

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)

