

**9 December 2015**

**Environment and Housing Management Committee**

**Fees & Charges – Housing**

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

**Wards Affected:** *All*

**This report is:** *Public*

**1. Executive Summary**

- 1.1 This report seeks the approval on the proposed new fees & charges for 2016/17. Fees and charges made by the Council for various services are reviewed on an annual basis. Recommended amendments to the fees and charges are incorporated into the budget setting process to take effect from the following financial year.
- 1.2 At the Environment and Housing Management Committee held 23<sup>rd</sup> September 2015 (Min. 177), as part of the Housing transformation programme a new recharge policy was approved to enable the Council to recharge tenants.

**2. Recommendation(s)**

- 2.1 Members agree to the new recharging policy to tenants as outlined in Appendix A.**

**3. Introduction and Background**

- 3.1 The Council has a number of fees and charges relating to the services it provides. As part of the budget setting process, these charges are reviewed on an annual basis. The Council reviews its charges for discretionary services to ensure they reflect the current cost of the service provision.
- 3.2 On the 23 September 2015 the Environment and Housing Committee approved the new Re-Charge policy. Previously re-charges for Housing services have only been recovered on a adhoc basis . This has led to the council subsidising some of the costs, which is ultimately passed on to the wider tenant population as increased rent.

- 3.3 We aim to reduce the amount of money spent on repairs which are deemed to be tenant responsibility and invest the savings into improving the service for residents.
- 3.4 The individual charges that are being proposed are set out in Appendix A to this report.

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

- 4.1 Officers have undertaken a review of the proposed fees and charges in relation to the services that the Council currently supplies that are discretionary and that can be cost recovered.
- 4.2 In addition to reviewing discretionary services, Officers have also reviewed the services the Council pays for which are deemed rechargeable, but the Council is currently subsidising. The introduction of these re-charging for these services will (encourage) tenants to be more aware and more responsible for their property and actions within their property.
- 4.3 Prices have been calculated with the following price mechanism:
- 2016/17 – Cost price less 30%
  - 2017/18 – Cost price less 25%
  - 2018/19 – Cost price less 20%
- 4.4 Each year the percentage deducted will decrease by 5% until the full cost price is recovered.

#### **5. Reasons for Recommendation**

- 5.1 The introduction of these charges should encourage a reduction in costs that Council currently incurs and promote responsibility, particularly with missed appointments for gas servicing.
- 5.2 The aim of the introduction of this policy is to deter unnecessary spend. So that the Council's money can be invested into it's housing priorities.
- 5.3 The policy will be reviewed in a year's time to see if a reduction on costs have been achieved.
- 5.4 The Committee is asked to approve a new fees and charges in line with best practice and to assist in our Modernisation Programme and efforts to help keep rents and service charges low.

#### **6. Consultation**

- 6.1 A meeting was held with the Tenants Talk back group on the 24<sup>th</sup> November 2015 to discuss the proposed fees & charges. The feedback was positive.

6.2 Tenants Talk back recognized the need for these proposed charges and agreed to them. They asked that all tenants be contacted with the new fees & charges so everyone was made aware of the proposals.

## **7. Reference to Corporate Plan**

7.1 Costs of services provided based on efficient systems providing value for money to customers.

7.2 Housing, Health and Wellbeing: Recovery of rechargeable repairs costs will meet the Council's commitment to service improvements and will also contribute to a more cost efficient service which will subsequently assist in providing the best outcomes for Brentwood residents.

## **8. Financial Implications**

**Name & Title:** Ramesh Prashar. Financial Services Manager

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8.1 The introduction of a new recharging policy will ensure that the Council is no longer subsidising for discretionary services. Discretionary Services provided by the Council will eventually become cost neutral and remain cost neutral. Bad debt will have to be monitored over the introduction of the new policy to ensure charges are being recovered.

### **Legal Implications**

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8.2 Publishing the Council's fees and charges as well as providing transparency satisfies legal process.

## **9. Background Papers**

None

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

Appendix A – Schedule of Fees & Charges

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