

**EPPING FOREST DISTRICT COUNCIL
NOTES OF A MEETING OF COMMUNITIES SELECT COMMITTEE
HELD ON MONDAY, 24 SEPTEMBER 2018
IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING
AT 6.00 - 6.45 PM**

Members Present:	H Whitbread (Chairman), K Chana, S Heap, S Heather, L Hughes, A Patel, D Stocker, D Sunger, J H Whitehouse and W Marshall (Tenants and Leaseholders Panel)
Other members present:	S Kane, S Stavrou and C Collins (Epping Forest Youth Councillor)
Apologies for Absence:	A Beales, J Lea, C Roberts and D Roberts
Officers Present	A Hall (Strategic Director), P Pledger (Service Director (Housing & Property Services)) and V Messenger (Democratic Services Officer)

27. SUBSTITUTE MEMBERS

There were no substitutions made for the meeting.

28. APPOINTMENT OF VICE-CHAIRMAN

In the absence of the Vice-Chairman, the Chairman, Councillor H Whitbread, sought nominations for the role of Vice-Chairman.

RESOLVED:

That Councillor A Patel be elected Vice-Chairman for the duration of the meeting.

29. DECLARATIONS OF INTEREST

There were no declarations of interest made pursuant to the Member's Code of Conduct.

30. CONSULTATION DOCUMENTS - SOCIAL HOUSING GREEN PAPER & USE OF RECEIPTS FROM RIGHT TO BUY SALES

The Strategic Director, A Hall, explained to the Select Committee that the Government's Ministry of Housing, Communities and Local Government (MHCLG) had published two important consultation papers recently which warranted a response from the Council. The Council was a member of the Association of Retained Housing (ARCH), which had produced summaries of the two consultation programmes, and these had been published with the agenda report. The Council's draft responses to these consultations had been issued as supplementary agendas. Furthermore, the Tenants and Leaseholders Panel had met on 12 September 2018 and had asked the Council to incorporate their comments separately into the Council's formal responses, which was agreed.

(a) Social Housing Green Paper

This green paper was proposing a rebalance of the relationship between residents and landlords in a new deal for social housing. The key proposals included:

- introducing performance indicators and to produce league tables for councils and housing associations, which could be linked to how grants for new housebuilding were distributed;
- a quicker process for tenants' complaints;
- strengthening the Regulator of Social Housing to focus on tenant issues;
- cessation of the Government's proposed policy to introduce mandatory fixed-term tenancies for councils and housing associations (this Council had used 10-year fixed term tenancies for a number of years);
- support of new home ownership options and shared value ownerships; and
- cessation of the Government's proposed policy for councils to sell "higher value void properties" as they became vacant.

The following suggestions were made by the Select Committee to the Council's draft response.

Chapter 1 – Ensuring homes were safe and decent

(Question 3 response) It was confirmed that the Decent Home Standard, though basic could still have one or more components that failed.

It was agreed that the second sentence, "Therefore, if the Standard is reviewed, any review could consider a property requiring a lesser number of failing components to meet the Standard." be deleted from this draft response.

It was noted that question 4 was covered by the answer to question 2.

It was noted that the Panel had concluded that the Fire Risk Assessments should be made aware to the public and available on the Council's website.

Chapter 2 – Effective resolution of complaints

(Question 5 response) The Chairman proposed the deletion of the entire second paragraph concerning mediation opportunities for landlords and tenants or the establishment of a national mediation service. The Service Director (Housing and Property Services), P Pledger, explained that when a tenant made a complaint to the housing ombudsman, the ombudsman would always ask if the Council would consider mediating with a tenant.

However, the Select Committee agreed to the removal of the second paragraph from this draft response.

(Question 6 response) The Committee agreed with the draft reply that strongly recommended the removal of "democratic filtering", but supported a single Housing Ombudsman Service which had been proposed by the Government in a recent consultation on "Strengthening consumer redress in the housing market".

The Panel supported a reduced timescale for complaints being referred to the ombudsman from eight weeks to four weeks. It was unsure how the “democratic filter” could be strengthened but agreed that the democratic filter should be removed.

Chapter 3 – Empowering residents and strengthening the regulator

(Question 12 response) The Committee agreed with the draft reply as key performance indicators and league tables were not considered helpful, but bureaucratic and difficult to collect, so this was considered a retrograde step.

(Question 27 response) The Council’s Legal Services were required to consult with leaseholders but not tenants. In the Opening sentence it was agreed that “tenants” would be replaced by ‘residents’ to read – It is good practice for residents’ representatives...’

Chapter 4 – Tackling stigma and celebrating thriving communities

(Question 38 response) The draft response acknowledged that there was sometimes stigma attached to being a Council tenant but that the Council could promote positive messages about its housing service to its tenants through local media releases or housing newsletters. The Committee asked that promotion through ‘social media posts’ also be added to the last sentence.

The Panel added that there was still stigma attached to social housing tenants as they were often seen as being at the lower end of the scale.

Chapter 5 – Expanding supply and supporting home ownership

The Panel commented that there would also be a need for social housing rather than affordable housing, as affordable housing was not at a price that a lot of their members could afford.

The Committee asked if a header could be inserted on each page clearly identifying that the response was from Epping Forest District Council.

(b) Use of Receipts from Right To Buy Sales

The Strategic Director, A Hall, explained to the Select Committee that this was the more important of the two consultations. The consultation paper was proposing:

- to allow local authorities (LAs) to hold receipts they currently retained for up to 5 years; future receipts would continue to have to be used within 3 years;
- to increase the cap on the use of receipts from 30 per cent to 50 per cent of build costs for homes for social rent in “high demand” areas;
- to allow LAs to “top-up” insufficient Right to Buy (RTB) receipts with funding from the Affordable Homes Programme of up to 30 per cent of build costs for affordable rent or, in “high demand” areas, 50 per cent of build costs for social rent;
- to set an upper limit based on average build costs on the price of dwellings acquired using receipts;
- to allow authorities to use receipts to provide homes for shared ownership;

- to allow authorities to gift General Fund land to the HRA for use for new housing provided it had been held in the General Fund for a number of years;
- to allow a short window of three months during which LAs could return receipts without incurring interest; and
- to replace the current target of one-for-one replacement of 'additional' homes sold under the RTB with a wider measure covering net additions to the social housing stock held by both LAs and housing associations.

Question 1 – We would welcome your views on extending the time limit for spending Right to Buy receipts from three years to five years for existing receipts but keeping the three year deadline for future receipts.

(Question 1 response) The Council welcomed this proposal and also strongly urged the Government to apply the five-year limit to future receipts as well.

The Panel had commented that if receipts currently held were retained for up to five years this would give more time to get developments completed.

Question 2 – We would welcome your views on allowing flexibility around the 30 per cent cap in the circumstances set out in the consultation paper, and whether there are any additional circumstances where flexibility should be considered.

(Question 2 response) The Council welcomed the proposed flexibility to facilitate additional Council housebuilding since only the remaining 50 per cent of the cost would need to be funded from alternative sources, as opposed to 70 per cent currently.

The Panel considered that the cap should be increased to 50 per cent for the build costs of both social and affordable rented properties in all areas.

Question 3 – We would welcome your views on restricting the use of Right to Buy receipts on the acquisition of property and whether this should be implemented through a price cap per unit based on average build costs.

(Question 3 response) The Council did not agree that restrictions should be applied to the use of RTB receipts on the acquisition of property, especially based on average build costs.

Members made the following comments:

- As the Council was in a predominantly green belt area and there might be local opposition to housing developments, could the Council purchase existing properties?
- If the Council acquired property could large houses be cleared that were easily convertible?
- Private developers were acquiring bigger properties with land so the Council should not discount these.
- The Council's developments were usually small scale developments.

The Strategic Director replied that the Government had got a target to increase housing RTB receipts to be used to build Council housing. Councils could use RTB receipts to buy properties but in this District it was quite expensive and only if

acquiring the property was less than building a new house. Therefore it was not very likely that this would apply in the Epping Forest District. Even if acquiring property to convert was a more expensive option than building, then the Council could not do this. The Committee agreed to keep the response wording.

The Panel favoured the option of a price cap.

Question 5A – We would welcome your views on allowing the transfer of land from a local authority’s General Fund to their Housing Revenue Account at zero cost.

(Question 5A answer) The Committee supported the Council’s response supporting this proposal provided that local authorities were given the flexibility to transfer the land at any cost between zero cost and full market cost.

The Panel considered that Council land was Council land.

There were no further comments received on the Council’s draft responses.

RESOLVED:

- (a) That the response to the MHCLG consultation on a “new deal for social housing” green paper be agreed as detailed in the reports for the Committee Supplementary agendas 1 and 2 with the aforementioned amendments; and
- (b) That the response to the MHCLG consultation on a “use of receipts from Right to Buy sales” consultation paper be agreed as detailed in the reports for the Committee Supplementary agendas 1 and 2 with the aforementioned amendments.

31. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE

The Council’s responses to the MHCLG’s consultations detailed below:

- (1) “A new deal on social housing” Green Paper; and
- (2) Use of receipts from Right to Buy sales.

32. DATE OF NEXT MEETING

It was noted that the next meeting of the Select Committee would be held on 13 November 2018 at 7.00pm.