



# Draft Housing Strategy 2012 - 2017

Version 10: 16 November 2012



## Introduction

This Housing Strategy sets out how we want to support our tenants, leaseholders and residents during the most radical housing and welfare reform changes for many years. These changes require us to take a different approach to the way we develop, let and manage social housing as well as continue with our trailblazing approach in the different types of private sector housing options that we will assist households to access. As a result sometimes difficult choices and decisions will have to be made to ensure that we make best use of our existing social housing stock to help those who are most in need.

We have developed this strategy by involving tenants, leaseholders and residents at every step of the way. As a result we are confident that we have support for the difficult and challenging changes that need to be made. Given the many changes proposed we have reviewed all Harrow's current housing strategies and policies to ensure that the Council has consistent and workable policies which operate together to increase the housing options available to the residents of Harrow, ensure that the most vulnerable continue to have priority and access to locally affordable housing and that they support the continued sustainability of local communities in Harrow.

This Housing Strategy sets out our overarching objectives. These remain similar to the objectives set out in our previous housing Strategy. What has changed is the environment in which we now operate and the way they will be achieved. The details of how we will achieve most of them will be set out in the accompanying documents:

**Tenancy Strategy** setting out how the new flexible fixed tenancies should be used locally by all social housing landlords to make best use of our small social housing stock and how we support new development by introducing higher but locally affordable rents;

**Tenancy Policy** setting out how the Council as landlord will introduce and manage the flexible fixed term tenancies for new Council tenants;

**Homelessness Strategy** setting out how we will continue to use private rented sector options in our successful prevention approach to homelessness. However the impact of welfare reform means that for some families the only affordable private sector option may be in other areas of the country.

**Private Sector Housing Strategy** to strengthen our plans for ensuring there is a good quality private housing sector locally.

**Allocation Scheme** setting out who will get social housing in Harrow to ensure we meet local priority housing need and make best use of limited social housing opportunities by reducing under occupation and tackling the problem of overcrowding;

**Housing Business Plan** setting out the resources we will use to deliver the objectives in the Housing Strategy including a 30 year HRA business plan setting out how we will maximise the benefits from self financing to improve services to our tenants and leaseholders, maintain the quality of our homes as well as contribute to the delivery of more affordable housing. This is accompanied by an **Asset Management Strategy** that maps stock condition, investment needs, takes account of the wider sustainability agenda and looks at how best we strategically use all of our housing assets. We also have a **Resident Involvement Strategy** which details how we will engage and empower tenants, leaseholders and residents in service development and delivery.

## Part 1: Context

Since 2008 there have been massive external changes which pose significant problems for Harrow's residents, particularly those who cannot afford to buy or privately rent their own homes and for existing social housing tenants who are in receipt of benefits.

### Economic factors

The credit crunch and double dip recession has impacted on residents in several ways. House prices stagnated for a period of time but the real problem was the lack of mortgage availability and withdrawal of 90% plus loan to value mortgages meaning that aspiring first time buyers need to raise large deposits. With no first time buyers the market for new homes has dried up, meaning developers are now starting and building fewer new homes with a consequent reduction in the pipeline for new, affordable homes delivered through S106 agreements. In the long term this has led to a stagnant housing market as more people remain living in the private rented sector because they do not have sufficient savings to obtain a mortgage meaning fewer homes available for those in housing need. Coupled with rising unemployment this has resulted in an increasing demand for affordable housing and for help in finding the lowest cost private rented housing.

The on going credit crunch and banking crisis is also making it harder for landlords to obtain buy to let mortgages so the private rented sector is also stagnant in the lower quartile market, which is the only one affordable to households on benefits or low incomes.

Whilst the completion of new affordable homes has increased over this period, this has largely been the result of housing association led development funded through a more generous capital subsidy regime. Looking forward, the slow down in new homes starts combined with less availability of social housing grant will mean a reduced supply of new affordable homes from 2013 onwards.

### Government policy

In May 2010, the coalition government came to power with radical plans to change the way in which social housing is funded, let and used, with the emphasis on it being a stepping stone rather than a lifetime tenure choice except for those who do really need it. Perhaps even more controversial were plans to change the welfare benefits system to end decades of policies which were considered to have resulted in generations of benefit dependent households. The key changes now in place are:

The **Localism Act 2011** introduces flexibilities to enable the introduction of fixed term tenancy options for new tenants alongside existing secure tenancies, the homelessness duty to be ended through the offer of a suitable private rented home and to allow broader local allocation criteria. In addition funding for new social housing has been changed by reducing up front capital grant subsidy and replacing it with revenue subsidy generated through increased rents of up to 80% market rents.

**Housing Revenue Account (HRA) self financing** started on the 1 April 2012. Although Harrow has had to take on additional borrowing of £88.5m, we are some £2m per annum better off as we no longer have to make payments back to the government. The new approach puts Harrow in control of its own Housing Revenue Account, and puts business

planning for the Council's housing stock on a similar basis to that used for housing associations.

The **Welfare Reform Act** confirmed the introduction of Universal Credit on a phased basis and more importantly a total benefit cap of £500 per week (£26,000 per annum) for families. The total cap does not take account of the higher costs of housing in Harrow compared to cheaper parts of the country and we estimate it will affect around 700 households in Harrow (unless they become employed), particularly large households who may see reductions in their Housing Benefit of between £50 to £340 per week.

Together with changes to the way that housing benefit is assessed for households living in the private rented sector, and which have capped the amount of benefit particularly for four bedroom or larger properties, the future particularly for large non working families is bleak. There was an expectation that private landlords would drop rents in response to benefit cuts but the reality is that rents are rising not falling for the reason of lack of supply as set out above.

Unfortunately the unintended consequence of these reforms mean that large families who are not in work face a situation where they may not be able to afford to remain living in Harrow or other parts of London.

In addition the Act also introduces benefit reductions for working age households who live in social housing that is larger than they need and proposes to end the direct payment of Housing Benefit to social landlords. Alongside this, there is also a change to Council tax benefit which will require the majority of current claimants to pay a proportion of their Council tax from their household income from April 2013, which will further squeeze the incomes of the poorest households in Harrow many of whom will be living in social housing and the lower quartile private rented sector.

### **Key facts about housing in Harrow**

Harrow is an outer London borough with excellent transport links to central London, schools and access to attractive Green Belt and other open space. It covers an area of approximately 50 square kilometres, a little less than 20 square miles. It is part of the West London Housing Partnership (WLHP) along with the local authorities of Brent, Ealing, Hammersmith and Fulham, Hillingdon, Hounslow and Kensington and Chelsea.

Harrow is primarily a residential suburban area and compared to other outer London boroughs Harrow has a relatively small area of land devoted to employment and industrial use. Its popularity as a residential suburb with limited scope for development contributes to the high demand for housing and the high cost of housing both to buy and to rent privately.

The first results from the Census 2011 illustrate the increasing population of Harrow, as with all London boroughs. However the results also confirm that the average household size in Harrow at 2.8 people is now the second highest in the country. This is despite Harrow's ageing population.

As with the rest of London, private sector accommodation – both to rent and buy - is unaffordable to Harrow residents on average or lower incomes. For many households private sector rents are only affordable with Housing Benefit (HB) support.

Private rents are increasing as fewer people are able to move into home ownership. This is further squeezing the availability of homes at the lower end of the market – this is the market which the Council uses to secure housing for those in housing need, because of the lack of availability of affordable housing. HB support is also reducing, further restricting availability at the lower end of the private rented market.

7 in 10 people in Harrow own their own homes (70%). Unlike the rest of London, Harrow has a very small social housing stock with only 1 in 10 people living in social housing (10%) compared to an average in London of about 24%. As a result fewer properties become available for letting each year resulting in long waiting times and many households will never get an offer of social housing.

Housing tenure in Harrow has changed over the last 10 years, with owner occupation declining by 6% and private renting increasing by 6%. Around 2 in 10 people (20%) live in the private rented sector which is now nearly double the number of people who live in social housing. Most people who are unable to buy their own home are likely to have their housing needs met through renting privately. Social housing will continue to be an option for a minority of residents.

Harrow has high average house prices meaning home ownership is also out of reach for those on average or lower incomes.

The welfare benefit cuts alongside the above factors, have led to an increase in homelessness applications and acceptances in Harrow, resulting in more families being placed in B&B at an average cost to the Council of £8,000 per year. Prior to April 2011, the average number of families in B&B was around 2. At the end of September 2012 this increased to 63. Whilst Harrow is a top performer in terms of managing and preventing homelessness (one of the lowest acceptances in London and lowest number in B&B in West London) the benefit cuts mean this upward trend will continue.

Within social housing there is a mismatch between people who live in homes that are too big for their needs (underoccupiers) and people whose homes are not big enough for their needs (overcrowded). However, the numbers involved are quite small (151 households) i.e. 1-2% of the social housing stock.

The greatest need for social housing is for family housing (3 bed plus) and this is where we have the fewest vacancies.

The need for affordable housing is far greater amongst certain Black and Minority Ethnic groups who are therefore disproportionately affected by the lack of supply.

There is a need for supported housing to meet the needs of vulnerable people, including a range of sheltered/ extra care housing (as an alternative to residential care and to meet the needs of people with dementia) and supported accommodation to meet the needs of people with learning disabilities and mental health needs. This will be predominantly in the social housing sector. Interest from private housing providers in coming to Harrow with targeted housing offers is nevertheless thought to provide opportunities within this area in the future as an alternative way of meeting demand.

Overall housing supply within London and Harrow is constrained by availability of developable land. At 350 units per annum, Harrow has the lowest new supply target in West London. Whilst the supply of new housing, including affordable housing, has been

above target over the last 5 years it will be a challenge for the private sector to deliver new homes, support infrastructure development and affordable housing during the current economic climate. Historically a significant proportion of new affordable housing has been delivered through S106 agreements in partnership with the private sector and housing associations. Enabling a continued supply will be driven by planning policy and negotiation through the planning application process for site specific proposals with regard to tenure, mix and type taking into account other constraints and priorities including the reduced availability of grant support. The proposed Community Infrastructure Levels (CIL, currently £110 psm) have been deliberately set at a level that seeks to ensure that affordable housing will continue to be delivered.

Harrow has some pockets of multiple deprivation, which closely correlate to social housing estates, and which we have done much to tackle through specific regeneration schemes (Rayners Lane and Mill Farm). Outside of these, Harrow's social housing estates are generally small and well integrated with the wider community and therefore do not suffer to the same extent with physical and social deprivation as seen in other London boroughs. Current allocation policies which mean that only those who are in the main welfare benefit dependent get housed, have the potential to undermine this position.

You can find more information on the facts and figures supporting this strategy at:

[http://www.harrow.gov.uk/info/200003/housing\\_policies\\_and\\_planning\\_for\\_housing/2522/housing\\_evidence\\_base](http://www.harrow.gov.uk/info/200003/housing_policies_and_planning_for_housing/2522/housing_evidence_base)

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## **Part 2: Responding to the Changes and Challenges - Our Objectives**

### **Section 1: Deliver excellent services shaped and valued by our communities**

The first Housing Ambition Plan was launched in 2010 and set a framework that has helped to engage with tenants, leaseholders and members of the public in service development and in responding to the challenges of the government's changes to housing and welfare benefits. We are now developing the optimum shape for future service delivery on the basis that housing's customers are amongst the poorest in the borough and will therefore be disproportionately affected by the changes outlined in Part 1. It will therefore be essential to get closer to the customer to ensure support is available through these difficult times, to continue to deliver innovative solutions and to strive to improve satisfaction.

This is the first time Harrow has reviewed its whole range of housing strategies at the same time, and this offered the opportunity for us to take a comprehensive approach to engaging residents in discussing the evidence, the changes and the possible policy implications. Initial consultation was undertaken over summer/autumn 2011 using a roadshow approach and accompanied by the Housing Changes booklet explaining all the policy changes and potential implications for a variety of households in Harrow. The consultation questionnaire was also made available through the Council's website. The intention was to reach a wider audience than in the past where consultation was primarily achieved through holding a conference event to which there were limited invitations. A number of community based events were held at various locations across the borough and questionnaires were completed by people living across the full range of housing tenures in Harrow.

A summary of the consultation responses are set out in Appendix 1. These responses have shaped the way we are responding to the freedoms and flexibilities that the Localism Act offers.

#### **Tenant, Leaseholder and Resident Involvement**

We strive to put our tenants, leaseholders and residents at the heart of everything we do and have worked with them over the past 2 years to increase the range of involvement and scrutiny activities. We embrace co-regulation and the opportunities that a variety of new scrutiny arrangements will bring to ensure the service is developed and is effective to meet tenant, leaseholder and resident expectations and aspirations. We aim to involve stakeholders at the earliest opportunity in making decisions about services.

#### **Scrutiny arrangements**

The HFTRA Scrutiny and Challenge panel has been meeting for 2 years and contributes to development of the Housing Service Plan as well as receiving quarterly updates on performance progress in the same way as senior directors and Members do.

We set up a pilot Tenant Scrutiny panel to map out how it would operate, and help with leading the recruitment and selection process for the final Panel. The final Housing Tenant and Leaseholder Scrutiny Panel is now in place and was formally launched at its first meeting on the 25<sup>th</sup> October 2012.

We have trained a small group of tenants to inspect estates and they have recently worked with tenants from neighbouring boroughs to inspect each others estates. We are exploring the potential for this to be applied to other areas of the housing service.

Further details of how we are involving and empowering our tenants, leaseholders and residents are set out in our draft **Resident Involvement Strategy**.

### **Efficient and effective services**

The Council has a small housing stock of just under 5000 rented homes and 1,100 leasehold properties. Much of the family housing has been sold through the Right to Buy (RTB) and over half the rented stock is now one bedroom accommodation. As we have a small stock it is imperative that we use resources efficiently and effectively to ensure it is in good repair, well managed, safe, secure, clean and sustainable.

Since the introduction of the Housing Ambition Plan we have improved core activities such as income collection which is now top quartile, and are working with tenants, leaseholders and residents to review value for money issues such as future opportunities to save money by sharing resources. We are sharing more information about the total cost of our services and doing our best to deliver more for less.

Working with tenants, leaseholders and residents we have procured new local repairs contractors with tender prices on average around 15% cheaper than the previous contract and even greater savings on void works. These savings are being reinvested in service improvements such as repair MOT's, a new fencing renewal programme and additional resources for external decorations which are all priorities identified by tenants and leaseholders.

We will use customer survey results to target areas for improvement and work harder to improve our knowledge of our customers and their individual needs so that we can better target our resources and services.

Looking ahead our draft **Housing Business Plan** sets out the details of key decisions that will need to be taken to ensure we continue to have robust income collection, taking into account the impact of welfare reform, so that we maximise available resources for maintaining our properties and improved service delivery.

<b>Action</b>	<b>By When</b>
Complete Resident Involvement Strategy	February 2013
Tenant Scrutiny Panel in place and fully operational	November 2012
Develop Housing Ambition Plan 4 using satisfaction survey results and taking account of the welfare reform challenges	June 2013



## **Section 2: Increase the supply of housing, including locally affordable housing and make best use of the existing social housing stock – using our resources proactively.**

A reasonable supply of good quality affordable housing for rent, especially for families, is vital to meet the needs of local households in priority need who are priced out of the private sector housing market in Harrow. Delivery of new affordable housing is dependent on the overall supply of new housing which is itself constrained by other financial requirements including the need to deliver social and physical infrastructure.

The **Harrow Core Strategy** adopted in February 2012 and related documents set out the Councils long term vision for growth and how this can enable a continued supply of housing, including affordable housing. It represents a new and proactive approach by which the Council will promote and manage the development of housing, particularly in the Harrow and Wealdstone Intensification Area.

By 2026 new development will have provided 6,050 net new homes, of which at least 2,800 will be in the Intensification area. A significant number of new affordable homes will come from privately-owned sites and Core Policy CS1 states that we will aim for a borough wide affordable housing target of 40% (equivalent to a numerical target of 2,420 affordable homes), in the proportion 60% social or Affordable Rented housing to 40% low cost home ownership. On a site by site basis we will seek the maximum reasonable proportion of affordable housing on all sites with a capacity of ten homes or more and priority is accorded to family housing. We have produced guidance that requires 50% all social/affordable rent housing to be family sized (3 bed plus) and we will measure this in terms of bedspaces as well as units so as to encourage delivery. The full guidance can be found at [\[add link\]](#)

The minimum capacity of the Borough to provide new homes has been assessed as part of a London wide study. The annual target of 350 new homes (of which 140 should be affordable) is one of the lowest in London reflecting the size of the borough, its suburban form and constraints to identifying new available and developable sites. Consequently these constraints to Harrow's housing supply impact upon new affordable housing supply. The Core Strategy aims to promote and support delivery of housing above these targets. This may be partly achieved by making use of the additional resources available through HRA self financing, including land assets. Our **Borough Investment Plan (BIP)** sets out how we want to work with our RP partners, the GLA and private developers to maintain a pipeline of privately and publicly delivered affordable housing developments that matches recent delivery levels of 200 – 300 new affordable homes per year.

### **The new Affordable Rent model**

Given the difficult economic climate and competing priorities, being proactive means we need to consider the commercial requirements of private developers and housing associations in order to maximise the overall supply. We have therefore worked very closely with our housing association partners to arrive at a solution which allows development to continue by using the Affordable Rent model whilst ensuring the rents are still affordable to priority households, including families. The detail of this is included in our draft **Tenancy Strategy** and enables the charging of rents on smaller homes of up to 80%

market rents (that is at the Local Housing Allowance level) but at lower levels for family housing.

### **Development Options (including garage sites)**

We are currently looking at a range of models that will enable us to maintain affordable housing development at the delivery level achieved in 2008-11 (270-300 new affordable homes per annum). To do this we will need to be more innovative in the way we use monies received through planning gain, our HRA assets and the surplus revenue we have received through HRA self-financing. Unfortunately this is not straightforward as having taken on additional debt we are now at our borrowing cap which means we are not able to borrow against our healthy income stream which is forecast to deliver significant surpluses from year 5 of the business plan. We are therefore exploring options such as setting up Special Purpose Vehicles (SPVs) and how these might exploit the use of revenue and assets.

We are also in the process of reviewing our HRA assets such as vacant garage sites with the intention to release these for affordable development where there is potential. The garages sites review will be complete in 2012.

The regeneration of social housing in the worst condition and in the most deprived areas of the borough is nearing completion. The Rayners Lane estate has been transformed and all of the existing social housing tenants have now been rehoused in well designed and highly energy efficient new homes. The final phase of homes for sale is just about to start on site. The first tenants on the Mill Farm Close estate have been rehoused in their new homes with the remaining tenants due to be rehoused by 2014. Both of these schemes have generated additional affordable housing, both for rent and sale as well as open market homes for sale. We will keep under review the potential for additional development on other Council estates.

We welcome the ability to be able to reinvest receipts from future Right to Buy (RTB) sales in replacement affordable housing. However, in Harrow it is unlikely we will be able to make the most of this opportunity due to the high cost of replacement housing, limited availability of other resources to contribute (such as land) and the fact that we are at our borrowing cap. It is also very likely that we will lose more family housing than we are able to replace. We are concerned that if we are not able to recycle receipts into replacement housing locally, this will only exacerbate difficulties in increasing much needed social housing in the borough and at worse contribute to even further reductions in local social housing supply. More detail on this is considered in our draft **Housing Business Plan**.

### **Encouraging investment in the private rented sector**

Given the small size of the social housing stock in Harrow, the reality is that most households who cannot afford to buy a home will have to find a private rented sector housing solution to their housing need. We recognise the contribution that a healthy private rented sector can make to the provision of housing solutions for those who cannot access home ownership or affordable housing. More detail on how we propose to enable and support the private housing sector is set out in our **draft Private Sector Housing Strategy**.

The Council is therefore exploring the options by which we can enable the development of high quality, purpose built private rented accommodation for the long term by encouraging

new sources of private investment. This will of course be subject to thorough risk assessment where investment by the Council may be a necessary catalyst to delivery. We are open to supporting private rented housing development through the planning system by considering its contribution to meeting housing need alongside the traditional forms of affordable housing. In considering development options we will include our aspiration to grow the private rented sector in Harrow. We will be looking at the proposals outlined by the Montague Review in relation to institutional investment in build-to-let development to help us determine the best way in which we can take forward this aspiration.

### **High quality sustainable homes**

Whatever the tenure, we want homes that are attractive, that can be used flexibly over the lifetime of residents, reduce fuel poverty and are highly energy efficient and sustainable. Our Core Strategy sets out our requirements with regard to new housing. We require that new affordable homes should all meet Lifetime Homes standards with 10% being fully wheelchair accessible and built to a minimum of the Sustainable Building Code level 4.

### **Making use of empty homes**

We have a proactive approach to ensuring that we minimise the number of empty homes in Harrow. Primarily we achieve this through enabling and encouraging property owners by offering a range of grants, funded with both external and council resources, to bring properties up to a standard suitable for letting. Properties receiving grant are then let to families in priority housing need through our innovative Help2Let scheme.

The Council is consulting on proposals to tackle empty homes by removing Council tax discounts for empty homes and introducing penalties for long term empties.

We will continue to prioritise our work on empty properties as it supplies a steady supply of homes for households who would otherwise end up living in Bed and Breakfast accommodation.

### **Making best use of existing social housing**

Whilst we aim to build as much additional affordable housing in Harrow and bring as many empty homes back into use as we can, we know this will never meet all the housing need in the borough. Therefore our existing social housing stock must be targeted at those who most need it. This means we are taking tough decisions about who should get social housing and how long for. This is explored in more detail in section 4.

<b>Action</b>	<b>By When</b>
1. Review Borough Investment Plan (BIP) with the GLA and RPs	April 2013
2. Model potential supply from current and future land and resources including sites identified in the Core Strategy and Area Action Plan and HRA land	April 2013
2. Agree development options for maintaining new affordable housing supply at 200-300	April 2013

homes per annum, including use of self financing additional revenue and Special Purpose Vehicles (SPV's)	
3. Investigate development potential on existing housing estates eg garage sites	March 2013
3. Monitor new Affordable Rent programme to ensure rents are locally affordable and contribute to continued affordable housing development in Harrow.	Annual Monitoring
4. Continue to make best use of available grant funding for example to bring empty homes back into use and support the Help2Let scheme. Review current grant schemes and external funding opportunities – Empty Homes Grants, Better Home Grants. (NB. The maximum benefit of this will be achieved if annual capital bids are confirmed)	Annual Monitoring
5. Review options being developed to encourage institutional investment in the PRS and consider applicability for Harrow.	April 2013

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## **Section 3: Continue to tackle homelessness by improving access to, and improving standards in the private rented sector**

Homelessness in Harrow is on the increase, as a result of the economic situation and Housing Benefit changes for those living in the private rented sector. This is predicted to get worse once the impacts of further welfare reform are felt from December 2012 onwards. Since April 2011 the numbers of families the Council has to provide emergency accommodation for has increased significantly from a handful to around 75 families in June 2012.

### **Improving the private rented sector**

90% of the housing in Harrow is in the private sector and given the small social housing stock in Harrow we increasingly use the lower quartile private rented sector to meet housing need and prevent homelessness occurring. Unfortunately the supply of such housing in Harrow is limited and unaffordable especially to larger families.

Our priority is therefore to increase the availability of affordable private rented housing locally and maintain and improve its condition by working in partnership with private landlords and other organisations such as housing associations. The focus is on what we can do to assist and enable landlords and owners to achieve good standards recognising that it is usually neither desirable nor do we have the resources to increase enforcement activity, and the details of this are set out in our draft **Private Sector Housing Strategy**.

### **Increasing private rented sector housing opportunities**

We set up our successful Help2Let scheme (the first social letting agency in Harrow) to provide a customer focussed service to landlords. Help2Let offers a variety of services depending on the need of the landlord and facilitates lettings to households in housing need. We provide advice and support to landlords and tenants and most tenancies procured through Help2Let are renewed beyond the initial 12 month term.

Our proposals to look at the options for growing the private rented sector in Harrow are set out in Chapter 2.

### **Offering private rented sector housing to homeless families instead of social housing**

We have been consulting on proposals that would make use of the flexibilities introduced in the Localism Act to formalise the option of private rented housing as a solution to homelessness rather than a presumption of an offer of social housing. At the moment households accepted as homeless wait many years in temporary accommodation before they receive an offer of permanent social housing, often feeling unsettled. Our proposed approach would enable households to find settled housing more quickly. It would also allow us to prioritise social housing to those with the greatest need rather than those who simply experienced a brief period of homelessness.

### **Private Rented housing options beyond Harrow**

Despite our best efforts there is not enough affordable local private rented housing to meet all of our highest priority housing needs. We have looked at the impact of the welfare benefit reforms on households who the Council has helped to find private rented housing in Harrow

in the last 3 years. Initial modelling suggests that a significant proportion would not be able to afford housing in Harrow. Given the constraints on the availability of affordable private rented housing locally we have also been consulting on how we might help homeless applicants to move to other areas either in London or further away to find an economically realistic housing solution. In doing this we need to consider how we take into account factors such as children's education, family support networks and proximity to place of work in deciding what is suitable accommodation.

### Providing proactive support and advice

We will only consider taking forward these options because of the lack of alternatives. We provide personal and tailored housing advice and support to all households in housing need to ensure they get the best help and support in deciding on the housing option that will best meet their needs.

More detail on how the Council intends to adopt and implement all of the above is set out in the draft **Homelessness Strategy**.

Action	By when
1. Implement the Localism Act freedom to discharge homelessness duty into suitable private rented accommodation.  2. Monitor policy	Details set out in the draft Homelessness Strategy for consultation in December 2012  Annually
2. Implement policy to offer moves out of Harrow/London where economically realistic solutions do not exist in Harrow	As above
3. Review the Homelessness Strategy to ensure we continue to provide proactive support and advice, including to all vulnerable households, on finding private sector housing solutions	By December 2012
4. Consider options for enabling and/or enforcing improved standards in the private rented sector. -Review impact of increased enforcement on supply of private rented housing versus enabling measures	Review underway and details will be set out in the Private Sector Housing Strategy

## Section 4: Enhanced housing options, promoting mobility and choice

Given the small size of the social housing stock and the overwhelming need for affordable housing in Harrow it is essential that those who are most in need have access to it. We therefore propose to use the opportunities in the Localism Act to make it easier to achieve this.

### Introducing flexible fixed term tenancies

The Council supports the introduction of flexible fixed term tenancies for new tenants on the basis this might increase the supply of new tenancies and help to address underoccupation in the social housing stock.. We intend to adopt flexible tenancies for our own rented housing. The details of our approach are set out in our draft **Tenancy Strategy** which has been consulted on and will be formally adopted in December 2012.

### Changing the Allocation scheme

A review of the current Allocation Scheme has been underway for some time and there have been a number of consultation events over the past 2 years to discuss how it might be changed. The Localism Act has also introduced more flexibility for local authorities to decide who should get priority for social housing in their areas.

One of the main concerns highlighted through the consultation events has been the length of time that people have to wait for social housing and that for some people in the lowest priority need that there is an unreasonable expectation of being offered social housing. There is also concern that no consideration is given to applicants who are in employment or add value to their local community. Above all we must have fairness at the heart of our allocation scheme.

In order to achieve the goal of significantly shortening the waiting time for people who have a substantial need for social housing, the new allocations scheme will reduce the number of people the Council aims to house. To do this we will define much more narrowly the characteristics of those people whose needs could best be met by social housing. We also aim to lower the high expectations of the thousands of people who currently bid on Locata with no chance of ever being offered social housing (unless their circumstances change). The revised **Allocation Scheme** which will be out for formal consultation in January 2013 will set out:

- the groups of applicants that could be considered for exclusion from the register, for example those with no or only short residence in Harrow.
- the groups of applicants to whom we want to consider starting to give priority (low income working families, those who make a community contribution and ex-members of the armed forces)
- the way in which we can provide targeted housing options advice for all applicants, even those who we do not allow to bid
- the options for transition from the old scheme to the new scheme
- the proposal to introduce financial limits for housing applicants. The limits proposed are the same as set out in the draft **Tenancy Strategy**.

## **Continue to promote Low Cost Home Ownership**

Shared ownership and other forms of low cost home ownership are an important contribution to the range of housing options available to people in housing need on low to middle incomes. We continue to negotiate 40% of affordable housing being provided as shared ownership and we work proactively with our First Steps Agent to publicise and encourage applicants to access First Steps homes.

We have recently completed some three bedroom family houses for sale on a shared ownership basis which have proved very popular and sold very quickly. A key aim is to increase the number of family sized shared ownership opportunities in the borough.

## **Reduce under occupation and tackle overcrowding**

We focus resources on identifying and supporting existing underoccupying tenants to downsize, including the provision of cash incentives and will continue to promote this approach.

Underoccupiers already receive priority through our current Allocations Scheme and Locata and are given Band A (the highest priority) to ensure an offer of suitable housing is made quickly. The new Allocation Scheme will continue with this priority.

We have also employed additional resources to tackle social housing fraud in our own rented homes and were successful in getting back 10 homes in 2011/12 which were relet to families in priority need. We will continue to do this and work with other social housing landlords in the borough to promote our best practice approach.

As set out in Chapter 2, we aim to secure a significant proportion of new affordable housing as family sized (3 bed plus) to readdress the balance within our rented housing stock of over half being one bedroom size/sheltered housing which does not match priority demand.

## **Promoting Mobility**

We actively encourage and promote mobility both within the social housing sector and in the private rented sector if this is the best option to meet housing need. We were one of the first boroughs to sign up to the Housingmoves scheme and actively promote this, building on the already successful cross borough moves process promoted through the Locata Choice Based Letting scheme as agreed with the West London Housing Partnership.

<b>Action</b>	<b>By When</b>
1. Complete Tenancy Strategy/Tenancy Policy	December 2012
2. Implement flexible tenancies for new Council tenants	April 2013
3. Implement revised Allocation Scheme	April 2013
4. Promote low cost home ownership schemes	Ongoing
5. Increase the number of family sized shared ownership opportunities in the borough.	April 2014



6. Complete Tenancy Audit and continue to tackle social housing fraud	By March 2015 all tenants will have had an audit within the last 3 years
7. Promote mobility through cross borough moves and Housingmoves	Ongoing
9. Develop plans to reduce underoccupation	September 2013

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## Section 5: Supporting sustainable and viable communities

Overall it is important that we preserve the sustainability and viability of Harrow's social housing. Unlike many London boroughs social housing in Harrow is on small estates that are integrated well into wider communities. We want to avoid the problems that have occurred elsewhere, where Council housing in particular has become home to ghettos of welfare benefit dependency where there is little hope for people to improve their circumstances. We are concerned that welfare reform changes will impact differentially on some of our most vulnerable households and supporting them through the changes will therefore be a priority.

Under the new welfare benefit rules, anyone in work will be much better off as the benefit cap will not apply meaning households, especially those living in the private rented sector, will be more able to afford to rent in Harrow. Our **Core Strategy** sets out a target to increase the number of jobs locally by 4000 by 2026 and we need to work closely through the **Economic Development Strategy** to ensure we target new jobs at social housing and private rented sector tenants who would otherwise become homeless.

### Initiatives to promote employment, basic skills and vocational schemes

We aim to build on the council's existing approach to creating jobs and supporting residents into employment which has been:

- Sustainable Procurement Policy promoting the use of apprentices, recruitment of local labour and the use of local suppliers. For example we have recently procured new repairs contractors and structured the tendering process to encourage local contractors to bid with a successful outcome.
- Through the planning application process we have created construction training opportunities and jobs and large social housing projects have been key contributors to this.
- Employment initiatives supporting residents into work have included the Xcite programme – targeting the unemployed on social housing estates, and working with the Reed Families programme (supporting the most troubled families move towards employment).

We aim to commission additional employment support to fill gaps in provision to residents threatened by homelessness as a result of Welfare Reform.

This will focus on residents not eligible for mainstream welfare to work programmes. Our approach will be to work with the council's economic development team and with private sector and social housing providers to develop tailored provision for workless residents threatened by homelessness. Our approach will be pragmatic working through the council's Xcite provision and developing programmes that will work. This may include job brokerage, job search support, self employment and social enterprise.

### Targeting support

As stated above, the impact of welfare reform will be felt disproportionately by tenants and residents who are already the poorest and most vulnerable members of our community and

it is essential we target support to help those who are most in need especially if they might otherwise become homeless.

We are in the process of mapping the number of families most affected by the benefit loss against those eligible for the Work Programme. Building on a Londonwide survey into work barriers we have undertaken a skills survey to identify additional or local barriers to employment so that we can develop optimum programmes to help people into employment.

Looking ahead to the welfare reform impacts on council tenants we have commissioned the CAB to carry out home visits with a tenant and leaseholder sample to assess awareness of the changes that are coming up and collect information about how they will impact to inform the best solutions to provide ongoing information and support.

### Helping the low paid

We will be changing the **Allocation Scheme** to give some priority for social housing to households in low paid employment. Both this and the **Tenancy Strategy** also introduce income limits to make sure that those who are able to afford housing in the private rented sector or shared ownership are encouraged to take up these opportunities so that social housing is available to those who are most in need including the low paid.

We have also included proposals to give priority to applicants and tenants who actively volunteer or make a community contribution recognising the value this can bring to creating stable and inclusive communities.

Action	By when
1. Develop and promote employment, Basic Skills, and vocational schemes supporting social housing residents into sustainable employment using information from local surveys.	December 2012 and ongoing
2. Support / implement financial inclusion strategies for low income households - Identify families most likely to be affected by the introduction of Universal Credit and changes to Council Tax benefit and target information	February 2013 for CAB pilot  2013 onwards

## **Section 6: Procuring supported housing for people with additional needs**

We need to make sure that housing options are available to meet the additional support needs of older people, those with mental health needs, learning disabilities and looked after children. They need to be consistent with the priorities of offering personalised services, promoting independence, reducing the use of residential care and producing revenue efficiencies wherever possible.

### **Developing more flexible alternatives to Residential Care as a means to support people to be more independent and in more cost effective ways**

We will continue to make best use of existing facilities at Ewart House (extra care scheme) and Watkins House and investigate new supported housing options, for example to meet the forecast increase in people with dementia.

### **Remodelling existing accommodation**

We will support the carrying out of option appraisals of existing housing, especially where the accommodation falls below current standards. This relates to council owned and housing association/ privately owned schemes. The Council's draft **Asset Management Strategy** will set out the detail of how we will undertake option appraisals of our housing stock. We will work actively with RPs looking to modernise and/or remodel their sheltered housing stock.

### **Making sure support is targeted**

We have completed a review of the Council sheltered housing Service which will deliver service improvements, ensure staff resources are better targeted to meet support and other needs, and respond to a 40% reduction in Supporting People funding over the next 3 years.

We are targeting social housing at vulnerable groups, for example the looked after young people quota for social housing has recently been increased to offer rehousing options and deal with the impacts of a "bulge" year.

In reviewing the Council's allocations scheme, and developing a tenancy strategy, we will be giving priority to people with additional needs.

### **Developing new supported housing**

We will be proactive in discussions with housing associations and private developers to generate options which will meet supported housing needs. This includes:

- New social housing schemes
- Bidding for funding opportunities to increase the range of affordable supported housing including extra care housing, provided these are the most economically realistic ways of meeting the needs of vulnerable adults
- Looking at private sector housing options
- All new homes are required to meet Lifetime home standards and 10 % to be fully wheelchair accessible

## Supporting households

The council is committed to assisting people who are registered, or eligible for registration as a disabled person, to help them in gaining access to and from, and in and around their dwelling to help them remain in their own home whenever it is practicable to do so. The aim is to provide a consistent service across all housing tenures. The council is committed to improving people's lives by giving people more choice and control in the services they use.

Wherever possible, and to ensure that public money is properly spent the council will be seeking to carry out the most cost-effective adaptation to the property which adequately meets an applicant's assessed needs. Usually this means that an adaptation is carried out within the existing structure of a dwelling.

To ensure an equitable and transparent approach to decision making, value for money and the appropriateness of proposed adaptations the council has formed a panel to review emergency and larger adaptations over £15k as well as to set guidance on general adaptation principles and standards e.g. whether the property is currently suitable for occupation, whether decanting is required and whether work should be completed before occupation etc

Harrow Handyman Scheme is a free service aimed at homeowners or persons in rented/leased accommodation with responsibility for the upkeep of their living area living in Harrow, who are without regular help and support from family and friends and unable to carry out the work themselves, over 60 and in receipt of benefits.

Action	By when?
<p>1. Develop plans for supported housing for people with lower level support needs, as part of a longer term prevention approach</p> <p>- Adults &amp; Housing working group to:</p> <ul style="list-style-type: none"> <li>• develop plans for best use of existing sheltered housing to ensure that it meets a gradated range of individual care and support needs (including being a suitable alternative to residential care) This will include use of hub and spoke model, modernisation of services/ schemes and decommissioning of inappropriate/ unsuitable schemes. It may also include services organised across client groups, where appropriate.</li> <li>• provide clear message to Registered providers &amp; private developers on strategic commissioning priorities</li> <li>• Investigate additional housing options for looked after children who are close to moving into independent housing</li> </ul>	<p>March 2013</p>

<ul style="list-style-type: none"><li>Investigate private sector housing options for supported accommodation</li></ul>	
2. Ensure all new housing is built to Lifetime Home standards and 10% is fully wheelchair accessible	Ongoing through adopted DPDs

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## Section 7: Improving neighbourhoods and the quality of existing homes

The Council wants homes of all tenures to be in a state of good repair, safe, free from risks to occupants' health and reduce fuel poverty. This will also support aims to reduce the carbon footprint of the borough's housing.

### Council Housing - Decent Homes and beyond

The Council completed its Decent Homes programme in 2010, having financed this itself without accessing any additional government funding. We are now at our borrowing cap and therefore not able to borrow further to fund future capital investment in the housing stock. However significant levels of revenue investment are projected to accrue in the HRA and the draft **Business Plan** will ensure there are sufficient resources to enable delivery of the planned capital investment programme over a 30 year period.

We now have robust stock condition information with data held on our Codeman database from surveys of the majority of our housing stock. Using this information the draft **Asset Management Strategy** will set out the detail of our future planned major works programmes to ensure that our homes are maintained at a minimum of the Decent Homes standard and identify the opportunities to improve energy efficiency and other sustainability measures to a higher standard.

As set out in section 1 we will continue to engage tenants, leaseholders and residents in the monitoring, management and development of the service. The recent repairs procurement exercise sets a baseline for this with tenants, leaseholders and residents having been involved in the selection process from the beginning and now overseeing ongoing performance against the standards they have set.

### Improving the private rented sector

The Council has limited resources to invest directly and our approach to improving conditions and standards in private rented sector housing is to fully utilise and promote our enabling role whilst reserving enforcement for high risk situations identified through the Housing Health and Safety Rating System (HHSRS).

The private rented sector is an increasingly important housing solution for many households in housing need and given the constraints of our small social housing sector we recognise that we need to support and encourage its growth rather than stifling it. Standards in the private rented sector are generally good but poorer standards are usually found in the lower quartile sector which is the only affordable option for households in housing need. For most landlords it is a case of not having sufficient resources to maintain and improve their properties with only a small proportion of them being "rogue" landlords. Our approach of necessity must therefore be innovative and enabling and the draft **Private Sector housing Strategy** sets out we intend to achieve this.

### Setting high standards for new housing

Where housing proposals require planning permission, the recently adopted planning guidance on residential development (2012) and the emerging development management policies (DPD Development Plan Document) will have a key part to play in meeting this objective. Our policies and guidance reflect that required by the London Plan and Mayor's

Housing Design Standards. We have required that social housing meets minimum space standards, provide for lifetimes homes and a proportion to full wheelchair accessibility standards and for some time ensured that all new affordable housing schemes (whether grant funded or not) are required to meet the Code for Sustainable Homes level 4.

<b>Action</b>	<b>By when?</b>
Complete Asset Management Strategy	March 2013
Complete Housing Business Plan	March 2013
Complete Private Sector Housing Strategy	December 2012

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## **Equalities**

We have used the outcomes from our initial consultation and our Evidence Base to complete our Equalities Impact Assessment on this draft Housing Strategy which is attached at Appendix X for comment.

## **Consultation Questions**

Question 1: Do you agree with the facts and figures and do they summarise the current issues for Harrow? Are there any others we should highlight?

Question 2: Do you agree with the seven objectives? If not how would you change them?

Question 3: Are there any other actions you think we should be doing to help meet our objectives?

Question 4: Do you have any comments on the Equalities Impact Assessment?

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## Appendix 1: Consultation Outcomes - what do Harrow tenants, leaseholders and residents think about housing in Harrow?

Many people will need to move in the future and particularly those living in the private rented sector. Those living in the private rented sector were concerned about its lack of long term security and the detrimental impact on families, support systems etc.

Over 80% of respondents think there is a need for more affordable housing for rent and this should be affordable to those who are working. There were mixed views on how much rents should be increased for new affordable housing, to enable the continued development of new affordable housing under the new funding regime. 37% agreed we should increase rents on all new homes by a small amount. 34% that rents should be kept at current levels and 29% that rents should be increased to the maximum allowed (80% of market rents).

77% of respondents stated that Harrow should continue to help people into home ownership and those who were not already home owners were interested in shared ownership as an alternative to privately renting.

People recognise the problem of unaffordable housing in Harrow and 59% accepted that, for some people, it may prove a better option to move out of Harrow to find suitable accommodation **provided** no-one is forced to move against their will and provided that consideration is given to family networks, support needs etc.

58% of people questioned agreed it would be fair to introduce the government's new fixed term tenancies (e.g. for 5 years) in Harrow's social housing, to help increase the availability of affordable homes to those who most need it. However, many people pointed out that tenancy reviews at the end of the fixed term would need to be undertaken fairly, to take account of individual circumstances and wider community sustainability. 90% felt that older people and those with disabilities should be offered longer tenancies/ tenancies for life. There is also a common view from existing tenants that there would be no incentive to downsize to a smaller property if this were to be offered as a fixed term tenancy at a higher rent.

There was support for the housing allocation policy to recognise the needs of people in low paid employment as well as the housing needs of homeless families, overcrowded households and those with medical needs. 26% felt that priority for affordable housing should be given to people in low paid employment. 83% of respondents agreed that the council should continue to provide help to all homeless people to find a home in the private sector.

85% of respondents felt that the council should try to encourage higher standards in the private rented sector, with examples being given of situations where standards were unsatisfactory.

A full analysis of the consultation responses can be found at [\[add link\]](#)