

TANDRIDGE DISTRICT COUNCIL

HOUSING COMMITTEE

Minutes and report to Council of the virtual meeting of the Committee held on the 24th June 2020 at 7.30pm. (The meeting was originally scheduled for the 18th June 2020 but had been postponed due to an electrical power failure affecting the remote meeting hosting facilities at the Council Offices).

PRESENT: Councillors Parker (Chairman), Fitzgerald, (Vice Chairman), Allen, Blackwell (sub), Blake-Thomas, Gray, Jones, Langton, Morrow, Ridge, Steeds C.White and Wren.

ALSO PRESENT: Councillors Farr and Lockwood.

APOLOGIES FOR ABSENCE: Councillor Mills.

COMMITTEE DECISIONS *(Under powers delegated to the Committee)*

33. MINUTES

The minutes of the meeting held on the 12th March 2020 were confirmed as a correct record.

34. HOUSING COMMITTEE DELIVERY PLAN 2019/20 – QUARTER 4 PROGRESS REPORT

The Committee considered a report regarding progress against its delivery plan for the period 1st January to the 31st March 2020.

During the debate, Councillor Allen proposed that the 2020/21 quarter 1 projects and performance indicators remain the same as those for 2019/20 and an update on the new housing delivery plan be given at the next committee meeting. This was seconded by Councillor Morrow. Upon being put to the vote, the motion was agreed.

RESOLVED – that:

- A. performance against the agreed Housing Committee Delivery Plan for the fourth quarter of 2019/20 be noted;
- B. quarter 1 of 2020/21 projects and performance indicators continue as for 2019/20, pending agreement for the new housing delivery plan.

35. COUNCIL HOUSE BUILDING PROGRAMME - UPDATE

The Committee received an update on progress with the Council's house building programme, including a revised budget for the Bronzoak House development in Stafford Road, Caterham (summary attached at Appendix A).

The current budget for the Bronzoak House scheme was £9.695 million. This had been approved by the Housing Committee on 19th September 2019 and sought to cover the

costs of site acquisition, the planning application and tendering stages, construction and supervision. However, in light of the subsequent tender process, an increased budget of £10.60 million was now required. It was hoped that the increased cost would be partly offset by a potential £500,000 savings associated with the Uplands development and a £200,000 allocation from Section 106 contributions for affordable housing.

Information was provided about initiatives to reduce the carbon footprint of the Council's new homes, including the design of the six properties proposed at Auckland Road and Windmill Close, Caterham. Consideration would also be given to the cost of improving the thermal performance of other schemes. It was also confirmed that the Council's contractors sought to maximise the amount of waste materials either recycled or used on site (demolition materials).

Officers responded to concerns that the post-tender costs of the Bronzeoak and Uplands schemes varied significantly (higher and lower respectively) from the original budgets. The advisory role of consultant quantity surveyors in the budgeting process was discussed along with the difficulties of estimating the cost of construction work when the detailed design had not been fully developed. The scope for more effective risk management throughout the future development programme was acknowledged. It was suggested that, to better inform Members, subsequent reports could show the potential construction cost range and level of contingency included, alongside the budget.

RESOLVED – that:

- A. a revised budget of £10.68m be approved for the Bronzeoak House development on the basis of an injection of £200,000 of Section 106 contributions and the application of a surplus of £500,000 from the Uplands project budget;
- B. authority be delegated to the Interim Executive Head of Communities to award the contract for the construction work at Bronzeoak House to the most economically advantageous tenderer;
- C. approval be given to allocate £200,000 of Section 106 affordable housing contributions to fund affordable housing units on the Bronzeoak House development; and
- D. Officers report back to the September 2020 meeting of the Housing Committee with a further update on the programme and work on the pilot housing schemes aimed at achieving the Council's first net zero carbon homes.

36. SELF-BUILD AND CUSTOM HOUSEBUILDING UPDATE

The Self-Build and Custom Housebuilding Act 2016 required the Council to:

- maintain a register of those seeking to acquire serviced plots of land in the District for their own self-build and custom housebuilding;
- have regard to the register when undertaking functions relating to planning, housing, the disposal of land, and regeneration; and

- in its capacity of Planning Authority, to provide 'suitable development permissions' to meet the demand for self-build and custom housebuilding on the register.

Registers were split as follows:

- Part 1: for those meeting both the national and local eligibility criteria; and
- Part 2: for those who only meet the national criteria.

On the 21st November 2017, the Committee had approved the introduction of local connection and financial solvency tests as additional eligibility criteria for being entered on Part 1 of the register.

A report was presented to update Members about the implementation of the self-build and custom housebuilding regime throughout the District. This confirmed that eight expressions of interest had been received; three in connection with Part 1 of the register, and five in respect of Part 2. The Council was required to grant planning permissions for Part 1 entries within 3 years of the year of registration. The first such applicant was registered on 5th April 2018, meaning that a suitable plot would have to be provided by 30th October 2021.

The report also informed Members about measures being taken to facilitate self-build and custom housebuilding, including the practice of notifying those on the register about plots of land that were up for sale, and reference within the Housing Strategy about the need to enable suitable sites to come forward.

During the debate, Members expressed frustration that self-build properties are exempt from CIL. Some Members agreed to lobby the MP for this to change.

RESOLVED – that that the report, and the progress made to date, be noted.

37. HOMELESSNESS PREVENTION AND ROUGH SLEEPING STRATEGY 2019-2023 ACTION PLAN UPDATE

The current Homelessness Prevention and Rough Sleeping Strategy 2019-2023 was agreed by the Committee on 20th June 2019. An update regarding progress against the strategy's action plan was presented. The report highlighted the following most notable actions:

- the creation of a Navigator role within the East Surrey Outreach Service (ESOS) to work with the most complex clients;
- successful co-location of some Job Centre Plus services at the Council Offices;
- a significant increase in the number of clients assisted through our Private Sector Access Scheme (PSAS); and
- the launch of the Tandridge Homelessness Forum.

Progress against a few actions were behind schedule, the reasons for which (including the Covid-19 pandemic) were provided in the update.

Officers responded to a range of questions and comments from Members, including the wish for the creation of a leaflet with relevant contact details to be made available for Members to distribute to rough sleepers in their wards. Officers agreed to this request.

Councillor Morrow proposed that a report be brought to the next meeting on how a council lettings agency and an empty homes strategy could be implemented expeditiously. Councillor Allen seconded this motion. Upon being put to the vote, the motion was agreed.

RESOLVED – that:

- A. the report, and progress made to date, be noted; and
- B. a report be brought to the next meeting on how a council lettings agency and an empty homes strategy could be implemented expeditiously.

38. DISCRETIONARY COMPENSATION POLICY FOR COUNCIL TENANTS & LEASEHOLDERS

A suggested compensation policy was presented. The accompanying report advised that the Housing Ombudsman expected social landlords to have such policies in place. The report also clarified that compensation payments arising from landlord service failures were met from the Housing Revenue Account.

RESOLVED – that that the discretionary compensation policy for Council tenants & leaseholders, as attached at Appendix B, be approved.

39. SHELTERED HOUSING SERVICE REVIEW UPDATE

The Committee considered a report which updated Members about the delivery of the Sheltered Housing Strategy approved in November 2017. The strategy had involved a transition to a smaller, more focused service over a three-year period with homes to be designated as older persons or general needs accommodation.

As at 31st March 2020, 254 units across 25 locations had either been decommissioned or re-designated as general needs or older persons accommodation. A further 175 units at 8 schemes were still due to be de-commissioned as there has been a delay due to the covid-19 pandemic.

Officers responded to questions and comments from Members, including a wish for extensive consultation with ward Members.

During the debate, Councillor Morrow proposed that a progress report be presented to the November committee. This was seconded by Councillor Jones. Upon being put to the vote, the motion was agreed.

RESOLVED – that:

- A. the report be noted; and
- B. a further progress report be provided to the November committee meeting

APPENDIX 'A'

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Council House Building Programme – Update Summary (June 2020)1. Background

- 1.1 The Council's House Building (CHB) programme has to date completed 8 developments - Eldon Road, Caterham (2); Acorn Gardens, Oxted (6); Cleves Way and Greensand Close Bletchingley (14); Meadway Warlingham (10 – includes the repurchase of 2 leasehold flats); Godstone Road Whyteleafe (8) and Barnfield (3).
- 1.2 A further 87 homes within the programme are at various stages as detailed below:
- **On site:** – The Court, Warlingham (19 homes - due for completion in early September 2020); The Greenway (10 homes - due for completion in late August/early September 2020).
 - **Tender stage:** - Uplands, Warlingham (21 flats and houses) and Bronzeoak House (26 flats).
 - **Starts on site due:** - Uplands, Warlingham – October/November 2020 (subject to The Court completing in September); Bronzeoak House –September/October 2020 (subject to Committee approval).
 - **Subject to planning consent being granted:** - Rochester Gardens and Town End Close, Caterham (7 homes).
 - **Preplanning stage:** - Windmill Close and Auckland Road, Caterham garage sites (6 homes).
 - **Acquisitions:** - 5 homes under the ex-right to buy (RTB) 'buy back' scheme.

2. Update on Programme*The Court, Warlingham and The Greenway, Hurst Green*

- 2.1 Both the Court and, the Greenway were due to complete at the end of March 2020. However as previously reported, bad weather and the need to dry out the building prior to commencing key internal works significantly impacted progress at The Court; and, delays in gaining the necessary consents and permits to allow highway works at The Greenway delayed progress on that site. Both sites have also been affected by the Covid 19 lockdown. Work at The Court has continued, but at a much slower pace with some sub-contractors temporarily shutting down, whereas The Greenway site shut completely with works only restarting on the 11th May.
- 2.2 Both sites are operating in accordance with construction industry guidelines and following the Government's recommendations on social distancing etc. The need to organise work to avoid crowding and maintain social distancing to minimise the risk of the spread of infection does impact on the intensity of work possible on site and the time it will take to complete the works. The scarcity of some materials such as plaster and delays in the delivery of a range of materials has impacted progress, but this is unlikely to be a factor going forward with other sites.

- 2.3 Work at the Greenway has also been affected by the ground works sub-contractor going into administration when they had only just returned to site and the need for further road permits from Surrey County Council specifically in relation to Covid 19. Dates given for completion are the best estimates at this time. An alternative grounds work contractor is being sourced and the Contractor is currently awaiting approval of the necessary permits.

Uplands, Warlingham

- 2.4 Due diligence work in relation to the tender returns for Uplands is virtually complete with detailed discussions now being held with the Council's preferred contractor. The price offered by this contractor will enable the Council to make considerable savings on what it has budgeted for this project.
- 2.5 The price tendered was based on the dwellings achieving a thermal performance 20% better than current building regulations but, given the savings achieved in relation to the budgeted construction cost, it is proposed to improve the thermal performance further, by including additional thermal insulation in the external fabric of the dwellings, greater levels of airtightness, the provision of whole house ventilation and the installation of additional photovoltaic cells over and above that already planned. The additional cost of these works is £165,000. Notwithstanding this additional cost and the inclusion of a contingency the Council is still able to achieve a saving of £500,000 on the originally approved budget of £5.144m [minute 104 - 2019/20].
- 2.6 It is anticipated that the Contractor will be appointed in June and that work on site will commence in October/November. This is later than originally anticipated as work can only start once The Court is complete, residents occupying the two blocks to be demolished have moved to the Court and we have vacant possession of the buildings.

Bronzeoak House, Caterham

- 2.7 Tender returns for Bronzeoak House are currently being considered but all returns push the scheme cost above the approved budget of £9.695m. This figure included for the purchase of the site, fees and charges to take it through planning and up to the tender stage and the cost of construction and supervision. The budget was based on the latest cost advice provided by our appointed Employers Agents.
- 2.8 The scheme was tendered in February and five tenders were received in early April with a range of £2.2m between the highest and the lowest. The least expensive tender was some £765,000 above the construction cost included within the approved budget.
- 2.9 Due diligence work is largely complete and detailed discussions are taking place with the Council's preferred contractor. However, the construction cost being discussed will require an increase in the project budget to £10.68m. This figure includes a contingency and a provisional sum of £65,000 to cover the cost of sprinkler systems which we believe will now be a requirement under the latest revisions proposed to the Building Regulations.
- 2.10 Part of the discussions now taking place with the Council's preferred contractor involve value engineering with a view to making savings on cost without compromising the quality of the build. It is hoped that at least £100,000 of savings will be identified, with the potential to make further savings as design work is undertaken prior to starting work on site. However, it is too early at this stage to include any of these savings in the budget required to complete the project.

- 2.11 The overall increase in the budget - £985,000 - is significant but the following actions will mitigate this increase:
- (a) Whilst the Bronzeoak House tender has come in over budget the Uplands tender has come in well below budget with a minimum potential saving of £500,000 (see 2.5 above). It is proposed that the surplus on this budget be used to offset the increase in budget for Bronzeoak House as both are part of the Council House Building programme; and,
 - (b) The Council currently holds £211,770 of funds earmarked for affordable housing arising from contributions made by developers in lieu of affordable housing. It is proposed that £200,000 from this fund be allocated to the Bronzeoak House scheme to reduce the impact of the increase in costs.
- 2.12 The effect of the above is to reduce the increase from £985,000 to £285,000.
- 2.13 Bronzeoak House ranks as our most expensive scheme to date and this is in part due to the Council having to purchase the site and in part due to the higher construction costs associated with what is a very difficult site to develop. Costs at Bronzeoak House are high compared to most of our larger projects but excluding land and acquisition costs (£2.332m), the unit cost at £321,000 is not hugely different from the unit cost for homes on the proposed Windmill Close development site approved at the Committee's September meetings - £311,000).

Rochester Gardens and Town End Close, Caterham

- 2.14 The planning applications were submitted in July 2019 but are unlikely to be considered by the Council's Planning Committee until its July or August meeting with subsequent approved at full Council a requirement. This delay is in part due to recent revision of the plans to address comments made by residents and the Parish Council following consultation. The tender process has been paused in the meantime. Subject to consent being granted these sites will be tendered in the autumn with a view to work starting on site in early spring.

Auckland Road and Windmill Close, Caterham

- 2.15 The planning applications for Auckland Road and Windmill Close are projected to be submitted in June/July 2020.

Right to Buy 'Buy Back' Scheme

- 2.16 Work on the ex-right to buy 'buyback' scheme has temporarily stopped due to a lack of resources and the Covid 19 lockdown which has precluded visits to people's homes. Now the restrictions are being lifted and we have more resources work on this will commence again in July.

APPENDIX B**APPENDIX B****Discretionary Compensation Policy for Council Tenants & Leaseholders****1. Introduction**

- 1.1. Tandridge District Council is committed to providing a high-quality housing landlord service to tenants and leaseholders. However, we recognise that there are occasions when services may not meet these high standards and customers are inconvenienced as a result.
- 1.2. Where a complaint is justified, an acknowledgement and apology will normally be sufficient, however, the Council recognises that where a complainant has suffered loss or injustice, other remedial action may need to be considered, including financial compensation.

2. Policy Aim & Objective

- 2.1. This policy aims to provide guidance as to when the Council will consider offering discretionary financial compensation to Council tenants or leaseholders in the event of a failure of the Housing Landlord Service.
- 2.2. While each case will be considered individually based on the circumstances, this policy aims to promote a consistent approach that is reasonable, fair and treats all customers equally.

3. Scope

- 3.1. This Policy outlines the circumstances when we might pay compensation to a tenant or leaseholder.
- 3.2. This policy does not apply to people who may be occupying any of our properties by way of licence, or to other members of the public to whom we do not have a housing related contractual relationship.
- 3.3. There are certain situations where compensation is required by law. These types of compensation payments are not covered by this policy. Further details about these types of compensation can be found as follows:
 - Home-loss - [Home-loss-and-disturbance-payment-policy.pdf](#)
 - Disturbance - [Home-loss-and-disturbance-payment-policy.pdf](#)
 - Improvements - [Tenants-guide-to-maintenance.pdf](#)
 - Right to Repair - [Tenants-guide-to-maintenance.pdf](#)
- 3.4. Claims for personal injury or negligence will not be dealt with under this policy and should be referred to the Council's Insurers.
- 3.5. Compensation is not a replacement for home contents insurance. Tenants and leaseholders are responsible for arranging their own contents insurance for accidental damage to their belongings.

4. Circumstances in which discretionary compensation may be issued

4.1. The Council is committed to delivering quality services and will consider all claims for compensation where it has failed to deliver these services appropriately or to an agreed standard.

4.2. Discretionary compensation may be paid in the following circumstances:

- **Loss of room or facility** – Compensation, in the form of a rent rebate, may be paid when a customer is not able to use a room(s) in their home because of a repair issue that is our responsibility, and which caused prolonged and unreasonable disruption. We will not pay compensation for a fault of loss that is caused by the customer's misuse, negligence or damage.
- **Failure of amenity or service:** Compensation, in the form of a service charge refund may be paid when a service that is charged for via a service charge, that is the responsibility of the Council has gone wrong and the contractual deadline for completing the repair has passed. Compensation will not be payable if the loss is due to planned works agreed in advance with the resident or the loss of facility is caused by a utility supplier or the residents own action or lack of action.
- **Damage to decoration or fixtures:** Whilst carrying out repairs or improvements, there may be unavoidable damage to customers decorations or fixtures. We will endeavour to identify possible damage before starting any work and will discuss with the customer options available to minimise the damage. Where decorations or fixtures are damaged as a result of works carried out by the Council or their agent, the resident may be offered the choice to allow the Council or their agent to rectify the damage or be paid an allowance to carry out the work themselves.
- **Failure to follow housing landlord service procedure, policy or guideline:** In these circumstances compensation may be paid as a gesture of good will and will be paid without prejudice. Compensation will only be considered where the customer has experienced actual and proven financial loss or severe avoidable inconvenience, distress, detriment or other unfair impact of service failure. We will not pay compensation for loss of earnings due to service failure. However, we may offer a goodwill payment in recognition of the time and trouble the customer may have taken to get the issue resolved.

5. Situations when Compensation will not be considered

5.1. The Council reserves the right to refuse to deal with claims for discretionary compensation or to deal with them differently, if they are pursued unreasonably or if they can be dealt with more effectively in another way.

5.2. Offers of compensation will not be made if the Council has taken reasonable steps to remedy any failure of service that arise due to unavoidable circumstances, or if the service user prevents or delays, or has contributed in any other way to the failure of the service.

6. Making and handling compensation claims

- 6.1. Customers can make a claim for compensation in several ways:
- On-line by completing a contact-us form
 - By telephone or in person
 - In writing by letter or email
- 6.2. Claims for compensation will be acknowledged within five working days. Timeframes for considering and assessing claims will be agreed with the customer and will reflect the complexity of the claim.
- 6.3. Where compensation complaints are linked to complaints, they will be dealt with in line with our Complaints Policy.
- 6.4. Other than in exceptional circumstances, or when linked to a formal complaint, claims for discretionary compensation will only be considered within three months of the issue coming to the resident's attention.

7. Investigating and assessing compensation claims

- 7.1. Staff must investigate all claims thoroughly. They should consult all relevant service area policies, procedures or guidance to make sure the Council is responsible for the service failure of for the shortcomings being claimed for.
- 7.2. Factors that should be taken into account when assessing a claim for compensation include:
- The cause of the issue for which redress is being sought
 - The duration of any avoidable distress or inconvenience
 - The difficulties the customer experienced as a result of the service failure and in dealing with us to resolve the issue – i.e. the time, effort and level of distress and inconvenience caused to the customer
 - Actions by the customer or the Council which either mitigated or contributed to the actual financial loss, distress, inconvenience or unfair impact
 - Whether the customer (or their household) has specific needs that were made worse by the issue
 - The levels of compensation awarded for similar cases awarded by UK Ombudsmen.

8. Calculation of Compensation

- 8.1. Where it is determined that discretionary compensation is appropriate; this will be calculated based on what we consider to be fair in the particular circumstances of the case. We do not limit our discretion by setting limits on the amount of the awards that can be made; officers are expected to use discretion when considering individual cases.
- 8.2. We will have regard to Housing Ombudsman guidance and case studies when calculating discretionary compensation.
- 8.3. We will provide an explanation of how the discretionary compensation has been calculated so that the tenant or leaseholder is clear about the basis for the payment.

8.4. In determining a discretionary compensation payment, the following factors will be taken into account:

- Quantifiable financial loss
- Unquantifiable financial loss
- Distress and inconvenience
- Time and trouble

9. Payment

9.1. Confirmation an offer of discretionary compensation will be confirmed in writing using the template form of words at Annex A. The tenant or leaseholder must confirm in writing their acceptance of the offer before payment is issued.

9.2. Where the tenant or leaseholder owes money in connection to the housing service, such as rent or service charges, any compensation will be offset against the balance owing.

9.3. The Council considers acceptance of discretionary compensation to be a full and final settlement of a case. Cases will not be reopened, nor further compensation considered via the same or alternative process unless the circumstances of the original case have significantly changed or escalated.

9.4. Any payment or other form of discretionary compensation under this policy is not an admission of liability by the Council.

10. Monitoring and reporting

10.1. The Resident Support Lead Specialist will monitor the number and level of compensation payments being awarded in order to monitor the effectiveness of the policy and to ensure accountability for service delivery.

10.2. The Policy will be reviewed every three years or sooner if there are any significant legislative or regulatory amendments, best practice developments or to address any operational issues identified with the policy.

11. Appeal and review

11.1. An applicant can appeal the refusal of any claim for compensation, or the level of compensation awarded under this Policy, by making a formal complaint through the Council's Complaint Policy, providing that the applicant has not previously accepted the proposed compensation.

12. Compensation payments ordered by the Ombudsman

12.1. When a complainant escalates a complaint to the Housing Ombudsman Service, having exhausted the Council's formal complaints process, the Council will pay compensation and/or carry out works or follow action to comply with the Housing Ombudsman's recommendation.

13. Other remedies

- 13.1. It may be appropriate that other action is taken to remedy a complaint either separately from or in conjunction with an offer of discretionary financial compensation. These may include practical action – such as remedial decorations which might otherwise be the customers responsibility, or gestures of goodwill - such as flowers or chocolates.

14. Legal Requirements

- 14.1. Section 92 of the Local Government Act 2000 give councils the power to remedy injustice arising from poor service.
- 14.2. The Regulatory Standards for Social Housing set out the Regulators expectations in relation to consumer standards.
- 14.3. The Housing Ombudsman expects social landlords to have a compensation policy which provides guidance on when it will consider offering compensation.

15. Financial Implications

- 15.1. The cost of any compensation paid in respect of the Landlord Service will be met from the Housing Revenue Account.

16. Related Documents and resources

- Homeloss and Disturbance Policy 2017
- Decant Policy 2017
- Tenancy Conditions
- Tenants Guide to Maintenance and Improvements Housing Ombudsman - <https://www.housing-ombudsman.org.uk/>

Annex A**Letter of offer of discretionary compensation**

Dear **<Insert Name>**

The Council would like to make the without prejudice offer of £**<Amount>** compensation. This offer is not an admission of liability by the Council and is made in full and final settlement of your application.

The offer of compensation has been calculated as follows:

<explanation of basis of calculation>

Please note that the amount payable may be offset against any monies you have owing to the Council.

If you would like to accept this offer, please complete the form at the end of this letter and return it in the pre-paid envelope provided.

If you have any queries regarding the investigation, the recommendations made, or the time taken to carry them out, please contact the Officer directly on **<contact details>**.

If you are not satisfied with the outcome of this investigation, you may submit an appeal. To do this you should contact **<contact details>** explaining why you remain dissatisfied and what you expect from a further review.