

**HOUSING COMMITTEE**  
**5<sup>th</sup> February 2014, 1.30pm**  
**PWD Conference room**

**AGENDA**  
**Part 1**

1.	Apologies for absence
2.	Declaration of interest
3.	Confirmation of the draft open minutes of the meeting held on 20 September 2013
4.	Matters Arising from the draft open minutes of the meeting held on 20 September 2013
5.	Housing Report – report included - Bonnie Curtis, Housing Officer
6.	Rental Criteria – report included - Veronica Sinclair, Trainee Accountant
7.	Non-renewal of tenancies – report included - Bonnie Curtis, Housing Officer
8.	Tenants who are subject to imprisonment – report included - Bonnie Curtis, Housing Officer
9.	Date of next meeting
10.	Exclusion of Press and Public
	The public are likely to be excluded from the meeting for this/these item(s) of business by virtue of paragraph(s) 7 and 9 Information relating to individuals and information on financial matters of Schedule 3 of the Committees (Public Access) Ordinance 2012]
	<i>The Chairman to move as follows:</i> <i>"I move that the press and public be now excluded on the ground that the next items of business to be considered are likely to disclose exempt information under paragraphs 7 and 9 of schedule 3 of the Committees (Public Access) Ordinance 2012."</i>
	<b>Part 2</b>
11.	Confirmation of the draft exempt minutes of the meeting held on 20 September 2013
	<i>NOT FOR PUBLICATION by virtue of paragraph 7 and 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about individual and information about individuals financial matters.</i>
12.	Matters arising from the draft exempt minutes of the meeting held on 20 September 2013
	<i>NOT FOR PUBLICATION by virtue of paragraph 7 and 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about individual and information about individuals financial matters.</i>
13.	Rent Arrears report – report included - Veronica Sinclair, Trainee Accountant
	<i>NOT FOR PUBLICATION by virtue of paragraph 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about individuals financial matters.</i>
14.	Tenancy review – report included - Bonnie Curtis, Housing Officer
	<i>NOT FOR PUBLICATION by virtue of paragraph 7 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about individual matters.</i>
15.	Housing Assessment – report included – Bonnie Curtis, Housing Officer
	<i>NOT FOR PUBLICATION by virtue of paragraph 7 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about individual matters.</i>

### **Housing Report**

#### **Current Status of Contractor Properties:**

- At the time of writing there are 3 vacant contractor properties, two of which have only remained vacant for a few weeks and which are having minor work done in preparation for incoming contractors. The third property, 4 Ian Campbell Drive, experienced a serious fuel leak late last year and had to have some floor coverings replaced. The property still has a lingering smell of fuel and as such is temporarily uninhabitable.

#### **Current Status of local Properties:**

- At the time of writing there are 4 vacant local properties. One is Lois Cottage which is uninhabitable. 10 Ian Campbell Drive needs some major work doing, but a lack of manpower means that this cannot be done immediately. 7 John Street has just been handed back, and is awaiting a survey – this property will require major work and the plan is to put this out to contract. 8B St Marys Walk has been vacant since early November, and the Health and Social Services Department wish to have this property refurbished for a family with specific needs.

#### **Housing Lists:**

- At the time of writing we have 41 applicants on the Housing List, and 5 on the transfer list. Several transfers have been carried out in recent months, but the Housing List is steadily increasing.

## **RENTAL CRITERIA**

### **Location**

The Treasury does not believe that location is a subjective criteria. Houses in central Stanley offer easy access to nearly all amenities within the town such as a shops, the hospital, schools, dining and leisure facilities, churches, banking, the post office etc. In contrast government housing on the West side of Stanley, for example, has only access to a small Kelper Store, a public house and a small children's play area within easy walking distance. The Treasury believes housing in central Stanley, if resold, would command a higher financial value than elsewhere in town. Rental prices in nearly all locations worldwide are influenced by location. Therefore we believe this criteria remains valid for the calculation of government rents.

### **Plot size**

The Treasury agrees it is unclear what the specific sizes which constitute small, medium and large plot sizes are. This can be agreed upon, if desired, in consultation with the department of Public Works. It must be noted though that any reassessment could potentially lead to a further increase in some individuals rents.

### **Condition of property**

The Treasury does not believe "condition of property" should be used as a rental criteria for the following reasons:

- FIG should maintain all properties to a high standard as a matter of course. A comprehensive survey was undertaken by PWD last year to assess the condition of all properties within the housing pool. A separate capital project was approved in the 2013/14 budget cycle to replace and refurbish a number of properties. The existing recurrent capital funding for general housing related maintenance was also almost doubled in the same budget cycle. PWD believe that they are currently doing a good job in bringing up the standards of poorly maintained properties and the gap between older and newer properties is closing substantially.
- A criteria of "condition" may disincentivise tenants to maintain the condition of their allocated property, as a poorly maintained property may in turn lead to cheaper rent.
- PWD advise that the criteria would be very difficult to calculate and implement, particularly due to different areas of some houses being different ages/conditions, e.g. a new kitchen but 15 year old bathroom.
- A policy of this type may acknowledge the existence of cheaper "slum" housing, which would potentially house those who could not afford higher levels of rent, i.e. it may lead to the least wealthy members of society being housed in the poorest condition properties
- This policy would be likely to lead to an overall reduction in rental revenues or the need to increase rents for newer or better maintained properties to maintain existing revenue levels, potentially penalising tenants who have kept their homes in good conditions.

### **Non Renewal of Tenancies**

#### **Summary**

Currently, FIG tenancies are for a maximum of 3 years, and renewals must be applied for. In some cases, tenancy renewal applications are refused when it is decided that the applicants no longer require FIG Housing. It would be helpful to have clearer guidelines as to when this is appropriate, and the recommended procedure when tenancies are not renewed. An attached report goes into further detail. Once this topic has been discussed, a policy document can be composed if it is deemed necessary by the Committee.

#### **Report**

FIG Housing is scarce, and there are occasions when tenancy renewals are applied for that it could be considered that an approval of this renewal may not be the best use of the resource. Many FIG tenants use their time in government housing to take advantage of the comparatively cheap rents in order to save for their own home. There are also some who are unlikely to be able to manage without FIG Housing – for example, those who are unable to work full time due to ill health and so require assistance through the rent rebate system. However, there are also tenants who were originally allocated FIG Housing due to needs which are no longer applicable.

The current tenancy agreements allow us to terminate any tenancy with 1 month notice, if a breach of tenancy conditions has occurred. The only reference to non renewal of tenancies is as follows:

5. **THE TENANT AND THE LANDLORD ACKNOWLEDGE that the Premises occupied by the Tenant form part of the Landlord's public housing stock and that it is not intended that this agreement shall continue for any period greater than 3 years.**

The current procedure regarding renewal of tenancy agreements is as follows:

- Tenants are written to several months before their tenancy agreements are due to expire. They are sent application forms and asked to submit these if they wish to remain in FIG accommodation. Up to date financial information is requested, and tenants are asked to confirm whether or not they still require a property the size they have, or if they would like to be downsized.
- Many tenants still require FIG Housing, and they will be given 3 year tenancy renewals. Other tenants may now be in a position to work toward becoming homeowners (this is primarily judged on income), and they will often be given 1 year renewals to give them time to demonstrate progress toward this goal. There are also some tenants who have committed breaches of their tenancy, such as unpaid rent, but who are so heavily reliant on FIG Housing that it would be difficult for them to find alternative accommodation. In these cases, short renewals (often 6 months) are given, with subsequent renewals being dependant on their sticking to a repayment plan with the Treasury.
- In the cases where a tenancy renewal is not deemed necessary, tenants will be given 6 months notice, in line with Housing Policy.

At the moment there is nothing enshrined in policy regarding tenancy renewal applications and when they can be refused. However, under the general principles:

*'As a general principle the Falkland Islands Government (FIG) is under no legal obligation to house any person (except where FIG has entered into contractual obligation to house officers recruited from overseas). FIG is, however, responsible for providing housing for Falkland*

*Islanders who are in need, and who, for one reason or another, are unable to find or afford accommodation in the private sector. Theme 9 of the Island Plan is relevant:*

*“We will ensure a well-housed, well-served, safe community”*

*FIG will, through the Housing Committee, attempt to make best use of the resources available to provide accommodation to Falkland Islands residents who are unable to secure accommodation in the private sector. ‘*

It is clear from this that FIG Housing is intended primarily for those in need, rather than people who merely desire to remain in government accommodation. The Housing Officer and the Housing Committee are duty bound to ‘make best use of the resources’ and this includes making difficult decisions regarding tenants who would like to remain in FIG Housing indefinitely, but who do not really need to.

So far, decisions regarding tenancy renewals have been made on a case by case basis, with tenants being given opportunity to demonstrate that they either cannot manage without FIG Housing, or that they have used their time to save toward home-ownership and will be achieving that goal in the near future and handing back their FIG properties willingly. Factors which are usually looked at are: income, savings, number and age of dependant children, disability/serious health issues and time in FIG Housing. Whilst there is nothing wrong with considering each case on its own merits, it would be useful to establish some guidelines in order to ensure fair treatment and consistency between cases. Points to discuss are:

- Things to be taken into account when considering not renewing a tenancy. What should be the deciding factors?
- Need for that property. There is, and is likely to always be, a high demand for 2, 3 and 4 bed properties. It is arguably less important to have a steady flow of bedsits and 1 beds, as applicants who would require those would be people without resident dependant aged children. Even so, smaller properties are useful for those who do not earn enough to buy, but are of an age where the alternatives (YMCA, House-shares) are no longer desirable.

**Tenants who are subject to Imprisonment**

There are many factors which could be deemed relevant when assessing whether or not FIG tenants should be made to relinquish their properties when they are sent to prison. Some of the key points are listed below, with reference to current Housing Policy where applicable:

- Length of sentence – this has been one of the key factors in determining whether or not a tenant is forced to relinquish his accommodation. Tenants would not ordinarily be given permission to be absent from their properties for long periods of time for any reason, without handing the accommodation back to FIG. There is not a strict cut off point, but it is not unusual for permission to be denied tenants to vacate their properties for work purposes for much longer than a couple of months. The Housing Policy also states that tenants who request that they have 'house sitters' occupy their property in their absence, should not usually be granted permission for this to take place for any longer than 6 months.
- Care of the property in the tenants absence – It states in the tenancy agreement that when tenants are absent from their properties, they must have them checked on every 4 days and should maintain adequate supplies of heating and electricity to ensure that the house is kept reasonably warm throughout the winter months. This is very important for preventing damp problems and burst pipes.
- Other persons residing in the property – Where there is a joint tenancy, and only one party has been sentenced to a period of imprisonment, the other can of course remain. However, when the tenant has someone cohabiting with them who is not on the tenancy agreement, it must be considered whether or not there should be an automatic right to remain. It could be argued that if the person in question qualifies for FIG Housing in their own right, and if removed from the property may need to be found alternative FIG Housing, then there would seem little point in moving them. Should there be persons residing in the property who do not qualify for FIG Housing – either due to their immigration status, income or other factor, then they should be afforded a reasonable amount of notice in order to make alternative arrangements.
- Rent – The Treasury has confirmed that tenants who are sent to prison do not qualify for rent rebates. This poses the question of how long FIG could allow a tenant to occupy FIG Housing whilst accruing rental arrears. For example, if a tenant was unable to pay their rent and was sent to prison for 3 weeks, it may seem reasonable to allow a small amount of arrears to accrue. But if a tenant was imprisoned for 8 months, even if it was deemed otherwise acceptable that the property be kept vacant for that period of time. How long could we knowingly allow arrears to build up?
- Anticipated options upon release – Of course there are some FIG tenants who, whilst enjoying the benefits of government accommodation, do not completely rely on it. Before considering whether or not a person could be allowed to 'keep' their property whilst in prison, it is important to consider what options they are likely to have upon release. Do they have savings which could be used to rent privately once released? Do they have family support or friends who may accommodate them? Are they eligible for consideration for a room at the YMCA (where you can now get a rent rebate)?

One other thing to consider is notice given. Under current Housing Policy, unless there has been a breach of tenancy conditions, 6 months notice should ordinarily be given:

*'In any case where the Housing Committee considers that the continuation of a tenancy cannot be justified the Housing Officer will write giving the tenant six months' notice of*

*termination of the tenancy, or such notice as may be reasonable in the circumstances of the case.'*

Of course this section of the policy is specifically referring to cases where we are not renewing tenancies. However, the AG's advise that the 6 months should be used as a guide in cases where breaches of tenancy have not occurred. Therefore it would be useful to establish an appropriate period of notice to be given and refer to this in policy to remove any doubt.