

Scrutiny Committee

7 January 2020

Report of:	Housing and Communities Manager
Cabinet Member	Portfolio Holder for Housing & Communities

SERVICE CHARGES

1.0 Summary:

- 1.1 Initial report to the Scrutiny Committee to consider new charges for tenants in blocks with communal facilities to cover the maintenance and servicing of property health & safety equipment provided and the recharge of electricity to tenants using the new mobility scooter pods.

2.0 Recommendations

- 2.1 **To consider and feedback on the new Health and Safety service charge for tenants of the purpose built flats; and**
- 2.2 **To consider and feedback on the new electricity recharge to tenants who wish to make use of the new mobility scooter pods.**
- 2.3 **To provide feedback and recommendations to Cabinet in relation to the introduction of the new charges.**

3.0 Report Detail

- 3.1 The standard fees and charges for 2020/21 have already been signed off by the Portfolio Holder as per the Financial Procedure Rules, however two new charges are proposed.

- 3.2 From 1 April 2020 it is proposed to recharge to tenants the costs associated with Health & Safety and Fire risk works in the communal areas of all purpose built flats in the Borough. These charges would be in addition to any accommodation charges already recharged to tenants.

The Health and Safety works consist of Fire safety risk assessments (annual), Asbestos surveys (reviewed annually), Electrical surveys (every 5 years), and regular testing and servicing of Fire extinguishers, fire alarms and emergency lighting.

Details of each of these elements of costs is contained in appendix A and totals £2.90 per flat per week (£150.80 per year)

The new service charge would generate £67,870 per year to the HRA assuming 2% voids. Leaseholders to these properties are already charged for any servicing to their blocks as well as any works done following surveys etc. The charge would be subject to Housing Benefit for tenants.

- 3.3 Mobility scooters in the communal areas have been a cause for concern in recent years with them containing combustible batteries adding to the risk of causing fire as well as them potentially blocking access routes through the buildings in the event of a fire. The secured storage space outside the buildings is proposed in form of mobility scooter pods at St Johns Court with the possibility of more to be introduced in other blocks, as per the Mobility Scooter Policy.

The proposal is to charge the users of these pods for the electricity used to recharge their scooters. The cost of this electricity is estimated at £68pa per scooter, and tenants would be invoiced annually for this service, separate to their rent. This charge would not be subject to Housing Benefit.

- 3.4 The proposed service charges capture all elements of costs regarding ongoing monitoring of communal areas which can currently be recharged to residents. Further advice regarding the recharging of improvement works will be explored for potential inclusion in the Fees and Charges report 2020/21.

4.0 Consultation and Feedback /

- 4.1 Discussions with mobility scooter users have been undertaken, specifically at St John's Court, where mobility scooter pods are being proposed. Potential users of the pods were satisfied with the proposed new charge, as it covers the additional electricity usage. Currently the users are charging the scooters in their own homes and paying for the electricity costs.

5.0 Next Steps

- 5.1 The new charges will form part of the Cabinet recommendations to Council as part of the HRA budget and rent setting report.

6.0 Financial Implications

- 6.1 The costs associated with the compliance of our blocks of flats will be incurred whether a service charge is levied or not. The additional income raised will improve the financial health of the HRA.

7.0 Legal and Governance Implications:

- 7.1 Section 21 of the Housing Act 1985 provides the Council with powers for the general management, regulation and control of its dwelling stock.

Section 111 of the Local Government Act 1972 provides powers for a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

Section 24 of the Housing Act 1985 states that the Council may make such reasonable charges as it determines for the tenancy or occupation of its dwellings and that it must review rents from time to time and make such changes as circumstances require.

The provisions of Section 103 of the Housing Act 1985 require the Council to serve a notice of variation on its tenants if it wishes to vary the terms of tenancies, including any increase or decrease in rent and other charges. The notice of variation must be served at least four weeks before it is to take effect. Section 103(2) is concerned with the requirement to serve a preliminary notice on tenants which affords the opportunity for tenants to comment. However, this requirement does not apply to a variation (which includes both addition and deletion) of the rent, or of payments in respect of services or facilities provided by the landlord. Similarly, the Council's duties in relation to the consultation of tenants on matters of housing management, as set out in Section 105 of the Act, do not apply to rent levels, nor to charges for services or facilities provided by the authority.

The Council is permitted by section 93 of the Local Government Act 2003 to charge for discretionary services provided that taking one financial year with another the income from charges for discretionary services does not exceed the cost of provision.

8.0 Equality and Safeguarding Implications:

8.1 An equalities impact has not yet been undertaken in time for this report but will be considered for the HRA budget and rent setting report.

8.2 Pursuant to Part II of the Equality Act 2010, public authorities must, in the exercise of their functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and,
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment; pregnancy and maternity, race, religion and belief, sex and sexual orientation) and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and,
- encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

9.0 Community Safety Implications:

9.1 None

10.0 Other Implications

10.1 None

11.0 Risk & Mitigation:

11.1 There are no risks associated with this report.

Background Papers:

None

Appendices

Appendix A – Breakdown of Costs included in New Health & Safety Service Charge.

Report Timeline:**Dated:** *(initials and date)*

Equalities Check & Challenge	N/A
SLT Sign off	N/A
Previously Considered by Cabinet	N/A
Director Approval	23.12.19
Chief Finance Officer Sign Off	23.12.19
Finance Sign Off	19.12.19
Legal Sign Off	19.12.19
Monitoring Officer Sign Off	19.12.19
Consultation with Portfolio Holder	20.12.19

Report Author & Job Title

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