

Report of Director of Environment and Housing

Report to Scrutiny Board (Housing and Regeneration)

Date: 7th January 2014

Subject: Schemes providing kitchen appliances to tenants

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. At the Scrutiny Board meeting on 24 September 2013, the Board requested a further report on the potential for developing a scheme to provide cookers and fridges to tenants. It was felt that provision would have a direct and positive impact on the health and wellbeing of the household.
2. Council tenancies are currently let on an unfurnished basis. Under the terms of the tenancy agreement, the Council could offer additional services such as cookers, fridges or other household goods, subject to a service charge.
3. There are existing schemes operating in Leeds to enable vulnerable and low income households to access basic household goods and appliances. In April 2013, the Council launched a Local Welfare Support Scheme to provide support for families and vulnerable people faced with unforeseen difficulties and emergency situations. This includes the provision of kitchen appliances where the applicant fulfils the eligibility criteria. The Council also supports the growth of furniture re-use schemes in Leeds to ensure opportunities to recycle and re-use furniture and household goods are maximised.
4. Other local authorities operate furniture schemes entitling eligible tenants to select from a broad menu of items including furniture, kitchen appliances and other household goods such as bedding, cutlery and crockery. The service charge payable is calculated based on the range of items chosen.
5. To ascertain whether the existing schemes in Leeds meet demand, a consultation exercise would be necessary with existing and prospective council tenants in Leeds.

Recommendations

6. Scrutiny Board is requested to:

- note the content of this report;
- agree to the consultation proposals to ascertain whether the existing schemes meet demand; and
- receive a future report in September 2014 outlining the results of the consultation exercise.

1 Purpose of this report

- 1.1 The purpose of this report is to outline proposals to ascertain whether existing schemes meet demand.
- 1.2 The report also updates Scrutiny Board on best practice of other local authorities in relation to furniture schemes and the benefits and risks of provision.

2 Background information

- 2.1 At the September Scrutiny Board meeting, the Board felt that provision of fridges and cookers would have a direct and positive impact on the health and wellbeing of the household and requested a further report on the potential for developing a scheme to provide these appliances to tenants.
- 2.2 The Council currently lets tenancies on an unfurnished basis. Under the terms of the tenancy agreement, the Council could offer additional services such as cookers, fridges or other household goods, subject to a service charge. If the Council was to provide household appliances as an additional service, it would bear the responsibility to repair, maintain and service the appliance.
- 2.3 There are existing schemes operating in Leeds to enable vulnerable and low income households to access basic household goods and appliances. The Council's Local Welfare Support Scheme provides support for families and vulnerable people faced with unforeseen difficulties and emergency situations. This includes the provision of cookers and fridges where the applicant fulfils the eligibility criteria. In addition, the Council supports furniture re-use schemes in Leeds which provide recycled white goods to tenants following referrals from public and voluntary sector organisations.

3 Main issues

- 3.1 At the Scrutiny Board meeting on 24 September 2013, the Board requested a further report on the potential for developing a scheme to provide cookers and fridges to tenants. It was felt that provision would have a direct and positive impact on the health and wellbeing of the household.

- 3.2 Council tenancies are currently let on an unfurnished basis. Under the terms of the tenancy agreement, the Council could offer additional services such as cookers, fridges or other household goods, subject to a service charge.
- 3.3 Through the Local Welfare Support Scheme, the Council seeks to assist vulnerable people to meet their immediate short term needs or where they require assistance to maintain their independence within the community. The scheme focuses on providing goods instead of cash and eligible recipients are likely to have the majority of their basic household items met at no cost. Up to the end of November, 915 cookers, 22 microwaves and 766 fridges have been provided under this scheme. At the October Executive Board meeting, the Board discussed the need to ensure that people in need of welfare support were aware of the existence of the scheme and officers undertook to look into ways awareness could be improved.
- 3.4 In addition, the Council supports furniture re-use schemes locally which provide recycled white goods to tenants following referrals from public and voluntary sector organisations. Through its repairs and maintenance contractors and third sector organisations, the Council ensures that any furniture left in a vacated council property is recycled.
- 3.5 Officers have carried out research into existing furniture schemes and have approached three authorities in the north of England for information on the schemes they operate. Manchester, Sheffield and Newcastle all operate a furniture scheme based on similar principles:
- Tenants can choose from a menu of furniture, electrical appliances and household goods;
 - A service charge is payable and calculated according to the items selected;
 - The service charge includes repairs, maintenance, servicing, testing and replacement; and
 - The service charge is covered by Housing Benefit for eligible claimants.
- 3.6 Your Homes Newcastle has had a furniture scheme in operation since 1988. It was originally developed to help young people to set up a new home. The scheme has grown over the years to include all new tenants and currently also provides furniture and household goods to other social housing providers.
- 3.7 The scheme offers a menu of furniture, electrical appliances and household goods including towels and crockery for new tenants to select at sign up. The products available are itemised within a catalogue and each item is allocated a number of points. The service charge is then calculated based on the number of points. As an example, a service charge of roughly £10 per week would entitle a tenant to an electric cooker, a fridge, a washing machine and a condenser dryer. The maximum service charge under this scheme is just short of £37 per week and would provide sufficient items to furnish a household.
- 3.8 The furniture is provided through Newcastle Furniture Service (NFS) which is a department of Your Homes Newcastle. The scheme provides furniture to a total of

11,000 tenant; 5,000 Your Homes Newcastle tenants as well as 6,000 tenants from other social housing providers.

- 3.9 Based on the research, there is clear evidence of demand in other areas for the provision of a range of household items. In some cases, demand for such schemes has been very high. For example in Sheffield, demand was such that access to the scheme was restricted to tenants with homeless priority.
- 3.10 To ascertain whether the existing schemes in Leeds meet demand, a consultation exercise would be necessary with existing and prospective council tenants. It is proposed that as part of the council tenancy sign-up procedure, all new tenants will be surveyed over a three month period to ascertain demand for a scheme. It is also proposed that this consultation includes ascertaining how tenants would acquire household items in the absence of such a scheme; by accessing high interest providers for example. To gauge demand from existing tenants, the Annual Tenancy Visit (ATV) has been amended to include questions on whether they have fridges and cookers.
- 3.11 A furniture scheme along the lines of Your Homes Newcastle, would require a tendering exercise. There are existing service providers such as the NFS who offer an end to end service; they supply and deliver the products as well as service, repair, maintain and replace items. This would involve an initial capital investment to set the scheme up and the aim would be to recoup this through the weekly service charge.
- 3.12 The main benefits of a furniture scheme of this type are as follows:
- Allows tenants access to good quality equipment;
 - Reduces stress and worry of setting up a new home;
 - Helps to avoid risk of debt and could limit the numbers of people accessing high interest suppliers; and
 - Choice of items to suit individual needs.
- 3.13 The potential risks of such a scheme are outlined below:
- Could be perceived as a disincentive to employment as tenants not in receipt of housing benefit would have to fund the service charge;
 - Potential impact on furniture re-use schemes and small, local businesses;
 - Additional income to collect by way of a service charge; and
 - Cost to the Housing Revenue Account if the scheme does not self-finance in line with projections.
- 3.14 The results of the consultation exercise will form the basis of a future report to Scrutiny Board.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 It is proposed that as part of the council tenancy sign-up procedure, all new tenants will be surveyed over a three month period to ascertain demand for a scheme.
- 4.1.2 To gauge demand from existing tenants, the Annual Tenancy Visit (ATV) has been amended to include questions on whether they have fridges and cookers.
- 4.1.3 The results of the consultation exercise will form the basis of a future report to Scrutiny Board.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 Any future proposals will be subject to an Equality, Diversity, Cohesion and Integration Screening and if appropriate an Equality Impact Assessment.
- 4.2.2 Existing schemes focus on people in need irrespective of ethnicity, religion, sexuality, gender or disability.

4.3 Council policies and City Priorities

- 4.3.1 There are no implications within this report for existing Council policies or City Priorities.
- 4.3.2 The existing schemes contribute to the Council's City Priorities as they offer an alternative to high interest providers and help to tackle high cost lending, child poverty and debt.

4.4 Resources and value for money

- 4.4.1 If the Council was to provide household appliances as an additional service, it would bear the financial responsibility to repair, maintain and service the appliance. As a result, the application of a service charge would be necessary to cover these costs.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This report does not contain any exempt or confidential information.
- 4.1.1 This report is not eligible for call in.

4.6 Risk Management

- 4.6.1 If the Council was to provide such a furniture scheme, the potential risks are outlined below:
 - Could be perceived as a disincentive to employment as tenants not in receipt of housing benefit would have to fund the service charge;
 - Potential impact on furniture re-use schemes and small, local businesses;

- Additional income to collect by way of a service charge; and
- Cost to the Housing Revenue Account if the scheme does not self-finance in line with projections.

5 Conclusions

- 5.1 Council tenancies are currently let on an unfurnished basis. Under the terms of the tenancy agreement, the Council could offer additional services such as cookers, fridges or other household goods, subject to a service charge.
- 5.2 There are existing schemes operating in Leeds to enable vulnerable and low income households to access basic household goods and appliances at little or no cost to the recipient.
- 5.3 Other local authorities operate furniture schemes entitling eligible tenants to select from a broad menu of items including furniture, kitchen appliances and other household goods such as bedding, cutlery and crockery. The service charge payable is calculated based on the range of items chosen.
- 5.4 To ascertain whether the existing schemes in Leeds meet demand, a consultation exercise would be necessary with existing and prospective council tenants. It is proposed that a three month consultation exercise is carried out with existing and prospective council tenants through the Annual Tenancy Visits and a survey at tenancy sign up.
- 5.5 A future report is proposed outlining the results of the consultation exercise.

6 Recommendations

- 6.1 Scrutiny Board is requested to:
- note the content of this report;
 - agree to the consultation proposals to ascertain whether the existing schemes meet demand; and
 - receive a future report in September 2014 outlining the results of the consultation exercise.

7 Background documents¹

- 7.1 Report to Scrutiny Board on 24 September 2013 from the Director of Environment and Housing regarding Council Policy on the Provision of Cookers to Tenants.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.