

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **CABINET**

**DATE:**               **TUESDAY, 15 JULY 2014**

**REPORT BY:**       **CHIEF OFFICER, COMMUNITY AND ENTERPRISE**

**SUBJECT:**           **GARDEN SERVICE FOR COUNCIL TENANTS**

**1.00   PURPOSE OF REPORT**

1.01   This report makes recommendations to suspend the implementation of the service charge for the grass cutting and hedge maintenance service in council housing for sheltered housing tenants and those who previously received the service due to a disability/vulnerability. This postponement will be until the 2015/16 financial year and until full consultation has been completed.

**2.00   BACKGROUND**

**Current Service**

- 2.01   An Assisted Gardening Service has existed in Flintshire for over 25 years. The service consists of grass cutting and hedge trimming and prior to April 2014 was delivered in house via Street Scene to tenants living in both general needs and sheltered housing stock.
- 2.02   To qualify for the Service, general needs' housing tenants had to be registered blind, over the age of 60 or in receipt of Disability Working Allowance, Disability Living Allowance or Attendance Allowance. Sheltered housing tenants qualified automatically.
- 2.03   Approximately 1,200 households (including sheltered tenants) were in receipt of the Service at a cost of £250,000 per year to the Housing Revenue Account.
- 2.04   In December 2013 following a service review and with the support of Housing Scrutiny Committee, Cabinet agreed to introduce charging for the service. The service had been tendered and a company called Ground Control had won a tender to deliver the service on the council's behalf.
- 2.05   Cabinet agreed a charging mechanism, based on 14 cuts per year for grass and two hedge cuts. Grass collection, (with use of the tenants own brown bin) was included in the contract. The charging policy

agreed by cabinet was for charges to be individual to each property based on garden size, with a minimum charge of £58 for grass cutting for a disabled tenant with a garden of less than 50m<sup>2</sup>, and £464 for the same customer with a garden of less than 400m<sup>2</sup>. (Charges for gardens bigger than this were set at a £1.16 per m<sup>2</sup> for a disabled customer).

- 2.06 The new service was designed to be available to any tenant who wished to subscribe and in the longer term to be available to private tenants who wished to purchase it too.
- 2.07 Based on the tender received it was reported to cabinet that the council expected to realise a saving of £250k in introducing the new service. This was made up of two elements. The first that the tender price was cheaper than the internal service by £125k and the second that charging would bring in an estimated £125k in income.

### **3.00 CONSIDERATIONS**

#### **Charging for Services**

- 3.01 A service charge is a payment made by a resident, leaseholder, shared owner or freeholder towards the cost of providing and maintaining services and benefits, beyond that of enjoying occupation of their home. Welsh Government has developed a prescriptive list of service charging activities, and requires all Local authorities who have not already done so to commence a policy of introducing charging for services from 2015. The manner and timing for the introduction is at the council's discretion, and the council could agree a staged approach to minimise any adverse impact on tenants.
- 3.02 Flintshire has close to £800k of services provided mainly to sheltered tenants and those living in flats. These include aerial charges, communal heating, cleaning, grounds maintenance, lift maintenance. The only chargeable service at the moment is heating. Most services are eligible for Housing Benefit for those who qualify, with the exception of the individual tenant garden service.
- 3.03 With this in mind the approved Flintshire HRA business plan has been modelled to include the introduction of service charging fully over the next few years. The financial implications section of this report describes the anticipated income in the plan. Any reduction in income, without additional savings, will increase the need to borrow to achieve the WHQS.

#### **Implementation of the new service**

- 3.04 This has been extremely problematic and has caused a significant level of complaints to elected members and council staff. It has resulted in a loss of confidence in the service which needs to be

rectified.

3.05 The problems have included:-

- An “opt in” arrangement means that only c400 tenants are now receiving the service. Clearly some tenants may have chosen to make alternative arrangements but others have not (uncut grass leaving some gardens looking unsightly). These tenants may be unwilling to pay the charge or unsure how to request the service.
- Garden measurements were inaccurate in some cases due to historical data on the council data base, i.e. a driveway may have been installed in a property and the garden is now significantly smaller. This has led to large estimated bills and a consequential loss of confidence in the service. This led to a decision to measure all gardens where the service was requested so that accurate prices could be provided. This has caused delays in service commencement.
- Some communal garden areas were recorded as private and therefore cost proposals were sent out when they should not have been.
- Street Scene has continued to manage the communal gardens and spaces; but the data on what is communal and what is private was not fully accurate, leaving some things out of the Ground Control contract and also not part of the ongoing street scene contract. In addition, this has meant that two teams have been sent to the same schemes, one effectively cutting backs, and one fronts. This has caused confusion with tenants.
- Payment cannot be made through the rent this year due to system issues. Discounts have been offered for paying the total in advance but this is a significant change from the way tenants are used to paying the council. Payment can also be made weekly via the payment machine in the Connects offices or by Direct Debit.
- The growing conditions this year which has meant that any service delays while measuring has been organised has led to very long unsightly grass causing challenges for cutting and collection and leading to complaint.

3.06 A number of options have been considered to remedy matters and a number of management actions have been instigated to improve the service.

- 3.07 Street Scene has taken over management of the contract from 9<sup>th</sup> June. This has provided additional management capacity. A full measure and review is underway to prepare a clearer contract from 2015, with a sensible split between Ground Control responsibility and that of Street scene. This will have a short term cost to the HRA of circa £20k. (An officer had been budgeted for but not appointed to manage the contract so this can be funded with no adverse impact on the budget).
- 3.08 This paper proposes ceasing charging for this financial year for all sheltered tenants, and those previously receiving the service with protected characteristics, whilst a full review of the service is undertaken.
- 3.09 Full and detailed consultation with all tenants who may be affected by the introduction of charging for services is to be commenced starting with general needs properties. Once this is completed, recommendations for a phase introduction will be considered by Cabinet.
- 3.10 For the garden service, It is felt that two charges only would be simpler for the future; one for large and one for small gardens, (and more cost effective to administer and understand). Work needs to be completed to assess what these should be.
- 3.11 The service will still be available as a chargeable service on the terms previously agreed for any new customers who did not receive the service pre April 2014.

#### **4.00 RECOMMENDATIONS**

- 4.01 That Cabinet approve a temporary suspension in service charging for the garden service for sheltered tenants and those with protected characteristics who received the service prior to 1<sup>st</sup> April 2014.

#### **5.00 FINANCIAL IMPLICATIONS**

- 5.01 The HRA budget approved at Feb 2014 cabinet assumed that the income received for the charging of garden services would fully recoup the yearly cost of the Ground control contract of £126.0k.

- 5.02 The breakdown of this is:-

954 sheltered gardens  
521 sheltered hedges  
Anticipated income £87.1k

248 general gardens  
210 general hedges

- 5.03 Anticipated income £38.6k
- 5.04 In addition administration charges of 15% were to be charged.
- 5.05 Assuming that the majority of general needs tenants who have been accessing the service have protected characteristics, the loss in income to the HRA in 2014/15 should the council not charge either the sheltered tenants or those with these characteristics would be £126.0k.
- 5.06 This will be met through prudent management of the budget ensuring that the budgeted balance at year end of 3.20% is met.
- 5.07 The rent reform policy due to be implemented in 2015/16 requires all local authorities to commence a policy to introduce service charges. The current business plan, approved by Welsh Government therefore assumes a phased implementation of charging from 15/16, generating income of £383.6k (including the assisted gardens income) in that year, and full anticipated service charge recovery in 2016/17 and beyond of £810.5k per year.
- 5.08 Most service charges (but not the individual garden service), are eligible for Housing Benefit.

## **6.00 ANTI POVERTY IMPACT**

- 6.01 Tenants who have paid for the service and now qualify for a free service will receive a refund.

## **7.00 ENVIRONMENTAL IMPACT**

- 7.01 Keeping gardens in a good condition is a condition of tenancy. The recent introduction of the chargeable garden service has led to a number of gardens not being cut leading to some unsightly areas on council estates.

## **8.00 EQUALITIES IMPACT**

- 8.01 Tenants with protected characteristics previously receiving the service would benefit from the changes proposed in this report.

## **9.00 PERSONNEL IMPLICATIONS**

- 9.01 None other than those described above.

## **10.00 CONSULTATION REQUIRED**

- 10.01 Full consultation with tenants is required to introduce service charging.

**11.00 CONSULTATION UNDERTAKEN**

11.01 None to date.

**12.00 APPENDICES**

12.01 None

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985  
BACKGROUND DOCUMENTS**

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