

You are requested to attend a meeting of the Tenant Services Management Board to be held in The John Meikle Room, The Deane House, Belvedere Road, Taunton on 30 June 2014 at 18:30.

Agenda

- 1 Apologies.
- 2 Public Question Time.
- 3 Declaration of Interests
To receive declarations of personal or prejudicial interests, in accordance with the Code of Conduct.
- 4 Taunton Deane Borough Council's Council Tax Support Scheme Proposals for 2015/15 - (Feedback from Tenant Services Management Board). Report of the Principal Benefits Officer (verbal).
Reporting Officer: Mark Antonelli
- 5 Taunton Deane Borough Council's Tenancy Policy Update. Report of the Housing Services Lead (attached).
Reporting Officer: Stephen Boland
- 6 Taunton Deane Borough Council's Accommodation Project. For Appendices 1 and 2 see confidential items. Report of the Director Housing and Communities (attached).
Reporting Officer: James Barrah

The following items are likely to be considered after the exclusion of the press and public because of the likelihood that exempt information would otherwise be disclosed relating to the Clause set out below of Schedule 12A of the Local Government Act 1972.

- 7 Confidential Appendices for Item 6 - Taunton Deane Borough Council's Accommodation Project. Report of the Director Housing and Communities (attached).
Reporting Officer: James Barrah

Bruce Lang
Assistant Chief Executive

22 August 2014

Members of the public are welcome to attend the meeting and listen to the discussions.

There is time set aside at the beginning of most meetings to allow the public to ask questions.

Speaking under "Public Question Time" is limited to 4 minutes per person in an overall period of 15 minutes. The Committee Administrator will keep a close watch on the time and the Chairman will be responsible for ensuring the time permitted does not overrun. The speaker will be allowed to address the Committee once only and will not be allowed to participate further in any debate.

Except at meetings of Full Council, where public participation will be restricted to Public Question Time only, if a member of the public wishes to address the Committee on any matter appearing on the agenda, the Chairman will normally permit this to occur when that item is reached and before the Councillors or Tenant Services Management Board Members begin to debate the item.

This is more usual at meetings of the Council's Planning Committee and details of the "rules" which apply at these meetings can be found in the leaflet "Having Your Say on Planning Applications". A copy can be obtained free of charge from the Planning Reception Desk at The Deane House or by contacting the telephone number or e-mail address below.

If an item on the agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

These arrangements do not apply to exempt (confidential) items on the agenda where any members of the press or public present will be asked to leave the Committee Room.

Full Council, Executive, Committees and Task and Finish Review agendas, reports and minutes are available on our website: www.tauntondeane.gov.uk



Lift access to the John Meikle Room and the other Committee Rooms on the first floor of The Deane House, is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available off the landing directly outside the Committee Rooms.



An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter.

For further information about the meeting, please contact the Corporate Support Unit on 01823 356414 or email r.bryant@tauntondeane.gov.uk

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Tenant Services Management Board Members:-

Mr D Etherington	(Chairman)
Mrs J Hegarty	(Vice-Chairman)
Councillor R Bowrah, BEM	
Mrs J Bunn	
Mr M Edwards	
Mr D Galpin	
Mr I Gould	
Mr K Hellier	
Mr R Middleton	
Councillor Miss F Smith	

Declaration of Interests

Tenant Services Management Board

- Taunton Deane Borough Council Housing Tenants;
 - Mrs J Bunn
 - Mr M Edwards
 - Mr D Etherington
 - Mr D Galpin
 - Mr I Gould
 - Mrs J Hegarty
 - Mr K Hellier
 - Mr R Middleton

- Family Member(s) are Taunton Deane Borough Council Housing Tenant;
 - Councillor Bowrah
 - Councillor Miss Smith

Taunton Deane Borough Council

Tenant Services Management Board 30th June 2014

Taunton Deane Borough Council Housing and Communities Tenancy Policy: Further discussion on the proposal.

Report of Stephen Boland- Housing Services Lead (This matter is the responsibility of Executive Councillor Jean Adkins)

1.0 Executive Summary

Taunton Deane Borough Council (TDBC) Housing and Communities has undertaken further consultation in relation to the creation of a new tenancy policy for the service.

Tenant Services Management Board members are requested to consider, comment and make recommendation to the Executive Councillor for Housing on the proposed new tenancy policy at TDBC.

2.0 Introduction and background information

In November 2010, the Government published *Local decisions: a fairer future for social housing*, setting out plans for radical reform of the social housing system.

In addition to other matters, the paper made clear the Government's intention to change the legislation governing the types of tenancies granted to social housing tenants.

These changes are intended to provide greater freedoms and flexibilities for local authorities and social landlords to meet local needs and local priorities; make better use of resources; promote fairness; and ensure that support is focused on those who need it for as long as they need it.

The Localism Act 2011 places a statutory duty on local authorities to adopt a tenancy strategy, to which registered housing providers must have regard when framing and reviewing their own tenancy policies.

A meeting of the Tenant Services Management Board on 16th September 2013 requested officers undertake further consultation on the creation of a new tenancy policy.

For ease of reference the Minutes of the Tenants Services Management Board meeting relating to Item 8 – Tenancy Agreement held on the 16th September 2013 are reproduced at Appendix 1.

3.0 TDBC Housing and Communities – Tenancy Policy

A consultation exercise was carried out between December 2013 and March 2014. The consultation exercise included: Postal survey; Presentations and surveys to community groups; Presentations and surveys to housing staff and members of external organisations. A total of 186 responses to the consultation were received and findings have informed the creation of the proposed new tenancy policy for TDBC (See Appendix 2).

4.0 Implementation

Work would need to be undertaken in creating new tenancy agreements and operating procedures, staff would also need to receive appropriate training.

Subject to an approval process being completed by September 2014, it would be reasonable for all preparations to be completed for implementation of the proposed new policy with effect from 1st April 2015.

5.0 Finance

Preparing the service for the introduction of new forms of tenancy agreement, operating procedures and training could all be carried out in-house and within existing budgets.

Once operational it is not envisaged that implementing introductory tenancies would significantly increase administration costs and therefore could be managed within existing budgets.

Based on the current average turnover of council properties per year, staff would be undertaking approximately 420 flexible tenancy reviews in 2020/21. Assuming that each tenancy review will take an average of one working day, the introduction of flexible tenancies will create approximately 420 days additional work for the service. Additional staff cost to carry out this work is estimated at £66,000 at current rates within our service.

Whilst there is inevitably a cost to carrying out the tenancy reviews, the reviews will ensure that any property continues to be occupied by the tenant it was let too and continues to meet their needs. Effectively a tenancy audit will be undertaken and this has been something the service has been requested to consider introducing for some time.

It is difficult to forecast the impact that introductory tenancies and flexible tenancies alone will have on void costs in six years' time.

It would be reasonable to predict a higher than average turnover of properties, although it is not expected that this will be significant. Currently the average void cost is about £2,600.00. If we assume that property turnover goes up from the current year's average by 10% across the borough as a result of introductory tenancies and flexible tenancies not being renewed, we can expect an extra 42 voids. This equates to an increase of £109,200.00 in void costs. If we also assume an average void period of 4 weeks and an average rent of £82.06 at 2014/15 then a rental loss of £13,800.00 can also be assumed.

Whilst it is highly likely that management and void costs will increase, we can also assume that knowledge amongst tenants that serious tenancy breaches such as anti-social behaviour, property damage/neglect and rent arrears will affect whether a new tenancy is granted and so it can be expected that this will lead to savings in management and void costs associated with dealing with these issues.

6.0 Recommendation

TSMB are requested to:

- Consider, comment and make recommendation to the Executive Councillor for Housing on the proposed new tenancy policy for the Housing and Communities Service at Taunton Deane Borough Council, with particular reference to:
 1. Proposals to utilise introductory tenancies;
 2. Proposals to utilise flexible tenancies; and
 3. Proposals to utilise secure tenancies.

Contact: Stephen Boland Housing Services Lead
Direct Dial No 01823 356446
E-mail address s.boland@tauntondeane.gov.uk

Appendices:

Appendix 1 – Minutes of the Board Meeting of 16 September 2013
Appendix 2 – Tenancy Policy

Minutes of the meeting of the Tenant Services Management Board held on Monday 16 September 2013 at 6pm in The John Meikle Room, The Deane House, Belvedere Road, Taunton.

Present: Mr Dustyn Etherington (Chairman),
Mrs J Hegarty (Vice-Chairman),
Mrs J Bunn, Mrs E Drage, Mr M Edwards, Mr D Gaplin, Mr R Middleton,
Councillor Bowrah and Councillor Wedderkopp.

Officers: Stephen Boland (Housing Services Lead), Norah Day (Housing Estates Manager), Steve Esau (Property Manager - Maintenance), Phil Webb (Housing Manager – Property Services), James Barrah (Health and Housing Manager), Martin Price (Tenant Empowerment Manager) and Emma Hill (Corporate Support Officer).

Others: Councillors Jane Warmington
Andrew Hinchcliffe from Somerset County Council

(The meeting commenced at 6.00pm)

1. Apologies

Mr K Hellier

2. Minutes

The minutes of the meeting of the Tenant Services Management Board held on 19 August 2013 were taken as read.

3. Public Question Time

No questions received for Public Question Time

4. Declarations of Interest

Mr D Etherington, Mrs J Hegarty, Mrs J Bunn, Mrs E Drage, Mr M Edwards, Mr D Gaplin and Mr R Middleton declared an interest as a Taunton Deane Borough Council Housing Tenant. Councillor Bowrah declared an interest that a member of family was a Taunton Deane Borough Council Housing Tenant.

5. Somerset County Council's Consultation on changes to Children's Centres

Andrew Hinchcliffe of Somerset County Council gave a verbal update on Somerset County Council's Consultation on possible changes to the county's Children's Centres. This consultation and review of Children Centre facilities within the county didn't necessarily mean closure of facilities. This was a review of the way each facility was currently used and what the community needs and wants.

The consultation was aimed at communities and families to gather their opinions and comments on what they wanted and needed from their local facilities as well as how and what services they want or need to access from the same facilities.

SCC asked the Board Members for help in contacting local communities and families within the Taunton Deane area to take part in the consultation. SCC would be placing access to the consultation at all the county's Children's Centres as well as other community facilities for example Acorns, Holly's, Hillside, Bishop Henderson School, The Villages, Wellington and Bishop Lydeard.

During the discussion of this item, board members and the public made the following comments and asked questions:- (*Responses shown in italics*)

- What services did the Children's Centre facilities deliver to their communities?
SCC Children Centres provide venues that families want to go to seek the services they require. These provide single locations for a variety of services preventing the need for families to go to many different locations for services. For example, early years services helping the families to deal with small issues before they become much bigger ones.
- Could the current facilities be used for anything else by their communities? For examples, local youth clubs for older age ranges if the facilities weren't used much at the moment.
Anything was possible, opening up these facilities to use by other elements of the communities.
- Would SCC be looking at providing services to families and communities at these facilities such as education, improving health of children and budgeting?
SCC currently provides such services at Children's Centres.
- Did SCC have access to benefit information to help target those families most in need of help?
SCC didn't have access to that information but using such examples as 'The One Team' gather knowledge about such families.
- What about Rural families? Were there such facilities in the needy rural areas?
The Internet has a part to play in this as well as Health Visitors and Mid-Wives. SCC would use these existing services to help identify those rural families that may have fallen through the net. Looking to work as one team.
- There were families in rural areas without transport; would SCC consider looking into providing transport for the areas to enable the access to services?
We were not looking to close services or centres. It's about changing the existing centres to a different form for the community. Transportation was a bigger issue than just access to services and children's centres. This was a multi-agency/department issue.
- It was suggested that SCC contacted the Tenants' Forum as well on this.

Resolved that the Board noted the Officer's report.

6. Tenancy Agreement Report

Considering the report previously circulated, concerning the Taunton Deane new Tenancy Agreement Policy.

Taunton Deane Borough Council (TDBC) Housing Services was to undertake a review of its current tenancy policy.

In November 2010, the Government published *Local decisions: a fairer future for social housing*, setting out plans for radical reform of the social housing system.

In addition to other matters, the paper made clear the Government's intention to change the legislation governing the types of tenancies granted to social housing tenants.

These changes were intended to provide greater freedoms and flexibilities for local authorities and social landlords to meet local needs and local priorities; make better use of resources; promote fairness; and ensure that support was focused on those who need it for as long as they need it.

Below was a summary of the positive and negative points retaining to either keeping the existing Council Policy or moving away from it.

Positives:

- May make it easier to maintain settled communities & neighborhoods;
- Fewer vacancies meaning lower voids costs;
- Tenants may look after their homes better, improve and invest in them if they think they would be there if there for as long as they want to be, subject to there being no serious tenancy breaches;
- It may be more likely to promote tenant satisfaction.

Negatives:

- Reduces our ability to tackle under occupation;
- Reduces our ability to ensure that our properties continue to be let in accordance with our HRA Business Plan objectives;
- Future tenants may appeal against not being offered a lifetime tenancy.

Below was a summary of the positive and negative points regarding granting flexible tenancies:

Positives:

- Allows us to deal effectively and in a timely manner with under-occupation and with households who no longer need adapted properties;
- Allows us to deal with tenancy fraud better than we currently can;
- Allows us to take an active approach with serious tenancy breaches such as rent arrears, property damage and neglect and anti-social behavior.

Negatives:

- Tenants may be less inclined to improve and invest in their homes;
- Applicants may be less inclined to accept an offer of a flexible term tenancy;
- Higher management costs, void refurbishment costs and voids rent loss;
- Likely to incur additional management costs to the service to deal with additional administration.

Below was a summary of the positive and negative points regarding granting introductory tenancies:

Positives:

- Introductory tenants can be evicted much more easily than secure/flexible tenants. The Council didn't have to prove a legal reason in court but they had to follow the correct procedure;
- Contribute to sustainable communities.

Negatives:

- The Loss of security for new tenants during the first year of their tenancy;
- Tenants did not enjoy all of the rights of a secure/flexible tenant. For example, Rights to Exchange, Right to Buy and Carry out improvement etc.

TDBC Housing Services agreed to review its existing tenancy policy. The Policy was a draft tenancy policy proposal for consideration and comment by Board Members.

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- Mixed views regarding how Board Members felt about the Tenancy Policy.
- Agreement with all of proposed actions with Tenancy Policy, It's difficult if you had lived in a property for a long time to move on.
- Concerns were expressed if Tenants had been there for a considerable number of years then personalised and altered the property wouldn't be very happy if moved onto a flexible five year tenancy.
- Don't think it is fair to move tenants on from properties if they had lived there for many years.
- I think it was a good idea to move tenants on from properties that had too many rooms they do not need even if they had lived there many years
For some tenants, being moved on from their properties may have a physical and mental impact.
- What compensation would be offered to tenants if had rooms full of furniture etc and then had to down size? These tenants would be losing money after decorating and furnishing parts of these properties and may not be able to take it with them.
We could look into the current incentives system with a view to increasing them for Tenants who downsize and leave large properties for smaller to encourage people to move.
- The Council needs to increase the incentives and compensation for Tenants who were downsizing to smaller properties.
- It was suggested to the Board Members by Ward Councillor that they should put themselves into the shoes of those Tenants who in the future would not be getting a secure tenancy but introductory or flexible tenancy. Council needed to increase incentives for tenants who downsize and put more emphasis on the positives in moving properties.
- Council could consider increasing social housing by extending existing two bedroom properties by extending the kitchen and adding a third bedroom above the extension.
- The new arrangement would only apply to 'new' tenants not existing tenants with secure tenancy agreements. There was protection for existing tenants and those tenants with special needs.
- If you were good tenants, then you would not have anything to fear from the flexible tenancy. This approach was to help deal with problem tenants allowing officers and the council to dealing with them quickly and eventually moving them on.

- Who makes the decision about issuing a secure or flexible tenancy? And at what stage would you engage the Housing Portfolio Holder? Is there a chain of command for this?
There was guidance for officers and then there would be discussions with the tenants, they would be notified of the outcome of the decision. The Manager would only get involved if it was a problem/difficult case or a complaint was made. The procedure still needs to be developed for this and Members would have an opportunity to influence that procedure. Officers make the decisions but Manager would get involved at appeal stage.
- The Council evicted a problem neighbour or tenant, would the Council have to re-house them?
Evicted secure tenants had to find their own new accommodation and If an evicted person(s) then tried to register as homeless and were found to made themselves intentionally homeless, the Council did not have to find them accommodation through this either.
- Were there any further plans to increase social housing following the Creechbarrow development?
The Council has put money aside for further development building social houses and this is progressing.
- Did the Council think the government would/or might give money back to the Local Authorities to enable them to build new houses?
Central government had made changes already that allowed the Council to build.
- If a tenant with a secure tenancy makes the decision to downsize and move home, would their tenancy change to a flexible tenancy?
If you were a tenant with a secure tenancy and decided to downsize, your tenancy would not change and you would not be worse off tenancy wise.
- Concerning property extensions, would or were the Council considering this a variable option for housing development?
Extending existing properties from two bedrooms to three bedrooms would be considered when surveyors were making their assessments.
- Eventually over time all Council tenants would have flexible tenancies. Would or could the Council consider increasing the length of the introductory tenancy to longer than 18 months? As well as the introduction of mutual exchange?
The government had set the rules and rights of Council tenants for Introductory Tenancies through the legislation. There was no room for the Council to adapt it.
- How much did Tenancy Fraud cost the Council? Would it be cheaper to tackle tenancy fraud rather than implementing these changes? Consider the inclusion of Estates Officer's visits to every five years?
*Tenants had the right through flexible tenancy to peaceful life and the right to refuse officers entry to the property. The Council didn't have any contact with a portion of its tenants.
Tenants would have the same rights, just not a 'home for life'.*
- This would affect the mixture of age groups with streets and communities as some streets were made up on mostly three bedrooms properties. This would lead to the complete removal of the older age groups from streets and streets full of teenagers. This would change the social dynamic.
There was an argument relating to forcing change in that direction by removing older generations off the estate.
- The board was making decisions on behalf of those young people. The Council was moving forward slowly with the policy and the Board Member would accept the Officers experience.

This was an important topic and needed to do the right thing locally.

- Could the Housing Department approach and exchange views with other Local Authority areas to find out whether or not they had taken on the Tenancy Policy and any comments or feedback.
- Fairest way to introduce this would be to introduce it to all tenants. How many houses were under occupied?

Housing Services would be taking this to Tenant's Forum. The Localism Act protects existing tenancies and the Council cannot alter this.

Resolved that the:-

1. The officer's report was noted.
2. Board Members requested that officers complete more consultation regarding the new Tenancy Policy. This to include new or prospective tenants and the wider community.

7. ALHCO Performance Report for Quarter One 2013/14

Considering the table previously circulated, concerning the monitoring information on the performance of the servicing and repair contract with ALHCO. The Property Manager (Maintenance) reported on Quarter One of 2013/14 showing performance data and report highlighted any issues with the contract and improvements being made.

The spreadsheets detailed the overall performance of Quarter One 2013/14 breakdown into Servicing, Reactive Maintenance, Voids, Requests for Service, Health & Safety, and Finance.

Below was a summary of the ALHCO performance during Quarter One 2013/14:

- ALHCO were on target for Quarter One. 100% achieved.
- Gas Safety; the current position was that only one property outstanding to date. The Council was going through the legal process to gain access.
- There were still problems with data transfer between ALHCO and TDBC.
- Working on improving administration and officer time.

Below was a summary of the ALHCO Reactive Maintenance performance during Quarter One 2013/14:

- Percentages for Reactive Maintenance were improving but not where we want them to be.
- Boiler servicing would be taking place between April and September, while the heating in the properties aren't in use.
- CO detectors were being installed to those relevant properties during existing visits such as servicing.
- Changes to ALHCO had included structure and consolidation of call centres from three into one. The new and main location being in Scotland.
- There was now dedicated section for all TDBC enquiries at the Scotland Call Centre.
- TDBC and ALHCO were currently working on data interface, between our software systems.

During the discussion of this item, board members made the following comments and

asked questions. Responses shown in italics:

- Why had there been a reduction in the revenue from scrap metal?
Most of Scrap revenue had come in smaller instalments. The officer would find out for the Board and bring answer with the next Performance Report.
- When would all the properties have CO detectors installed in them? The Board Member mentioned they hadn't had a CO detector fitted yet. They had Solid Fuel heating.
The CO detectors were being installed during the Service period of the properties that require them. Officers said they would look into it and also other Solid Fuel properties as well.
- The Performance figures were better than last Quarter and they were continually improving.

Resolved that the Board noted the Officer's report.

8. Health and Housing Services Quarter One Performance Scorecard 2013/14

Considering the Performance Scorecard tables previously circulated, concerning the Health and Housing Quarter One Performance Scorecard 2013/14. The tables detailed the breakdown of overall performance for Quarter One 2013/14.

Looking at each section of the performance scorecard for Quarter One, the figures and percentages as follows:

- Managing Finances (Housing) – There was 9 measures of which 56% were Green, 33% were Red and 11% were N/A.
- Service Delivery (Satisfaction) - There was 11 measures of which 55% were Green and 45% were Amber.
- Service Delivery (Decent Homes) – There was 2 measures of which 50% were Green and 50% were Red.
- Service Delivery (Manage Housing Stock) – There was 18 measures of which 50% were Green, 11% were Amber and 22% were Red.

Below is a summary of the planned actions that were off course:

- Housing Services - Estate Management. Our arrears figures were higher than target at the end of the quarter but the position had now improved and it was better than the target as of 5th July 2013.
- Local Authority Minor and Major Aids and Adaptations, spend against budget – there were ongoing discussions to establish the predicted end of year position.
- One Measure for Decent Homes was off course. New person in post to lead on retrofit project and had started to look at SAP ratings data.
- Housing Services Diversity Information. We hold 54.87% of diversity information which had increased since last quarter. We had increased our target from 58% to 90%.
- Two Repairs and Maintenance measures relating to completion on time. Whilst the indicators had not met target, there had been an improvement of 3.45% on Q4 for 24 hour repairs and 2.24% for 3 working day repairs.
- Local Authority Major Aids and Adaptations, end to end completion time. The figure reported was 32 weeks with the exception of two cases which if removed from the figures the completion time would be 21 weeks.

Below is a summary of the planned actions that had uncertainty in meeting them:

- Housing Services – 4 Satisfactory measures. The 2013 Star survey (conducted every two years) reported satisfaction figures in general needs tenants and sheltered housing tenants which were below target. We were waiting for our council national rankings.
- Repairs and Maintenance. 97.07% of tenants were satisfied with the repairs and maintenance service, our target is 98%.
- Lettings – The % of properties accepted on first offer was slightly short of target. The service was confident that the target would be met next quarter.
- Local Authority Major Aids and Adaptations, number of applications if current trends continue the service would process 72 applications not the 84 target.

Below was a summary of the planned actions that were on course:

- Housing Services, expenditure against budget. The current forecast was for the revenue account to be £99,580 overspent against a budget of £24,950,700 which was 0.4% overspend.
- Housing Managing Finances – 4 measures were better than target.
- Lettings Team Measures – 7 measures were better than target.
- Gas servicing satisfaction measure better than target.
- Supported Housing Satisfaction Measure – was better than target.
- Local Authority Major Aids and Adaptations – 100% satisfaction.
- Gas Safety Certificate 100% against 100% target, this position had improved again since last month.
- Three Community Development measures are on track.
- Repairs and maintenance – 91.87% of non urgent repairs were complete within priority time of 28 days; this was up from 89.03%. Target is 85%
- Local Authority Minor Aids and Adaptations – 452 predicted by year end against a target of 350

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- Why had there been an increase in the Housing Services Diversity Information?
There were seven areas of data that were collected. This helps the Council to alter the services to meet everyone's needs. So far Officers experience and Members decisions and choices had directed services. But now the Council uses the information to build a profile about our customer to changes services i.e. range of ways to pay their rent. They had the opportunity to influence the way the Council delivers those services.
- Board Members suggested including an explanation as to why the Council were asking these questions. This would encourage people to answer them.

Resolved that the Board noted the Officer's report.

TPAS Conference – Tenant Empowerment Manager approached the Board about a replacement Board Member to go to the TPAS conference in place of Mr K Hellier as he was unable to go.

Resolved that no replacement was available to attend.

(The meeting ended at 8.27pm)

Housing and Communities

Tenancy Policy

1.0 Introduction

It is good practice for all registered providers of social housing to have in place a tenancy policy that sets out the type of tenancies that they grant, the circumstances that each will be granted etc. This policy sets these out for Taunton Deane Borough Council (TDBC) as a landlord of social housing.

This policy has been created with reference to the Countywide Tenancy Strategy for Somerset – June 2012; Homes and Community Agency Regulatory Framework for Social Housing Providers in England – April 2012; Localism Act 2011; and several relevant Housing Acts.

2.0 Policy

Purpose:

This policy aims to:

- Ensure all tenancies are granted fairly;
- Ensure TDBC's approach to granting tenancies is transparent;
- Help and ensure accommodation is focused on those who need it most, when they need most;
- Contribute towards maintaining healthy and sustainable communities;
- Ensure existing tenancies of secure tenants are protected and respected;
- Recognise that security of tenure is the best option for some groups, particularly for older people and those with long term illness or disability; and
- Assist in preventing tenancy fraud.

3.0 Types of tenancy

We will grant a range of tenancies; and all current tenants will remain on their existing tenancy types:

3.1 Introductory Tenancy

Introductory tenancies will be granted to all tenants new to Taunton Deane Borough Council. The purpose of an introductory tenancy is to allow Taunton Deane Borough Council to be satisfied that the tenant or tenants are suitable to have either a secure tenancy or a flexible tenancy.

Introductory tenancies will not be granted for:

- TDBC tenants who are transferring to another dwelling house within our stock, unless they are already introductory tenants, in which case they will be granted a new introductory tenancy;
- Tenants of another registered provider or local authority who transfer to TDBC, unless they are already introductory tenants, in which case they will be granted new introductory tenancy; and
- Tenants who are granted temporary accommodation. Such tenants will be granted a non secure tenancy.

Introductory tenancies will usually last for twelve months from the tenancy start date and if a tenant's conduct raises concern then the introductory period can be extended for a further six months, giving an introduce period of eighteen months in total.

Before the start of an introductory tenancy, tenants will be told which kind of tenancy (secure or flexible) they will be granted upon successful completion of their introductory tenancy period.

Following the successful completion of the introductory tenancy period an introductory tenancy will automatically become either a secure tenancy or flexible tenancy.

3.2 Flexible Tenancy

New 'general needs' housing tenants will be granted a flexible tenancy upon successful completion of their introductory tenancy period.

3.2.1 Flexible tenancies will not be granted:

- Where, in consultation with TDBC Housing Options, it is determined that due to household circumstances, a tenant offered 'general needs' housing be granted a secure tenancy. Such circumstances will include:
 1. Learning disability;
 2. Chronic physical disability as defined by DWP;
 3. Severe sight impairment; and
 4. Sever and enduring mental health problems
- To tenants who are resident at one of TDBC's designated supported housing schemes.

- 3.2.2** Flexible tenancies will be granted for a fixed term of five years, in addition to any probationary tenancy period.
- 3.2.3** Exceptionally, a flexible tenancy may be granted for a minimum fixed term of less than five years but no less than two years, in addition to any probationary tenancy period.
- 3.2.4** At the end of the flexible tenancy, tenants will normally be offered another flexible tenancy in a property appropriate for their needs, except where a tenant's conduct raises concern during their introductory or flexible tenancy period. For example: serious and persistent rent arrears or incidents of neighbour nuisance/ anti-social behaviour.

3.2.5 Flexible Tenancy Review

There will be a comprehensive appraisal of the tenant's circumstances and options well before the end of the tenancy term.

We will begin the review period of all flexible tenancies at least 12 months prior to the end of the tenancy term.

We will normally renew a flexible tenancy unless there specific reasons not to, such as:

- The accommodation afforded by the dwelling –house is substantially more extensive than is reasonably required by the tenants and his/her family;
- The accommodation is designed for tenants with special needs or who are physically disabled and the tenant and his/her family would no longer require these features;
- The level of income of the household. For example: Where a tenant's gross household income exceeds £60,000 per annum;

Note: The present Government are continuing to develop their proposals in relation to high income social tenants. The Government are keen to ensure that best use is made of social housing, and that those tenants with high incomes, who can afford to pay a fairer level of rent.

- Serious and or persistent breaches of tenancy agreement conditions. For example: Damage to the dwelling-house; neighbour / anti-social behaviour; rent arrears;
- Where we intend to demolish, redevelop or dispose of the property within the next five years; and

- Failure of the tenant to co-operate in the review process;

3.2.6 Granting another Flexible Tenancy or the expiry of a Flexible Tenancy

We shall provide 6 months' notice in writing to the tenant stating whether we propose to grant another tenancy on the expiry of the existing tenancy or that we propose to end the tenancy. In addition we shall provide the reason/s for ending the tenancy as well as informing the tenant about their right to request an appeal.

We shall give the tenant two months' notice in writing stating that we require possession of the dwelling house let under a flexible tenancy;

We shall provide Taunton Deane Borough Council Housing Options Team with advance warning of the expiry of a tenancy where we do not wish to grant a new tenancy at the end of the term.

We shall offer advice and assistance to tenants on finding alternative accommodation in the event that we decide not to grant another tenancy.

We shall consider relevant options with the tenant e.g. issuing a replacement tenancy, home ownership, property sale to the tenant, supported housing, housing in the private rented sector etc. in the event that we decide not to grant another tenancy.

3.3 Secure Tenancy

Secure tenancies will be granted to:

- TDBC secure tenants who are transferring to another dwelling house;
- Tenants of another registered provider who are either secure or assured tenants and transferring to a TDBC dwelling house;
- TDBC introductory tenants who are resident at one of TDBC's designated supported housing schemes; and
- Where, in consultation with TDBC Housing Options Team, it is determined that due to household circumstances, a tenant offered 'general needs' housing be granted a secure tenancy. Such circumstances will include:
 - Learning disability;
 - Chronic physical disability;
 - Severe sight impairment; and
 - Severe and enduring mental health problems.

3.4 Demoted Tenancy

Registered providers can apply to the Court to demote a secure tenancy or flexible tenancy, as a penalty against tenants who have been involved in anti-social behaviour. The Court has no power to demote a tenancy other than for anti-social behaviour.

Where appropriate, TDBC may take legal action to obtain demotion orders against secure or flexible tenancies as part of an approach to tackling serious and persistent neighbour nuisance and or anti-social behaviour.

Where a secure tenant is demoted and the demotion period is completed successfully, the demoted tenancy will automatically become a secure tenancy.

Where a flexible tenancy is demoted and the demotion period completed successfully, the demoted tenancy will automatically become a secure tenancy. If a flexible tenancy is required, we will serve a notice on the tenant prior to the end of the demotion period, informing them that the tenancy is to be a new flexible tenancy and specifying the length of the term and other express terms of the tenancy.

Demoted tenants do not have the same rights as secure tenants. For example, they do not have the right to exchange; succession; take in lodgers; sublet; or Right to Buy.

3.5 Non Secure Tenancy

The tenants residing in a dwelling house that is designated as temporary accommodation will be granted a non-secure tenancy.

Such tenancies do not have the same security of tenure or rights as those set out in flexible or secure tenancies.

4.0 Mutual Exchange

Under the Housing Act 1985 S92 a secure or assured tenant has the right to exchange their tenancy with another secure or assured tenant, subject to the written consent of his/her landlord

Under the Localism Act 2011 if at least one of the tenants, party to the mutual exchange, has a secure tenancy begun before April 2012 and at least one of the tenants, party to the mutual exchange, has a flexible tenancy, then such exchanges must be administered by surrender and the granting of new tenancies. In such circumstances, a tenant who holds the secure tenancy, predated April 2012 and has remained social housing tenants since that date will be granted a secure tenancy. This will ensure that existing tenants retain similar security of tenure to that of their original tenancy. Any flexible tenancy tenants have a new flexible tenancy.

5.0 Tenancy Succession

For flexible tenancies and secure tenancies that commenced from the date of the introduction of this policy there will only be one statutory right of succession to a spouse or civil partner or co-habitee.

6.0 Redevelopment or major works

Tenants who have been moved into alternative accommodation during any redevelopment or other major works will be granted a tenancy with no less security of tenure on their return to settled accommodation.

7.0 Right to Appeal

Tenants may appeal against or complain about the reasons given and the decision to extend an introductory tenancy period from twelve months to eighteen months.

Tenants or prospective tenants may appeal against or complain about the length of fixed term tenancy offered and the type of tenancy offered, and against a decision not to grant another tenancy on the expiry of the fixed term.

8.0 Outline of the appeal process

- Tenant receives notice advising review decision;
- The appeal should be submitted within twenty one days of the date of notice, unless there are exceptional circumstances which have caused the delay;
- Tenants submits written appeal or attends an oral hearing, giving reason/s why s/he thinks the decision is unfair;
- The Housing Manager – Estates and the Housing Options Manager review the decision and make written recommendations to the Housing Services Lead;
- The Housing Services Lead will then make the final decision, in consultation with the Housing Executive member; and
- Tenant will be notified in writing of the decision and the reasons for the decision on the appeal.

DRAFT

Taunton Deane Borough Council

Tenant Services Management Board – 30 June 2014

Council Accommodation

Director of Housing and Communities, James Barrah

(This matter is the responsibility of Executive Councillor Cavill)

1. Executive Summary

This report presents a detailed feasibility study of two future options for Taunton Deane Borough Council Office Accommodation. The two options considered are a new build at Firepool and a move to County Hall. These two options are the Council's preferred accommodation solutions following an options appraisal exercise in December 2013. Members of the board are requested to consider the evaluation and make a recommendation on the Council's preferred option so that detailed planning, commercial negotiation and project management can commence.

2. Introduction and Context

- 2.1 Taunton Deane Borough Council currently has its main office at Deane House. Deane House was built in 1987 and other than some minor internal changes, has had little refurbishment since then. It performs at EPC (Energy Performance Certificate) Level E and some of its infrastructure is coming to the end of its natural life. The building now needs significant investment.
- 2.2 At the same time the Council has the challenge of meeting an unprecedented budgetary challenge and is considering all ways of cutting overhead costs in order to safeguard investment in front line services. This report therefore further considers the future options for the Council's office requirements.
- 2.3 This review focuses on the future of the Council's main office base and looks at options for this. However accommodation cannot be considered in isolation or purely just as a financial and "bricks and mortar" issue. Whilst this report considers a detailed financial and qualitative evaluation of the two options, in making the key leadership decision on a preferred future solution the Council must be mindful of the following factors:
- That the Council's accommodation solution is just one part of our wider transformation agenda which also includes:-
 - IT enablement.

- Our approved Customer Access strategy and in particular moving customers away from face to face interactions to more efficient service channels.
 - Agile and flexible ways of working for staff (remote and home working).
 - The implications of JMASS and a single workforce supporting two Councils.
- The extent and ambition of the Council to seize the current opportunity to improve the service provided to customers by joining up services at the point of face to face delivery in a Town centre location with other public sector partners.
 - The ability for the Council to be as flexible as possible in future to generate ongoing efficiencies to assist in meeting the challenges of our MTFP, including the likelihood of further reductions in head count.

- 2.4 Deane House currently offers 4355 sqm NIA (Net Internal Area). It is currently occupied by around 400 staff mainly from Taunton Deane Borough Council and Southwest One. This includes the Southwest One Call Centre. All of these currently have a desk that they consider “theirs”. The Audit Partnership and Tone Leisure also have small offices within the building. Occupancy surveys show that desks are vacant for 40% of the time.
- 2.5 Deane House costs the Council around £650,000 per annum to occupy. Staying at Deane House will involve significant additional cost. The building is too large for the Councils current requirements. A full Condition Survey has been carried out on the building with recommendations of what work is needed to make it fit for purpose office accommodation. The building requires some £4.3M (inc fees) of expenditure on M&E and backlog, of which c. £3M will need to be spent during the course of the next 2-5 years. Without this investment, the Council runs the risk of the building becoming unfit for purpose.
- 2.6 Other organisations which have chosen to rationalise their office accommodation have at the same time incorporated new ways of working. The outcome of introducing these ways of working is to reduce the amount of office space provided utilising the fact that desk spaces are occupied on for example a 60% basis. So in this case every ten employees would be provided with six workstations. These programmes are described as “Smart Office” or “Agile Working” and rely on investment to enable the ongoing savings to be made. The terminology we have adopted is “Smart Office”.
- 2.7 The evaluation of our accommodation needs includes a range of qualitative criteria, including the importance of a flexible accommodation solution. In addition the evaluation focusses on a “best assessment” of the accommodation needs for the Council as we currently understand them. However it is important to note that this context continues to evolve and change with increasing pace, and as such our accommodation requirement will continue to alter. Key known variables that will have an influence on this issue to a greater or lesser extent include:-

- Contract end for Southwest One 2017 and the extent of any shared services (eg Call Centre) post any decision regarding the future of Southwest One.
- The extent of utilisation of West Somerset House in light of interest from other partners.
- Contract end for Tone Leisure 2019.
- Depot relocation project.
- Extent of IT investment and enablement.
- Outcome of JMASS staff proposals.
- Materialisation of community hubs where Taunton Deane Borough Council's staff may be located eg Halcon and Priorswood.

2.8 A DTZ study from as far back as 2008 (“Local Authority Office Accommodation: A determination to Change”) stated two key findings from their survey of local authorities’ approach to accommodation:

- Reductions in space per employee and improved sustainability credentials were cited as the main achievements; nearly half of the Councils believed that major change projects had significantly contributed to improvements in staff performance.
- Over 40% of respondents reported significant success in implementing new work space strategies including flexible working, improvements in space utilisation ratios and reductions in staff to desk ratios.

2.9 In the last five years since this study, many authorities have embraced this change, including several within Somerset (Somerset County Council, Mendip District Council, Sedgemoor District Council). All have found that it is possible to reduce desk space requirements by circa 40% by introducing new ways of working and investing in modern office space and equipment. All have then sought to share accommodation with other public and community sector colleagues in order to minimise overhead costs. This sharing has brought the additional significant benefit of closer working between organisations and improved access for customers by introducing one stop shop approaches.

2.10 An example of this approach is “Shape Mendip”, based in the District Council Offices in Shepton Mallett. Here the District Council hosts Somerset County Council, the Police and a range of many other public sector agencies and partners at the Council Offices in Shepton Mallett. The facility is branded as “Shape Mendip” and not any single organisation and offers customers an increasingly joined up service at a refurbished reception facility. The refurbished offices now accommodate a greater

number of staff, consequently freeing up other public sector assets for regeneration or release of capital receipts.

3. Background

3.1 During the second half of 2013 an internal review and high level option appraisal was undertaken. This work culminated in the following Council resolution:-

- (1) The Key Principles against which the Council's future accommodation needs would be made be accepted as the correct ones;
- (2) Option 3 – Move to County Hall and Option 4 – New build at Firepool be adopted as the preferred options for the provision of the main office base of Taunton Deane Borough Council as the options which best met the Key Principles; and
- (3) Officers be requested to carry out full feasibility reports on the preferred options.

3.2 Following this and subsequent to a procurement process, the property consultancy "DTZ" were appointed to undertake detailed feasibility study of the two preferred options. The confidential report at Appendix 1 is the culmination of this stage of the exercise.

4. Review Process and Criteria

4.1 During the course of the review a refresh exercise of the previous assessment undertaken by Taunton Deane Borough Council has been undertaken with regard to Taunton Deane Borough Council's floor space requirements, and financial assumptions. This provides some fine tuning of the previous work and also allows the utilisation of Deane House as a baseline or comparison with which to contrast the two options being assessed.

4.2 The review process has also included further engagement with elected members to re-test the Key Principles used in the qualitative evaluation exercise. This has resulted in confirmation that the principles being used are the correct ones and established a ranking of these issues, as follows:

Key Principle	Rank
Asset Retention	1
Premises that are able to change as the authority changes (expand/contract)	2
Opportunities to add value by close working or shared/integrated services with other partners	2
Improvement in environmental sustainability	4
Located within Taunton	4
Make sense for the public purse/taxpayer (public perception)	4
Support the regeneration of Taunton	7

4.3 In addition the review process has now included consideration of potential increased usage of West Somerset House to accommodate the single staff structure supporting both Councils. There is the potential for additional workstations to be provided in West Somerset House on the basis of a more efficient desking layout and the introduction of Smart Office ways of working, thereby reducing the Taunton space requirement. However this would require some one off enabling investment to achieve the full potential capacity of this office; be subject to member approval at West Somerset Council and would require a payment from Taunton Deane Borough Council to West Somerset Council to ensure there is not any cross subsidy taking place between the two authorities. Consequently two floor space requirements are considered in the report dependent on whether full utilisation of West Somerset House can be made.

4.4 The appraisal process brings together two areas of analysis:-

- (1) Financial. A discounted Cashflow Model is utilised, this enables the projected costs of each option over a 25 year period, with a discount factor applied to convert the aggregated sums into Net Present Cost (NPC). The NPC's are then capable of direct comparison.
- (2) Non Financial. The options are tested against the Key Principles outlined above, with weighting applied to reflect the ranking of these principles applied by members.

5. Firepool Option Overview

This option incorporates a new build development immediately adjacent to the new Viridor building. Within this two sub options have been considered:- a 25 year commercial lease; and a Long (999 year) Lease (Virtual Freehold). Dialogue has been maintained with the Council's development partner (St Modwen) throughout the review process. It is important to note that St Modwen's ability to provide a building exclusively for Taunton Deane Borough Council's use based on a reduced space requirement for Taunton Deane Borough Council is restricted. It is therefore likely that a larger building would be provided with the remainder of the space built on a speculative basis. Therefore Taunton Deane Borough Council would be sharing the building with another tenant(s). As part of an ongoing dialogue with St Modwen a number of further variants options have been considered including a smaller building for sole TDBC occupancy. However none of these have improved the financial evaluation of this wider option.

6. County Hall Option Overview

Throughout the life of the review the plans for a Taunton Public Service Hub at the County Hall site have continued to evolve. The "offer" from Somerset County Council is to occupy refurbished Smart Office accommodation in either A or B block. This will include a new shared public reception and new shared member debating

space centred around A block. The reception area may involve a new glass atrium/extension between A and B blocks, incorporating other partners and services such as the Library. As outlined in the DTZ report there is significant interest from a wide range of other public sector organisations in coming to the site, primarily relating to a refurbished C Block. Firm intent has been expressed by the Police.

The County Council intends to make its investment decision on the redevelopment of County Hall as a public sector hub in the next few months. This is so it has enough time to get the accommodation ready to meet the deadlines set by other public service agencies moving to the campus. If the Council wishes to shape the design of County Hall to meet its own needs then there is an imperative to confirm its intention this summer.

7. Option Assessment – Overall VFM Outcome

Once both the Financial and Non-Financial Scores are finalised, the two scores are combined to derive an Overall Value for Money Outcome.

Before the scores are combined, a weighting is applied to represent the comparative importance of the Financial and Non Financial elements. It has been agreed that Financial aspects carry more importance to the Council than the Non Financial aspects. The overall agreed weightings were, therefore, financial 60% and Non Financial 40%.

In addition, it was recognised that there were different elements of the Financial analysis that would carry different weightings. As agreed with the Council, different weightings applied to these also as follows:-

- Revenue Costs 45%
- Capital investment 30%
- Longer term impact (Net Present Cost) 25%

The following is the outcome of the Overall Value for Money assessment:

	60%	40%	100%	
	Financial Scoring	Qualitative Scoring	Total Combined Scoring	VFM Ranking
DH SQ+	48.67	95.15	67.26	4
SCC 25- Year Lease	97.68	100.00	98.61	1
Firepool LL	73.46	98.79	83.59	2
Firepool 25 Year Lease	76.09	68.48	73.05	3

The above concludes that, when combining the Financial and Non-Financial scores, an accommodation solution at County Hall is shown to be the best overall Value for Money Option.

A Virtual Freehold at Firepool ranks in second place.

Remaining in occupation of Deane House and investing in the building fabric and services, ranks in last place.

8. Deane House Disposal

Both the options under consideration assume the subsequent disposal of Deane House and the wider site. Resource will need to be targeted to address this issue and to ensure the Council does not retain a costly liability and that the financial and regeneration benefits of this key town centre site are realised for the benefit of the Council and the Community.

Options to be considered and progressed for the site:

- Straight unconditional sale.
- Seek outline planning permission and then dispose.
- Unconditionally or conditionally.
- Unconditional sale in part or plots.

Other Joint Venture type proposals where the Council retains an interest in the site in conjunction with a partner organisation will also need to be assessed.

9. Potential Next Steps

Any agreement to move Taunton Deane Borough Council's accommodation from Deane House to either County Hall or Firepool would involve many substantial next steps and tasks to implement, this in turn will require significant resource. A more detailed assessment of these tasks and potential timescale is included in the DTZ report, however these steps can be summarised in the table below:-

Role/Task	Responsibility	Source internally or externally
Lead Member	To take overall responsibility for the Project.	Internal
And	To act as the main point of Senior Contact within the Council.	
Director	To provide updates to Members.	
Project Sponsor	To monitor the overall budget and spend related to the Project.	

Project Management (internal)	<p>To take responsibility for the day to day progress of the project and the Project Programme.</p> <p>To liaise with Officers and Advisors as necessary to monitor their activities and performance against the agreed programme.</p>	Internal
Project Management (external)	<p>To take overall responsibility for the performance of the External Advisory Team eg the agents, the works administrators and the development consultants.</p> <p>To act as the main point of Senior Contact within the External Advisory Team liaising regularly with the Project Champion.</p> <p>To attend Member presentations.</p> <p>To monitor the overall spend of the External Advisory Team against the agreed advisory budget.</p> <p>To recommend and co-ordinate additional advisory services (eg space planning, valuation, planning) if essential to the delivery of the Project.</p>	External.
Agency	<p>To negotiate Heads of Terms for the occupation of Block A.</p> <p>To instruct solicitors to draft the Agreement for Lease and Lease.</p> <p>To comment on the drafting of the Agreement for Lease and Lease as required ensuring it meets the Council's requirements.</p>	External
Space Planning	<p>To undertake space planning at:</p> <p>West Somerset House County Hall</p>	External

Due Diligence	To undertake a survey of the appropriate Block at County Hall to ascertain potential future repairing obligations.	External
Fit Out and Works Monitoring	<p>To agree the layout and the application of the Smart Office specification to TDBC space.</p> <p>To liaise day to day with SCC's Contracts Manager.</p> <p>To represent TDBC at site meetings (potentially weekly once works are on site).</p> <p>To monitor the quality of workmanship and progress against an agreed programme.</p> <p>To monitor costs (if they impact upon TDBC).</p> <p>To sign off practical completion of the fit out works.</p>	External
Development Consultancy (and planning)	<p>To prepare a Development Brief and Marketing Strategy for Belvedere Road.</p> <p>To co-ordinate any pre disposal site/value maximisation activities.</p> <p>To act on the Council's behalf in the disposal of Belvedere Road.</p> <p>To confirm that Best Consideration has been achieved.</p> <p>To act on the Council's behalf in the submission of an outline planning application (if required).</p>	External

10. Project Management Costs

Some cost estimates have been acquired to support the project via external project management support and other professional services. These will be subject to further negotiation and suitable scrutiny via procurement.

The anticipated third party costs to see the project through to completion in 2017 are in the region of £250,000. This figure includes the costs associated with the disposal of the Deane House site. It is important to note that these costs would be incurred for both new accommodation solutions being considered.

It is therefore recommended a budgetary provision is made of £250,000 for project implementation.

If Full Council do not agree to progress the recommended option and therefore remain at the Deane House site, this will also necessitate significant project management costs in order to scope and procure the investment required to allow ongoing occupation of Deane House.

11. Consultation and Governance

At the time of the previous report on this matter a consultation response was provided from Unison which was considered by the Executive in making its decision at that time on the two preferred options.

It has not been possible to consult Unison before the preparation of this report. However the report has been shared with Unison and any response will be fed into the meetings of Scrutiny, Executive and Full Council reports.

Following establishing the Councils preferred option a staff consultative and working group will be established to assist the project team in moving the issue forward.

A small working group of Members has been established to assist with the project. To date some site visits have been undertaken. In addition a Members Briefing session was held recently where representatives of Mendip District Council (Shape Mendip), Somerset County Council (County Hall) and St Modwen (Firepool Option) provided further background information on what has been achieved elsewhere and the options being considered by the Council. It has been suggested that there could be some benefit in a representative member group to have an oversight of all our transformation work. This could be an evolution of the "JPAG" arrangement set up for the JMASS project.

In addition a staff working / consultative group will be established to support the detailed design of the project and provide detailed operational feedback. This will be set up once a preferred option is identified.

12. Finance Comments

Given the nature of the financial comments these are on a confidential paper

13. Legal Comments

At this stage there are significant legal implications to consider however significant legal input will be required once a preferred option is identified.

14. Links to Corporate Aims

This work is a key project identified in the Council's current business plan under Aim 4: A Transformed Council and to Transform the way we work.

15. Environmental Implications

Deane House currently operates at an EPC rating of E. The two options considered will improve this position:

Option 1: New Build Firepool – Likely EPC rating B.

Option 2: County Hall – Predicted EPC rating after refurbishment is C.

16. Community Safety Implications

No significant implications identified.

17. Equalities Impact

A high level assessment suggests both options do not raise any specific equalities issues. However once a preferred option is identified a detailed Equalities Impact Assessment will be undertaken.

18. Risk Management

Key risks of the options have been considered as part of the feasibility study. Once a preferred option is known a full risk assessment of the project will be undertaken as part of the project management process.

Risks that will be included in this process include:-

- Mitigation and “plan B” if the preferred option does not materialise for example if agreement is not reached on heads of terms.
- How reliant the options are on the participation and sign up by other partners?
- Delays on the disposal of the Deane House site.

19. Partnership Implications

The two options considered present varying degrees of opportunity to align the work of the Council more closely with key partners, most notably the County Hall option presents a significant opportunity to further join up services with SCC, ASP etc by the creation of a public sector campus at County Hall.

20. Recommendations

Members of the Tenant Services Management Board are requested to comment on this report with a view to recommending:-

1. That the Council's preferred option for its main office accommodation, reception and member debating space is at County Hall, subject to the County Council confirming its intent to develop the site, agreement of Heads of Terms and detailed commercial negotiations and design.
2. That delegated authority is provided to the Director of Housing and Communities to progress this project to completion, in consultation with the Portfolio Holder for Asset Management.
3. That a budget of £250,000 is allocated for project related costs. That this is funded from the General Fund reserve and from the HRA reserve on a percentage split based on the current level of accommodation split for Deane House.
4. That approval is provided to initiate steps to facilitate the disposal of the Deane House site on the most favourable terms.

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Background Papers

Taunton Deane Borough Council's Executive Report 4 December 2013 – Future Options for Council Accommodation.

Appendices

1. Confidential DTZ report: Operational Offices Options – Value for Money Assessment – June 2014.
2. Confidential paper – financial comments section.

Minutes of the meeting of the Tenant Services Management Board held on Monday 30 June 2014 at 6.30pm in the John Meikle Room Taunton.

Present: Mr Dustyn Etherington (Chairman),
Mrs J Hegarty (Vice-Chairman)
Mrs J Bunn, Mr D Galpin, Mrs J Hegarty, Mr K Hellier, Mr R Middleton
Councillor Bowrah, Councillor Miss F Smith

Officers: Martin Price (Tenant Empowerment Manager), Stephen Boland (Housing Services Lead), Simon Lewis (Assistant Director – Housing and Community Development), James Barrahan (Director of Housing and Communities), and Tracey Meadows (Corporate Support Officer).

Others: Councillors Adkins and Mrs Smith.
John Beaman, Vice Chairman of the Tenants Forum

(The meeting commenced at 6.40pm)

1. Apologies

Mr M Edwards and Mr I Gould

2. Public Question Time

No questions received for Public Question Time.

3. Declarations of Interests

Councillor Bowrah and Councillor Miss Smith declared personal interests as several members of their families were Taunton Deane Borough Council Housing Tenant. Mr Etherington, Mrs Hegarty, Mrs Bunn, Mr Edwards, Mr Galpin, Mr Gould, Mr Hellier and Mr Middleton declared personal interests as Taunton Deane Borough Council Housing Tenants.

4. Taunton Deane Borough Council's Tenancy policy Update

The Housing Services Lead gave an update on Taunton Deane Borough Council Housing and Communities Tenancy Policy.

In November 2010, the Government published Local decisions: a fairer future for social housing, setting out plans for radical reform of the social housing system.

In addition to other matters, the paper made clear the Government's intention to change the legislation governing the types of tenancies granted to social housing tenants.

These changes were intended to provide greater freedoms and flexibilities for local authorities and social landlords to meet local needs and local priorities;

make better use of resources; promote fairness; and ensure that support is focused on those who need it for as long as they need it.

The Localism Act 2011 places a statutory duty on local authorities to adopt a tenancy strategy, to which registered housing providers must have regard when framing and reviewing their own tenancy policies.

At a meeting of the Tenant Services Management Board on 16th September 2013, the Management Board requested officers undertake further consultation on the creation of a new tenancy policy.

TDBC Housing and Communities – Tenancy Policy

A consultation exercise was carried out between December 2013 and March 2014. The consultation exercise included: Postal survey; Presentations and surveys to community groups; Presentations and surveys to housing staff and members of external organisations. A total of 186 responses to the consultation were received and findings have informed the creation of the proposed new tenancy policy for TDBC.

Implementation

Work would need to be undertaken in creating new tenancy agreements and operating procedures, staff would also need to receive appropriate training.

Subject to an approval process being completed by September 2014, it would be reasonable for all preparations to be completed for implementation of the proposed new policy with effect from 1st April 2015.

Finance

Preparing the service for the introduction of new forms of tenancy agreement, operating procedures and training could all be carried out in-house and within existing budgets.

Once operational it was not envisaged that implementing introductory tenancies would significantly increase administration costs and therefore could be managed within existing budgets.

Based on the current average turnover of council properties per year, staff would be undertaking approximately 420 flexible tenancy reviews in 2020/21. Assuming that each tenancy review will take an average of one working day, the introduction of flexible tenancies would create approximately 420 days additional work for the service. Additional staff cost to carry out this work is estimated at £66,000 at current rates within our service.

Whilst there was inevitably a cost to carrying out the tenancy reviews, the reviews would ensure that any property continues to be occupied by the tenant it was let too and continues to meet their needs. Effectively a tenancy audit would be undertaken and this has been something the service had been requested to consider introducing for some time.

It was difficult to forecast the impact that introductory tenancies and flexible tenancies alone would have on void costs in six years' time.

It would be reasonable to predict a higher than average turnover of properties, although it was not expected that this would be significant. Currently the average void cost is about £2,600.00. If we assume that property turnover goes up from the current year's average by 10% across the borough as a result of introductory tenancies and flexible tenancies not being renewed, we can expect an extra 42 voids. This equates to an increase of £109,200.00 in void costs. If we also assume an average void period of 4 weeks and an average rent of £82.06 at 2014/15 then a rental loss of £13,800.00 can also be assumed.

Whilst it is highly likely that management and void costs will increase, we can also assume that knowledge amongst tenants that serious tenancy breaches such as anti-social behaviour, property damage/neglect and rent arrears will affect whether a new tenancy is granted and so it can be expected that this will lead to savings in management and void costs associated with dealing with these issues.

During the discussion of this item, board members made the following comments and asked questions: - (*Responses shown in italics*)

- You have stated that at present immediate relatives have succession rights, will this still be the case under the new rules?
In future there will be a right to succession to the spouse or partner only. The Son or daughter will not qualify as a successor under the new terms.
- The rents that Taunton Deane charge are low considered to other Housing Associations, is this gap going to be closing?
- How is this new policy going to benefit Taunton Deane as it will take extra man hours for staff contacting tenants to set up their new tenancies?
- What problems is this going to be solving, there are already problems with under occupancy, where are people supposed to move to, and will we be expected to pick up the tab for homelessness?
- Why can't tenants move from a 3 bedroom property to a 2 bedroom property? At the tenants open day it was stated that if you wanted to downsize you had to move from a 3 to 1, this is ridiculous and the reason tenants do not want to move, can we change the rules on this?
The tenants could always appeal the decision. Housing supply is limited but Managers were looking at the Officers decisions to make sure that the right decision for the tenant is made.
- By not allowing the tenants to downsize from a 3 to a 2 would have a huge impact on communities and estates, and extra stress on tenants. It is the tenants home not just an asset.
The system is now fairer for tenants with Choice Based Lettings, this gives more flexibility to tenants. This policy is not written in stone, we can always go back to secure tenancy if the tenants feel that this is unfair/not working. This policy only affects new tenants. Tenants will not be put out on the street if they are under occupied, we would work with them to find alternative accommodation.
- We feel that waiting 10/15 years to see if the policy is working is a long time to wait.

I don't think the outcome will take as long as this due to the fact that people do not stay in their properties for a long time, people like to move around, the point is they will have the flexibility to do this with the new policy we also need to make best use of the accommodation otherwise single people would be dominating 2 bed properties, thus making them unavailable for families.

- Instead of a two tier system, should we not introduce the policy to all tenants now?

We cannot bring in this policy to existing tenants as they are protected by law. This is the only legal way to bring this policy in.

- Would the succession rule apply to College leavers also?
The same succession rules will apply, but maybe something we may need to look at.
- You will also need to consider the armed forces and their succession rights.
- What will happen to the rural tenants who would like to down size, are you going to find them properties within their community?
If there are no properties available within the rural community unfortunately they would have to move elsewhere.

Resolved that the Board Members took each recommendation individually and recommended the following:

1. To recommend to Community Scrutiny Proposals to utilise introductory tenancies;
2. To recommend to Community Scrutiny Proposals to utilise secure tenancies with the right to succession to the son or daughter who lived in the property with the parent/s for a period of 12 months.

5. Taunton Deane Borough Council's Accommodation Project plus confidential Appendices

Reference minute No 4 of the TSMB meeting on 20 May 2014, The Director of Housing and Communities gave an update on the Council's accommodation project and the report from the Consultants DTZ.

Stated that we had to move forward with this project. The County Council option of moving into 'B' Block was time bound as the County Council intends to make its investment decision on the redevelopment of County Hall as a public sector hub in the next few months. This was so it had enough time to get the accommodation ready to meet the deadlines set by other public service agencies moving to the campus. If the Council wishes to shape the design of County Hall to meet its own needs then there is an imperative to confirm its intention this summer.

The report from DTZ overall VFM outcome stated that once financial and non-financial scores were finalised, the two would be combined to derive an Overall Value for Money Outcome.

It was recognised that there were different elements of the financial analysis that would carry different weightings these were;

- Revenue costs 45%
- Capital investment 30%
- Longer term impact (net present cost) 25%

It was stated that an accommodation solution at County Hall was shown to be the best overall value for Money Option.

A virtual Freehold at Firepool ranked in second place.

Remaining in occupation of the Deane House and investing in the building fabric and services, ranks in last place.

During the discussion of this item, board members made the following comments and asked questions. Responses shown in italics:

- We would like Taunton Deane to have its own accommodation but as it was too expensive to stay in the Deane House due to the vast amount of money that would be needed to bring the building up to standard the only sensible option would be a move to Somerset County Council.
- Do we have the funds for a new build at Firepool? If we sell off this building and rent from Somerset County Council this will quickly use up the money from the sale, Taunton Deane is an asset that we must keep.
Funding the new build would mean a capital investment of 4 million pounds, the move to SCC would cost a capital investment of 1 million pounds.
- Although we prefer to have our own property, the idea of moving to SCC stacks up. SCC will need to make it clear to the public where they can access TD services. Also we do not want to see luxury flats on TD site if the building is to be demolished, we want to see houses/flats for ordinary people to live in.
If the premises were to be demolished the Council would need to make a profit from the sale of the land, this could be from Retail/Leisure or Housing.
- Could we not knock down parts of the building that was not being used, the surplus land could then be sold for development, and we could then put this money into bringing the building up to standard?
- What happens when we run out of money?
Many public sectors are looking to shrink their assets in the future, we need to be flexible.
- Is there anything that we can do to get other public sectors to join us at Firepool?
SCC has stated that it is not their policy to move into shared buildings as in i.e. a new build at Firepool.

Resolved that the Board noted the Officer's report and were happy with the recommendations.

(The meeting ended at 8.55pm)

