

	<h2>Housing Committee</h2> <h3>14th January 2019</h3>
Title	Private Sector Housing New Fee for 2019/20
Report of	Councillor Gabriel Rozenberg
Wards	All
Status	Public
Urgent	No
Key	Yes
Enclosures	Appendix A – Proposed New Fee for 2019/20
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Summary

This report seeks to obtain approval for a proposed new fee for 2019/20 to support the Commissioning Business Plan, and delivery of the front-line service within the Private Sector Housing Team in Re.

Recommendations

That the Housing Committee review this report and approve the new fee for 2019/20 as set out in Appendix A and refer the fee to Policy and Resources Committee to note.

1. WHY THIS REPORT IS NEEDED

1.1 Fees and charges are reviewed on an annual basis to ensure that the costs of

chargeable services are covered and the council is achieving value for money. This report recommends a new fee for services within the Private Sector Housing Team in Re. Any fees which are being increased by less than the rate of inflation plus 2% are not included in this report as their approval method is via a Delegated Powers Report.

- 1.2 The Housing Health and Safety Rating System (HHSRS) is a risk-based assessment evaluation tool to help local authorities identify and protect against potential risks and hazards to health and safety from any deficiencies identified in residential premises.
- 1.3 In November 2018 an addendum was produced to the HHSRS in relation to high-rise residential buildings with unsafe cladding (and allow for a more robust assessment). It supplements the hazard profile for fire as given in the HHSRS Operating Guidance. The addendum deals specifically with high-rise residential buildings (those 18 metres high and over) with such cladding, some aspects of this guidance will be relevant to other residential buildings containing flats or apartments. The addendum remains in draft format until it completes its 40 days parliamentary process on 24 January 2018.
- 1.4 A new fee is proposed in Appendix 1 to ensure that any costs incurred through the need to employ a Fire Safety Engineer prior to service of an enforcement notice under the Housing Act 2004 can be recouped.

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is recommended that the Housing Committee consider the proposed new fee for 2019/20 as it is considered good practice to review fees and charges to ensure that the costs of providing the services are recouped.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The alternative approach would be not to introduce this fee. This is not however considered to be good practice and would expose the council to the risk of not recovering the cost of the provision of the service. This would not be appropriate.
- 3.2 Given the financial pressures currently faced by the council the only viable option for continuing to provide services is to levy an appropriate fee or charge where appropriate.

4. POST DECISION IMPLEMENTATION

- 4.1 If the Committee approves the recommendation then the fee will be referred to Policy and Resources Committee to note as part of the council wide budget setting. Once the budget is approved by full Council all fee and charges will be posted on the council's website. The new fee will be implemented from 1st April 2019.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Corporate Plan 2015-2020 is based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place:

- Of opportunity, where people can further their quality of life
- Where people are helped to help themselves, recognising that prevention is better than cure
- Where responsibility is shared, fairly
- Where services are delivered efficiently to get value for money for the taxpayer

The council's priorities include:

- High quality services maintained whilst reducing unit costs to the lowest amongst Barnet's statistical neighbours.

5.1.2 Fees and charges need to be reviewed to ensure value for money and cost recovery. This complies with the 2015-2020 Corporate Plan priority for Barnet to be in the lowest 25% of all Councils (Boroughs and County Councils) for expenditure per head of population. The Fees and Charges review is a means of ensuring that net costs are kept under control.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 **Finance & Value for Money:** With public and Member expectations increasing, the review of fees and charges ensures that sufficient resources are made available to manage and prioritise those expectations.

5.2.2 This discretionary fee will aim to ensure effective cost recovery for delivering the statutory service. The discretionary fee will be charged in conjunction with the charge for service of a statutory notice/order under the Housing Act 2004.

5.2.3 The Constitution requires that all new charges and charges that are proposed to be increased by more than inflation plus 2%, are agreed by the relevant Theme Committee and also reported to Policy and Resources Committee for noting. CPI annual inflation for July 2018 was 2.5%.

5.2.4 This fee will vary from case to case depending on the size of the building to which the report relates. As such there is no actual unit cost. The fee is cost recovery depending on the charge incurred plus the arrangement fee.

5.2.5 **Procurement:** At this time, there are no procurement implications.

5.2.6 **Staffing:** At this time, there are no staffing implications.

5.2.7 **Property:** At this time, there are no property implications.

5.2.8 **IT:** At this time, there are no IT implications.

5.2.9 **Sustainability:** At this time, there are no sustainability implications.

5.3 Social Value

5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.

5.4 Legal and Constitutional References

5.4.1 Under section 49 of the Housing Act 2004 a local housing authority may make such reasonable charge as they consider appropriate as a means of recovering certain administrative and other expenses incurred by them in:

- serving an Improvement Notice under section 11 or 12
- making a Prohibition Order under section 20 or 21;
- serving a Hazard Awareness Notice under section 28 or 29;
- taking Emergency Remedial Action under section 40;
- making an Emergency Prohibition Order under section 43; or
- making a Demolition Order under section 265 of the Housing Act 1985 (c. 68)

5.4.2 The expenses are, in the case of the service of an Improvement Notice or a Hazard Awareness Notice, the expenses incurred in:

- determining whether to serve the notice,
- identifying any action to be specified in the notice, and
- serving the notice.

5.4.3 The expenses are, in the case of Emergency Remedial Action under section 40, the expenses incurred in:

- determining whether to take such action, and
- serving the notice required by subsection (7) of that section.

5.4.4 The expenses are, in the case of a Prohibition Order under section 20 or 21 of this Act, an Emergency Prohibition Order under section 43 or a Demolition Order under section 265 of the Housing Act 1985, the expenses incurred in:

- determining whether to make the order, and
- serving copies of the order on persons as owners of premises.

5.4.5 Article 7 of the council's Constitution, 'Committees, Forums, Working Groups and Partnerships' sets out the terms of reference of the Housing Committee including:

- Responsibility for housing matters
- including housing strategy, homelessness,
- social housing and housing grants,
- commissioning of environmental health functions for private sector housing.

5.4.6 Article 7 also states that Policy and Resources Committee are responsible for determining fees and charges for services which are the responsibility of the committee.

5.5 Risk Management

5.5.1 The fee proposed within this report are based on recovery of costs incurred by the council. There will nonetheless remain an element of reputational, legal and financial risk.

5.6 Equalities and Diversity

5.6.1 The Corporate Plan 2015-2020 sets the Strategic Equalities Objective, which is: that citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer. Changes to policies and services are analysed in order to assess the potential equalities impacts and risks and identify any mitigating action possible before final decisions are made.

5.6.2 The Equality Act 2010 sets out the Public Sector Equality Duty which requires public bodies to have due regard to the need to:

- eliminate discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not
- foster good relations between persons who share a relevant protected characteristic and persons who do not

5.6.3 The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

5.6.4 The proposed fees have been reviewed against the protected characteristics and it is considered that there will not be any specific adverse impact on any of the groups.

5.6.5 It is considered that housing enforcement action requiring the improvement of accommodation has an overall positive impact for landlords, tenants, residents and businesses by virtue of the potential improvement to the quality and management of accommodation in the borough.

5.6.4 In addition, there are potential benefits arising from the increased choice of high quality, well-managed affordable housing.

5.7 Consultation and Engagement

5.7.1 The fees and charges will be included within the council wide budget consultation.

6 BACKGROUND PAPERS

6.1 [HHSRS Operating Guidance](#)

Appendix 1 – Proposed New Fee from 1st April 2019/20 – Note any charge increase less than 4.5% (2% plus estimated 2.5% inflation) being dealt with via DPR)

Description of charge	Unit	Subject to VAT	Current charge excluding VAT	Proposed Charge excluding VAT	Legislative provision to charge	Basis for charging
Add on fee to Housing Act 2004 notice/order - cost of a Fire Safety Engineer Report if obtained	Actual cost of a Fire Safety Engineer Report if obtained Per notice/order	Included in cost	New	Actual cost of obtaining a report plus arrangement costs.	S49 Housing Act 2004	Cost recovery (discretionary)