

Item No.	Classification Open	Date: 1 March 2016	Decision Taker: Cabinet Member for Housing
Report title:		Housing and Modernisation – Fees and Charges 2016/17	
Ward(s) or groups affected:		All	
From		Strategic Director of Housing and Modernisation	

RECOMMENDATIONS

1. That the Cabinet Member for Housing agrees to the proposed variation in fees and charges for housing and modernisation services in accordance with the tables set out below to be implemented from 1 April 2016; and with regard to changes to concierge charges (paragraphs 13 – 21) and garage service charges (paragraph 25) to be implemented from 4 April 2016.
2. That the Cabinet Member for Housing, following the decision of cabinet at their meeting of 27 January 2016 regarding the provisions of the Welfare Reform and Work Bill, formally agree that charges related to supported housing (which are likely to be exempted from the 1% rent reduction) be frozen for 2016/17.

BACKGROUND INFORMATION

3. This report sets out proposals for fees and charges within the housing and modernisation department to be set from 1 April 2016. In addition, changes to charges for concierge services and garage service charges will be implementable from 4 April 2016, which is the first day of the rent year.
4. The Medium-Term Resources Strategy (MTRS) 2014/15 – 2016/17 requires that:
 - Southwark increase discretionary fees and charges to a level, at a minimum, that is equal to the most appropriate London average (e.g. inner London, family, groupings etc.) except where this conflicts with council policy, would lead to adverse revenue implications or would impact adversely on vulnerable clients; and
 - To increase all fees and charges capped by statute to the maximum level the cap allows.
5. The council's constitution requires that all fees and charges increases are agreed by the relevant cabinet member through an IDM report. This report is also required where no changes are proposed.

KEY ISSUES FOR CONSIDERATION

6. Fees and charges are those charges where there is a schedule of rates for services provided. There are two types; mandatory and discretionary i.e. where the council must charge or where there is a choice with regards the amount to be charged. Whether mandatory or discretionary, the charges will be either:
 - Fixed – where the level of charges is set by statute and the authority has no discretion;
 - Capped – where a maximum level is set, generally by statute and so charges cannot be set in excess of this; or
 - Flexible – where the council has discretion on the level of charges to be set.
7. Where the council has a choice about charging, any decision not to charge must be agreed by the relevant cabinet member. This is reviewed annually.
8. In arriving at the proposed fees, consideration has been given to benchmarking data, market forces, volume assumptions and the sensitivity of demand to any price increases as well as the impact that increases will have on customers' ability to pay and the take-up of services.
9. The tables below show the proposed fees and charges for 2016/17. The relevant sums cover three divisions within housing and modernisation:
 - Resident Services;
 - Exchequer, Finance and Governance; and
 - Customer Experience.

Resident Services

Table 1 – Resident Services Fees and Charges 2016/17

Item	2015/16 Fee	2016/17 Fee	Increase	HRA/ GF	Mandatory/ Discretionary
Mortgage reference	£170.00	£180.00	5.88%	HRA	Discretionary
House file keys	£20.00	£21.00	5.00%	HRA	Discretionary
Assa keys	£20.00	£21.00	5.00%	HRA	Discretionary
Entry fobs	£19.00	£20.00	5.26%	HRA	Discretionary
Lock changes	£90.00	£95.00	5.56%	HRA	Discretionary
Visitor parking permits – ten visits	£16.00	£16.50	3.13%	HRA	Discretionary
Visitor parking permits – sixty visits	£80.00	£82.50	3.13%	HRA	Discretionary
Second bay parking	£80.00	£82.50	3.13%	HRA	Discretionary
Area-wide permit (contractors and employees)	£125.00	£130.00	4.00%	HRA	Discretionary
Southwark-wide permit (contractors and employees)	£125.00	£130.00	4.00%	HRA	Discretionary
Business permits	£125.00	£130.00	4.00%	HRA	Discretionary
Carers permits	£35.00	£36.00	2.86%	HRA	Discretionary
Removal of illegally parked vehicle	£200.00	£200.00	Nil	HRA	Not LBS
Daily storage charge – removed vehicle	£40.00	£40.00	Nil	HRA	Not LBS
Travellers sites – single pitch	£84.35	£85.36	1.20%	GF	Discretionary
Travellers sites – double pitch	£114.47	£115.84	1.20%	GF	Discretionary

10. Parking charges – these fees and charges have been increased with a view to limiting the impact upon tenants. However since the charges apply to a relatively small proportion of residents this has to be balanced with the need to ensure cost recovery wherever possible; the general level of increase is comparable with that proposed for homeowner services elsewhere in this report.
11. Removal of illegally parked vehicles and the daily storage charge thereof is a contracted-out service managed by the environment and leisure department. The fees associated with this service are now set by London Councils on behalf of all 33 London boroughs. Southwark is not aware of any proposal to vary these charges at the present time, and this is reflected within Table 1. However, it should be noted that London Councils reserves the right to propose, consult upon and implement variations to these charges.
12. Travellers' sites – these charges are proposed to increase in accordance with legislation and reflect the Retail Price Index as at December 2015 (1.2%). This index is in accordance with that employed in previous years.
13. Concierge service – the standard fixed charge for tenant users of the concierge service has been £6.95 since 1999, whilst the specific charge for users of the Castlemead service is currently £4.89. This level of charge overall only meets around 49% of the total cost of the service.
14. Consultation with all service users on a service improvement plan and a £2 per week increase on the charge was proposed for implementation from August 2015. 600 questionnaires were sent out and 101 were returned (16.9%) which compares to an 11% turnout when residents were last surveyed in 2012. In addition there was consultation with the three relevant tenant and resident associations. Residents were asked to comment on a draft set of service standards; whether residents had a preference on the type of uniform worn; whether they thought concierge staff could receive deliveries for residents; whether concierge staff should carry out minor repairs (making safe); whether the hours of service were right; whether they would be prepared to pay extra for cover for sickness and leave; and whether they had any general comments about the service overall.
15. The consultation found some dissatisfaction with the service and consequently the proposal was amended to an increase of £1 per week from April 2016 alongside an expectation that the service improvements outlined in the consultation would be implemented:
 - A set of service standards as the minimum offer to residents;
 - A more professional looking service with properly maintained offices, up to date information and well trained, motivated, informative and uniformed staff;
 - A new role in providing support for older or more vulnerable residents;
 - Improved management arrangements with a standard training package for each member of staff, improved liaison with colleagues in the council and with service providers, compliance with health and safety standards and standardised reporting;

- An enhanced service including receiving deliveries and carrying out spot cleaning and minor repairs; and
 - Improved transparency in service costs and charges.
16. Having regard to the consultation outcomes, officers original recommendation was to increase the standard fixed weekly charge to £7.95 for 2016/17 with subsequent annual increases of £1 weekly until such time as the difference between income and service cost is removed, and charges reach the target level of £10.95 per week. However, given that this transition period coincides with that of the national rent reduction, the council feels that these tenants should not be penalised financially by their net change in rent and service charge (N.B. other tenant service charges are not changing in 2016/17).
 17. With this in mind, the revised recommendation is that the concierge charges should be increased by an amount equivalent to the rent reduction resulting in a neutral impact in 2016/17. Where the rent reduction exceeds £1.00 per week, the concierge charge increase will be capped at that level. This process will continue over the four years covered by the rent reduction as set out in relevant legislation – though it will therefore be the case that charges in 2019/20 will not meet the target level of £10.95 per week, necessitating continuance beyond April 2020.
 18. As noted above, the fixed tenant service charge levied at Castlemead is currently £4.89. The revised recommendation above will mean that by 2019/20, the concierge charge for this block will be around £8.75 per week, and so the transition period will also need to be extended to reflect this.
 19. Maydew House is one of the blocks subject to a concierge charge, and is currently fully vacant pending refurbishment. Given the higher standard of accommodation and service anticipated once re-letting commences, these properties will incur the full concierge charge of £10.95 from the outset.
 20. During the course of a service review the charge was benchmarked against a range of other inner-London housing organisations providing a concierge service. The average weekly charge of those seven organisations is £18.16. If the three private housing providers are removed from that equation the average weekly charge for the remaining four organisations is £14.18. Whilst the Medium-Term Resources Strategy (MTRS) requires that council fees be uplifted to a comparable level where possible, the rate of increase during the transition period is felt to be at the optimum to avoid adverse consequences in terms of revenue raised or for more vulnerable tenants, and therefore, remains in line with the MTRS.
 21. Changes to the concierge charges will come into effect on Monday 4 April 2016, which is the commencement of the rent year. This is also the case for garage service charges in the relevant section below. Other fees addressed in this report are effective from 1 April 2016.

Exchequer, Finance and Governance

Table 2 – Exchequer, Finance and Governance Fees and Charges 2016/17

	2015/16 Fee	2016/17 Fee	Increase	HRA/ GF	Mandatory/ Discretionary
Discretionary service charge loan application	£550.00	£550.00	nil	HRA	Discretionary
Mandatory service charge loan application	£100.00	£100.00	nil	HRA	Mandatory
Voluntary charge application fee	£550.00	£550.00	nil	HRA	Discretionary
Notices of assignment and notices of charge	£10.00/ £30.00	£10.00/ £30.00	nil	HRA	Discretionary
Pre-assignment pack	£189.00	£198.50	5.03%	HRA	Discretionary
Pre-assignment pack – expedited 48 hours	£260.00	£273.00	5.00%	HRA	Discretionary
Postponement of charge for home improvement	£135.00	£142.00	5.19%	HRA	Discretionary
Postponement of charge for all other reasons	£189.00	£198.50	5.03%	HRA	Discretionary
Remortgage	£91.00	£95.50	4.95%	HRA	Discretionary
Retrospective letter of postponement	£276.00	£290.00	5.07%	HRA	Discretionary
Gas servicing administration fee	£32.00	£33.60	5.00%	HRA	Discretionary
Expedition fee for remortgage	£70.00	£73.50	5.00%	HRA	Discretionary
Expedition fee for pre-assignment	£70.00	£73.50	5.00%	HRA	Discretionary
Document Copies					
Reproduction copy of lease/leasehold transfer	£39.00	£39.00	nil	HRA	Discretionary
Certified copy of lease/leasehold transfer	£62.00	£65.00	4.84%	HRA	Discretionary
Reproduction copy of section 125 notice	£26.00	£27.00	3.85%	HRA	Discretionary
Duplicate right-to-buy documentation	£57.00	£60.00	5.26%	HRA	Discretionary
Additional completion statement fee	£70.00	£74.00	5.71%	HRA	Discretionary
Further engrossment of the counterpart lease	£27.00	£28.00	3.70%	HRA	Discretionary
Reproduction copy of specification	£25.00	£25.00	nil	HRA	Discretionary
Reproduction copy of licence for alterations and/or landlord's consent to make alterations	£25.00	£25.00	nil	HRA	Discretionary
Copies of any other relevant documentation	£0.10	£0.10	nil	HRA	Discretionary
Other Administration					
Deed of covenant	£140.00	£147.00	5.00%	HRA	Discretionary
Rent references	£43.00	£45.00	4.65%	HRA	Discretionary
Section 146 notice fee	£270.00	£283.50	5.00%	HRA	Discretionary
Disposals					
Ad-hoc or voluntary disposals of property or land	£249.00	£261.00	4.82%	HRA	Discretionary
Purchase of properties freehold on short leases	£247.00	£259.00	4.86%	HRA	Discretionary
Lease extensions	£247.00	£259.00	4.86%	HRA	Discretionary
Enfranchisement:					
Collective Enfranchisement – standard charge	£247.00	£259.00	4.86%	HRA	Discretionary
Lease-back of tenanted properties	£591.00	£620.00	4.91%	HRA	Discretionary
Individual enfranchisement	£247.00	£259.00	4.86%	HRA	Discretionary
Sale of freehold reversionary interest	£247.00	£259.00	4.86%	HRA	Discretionary

Table 2 (continued)

	2015/16 Fee	2016/17 Fee	Increase	HRA/ GF	Mandatory/ Discretionary
Landlords Consent for Alterations Permissions:					
Like-for-like replacements of kitchens/bathrooms	£36.00	£38.00	5.56%	HRA	Discretionary
Change of boilers/radiators	£70.00	£74.00	5.71%	HRA	Discretionary
Minor structural alterations	£87.00	£91.00	4.60%	HRA	Discretionary
Structural alterations	£247.00	£259.00	4.86%	HRA	Discretionary
Retrospective permission for any alteration type	£376.00	£395.00	5.05%	HRA	Discretionary
Legal Discharge of Charge:					
RTB natural	£50.00	£50.00	nil	HRA	Discretionary
RTB premature; vol. SCL, discr. SCL	£100.00	£100.00	nil	HRA	Discretionary
Right of first refusal – pre-emption requests	£95.00	£100.00	5.26%	HRA	Discretionary
Equity Share:					
Administration fee	£100.00	£100.00	nil	HRA	Discretionary
Valuation fee	£155.00	£155.00	nil	HRA	Discretionary
Equity Loan:					
Administration fee	£100.00	£100.00	nil	HRA	Discretionary
Valuation fee	£155.00	£155.00	nil	HRA	Discretionary
Exit fee	£100.00	£100.00	nil	HRA	Discretionary
Barrow Store – Annual Rents:					
Bournemouth Road	£740.95	£778.00	5.00%	HRA	Discretionary
Southwark Park Road (small)	£293.30	£308.00	5.01%	HRA	Discretionary
Southwark Park Road (large)	£740.95	£778.00	5.00%	HRA	Discretionary
Portland Street	£1,180.40	£1,240.00	5.05%	HRA	Discretionary
Kingston Mews (small)	£590.72	£620.00	4.96%	HRA	Discretionary
Kingston Mews (large)	£1,180.40	£1,240.00	5.05%	HRA	Discretionary
Northchurch	£1,066.97	£1,120.00	4.97%	HRA	Discretionary
Garages Weekly Rent (reference only):					
Concessionary (Blue Badge & Elderly)	£13.62	£13.62	nil	HRA	Discretionary
Standard	£18.62	£18.62	nil	HRA	Discretionary
Private	£27.50	£27.50	nil	HRA	Discretionary

22. For 2016/17 consideration has been given to a number of factors including volume assumptions, London Councils benchmarking data (which empirically shows our fees to be in line with other local authorities and therefore reasonable), market forces and the sensitivity of demand to any price increases. The proposed fee increase is in the region of 5%, as above, which is then rounded where appropriate. The discretionary and mandatory service charge loan application fees are proposed to be held at last years level, as (similarly to the concierge charge increase outlined above) a further increase at this time could lead to adverse revenue implications or may impact unfavourably on vulnerable clients.

23. Certain charges have had no increase because they are either set by statute, or by outside bodies. These include:
- Loan application fee;
 - Notices of assignment and charge;
 - Reproduction and copying charges;
 - Equity share/equity loan administration valuation and exit fee; and
 - Legal discharge of charges.
24. Under relevant contracts, additional legal and floor plan drafting fees may be payable to the council's external service providers and recharged to applicants or payable directly and are subject to annual RPI-related increase. The increases do not come into effect until a time after this report has been circulated and agreed. In addition, both contracts are currently subject to gateway reports for contract re-procurement, so future costs cannot be specified at this time.
25. Garage rents will be held once again at the last year's rates, but it is proposed to introduce fixed service charges to those garages that receive an additional service or have additional facilities, as recommended by the Garages Working Party. The fixed service charges will be as follows:

Table 3 – Proposed New Service Charges for Garages from 4 April 2016

Service	Charge per week	Number of units charged	Predicted revenue per year
Water	£0.50	640	£6,531
Larger than average	£5.00	9*	£2,340
Additional parking	£5.00	139	£36,140
Additional security	£1.00	663	£34,476
Total			£79,227

** It is likely that this number will expand as further stock on estates such as Four Squares becomes available*

Customer Experience

Table 4 – Customer Experience Fees and Charges 2016/17

	2015/16 Fee	2016/17 Fee	Increase	HRA/ GF	Mandatory/ Discretionary
Bed and Breakfast:					
Weekly rate	£190.38	£190.38	nil	GF	Mandatory
Daily rate	£27.20	£27.20	nil	GF	Mandatory
Water rates	£1.31	£1.31	nil	GF	Mandatory
Heating/lighting	£9.42	£9.42	nil	GF	Mandatory
Private Sector Leasing/Self-Contained:					
One bedroom	£211.34	£211.34	nil	GF	Mandatory
Two bedrooms	£268.47	£268.47	nil	GF	Mandatory
Three bedrooms	£310.00	£310.00	nil	GF	Mandatory
Four bedrooms	£413.84	£413.84	nil	GF	Mandatory
Five bedrooms	£500.00	£413.84	-17.23%	GF	Mandatory
Water rates	£1.31	£1.31	nil	GF	Mandatory
Heating/lighting	£9.42	£9.42	nil	GF	Mandatory
Hostels:					
Northcott House service charge	£14.24	£14.24	nil	HRA	Discretionary
Weekly hostel laundry charge	£2.93	£2.93	nil	HRA	Discretionary
Sheltered hostels part-board charge	£18.44	£18.44	nil	HRA	Discretionary
Scooter charge	£3.00	£3.00	nil	HRA	Discretionary

26. No changes are proposed to be made to temporary accommodation local housing allowance (LHA) rates. This means that these rates will once more be based on the January 2011 circular relating to properties that are used to house housing benefit claimants. This was confirmed by '**Temporary Accommodation in Housing Benefit and Universal Credit**' (HBA9/2014) issued by the Department for Work and Pensions (DWP) on 31 March 2014. However, DWP have indicated that they intend to cap the five bedroom rate at the same level as four bedrooms in future years, and this is reflected in Table 5 above.
27. Circular HBA9/2014 advises that the above rules apply until a claimant migrates to Universal Credit. However, should a claimant residing in a pilot area who is currently in receipt of Universal Credit move to accommodation within Southwark, they will continue to receive Universal Credit which will include a rental element for temporary accommodation. Cases will transfer into Universal Credit in line with the relevant migration strategy; however the current situation is that no temporary accommodation claimants are affected by these rules as they have not yet migrated.
28. The council has statutory powers and duties to provide temporary accommodation to homeless applicants under Part VII of the 1996 Housing Act. Southwark Council uses a variety of accommodation to discharge these duties, including bed and breakfast, hostels, estate voids and private sector leased properties.

29. This report addresses the charges made for temporary accommodation to homeless households which fall within the general fund, i.e. private sector leasing and bed and breakfast accommodation. This report does not address the issue of annual variations for temporary accommodation funded through the Housing Revenue Account (HRA) for general and special needs hostels and estate voids. These changes were agreed by cabinet on 27 January 2016, as part of the HRA Final Budget and Rent-Setting Report.
30. The council will once again set occupancy charges for bed and breakfast for tenants in non self-contained accommodation at £190.38 per week. This is based on the LHA for London and guidelines are taken from the housing benefit and council tax circular number HB/CTB S1/2011. The information within this circular had an original expiry date of March 2013, but on 31 March 2014 this was extended by circular HBA9/2014.
31. The cost of providing heating, lighting and water in accommodation termed 'bed and breakfast' is met by the hotelier who passes this on in the amount charged to the council to acquire the accommodation. A weekly charge for heating/lighting and water is then made to each household placed in that accommodation. These charges are not eligible for Housing Benefit. It is anticipated that there will not be any increase in the amount paid to hoteliers to acquire accommodation in 2016/17 and these elements will therefore remain unchanged.
32. For self-contained units and private sector leasing, charges are also based on these guidelines, albeit at higher rates. The guidance outlines rates for one–five bedroom properties and the maximum allowed under the Housing Benefit subsidy rules.
33. The rate for self-contained accommodation is calculated on the size of the unit at 90% of the published local authority housing allowance rate, plus £40 for management costs as outlined in the housing benefit circular.
34. It is proposed therefore, that the occupation charge to residents in bed and breakfast and private sector leasing remains as per Table 5 above for the next financial year.
35. Under the provisions of the Welfare Reform and Work Bill (expected to be enacted during February/March 2016), supported housing was given a one year exemption from the 1% rent reduction imposed elsewhere within the Bill's provisions. At the time of the relevant cabinet report in January, the extent of this provision was not known. Regulations setting out the full extent of the exemption are not expected until Spring 2016. In the interim we are exempting hostels, special needs hostels and sheltered accommodation. In order to best reflect this uncertainty and remain fiscally neutral for the clients Table 5 above assumes that the relevant charges are frozen for 2016/17, though due to the exemption they may in fact now be varied between –1.0% and +0.9% (September CPI + 1%).

36. Concerns have been expressed around affordability of rents for larger leased properties for homeless households. Whilst the composition of homeless households is seldom very large, the council uses estate voids wherever possible to house such families as these HRA rents are lower. The council will also continue to make up shortfalls through the use of discretionary housing payments. Homeless households affected by the caps are also prioritised for direct offers of permanent accommodation, thus further mitigating the impact. As at 17 February 2016 there are twenty cases affected by the benefit cap (average shortfall is £94 per week).

Community impact statement

37. The council works in accordance with the single public sector equality duty contained within section 149 of the Equality Act 2010. This means the council must have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between different groups; and foster good relations between different groups. Guidance on the implications of the Equality Act and the duties it imposes on the council has been issued to service departments and members.
38. In September 2010, cabinet agreed seven principles that will guide its decision-making on the budget. Council assembly added to this in July 2014 by agreeing the policy statement 'A Fairer Future for All'.
39. Consideration has been given to the reports relevance to equality issues in accordance with the public sector equality duty. This report is primarily to set fees and charges, which do not have a differential effect on any community or protected group. It is recognised however that increases in fees and charges may present particular difficulties for people on low incomes.
40. However, ameliorating the effect of this, temporary accommodation rents remain eligible for housing benefit. Certain charges, such as carers parking permits have not been subject to a rise and all other charges are either regulated by statute or compare with the relevant London average.

Consultation/notification of fee Increases

41. Consultation is not required on the above fees and charges. However, formal notification of price increase is in certain circumstances. Once approved, notification of fee increases will be published through the appropriate channels. As indicated in paragraphs 13 to 21, the proposed change in concierge charges has been consulted on, and affected residents will be contacted directly to inform them of the agreed charges and the transitional approach adopted.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

42. This report recommends that the Cabinet Member for Housing approve proposals relating to fees and charges for the provision of a variety of services administered by the housing and modernisation department to take effect from 1 April 2016. The report sets out where changes are or are not proposed to existing fees and charges and the reasons for the proposals. The report indicates out broadly where the level of charge that may be made is set by statute.
43. Under Part 3D of the council's constitution, agreement of changes to existing fees and charges is reserved to individual cabinet members for decision-making where the fees and charges are within their area of responsibility; tenant services, homeowner services and temporary accommodation are within the portfolio of the cabinet member for housing.
44. The level of discretion that may be exercised by the council in setting charges will depend on relevant legislative provisions; such provisions may fix the amount that may be charged or allow discretion subject to legislative requirements and public law requirements of rationality, reasonableness and fairness.

Discretionary charges where no specific provision by statute

45. The council's powers to provide services not specifically provided for by statute are contained in a number of provisions including; section 21 of the Housing Act 1985 which provides the council with a general power to manage its housing stock; section 1 of the Local Government Act 2011 which confers a general power of competence providing the council with the power to do anything that individuals generally may do, and section 111(1) of the Local Government Act 1972 which gives local authorities power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.
46. As to charging for services, section 93(1) of the Local Government Act 2003 ("the 2003 Act") enables the council to charge a person for providing a discretionary service to him if he has agreed to its provision. This power is subject to the proviso that the authority is not authorised to, or expressly prohibited from, charging for the service elsewhere in legislation.
47. The power to charge under the 2003 Act is also subject to a duty to secure that, taking one financial year with another, the income from charges made for the service does not exceed the costs of provision. This duty must be applied separately in relation to each kind of service.

48. The Welfare Reform and Work Bill, expected to become law before April 2016, requires social landlords to reduce social housing rents. As indicated in paragraph 35 of this report, the full extent of this provision will not be known until regulations are introduced following the bill's enactment. It is not anticipated that reduction will be required on any of the fees or charges for 2016/17 referred to in paragraph 1 of this report.
49. Paragraph 2 of this report recommends freezing rent charges for supported housing. The decision made by cabinet on 27 January 2016 following consideration of the housing revenue account final rent-setting report 2016, was to reduce the rents of all property in the housing revenue account subject to the Welfare Reform and Work Bill. Following this decision, the Department for Communities and Local Government (CLG) announced (on 29 January) that all supported housing will be exempted from the rent reduction for a period of one year. The exact definition of supported housing will be defined in regulations, but CLG indicated an intention that the exemption will include but not necessarily be limited to:
- domestic violence and other specialist accommodation based support for DV victims;
 - hostels and other accommodation for the homeless;
 - sheltered accommodation for older people;
 - supported accommodation for young people;
 - extra care housing; and
 - accommodation for people with mental health or drug/alcohol problems, for people with disabilities and for ex-offenders and people at risk of offending.
50. Under leader delegation, the cabinet member for housing is authorised to amend the decision of cabinet.

Fees and charges relating to travellers' sites

51. Local authority traveller sites are regulated under the Mobile Homes Act 1983 as amended ('the Act').
52. The Act provides that certain terms shall be implied into the local authority's agreements with the occupants of the sites. These include provisions as to how and when pitch fees can be changed, and the various matters that may be taken into account when determining the amount of the new pitch fee. There is a presumption that the pitch fee will increase or decrease by no more than the retail prices index since the last review date. The report confirms that the proposed increase of 1.2% is the amount of the latest published RPI, which accords with this implied term.

Fees and charges relating to temporary accommodation

53. As indicated in the report the council has powers and duties to provide temporary accommodation to homeless applicants under Part VII of the Housing Act 1996. Under section 206 of the Housing Act 1996, as amended, the council has power to require a person to whom they are discharging their housing functions under Part VII of the Act (Homelessness), to pay such reasonable charges as the council may determine in respect of the accommodation.
54. Under Section 25 of the Housing Act 1985 and the terms of the council's standard non-secure tenancy agreement with occupants of private sector leasing properties, the council may vary the charges made but would need to give occupants four weeks written notification of any changes to the charges.
55. The report recommends that the charges for temporary accommodation for 2016/17 remain the same as for 2015/16 except for five bedroom accommodation where the recommendation is to decrease the charge to reflect changes in the LHA.
56. The Director of Law and Democracy is not aware of any legal impediment to the recommendations in this report.

Strategic Director of Finance and Governance

57. This report seeks authority for approving the fees to be charged by the housing and modernisation department for 2016/17. It is mostly concerned with fees and charges where the council has discretion over the level to be charged.
58. The Medium-Term Resources Strategy requires that fees and charges are set to a level equal to the most appropriate London average except where a subsequent conflict with council policy would lead to adverse revenue implications or would impact adversely on vulnerable clients.
59. The fees and charges that form this report are a combination of sources of income for either the council's HRA or general fund. Significant HRA income streams such as dwelling rents, non-dwelling rents, district heating charges and fixed service charges for tenants are set via the cabinet report on HRA Rent-Setting and Budget in January each year.
60. Homeowner service charges are variable and therefore dependent on actual expenditure incurred. Homeowner major works are also dependent on chargeable works done and billed according to individual liability. Neither income stream falls within the compass of this report.

61. The revenue implications of the 1% rent reduction exemption are set out in the table of likely additional income for 2016/17 below:

	Special Needs Hostels ONLY	Other Hostels	Sheltered Provision	Total
Rent freeze	+£12,350	+£37,750	+£30,300	+£80,400
Rent rise of 0.9%*	+£24,700	+£75,500	+£60,600	+£160,800

* September CPI + 1%

BACKGROUND PAPERS

Background Papers	Held At	Contact
None		

APPENDIX

Appendix No:	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Housing	
Lead Officers	Gerri Scott, Strategic Director of Housing and Modernisation	
Report Author	Ian Young, Departmental Finance Manager	
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CONSULTATION WITH OTHER OFFICERS/DIRECTORATES/CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
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