

# North Tyneside Council

## Report to Cabinet

### 9 February 2015

**ITEM 6(a)**

Rechargeable Repairs  
Policy

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**Portfolio(s):** Housing and Environment

**Cabinet Member(s):** Councillor Harrison

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**Report from Service**

**Area:** Housing

**Responsible Officer:** Roy Marston, Interim Housing Services (Tel: 0191 643 7501)  
Manager

**Wards affected:** All

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#### **PART 1**

##### **1.1 Purpose:**

The purpose of the report is to seek Cabinet approval for the Rechargeable Repairs Policy.

##### **1.2 Recommendation(s):**

It is recommended that Cabinet agree the revised Rechargeable Repairs Policy at Appendix 1.

##### **1.3 Forward Plan:**

Twenty Eight days notice of this report has been given and it first appeared on the Forward Plan published on 17 November 2014.

##### **1.4 Council Plan and Policy Framework**

This report relates to the following priorities in the 2014 – 2015 Our North Tyneside Plan:

Our Places will:

- Be places that people like living in and will attract others to either visit or live
- Have more quality affordable homes

## 1.5 Information:

### Background

- 1.5.1 It is good practice to review policies on a regular basis to ensure they are current and fit for purpose. The Rechargeable Repairs Policy and procedure was last reviewed in 2010.
- 1.5.2 Tenants are responsible for any damage they cause to their homes under the terms of their tenancy agreement. This covers accidental, wilful or negligent damage caused by them, their family members or visitors.
- 1.5.3 Members and tenants have made it clear that the Authority must have a robust policy and procedure in place to make sure that the Authority identifies and deals with all rechargeable repairs efficiently and appropriately to promote a fair and equitable service and to ensure the Authority recovers the cost for making good any damage caused. To achieve these aims the right balance must be struck between enforcement and support for those who are vulnerable.
- 1.5.4 The Rechargeable Repair Policy aims to ensure that there are mechanisms in place to recharge for damaged caused, whilst ensuring that any special circumstances are taken into account.
- 1.5.5 Examples of work that will be charged are listed below. The list is not exhaustive and is intended to give examples. Rechargeable repairs may occur during a tenancy. They may also occur when a tenancy is terminated and the Authority has to carry out works to the property to make it ready for the next tenant.

Examples of situations when a charge may be made include:

- any work required as a result of damage, neglect or an accident; lock changes, replacement fobs and keys (unless the lock is faulty); gaining access where a tenant has left home with no keys or has lost their keys.
  - repairs that the tenancy agreement specifies as the tenant's responsibility – for example, replacing plugs and chains to sinks and baths.
  - removal of rubbish and any other items left by a tenant at the end of a tenancy.
  - reinstatement work at the end of a tenancy where the tenant has carried out work themselves to a poor standard, or where work has been carried out without prior permission and it is not reasonable to give retrospective consent. For example, if a new kitchen had been fitted without consent and fitted to a high standard, then it would not be removed. However, if a load bearing wall had been removed without permission it would be reinstated.
  - reinstatement works in occupied properties where an alteration has been carried out without permission and it is in breach of Building Regulations or unsafe; fitting a fire door where the tenant has replaced the door with a non fire door.
  - damage caused by forced entry arising from gas servicing or other court warranted access.
  - replacing broken glass not due to vandalism.
- 1.5.6 The number and value of invoices raised in the last 3 years, along with the number and value of payment received are shown in the following table:

Year	Invoices raised	Value of invoices	Payments Received	Value of Payments
2011-12	479	£98,136	855	£15,571
2012-13	771	£168,818	1430	£24,906
2013-14	905	£197,843	1815	£ 41,718

## Rationale for review

- 1.5.7 A review of the Authority's Rechargeable Repairs Policy is required due to:
- 1) Feedback, complaints and enquiries from Members and customers regarding, and/or caused by the lack of clarity around the Policy and procedure. The current document is an amalgamation of the Policy and procedure which leads to issues when responding to disputes and enquiries regarding decisions under the Policy.
  - 2) The need to ensure that exceptional circumstances and the needs of vulnerable customers are taken into account and that the criteria for assessment of such circumstances are articulated.
  - 3) The level of recent and proposed future investment in the Authority's housing stock and the need to ensure that the Authority protects that investment and maximises efficiency and value for money.

## Review Process

- 1.5.8 An officer led review of the Authority's Rechargeable Repair Policy was carried out with a view to increasing collection rates and ensuring clarity around the process of managing rechargeable repairs.

A review of the current working procedure and documentation was also carried out. This included consultation with staff, Kier North Tyneside and involved customers. There was also a 'lean walk through' of the process with Kier North Tyneside.

The following was also taken into account during the review process:

- The Welfare Reform Act 2012.
- Feedback from consultation with Members, customers, partners and key stakeholders.
- A scrutiny review by Economic Prosperity & Housing Sub-Committee.

The review process has confirmed the issues and changes have been incorporated into the revised policy attached at Appendix 1.

## Changes to the Rechargeable Repairs Policy

- 1.5.9 The proposed Rechargeable Repairs Policy aims to ensure that there are robust mechanisms in place to recharge for damage caused, whilst ensuring that any exceptional circumstances and vulnerabilities are taken into account.
- 1.5.10 The proposed Policy has been produced as a separate document to the Rechargeable Repairs procedure document to ensure improved clarity for Members, Officers, tenants, other customers and partners.
- 1.5.11 The scope, aims and objectives of the Policy remain the same, however, we have amended the policy to ensure special circumstances are taken into account and also the maximisation of debt collection as highlighted below.

## Special Circumstances

1.5.12 The review highlighted that blanket policies should be avoided and individual circumstances will be taken into account when deciding whether to levy a charge. The following may not be charged depending on the individual circumstances;

- Work required due to acts of crime or vandalism, domestic violence and hate crime, particularly where the tenant is a victim of such acts.
- Tenants in severe financial hardship unable to pay other priority debts (priority debts are those that could lead to the loss of a home, imprisonment or other severe sanction), vulnerable tenants, including tenants with dementia, mental ill health, or learning disabilities.

When deciding whether to charge, account will be taken of the cause, history and level of damage, any care or support plan in place and the impact on the tenant. An assessment of these factors is carried out by the North Tyneside Homes.

Tenants are also advised to take out contents insurance when they sign up for their tenancy. The Authority offers low cost home contents insurance for Council tenants.

## Debt Collection

1.5.13 The Policy has been changed to confirm that the Authority will raise the invoice for payment as soon as the repair is completed. This reflects proposed changes to the procedure for invoicing and debt management.

1.5.14 As highlighted by the Economic Prosperity and Housing Sub Committee a review of procedures and working practices has also been carried out. This has led to improvements being implemented to the IT systems to make the production of invoices more efficient and timely. This will ensure that the procedure is more robust and aligned with corporate debt management processes as well as bringing the responsibility for raising and recovering monies together under one service area.

## 1.6 Consultation

1.6.1 Consultation has taken place with the Economic Prosperity and Housing Sub Committee in July and September 2012. The Sub Committee told us that there needed to be a more robust and clear Policy and procedure for rechargeable repairs, and that the process for administering recharges and debt recovery should be reviewed to improve efficiency.

1.6.2 Economic Prosperity and Housing Sub Committee also highlighted the need to review the management of rechargeable repairs taking into account a person's vulnerability.

1.6.3 Kier North Tyneside have been a key part of the review to ensure that the process management is robust and efficient.

1.6.4 Consultation on the Rechargeable Repairs Policy took place with involved tenants at the Rechargeable Repairs Focus Groups session on 6<sup>th</sup> August 2014.

Tenants told us:

- They want the Authority to charge tenants who cause damage to Authority property,
- Vulnerable customers' circumstances should be considered before deciding to proceed with a charge, but that it is not appropriate to simply waive all recharges if a tenant is vulnerable. Vulnerability does not remove the tenants' responsibilities as set out in the tenancy agreement.

## 1.7 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1: To agree to the new Policy,

Option 2: Not to agree to the new policy, requesting that Officers carry out a further review of the Policy.

## 1.8 Reasons for recommended option:

Option 1 is recommended for the following reason:

It will ensure that the processes for administering rechargeable repairs invoices and the debt recovery procedures are more cost effective, timely and efficient.

It will ensure that special circumstances are taken in to account.

## 1.9 Appendices:

Appendix 1 - Draft Rechargeable Repairs Policy

Appendix 2 – Equality Impact Assessment in relation to the proposal

Appendix 3 – Tenancy agreement

## 1.10 Contact officers:

Roy Marston, Interim Housing Services Manager, tel. (0191) 643 7501

Paul Worth, Housing Operations Manager, North Tyneside Homes, tel. (0191) 643 7554

Ian Rice, Housing Income Manager, North Tyneside Homes, tel. (0191) 643 7729

Alison Campbell, Finance Business Manager, tel. (0191) 643 7038

## 1.11 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- Report following the Rechargeable Repairs Focus Group, 8<sup>th</sup> August 2014  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=555544](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=555544)  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=555543](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=555543)
- Good Practice examples of Rechargeable Repairs policies  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=555542](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=555542)  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=555541](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=555541)  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=555540](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=555540)  
[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=555539](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=555539)

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There will be resource implications within the Housing Applications Support Team (HAST) and the Corporate IT team. Work will be required to build the necessary functionality and monitoring reports within Northgate to enable the Authority to raise invoices in a timely manner inline with the revised policy. This resource requirement will be time limited, estimated 1 months work for HAST to develop the necessary functionality. This will be met from existing resources within the HAST team. Corporate IT estimate that the work required to implement rechargeable repairs invoicing within Northgate will take 2 days; as this is less than 10 days it is covered under the allocated development time within the Cofely contract at no additional cost to the Authority.

### **2.2 Legal**

The Authority (the landlord) is not obliged to carry out repairs to the Council Housing Stock other than those which fall within its statutory repairing obligations under Section 11 of the Landlord and Tenant Act 1985 and those detailed in the Tenancy Agreement.

The legal power to recharge comes from the clauses in the tenancy agreement specifically '9.6 Damage to property' which make the tenant responsible for the damage caused. See Appendix 3 Tenancy Agreement.

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

The following parties have been consulted with regards to the contents of this report:  
Interim Housing Services Manager,  
Housing Operations Manager,  
Senior Client Manager, Revenues, Benefits and Customer Services,  
Kier North Tyneside  
Housing Finance Coordinator,  
Cabinet Member for Housing and Environment; and  
Economic Prosperity and Housing Sub Committee

#### **2.3.2 External Consultation/Engagement**

Income Service Development Group  
Rechargeable Repairs Focus group, 6<sup>th</sup> August 2014

### **2.4 Human rights**

There are no Human Rights implications directly arising from this report.

### **2.5 Equalities and diversity**

There are no equalities and diversity implications directly arising from this report. An EIA has been carried out (Appendix 2) the findings of which have been taken account of in the drafting of the policy and procedures.

## 2.6 Risk management

Any associated risks will be considered as part of the investigation of options dependent upon the decisions taken by Cabinet. At this stage it is considered that there are no specific risks that need to be added to the Directorate Risk Register.

## 2.7 Crime and disorder

Tenants will be required to notify and report to the Police incidents of criminal damage to Council properties and provide the Authority with a crime reference number. This will enable the Police to investigate and where possible prosecute those responsible.

## 2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

## PART 3 - SIGN OFF

- Deputy Chief Executive
- Head of Service
- Mayor/Cabinet Member(s)
- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy