

**Title:** Service reports

**For Information Only report**

**Recommendations:** DMCs are asked to note the content of the below reports

- Welfare changes update report
- Response to Housing Green Paper
- Housing Revenue Accounts – rents and service charges update
- Void property management report

**Report Summary:** This report provides information about housing services for the information of DMC members.

**Welfare Changes Update**

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**1. Introduction**

This report provides an update on:

- the Social Sector Size Criteria (SSSC or “bedroom tax”)
- the Benefit Cap (BC)
- Universal Credit

**2. Social Sector Size Criteria**

Date	Tenants affected
1 April 2013	1424
1 April 2014	1072
6 April 2015	1031
10 Apr 2016	971
2 April 2017	915
8 Apr 2018	927
7 Oct 2018	930 ↔ stable since July 2018

Group	Arrears rate 4 Nov 2018	Average arrears 4 Nov 2018
All tenants	41%	£553*
SSSC tenants	53%↓	£655↓
90 SSSC tenants owe £1000+ rent arrears. ↓		
Average HB shortfall = £20.61pw		

\* The average arrears figure is an average of debit balances this includes tenants who are reducing arrears by agreed instalments and tenants who are in arrears because they are waiting for housing benefit or Universal Credit. This applies to all arrears figures in this paper.

**Key points:**

- \* The number of tenants affected by the SSSC remains stable. Average rent arrears owed and the number of tenants in arrears have reduced and the number owing £1000+ is the lowest it has been for a year.

**3. Benefit Cap (BC)**

Date	Tenants affected
31 Oct 2013	83
31 Oct 2014	79
31 Oct 2015	65
31 Oct 2016	49
8 Oct 2017	66
7 Oct 2018	61

Group	Arrears rate 12 Aug 2018	Average arrears 12 Aug 2018
Benefit cap tenants	73% (48 tenants)↓	£771↓

**Key points:**

- \* Whilst numbers of tenants affected by the BC in arrears, and in severe arrears, have reduced in recent months this has coincided with an increase in tenants supported by discretionary housing payments (DHPs).
- \* A caseworker continues to work with affected tenants and with a job centre work coach.

**4. Universal Credit (UC)**

By 5 December new claimants in Camden with two children or less will claim UC instead of the six benefits it replaces. New claimants with more than two children will be able to claim UC from February 2019. Council records show:

Council tenants on UC on 8 Nov 2018	In arrears 8 Nov 2018
470	87% (409 tenants)

**Key points:**

- \* The Council now has access to a “landlord portal” which tells the rent service when a tenant starts to receive UC. Rent officers try to contact all claimants to check whether they need advice or support.
- \* Camden Citizens Advice are running a new UC SmartMoney service including budgeting, benefit and debt advice for anyone who has claimed UC, with links to employment and training and digital support. People can self-refer on 0300 303 0308.
- \* Residents previously receiving employment and support allowance (ESA) who have been advised they are fit for work should seek specialist benefits advice

before they claim UC. Residents can challenge incorrect decisions and could be better off on ESA than they would be on UC.

- \* Staff are running drop in sessions in Kentish Town library to help residents that need to claim UC every Friday from 1.30- 3.30pm.
- \* Digital support is also offered by Camden Adult Learning and residents can attend a drop in service for basic skills or sign up for a course. Call 020 7974 2148 for more information.

## **5. Reminder about the Council tax reduction scheme**

UC claimants still need to make a claim to the Council for the council tax reduction scheme. Since April 2018 this scheme has been able to award up to 100% of council tax and the Council is taking steps to promote the scheme to UC claimants [Camden Council: Council tax reduction scheme](#).

**Report ends**

# The Government's Green Paper on Social Housing

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## 1 Summary

- 1.1 The Government's green paper on social housing was published on 14 August. It is entitled "A new deal for social housing" and sets out the government's vision for social housing. It introduces proposals towards what is called a "fundamental reform" to ensure social homes provide an essential, safe, well managed service for all those who need it, to rebalance the relationship between tenants and landlords and to expand supply and home ownership.
- 1.2 In October, Housing Scrutiny Committee discussed the paper and the councils response. The [minutes](#) from that meeting are available online through Camden's website.
- 1.3 A full response was submitted on 6<sup>th</sup> November, taking into account all feedback received. The following is the concise summary:

Chapter 1 (ensuring homes are safe and decent) - we believe the Decent Homes Standard is already comprehensive but we do know there is a need to improve fire safety. However, if a stronger standard is implemented, we would want to see social landlords receive new resources to implement it.

Chapter 2 (effective resolution of complaints) - we are satisfied with the current system. We are democratically accountable and our approach is personalised and local. We recognise, however, the need to strengthen accountability for other social landlords.

Chapter 3 (empowering residents and strengthening the regulator) - we fear that performance indicators and league tables might be counter-productive. Previously national performance indicators often resulted in shifting the focus to meeting targets at the expense of understanding and meeting the needs of residents.

Chapter 4 (tackling the stigma) - We believe that the first step to tackling stigma is to ensure that the vision for social housing reflects the positive contribution that it makes in communities and recognise that home ownership is just one of a wider number of objectives. In Camden, we promote mixed communities and are working to tackle the underlying issues that contribute to deprivation such as access to good work.

Chapter 5 (expanding supply and supporting home ownership) - we welcome the flexibility on Right-to-Buy receipts but we do not believe in extending shared ownership as it is based on a definition of "affordable" that

does not work for an inner London borough like Camden. We know from experience that shared ownership is not affordable in inner London.

- 1.4. In addition Camden took the opportunity to highlight the areas of good practice in Camden and how these could be part of the government proposals.

**Report ends**

# **Housing Revenue Account – rent and service charge setting update**

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## **1. Introduction**

- 1.1 In September 2018 officers presented an update of the Housing Revenue Account (HRA) finance position along with a summary of the consultation questions that DMCs would be asked to comment on as part of the HRA budget setting process. This report summarises the question on which DMCs will be asked their views.

## **2. Housing Revenue Account**

- 2.1 The Council is required to agree a balanced HRA budget for each year. Since the HRA Medium Term Financial Strategy (MTFS) was agreed in January 2017 there have been a number of changes to the financial outlook of the HRA. This has been caused by change in government policy such as the cancelling of policies such as 'Pay to Stay' and delaying the implementation of Universal credit, along with updated assumptions for inflation and an increased level of stock numbers as a result of reductions in Right to Buy sales and the completion of new build properties from the Council's Community Investment Programme.
- 2.2 New cost pressure relating to the delivery of the Council's enhanced resident safety standards of £2.69m per year have also been identified. The effect of the new cost pressures and the changes in existing cost pressures means overall financial pressure on the HRA in 2019/20 is a budget pressure of £6.7m.
- 2.3 As part of the Council's MTFS a three year savings programme was agreed by Members in January 2017. The savings programme is due to deliver £5.3m in 2019/20.

A summary of the HRA financial position for 2019/20 is shown in Table One.

**Table One: HRA 2019/20**

	£'000
<u>Budgetary Pressures:</u>	
Inflation, employee costs, loss of rental income, repairs.	3,947
Enhanced resident safety	2,725
<u>Less:</u>	
MTFS Savings Applied (Appendix B)	-5,267
Budget Pressure	1,405
Drawdown from Reserves	-1,405
<b>Net Budget</b>	<b>0</b>

- 2.4 The Council expects to make a planned use of reserves in 2019/20 to ensure that all the necessary investment in resident safety is not delayed. The budget pressure will be reduced if the decision is made to increase any service charges

**3. Rents**

- 3.1 April 2019 will be the last of the four annual Government mandated rent decreases. The effect of the 1% rent decrease from April 2019 on the average rents is shown in table one below.

**Table Two: Effect of 1% rent reduction**

Bedrooms	Average Rent 2018/19	Average Rent 2019/20	Average reduction in Rent
0	£83.38	£82.55	-£0.83
1	£100.30	£99.30	-£1.00
2	£113.65	£112.51	-£1.14
3	£127.22	£125.95	-£1.27
4	£141.11	£139.70	-£1.41
5+	£157.16	£155.59	-£1.57

- 3.2 From April 2020 the Council will have the power to increase rents by up to inflation (CPI) plus 1% each year. The Government have indicated that the ability to raise rents by CPI plus 1% a year will last until 2025, at which time new rent rules will be announced.
- 3.3 DMC members will be asked for their views on the Council's strategy to consider rent increases from April 2020.

**4. Service Charges**

- 4.1 Whilst rent increases are currently determined by Government, the Council does have some discretion over the level of tenant service charges (eligible for housing benefit) for the following services; caretaking, grounds maintenance, CCTV, mobile security, concierge, maintenance of mechanical and electrical equipment in communal areas and block and estate lighting. In 2018/19 each of the service charges were increased by 3% in order to ensure the service charges continued to fully cover the cost of the services and to allow some investment in service improvement.
- 4.2 DMC members will be asked to vote on the level of service charges the Council levies. Inflation increases in service charges would ensure the charges would continue to recover the full costs of the specific services, inflation (CPI) in September 2018 was 2.4%. The effect of increases of 1.9%, 2.4% and 2.9% are shown in the table below. DMCs will of course be free to recommend any level of increase including no increase to the service charges.

<b>Service charge</b>	<b>18/19 weekly charge</b>	<b>1.9% Increase</b>	<b>2.4% Increase</b>	<b>2.9% Increase</b>
Caretaking	£8.95	£9.12	£9.16	£9.21
CCTV	£0.98	£1.00	£1.00	£1.01
Communal lighting	£1.05	£1.07	£1.08	£1.08
Grounds maintenance	£1.80	£1.84	£1.85	£1.85
Responsive Housing Patrol	£0.53	£0.54	£0.55	£0.55
Communal M&E maintenance	£1.13	£1.15	£1.16	£1.17

**Appendix A** contains a summary of each of the services.

- 4.4 At previous DMC meetings some individual DMC members have expressed an interest in developing new or enhanced services across the housing stock or specific to individual blocks or estates funded from service charges. Over the past year DMC members have identified potential services such as concierge and extended CCTV coverage. In January all DMCs will be asked to identify any new services that they would like to see developed.
- 4.5 In the past an additional service charge of £0.87 per week has been levied to fund the the cost of installation of the aerials and that the charge will lasts for seven years from the April following the date of installation in the specific building. The seven year period of charging has ended for a number of tenants over the past three years and a further 3,000 tenants will see this charge end in March 2019. From April 2019 only approximately fifty tenancies will continue to receive the charge.

## **5. Heating Pool**

- 5.1 Fuel costs are expected to rise in 2019/20 however the officers will recommend that the charges to members of the Heating Pool remain at the



same level as 2018/19 prices due to a level of surplus that has been built up in the Heating Pool over the previous years.

- 5.2 DMC members will be asked to consider the recommendation to freeze prices for 2019/20.

## **6. Formal Consultation**

- 6.1 The joint DMC meeting will take place on 9 January 2019. A list of the consultation questions that will be put before DMCs is in **Appendix B**.

**Report ends**

## Appendix A – Tenant Service Description

Service Charge	Purpose
Caretaking	<p>This charge is for the cost of cleaning the communal areas of Camden’s blocks and estates. The caretaking service is provided by caretakers, estate services supervisors and estate services managers as well as an external contractor, Veolia.</p> <p>The cost of cleaning communal windows is included in the charge. In March 2015 we introduced an ‘in-house’ window cleaning service which was previously carried out by an external contractor. Our window cleaning team, managed by estate services managers, clean the communal windows inside and out every six months.</p> <p>Camden has a huge variety of property types and the service has to adapt to suit the needs of the different blocks and estates.</p> <p>Caretaking services block – Camden’s caretakers clean the communal areas inside the building, carrying out the following duties (as required):</p> <ul style="list-style-type: none"> <li>•clean shared staircases, communal landings and other lobbies. Duties will vary slightly according to the block and its condition</li> <li>•test, check and clean the lifts and lift entrances</li> <li>•rotate full refuse bins</li> <li>•clean refuse chambers and bin areas</li> <li>•report communal repairs and check door entry systems</li> <li>•check internal lighting, time clocks and electrical intake cupboards</li> </ul> <p>The caretakers are also responsible for:</p> <ul style="list-style-type: none"> <li>•reporting communal repairs directly to our repairs team using smart phones;</li> <li>•reporting anti-social behaviour directly to our housing management team using smart phones;</li> <li>•checking the health and safety of the blocks and estates;</li> <li>•checking the quality of the grounds maintenance;</li> <li>•minor repairs to door closers (where qualified);</li> <li>•light checks and bulb replacements (below 3m); and</li> <li>•liaising with contractors working on the blocks</li> </ul> <p>Caretaking services estate – external cleaning on estates. Duties include:</p> <ul style="list-style-type: none"> <li>•street/path sweeping on the accessible estate roads and paths</li> <li>•bulk refuse removal</li> <li>•mobile team providing mobile support to the estate sweepers</li> </ul>

	<ul style="list-style-type: none"> <li>•street/path sweeping on the estate roads and paths that are not accessible by Veolia, i.e. internal courtyards, gated areas</li> <li>•visual health and safety checks on estates</li> <li>•moving of refuse bins from refuse chambers to pick up areas as required</li> <li>•moving of fly tipped items, from blocks or estate areas to pick up points</li> <li>•project work including deep cleaning, painting to communal areas etc.</li> </ul>
CCTV	The charge for this service covers the cost of Planned Preventative Maintenance and repairs to CCTV systems in Camden's housing premises. It also covers the cost of the CCTV hub which is a monitoring system. In addition to fixed/permanent CCTV cameras, mobile units can be deployed (where available) in conjunction with information received from the mobile patrol team and the police. Images can be shared with the Police, partners and Council officers.
Communal lighting	This covers the cost of the carrying out of the Planned Preventative Maintenance of and repairs to communal block and/or estate lighting. The contract includes repairs to all lighting to communal areas and electrical installations. There may also be additional repairs not covered by the contract. Generally Camden's caretakers replace bulbs where they are below 3m.
Grounds maintenance	This charge is your share of the costs incurred by Camden for maintaining the communal green spaces and trees on estates and communal gardens. Works to trees are carried out on a 3-5 year cycle although some work is undertaken on an ad-hoc basis where the need arises.
Responsive Housing Patrol	<p>This charge covers the provision of a responsive mobile security patrol to Camden's housing estates. The team helps to ensure there are reduced instances of anti-social behaviour around Camden's housing estates improving security and providing reassurance for residents.</p> <p>The mobile patrol team operates between the hours of 6pm and 2am Monday to Sunday every day of the year. During the daytime (9am to 5pm) Monday to Friday you can call your district housing office directly or via Contact Camden on 020 7974 4444. Between the hours of 6pm and 2am you should telephone Contact Camden to request the assistance of the mobile patrol team.</p>
Communal M&E maintenance	This charge covers the repair and maintenance of Mechanical and Electrical equipment in the communal areas of dwellings.

**Appendix B – Rent and Service Charge Setting consultation questions**

**District Management Committee Feedback**

DMC.....

Recommendation	Yes	No	Other
1% Rent Reduction			
Changes to Tenant Service Charges?			
Changes to Heating Pool Charges?			
New/Enhanced services?			
Any other feedback/Views			

**END**

## **Void Property Management**

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### **The void letting process**

- 1.1 Most voids are currently managed by the Voids team within the Property Management Division based at Jamestown Road. Once a property becomes a void then there a number of different processes that take place so that it can be relet.
- 1.2 Inspection and Works;
  - a) The locks are changed and the property cleared of any items. An inspection is carried out by a Camden contract manager and a supervisor from the voids contractor, Wates, to ascertain the works required to bring the property up to a lettable standard. The scope of works can vary considerably depending on the condition of the property and may include renewal of kitchen and bathrooms, boiler renewal and redecoration. The works must provide the incoming resident with a safe, warm and secure home.
  - b) Asbestos Removal. The specification will inform whether asbestos removal is required and this is carried out by the specialist asbestos contractor before the main work to the void commences.
  - c) Wates will then complete the works to the void as specified with any variations agreed by the Contract Manager. When the works are complete the Contract Manager will inspect to agree that all works have been completed to the correct standard. Regular meetings are held to discuss the progress of voids and identify any issues that may be causing delay.
  - d) If the applicant who accepts the property has a need for special requirements then the scope can be amended to reflect this.
  - e) Long Term Voids. Some voids have characteristics that will lengthen the time it takes to complete the works. These can include re-modelling of the property, Planning and Building Control issues, Listed Building consent, leaseholder consultation as communal area works costs are rechargeable. It is found that in general the Council's street properties are more likely to require complex repairs such as structural works, damp remediation or roof works.
- 1.3 Letting
  - a) Shortly after the property becomes void it is advertised though "Home Connections". A Void Homes Officer is allocated to that property and suitability of the property for wheelchair access are assessed before the advert is placed. Officers in Housing Needs will decide at this stage as to whether the property

will be withdrawn from advert and instead utilised for Direct Offers to applicants who have specific needs or priorities such as mobility needs, downsizer or are being decanted from a block that is being developed. If the property is classified as a Long Term Void then the officer may hold back advertising until more certainty is known about the date it will become available to let.

- b) The property is advertised on Home Connections for two weeks to allow applicants to bid for the property. Once the bidding period has closed, officers in Housing Needs will provide the Voids Homes Officer with a list of the bidders with the highest points, usually between 10 and 20 applicants. The Voids Homes Officer will then arrange a viewing date with the applicants on the list at the property. Viewing dates will depend on the progress of the works and they will need to make sure that it is safe to view. However we do not wait until works are all complete before viewing.
- c) At the viewing the Voids Homes Officer will show the property to all the applicants and answer any questions that arise. They are asked at the meeting whether they wish to accept or decline the property or alternatively they have a short period of time to consider. They will be advised of the full scope of works that are being carried out and whether there will be a decorations allowance applied to the property.
- d) The applicant with the highest points, who also accepts the property, is then confirmed as successful. If an applicant changes their mind then the Voids Homes Officer will contact the household with the next highest point who expressed an interest in the property. This process continues until the property is accepted. If the successful applicant would like to revisit the property before signing up then this can be arranged.
- e) The Successful applicant will then have their current circumstances verified by the Verifications Team based in Housing Needs to ensure that their details are correct and that they still qualify for the property that they have accepted.

#### 1.4 Sign Up

- a) When the applicant has been verified successfully and all works have been completed the keys are passed from the Voids Team to the Housing Officer who will then invite the applicant to sign up the tenancy. They are normally provided with 1-2 weeks to arrange moving into the property and the date of the tenancy will then commence.
- b) At sign up stage they are provided with information about the block or house that they are moving into and any relevant details about the Estate. They are also provided with gas and electric certification and a copy of the Asbestos API form that shows where asbestos is present in the property. The voids team will arrange for their gas to be connected at a suitable date and a contact number for any follow up repairs is also provided.

## 2. *Void information*

2.1 The following table shows information about the number of void properties as at the 12<sup>th</sup> November 2018:

Team	CAMDEN TOWN	GOSPEL OAK	HAMPSTEAD	HOLBORN	KENTISH TOWN	TOTAL
Development/Disposal	214	123	55	9	25	426
Housing Management	27	4	1	8	16	56
Void Team	45	65	87	49	67	313
Sheltered Housing	3	15	28	5	16	67
Total	289	207	171	71	124	862

Notes to table:

- a) *Development and disposal properties are those held empty as part of regeneration schemes and currently include properties being disposed of as part of the HS2 project.*
- b) *Housing Management hold properties pending determination of succession rights or for re-housing of displaced tenants from regeneration schemes and HS2 etc.*

2.2 The following table shows the average time, in weeks, to complete refurbishment work for normal voids for the period October 2017 to September 2018. These figures exclude 'Long Term Voids' that needed significant work such as fabric repairs to the envelope of the building (e.g. roof works), damp proofing or re-modelling:

QTR	Time to complete refurbishment works (Weeks)					
	CAMDEN TOWN	GOSPEL OAK	HAMPSTEAD	HOLBORN	KENTISH TOWN	OVERALL AVERAGE
Oct - Dec 2017	8	8	6	10	10	8
Jan - Feb 2018	9	11	8	10	11	10
Apr - Jun 2018	8	9	7	8	14	9
Jul - Sep 2018	8	8	8	8	7	8

Notes to table:

- a) *The turn round time for works for Kentish Town for April to June 2018 was skewed by a leak in a void property causing significant damage, another property where work could not start whilst the legal issues with respect to a sub-let was dealt with and a property which needed the electricity supply reinstated*

2.3 The following table shows the average time, in days, to re-let a normal void for the period October 2017 to September 2018. These figures exclude 'Long Term Voids' that needed significant work such as fabric repairs to the envelope of the building (e.g. roof works), major damp proofing or re-modelling:

QTR	Time to re-let property (weeks)					
	CAMDEN TOWN	GOSPEL OAK	HAMPSTEAD	HOLBORN	KENTISH TOWN	OVERALL AVERAGE
Oct - Dec 2017	16	17	17	17	19	17
Jan - Feb 2018	15	22	16	17	16	18
Apr - Jun 2018	14	18	21	18	19	18
Jul - Sep 2018	19	19	20	16	33	22

*Notes to table:*

- a) *The re-let time works for Kentish Town for July to September 2018 was skewed as the properties with a longer than normal works turn round time in April to June 2018 were let in this period (see table above).*

### 3. *Planned Improvements to the Void Process*

- 3.1 Tenancy Services are in the latter stages of a Landlord Review with a pilot being carried out in the Highgate and Kentish Town wards. Within this the lettings function carried out by the Voids Homes Officers are carried out by Neighbourhood Officers as part of range of duties they have in a patch. Consultation is currently underway to extend this model across the whole borough and will give Neighbourhood Officers with local knowledge greater control over the voids on their patch and the ability to provide a more focussed customer service to applicants.
- 3.2 It is proposed that the Neighbourhood Officers will have link in closely with Void contract managers in their areas with regards to works and specifications. Additionally the in house repairs teams will be expanding the number of voids that they work on. This will be a gradual process as the team builds up capacity.

**Report ends**