have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, you must not :

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business or,
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

- **Other Pecuniary Interests**

Other Pecuniary Interests are also set out in the Members' Code of Conduct and apply only to you as a Member.

If you have an Other Pecuniary Interest in an item of business on the agenda then you must disclose that interest and withdraw from the room while that business is being considered

- **Non-Pecuniary Interests**

Non –pecuniary interests are set out in the Council's Code of Conduct and apply to you as a Member and also to relevant persons where the decision might reasonably be regarded as affecting their wellbeing.

A 'relevant person' is your spouse or civil partner, or a person you are living with as a spouse or civil partner

If you have a non-pecuniary interest in any business of the Authority and you are present at a meeting of the Authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest whether or not such interest is registered on your Register of Interests or for which you have made a pending notification.

## **Housing and Health Committee Terms of Reference**

### **General Powers of Committees**

This scheme of delegation sets out the functions of the Council to be discharged by its Committees and Sub- Committees and includes the terms of reference of statutory and non statutory bodies set up by the Council.

Each committee or sub committee will have the following general powers and duties:

- (a) To carry out the duties and powers of the Council within current legislation;
- (b) To comply with the Council's standing orders and financial regulations;
- (c) To operate within the budget allocated to the committee by the Council.
- (d) To guide the Council in setting its policy objectives and priorities including new initiatives, and where appropriate make recommendations to Council
- (e) To develop, approve and monitor the relevant policies and strategies relating to the Terms of Reference of the Committee;
- (f) To secure satisfactory standards of service provision and improvement, including monitoring of contracts, Service Level Agreements and partnership arrangements;
- (g) To consider and approve relevant service plans;
- (h) To determine fees and charges relevant to the Committee;

### **Housing and Health Committee**

The functions within the remit of the Housing Committee are set out below

- 1) Affordable housing
- 2) Housing strategy and investment programme
- 3) The Housing Revenue Account Business Plan
- 4) Housing standards, homelessness, homelessness prevention and advice
- 5) Housing needs assessment

- 6) Housing benefit - welfare aspects
  - 7) Private sector housing and administration of housing grants
  - 8) Tenancy Management and landlord functions
  - 9) Environmental Health
  - 10) Environmental nuisance and pollution controls
  - 11) Other miscellaneous powers enforced by Environmental Health
  - 12) Food safety and health and safety
1. To make recommendations to Finance and Resources on the setting of rents for Council homes.