



# SHEFFIELD CITY COUNCIL

## Individual Cabinet Member Report

**Author of Report:** Jonathan South - Service Manager Accommodation and Support

**Tel:** 07791108334

**Report of:** *Executive Director, Place*

**Report to:** *Cabinet Member for Neighbourhoods and Community Safety*

**Date of Decision:** *26<sup>th</sup> February 2021*

**Subject:** *Gypsy Traveller Service – Pitch Fees 2021/22*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Neighbourhoods and Community Safety</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Safer and Stronger Communities</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>239</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i>		

**Purpose of Report**

This report sets out the proposal for the 2021/22 increase in pitch fees relating to Sheffield City Council's Gypsy and Traveller sites at Longacre and Redmires.

There is no nationally recommended pitch fee level for Gypsy and Traveller pitches as there is for social housing rents. It is left to the discretion of the landlord, subject to the terms of a Written Statement of Agreement between the Council and occupiers of the sites.

**Recommendations:**

It is recommended that from 5<sup>th</sup> April 2021 the fees for each pitch on the Council's Gypsy and Traveller sites at Longacre and Redmires will increase by £1.05 (1.1%) to £96.81 per week

**Background Papers:**

Appendix 1: Written Statement of Agreement in relation to the Mobile Homes Act 1983

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Karen Jones
		Legal: <i>Andrea Simpson</i>
		Equalities: <i>Louise Nunn</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	<b>EMT member who approved submission:</b>	<i>Mick Crofts</i>
3	<b>Cabinet Member consulted:</b>	<i>Coun Paul Wood</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	<b>Lead Officer Name:</b> Jonathan South	<b>Job Title:</b> <i>Service Manager – Accommodation and Support</i>
	<b>Date:</b> 22/02/21	

## 1. PROPOSAL

- 1.1 Sheffield City Council owns two operational Gypsy and Traveller sites: Longacre (14 plots) in the south east of the city and Redmires (17 plots) in the west. The pitch fees are a contribution to the services and amenities provided on the sites by the Council. These include:
- The day-to-day management of the site including paying for drainage clearance and green work as the roads within the sites are unadopted.
  - A dedicated service
  - Electric hook-up points, connection to the electricity and water supply and drainage systems
  - Amenities including bathroom and/or shower facilities, a WC, a kitchen sink, space for kitchen equipment and heating.
  - A day room where residents can sit and eat if they wish.
- 1.2 The mechanism for an annual increase or decrease of pitch fees and the presumption that the increase will be by a percentage which is no more than any percentage increase or decrease in the retail prices index (RPI) since the last review date are set out in a Written Statement of Agreement for residents, which was approved by the Cabinet Member for Homes and Regeneration on 23 May 2011. The Written Statement of Agreement is attached to this report as Appendix 1.
- 1.3 In previous years the pitch fees for Redmires and Longacre have been different because of historic site conditions which have since changed. In February 2012, the Cabinet Member for Homes and Regeneration agreed a local convergence policy in order to make pitch fees on both sites the same by 2014/15. The 2014/15 annual increase was the last under the convergence policy as pitch fees across both sites are now equal.
- 1.4 In accordance with the convergence policy pitch fees have uplifted by RPI each year from 2015/16 and at the review date each year a September RPI figure has been used to uplift pitch fees because the Government's National Social Rent Policy for calculating social rent increases is based on the inflation figure for the previous September. The average increase in pitch fee for 2019/20 across both sites was 3.3% in line with RPI at September 2018. Last year there was no increase in the fee last year due to the pandemic. The average increase in pitch fees 2021/22 will be 1.1% in line with RPI at September 2020. The fees for each pitch on the Council's Gypsy and Traveller sites at Longacre and Redmires will increase by £1.05 to £96.81 per week.
- 1.5 There is a risk that any resident might not agree to the increase, which would lead to delays in implementing the increase. This risk was mitigated through discussions with the residents in 2011 and 2012 regarding the principle of convergence and what impact this would have on pitch fees for both sites. The Site Staff will hand-deliver letters giving notice of the increased fee and will discuss any concerns with residents and assist any tenants who may have literacy issues. Residents must sign to say they have understood the letter.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 The pitch fees are a contribution to the services and amenities provided on the sites by the Council.
- 2.2 The annual increase in pitch fees helps increase income into the account and to keep pace with cost inflation.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 There is no requirement to carry out consultation before setting the pitch fee each year but as stated above at paragraph 1.5 the principle of convergence, and its implications, was discussed with the residents in 2011 and 2012.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality of Opportunity Implications**

- 4.1.1 Employment rates for gypsies and travellers nationally are low, and poverty is high.
- 4.1.2 The proposed pitch fee increase will be met by Housing Benefit or Universal Credit for residents who are eligible.
- 4.1.3 The proposed average increase (1.1%) is linked to RPI and is lower than 2019/20 average increase of 3.3%.
- 4.1.4 Since 2010, the Council have explained to residents the rent convergence principle, and the differential rent increase to make fees at both sites the same. The Council explained in detail how fees at one site were being increased more than the other until both sites pay the same fees. As a result, residents have been made aware of the fee increase and have had the opportunity to express their opinions on the proposals.

### **4.2 Financial and Commercial Implications**

- 4.2.1 The proposed increase in charges will increase income into the account in 2021/22 by around £2238.60. This increase (1.1%) is in line with RPI and will allow income to keep pace with the cost of inflation and help complete essential repairs and maintenance on both sites while remaining affordable to those residents in receipt of welfare benefits. The service has started a programme of work to improve/replace the ageing kitchen and bathing facilities in the dayrooms over a staggered period.
- 4.2.2 The increase is comparable to the rise in charges for other services.
- 4.2.3 The Gypsy & Traveller Site budget is set at £229,752 for 2021/22.
- 4.2.4 As part of the Government's welfare reform proposals, the roll out of Universal Credit commenced in Sheffield in November 2018 for new benefit claimants. Migration of existing claimants is expected to take place by 2024. A number of Gypsy and

Traveller site residents have remained on Housing Benefit due to there having been no changes in their circumstances, but a few residents have claimed Universal Credit whilst living on site. Universal Credit is paid to the claimants rather than the housing element being paid directly to the landlord account. Benefits are also capped. This has increased levels of arrears in some cases. To mitigate this we are working with our Income Management and Financial Inclusion Team to make alternative payment arrangements using direct payments from the occupant's income to ensure any arrears are kept to a minimum. We will continue to work to minimise the impact of Welfare Reform to residents on site.

#### 4.3 Legal Implications

- 4.3.1 Residents of the Council's Gypsy and Traveller sites occupy them by agreement under the Mobile Homes Act 1983 (MHA). A Schedule to the MHA sets out a number of terms which are implied into the agreement and specifies those terms which apply to permanent pitches on local authority Gypsy and Traveller sites. These have been incorporated into the Council's Written Statement of Agreement.
- 4.3.2 The implied terms include provisions about amending the pitch fee and include a presumption that the annual increase or decrease of pitch fees is by a percentage which is no more than any percentage increase or decrease in the retail prices index (RPI) since the last review date.
- 4.3.3 Occupiers of the sites must be given a written statement of the terms of the agreement setting out certain information including the terms implied by the MHA and the express terms, which are based on the licence formerly granted before the MHA was amended to cover local authority Gypsy and Traveller sites. The pitch fee can only be changed in accordance with the procedure set out in paragraphs 14-18 of the prescribed written statement.
- 4.3.4 The Council must give each occupier written notice of the new pitch fee at least 28 days before the review date. If the occupier agrees then the new fee takes effect on the review date. If the occupier does not agree then the Council must make an application to the court to determine the amount of the new fee.

#### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 No increase in pitch fees in 2021/22– this option would mean that income into the account will not keep with the pace with cost inflation, especially as there was no increase in the site fees last year.

#### **6. REASONS FOR RECOMMENDATIONS**

- 6.1 The proposed increase is in accordance with the completion of the local convergence policy agreed by the Cabinet Member for Homes and Regeneration in February 2012 and the terms of the Written Statement in relation to the Mobile Homes Act 1983 agreed by him in May 2011 and issued to each occupier of both sites.