

**London Borough of Sutton
Council: 14 November 2016
Questions under Standing Order 8.7
From Members of the Public**

1. Question asked by David Taber to Councillor Jayne McCoy, Chair of the Housing, Economy and Business Committee

Can the Council please state how much profit Encompass LATC Ltd made in the first four months of operation by giving tenants unsecured interest free loans to pay rent and deposits, as opposed to funding Bed & Breakfasts, and how much did Sutton pay Encompass LATC to provide this service?

Reply by Councillor Jayne McCoy

Good evening Mr Taber and welcome back to this chamber. In response to your question I can advise that Encompass only very rarely agrees loans for deposits. It usually just provides guarantees to cover deposits. Encompass has not made any profits from administering loans for rent deposits, and there is no separate payment made by the Council to Encompass for this particular service.

Supplementary Question asked by David Taber

If they're not making loans, how is it then that their present loan book is £246,000 and the amount of money which is owed, in other words people haven't paid, is £74,018. So if they've not made any loans, how has this money been given to people?

Reply by Councillor Jayne McCoy

I don't know the details of the accounts of Encompass but I do know that the business of Encompass is more than just this, the service includes homeless prevention and assessment, temporary accommodation management and administration, housing options and advice, maintenance of the housing register, housing allocations and nominations, support brokerage, and the shared alliance service.

Supplementary Question asked by Councillor Neil Garratt

Thank you. I just wondered whether Councillor McCoy could clarify whether the policy that's in place to deal with these loans is actually the same or has changed since the service was run in-house by the Council before June?

Reply by Councillor Jayne McCoy

My understanding is that policy hasn't changed.