

**Council**

18 July 2013

**Agenda Item 25**

Brighton &amp; Hove City Council

**Subject:** Extract from the Proceedings of the Housing Committee meeting held on the 8 May 2013 - Minimising the Risk of Evictions Caused by the Housing Benefit Social Rented Sector Size Criteria

**Date of Meeting:** 18 July 2013  
8 May 2013 – Housing Committee

**Report of:** Head of Law

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**Wards Affected:** All

**FOR GENERAL RELEASE*****Action Required of Council:***

To receive the item referred from the Housing Committee for information:

**BRIGHTON & HOVE CITY COUNCIL****HOUSING COMMITTEE****4.00pm 8 MAY 2013****COUNCIL CHAMBER, HOVE TOWN HALL****MINUTES**

**Present:** Councillor Wakefield (Chair) Councillor Powell (Deputy Chair), Peltzer Dunn (Opposition Spokesperson), Farrow, Barnett, Fitch, Jarrett, Mears, MacCafferty and Rufus.

**PART ONE**

**70. MINIMISING THE RISK OF EVICTIONS CAUSED BY THE HOUSING BENEFIT SOCIAL RENTED SECTOR SIZE CRITERIA**

- 70.1 The Committee considered the report of the Executive Director Environment Development and Housing. Ms Dafe, Head of Income Involvement & Improvement, presented the report.
- 70.2 Councillor Farrow referred to paragraph 3.7 and asked how the advice to tenants could be implemented. Ms Dafe said that it was accepted that not everyone who wanted to move would be able to, but many were moving for the first time or applying for a mutual exchange. Councillor Farrow asked how many were moving. Ms Dafe said she didn't have the exact information with her, but around half of the affected tenants had indicated that they wanted to move. Some tenants had said that they would rather stay in their home and find other ways to meet the rental shortfall.
- 70.3 Councillor Jarrett asked how situation was being monitored. Ms Dafe said that all those affected were being visited by Housing staff. The Financial Inclusion Team was ensuring that people were receiving the correct financial advice. In some cases, this had led to positive changes with people finding they were entitled to additional benefits. How other local authorities were dealing with the changes was also being monitored.
- 70.4 Councillor Mears referred to paragraph 3.12 and said that Area Panels were normally consulted first and then a report brought back to the committee, and asked why that had not happened. Paragraph 3.8 provided information on the support services put in place, and Councillor Mears noted that there would be cost implications and asked if the money was coming from the General Fund. Paragraph 3.9 provided information on provision from the Council's Financial Inclusion Strategy, and asked if that was also coming from the General Fund or the Housing Revenue Account (HRA). The Chair said that she had asked that the Area Panels be consulted, but was advised by officers that there wasn't time to hold them before this meeting. The solicitor said that there was no legal requirement for the Area Panels to be consulted. Ms Dafe said that the Learning and Participation officers were funded from the HRA, but other support was funded from both the HRA and the General Fund. Ms Chapman, Head of Financial Services, said that the 2013/14 budget had identified £150k funding from the HRA.
- 70.5 Councillor Powell referred to paragraphs 3.7 to 3.9 and said that whilst she was sure officers were doing their best to help those affected, asked if the council had taken into account the length of time it could take for someone who was not working to get back into employment, or the fact that someone could lose their job and unexpectedly become unemployed. Mr Raw said that the circumstances of each person affected varied, but the council were working with a number of partners

to ensure the right support could be given. Ms Dafe said that the council were trying to help individuals return to work. This included working with the Job Centre Plus, helping access apprenticeships, arranging work placements and voluntary work etc. The Chair added that the authority were aware that there were a limited number of jobs available.

- 70.6 Councillor Jarrett said there had been a suggestion that there had been bullying from some members of staff towards others to get them to carry out unpleasant actions. Mr Raw said all staff should adhere to the corporate values and policies of the council and if any member of staff were found to be bullying people the appropriate action would be taken.
- 70.7 Councillor Farrow said that it was important to do something to help those affected, but he had concerns that asking the Secretary of State for consent to use £70k would only amount to around £70 for each person. Policy and Resources had agreed to allocate £1m for emergency funding, but there had also been £1.4m of cuts. The Council needed to be part of a national campaign on this matter.
- 70.8 Councillor Jarrett said that whilst the recommendations in the report fell short of what he'd hoped he was pleased that a report had been brought to the committee. He agreed with Councillor Farrow that a national campaign on this issue was needed.
- 70.9 Councillor Mears referred to the Financial Implications in the report, and said that whilst officers would have advised on what could and couldn't be done legally, she was concerned over the legality of using £70k from the HRA budget. Agreement would be needed from the Secretary of State, and in any event the sum of £70k was only a token gesture.
- 70.10 Councillor Mears noted that in 2008 the then Labour government had implemented exactly the same criteria for reduction in Housing Benefit for those in the private sector. The Green and Labour councillors had not sought to bring in similar measures to assist those affected then.
- 70.12 Councillor MacCafferty said that the 'Bedroom Tax' was a cruel measure, which would affect many tenants. He felt that the report did not go far enough and it was important to reassure tenants that the Council was doing what it could to assist them. Councillor MacCafferty proposed an amendment to the Recommendations in the report. The amendment was seconded by Councillor Wakefield. The Green Party Amendment read:

To add two further recommendations:

1. That for a transitional period until 1<sup>st</sup> April 2014, where (i) all other avenues have been explored, and (ii) transfer is the only option but there are no suitable properties to transfer to, and (iii) where it is

possible to clearly identify that arrears are solely due to the under-occupancy penalty; officers will use all means other than evictions and bailiffs to recover rent due.

2. That cases that meet these three criteria should not hinder a tenant from moving to another council property.

70.13 Councillor Mears referred to the second amended recommendation, and said that she understood that under the terms of a tenancy agreement the tenant could not move if they were in arrears, and asked for legal clarification. The solicitor said that that was correct, but that the Council also had discretion to allow a tenant to move where appropriate.

70.14 Councillor Farrow thanked Councillor MacCafferty for the amendment, but was concerned that it was only provided minutes before the meeting started. He said that he supported the amendments, but asked what would happen after April 2014.

70.15 Councillor Fitch said he was concerned that policy was being made 'on the hoof' and that was not the appropriate way to do things. The Chair had been advised that there wasn't enough time to properly prepare a report, and he was concerned that the matter wasn't being addressed properly, and that £70k was insufficient. Councillor Fitch said he would support the amendment as he felt that something had to be done to assist people. It was essential that tenants were consulted.

70.16 Councillor Jarrett apologised that the proposed amendments were only distributed immediately before the start of the meeting. The administration would look at what could be done, but it was important that something be put in place now. The recommendations covered the period up to April 2014, as that was when Universal Credit would be brought in, and the budget for 2014/15 would be considered.

70.17 Councillor Peltzer Dunn thanked Councillor Jarrett for the clarification. Councillor Peltzer Dunn asked whether, if a tenant was seeking a mutual transfer to another authority and they were in arrears with their rent, whether that would be disclosed to the other authority. Councillor Peltzer Dunn said that if someone were in arrears with their rent, it would need to be established whether the shortfall was solely down to the reduction in housing benefit, as the authority had a responsibility to all tenants. Councillor Peltzer Dunn said there was merit in the amendments and regretted that they had not been included in the report.

70.18 Councillor Mears said that she supported the amendments, but was concerned that tenants had not been consulted, and trusted that that would be done. Councillor Mears asked for clarification on whether the criteria used to limit housing benefit in the private sector in 2008, was

the same criteria which was being used for social housing. Ms Dafe confirmed that it was.

70.19 Councillor Jarrett apologised that tenants hadn't yet been consulted but there were compelling reasons to take the report to this meeting. Tenants would be consulted and their comments would be noted.

70.20 The Executive Director Environment Development and Housing referred to the first part of the proposed Green Group Amendment, which read '*officers will use all means other than evictions and bailiffs to recover rent due*', and said that this had not been covered in the Financial Implications provided in the report, and members needed to be aware that there could therefore be some potentially challengeable issues. The Council undertook very few evictions and as the landlord it would always be the last resort. As discussed, the report and implications would be referred to the Area Panels and there would be opportunities in the future for officers to provide the financial implications on the proposed amendment. The Chair thanked Mr Raw for the advice but noted that policy was rarely made without taking risks. Councillor Fitch asked whether, given the financial issues, the report would need to be considered by the Policy and Resources Committee. The Chair said that her understanding was that it would not. Mr Raw said that the financial issues were within the capacity of the Housing Committee.

70.21 The Committee voted on the Green Group Amendment 1, and they were agreed.

#### **70.22 RESOLVED:**

That the Housing Committee

- (1) Note the Council resolution in relation to the Housing Benefit social rented sector size criteria attached as Appendix 1 to this report.
- (2) Request Area Panels consider the Notice of Motion and the proposals contained in this report so that their feedback can be considered by Housing Committee (via Housing Management Consultative Sub -Committee) during autumn 2013.
- (3) Earmark £70,000 on a one off basis from the Housing Revenue Account, to support urgent initiatives to minimise the risk of evictions.
- (4) That for a transitional period until 1<sup>st</sup> April 2014, where (i) all other avenues have been explored, and (ii) transfer is the only option but there are no suitable properties to transfer to, and (iii) where it is possible to clearly identify that arrears are solely due to the under-occupancy penalty; officers will use all means other than evictions and bailiffs to recover rent due.

- (5) That cases that meet these three criteria should not hinder a tenant from moving to another council property.
- (6) That the consent of the Secretary of State be sought to use that funding to support additional dedicated Discretionary Housing Payments (DHP) for council tenants, supplementing the council's overall DHP fund.

## **72. ITEMS REFERRED FOR COUNCIL**

- 72.1 The Chair suggested that item 70 be referred to Council. The Committee agreed.