

FAREHAM

BOROUGH COUNCIL

Report to Housing Policy Development and Review Panel

Date **08 March 2018**

Report of: **Managing Director of Fareham Housing**

Subject: **TENANCY MANAGEMENT PERFORMANCE REPORT**

SUMMARY

This report provides Panel members with information about the housing management services covered by the Tenancy Services team. The report includes information about Housing Rent Collection, Tenancy Management, Estate Management, Tenant Involvement and Leasehold Management.

RECOMMENDATION

It is recommended that the Panel notes the information contained within the report.

INTRODUCTION

1. The Tenancy Services team is responsible for the day to day management of council housing tenancies. Housing service functions provided by the Tenancy Services team include the following:
 - Housing Rent Collection;
 - Tenancy Management;
 - Estate Management;
 - Sheltered Housing;
 - Tenant Involvement;
 - Leasehold Management;
 - Right to Buy;
 - Empty Property Management;
 - Exchanges; and
 - Kitchen/Bathroom modernisations

2. Panel members received a report on 21st September 2017 which provided information about the Council's Housing Stock and the staffing structure for Tenancy Services. The report also provided information regarding Sheltered Housing, Empty Property Management, Right to Buy, Exchanges and Kitchen/Bathroom modernisations.

HOUSING RENT COLLECTION

3. Annual rental income through the charging of either a social housing rent for most tenants or in the case of new build properties and repurchased properties an affordable rent set at 80% of market rent level.

4. In addition to the weekly net rent many tenants pay a service charge for the following:
 - (a) Sheltered Housing Management;
 - (b) Sheltered Housing Support;
 - (c) Block Cleaning;
 - (d) Grounds Maintenance;
 - (e) Heating;
 - (f) Water Rates;
 - (g) Communal Laundry facilities; and
 - (h) Mobility Scooter Storage

5. Many of the service charges are currently eligible for housing benefit. However, the charges for sheltered housing support, heating, water and scooter storage are not so tenants must pay the full cost of these services.

6. Housing rents and service charges are set and notified on an annual basis. Historically housing rents followed Government guidelines with target rents for properties of similar size and type. This meant that rents for some properties were increasing at a greater rate than others to achieve the target rent figure. However, since 2016/17 housing rents have been subject to a 1% reduction in accordance with Government policy. This policy is due to continue until 2020/21 but is subject to further change.

7. Current tenant rent arrears are recovered by the housing officer team using a process of letters and visits. In cases where the tenant does not engage or does not repay rent arrears, legal action is taken through Portsmouth County Court for the recovery of the debt and in extreme cases possession of the property.
8. Appendix A to this report provides panel members with information about the level of current tenant rent arrears.
9. As panel members will be aware tenants have been affected by welfare reforms such as the reduction in spare room subsidy for working age tenants living in accommodation that is deemed to be larger than meets their housing needs. In Fareham, we currently have 96 cases; of these 79 are under occupying by one bedroom and seeing their housing benefit cut by as much as 14% and 17 tenants who are under occupying by more than one bedroom are seeing their housing benefit cut by as much as 25%.
10. Universal credit has been introduced in Fareham to some client types and this too is having a knock-on effect in terms of impact on debt management, largely as benefit is paid at least one month in arrears and is paid direct to the claimant. However, in certain cases where the tenant is deemed to be vulnerable the housing element of their benefit can be paid direct to the Council.

TENANCY MANAGEMENT

11. At present the Council offer one of four tenancies to tenants moving into its empty homes. These include:
 - (a) Secure tenancies (often referred to as lifetime tenancies) are granted to existing council tenants who hold a secure tenancy and housing association tenants who hold an assured tenancy;
 - (b) Introductory tenancies (these last for the first 12 months) and are granted to all new tenants. On expiry of the 12-month introductory period, tenants living in a studio flat or one bedroom accommodation are awarded a secure tenancy;
 - (c) Flexible tenancies are granted to new tenants living in general purpose family sized accommodation for a period of 5 years. The first year being under an Introductory tenancy; and
 - (d) Non-secure tenancies are granted to housing applicants occupying council accommodation on a temporary basis pending assessment of a homelessness application or allocation of more permanent accommodation in public or private rented sector.
12. All tenants are issued with a tenancy agreement, these document sets out the terms and conditions by which the Council and the tenant must abide. The agreement is legally binding and breaches could lead to enforcement action and ultimately repossession of the property.
13. During a tenancy, there may be a need to make changes to the tenancy. The most common requests for changes occur when the tenant has died leaving their spouse or family member in occupation or in the case of a joint tenancy where there has been a relationship breakdown resulting in one of the parties moving out.

14. It is a condition of tenancy that tenants seek written permission to carry out any alterations or improvements to their home. Although we cannot unreasonably refuse such requests these are often agreed subject to certain conditions such as meeting any planning and building regulations.
15. The most common cause of complaint regarding tenancy breaches relates to nuisance and anti-social behaviour. In dealing with such breaches, officers often liaise with colleagues from the Council's environmental health and community safety teams. A range of enforcement options are available to officers ranging from initial visits to noise abatement notices, acceptable behaviour contracts and ultimately repossession action through the court.

ESTATE MANAGEMENT

16. The cleaning of communal areas to housing blocks is outsourced to Hi-Spec services. The work includes cleaning of entrance halls, stairs, landing areas, bin areas and window cleaning. All sites are cleaned on a weekly basis however the cleaning of glazed areas is generally carried out on a quarterly basis.
17. The council's Streetscene team provide a street cleansing and grounds maintenance service to housing sites. The work includes grass cutting, shrub bed maintenance, litter clearance, weed treatment and the sweeping of hard surfaces such as parking service areas and drying areas.
18. The council provides garages for rent and off-road parking areas for tenants. Despite this, officers frequently find themselves having to deal with reports about dumped or abandoned vehicles and misuse of parking service areas. In response to demand for additional parking on housing estates a small annual budget has been set aside to spend on off road parking schemes.
19. Although there is provision at the council's blocks for refuse and recycling bin storage this is not working at some sites. Fly tipping and dumping of bulky waste remains an issue as does residents not disposing of waste and recycling material in the proper way. This has given rise to the need for greater surveillance and more secure refuse and recycling storage facilities at some sites.
20. A small annual budget has been set aside to help fund estate improvement suggestions from tenants and officers alike. In the past schemes have included lighting improvements, landscaping, line marking, improved signage and privacy fencing.

TENANT INVOLVEMENT

21. In July 2017, the Homes and Communities agency as the regulatory body for social housing made changes to a tenant involvement and empowerment standard. Officers in consultation with an active group of tenants have developed a local offer against the standard which involves and empowers tenants.
22. Council officers provide support to a Tenant & Leaseholder forum. The forum chaired by a tenant representative meets five times a year. Meetings are generally well attended with between 25-40 attendees at each meeting.
23. On 25th January 2018, 7 tenants attended a tenant engagement event in Basingstoke where they met and asked questions of the Housing Minister Dominic Raab.

24. Housing officers together with support from the Tenant Involvement and Leasehold Management officer carry out 16 estate inspections each year. The inspections are carried out of a defined local area and local tenants and leaseholders are invited to attend to discuss local issues of concern and identify action required to remedy these.
25. Tenant and leaseholder representatives assist in the monitoring and feedback on block cleaning and grounds maintenance services. This feedback is used to discuss performance with the service provider on a quarterly basis.
26. The tenant involvement officer provides support to a tenant editorial panel in the development and production of two tenant newsletters each year.
27. The Council, in partnership with a number of other local housing providers, organises two training events each year for tenants and leaseholders. Each organisation can send up to 10 representatives to each event.
28. In addition to block cleaning and grounds maintenance, tenants and leaseholders help to scrutinise the Council's performance in regard to other services. This includes gas servicing.

LEASEHOLD MANAGEMENT

29. The Council currently manages 451 leasehold properties, broken down as follows:
 - 85 one bedroom/bedsit flats
 - 364 two bedroom flats/maisonettes
 - 2 three bedroom flats
30. Leaseholders are subject to a lease agreement which sets out conditions of the lease similar to those which tenants have to abide under the terms of their tenancy agreement. From time to time it is necessary to remind leaseholders about the terms of their lease and where necessary take enforcement action. The Council has also published a leaseholders' handbook which provides useful information about being a leaseholder.
31. Leaseholders have two separate accounts; a service charge account and a cyclical repair account. The service charge account includes annual costs for day to day repairs, ground rent, insurance, management costs and communal services such as grounds maintenance, block cleaning and lighting. The cyclical repair account helps to pay for major items of expenditure such as new roofs, windows and doors with leaseholders paying so much each year to build up funds in the account. In the event of service charge queries these are directed to the Leasehold Management Officer in the first instance.
32. From time to time leaseholders have enquiries about their lease. This can vary from enquiries about the term of the lease, permission requests to alter the property to purchasing the freehold. In each case, enquiries are directed to the Leasehold Management Officer.
33. Under the terms of the lease, leaseholders are responsible for paying a proportion of the cost of building works to their home; this includes work to the block where they live. Where the cost of the work exceeds £250 per dwelling the Council has a legal duty to formally consult with leaseholders. In the event that no formal consultation is carried out the maximum amount leaseholders can be charged is capped at £250.

RISK ASSESSMENT

34. There are no significant risk considerations in relation to this report.

CONCLUSION

35. This report has provided panel members with some general information about the council housing service and some of the service areas provided by the Tenancy Services team.

Appendices: Appendix A – Current Tenant Rent Arrears Information

Background Papers: None

Reference Papers: None

Enquiries:

For further information on this report please contact Jon Shore (Ext 4375)