

CABINET

Wednesday, 25 November 2020 at 5.30 p.m.

Mayor's response to the Overview and Scrutiny Committee on the call-in on the Housing Allocations Review

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**5 .2 Any Unrestricted Decisions "Called in" by the
Overview & Scrutiny Committee**
(Under provisions of Section 30, Rule 59 of the
Constitution).

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Via Email to James.King@towerhamlets.gov.uk

Executive Mayor's Office

11 December 2020

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Dear Cllr King

Thank you for the Overview and Scrutiny Committee's response to the call-in on the Housing Allocations Review. I gave a brief oral response at Cabinet, and here is my written response.

Like members across the council I am committed to us providing good quality, affordable, social housing for residents who need it. That is why our administration is pledged to directly delivering at least 2,000 additional council owned rental homes in the borough. Indeed, hundreds of families are already settled and living in the social housing we have built or secured since I became Mayor, with many others in new homes provided by registered providers. It has been an impressive team effort with which we should be proud.

Furthermore, I support, as do many of us, the position that good quality social housing should be available for people in housing need. This is certainly necessary for those who cannot solve their housing needs through the market, and who want to stay in the borough. The absence of enough affordable housing is of course driving families out of our borough, and we must aim to find solutions, and we are making efforts to meet this need.

We must accept however that for decades government policy has meant that the supply of social housing has decreased while demand has consistently grown. In Tower Hamlets this has been massively exacerbated by losses of homes through Right to Buy home sales and alongside this by the increasing unaffordability for many of private sector housing, so that for many private renting is no longer the option it once was. Increasingly this will be exacerbated by a growing inability to build our way out of the crisis, as we are now in an increasingly uncertain financial and policy position to provide new homes on the limited developable land we own. This probably means that without very significant estate regeneration programmes we will be hard pressed to repeat another target of 2,000 additional social rented homes.

And so we face a massive problem. The vast number of people on the housing waiting list and the limited supply of new homes mean most people face significant periods before they are housed, or rehoused from inadequate accommodation.

I greatly welcome this scrutiny call-in as it was based in some fair questions answering which can help us to clarify our thinking in several areas, and perhaps better confront the challenges we face. I am clear that we must do more to better manage our resources and people's expectations and needs.

While we want to improve the supply of affordable homes and reduce waiting times, this is currently fighting against the tide and to ensure we are serving residents best interests we must be completely honest with applicants, not only about the options they have but also the likely waits involved and the alternatives to social housing that they may look at as alternatives. More broadly it is important that we advise and support people in making informed choices because, while we might be fighting political battles with Government, or debating



policy points amongst ourselves, for them life does not simply stand still while they wait, in some cases for upwards of a decade, to be rehoused. Indeed, it would be cruel for us to not inform applicants of the choices, and dilemmas, they face. I am therefore asking that we look again at how we present information and options to people needing housing in our borough.

Although we may see the answers as obvious, in a changing world, with our scarce resources, we need repeatedly I think to revisit the questions: Who needs help with housing? What do they need? How can we directly make this happen? How can we indirectly make this happen? And we also I think need to ask how we should deal with the situation where there are things we might want to do but simply do not have the capacity to do, and how should we influence and inform further policy and service development, and our lobbying position? This may longer term provide better answers to the call-in questions but the current answers follow.

The call-in referred to an historic television drama 'Cathy Come Home' which highlighted homelessness and its cruelties. While that tv programme was powerful and led eventually to far-reaching statutory and legal changes we should remind ourselves that it was broadcast 54 years ago, and that the world has changed massively. It is not our failure that is causing this problem but a massive failure of national government to address the housing crisis. And it is not possible for our council, alone, to solve this problem, but we can provide leadership and examples of how it can be solved.

Below I address the two main points of the call-in referral from the Committee.

Proposal to remove existing social housing tenants under the age of 50 from Band 3 of the Common Housing Register

The proposal to amend the eligibility for Band 3 of the housing waiting list was designed to reflect the fact that very few people on Band 3 are likely to be successful as they are already adequately housed. We should recognise that only two of the 33 London local authorities currently allow adequately housed applicants to join the social housing register. But it is a policy in Tower Hamlets and the consultation response shows that there is a strong continuing support for it.

Following the consultation on the proposals we listened to the views of residents and made changes which recognise for example that there are residents who would have been removed from Band 3 under the original proposal, who while 'adequately housed' and without priority need are in higher cost private sector accommodation and are struggling to remain in the borough and others living with family and friends aspiring to obtain their own social tenancy. We recognised also the value of Band 3 for the over 50s. This left a revised proposal which would have only removed existing social housing tenants under the age of 50. This reflected the fact these tenants already benefit from paying social rents below market rent and hold security of tenure. While there are legitimate reasons that they may wish to move to another location or a different flat, we have to recognise they are not in the same level of need as many others on the register and ultimately are unlikely to be successful in their bidding.

However, I appreciate that despite understanding this, for many residents there is a perceived safety in being able to remain on the housing register and, as long as they are provided with information on all their options, that this doesn't in itself stop them from pursuing other avenues for housing.

I also accept the Committee's argument that the tenants who are adequately housed may still have good reason to want to move and that the council has a role in this. We are introducing an Intermediate Housing



Register, partly for this reason though I accept it will not necessarily replace the desire for residents to retain their place on the Common Housing Register. For this reason, I decided not to reconfirm this element of the original decision and the Band 3 policies will remain as they currently are. The cost of reversing this decision is marginal given the changes already made to the earlier Band 3 proposals.

Alongside this I am also asking officers to review how we could strengthen and better promote options for people who are currently adequately housed to move within the social housing stock. The review should look at improving options for those who wish to downsize as well as considering where there may be benefit from a new scheme which facilitates more internal mobility between homes. I hope this review also consider the committee's points about 'chain lettings'.

If you were so minded, I would welcome Overview and Scrutiny undertaking a review on this matter to help develop options.

I also note the committee's comments on the inclusion of older people moving into sheltered accommodation in the 5% Band 3 allocation. As stated in the call in, in January 2017 Cabinet changed the quota of lettings to applicants in Band 3 who are not in housing need. This was to ensure limited resources are focused on those in highest need. The change did not exclude lettings granted to sheltered or over 50s accommodation and officers have confirmed that the service is operating in-line with the policy and there is no incorrect apportionment of lettings into Sheltered Accommodation within the Band 3 quota. Putting this answer in another way I think that the current provision of 5% of lettings to those in band 3 is reasonable, and that we should include those over 50s who benefit from this policy within the provision.

With such enormous pressures on housing supply this position will need from time to time to be reviewed.

Out of Borough Private Rented Sector (PRS) offer to prevent or relieve homelessness and allow applicants to remain on the housing register for a time-limited period of three years.

The council's duty is to provide clear advice, and assessment where necessary, of the needs of those reporting as homeless or facing homelessness. This may lead to an acceptance of a statutory duty to provide housing. Traditionally this may have been, and may still be, satisfied by the provision of social rented housing. However, as I set out above the great demand on our limited housing means this often results in long waits in often lower quality temporary accommodation.

While some residents will want to accept this wait, we should recognise that there are many others for whom a private rented sector property outside the borough may be more appealing and better meet their needs. I agree with the Committee that the information presented to people when they are making these decisions is vital. That means being honest, as spelled out in my introductory comments, about the scale of housing need in the borough and the likely waiting times involved to secure social housing. It also means providing options on alternatives such as the those in the PRS but if people can be assisted through this route then it has to be done in the full knowledge of the facts and the impact it will have. I am asking officers to review their processes and templates to ensure information is absolutely clear and communicated in a way applicants will understand, including being up front about the pros and cons of each option available.

The proposal, as set out in the Cabinet report, would mean that any homeless person owed a duty who took on a PRS tenancy through the council would retain their position on the Tower Hamlets Common Housing Register for a period of three years. During this time if there were successful in bidding they would move back



to the borough. I do acknowledge that this may not be a high likelihood, but this is true for all other band 3 applicants.

The proposed three-year period is an improvement on the council's current policy and seeks to retain, rather than disenfranchise, people on the waiting list. It recognises that after a resident has lived in an area for three years, they will likely have put down roots and established a local connection with that borough. They would also quite possibly qualify to join the housing register in that area should they wish and would be entitled to other support from their local council, but I want advice on this to be provided to such tenants before accepting such a tenancy.

It was further suggested in scrutiny that such PRS tenants should be allowed an indefinite period on the Common Housing Register. This would of course unfairly contrast with those residents who had sourced their own accommodation in the private rented sector outside the borough and in doing so had lost their eligibility.

Finally, on the point regarding the Lambeth legal challenge I believe this was covered in detail by the legal officer at the Committee Meeting. Subsequently the legal department have once again clarified that our proposed policy is significantly different and, unlike Lambeth, we will not ask applicants to withdraw their homeless applications and we are not taking away the statutory rights that attach to a person's homeless application such as suitability of the accommodation. If an individual wished to challenge the Council's decision to discharge its housing duty, they can still do so as is their statutory right.

For the reasons set out above I have reconfirmed my original decision to guarantee that homeless people who are placed in PRS accommodation outside of Tower Hamlets remain on the Common Housing Register for three years. I want however to reiterate my expectation that officers will review their processes and communication with residents to ensure they have a full and clear understanding of the options available to them and the implications of each.

Thank you again for your scrutiny of this issue.

Yours sincerely,



Mayor John Biggs
Executive Mayor of Tower Hamlets

