

**Environment and Housing Scrutiny Panel  
Evidence Gathering Session – Strategic Enforcement  
28<sup>th</sup> November 2013 (Haringey Civic Centre)**

**Session 3**

**Present:** Cllr Brabazon, Cllr Bloch, Cllr Bull, Cllr Gibson, Cllr McNamara (Chair) and Cllr Weber

**Also in attendance:** Steve Thomas (Audit & Risk Management), Denise Lapompe (Revenues Benefits and CS), Myles Joyce (Planning Enforcement), Mike McNicholas (Neighbourhood Action Team)

**Key emerging issues (recommendations):**

1. A number of officers have highlighted the how practical and useful smart-phones would be for front line officers. With multiple inbuilt technologies (apps, picture messaging, internet) these could be of great assistance to front line staff in reporting and recording processes.
2. Providing more effective enforcement is clearly in the interest of the council has this may also help to secure additional income for the service (where this is ring-fenced) and for the Council as a whole where this goes to general funds.
3. There is examples of coordinated action and services to meet to prioritise (red flag) particular cases which are of concern across numerous council departments. This was happening with particular landlords operating in the borough.
4. Members were keen to ensure that the review reflected the need to invest in current staff and that there was sufficient training (IT, systems, data gathering intelligence) and corporate support (communications, IT,) and resources to enable them to carry out their enforcement role effectively.
5. Opportunities to develop Memorandums of Understanding with key organisations (such as utility companies) to share data and cooperative working (enforcement) should be explored further. The Neighbourhood Action Team is in the process of setting up a MoU (follow up with Mike M). It is clear that a MoU can provide a mutually beneficial arrangement to pursue local transgressors.
6. There was some consensus of the need to improve the accuracy of the current property base record on which many services were dependent, including council tax, planning, NAT, benefits (and others). It was suggested that a property audit, would help to improve effectiveness of enforcement services. Such a development would need to be assessed for viability (how practical this is, have other authorities undertaken this), cost (this is a substantial undertaking) and how it may interact with other similar suggested developments (e.g. the creation of a core database).
7. Utility companies hold important local data to cross check and validate ownership or residents of local properties. Cooperation is however variable, this is dependent on the officer who takes the call and information can take a long time to materialise when agreed. Duty of utility companies and similar to cooperate for information

sharing in pursuance of fraud detection or crime? Do we need to verify this with the Information Commissioner (Anne Woods/ Anita Hunt).

8. There are issues among a number of services with the Valuation Office and the designation of multiple units in houses: are separate even though they are separate flats or HMO - test is can they be sold as 1 contained unit (do they have shared facilities). This is important as it will determine who is liable for council tax (residents if separate and owner if HMO) and eligibility for HB. It is not clear why this is happening and it should be recommended that the Cabinet member writes to appropriate body – to seek clarification, and to ascertain if this is an issue with representative bodies (e.g. London Councils / GLA). Representations be made with local MPs to help clarify this issue.
9. Veolia undertook a street audit of properties to assist the roll out of the waste and recycling collection system. This could be made available to other departments which may assist in property identification.
10. The establishment of a core data base would be important to take a more coordinated approach to enforcement across the Council. This would link to existing databases used by individual enforcement services and create a centralised record of events or actions relating to a specific property reference or NI number.
  - In the short term this could possibly utilise existing AFD system as this has a Document Imaging Process System (DIPS) and is capable of data warehousing (data matching and mining);
  - Should be linked to gazetteer to ensure that there is accurate and consistent property referencing;
  - Be supported by a small dedicated unit (Enforcement Task Force) who can provide expert analytical input who can add value to the core data. This expert input will help develop a proactive approach, target worst offenders.
11. The panel recommended that representation should be made to local MPs, London Councils and national policy makers concerning the problems with Right to Buy legislation, the potential for fraud and the potential loss of local housing stock.
12. There are examples of good partnership work with local utility companies. A recent joint enforcement approach with EDF on a property in West Green involved waste services, environmental health, building control. The outcome of this joint approach secured benefits for all services, including EDF, which underlines the possibility of more coordinated action in the future.(especially as EDF and other utility companies do not have the right to enter as some council enforcement services do).
13. Partnership Tasking Group – is an example of good local partnership working among enforcement services. How can this work be developed and supported further?
14. Proceeds of Crime Act. There was a consensus amongst the panel that more need to be undertaken to develop the POCA capacity of the organisation to assist investigations and to potentially increase income derived from it.
15. Improved partnership working across enforcement will help to develop the capacity for enforcement as this may help to extend knowledge, skills and tools (legislation

etc) through which to support enforcement action – may also extend enforcement options from civil to criminal.

16. There was a consensus within the panel that the council should invest to secure improved enforcement services. The panel noted that a number of individual cases could be made for investment which would at worst be cost neutral, or indeed, the potential to deliver increased income for the Council (licensing scheme, POCA, HMO etc).
17. The panel noted that there was some further work needed on the current customer services model which provides generalised service and first point of contact for many services. Does this create an additional barrier to effective handling and support of resident complaints, enquiries, information requests and could these be more effectively handled in house (respective teams).
18. It was apparent that in order for enforcement services to work more effectively, that there was a need to develop a more strategic approach to this across the council. There is a need to further resource information gathering, information analysis, triage and assessment.
19. There was a perception among the panel that Magistrates may not be fully aware of the situation with 'rogue landlords' and the problems that poor housing management causes in the community. It was felt that there should be more dialogue with local Magistrates or judiciary to perhaps promote in service training of how such cases are handled in the courts, how costs were recovered, penalty regime etc.
20. The panel noted that there was a high churn rate in the business community as well as among local residents. In this context, there needed to be improved links with Economic Development and Regeneration to ensure that new businesses were equipped with appropriate advice, information and support to ensure that it was compliant with local requirements (e.g. trading, H&S, environmental, waste). It had been suggested at a previous meeting that a welcome or introductory pack for new businesses could assist.
21. The panel noted that there was a large scale enforcement issue under investigation at present involving the use of industrial units for residential purposes. There were a number of industrial units being used including the Omega Works (dress factory) site and Arena site in Seven Sisters Road. It was estimated that up to 1,000 people are living across these sites (see 3.7 below).
22. The panel noted that there was an inherent tension between regeneration and enforcement, and whilst new business and regeneration opportunities should be encouraged, these should be compliant to local and national enforcement standards. The panel were particularly concerned around the issuing of grants (from various sources) to businesses, particularly when these were not fully compliant with other enforcement services. It was recommended that where possible conditions should be put in place for enforcement compliance and appropriate checks are made before grants are issued.

23. A key issue for NAT is that it is difficult to respond to all enforcement requests given the he volume of contacts received in to the service. In this context, it would be helpful if the review by scrutiny could help to provide some guidance or process where there are clear defined priorities to better guide and inform enforcement work.
- Members should be involved in helping to guide and inform priorities for local areas;
  - That there needs to be some level of public and resident engagement around enforcement to help identify local priorities for enforcement. The panel recommended that such a process should be undertaken annually/twice yearly if practicable. The key issue was to help generate some wards specific data which may help to inform, guide and prioritise local enforcement action.
24. It was noted that there were a number of NAT officers who work across the borough with whom members should be familiar within their ward as these may be a key point of referral, advice and information on a range of enforcement issues. Panel members reported differing levels of engagement across the borough and felt that this was a key community link, which would benefit from improved member engagement. How can this be achieved?
25. The panel recommended that an A5 flyer is developed for members that outlines key enforcement contact details which may assist in the resolution of local casework and other resident enquiries (NAT, waste, traffic, SNT, Housing etc).

## **1. Revenues, Benefits and Customer Services**

- 1.1 Covers areas of Council Tax, Housing Benefit and Non Domestic Rates. There is considerable reliance on local residents and other data held by other services to support the effective collection of these revenues. The service works with and uses data from HfH, Parking Services and Planning Enforcement to identify residents and properties and support income collection.
- 1.2 The service can obtain a liability order which can give powers for invoke attachment of benefits, attachment of earnings, bailiff action, bankruptcy or agree personal arrangement.
- 1.3 A charging order is also used which is placed against the property against an outstanding debt to the Council. It was felt that there could be more coordination of charging orders placed by the council, with more services cooperating to support this (check with Denise).
- 1.4 There is clearly a grey area between what is a wrongly assessed benefit/tax which may be the fault of the Council and fraud, where mis-information has been deliberately provided by the applicant/claimant.
- 1.5 The department is reliant on a wide range of sources to help build up database of what properties there are in the borough and liable to Council tax or business rates. Planning and Building Control supply data, but many of the conversions have been done so illegally and therefore properties, and potential council tax payers are not always included within the system.
- 1.6 There was some agreement that there needs to be an audit of all the properties in the borough to ensure that there is an accurate and up-to-date base with which Council tax, and many other services, can work with. It was acknowledged that this would incur expenditure to undertake, but this would be recouped through more extensive data and more accurate billing. This could also be used across other services.
- 1.7 The service uses a number of information sources to help validate ownership or residents for billing purposes. This includes land registry, credit reference searches, letters, visits and general internet searches.
- 1.8 It was suggested that improved access to local databases may also help this validation process. In addition, improved ad hoc access to utility company data and TV licensing would also help. Access is not straightforward at present and it is dependent upon the individual contact made. This could be an area of where a Memorandum of Understanding could be beneficial.
- 1.9 National Anti\_Fraud Investigation NAFN - The National Anti-Fraud Network runs a website [www.nafn.gov.uk](http://www.nafn.gov.uk) hosted by 2 Local Authorities. It collates information on sanctions and enforcement actions for Local Authorities in order to provide data and intelligence services. Currently, its Local Authority membership is extensive and all Authorities are being encouraged to share relevant information. The NAFN forms 'Penalties, Cautions and Prosecutions PCP1' and 'Request for Information about

previous Cautions and Penalties PCP2' are located on RIAMS as documents in the Enforcement module, Reporting and Processing Offences sub-category.

- 1.10 Council Tax and Business Rates are a significant source of income for the Council and is likely to make up an even greater proportion of income in the future as central government and grants funding continues to decline, in this context, it was suggested that the Council should invest to provide a sound base/method/process for identifying both residential and commercial properties and ensure that they were appropriately billed for local council tax and business rates.
- 1.11 The panel noted that there were 110,000 properties paying council tax and that between 1,500 and 2000 reminders were issued each month to non-payers. This is done automatically by computer systems. It was noted that there was insufficient capacity or resources to review each of these individual responses and which necessitated a computer operating system.

## **2. Audit and risk management**

- 2.1 There is an approximate 40,000 caseload of housing benefit claimants. It was suggested that fraud, to some degree, is widespread within the system and could be present in a significant proportion of cases. There are 4 officers working in this area of fraud investigation.
- 2.2 One of the key challenges for the borough is to keep up with local churn, to know what properties there are and who resides in these. This is a common problem across many services and would be more effective to have a corporate response to ensure that there are sufficient resources / systems to meet this challenge.
- 2.3 The establishment of a core data base would be important to take a more coordinated approach to enforcement across the Council. This would link to existing databases used by individual enforcement services and create a centralised record of events or actions relating to a specific property reference or NI number.
  - In the short term this could possibly utilise existing AFD system as this has a Document Imaging Process System (DIPS) and is capable of data warehousing (data matching and mining);
  - Should be linked to gazetteer to ensure that there is accurate and consistent property referencing;
  - Linked to GIS
  - Be supported by a small dedicated unit who can provide expert analytical input who can add value to the core data. This expert input will help develop a proactive approach, target worst offenders
  - (it was noted that other LAs have similar systems)
- 2.4 The creation of the core database would facilitate a more strategic approach to enforcement across the council as this would:
  - Encourage a more holistic approach – where individual services can identify where other services are involved and develop a more coordinated approach from the Council

- Facilitate a more proactive response – use as intelligence from the database to guide preventative work in properties or areas where common/multiple problems were identified;
- Enable the council to prioritise the approach to enforcement across the council e.g. safeguarding, crime, and social and environmental nuisance.

2.5 Right to Buy was an area of potential fraud given the large amount of monies involved, that is, up to £100k discount is now available to long standing tenants to help them buy the property. The department is currently looking at over 150 applications under the right to buy scheme (790 more widely). Fraud is suspected in cases where long term recipients of benefits suddenly are able to find sufficient income/ capital to apply for right to buy.

- The council has limited rights to refuse this except where it is proved that the tenant is not resident (i.e. sub letting) or is involved in benefit fraud.
- There was a concern that this would lead to a substantial erosion of the housing stock.
- Mortgage companies are lending in this context as there is no risk, i.e. £100 capital in the mortgage;
- Representations need to be made to local, regional and national agencies (e.g. London Councils, MPs etc).

2.6 Scrap Metal Dealers Act 2013 is an example of where legislation has changed which does give more power to local authorities to act and enforce upon transgressors.

### **3. Planning Enforcement**

3.1 The panel noted that there were three ongoing Proceeds of Crime cases which were totalling £120k. Once these cases were eventually settled this could lead to an 18.5% settlement for the council. This would represent a significant source of enforcement income. However, if there were trained POCA officers involved from the council this would rise to 37% of POC. It was the view of the panel that the Council should explore ways to develop POCA capacity of the organisation.

- POCA course is 12 month accreditation
- Possible recommendation that 6 people are trained by the Council – along the lines of SW training and development – complete course and stay for two years – need further exploration (i.e. cost of course offset against potential income).
- Explore possibility of running the course in house.

3.2 Planning enforcement is primarily a civil issue as these relates to unauthorised development. However, it becomes a legal issue when there is a failure to comply with notices issued by the Local Planning Authority (the Council).

3.3 The panel noted that in some instances, the penalty regime in planning control and enforcement was not operating as an appropriate deterrent, where in some quarters at least the prospect of £10-15k fines being perceived as an ‘acceptable business’ hit or expense.

- 3.4 There are also many potential delays in the planning enforcement process which can sometimes see enforcement cases go on for many months if not years. These include Right of Appeal which suspends enforcement notice for 9 months.
- 3.5 Planning enforcement always goes first in enforcement hierarchy as this enables the issuing of a stop notice. Although there are many hoops to go through in getting a planning enforcement notice, this is permanent. A breach of the planning enforcement notice is a breach and a confiscation order can follow.
- 3.6 The service uses ILap and IBuild information systems to support its work. The service also has read only access to Council Tax and benefits data bases. It was noted that there is a training issue here to make sure that full and best use of information systems available to the service.
- 3.7 The panel noted that there was a large scale enforcement issue under investigation at present involving the use of industrial units for residential purposes. There were a number of industrial units being used including the Omega Works (dress factory) site and Arena site in Seven Sisters Road. It was estimated that up to 1,000 people are living across these sites, for which there are a number of enforcement issues:
- There were approximately 35-40 enforcement notices on both sites;
  - Sites not equipped for residential use in respect of waste, sewage, utility provision
  - There were noise enforcement issues and ASB issues involved as there was a propensity for large parties to take place
  - Possible fire and H & S risks of the buildings
  - Units in multiple occupation and related requirements and risks
  - Links to HB payment and Council tax collection
  - It was apparent that a number of landlords associated with these developments maybe 'profiteering' from the rental of these units;
  - The need for a balanced approach – some residents may be being exploited, but others were clearly there by choice (as artist / studio use)
  - The panel noted that this was a complex issue which involved multiple enforcement agencies including Private Sector Housing Management, Planning Enforcement, Building Control, Fire Service
  - The panel noted that additional resources had been committed to tackling this issue in budget proposals set out for 14/15.

#### **4. Neighbourhood Action Team**

- 4.1 There are two tactical enforcement officers who work in partnership with other services and external partners. There are also 4 trade waste enforcement officers who work with local businesses to ensure that they have appropriate and sufficient waste collection systems in process. Local traders can make their own arrangements, but have to demonstrate that they have appropriate waste collection for their business.
- 4.2 NAT officers undertake a wide range of inspections and enforcement activities which covers both waste and highways and includes a wide range of activities which are



important to the local community including: fly tipping, waste in front gardens, highways (skips), street trading licenses.

- 4.3 A key issue for this service is that it is difficult to respond to all enforcement requests given the he volume of contacts received in to the service. In this context, it would be helpful if the review by scrutiny could help to provide some guidance or process where there are clear defined priorities to better guide and inform enforcement work.
- 4.4 It was noted that there were a number of NAT officers who work across the borough with whom members should be familiar within their ward as these may be a key point of referral, advice and information on a range of enforcement issues. Panel members reported differing levels of engagement across the borough and felt that this was a key community link, which would benefit from improved member engagement.
- 4.5 Members reported that in some instances, NAT officers undertook local walkabouts to help identify enforcement issues of concern in particular community areas. This was felt to be successful in developing communication and awareness and in helping to resolve local issues of concern. It was noted that NAT officers work across wards and were not always available and may not be able to respond to issues immediately (which may be problematic in gathering evidence to support any enforcement action).
- 4.6 It was noted that NAT had issued over 800 FPNs in the past year, which provides some indication of the volume of enforcement undertaken by NAT service, particularly as these are only issues once all other forms of engagement have failed.
- 4.7 NAT is a Responsible Authority and applications are sent for comment from respective planning and licensing authorities (e.g. adequacy of waste facilities and arrangements).