

HILLINGDON'S HOUSING STRATEGY 2011/15: PRIORITIES AND KEY ISSUES

Cabinet Member	Councillor Philip Corthorne
Cabinet Portfolio	Social Services, Health and Housing
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Papers with report	None

HEADLINE INFORMATION

Purpose of report	This report presents the updated priorities and key issues for approval by Cabinet at an early stage in the development of the borough's revised housing strategy 2011- 15.
Contribution to our plans and strategies	<p>The Housing Strategy will take into account the priorities of the Hillingdon's Sustainable Community Strategy 2008/18.</p> <p>The housing strategy is one of the documents which make up the council's policy framework as defined in the Council Constitution, and is required to be approved by Cabinet and full Council.</p>
Financial Cost	There are no financial costs directly relating to the content of this report
Relevant Policy Overview Committee	Social Services, Health and Housing
Ward(s) affected	All

RECOMMENDATION

Cabinet is asked to approve the priorities and key issues for Hillingdon's Housing Strategy 2011/15 for consultation with partner organisations. Consultation is a key stage in the development of the strategy which will return to Cabinet for endorsement later this year before approval by full Council.

INFORMATION

Reasons for recommendation

Hillingdon's current housing strategy *A Decent Home for All* will be revised and updated in 2011 to take account of changes in local need and circumstances and the Government's agenda for housing and adult social care.

Cabinet approval for the revised priorities of the service and key issues for the strategic approach is sought at an early stage in order that subsequent work on the preparation of the housing strategy can include consultation with a range of partner organisations.

Alternative options considered / risk management

Cabinet could decide not to update the current housing strategy, which dates from 2007 and does not reflect the current national agenda for housing. In addition, it does not take into account changes in the economic environment, local and regional housing markets or local housing need. The housing strategy should be a fit for purpose and forward looking plan based on up to date evidence and information. This option was therefore rejected.

Comments of Policy Overview Committee(s)

Social Services Health and Housing Policy Overview Committee considered a report on housing need, planned housing reform and future strategy on 21st April 2011. The report contained the key issues for Hillingdon's strategic approach to housing which are also included in this Cabinet report. The main observations of the Committee were:

- **Housing Benefit changes** (Paras 18 – 19) – The impact of the changes to housing benefits is unclear at the present time and will not be known until December or January 2012. Officers will continue to monitor this area for signs of increased poverty.
- **Funding for new affordable housing** (Paras 23 – 27) – There was concern that the proposed changes might create a two-tier system within the affordable housing sector, as the impact of the new affordable rent scheme becomes clear.
- **Homelessness** (Para 30) – the Council needed to continue to use good quality housing in the private rented sector to help reduce homelessness
- **Encouraging mobility in the social housing stock** (Para 42)– It was noted that an outcome of the Mayors' pan-London mobility scheme would involve making properties available to households from outside the borough

Committee resolved –

- That the comments made by the Committee be used to inform the development of future strategy.
- That Officers be asked to produce a further update report on developments within Housing (in the future)
- That Officers be asked to investigate what mechanisms might be available for Members to become more involved in strategy development earlier in the process.

The Committee will be further consulted as the development of the draft strategy progresses.

Supporting Information

Guidance on the requirement for a housing strategy

1. The Department for Communities and Local Government has confirmed that it is for local authorities to decide whether to continue to produce housing and homelessness strategies to meet their obligations under the emerging localism agenda of the coalition government. Prior to this, statutory guidance had stated that local authorities are expected to refresh their housing strategies periodically and have discretion about how, when and in what format they document them. Whatever format is used, the strategy should fully reflect the wider vision of the authority and its partners, reflect a clear and evidenced approach and provide a strong

focus on how partners will deliver their commitments. (*Creating Safe, Strong and Prosperous Communities: Statutory Guidance, CLG, July 2008*)

2. The council's housing strategy is also required to be in general conformity with the Mayor's London Housing Strategy, published in February 2010. The GLA will wish to be consulted on any revisions to the council's housing strategy.

Outline of the proposed strategy

3. The strategy will contain the following information :
 - Vision for Social Services, Health and Housing
 - Specific housing priorities
 - The national, regional and local context
 - A summary of housing market and housing needs information, including affordability
 - The council's use of resources
 - Partnership working
 - Feedback from residents and service users
 - Implementation plan 2011/15
4. The first part of the work to develop a fresh strategy includes a review of the contribution housing services make to the council within the context of the Social Care Health and Housing vision and strategic priorities.

Vision for Social Care, Health and Housing

5. The overall vision for Social Care, Health and Housing services in Hillingdon is to ensure that *'Hillingdon residents will have choice and control to live safe, healthy and independent lives in supportive local communities.'*

Strategic priorities for Social Care, Health and Housing Department

6. There are three strategic priorities that are the focus for delivering the vision – (a) Managing Demand (b) Managing the Support System and (c) Managing Supply. These are defined below, along with the specific contribution from the range of housing related services.

(a) Managing demand

Definition: keeping residents independent, investing in preventative services to stop or significantly delay residents from requiring ongoing social care or becoming homeless or in housing need.

Housing contribution:

- Offer advice on a range of housing options to reduce homelessness, providing help to at risk groups and providing services for young people.
- Work with other registered housing providers to deliver social housing which is managed to excellent common management standards.
- Improve the standard of private sector homes by accrediting landlords and working closely with them

- Maintain council owned housing and its surroundings to high standards of decency, safety and energy efficiency.

(b) Managing the support system

Definition: efficient and effective in-house service provision that is focused on reablement, delivering time-limited interventions to effect change so that residents can learn or re-learn crucial skills to live independently.

Housing contribution:

- Provide advice and support to residents to enable them to maintain their tenancies and live independently
- Deliver an efficient and effective Housing and Council Tax Benefits Service to reduce poverty and support independence
- Ensure that children and young people can live in housing where they are safe, healthy and supported.

(c) Managing supply

Definition: commissioning private and voluntary social care and housing services, delivering support, choice and independence to vulnerable, complex and high dependence residents.

Housing contribution:

- Provide accommodation with care and support for older people and people with a physical, sensory or learning disability or mental health needs to enable them to live independently in a community setting.
- Deliver additional housing, maximising affordable rented homes and low cost home ownership.
- Reduce the use of temporary accommodation for homeless households by finding alternative private rented homes
- Work with private sector landlords to ensure the supply of well managed private rented housing
- Promote increased energy efficiency for existing homes in the private sector and reduce fuel poverty
- Reduce overcrowding in social rented housing
- Deliver adaptations to residents homes where they are needed to maintain independence

Supporting principles

7. Social Care, Health and Housing services will work together to :

- Ensure that service users have more choice and control in deciding how their needs can best be met within the resources available
- Shift the emphasis from providing long term institutional services to providing time limited support which helps people regain independence in the community
- Support local communities and individuals to help themselves and each other
- Deliver services which are more efficient and effective and based on an up to date, evidence based approach
- Commission services which draw on existing networks and community capacity through integrated working with health and other partners.

Key issues for the housing strategy

8. Set out below are the key actions suggested as part of the borough's future strategic approach. These are informed by local identified need (such as need identified as part of Hillingdon's Joint Strategic Needs Assessment 2011) as well as recent Government proposals for housing reform. In some cases, strategic direction has already been approved by Members and work is in progress. However there are also issues listed here which will require further consideration with partners and other stakeholders before officers can return to Cabinet with specific recommendations.

Part A Housing supply

Supported housing

9. The council has a five year plan to modernise accommodation for people with support needs by re-engineering services to maximise independence and choice. The plan will result in the development of more supported housing and shift the balance from residential placements in care homes to dispersed accommodation with integrated support .

10. A review is taking place of the resources available (including use of council land and buildings, use of Housing Revenue Account and external grant funding) to develop approximately 450 units of supported accommodation. The council's key strategic priority is to provide suitable accommodation to allow more vulnerable people to maintain their independence and live in the community with support rather than living in residential care. The needs of older people, people with a physical or sensory disability and people with mental health are assessed to make sure that suitable housing is provided.

11. Similarly, the council's sheltered housing stock will be reviewed to assess how it can be used to provide extra care accommodation for older people and people from other vulnerable groups.

Funding for additional affordable homes

12. Resources available for funding additional housing, such as the affordable housing bonus element of the New Homes Bonus, could be used to make more affordable homes available in the borough. The Local Development Plan identifies a five year land supply for 3,967

residential units, and the council may agree a target to deliver 425 units annually with the Mayor of London. Thought will need to be given to which housing related projects may be most acceptable to the wide range of stakeholders involved. Selected supported housing schemes and schemes to ensure the affordability of a number of homes for first time buyers are likely to be appropriate projects for funding.

13. One positive impact for Hillingdon is that opportunities for direct development are offered by the combination of Affordable Rent flexibility and HRA reform. The government's new Affordable Rent model (at 80% of market rents) is only available to local authorities that are successful in bidding for Homes and Communities Agency funding for new affordable housing. The council may charge 60% to 70% of market rents for re-lets and new lettings (rather than the maximum 80%) to maintain a level of affordability for residents while generating income for a new supply of supported accommodation. This in turn will enable the council to reverse the trend of recent years of an over reliance on expensive residential accommodation.
14. Additional models of affordable housing could also be considered by the council such as discounted market housing. In this model, qualifying applicants are offered newly developed housing with a 25% discount. Despite the discount, this would not be shared ownership as the applicant would become the owner of the whole property. A restriction in the lease ensures that, should the property be sold, it is sold to the next person with the same level of discount. In the past the council enabled the flats in Victoria Court to be available to qualifying first time buyers in a similar scheme. Discounted market housing can be designed to benefit particular groups such as first time buyers or vulnerable adults.
15. Accessing funding specifically to bring empty homes back into use should also be considered. Over 300 empty homes were brought back into use in 2009/10, using funding from the Mayor's Targeted Funding Stream which is no longer available. Bids for HCA funding to continue this work may be appropriate.

Working with preferred partners

16. The council is currently working to designate a number of housing associations as 'preferred partners' of different sizes and offering different specialisms in order to be able to progress development projects quickly. Some of the advantages of working with social housing providers which have preferred partner status (and therefore an agreed working protocol) are :
 - Ability to develop common performance standards.
 - Shared knowledge and understanding of the priorities required to meet local need.
 - Familiarity – providers who already have housing stock in the area and are known to local residents.
 - Less competition between selected preferred partners and a co-ordinated and partnership approach to bids on sites to avoid duplication.

Temporary accommodation and homelessness website

17. The council has been successful in reducing the number of homeless families in temporary accommodation to 900 by the end of March 2011, and aims to continue to reduce the number by 200 each year.
18. Hillingdon's method of meeting the housing needs of all groups – not only those likely to be in priority need - focuses on the prevention of homelessness. Housing officers provide individual assessment and support for households with a housing need to help them either

maintain their existing accommodation, or where that is not possible, to move to an alternative.

19. Continuing and expanding this approach will be instrumental in reducing the number of households going into temporary accommodation. It will also ensure that the temporary accommodation that is maintained year on year in Hillingdon is targeted at those most in need of this type of accommodation
20. From July 2011 the Private Managed Accommodation scheme will be rolled out across West London, enabling the council to obtain homes in the private sector from a range of 17 supplying partners at reduced costs.

Private sector housing renewal and energy efficiency

21. By tackling private sector housing renewal, the council can improve the availability and condition of the housing stock as well as the wellbeing of residents. The council will work with landlords to raise standards and promote good living conditions in the private rented sector. The Landlord Accreditation Scheme in Hillingdon will provide landlords with advice and support, and training will be available from the National Landlords Partnership and the London Landlords Accreditation Scheme.
22. The council will be working to install insulation to increase the number of homes in the borough where these measures have been taken, helping to lift residents out of fuel poverty and give them a more comfortable environment to live in. Hillingdon Energy Efficiency Team will be continuing their leading role in projects across London, such as the Pan-London RE:NEW project, making sure residents are able to access all available grant and discount schemes and ensuring that homes in the private sector can take advantage of future opportunities. Hillingdon aims to be a leading borough in London for energy efficiency retrofitting.

Under occupation and overcrowding in social rented housing

23. The council will continue to tackle overcrowding in social rented housing in the borough. The Home Release Reward scheme offers incentives to tenants who give up one bedroom or more to move to a smaller sized property, thus releasing family sized accommodation for another household in need. 85 homes family sized homes have been released in this way in 2010/11, and we have a similar target for 2011/12.
24. Room2Move has been specifically set up to help ease the effects of overcrowding within the social housing sector. There are a range of options available as part of this initiative, including mutual exchange of social housing, prioritising the allocation of some homes for overcrowded families, and help with a deposit to rent privately. The council aims to help 100 overcrowded tenants in 2011/12.

Part B Social housing management and maintenance

Strategic policy on tenancy

25. The council is required by Government to lead on the development and publication of a 'strategic policy' on tenancy for the borough. It will entail partnership working between social landlords to consider local needs and objectives, the consideration of the use of flexible

length tenancies across all social landlords and the introduction of Affordable Rents which can be set at levels up to 80% of market rents in the area.

Flexible tenancies for council housing

26. As part of the development of the new Housing Strategy the council will investigate whether to offer a range of tenancies to new council tenants, with the aim of making best use of the council housing stock. Consideration should be given to the introduction of a range of tenancies of different lengths and the circumstances in which they should be offered, to maintain stability and security in housing provision. Progress through the stock would be slow as annual relets are low in number. An enhanced support, information and advice service could be introduced to help tenants consider their options at the end of a flexible tenancy. The affordability of housing costs will be an issue for those tenants who are not of pensionable age and are therefore affected by Housing Benefit changes.

Monitoring and scrutiny of social housing

27. Consideration will be given for a revised model for social landlord scrutiny and regulation in the borough. Local social landlords are already working together to conduct more effective joint inspections of housing estates. Capacity building will be necessary so that tenants can play a leading role in scrutiny. Partnerships between multiple landlords and tenants will over time drive up standards of housing management and housing maintenance. This work is linked to the further development of Hillingdon's Local Housing Partnership of registered providers of social housing where much work of this nature has already been progressed leading to national recognition by the Tenant Services Authority.

Social HomeBuy for council housing

28. The council will consider whether to offer the national Social HomeBuy part rent part buy scheme to enable council tenants to gain a foothold on the housing ladder. The council did not offer this voluntary scheme when the option was introduced by Government in 2006, but the new freedom to keep 100% of capital receipts from sales has made it more attractive financially. As Social HomeBuy is a discretionary product, it may be possible to offer it to specific tenants or in respect of specific property types.

Encouraging mobility in the social housing stock

29. The Mayor's proposed pan London mobility scheme will be considered as part of the development of the Housing Strategy including a review of the benefits of membership. All social landlords across London will be expected to be part of the scheme and to make new and existing homes available. From April 2011 a proportion of new social-rented homes developed with HCA funding should be included in the pan-London mobility scheme. The Mayor also wants to see relets of existing homes incorporated in the scheme. It is proposed that access to homes in other boroughs should only be available to tenants of social landlords that are making a proportion of homes available for pan-London mobility.

Council housing finance – business planning

30. A business plan will be produced which takes account of the new financial model for the funding of council housing. The council will be able to keep the rental stream from council housing and use it for planned maintenance, external play facilities and reconfiguration of sheltered homes. Capital receipts from Right to Buy will be pooled and will not be available to fund new housing. Tenants will in future be able to make a transparent link between what they pay in rent and what the council spends on the maintenance of their homes.

31. The asset management challenges for the council's housing stock over the next ten years are to:

- Ensure property compliance.
- Maintain the decent homes standard
- Meet the need for supported housing.
- Improve energy efficiency and reduce carbon dioxide emissions.
- Improve the environment of council estates

32. The review of the Housing Revenue Account (HRA) will have a significant impact on the future financing of the council housing operation. The indicative figures for Hillingdon are favourable, mainly due to the current system being disadvantageous, and any change will improve the HRA finances. A thorough analysis of future revenue and capital spending requirements is needed during 2011 to test the financial details for Hillingdon announced as part of the new self-financing HRA regime.

Part C Housing options and homelessness

Housing register and lettings policy

33. The council has already taken decisions to amend its allocations policy. Access to the housing register will be restricted to groups that the council considers to be in housing need. Households with no priority and therefore no realistic hope of being allocated social housing will be given advice on other realistic options in the private rented sector. The council will be able to focus effort on those with a housing need and send a clear message to residents about the likelihood of being rehoused.

34. Access will be increased for certain local preference groups. This flexibility will allow the council to promote local objectives and be clear with local residents about how the policy does so. People in employment (after an affordability test), people who do volunteer work in the community, ex-service personnel, couples with no children, people with a long established local connection are among the groups who will benefit from this policy change. In the longer term it will result in more sustainable communities and will ensure that a wider cross section of borough residents can access the borough's social housing resource.

35. The council will publish an annual lettings plan to show the planned proportion of properties to be let to households in particular groups during the year.

Homelessness and the private rented sector

36. The council will investigate the feasibility of using accommodation in the private rented sector for all tenants owed the main homelessness duty. Currently the private sector is used only to prevent households becoming homeless and it has become harder to find properties of suitable size and quality even though the private rented sector in Hillingdon is thriving. In future changes in legislation will allow the council to discharge its duty to rehouse in the private rented sector. The proposed benefit caps may however deter more landlords from renting to tenants on benefits. Although the effects of the caps will be less severe in Hillingdon than in inner London where rents are higher, there is a risk of other boroughs looking for properties in Hillingdon, thus reducing supply for local homeless applicants. The council will also explore suitable accommodation outside London in order to meet demand.

37. The intention is to consult more widely than previously with private sector landlords of different types and sizes in order to work with them to offer tenancies to housing needs clients.
38. The council will review current council run private sector housing schemes and use the results to adapt existing and design new products which are attractive to landlords.

Homelessness prevention

39. Homelessness prevention measures will be reviewed to ensure that the council takes the most effective action it can within its means. Advice for people on how to meet their housing costs will be an increasing priority. Previous experience at times of economic difficulty indicates that single people, who make up 50% of the prevention client group, are likely to be more at risk of losing their home. Younger single men are more likely to fall into rough sleeping. For owner occupiers, Support for Mortgage Interest (SMI) has been extended to January 2013, and mortgage interest rates may rise as a result of forecast base rate increases in 2011.
40. The council should consider action necessary to deal with changes to the Local Housing Allowance and their effects on both landlords and tenants.

Financial Implications

The Housing Strategy has wide ranging implications for many aspects of life for Hillingdon residents including our approach to housing service delivery, the modernisation of housing services and the distribution of housing related resources.

This report concerns the direction of a revised housing strategy. Any proposed new initiatives will need to be carefully financially evaluated and funding identified.

EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES

What will be the effect of the recommendation?

The Housing Strategy is a long-term strategy that ensures housing priorities best suit the needs of Hillingdon residents and that best use is made of available resources. Approval to consult on the proposed priorities and strategic approach will ensure that the work to develop the strategy for the borough will involve appropriate key local partners.

Consultation Carried Out or Required

Limited consultation within Adult Social Care Health and Housing and with some key housing partners has taken place as part of the preparation of this report.

As the Housing Strategy is one of the designated strategies that form part of the council's budgetary and policy framework, it will be subject to consultation with all other corporate groups and external consultation with partner organisations, the voluntary and community sector and residents.

CORPORATE IMPLICATIONS

Corporate Finance

This report presents the updated priorities and key issues for Hillingdon's Housing Strategy 2011/15, as part of the strategy preparation process and as such it has a number of potentially wide ranging implications for Hillingdon. Any proposed new initiatives arising from this strategy will need to be financially appraised at a later date, once firm proposals have been developed.

Legal

Cabinet has before it a Recommendation seeking authority to approve the proposed key issues for the Council's Housing Strategy 2011/15 for consultation with partner organisations as part of the strategy preparation process.

Under Articles 7.08(b) 1 and 7.08(c) 5i of the Council Constitution, Cabinet as a whole has overall responsibility for developing proposals that require the Council to amend its policy framework and for proposing policy development, changes and new policy.

The above Recommendation therefore falls within the Cabinet's delegations.

Article 13 of the Council constitution requires that all key decisions taken by Cabinet follow the seven principles set out therein, which if followed, should minimize the risk of judicial review of the decision to approve the proposed key issues for the Council's Housing Strategy 2011/15.

In discharging any functions that have been delegated, the Cabinet must act lawfully. This means that the Cabinet must act within the scope of the authority that is delegated to it in accordance with any limits within the delegation, the Council Constitution, Council policies, procedure rules and the Members Code of Conduct.

Under the provisions of Sections 1 and 2 of the Local Government Act 2000 the Council has the power to do anything which they consider is likely to achieve any one or more of the following objects; (a) The promotion or improvement of the economic well-being of the area; (b) the promotion or improvement of the social well-being of the area, and (c) the promotion or improvement of the environmental well-being of their area. This power may be exercised in relation to or for the benefit of; (a) the whole or any part of a local authority's area, or (b) all or any persons resident or present in a local authority's area.

Statutory guidance offered in paragraph 3.17 of Creating Safe, Strong and Prosperous communities: Statutory Guidance, CLG, July 2008 confirms that local authorities will have discretion about how, when, and in what format they document their refreshed housing strategy. Whatever format is chosen, refreshed housing strategies should:

- fully reflect the wider vision of the authority and its partners
- reflect a clear and evidenced approach
- provide a strong focus on how partners will deliver their commitments, including on the infrastructure needed to support housing growth

In addition, under Section 333D (2) of the Greater London Authority Act 1999 any local housing strategy prepared by a local housing authority in Greater London must be in general conformity with the London housing strategy.

Corporate Landlord

Comments will be sought as part of the consultation process.

Relevant Service Groups

Comments from other service groups are not included at this stage but will be sought as part of the consultation to produce the draft strategy.

BACKGROUND PAPERS

- Hillingdon's Sustainable Community Strategy, 2008/18
- Hillingdon's Wellbeing Strategy 2010/15
- *Support, Control and Independence* , The Commissioning Plan for Adult Social Care, 2011/15 (draft)
- Social Services Health and Housing Policy Overview Committee Public Document Pack , 21 April 2011
- *A decent Home for all* Hillingdon's Housing Strategy 2007