

Report of the Portfolio Holder for Housing

FURNITURE RENTAL SCHEME1. Purpose of Report

To seek approval to offer a furniture rental scheme to tenants without essential furniture items

2. Recommendation

Cabinet is asked to RESOLVE and approve that:

- 1. The Council implements a furniture rental scheme and**
- 2. The service of a furniture rental company is procured.**

3. Detail

In December 2022 Cabinet approved a proposal for the Council to consider offering furnished tenancies. Following this approval, officers in the housing service have contacted other housing organisations to gather examples and information. As had previously been established, very few organisations offer furnished tenancies. However, many were operating successful furniture rental schemes.

Initially the scheme will not be offered to every tenant, but those in need will be identified as part of the assessment completed prior to commencement of tenancy. It is likely that many of those who will benefit will be homeless applicants.

The charge for the furniture rental will be added as a service charge on the tenancy agreement. Confirmation has been obtained that the scheme would be fully eligible for Universal Credit and Housing Benefit. Therefore, tenants claiming these benefits would have the total cost of rental covered.

The Council will continue to work with charitable organisations to utilise second hand donations. Due to health and safety concerns and the checks required, it is often difficult to obtain second hand white goods, sofas and armchairs. Also, if the Council is able to obtain a grant for tenants to buy items, rather than rent, that will also be considered. However, only a small number of applicants are successful in obtaining grants, and it is unlikely that the amount received would allow them to obtain all of the furniture required.

It would not be practical for the Council to administer a furniture rental scheme in-house. If the scheme was run by the Council this would require employing an officer to run the scheme, and other costs such as storage and transport.

There are a small number of providers that currently offer the service within the Nottinghamshire area. It is proposed that a procurement exercise is undertaken to work with one of these providers.

There are slight variations between different schemes on offer, but they are fundamentally the same:

1. The Council can choose which products to offer our tenants
2. Each product has a points value, and the total number of points determines the weekly charge payable, typically £12-£15 per week (an example is provided in the Appendix)
3. The Council completes an application form with the tenant prior to the tenancy commencement, and submits the form to the company
4. The company will deliver the items and complete any necessary installation, assembly and demonstration of the product
5. The company will repair items, and provide replacements if required
6. Cyclical replacements will be offered, typically every 4-5 years
7. The company will provide regular reports to the Council to enable performance to be monitored

The Council could add an additional amount to the cost of the service to seek to make a profit for the Housing Revenue Account. As the purpose of this scheme is to support those in financial difficulty who are unable to afford basic furniture items, it is considered that this would not be an appropriate action to take.

Both the initial set-up of the scheme and the ongoing management can be achieved using existing resources.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

There are no additional financial implications to consider at this stage. It is acknowledged that the Council may not generate a surplus from the provision of this service, given that the purpose of this scheme is to support those in financial difficulty who are unable to afford basic furniture items. In not generating a significant profit, it is anticipated that the scheme would not need to meet be registered with the Financial Services Authority (FSA) and comply with stringent regulations that govern the financial services industry in the UK. Any significant budget implications in the future, over and above virement limits, would require approval by Cabinet.

All procurement exercises must be undertaken in accordance with the Council's Financial Procedure Rules (Contracts).

5. Legal Implications

The comments from the Monitoring Officer / Head of Legal Services were as follows:

The procurement process and award of contract must be undertaken in compliance with the contract rules contained in Chapter 4 Part 2 Finance Regulations in the Council's Constitution and the provisions of the Public Contracts Regulations 2015.

As the tenant will never own the furniture and the contract will be between the Council and the company this will not be classed as a 'regulated activity' for the purposes of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and therefore no need to register with the FSA.

6. Human Resources Implications

The comments from the Human Resources Manager were as follows:
Not applicable

7. Union Comments

The Union comments were as follows:
Not applicable

8. Climate Change Implications

No comments were received.

9. Data Protection Compliance Implications

This report does not contain any [OFFICIAL (SENSITIVE)] information and there are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

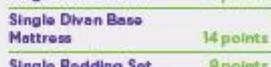
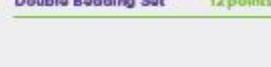
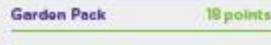
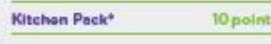
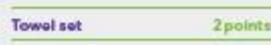
Not applicable.

11. Background Papers

Nil

APPENDIX

Each product has points value, once you've picked your products the points will be added up to work out your weekly charge. The lowest weekly charge we offer is for 60 points, so even if your chosen products add up to less, 60 points is what you will be charged for.

			
Cooler - Electric 16 points	Fridge-Freezer 18 points	Fridge 10 points	Washing Machine 15 points
			
Condensed Dryer 15 points	Vacuum Cleaner 7 points	Microwave 5 points	Deep Fat Fryer 5 points
			
Steam Iron & Ironing Board 6 points	Sofa - Leatherette 22 points	Chair - Leatherette 14 points	Sofa - Fabric 20 points
			
Chair - Fabric 14 points	Rug 9 points	Table 6 points Chair (each) 2 points	Coffee Table 4 points
			
Wardrobe 12 points	Chest of Draw 9 points	Single Head Board 4 points	Double Head Board 5 points
			
		Single Divan Base 14 points	Double Divan Base 18 points
			
		Single Bedding Set 9 points	Double Bedding Set 12 points
			
Single Profile Bed 32 points	Bunk Bed & Mattress 28 points	Cot, Mattress & Bedding 12 points	Garden Pack 18 points
			
			Kitchen Pack* 10 point
			
			Towel set 2 points

*Kitchen pack includes crockery, cutlery, kettle, pans, tea towels and utensils.
Please note: Products shown are for illustration purposes only and may be different to product supplied.