

Housing Revenue Account Recharge Policy (Housing, Maggie Ward)

Synopsis of report:

The Housing Revenue Account has made limited use of recharges to tenants where neglect or damage has resulted in additional work. This new Recharge Policy seeks to widen the scope of recharges, enabling tenants to access repairs that are their responsibility through the Council's contractors.

The objective of the policy is to assist tenants to maintain their homes to a good standard, to ensure repairs that are the tenant's responsibility can be carried out immediately if there is a health or safety risk even if the tenant does not have the funds.

Where tenancies are ended and the property is not left in a reasonable condition the tenant will be recharged.

This policy will include discretion so that in line with our Financial Wellbeing Strategy tenants can be supported to sustain their tenancies.

A draft Recharge Policy was considered by the Housing & Enabling Member Working Party on 12th October 2021 and was subsequently brought to this committee in November 2021 where approval was given for a consultation exercise, the results of which are summarised within this report.

The consultation showed a high level of support for recharging tenants for neglect and damage but within a context of considering individual circumstances and vulnerabilities.

Recommendation:

Members approve the Housing Revenue Account Recharge Policy, Appendix A.

1. Context

- 1.1 The Housing Revenue Account can make recharges where tenants are in breach of their repairing responsibilities or essential repairs are needed that are tenants' responsibility. This has been done historically on a limited basis, but officers are now seeking to widen the scope of the Recharge policy to enable tenants to access repairs and to facilitate the emerging Financial Inclusion Strategy and our tenancy sustainment work.

2. Report

- 2.1 The Recharge Policy will ensure that the Council is able to:

- Recover costs incurred due to tenant damage or neglect
- Provide a service to tenants to access repairs that are their responsibility, but they are not able to arrange.

- Ensure that the actions of a small number of tenants do not impact disproportionately on the funds available for managing and maintaining other tenants' homes.
- Recover costs of reletting properties that are left in a poor condition or not cleared of possessions when a tenancy is ended and if this is not paid restrict access to the Housing Register in future.
- Ensure that tenants can access health and safety repairs which are their legal responsibility, but they do not have funds to organise this.
- Assist a next of kin or executor to clear properties where a tenant has gone into a nursing home or passed away
- Ensure that tenants are encouraged to report repairs in their homes without being concerned this will draw attention to issues they have failed to manage or indicate potential neglect or domestic abuse.
- Support a wholistic approach to repairs and tenancy management.

- 2.2 The policy will be proportionate and will have links to the emerging Financial Wellbeing Strategy
- 2.3 Recharges will be at the Schedule of Rates Code payable to the contractor with an administration charge for arranging, managing the repair, and collecting the charges. Where applicable to the repair VAT will be charged.
- 2.4 The draft Recharge Policy was considered by the Housing & Enabling Member Working Party on 12th October 2021 and Housing Committee on 10th November 2021.
- 2.5 The Recharge Policy will be provided to all tenants at the start of their tenancy and through Housing Online Accounts, and on our web pages in a user-friendly format for tenants.
- 2.6 Charges for repairs will be raised within a Rechargeable Repairs Account linked to the Rent Account within the main NEC Housing system enabling tenants to pay by direct debit over a period if financial circumstances require this.

3. **Policy framework implications**

- 3.1 Under all Tenancy Agreements issued by Runnymede there are landlord and tenant responsibilities and the tenant must keep the property in good condition including the garden and exterior of the property. Recharges will be made in line with this legal agreement.

4. **Resource implications/Value for Money (where applicable)**

- 4.1 In order that Housing staff can ensure that the appropriate charges (linked to Schedule of rates & prevailing VAT rates) are recharged, and that Tenants are repaying the charges in line with agreements this income will be detailed against tenants Housing accounts within the Northgate system.
- 4.2 Periodic outputs from the Northgate system will enable the appropriate sums (vat) to be passed onto Customs & Excise.

5. Legal implications

- 5.1 Tenants were consulted extensively when the current agreement was introduced in 2014. Section 5 of the Tenancy Agreement sets out obligations in relation to: Repairs, improvements and alterations to your home. The proposed Recharge Policy introduces the facility to allow tenants in certain circumstances to have work completed to assist them to comply with their obligations and to pay for this either fully in advance or where appropriate by incremental payments. The Tenancy Agreement states:

1 (f) If this agreement says that we will charge you, for example to carry out work or clear rubbish, we will do so in line with our recharge policy which will be summarised in your tenancy handbook.

4.3 You must also pay any rent or other charges you owe us. Payments made by you will first be made to pay off any former debts from previous tenancies such as rent arrears or rechargeable repairs and finally rent for the property to which this agreement relates.

- 5.2 The policy complies with the existing Tenancy Agreement but provides additional access to repairs for tenants.
- 5.3 If tenants fail to pay their recharges this can be enforced subject to management approval as a breach of tenancy. In all instances a proportionate approach will be taken with repayment options available in line with the financial circumstances of the tenant. However as with other breaches of tenancy the sanction will be applied if the tenant refuses to engage and meet their obligations.

6. Equality implications

- 6.1 An Equality Impact Screening Assessment has been carried out and the Council's Equalities Group have determined that a full assessment would not be required. All potential issues would be covered within a robust procedure and with regular monitoring to ensure that charges and discretionary relief are applied consistently.

7. Environmental Implications

- 7.1 Properties that are not maintained impact on the local area and cause distress for neighbours. When gardens have been allowed to overgrow or have been used for waste items, they cannot be used safely for children and this policy will enable the Council to arrange for works to be carried out for tenants to ensure that the matter is resolved.

8. Consultation

- 8.1 The Consultation was open from 11th November 2021 to 1st February 2022. An easy-to-read version of the draft recharge policy was published on the Council's website. This contained the full policy and an online survey. A dedicated email address was available for tenants to communicate directly on the policy. Emails were sent to 1,841 tenants to ask for their views on the policy directing them to the webpage and online survey.
- 8.2 The RCRA were consulted on the policy, and it was posted on their social media. Six tenants emailed the Listening inbox with their views on the recharge policy, who were all replied to with their questions answered.

8.3 A summary of the 80 responses received is attached at Appendix B showing that there was very strong support for the use of recharges but concern that this should be proportionate, flexible and the individual circumstances of tenants should be taken into consideration.

9. **Conclusions**

9.1 A new Recharge Policy will ensure costs are recovered where appropriate but tenants can also benefit from the wider scope of accessing rechargeable repairs that they can pay for or for which they can get discretionary assistance.

9.2 Members are asked to approve the Housing Revenue Account Recharge Policy for implementation

(To Resolve)

Background papers

None