



# Cabinet

20 January 2021

**Report of:** Councillor Alan Pearson - Portfolio Holder for Housing and Communities

## Approval of Housing Management Policies

<b>Corporate Priority:</b>	Providing high quality council homes and landlord services
<b>Relevant Ward Member(s):</b>	N/A
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1** This report seeks approval to adopt a number of new policies in relation to the Council's residential landlord function with effect from April 2021. This will provide clarity on the Council's approach to the areas covered by the policies for tenants, Council Officers, Members and other stakeholders.
- 1.2** Cabinet has noted the current lack of an effective policy framework for the Council Housing Revenue Account services and has welcomed the intention, driven by Corporate Priorities One and Two, to address this area of weakness. The policies seek to address areas of significant risk of either reputational or financial loss due to a clearly adopted policy position.

### 2 Recommendations

**That Cabinet:**

- 2.1** Notes the contents of the Report and the responses received to the consultation on the Policies;
- 2.2** Approves the following policies effective from 01 February 2021:
- 2.2.1** Void Policy;

**2.2.2 Tenancy Management (Legal Action) Policy;**

**2.2.3 Right to Buy Policy;**

**2.2.4 Aids and Adaptation Policy; and**

**2.2.5 Domestic Abuse Policy.**

**2.3 Delegates authority to the Director for Housing and Communities for:**

**2.3.1 in relation to the Right to Buy Policy, making an application to the Secretary of State seeking “rural area” exemption for eligible parishes within Melton Borough; and**

**2.3.2 making minor amendments and if required further amendments to reflect changes in regulation or legislation to the policies approved at 2.2.1 – 2.2.5**

### **3 Reason for Recommendations**

**3.1** The Council’s Corporate Strategy 2020-24 commits to “providing high quality council homes and landlord services” as Priority Theme Two. To achieve this, a clear policy framework is essential. The Council has a number of functions where policy is either out-of-date or reliant on custom and practice, rather than a formally approved policy statement.

**3.2** The proposed policies apply good practice to the Melton perspective and seek to balance the Council’s business needs with its ongoing commitment to support tenants wherever possible.

### **4 Background**

**4.1** An assessment of the current policy framework undertaken as part of the Housing Improvement Programme has identified the following as areas where there is either a significant risk to the Council of either financial or reputational damage due to a lack of a formally adopted policy:

- Void Policy;
- Tenancy Management (Legal Action) Policy;
- Right to Buy Policy;
- Aids and Adaptation Policy; and
- Domestic Abuse Policy.

**4.2** Accordingly, work to revise and/or develop policy has been undertaken over the past four months, including consultation. These policy areas are dealt with individually below.

### **5 Main Considerations**

#### **Void Policy**

**5.1** Following on from the focus given by the Scrutiny Committee’s Task and Finish Group work on Voids in 2019, the policy brings together a number of recommendations from that Group together with good practice from the Chartered Institute of Housing. The most significant aspects are tabulated below:

**5.2** The policy adopts the following mission statement:

Minimise loss to the Council through the efficient letting of homes at the right time to the required standard

**5.3** The policy adopts the following key priorities:

- Provide a safe and secure home;
- Ensure that our homes meet the Decent Homes Standard;
- Improve re-let timescales;
- Provide a re-let standard that meets customers’ expectations;
- Capture excellent data on the property and its major components; and
- Maximise the use of IT.

**5.4** The policy commits to undertaking major capital works during the void period – the second bullet point above, and sections 4.3.4 and 4.3.5 within the policy, and commits to a Melton Void Quality Standard (MVQS) – this is detailed in the Appendix to the Policy.

### **Tenancy Management (Legal Action) Policy**

**5.5** Naturally, the Council has the ability as a landlord to take action against tenants in relation to breaches of the tenancy agreement. A policy makes clear the steps the Council will take in deciding what action, if any, it will take where it identifies tenancy breaches.

**5.6** It may be helpful in the broader context to confirm the Council aims to actively develop and facilitate a culture where tenants understand and act upon their responsibility to meet their obligations. Key principles that underpin this culture are:

- rent is a priority debt;
- the prioritising of other debts will not be accepted as a reason for non-payment of rent;
- tenants have responsibility for payment of their rent, even if they are in receipt of Housing Benefit or Universal Credit;
- nurturing an active engagement between tenants and Council officers;
- the Council supports tenants who are struggling through the work of Housing Officers, Benefits Officers, the Case Management and Intensive Housing Management Service, or alternatively, signposting to external agencies.

**5.7** The Council’s approach is to enable an effective and continuous conversation with all tenants. The Council will ensure this contact is appropriate to the individual and proportionate to the situation so as not to over burden or confuse. It is hoped this approach will ensure tenants have a clear understanding of their options, rights and responsibilities and that officers are available to work with them.

**5.8** The Council is sensitive to the ongoing impact of Covid-19 at the time of developing this Policy; the Council is operating in unprecedented times. Government has given clear direction in respect of their expectations of Councils in the recovery of rent and support to

tenants affected. The Council will operate at all times in accordance with the current guidance which may vary from the above “usual” approach to tenancy enforcement.

**5.9** The key principles underpinning the Policy are:

- the housing service will clearly explain to tenants specific actions they must take to avoid legal action at each stage;
- the housing service will actively promote joint working with other Council departments and external agencies;
- that procedures and agreed practices will be implemented consistently across the service;
- that training will be provided to ensure all staff are fully equipped to carry out the roles expected of them; and
- that all communication will be in plain language and will make clear who the appropriate officers are to provide advice and assistance.

**5.10** The framework for possession action is suggested as follows:

- where there are rent arrears in excess of the equivalent of ten weeks rent and no effective agreement;
- where there are long-standing rent arrears and a history of broken agreements to repay;
- where there is a significant breach of tenancy and appropriate time and advice/support has been given for it to be rectified;
- where there are a number of less significant breaches of tenancy and appropriate time and advice/support has been given for them to be rectified;
- where there is evidence of significant neighbour nuisance and appropriate time and advice/support has been given for this to be rectified;
- where there is a criminal conviction related to the use of the property (e.g. possession of illegal drugs found at the property) or in its locality; and
- evidence of serious ASB in the locality of the property.

**5.11** In deciding to apply for an eviction, the following issues are suggested:

- where an outright order has been obtained;
- where there is clear evidence of continued tenancy breaches, significant either in frequency or impact;
- where opportunity has been given to remedy the breach(es), but they have not been resolved;
- in rent arrears cases, where the tenant is more than ten weeks behind the Court order and has been given opportunity to catch up, or where the tenant is repeatedly failing to make payments as ordered by the Court;
- where there is clear evidence of risk to the community, or to Council Officers or contractors.

### **Right to Buy Policy**

**5.12** The Right to Buy gives Secure Tenants the statutory right to buy their own home at a discount (there are a few exceptions based on property type). Increased RTB sales

means less rental income over the long term which impacts negatively on the 30 year Housing Revenue Account Business Plan - reduced income results in a reduction in excess rental income over expenditure in the HRA Operating Account – therefore results in a reduced contribution to the Major Repairs Reserve. This key strategic risk has informed the key aspects of the policy, summarised below.

**5.13** The Housing Act 1985 gave applicants a right to a mortgage provided by the Local Authority. This was intended to assist applicants who were purchasing a dwelling classed as “defective” (meaning non-standard construction). This right was amended and repealed in October 1993. There is no requirement for the Council to provide a mortgage in respect of a dwelling classed as defective; the Local Authority ‘may’ advance money, i.e. the power is discretionary. Applicants are able to obtain a mortgage on this property type with far lesser restriction than previously and the Council is now a self-financing landlord. The Council may wish to consider if assisting tenants to buy is compatible with the risks posed to its landlord function by Right to Buy sales. The Policy proposes to not offer mortgages or financial assistance to applicants.

**5.14** Section 157 of the Housing Act 1985 provides that local authorities in certain areas can impose certain restrictions on the subsequent resale of homes acquired under the Right to Buy scheme – this includes areas designated by the Secretary of State as ‘rural’. Local authorities may apply to the Secretary of State to have specified areas designated as ‘rural’. When an application is submitted, an assessment is made for each parish in the area for which designation is sought. The criteria are that:

- There should be a population density of no more than two persons per hectare, and
- Towns with more than 3,000 inhabitants are ineligible.

The exemption does not prevent the Right to Buy. It does, however, allow the Council to place covenants on the resale of the property. Typically, this could include: “they [the purchaser] must have lived or worked in Melton, or a combination of the two, for three years immediately prior to purchase. If there are two purchasers, only one person has to satisfy this requirement.”

Initial desk top research shows the following parishes may be eligible for this exemption, and this is attached as Appendix C2 to this report. It is proposed an application is made to obtain this rural exemption, to preserve rural areas for those with a local connection.

A summary of specific policy areas may be helpful; the overall intention is to make sure applications are processed as efficiently as possible whilst avoiding loss to the Council:

- Application for rural exemption is confirmed;
- acting lawfully but robustly to check identity, eligibility and qualifying tenancies (discount);
- the Council will not reduce the valuation provided by the independent surveyor without appeal to the district valuer;
- Notices of completion will be served without delay;
- mortgage and other financial assistance will not be offered;
- the Council will exercise its right to “buy back” the property where there is a business case to do so, following procedures laid down in the constitution; and
- only in exceptional circumstances will the discretion to waive repayment of the discount will be considered.

## **Aids and Adaptations Policy**

- 5.15** The Council receives applications to undertake works to its properties to assist with meeting the needs of tenants whose circumstances have changed and their home no longer meets their needs. This can range from simple installations of handrails or ramps to assist access to requests to undertake significant works (extensions for example). Making better overall use of the housing stock and meeting more needs, including those with disabilities, is a legitimate aim.
- 5.16** Melton Borough Council as a landlord meets the cost to supply and fit aids and adaptations to council homes. These costs are met through the Council's Housing Revenue Account.
- 5.17** The policy covers two areas: adapting existing homes and the allocation of and best use of existing stock currently part or fully adapted to meet housing demand. The policy recognises the impact aids and adaptations in and around the home can have in helping someone with a disability to maximise their independence and recognises that alternatives to the provision of new adaptations will be explored with the tenant and their household and in some cases tenants will be required to move to more suitable accommodation.
- 5.18** A summary of specific policy areas may be helpful:
- definitions of minor and major adaptations and the processes associated with managing the application, including an options appraisal where appropriate to ensure a best value approach is taken (it should be noted cost is not a determinant of this process, but the practicality and reasonableness of works compared to the need of the household and supply of suitable alternative accommodation is taken into account);
  - eligibility for aids and adaptations (in essence, the tenant(s) and permanent members of their household);
  - provision of service charges where appropriate for the servicing of specialist equipment;
  - the direct let and re-allocation of properties with adaptations.

## **Domestic Abuse Policy**

- 5.19** The government defines domestic abuse as: any incident or pattern of incidents of controlling, coercive or threatening behaviour, violence or abuse between those aged 16 or over who are or have been intimate partners or family members regardless of gender or sexuality. This can encompass, but is not limited to the following types of abuse: psychological, physical, sexual, financial or emotional.
- 5.20** Domestic abuse cuts across ethnicity, class, socio-economic groups, sexuality and age and there are barriers for anyone disclosing or exiting a relationship where there is abuse. However, domestic abuse is experienced disproportionately by women because of gender inequality and power dynamics between men and women.
- 5.21** In addition, the economic and housing impacts are considerable and this is a key way in which landlords can both become aware of domestic abuse cases and help support victims:
- 40% of people living with domestic abuse have an ASB complaint made against them compared to 9% of all other tenants;

- of a sample 121 women who came into and exited homelessness services in 2015, 22% had a secure tenancy on arrival while only 13% of service users had a secure tenancy after leaving emergency accommodation
- victims are four times more likely to have Notice of Seeking Possession – 63% compared to 15% of all tenants.

**5.22** In June 2018, the then-Chartered Institute of Housing President Alison Inman launched the “Make a Stand” presidential campaign to tackle domestic abuse. It centred on a pledge (developed in partnership with the Domestic Abuse Housing Alliance and Women’s Aid) for housing organisations to commit to “Make a Stand” and publicly commit to take action to support victims of domestic abuse. The Council, in adopting this Policy, would be able to sign up to this pledge.

**5.23** Naturally, the Council has existing strategies and policies in place that are relevant to domestic abuse issues (for example, the Community Safety Strategy), however this proposed policy draws them together in one place to make clear the Council’s approach in relation to domestic abuse within its landlord and community safety functions.

**5.24** Cabinet will be reassured that the Policy confirms current practice in terms of the Council’s activities and, compared to the advice and information circulated to help organisations meet the pledge, there are no significant gaps. Council Officers will be made aware of the adoption of the Policy, but there are no significant changes necessary to existing procedures, which meet the Policy’s aims and intentions, which can be summarised by the commitment contained within the Policy:

We believe that no one should live in fear of violence or abuse. We take domestic abuse seriously and are committed to providing a sensitive and confidential response to anyone approaching us for assistance in cases of domestic abuse. The Council believes it can make a stand in its community safety role (i.e. as a community leader) and as a landlord. Above all, we have a ‘zero tolerance’ approach to domestic abuse.

## **6 Options Considered**

**6.1** As there is a clear need for policies, their adoption is felt necessary. Options in terms of choices within each policy are covered above.

## **7 Consultation**

**7.1** Valuable feedback was given during discussion of the draft policies at Scrutiny Committee on 03 November 2020 and amendments were made taking into account the feedback given.

**7.2** Consultation has also taken place with the Tenants Forum Executive Committee (TFEC), who have welcomed the introduction of new policies. TFEC’s comments have been taken into account in the formulation of the policies.

**7.3** The Domestic Abuse Policy was shared with the Community Safety Partnership, who welcomed the proposed policy.



## **8 Next Steps – Implementation and Communication**

- 8.1** If adopted, training on the policies will be rolled out and they will be made available on the Council’s website.
- 8.2** Further work will be undertaken on the rural exemption request and an application made to the Secretary of State during 2021/22.

## **9 Financial Implications**

- 9.1** There are no direct financial implications arising from this report, however the resultant clearly adopted policy position will reduce the risks of financial loss to the Council.

**Financial Implications reviewed by: Director for Corporate Services**

## **10 Legal and Governance Implications**

- 10.1** The report recognises the need to review existing policies both in the context of developments in legislation but also in view of the ongoing Housing Improvement Plan.
- 10.2** This report does not specifically highlight any equality implications, however in discharging its duties the Council is required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010.

**Legal Implications reviewed by: Monitoring Officer**

## **11 Equality and Safeguarding Implications**

An Equality Impact Assessment has been completed and is appended to the report; no significant impacts have been identified.

## **12 Community Safety Implications**

The new Domestic Abuse Policy and Tenancy Management (Legal Action) Policy will positively contribute to preventing crime and the fear of crime by stating the types of anti social behaviour and harassment that is prohibited and the support and enforcement action that the council can take should such behaviour occur.

## **13 Environmental and Climate Change Implications**

No direct implications

## **14 Other Implications (where significant)**

- 14.1** No direct implications.



## 15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Risk of legal challenge due to introduction of policies	Very Low	Marginal	Low Risk
2	New policies not fit for purpose	Very Low	Critical	Low Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low				
	2 Very Low		1	2	
	1 Almost impossible				

Risk No	Mitigation
1	This is mitigated due to clear policies being introduced
2	This is mitigated through the use of good practice examples and consultation

## 16 Background Papers

16.1 None

## 17 Appendices

17.1 Appendix A – Draft Aids and Adaptions Policy

17.2 Appendix B – Draft Domestic Abuse Policy

17.3 Appendix C – Draft Right to Buy Policy

17.4 Appendix C1 – Draft Right to Buy Additional Information Request

17.5 Appendix C2 – Additional Parish Information on Rural Exemption

17.6 Appendix D – Draft Tenancy Management Policy (Legal Action)

17.7 Appendix E – Draft Voids Policy

17.8 Appendix E1 - Draft Melton Voids Quality Standard Policy (App 1)

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