

**REPORT FOR: Tenants', Leaseholders'
and Residents'
Consultative Forum**

Date of Meeting: 26 September 2012

Subject: **INFORMATION REPORT –
Housing Changes Review
Update**

Responsible Officer: Lynne Pennington, Divisional Director
of Housing Services

Exempt: No

Enclosures: Yes
Appendix 1 – Consultation Outcomes
Appendix 2 - Final draft Tenancy
Strategy
Appendix 3 – Draft Tenancy Policy

Section 1 – Summary

This report sets out an update on the Housing Changes Review which involves a full review of and completion of a range of housing strategy and policies as required by the Localism Act 2011. It concentrates on the final draft Tenancy Strategy and draft Tenancy Policy. TLRCF are invited to make comments.

FOR INFORMATION

Section 2 – Report

- 2.1 TLRCF received an update on the Housing Changes Review at its meeting on the 17 July with regard to the draft Tenancy Strategy and Allocation scheme. The Tenancy Strategy has now been amended following the close of the formal consultation and the final draft is now attached for comment before being reported to Cabinet for approval in December 2012.
- 2.2 The draft Tenancy Policy is also attached for comment. This follows the principles set out in the Tenancy Strategy to enable the introduction of flexible fixed term tenancies for new tenants of the Council's housing stock.

Section 3 – Further Information

3.1 Tenancy Strategy

- 3.2 The draft Tenancy Strategy sets out the Council's intention to support the introduction of fixed term tenancies for new tenants. All new tenants will be given fixed term tenancies but there will be automatic renewal for vulnerable groups such as the elderly and those with disabilities. There will be a review process for all other tenants at the end of the fixed term and in the majority of cases tenancies are likely to be renewed because circumstances are unlikely to change. However tenancies would not be renewed where the property is larger than the household housing need and/or where the household could afford to find alternative suitable housing elsewhere.
- 3.3 The proposed income and savings limits at which a household would be deemed to be able to find suitable affordable housing have been amended following the formal consultation. The income limits have reduced slightly and are the gross income required to pay the median market rent for a property in Harrow assuming that housing costs should not exceed 30% of gross income. These are:

Household Size	Income Limit
1 bed	£30,000
2 bed	£38,000
3 bed	£48,000
4 bed	£60,000

The proposed savings limit has been increased to £24,000. These income limits would also be set out in the Allocation Policy and households earning above these limits would not be accepted as eligible for social housing in Harrow. This income would also be sufficient to enable purchase of shared ownership affordable housing (as an alternative to renting in the private rented sector).

- 3.4 A summary of the consultation responses is attached at Appendix 1. The main changes made as a result of the consultation are:
- Care Leavers have been added to the specified groups to be given automatic renewal of a fixed term tenancy.
 - All non specified groups will be given a fixed term 5 year tenancy subject to review at the end of the fixed term.
 - Full time carers, who are not family members, will be treated similarly with regard to discretionary succession.
 - Community contribution will be taken into account in the tenancy review process although this would not override the need for people to move who are living in properties that are too big for their current needs.
 - We will not include the option to renew tenancies for households that can afford to move and increase the rent to Affordable Rent levels.
 - We have included the need to consider advocacy as well as advice and support to vulnerable households where there is any review process.
 - We have made it clear that the proposed Affordable Rent levels are guidance only, rather than targets.
- 3.5 The proposed Tenancy Strategy is attached at Appendix 2 and is currently out for final consultation prior to being reported to Cabinet for approval in December 2012. Under the Localism Act 2011 the Council is required to have its Tenancy Strategy adopted before January 2013.
- 3.5 **Tenancy Policy**
- 3.6 The Council's draft Tenancy Policy is attached at Appendix 3. It follows the guidelines in the Tenancy Strategy and once adopted would mean that all new Council tenants, apart from specified groups, will be given 5 year fixed term tenancies. At the end of the fixed term there will be a review process considering current housing need and ability to afford other accommodation for all households apart from those in the specified groups, to decide whether the tenancy should be renewed.
- 3.7 The policy also proposes to introduce Introductory and Probationary tenancies for Council tenancies to be followed by a fixed term tenancy.
- 3.8 The policy sets out the review and complaints process an applicant or tenant can use if they want to seek a review of any decision relating to the granting or renewal of a fixed term flexible tenancy.
- 3.9 The draft Tenancy Policy is currently out on formal consultation and comments are invited from TLFCF before being reported to Cabinet in December 2012.

Section 4 – Financial Implications

- 4.1 The thrust of the Housing Changes Review is to make the most effective use of our existing social housing stock as well as the private rented sector, increase new housing supply and other housing options that

ultimately will assist in mitigating General Fund revenue pressures relating to the predicted rising costs of homelessness.

- 4.2 The introduction of fixed term tenancies for Harrow Council stock may have resource implications in terms of staff resources and training to undertake tenancy reviews. However these are anticipated to be cost neutral in terms of the additional lettings generated and no additional resource is budgeted for at this time.

Section 5 - Equalities implications

- 5.1 An overarching equalities impact assessment was published for the Housing Changes Review with the intention to publish individual assessments for each strategy/policy at the point of consultation and this approach has been followed for the Tenancy Strategy.
- 5.2 The Tenancy Strategy EqIA concluded on a range of actions to remove the identified adverse impacts and better promote equality. For example the strategy proposes options to ensure that fixed term tenancies do not adversely impact on the health and well being of households that include someone with a disability. Through the consultation process an amendment has been agreed with regard to Careleavers to ensure that the introduction of fixed term tenancies does not lead to an increased vulnerability for this priority group and the EqIA has been amended to reflect this.

Section 6 – Corporate Priorities

- 6.1 This report incorporates the following corporate priorities by involving residents in determining future housing policies and strategies that support people in priority housing need:
- United and involved communities: A Council that listens and leads.
 - Supporting and protecting people who are most in need.

Name: Milan Joshi	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 13 September 2012		

Section 7 - Contact Details and Background Papers

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Background Papers: Housing Changes Cabinet report and associated appendices 15 December 2011, Housing Evidence Base, TLRCF Housing Changes Report 11 January 2012, 29 February 2012 and 17 July, Housing Changes Cabinet report 19 July 2012.