Taking Properties Out of Management Policy

Scope of Policy

This policy sets out the approach Platform Housing Group (the Group) will take to ensure that when properties are to be taken out of management the approach adopted is consistent and clearly auditable.

Applicability

The policy applies to all members of the Group.

1. Policy Statement

1.1 The Group recognises that there are a small number of specific circumstances in which it will be necessary for a property to be taken out of management. This results in a loss of income to the Group due to being unable to charge rent for the property during that period.

1.2 It is, therefore, crucial that the circumstances in which properties are taken out of management are clearly outlined, together with an appropriate approvals process for doing so.

This policy should also be read in conjunction with other relevant Group policies and procedures.

2. Context

2.1 A property may not be able to be occupied or let/sold for a variety of reasons as outlined in this policy. When a property is approved for out of management it will be determined as either 'off charge' (where rent charges are removed) or 'in charge' (where rent will continue to be applied).

2.2 **Off Charge Properties**

Circumstances that require properties to be taken out of management, with no resulting rent charge incurred, are limited to the following reasons only:

- a property is identified for disposal
- a property is identified for demolition
- in exceptional circumstances with approval given by two Senior Leadership Team (SLT) Directors i.e., one SLT Director from either the Housing or Property Management Operations Directorate and one SLT Director from another Directorate

2.3 In Charge Properties

There are circumstances that may result in a property being unable to be let/marketed or occupied where a rent debit or loss of share income would continue to be incurred, as follows:

- Where significant major improvement, repair or conversion works (see 2.4) are proposed to a property and where it would ordinarily be appropriate to move an existing occupant out of the property in order to carry out the required works. This also includes where there are issues with connection to main utilities such as gas, water and electricity i.e., where a new gas meter is required (to include properties undergoing Warm Homes upgrades).
- Where it is necessary to hold a property in order to decant an occupant when they are required to vacate their existing property.
- Where the property is subject to “unauthorised occupation" (e.g., squatters/trespassers) but where we are unable to accept payment from the occupant (as this would imply that there is a ‘tenancy’).
- Where a change of tenure has been agreed i.e., a long term unsold shared ownership unit is to be converted to a general needs rented unit and approval is required i.e., from Homes England.
- Where the development team have been granted a utilities waiver at year end by the Regulator of Social Housing (RSH).
- Where a property is awaiting commencement of a lease arrangement/Closure Order or other exceptional management reason.
- Where significant major works are proposed, that will delay the completion date of shared owners to an unknown timeframe.
- Properties that are not available to be sold/let at the time as shared ownership, rent to buy, outright sale for exceptional circumstances e.g., legal implications, build implications, planning implications or show homes.
- There are other reasons why it may be appropriate to take a property out of management, these are at the discretion of one SLT Director from either the Housing or Property Management Operations Directorate and one SLT Director from another Directorate.

2.4 CORE (COntinuous REcording) system defines major repairs as follows:

1. Structural repairs that are essential to maintain property stability, e.g., repairs to floors, roofs, walls.
2. Site works in and around the property that are essential to safety, security and protection, e.g., unstable walls, footpaths.
3. Renewal or installation of essential utility services such as water, gas or electricity.
4. Works required as a consequence of major repairs, e.g., finishing, reinstatement of fittings.
5. Capitalised repairs to improve the dwelling significantly. A full definition is in the CORE Manual Glossary.

3. Aims and Objectives

3.1 The aim of this policy is to set out the Group's approach to taking properties out of management.

3.2 Properties owned by the Group will only be taken out of management in accordance with this policy and related supporting procedures and documents.

3.3 All proposals for a property to be taken out of management will need to have documented written approval by two SLT Directors i.e., one SLT Director from either the Housing or Property Management Operations Directorate and one SLT Director from another Directorate.

3.4 As part of operational monitoring, details will be presented to the Asset Management Group and/or SLT (via the Performance and Risk Forum) as and when requested. Properties awaiting disposal/demolition/conversion will be monitored at Development Programme Meetings (DPM).

4. Monitoring

4.1 As part of operational monitoring, details will be presented to the Asset Management Group and/or SLT (via the Performance and Risk Forum) as and when requested. Properties awaiting disposal/demolition/conversion will be monitored at DPM.

4.2 The out of management register will clearly indicate which team within the business will retain responsibility for either returning the property back into management or managing the disposal/demolition of the property.

The Finance Accounting team will be responsible for removing rent debits and other charges from properties within the relevant housing management system.

The register of out of management properties will be made available to the Asset Management Group one week prior to meetings taking place with any exceptions flagged for discussion on the agenda.

5. Management of Out of Management Properties

5.1 During the period that a property remains out of management, the Empty Property team will oversee and co-ordinate the void management.

Utilities and Council Tax billing accounts will be maintained as follows:

- Affordable/Social Rent properties - Empty Property Team
- Market Rent/Leasehold - Leasehold Team
- Shared Ownership/Sales - Home Ownership Sales Team

5.2 Following approval to take a property out of management and off charge (dependent upon the reason for the application), the following measures will be considered by the relevant Property Care Regional Void Service Manager:

1. Decommission all gas/oil fired components and isolate supply at meter.
2. Decommission and drain down all heating, hot and cold water systems.
3. Decommission all electrics and install 'lock out' padlocks to all circuit breakers.

5.3 Additional security for the property out of management may be required if it is deemed appropriate and relevant, such arrangements would be the responsibility of either the Localities or Specialist Housing teams.

6. Compliance

6.1 Properties out of management will be inspected and monitored in accordance with the range of statutory compliance risks including gas safety, electrical safety, lift safety, fire risk assessment, water quality (legionella) and asbestos.

Compliance requirements will be overseen by the Compliance Managers reporting to the Head of Building Safety (for Specialist Housing, Retirement Housing Officers will be responsible for regular legionella flushing).

7. Insurance

7.1 Properties out of management should be inspected, as a minimum, on a regular basis every two to three weeks. Any building with a rebuild value exceeding £1,000,000 which is or is about to become completely unoccupied needs to be declared to Group Insurance immediately. All defects and concerns attaching to or resulting from an insured event should be reported via Group Insurance within 1 working day as set out in the requirements of policy.

8. Equality and Diversity

8.1 We are committed to fairness and equality for all regardless of their colour, race, ethnicity, nationality, gender, sexual orientation, marital status, disability, age, religion or belief, family circumstances or offending history, as referred to in our relevant Group policies. Our aim is to ensure that our policies and procedures do not create an unfair disadvantage for anyone, either directly or indirectly.

8.2 An equality impact assessment has been undertaken in respect of this policy. This identified no negative impacts on any person/group with a protected characteristic as a result of this policy.

9. Complaints

9.1 The Group aims to meet the needs of its customers by providing an excellent service. However, it is acknowledged that occasionally things go wrong and customers may wish to complain. Should the need arise to make a complaint, please refer to the Group's Complaints, Comments and Compliments Policy.

10. Monitoring and Review

10.1 This policy will be reviewed every three years or on the introduction of new legislation or best practice guidelines, whichever is the sooner.

10.2 Approved documents are valid for use after their approval date and remain in force beyond any expiry of their review date until a new version is available.

11. Associated Documents

11.1 List of documents - associated policies, procedures and publications:

- Asset Management Strategy
- New Build Handover Procedure
- Lettings Policy
- Empty Property Management Procedure (to be written)
- Building Insurance Policy

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