



## **SPECIAL CAERPHILLY HOMES TASK GROUP (WELSH QUALITY HOUSING STANDARD)**

**MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH (SIRHOWY ROOM) ON WEDNESDAY 28TH AUGUST 2013 AT 5:00PM**

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**PRESENT:**

A. Lewis - Vice Chairman

**TASK GROUP MEMBERS:**

Ms. L. Ackerman, C. Davies, B. Hoskins, G. Jones, Mrs S. Jones, Ms. A. Lewis, Mrs A. McConnell, J. Moore, Mrs D. Price and K.V. Reynolds.

Officers: P. Davy (Head of Programmes, Housing), S. Couzens (Chief Housing Officer), J. Rogers (Principal Solicitor), S. Issacs (Rents Manager), D. Thomas (Senior Policy Officer Equalities), A. Main (Deputy Manager Benefits), G. North (Public Sector Housing Manager) and E. Sullivan (Democratic Services Officer).

**WITH:**

Ms. D. Evans (Manager Charter Housing)

**OBSERVING:**

Councillor J.A. Pritchard

### **1. APOLOGIES**

Apologies for absence were received from R.T. Davies, K. James and C.P. Mann.

In the absence of R.T. Davies, Chairman, Ms. A. Lewis - Vice Chairman presided as Chairman for the meeting.

### **2. DECLARATIONS OF INTEREST**

Declarations of interest were received as follows Mr C. Davies, Mr B. Hoskins, Mrs S. Jones, Ms A. Lewis, Mrs A. McConnell, Mr. John Moore and Mr K.V. Reynolds - Agenda Item 3. Details are minuted with the respective items.

**3. WELFARE REFORM PRESENTATION - OVERVIEW, TENANT SUPPORT AND ADVICE AND THE CURRENT POSITION**

The presentation provided an overview of the current position in relation to Welfare Reform and outlined the support and advice provided to tenants along with the timeline for implementation of the key changes.

It was noted that 2136 tenants would be affected by the changes of those 440 were currently under occupying by 2 rooms and 1696 under occupying by 1 room, affected tenants would in total pay an additional £1.3m per annum. 87% of tenants under occupying by 2 rooms or more were single or couples with no dependents over the age of 40 and 50% of tenants under occupying by 1 room have dependents.

The timeline for the introduction of Personal Independence Payments (PIP), the Benefit Cap and Universal Credit was confirmed and Officer's advised that under PIP the DWP estimated that 29% of claimants would see an increase, 29% would see a decrease and 26% would receive no award. Reference was made to the study by Sheffield Hallam University on the local and regional impact of welfare reform; the report concluded that Caerphilly would be the 7th most affected Authority in the UK, due to the high levels of resident's in receipt of Disability Living Allowance (DLA).

In relation to the Benefits Cap it was noted that 50 households in Caerphilly had been affected so far and all those were larger families with 4 children or more. 23 were Council tenants, 18 in the private rented sector and 9 in Housing Association accommodation. Universal Credit was explained and the application process and payment schedule confirmed. Officers confirmed that £29M was paid directly to the Council in 2012/2013, which would have to be collected when all tenants moved onto the Universal Credit system, and demonstration projects had seen an increase in rent arrears.

The level of support being provided to tenants during the transition process was detailed which included the appointment of 4 Tenancy Support Officers and an additional Rent Recovery Officer, a full training programme for staff and clerical support provided through a placement with Jobs Growth Wales. This saw successful outcomes achieved for 1067 tenants from October 2012 to July 2013. 164 tenants were recognised as requiring additional welfare benefits advice and referred for additional support, resulting in a gain of £350,000. 20 food vouchers were issued and food packs delivered by Officers to tenants. 446 tenants were assisted with DHP application resulting in an 88% success rate for the claimants. In relation to energy and water expenses, 350 tenants were assisted with application to Water Assist Wales, 690 tenants were provided with advice on energy savings including warm homes discount. Officers also made referrals to Job Centre Plus and Social Services for additional support for tenants. 126 tenants were assisted with transfer applications and registering on the home swapper scheme. Smoking cessation advice was also provided to 27 tenants.

Officers confirmed that of the 2136 tenants affected by the 'bedroom tax', 55% had paid in full, 29% had made part payments and 16% had made no payments at all. It was noted that 90% of those making no payments were already in arrears. Wherever possible mutual exchanges and transfers were encouraged and an increase in transfers had been noted as well as an increase in rent arrears compared to the same period last year.

The number of evictions and the reason for them were detailed and Members noted the difference between those served during 2012/2013 and between April and August 2013. The majority had been for rent arrears with 37 tenants evicted in 2012/2013 compared to 15 from April to August 2013. Other reasons for eviction were noted as property conditions, no access for gas servicing, illegal occupier and anti-social behaviour.

Members were advised that 1060 tenants had still to be visited and an initial survey of those who had already received support from the Tenancy Support Officers would be conducted in order to gauge the success of the support being provided and highlight any areas for

improvement. Tenants digital skills would also continue to be assessed and a decision would be made in mid September on the continuation and future criteria of Discretionary Housing Payments.

In concluding the presentation 3 case studies were detailed in order to highlight the types of issues and successful outcomes that have been achieved for tenants.

The Chair thanked the Officer for the presentation and commended her team for the outstanding work done to date in supporting tenants through this difficult transition period.

#### **4. VERBAL UPDATE AND DISCUSSION ON NO EVICTION AND RECLASSIFICATION OF PROPERTIES**

Ms. A. Lewis, Mr C. Davies, Mr J. Moore, Mr B. Hoskins declared a personal interest as they are Council tenants, Mr K.V. Reynolds declared a personal interest in that his nephew is a Council tenant.

Ms S. Jones and Mrs A. McConnell declared an interest in that they are Council tenants directly affected by the Welfare Reform changes and left the meeting when the item was discussed.

Mr S. Couzens, Chief Housing Officer updated Members on the Notice of Motion received by the Policy and Resources Scrutiny Committee on the 24th July 2013 and the outcome of the Committee's discussions in this regard. The Caerphilly Homes Task Group was considered to be the best platform to take those discussions forward and were now asked to consider and make recommendations on two key issues, the suitability of implementing a no-eviction policy and the reclassification of properties, by looking at the work of other authorities and registered social landlords and consider the legal, financial and equality implications.

Ms Debbie Evans from Charter Housing was welcomed to the meeting and thanked for her attendance.

In relation to the position of other authorities, particular reference had been made to the work being done by Cardiff Council. Officers advised that information had been received from Cardiff Council confirming that they were not looking at implementing a no-eviction policy but were considering the reclassification of a small number of suitable properties and this information was circulated to Members.

Reference was made to recent media speculation that this Authority would be meeting with Cardiff and Bristol Council in order to discuss these issues and Officers confirmed that this information was incorrect.

With regard to the no-eviction policy Officers explained fully the difficulties of implementing this type of policy in isolation and an 'equalities impact assessment' was circulated to Members which highlighted the issues arising. The Officer also confirmed that no other authority was looking to introduce a no-eviction policy. Members were advised of the potential financial impact that a short fall in rental income would have on the authority and tenants, and the implications for the business plan for achieving WHQS were explained.

As to the reclassification of properties Members attention was drawn to a letter from Lord Freud, Minister for Welfare Reform advising on the re-designation of properties and removal of the spare room subsidy and the need to ensure that any reclassification was clearly justified and consistent for both Housing Benefit and rent purposes, failure to evidence reasonable grounds would result in the Council losing its Housing Benefit subsidy.

Members were also advised of the implications with regard to rents, the reduced capital value of properties, right to buy and the requirement to be consistent with all similar properties regardless of location or occupancy.

Members were asked to consider carefully the repercussions for the Authority and tenants when making their recommendations and discussion and questions were welcomed.

Members requested a five-minute recess in order to read through the information circulated and the meeting was briefly adjourned to accommodate this request.

The Chair reconvened proceedings and opened the floor for discussion and questions in relation to no-eviction and reclassification.

The Cabinet Member for Housing thanked Sandra Issacs and her team for all the support provided to tenants and highlighted the implications associated with no-eviction and reclassification. He acknowledged and shared the universal lack of support for the 'bedroom tax' but was also mindful of the Authority's duty to comply with legislation. Having contacted Cabinet Members from other Authorities he was able to confirm that none were considering the introduction of a no-eviction policy and asked Ms Debbie Evans of Charter Housing to clarify if this was also the case for her organisation.

Ms Evans confirmed that Charter Housing were not considering a no-eviction policy at this time, but advised that they had seen an increase in the number of evictions served. Charter were supporting tenants as far as possible but as with the Local Authority the equalities and financial implications for her organisation would make this type of policy extremely difficult to implement.

Members fully discussed the implications of no-eviction and shared Officer's concerns with regard to its implementation. In terms of reclassification Members asked if this could be approached in a small way, identifying any properties on an individual basis that would meet the criteria. An Officer advised that unfortunately there was no minimum size criterion for a bedroom, if the room in question was able to accommodate a single bed and had a natural light source then it was considered as meeting the requirements of a bedroom. However, it would be possible for Tenant Support Officers during their visits to identify any properties that might be suitable for re-designation. Members were also concerned by the loss of revenue that would be associated with both no-eviction and reclassification and the impact this would have on other tenants as well as the WHQS programme.

Members queried if there had been any legal challenge to the Welfare Reform Act and were advised that recent representations under judicial review on behalf of a group of disabled people had been dismissed and were now under appeal.

Members acknowledged and commended the support provided to tenants and requested that a report to update them on the Universal Credit support pilot be presented to a future meeting once the results of the interventions had been compiled.

A Member sought clarification as to the number of 1-bedroom properties available and the number of applicants waiting for those properties and if this demand could not be accommodated would this constitute adequate justification for reclassification. Officers acknowledged the shortage in 1 bedroom properties, however advised that it was not possible to simply adjust a 2 bedroom and call it a 1 bedroom, any alteration would need to meet strict criteria, for example, if the existing bedroom were unfit for purpose and this would also need to be reflected in the rent charged. Officers also reminded Members that the majority of under occupying tenants did not want to move.

With regard to the specification of properties the Chair referenced figures forwarded by the Housing Department and advised that currently there were 1559 1-bedroom and 1611 2-bedroom properties within older person accommodation, 1908 1-bedroom and 3648 2-bedroom properties within general housing, with 1131 tenants currently on the transfer list for a variety of reasons and 3703 people on the housing waiting lists. The waiting list profile comprised of 1155 single people, 1281 older people and 1246 requiring general housing.

Members noted the efforts to increase partnership working and the development of a common housing register to improve choice for tenants, although this would not address the shortage of 1 and 2 bedroom housing. Members were also advised of new development opportunities that could include the provision of 1 and 2 bedroom apartments.

Members agreed that wholesale reclassification of properties would be irresponsible but felt that there would be merit in considering individual properties should issues be identified and agreed that demand alone did not constitute reason enough for re-designation particularly when taking into consideration the advice from Lord Freud.

The Chief Housing Officer summarised initiatives to support tenants and confirmed that it had been agreed to waive limited breaches of tenancy to assist with transfers e.g. certain levels of arrears and property condition. Tenants affected by the under-occupancy rules would be awarded additional points to assist their transfer to more suitable accommodation and opportunities to increase the use of the private sector for suitable alternative properties would be pursued.

The Authority would continue to provide practical/financial support to those tenants who wish to downsize e.g. signposting, debt and financial management advice, assist applications for DHP, energy advice, referral to voluntary sector for assistance, assistance to move home and fast-track referral to Job Centre Plus. Increase the provision of 1 and 2 bed properties on future new developments in conjunction with our RSL partners and look to convert properties into smaller units of accommodation where appropriate to do so.

A requirement for tenants who are in arrears to attend compulsory money management workshops/one to one sessions would be introduced and consideration given to reclassifying some of our properties where appropriate and review rooms which are classified as bedrooms but are unable to accommodate the size of a standard single bed.

Develop step-by-step procedures for dealing with arrears so that the processes being followed are open and transparent to all and introduce a Tenancy Review Panel to scrutinise proposed evictions and make recommendations to the Chief Housing Officer.

Officers also confirmed that regular updates on the Welfare Reform impacts would be presented to CHTG and Policy and Resources scrutiny meetings

Members agreed that all these options should be considered going forward and sought clarification as to the type of aid that would be provided for persons considering downsizing, such as removal cost and whether this would need to be repaid. Officers confirmed that they envisaged that this would be in the form of a grant payment and did not anticipate that it would need to be repaid.

The Senior Solicitor confirmed that eviction would always be a last resort and advised that the Authority had a legal duty to charge and collect rent and as such felt that it would be illegal to adopt a no eviction policy.

Members having fully considered the issues involved agreed by a show of hands that they could not support the introduction of a no-eviction policy.

Members having fully considered the issues involved in the reclassification of properties agreed that they could not support a wholesale re-designation policy, however they acknowledged that under a specific criteria there may be a limited number of properties where reclassification would be appropriate and where possible this option should be actively pursued and by a show of hands this was agreed.

Members also recommended that the support initiatives proposed by the Chief Housing Officer be referred back to the Policy and Resources Scrutiny Committee for their consideration with the support of the Caerphilly Homes Task Group and by a show of hands this was unanimously agreed.

RESOLVED that the following recommendations be made to the Policy and Resources Scrutiny Committee: -

1. The Caerphilly Homes Task Group could not support the introduction of a no- eviction policy.
2. The Caerphilly Homes Task Group could not support a re-designation policy, however under a specific criteria there may be a limited number of properties where reclassification would be suitable and if appropriate this option should be actively pursued.
3. The Caerphilly Homes Task Group fully supported the following initiatives:-
  - Waive limited breaches of tenancy to assist with transfers e.g. certain levels of arrears and property condition.
  - Award tenants affected by the under-occupancy rules additional points to assist their transfer to more suitable accommodation.
  - Pursue opportunities to increase the use of the private sector for suitable alternative properties.
  - Continue to provide practical/financial support to those tenants who wish to downsize e.g. signposting, debt and financial management advice, assist applications for DHP, energy advice, referral to voluntary sector for assistance, assistance to move home, fast-track referral to Job Centre Plus.
  - Increase the provision of 1 and 2 bed properties on future new developments in conjunction with our RSL partners.
  - Convert properties into smaller units of accommodation where appropriate to do so.
  - Introduce the requirement for tenants who are in arrears to attend compulsory money management workshops/one to one sessions.
  - Consider reclassifying some properties where appropriate and review rooms, which are classified as bedrooms but are unable to accommodate the size of a standard single bed.
  - Develop step-by-step procedures for dealing with arrears so that the processes being followed are open and transparent to all.
  - Introduce a Tenancy Review Panel to scrutinise proposed evictions prior to progressing cases to court and make recommendations to the Chief Housing Officer.
  - Regular updates on the Welfare Reform impacts will be presented to CHTG and Policy and Resources scrutiny meetings

Approved as a correct record subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 5th September 2013.

The meeting closed at 19:00pm

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CHAIRMAN