# **HOUSING RENTS – WATER CHARGES**

### 1 SUMMARY

1.1 To provide final recommendations to implement actions for the change in policy regarding the collection of water and sewerage charges for all tenants other than those residing in sheltered accommodation.

## 2 BACKGROUND

- 2.1 As part of a Best Value Review an exercise was undertaken to evaluate the viability of continuing to collect water and sewerage charges.
- 2.2 At the Meeting of the Community Overview & Scrutiny Committee on 19 March it was agreed in principle that the Council should cease to collect water rates (on behalf of Essex & Suffolk Water) and sewerage charges (on behalf of Anglian Water) from April 2003 and that instead, tenants should pay their bills directly to the appropriate company. The decision was made subject to the statutory consultation with tenants as required by sections 102 & 103 of the Housing Act 1985.
- 2.3 Members are reminded that the principal reasons why the Council should consider ceasing to collect water and sewerage charges on behalf of the water companies are that it will reduce the inclusive charges made to tenants and stabilise or prevent arrears occurring where there is a maximum Housing Benefit entitlement as charges made for such items as water rates and sewerage charges are ineligible for Housing Benefit. Furthermore, it will allow staff to focus on the remaining arrears and ensure a continued improvement in rent arrears recovery.

#### 3 STATUTORY CONSULTATION

- 3.1 A preliminary Notice of Variation was sent to all tenants (other than those residing in Sheltered Accommodation) in April explaining the Council's proposal and the reason for it.
- 3.2 The response to the consultation exercise was very poor and at the time of writing this report, the outcome was as follows:-

Total No. of tenants consulted	1332
Total No. of responses	30 (2.32%)
In favour of Proposal	5 (17%)
Against Proposal	19 (63%)
No Preference	6 (20%)

- 3.3 Of those against the proposal, the principle reasons given were
  - (a) Concerns about the possibility of increased charges
  - (b) The inconvenience of paying three separate bills rather than one.
- 3.4 With such a low level of representation it could be assumed that the non-responding majority (97.68%) have no real objections otherwise these would have been conveyed to the Council. Nonetheless, there have been concerns expressed as to the payment options available and the Council and Water Companies must work together ensuring an easy transition if the proposal to change collection methods proceeds.
- 3.5 Having regard to the potential benefits of changing collection methods for water and sewerage charges and the comments and observations received from tenants, it is believed that it is correct to proceed with the decision agreed in principle at the Community Overview & Scrutiny Committee Meeting on 19 March.

#### RECOMMENDATION

It is proposed that the Committee **RESOLVES** 

- (1) That from April 2003 the Council ceases to collect water and sewerage charges from Essex & Suffolk Water and Anglian Water respectively for all tenants other than those residing in Sheltered Housing.
- (2) That from April 2003, Council tenants are required to pay their water and sewerage charges directly to the water companies.
- (3) That the Head of Revenue and Housing Management works in close partnership with Essex & Suffolk Water and Anglian Water in reassuring tenants and providing appropriate advice and assistance to ensure a smooth transition in April 2003. (HRHM)

### S J Clarkson

### Head of Revenue and Housing Management

For further information please contact Steve Clarkson on

Tel:- 3120

E-Mail:- steve.clarkson@rochford.gov.uk