



SCRUTINY COMMITTEE

16:30 to 18:40

22 February 2018

Present: Councillors Wright (chair), Brociek-Coulton (vice chair) Bogelein, Bremner, Driver (substitute for Bradford), Grahame, Haynes, Jones (B), Malik, Manning, Ryan and Thomas (Va)

Apologies: Councillors Bradford and Coleshill

1. Declarations of interest

There were no declarations of interest.

2. Minutes

RESOLVED to approve the accuracy of the minutes of the meeting held on 25 January 2018 and 7 February 2018.

3. Update of the representative on Norfolk Health Overview and Scrutiny Committee

An update would be circulated by email to members of the scrutiny committee following the meeting.

RESOLVED to ask the NHOSC representative to circulate an update via email to scrutiny committee members.

4. Scrutiny committee work programme

Members discussed the scope for the enforcement item on the work programme. It was agreed that the following scope would be presented to the appropriate officers:

Norwich City Council debt collection policy

Debt is a significant and growing cause of distress, up to and including homelessness. Council tax and council rent are priority debts, and must be to collected in the most effective way possible, while supporting the journey of the person in debt from financial distress to liveable budgeting, in some cases via fluctuating incomes from the gig economy and universal credit.

Norwich City Council is required to collect monies from both individuals and businesses for a variety of reasons and has a legal duty to recover all sums due to it efficiently and effectively. The debt collection policy reflects the legal requirements the council must meet for safeguarding public money.

In collecting these funds it is inevitable that the council will be required to pursue the recovery of arrears from persons and or businesses that do not pay such accounts. However, in accordance with the council's charging policy, wherever possible up front or point of activity charges will be collected so the council neither encourages nor incurs debt.

The policy sets out how the council manages and collects debt to ensure consistency of practice across council services.

This policy covers all debts owed to the council including:

- council tax
- rents, both housing and others, e.g. garages and commercial
- service charges / rechargeable repairs
- benefit overpayments
- business rates or national non domestic rates (NNDR)
- general debtors, e.g. unpaid fees and charges
- legal / court costs
- penalty charge notices (parking contraventions).
- loss of business rates from Airbnb properties

The council seeks to be "fair but firm" and has access to the full range of collection and recovery methods if debts are not paid. This includes enforcement action if an arrangement for debts to be paid cannot be agreed, against deliberate non-payers or those who delay payment.

Scrutiny committee will review the implementation of the debt collection policy and that the council's use of enforcement powers to recover debts is consistent with the policy objectives.

RESOLVED to note the scope for the enforcement item for the March meeting of the scrutiny committee.

5. Housing conditions in the private rented sector

The chair welcomed the two speakers - Andy Fretwell of the Eastern Landlords Association and Michael Deakin of Shelter.

The private sector housing manager presented the report. He highlighted the increase of households in the private rented sector with children, which reflected the changes in the housing market.

He said that a registration scheme had been launched in 2016. Landlords could identify their properties and sign up to a national code of conduct which showed prospective tenants that they were considerate landlords. This scheme was suspended due to a lack of participation but the private sector housing manager said that such a scheme could have a role to play in the future.

The government would be extending mandatory licensing for Houses of Multiple Occupation (HMO) which for Norwich City Council would mean an increase from around 200 to approximately 1000 properties. The resource implications of this on a small team would mean that this would need to be the focus of the work for the next two years and then a review of an additional licensing scheme could be undertaken.

The chair invited Andy Fretwell to address the committee.

Andy gave an overview of the role of the Eastern Landlords Association (ELA). He said that the ELA provides training for landlords in partnership with a firm of solicitors, on topics such as legislation and taxation and also have legal surgeries.

He said that poor quality landlords would not join a voluntary registration scheme. There needed to be an incentive for landlord to join such a programme. He suggested that a membership card system could be implemented which would be revoked if there were any problems with the landlord. The card would need to be shown in order to rent out a property.

Licensing and accreditation schemes penalised good landlords and didn't seem to assist in identifying 'rogue' landlords. Andy said that ELA would like to see a licensing scheme aimed at identifying bad landlords.

In terms of resources, Andy said that the Fitness for Human Habitation Bill would mean that tenants could take landlords to court themselves which would ease the strain on local authorities.

The chair thanked Andy Fretwell and invited Michael Deakin to address the committee.

Michael said that he worked for Shelter Eastern Counties. They provided such services as defending or counter claiming against court orders and eviction notices and gave advice and guidance to tenants.

He said that the advice and guidance team did a lot of work around dampness and mould in properties. He said that sometimes this could be due to the age of the property but could also be a result of lifestyle. Treatment kits were available to tenants as well as template letters to landlords and local councils.

He recounted a case study to the members in which a tenant was served a section 21 notice by their landlord as they had complained to the council about a boiler not working. The tenant did not have alternative accommodation and therefore had to approach the council's homelessness team. This would be replicated across the country which could lead to higher levels of homelessness. He said that there needed to be a change so that landlords did not feel that they had to serve section 21 notices to cover themselves.

General discussion ensued.

In response to a question from a member, the private sector housing manager said that there had been a change in the law to prevent retaliatory evictions. Tenants would need to put their complaint in writing to their landlord. The council provided templates for them to do this. He said that some tenants were reluctant to pursue complaints as it was difficult to find alternative accommodation if a section 21 notice was served. As demand for properties was high, landlords could be assured that they would find another tenant easily.

Members discussed the possibility of running a voluntary scheme alongside the mandatory licensing for HMOs. The private sector housing manager said that there were planning issues around licensing HMOs as the council would need to have a comprehensive scheme identifying the location of all HMOs. The team would be moving from 200 to approximately 3000 properties needing to be licensed with this kind of scheme which would have huge resource implications.

Michael Deakin said that tenants needed a secure tenancy so that they felt they could take their own action against bad landlords. Housing benefit payments being paid directly to the landlord would help with this as would an incentive for signing up, such as a new boiler programme.

In response to a question from a member, the private sector housing manager said that landlords could be perceived as being 'bad' for different reasons. It could be that the relationship between landlord and tenant had broken down or it could be the condition of the property.

Proactive targeting was taking place to try and identify bad landlords such as inspecting properties on certain roads and being aware of 'portfolio' landlords. A compulsory property registration scheme would be more useful than a licensing scheme as the council would know the location of all rented accommodation, who the landlord was and an address for the service of notices.

Andy Fretwell said that landlords wanted continuity of tenants and the ELA was finding that more and more were offering longer tenancies of twelve months rather than the standard six months.

In response to a member's question, the private sector housing manager said that a government consultation on mandatory HMO licensing had taken place in December 2017 but there was no firm date for the implementation due to secondary legislation needing to be laid down. A tentative date of October 2018 had been given. If the mandatory scheme was not being imposed, the council would be looking into an accreditation scheme. The registration scheme previously on offer had been suspended as no landlords had registered.

Members discussed the Fitness for Human Habitation bill and restrictions on tenants. Andy Fretwell said that currently, around ninety percent of properties were not available to be rented by those in receipt of housing benefit which was often due to stipulations on the landlord's mortgage terms. The ability to have the housing payment paid directly to the landlord may assist with this.

(Councillor Beth Jones left the meeting at this point)

In response to a question from a member, the private sector housing manager said that the complaints regarding landlords can be taken from third parties but procedures have to be followed. The council had an obligation to inform the landlord where an inspection was to be undertaken and this would generally be assumed to be the result of a complaint. The council would be as discreet as possible but if further legal action was to be taken, statements would have to be given by the tenant and they could expect the fact that they had made complaint to be made known to the landlord.

The chair thanked the speakers for their attendance,

RESOLVED to ask cabinet to consider:-

- (1) Resourcing, far earlier, the introduction of additional HMO licensing in conjunction with a relaunched property registration scheme,
- (2) writing to the two Norwich MPs to ask them to investigate when the mandatory licensing scheme would be commencing
- (3) funding for more environmental health officers to inspect properties and try to identify rogue landlords; and
- (4) working with other organisations to facilitate private sector tenants forums.

CHAIR