


Non-Executive Report of the: <b>Housing Scrutiny Sub-Committee</b> 24 April 2017	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Graham White, Acting Director, Governance	<b>Classification:</b> Unrestricted
<b>Under Occupation Review</b>	

<b>Originating Officer(s)</b>	Ahmed Choudhury, Senior Strategy, Policy and Partnership Officer - Policy, Strategy and Partnership
<b>Wards affected</b>	All

### Summary

1.1 This report submits the report and recommendations of the scrutiny review on Under Occupation in social housing: promoting housing moves.

### Recommendations:

The Overview and Scrutiny Committee is recommended to:

1. Agree the report and the recommendation; and
2. Authorise the Interim Service Head Policy, Performance and Partnership to amend the draft report before submission to Cabinet, after consultation with the Chair of the Overview and Scrutiny Committee.

## **1. REASONS FOR THE DECISIONS**

- 1.1 This report outlines the findings and recommendations from the Under Occupation review, Promoting housing moves - which was part of the Housing Scrutiny Sub-Committee's work programme for 2016/17 municipal year.

## **2. ALTERNATIVE OPTIONS**

- 2.1 The committee may decline not to agree the recommendations. This is not recommended as the report outlines work undertaken by Councillors and officers to identify areas of improvement.

## **3. DETAILS OF REPORT**

- 3.1 Background and context

- 3.2 As part of its work programme for 2016/17 the Housing Scrutiny Sub Committee agreed to form a review group - to review under occupation of housing within the borough. The review group was chaired by Councillor Amina Ali (Member for Bow East).

- 3.3 The scrutiny review group membership included:

<b>Cllr Amina Ali</b>	Chair, Housing Scrutiny Sub-Committee
<b>Cllr Helal Uddin</b>	Bromley South Ward
<b>Cllr Andrew Cregan</b>	Island Gardens
<b>Cllr A Mukit MBE</b>	Weavers Ward
<b>Cllr Andrew Wood</b>	Canary Wharf Ward
<b>Cllr Rabina Khan</b>	Shadwell Ward
<b>Cllr Gulam Robbani</b>	Spitalfields & Banglatown Ward
<b>Moshin Hamim</b>	Leaseholder Representative, Co-opted Member
<b>Anne Ambrose</b>	Tenant Representative, Co-opted Member

- 3.4 The review was supported by:

<b>Ahmed Choudhury</b>	Senior Strategy, Policy and Performance Officer
<b>Muhibul Hoque</b>	Strategy, Policy and Performance Officer

- 3.5 The review group received evidence from members of the Executive, a range of officers and experts including:

### **London Borough of Tower Hamlets:**

<b>Councillor Sirajul Islam</b>	Deputy Mayor and Cabinet Member for Housing
<b>Martin Ling</b>	Housing Strategic Manager
<b>Rafiqul Hoque</b>	Lettings Services Manager
<b>Tom Scholes Fogg</b>	Housing Policy Officer

Evidence from external sources:

<b>Susan Haire</b>	Mobility Manager, Housing Options Team, Islington LBC
<b>Jahmane Dolphy</b>	Under Occupation Officer, Islington LBC
<b>Sandra Gordon</b>	Trading Places, Lewisham LBC
<b>Pauline Evans</b>	Lettings Manager, Wolverhampton BC
<b>Lewisham LBC</b>	Telephone conversation with Sandra Gordon, Lewisham Council
<b>Wolverhampton Homes</b>	Telephone conversation with Pauline Evans, Lettings Manager
<b>Swan Housing</b>	Andrea O'Callaghan, Head of Business Improvement & Allocations
<b>Colchester BC</b>	Online
<b>Stockport Homes</b>	Online

3.7 The review considered the key issues around under occupancy in social rented housing in the borough, where tenants are occupying larger properties that are no longer suitable for their needs - which could be released and offered to families with children and those living in overcrowded households. Tackling this issue will relieve the pressure on the waiting list - currently there is no obligation for residents to do this, but there are a range of incentives (see Appendix A) provided by the council to assist with such moves.

### **3.8 Evidence gathering and methodology**

3.9 The review specifically looked at:

- LBTH's under occupation policy and reviewed its action plan;
- Other local authorities with similar demographics and considered their approach, to encouraging tenants to downsize;
- lessons learnt elsewhere and whether these are applicable to the circumstances of Tower Hamlets;
- whether some incentives available have been more successful than others and establish the reasons for this; and
- if some Registered Providers (RPs), operating inside or outside the borough - whether have been more successful than others in reducing under occupancy and the reasons why this has happened.

3.10 The report with recommendations is attached as Appendix 1. There are seven recommendations arising from the review which is outlined below:

#### **Recommendation 1:**

Deliver targeted communication and events: Housing and Regeneration Division should further develop information and engagement with local people looking to downsize by:

- delivering targeted communication;
- develop clear and concise information;
- delivering events aimed at both registered and unregistered under occupiers.

The council's traditional media channels along with electronic and social media should be utilised.

**Recommendation 2:**

That the Housing and Regeneration Division proactively identify under occupiers and staff working across frontline service. And develop an information toolkit for frontline staff which will enable them to encourage and support tenants, wishing to downsize.

**Recommendation 3:**

That the Housing Regeneration Division should consider creating a single integrated Housing Mobility Team.

**Recommendation 4:**

That the Place Directorate consider the possibility of building bespoke downsizer homes, on council owned land or estates which are specifically aimed at under occupiers.

**Recommendation 5:**

That the Housing and Regeneration Division should review the current Tenancy Strategy to agree under what circumstances fixed term tenancies would not be renewed.

**Recommendation 6:**

That the Housing and Regeneration Division further enhance 'post move' service - to ensure tenants who are downsizing are supported through any difficulties e.g. settling in, providing information on local area and sign posting to local services etc.

**Recommendation 7:**

That the Housing and Regeneration Division builds on the existing strategic partnership with its key partners and stakeholders. And, continue to develop the role of Tower Hamlets Housing Forum – especially the Common Housing Register Group as the main area for innovation and delivery of under occupation initiatives.

**4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report provides an update to the Overview and Scrutiny Committee on the Under Occupation Review that has been undertaken by the Housing Scrutiny Sub-Committee.
- 4.2 The recommendations set out a range of activities and priorities for the Council and key partners that will provide a focus for the promotion of housing moves to release currently under occupied properties for re-letting. This will require a co-ordinated approach and possible aligning of funding from all major partners, and will require that best value for money is obtained from limited sources of funding, given that the Council's mainstream resources to support the proposals are extremely limited.
- 4.3 Although the costs of implementing several of the recommendations can be met from within existing revenue resources, the financial consequences of certain initiatives will be subject to the availability of funding, and further reports will assess the financial impact of these proposals as appropriate. In particular this will relate to Recommendation 3 - the creation of a single integrated Housing Mobility Team; Recommendation 4 – the construction of

bespoke downsizer homes on Council owned land; and Recommendation 6 – that an enhanced ‘post move’ service be offered to tenants.

## **5. LEGAL COMMENTS**

- 5.1 In relation to recommendation 5, the Housing and Planning Act 2016 requires that most new local authority tenancies are granted on a fixed term (two to ten years). It also prescribes that any succession (transfer of tenancy after death) to a family member other than partner or spouse must be granted a fixed term tenancy. Chapter 6 of the Act, which provides for the phasing out of secure ‘lifetime’ tenancies, will be brought into force in Autumn 2017 and implemented by way of Regulations which will prescribe the circumstances in which councils are entitled to offer further ‘lifetime’ tenancies to existing tenants who agree to move home.
- 5.2 On 12 December 2012 Cabinet agreed the discretionary use of fixed term tenancies where a tenant has a terminal illness and requires a property on a short term basis with additional care.. Currently, lifetime secure tenancies are granted in all other cases.
- 5.3 Section 118 of the HPA 2016 Act will impose mandatory use of fixed term tenancies of between 2-5 years, on the expiry of which a further tenancy may be granted following review of the conduct of the tenancy (and the tenants) by the landlord. Once in force, Schedule 7 of the Act will amend the Housing Acts 1985 and 1996, Landlord and Tenant Act 1985 and Localism Act 2011, inter alia, so that local authorities in England will be prevented from offering lifetime tenancies in most circumstances.
- 5.4 In addition, s. 120 and Schedule 8 of the Act substantially reduces the rights of family members to succeed to secure tenancies following the death of the tenant. It provides that any new succession after the commencement of the reforms will be for a fixed term of 5 years only. Under the new rules the old tenancy will come to an end on the death of the tenant and a new tenancy will be created. The effect will be that when any secure tenant dies after the 2016 Act has come into force, there will be no succession to anybody other than a spouse, civil partner or person living with the tenant as a partner – unless (i) there is no spouse/civil partner qualified to succeed and (ii) the council has contractually provided for succession by other family members through the inclusion of an express term in the tenancy agreement. Where ‘discretionary succession’ is permitted, only the spouse or civil partner of the new tenant would be entitled to succeed unless the local authority has chosen to extend rights of succession to other relatives under the terms of the tenancy agreement. Further, all ‘secure tenancies’ will be fixed term tenancies, so that a local authority granting a new tenancy to a ‘failed successor’ on a discretionary basis will be able to choose the length of the fixed term (or introductory) tenancy provided (s. 81A).
- 5.5 With regards to transfers or mutual exchange, the Localism Act 2011 has been amended to remove the right of existing lifetime tenants of local authorities to be given a new lifetime tenancy when they agree to a mutual

exchange. Instead, social landlords will have discretion over whether to offer a new lifetime tenancy. Amendment 81ZA is to ensure that the introduction of flexible tenancies did not act as a barrier to mobility.

- 5.6 In relation to offering financial incentives to tenants downsizing, payments to local authority tenants moving to another property are covered by Paragraph 2 of Schedule 18 of the Housing Act 1996. Such payments can cover not only the provision of goods or services, such as carpets or redecoration, but also cash incentives.
- 5.7 Also, the Discretionary Housing Payment (DHP) fund remains available to provide temporary financial assistance to tenants affected by the provisions of the Welfare Reform Act 2012 so that working-age social tenants in receipt of Housing Benefit who experience a reduction in their benefit entitlement if they live in housing that is deemed to be too large for their needs can make a claim for DHP. The rationale is to encourage council tenants living in houses too big for their needs to move to smaller properties so that existing housing stock can be better used.
- 5.8 The Council's Allocation and Succession policies and Tenancy strategy will need to be reviewed and updated to ensure that they reflect the above provisions when in force.
- 5.9 The Allocation Scheme currently allows direct offers of accommodation to be made, if the circumstances justify it, this includes facilitating a move due to under occupation. This would allow allocation of the downsizer homes referred to in recommendation 4.
- 5.10 The Tenancy Strategy, which the council must prepare under S150 Localism Act, sets out the matters which registered providers of social housing in its area are to have regard to in formulating policies, this includes:
  - a) the kinds of tenancies granted;
  - b) the circumstances in which particular tenancies will be granted
  - c) Where tenancies are granted for a certain term, the lengths of the term and
  - d) The circumstances when a further tenancy will be granted when the existing tenancy comes to an end.
- 5.11 The tenancy strategy must summarise those policies or indicate where they can be found. A local housing authority must have regard to the strategy when exercising its housing management functions, publish its strategy and keep it under review and may modify or replace it. Any modifications must be published.
- 5.12 As stated above the Allocation policy and Tenancy Strategy will need to be reviewed and updated when the new provisions come into force and some tenant consultation may be required.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The key objectives of this review was: to carry out an assessment of how the council's under occupation plan is assisting to reduce overcrowding; learn from good practices; and makes a series of recommendation on way the council could help release under occupied properties to alleviate overcrowding pressures. The recommendations seek collaborative working across the organisations as well as building on the existing strategic partnership with local partners and stakeholders.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The recommendations in this report are made as part of the Overview & Scrutiny Committee's role in helping to secure continuous improvement for the council, as required under its Best Value duty.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no direct sustainable actions for greener environment arising from this report.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 Once the report has been agreed by Housing Scrutiny Sub-Committee and Overview and Scrutiny Committee, officers will produce a detailed action plan, to implement the recommendations. Therefore, during the action planning stage the key risks, implications and mitigating actions will be identified and agreed.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 There are no direct sustainable actions for greener environment arising from this report.
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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- NONE

#### **Appendices**

- Appendix 1: Under Occupation – Promoting Housing Moves

#### **Local Government Act, 1972 Section 100D (As amended)**

#### **List of "Background Papers" used in the preparation of this report**

List any background documents not already in the public domain including officer contact information.

- These must be sent to Democratic Services with the report

- State NONE if none.