

	<p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">11 MAY 2015</p>
<p>Housing Strategy - Delivering the Change We Need in Housing</p>	
<p>Report of the Cabinet Member for Housing : Councillor Lisa Homan</p>	
<p>Open Report</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Mike England, Lead Director of Housing</p>	
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1. EXECUTIVE SUMMARY

- 1.1 This report seeks Cabinet approval for the adoption of the Housing Strategy (Annex A) and approval for further consultation in order to adopt a revised Housing Allocation Scheme; Tenancy Strategy; Home Buy Allocation Scheme; initiating the production of a Homelessness Prevention Strategy to replace the current Homelessness Strategy; and revisions to the Council's Tenancy Agreement (if required).

2. RECOMMENDATIONS

- 2.1 To adopt the Housing Strategy annexed to this report (Annex A).
- 2.2 To note the summary and analysis of responses to the Housing Strategy consultation process (Annex B).
- 2.3 To agree to further consultation on detailed documents to revise the Council's Housing Allocation Scheme; Tenancy Strategy; Home Buy

Allocation Scheme; and associated changes to the Council Tenancy Agreement (if required).

2.4 To initiate a project which will lead to the adoption of a Homelessness Prevention Strategy.

2.5 To note the Equalities Impact Assessment (Annex C).

3. REASONS FOR ACTION

3.1. A Cabinet Member Decision (CMD) authorised on 4 January 2015, the initiation of a consultation process on a proposed Draft Housing Strategy for the Borough. This Cabinet Report seeks approval for the revised document following consultation with interested parties and initiates further actions which will make changes to the council's housing strategic approach.

4. INTRODUCTION AND BACKGROUND

4.1 The borough is required to produce a housing strategy under Section 87 of the Local Government Act. The adoption of the Housing Strategy (Annex A) is intended to replace the document adopted by Cabinet on 15 October 2012.

4.2 The Housing Strategy sets out the 'direction of travel' for a range of policy changes and actions intended to reflect the administration's housing agenda. On agreement of the recommendations set out in this report, further consultation will be initiated on more detailed proposals to facilitate changes to the Council's Housing Allocation Scheme; Homelessness approach; and Tenancy Strategy (and Council Tenancy Agreement if required).

5. CONSULTATION PROCESS

5.1 The CMD to authorise the consultation process was signed on 4 January 2015 and the consultation process began on 5 January 2015. This was announced by way of a press release on 6 January 2015 and was also issued via the Council's *Your Hammersmith & Fulham* e-Newsletter on 7 January 2015 to c 42,000 subscribers comprising people and organisations living and working in the borough, giving them an opportunity to respond to the online survey. The opportunity to respond was re-issued a further eight times in the 'Have your Say' right hand column of the newsletter.

5.2 Following the press release and the e-newsletter, officers undertook the consultation process in a variety of ways:-

- Direct letter from the Cabinet Member for Housing to Chairs and Secretaries of 30+ Tenants and Residents Association (TRAs) with copies of the housing strategy and associated documents

- Direct letter from the Cabinet Member for Housing to the Borough's two Members of Parliament and to the Deputy Mayor of London for Housing and Land
- Emails to interested parties such as the Chartered Institute of Housing; Shelter; and 'Generation Rent'
- One to one meetings with individual resident representatives, who are members of the Borough Forum sub group
- A short questionnaire (featuring the first question of the online survey) enclosed with invitations to the Tenants' Conference on Saturday 7 March 2015
- Attendance at meetings of the Borough Forum on 25 November 2015 (before the consultation process proper had begun) and 20 January 2015
- Attendance at TRA meetings at Aspen Gardens; Lytton Gardens; White City Estate (TRA officers only)
- Economic Regeneration, Housing and the Arts Policy and Accountability Committee (PAC) meetings which featured items on the major housing issues on 11 November 2014 (informing policy content of the draft document) and a further meeting on 29 January 2015 to discuss a 'Better Housing for Disabled People' item
- H&F Housing Association Forum meeting on 23 January 2015 to discuss the Draft Housing Strategy proposals, which also featured a presentation on the Draft Local Plan proposals
- Presentations to meetings including sheltered housing residents; people with learning disabilities; and law and advice centre representatives
- Focus groups were convened on behalf of the council by Sobus (H&F third sector organisation) to consider specific themes relevant to people in private rented housing; the Somalian community; black and minority ethnic community; and young people
- Attendance at the Tenants' Conference on 7 March 2015, addressing questions and concerns tenants had about the changes proposed in the housing strategy

5.3 The originally planned closing date for responses was 27 February 2015. This was extended to 9 March 2015 following representations from tenants' and residents' representatives at the 20 January 2015 Borough Forum meeting and subsequent agreement with the Cabinet Member for Housing.

6. DRAFT HOUSING STRATEGY

6.1 The executive summary of the draft housing strategy is as follows:

6.2 This Housing Strategy, **Delivering the Change We Need in Housing**, sets out changes in policy and approach the Council wishes to take following the change in administration in May 2014. The Council wants more and better, well-managed affordable housing in mixed income, mixed tenure successful places. This document is structured along

three strategic themes with specific policy actions to help deliver change.

6.3 **Theme One – Regenerating Places & Increasing Affordable Housing Supply**

6.4 The Council has appointed a Residents' Commission to explore how council housing can be kept affordable and protected by **securing affordable housing for the future by giving council tenants control over their homes.**

6.5 We intend to **deliver mixed tenure housing in the regeneration opportunity areas** where future housing capacity and potential for jobs creation is greatest.

6.6. We outline an **affordable housing standards statement** setting out the quality and type of housing focusing on issues such as tenure types, bedroom mixes, space standards that the Council wants to see delivered in the future. The Council wants to **deliver affordable housing outside the regeneration areas and work with housing associations** in order to increase the amount and quality of new affordable housing in the borough. We also want to **deliver more choice for affordable ownership and rented housing.** We believe a wider range of choices could be developed through innovative working between the Council and housing associations.

6.7 The Council will **lobby the Mayor of London and Government for more resources and choice in affordable housing** in order to maximise affordable housing delivery in the borough in a managed and sustainable fashion.

6.8 **Theme Two – Meeting Housing Need and Aspiration**

6.9 The Council will revise its **Housing Allocation Scheme** which sets out the 'rules' by which social housing accommodation is allocated in the borough. The revisions are intended to make the scheme fairer and more inclusive to applicants in housing need. We intend to adopt a new approach to **eradicating homelessness** through closer joint working with homelessness agencies, third sector organisations and housing associations. We intend to revise our **Home Buy Allocation Scheme** to ensure applicants and land developers have a clear understanding of the Council's affordability requirements. For **affordable housing tenancies**, we state our preference for secure 'lifetime' tenancies which are affordable to local people in our revised Tenancy Strategy. Within that framework, we also want to explore how larger accommodation which is under-occupied can be used for families in need.

6.10 The Council wants to see a fresh approach to **meeting older people's housing needs** given that housing choices are is unfairly limited and

demographic changes indicate demand for better more affordable housing is likely to increase. We also want to adopt a new approach to **meeting the housing needs of disabled people, including those with learning disabilities** by working with partner organisations and interested parties to improve choice and access to the social housing system.

6.11 **Theme Three – Excellent Housing Services for All**

6.12 The Council wants to examine how it can improve the **housing and regeneration services** it provides by reviewing its current approach to residents' advice and representation; and, adopt a new approach that helps improve the services they receive.

6.13 **Greater resident involvement in housing management decision-making** will help ensure future service provision is resident-focused, with customer satisfaction increased.

6.14 The private rented sector has become the largest segment of the local housing market. Therefore, **improving the private rented sector** is a primary focus of this housing strategy, which will include reducing long-term empty homes and prosecuting rogue landlords.

6.15 **Personal and community safety** continue to be major issues of concern to our residents. We need to ensure that all agencies are working effectively together and that we deliver safer places for people to live.

6.16 **Equalities**

6.17 On **equalities**, we want to ensure that this Housing Strategy is socially and economically inclusive, with a particular focus on meeting the needs of the vulnerable, elderly and disabled in the communities that make up Hammersmith & Fulham's population.

6.18 **Housing Strategy Annexes**

6.19 The Housing Strategy is completed with an Action Plan and Annexes featuring the Affordable Housing Standards Statement; Tenancy Strategy; Housing Allocation Scheme Summary; and Vulnerable People's Approach. The Strategy is also accompanied by an Equalities Impact Assessment and supporting evidence base documents.

7. **CONSULTATION RESPONSES**

7.1 Online responses to the consultation process totalled 387. A further 22 responses were made in the form of email correspondence; letters (some including promotional material); notes of focus group meetings;

etc. Interested parties who responded in this way included housing associations; developers' representatives; and voluntary sector organisations. The number of responses totalled 409. Approximately two thirds of the online responses were to the 'short' survey. An additional response formed the minutes of the Economic Regeneration, Housing and the Arts Policy Accountability Committee (PAC) held on 29 January 2015.

- 7.2 The 22 responses include a letter sent by the GLA on behalf of the Mayor stating *"Overall, LBHF's draft Housing Strategy is a positive and ambitious step towards further housing delivery in the borough."* Their key concerns focused on the affordable rent regime outlined in the draft housing strategy; supporting fixed term tenancies to facilitate greater mobility for tenants; supporting the continuation of the Housing Allocation Scheme community contribution criteria; and the direction of travel of the council's approach to the private rented sector.
- 7.3 The general views of respondents can be seen in the pie charts set out in Annex B of this document. Additional comments were made online and these have been reviewed. Analysis on the profile of respondents is set out as are responses by sub area of the borough (i.e., north, central and south). Also included are comments made by respondents.
- 7.4 Key highlights from the survey were as follows:
- Providing more genuinely affordable housing was the top priority at 52%; with residents' control of council housing third at 39%; and improving the private rented sector third at 9%
 - Respondents were supportive of the housing vision, 77% agreed (either strongly agreed or tending to agree) with the statement with 14% disagreeing (either strongly disagreeing or tending to disagree). (Note: the same approach to combining strongly agreeing / tending to agree and strongly disagreeing and tending to disagree is adopted for the remainder of this section)
 - Between 75% and 81% agreed with the thematic approach, i.e., regenerating places and affordable housing; meeting housing need and aspiration; and excellent services for all, with between 10% and 12% disagreeing
 - 63% agreed with the 40% affordable housing target although 29% disagreeing with it
 - Proactive engagement with the national Government and Mayor of London scored very highly with 79% agreeing, with 16% disagreeing . With the impending national election (at the time of writing) and mayoral election in 2016, taken together with the recent publications of the Lyons Review and Elphicke-House Review on the local authority

enabling role, there is an opportunity for the council to be proactive in how it promotes its housing agenda over the next few years

- On the Housing Allocation Scheme, there is support for the 5 year residency rule (39%), with additional support (11%) for a 'five years out of seven years' rule for those who temporarily live outside the borough but who are still considered local; and a further 21% who thought it should be longer than five years. 13% thought it should be removed altogether with 15% thinking it should be less than five years
- On the Housing Allocation Scheme, there is support for relaxing the overcrowding needs criteria from two bedrooms to one bedroom, with 63% agreeing, with 21% disagreeing
- On the Housing Allocation Scheme, there is strong support for continued operation of the community contribution criteria, 77% agreeing with 21% disagreeing
- On Fixed Term Tenancies, there is an even split between those wishing to return to lifetime tenancies, 42% agreeing, with 40% disagreeing. In the next question, some 69% agreed on retaining fixed term tenancies for certain categories of applicant, with 19% disagreeing
- On the proposed approach to the private rented sector, there is strong support, with 76% agreeing with the approach set out in the Draft Housing Strategy, with 15% disagreeing

7.5 In separate discussions with, and written submissions from, the private sector agencies, there are concerns about how the 40% affordable housing target can be delivered in practice. In relation to that, representatives have indicated that if the council seeks lower cost rented housing, such as 'target rents' as sought in the housing strategy, as opposed to 'Affordable Rent' products (charged at up to 80% of market levels, including service charges), then the number of homes of affordable housing secured is likely to be lower. The same issue applies to the council seeking rented housing as opposed to low cost home ownership housing (which is generally less expensive for developers to provide).

7.6 Following this consultation process, it is proposed that the Council amend the Housing Allocation Scheme criteria relating to overcrowding from 2 bedroom need to a 1 bedroom need; to relax the medical condition criteria from 'severely affected' to 'moderately affected'; local residency criteria to be changed from 'five years' to 'five out of the previous seven years'; the detail of this approach will be set out in the revised Housing Allocation Scheme which will be subject to consultation and will be formally adopted later in due course. On the issue of the 're-introduction of lifetime tenancies', it is proposed that the Council re-introduce lifetime tenancies for general needs

applicants, but retain the option to grant fixed term tenancies for particular categories of applicant.

- 7.7 The online responses should be treated as a test of opinion rather than a 'ballot' of views as the survey was open to any respondent but is nonetheless considered a representative range of views from people and organisations with an interest in housing issues in the borough.

8. KEY ISSUES FOR CONSIDERATION AND DISCUSSION

- 8.1 The responses to the Draft Housing Strategy have been broadly supportive of the proposed approach. Reviewing individual comments made by respondents, there are concerns about:

- How the vision and individual actions can be resourced and achieved
- The work of the Residents' Commission and what a change in landlord might entail (e.g., tenancy, rents, management)
- What constitutes 'genuinely affordable housing', both in a rented and low cost home ownership context
- How specific actions related to older people; people with disabilities (including learning disabilities); and the homeless can be delivered
- Communication with tenants and residents and more support for their representatives

- 8.2 Officers will need to take account of these concerns when developing and implementing the action plan as described in section 9.2. Comments made on the online survey forms (and other responses) are wide-ranging and will be used to inform the development of the consultation documents set out in 2.1.2 and 2.1.3 of this report, i.e., the Draft Housing Allocation Scheme, Tenancy Strategy, Home Buy Allocation Scheme and any associated changes to the Tenancy Agreement if required. Reference will also need to be made to any recently published government documents, such as the 'Right to Move' guidance which will need to feature in the Housing Allocation Scheme document.

- 8.3 The comments on specific sections such as those relating to the Draft Local Plan element of the housing strategy; improving the private rented sector; and personal and community safety have been forwarded to the respective officers for review to inform the development of their own work programmes. The comments made represent a significant commentary on housing in the borough and will be disseminated before Summer 2015 on the website for information purposes.

9. CHANGES MADE TO THE DRAFT HOUSING STRATEGY FOLLOWING CONSULTATION

- 9.1 The responses were generally supportive of the Draft Housing Strategy proposals and no major changes to the text and associated actions are

proposed. The majority of the actions identified in the Draft Housing Strategy in effect 'trigger' further pieces of work (as identified in the recommendations in this report) which the consultation responses will inform. Changes to the Draft Housing Strategy following consultation include:

- Updates to text since the publication of the Draft Housing Strategy in January 2015, e.g., progress of the Residents' Commission project; consultation on the Draft Local Plan; additional information on community safety initiatives
- Reference to the Resident Involvement Strategy
- Reference to the potential advantages of using 'modern methods of construction' to help accelerate delivery of affordable housing
- Digital Inclusion (i.e., making it easier for people to communicate using email and the internet) approaches to help all residents communicate with each other (and the council) and others who may be considered 'hard to reach'
- Stronger reference to the contribution the 'third sector' can make to the Council's proposed homelessness reduction approach
- Revised text on the approach to intermediate housing (principally low cost home ownership housing)
- Refinements to wording and description of need groups
- Renumbering of sections and action plan numbering to help cross referencing

9.2 Officers are in the process of developing an SMART (i.e., specific, measureable, attainable, relevant, time-bound) action plan to facilitate the delivery of the vision and actions identified in the Housing Strategy. This will include the drafting of a short summary of the strategy in a 'plain English' style which is intended to be no longer than 12 pages.

10. EQUALITY IMPLICATIONS

10.1 The 2010 Equalities Act places an equality duty on local authorities (and other public bodies) to protect people from discrimination in the workplace and in wider society. To meet this duty, the Council needs to consider all individuals when carrying out their day-to-day work when shaping policy, in delivering services and in relation to their own employees. It also requires that public bodies to:

- have due regard to the need to eliminate discrimination
- advance equality of opportunity
- foster good relations between different people when carrying out their activities

10.2 The adoption of the revised Housing Strategy documents requires the Council to undertake an Equalities Impact Assessment (EqIA) to fully assess what the positive and negative impacts of adopting the changed approach will be on defined 'equality groups'. These are:

- women
- black, Asian and ethnic-minority people
- young people and children
- older people
- disabled people
- Lesbian people, gay people, bisexual people and transsexual people
- people from different faith groups

10.3 The impacts of the delivery of the Housing Strategy vision and actions on members of equality groups identified above are considered to be positive. However, officers will need to be mindful and identify any unintended impacts that might negatively affect members of specific equality groups identified above.

10.4 The completed Equalities Impact Assessment is attached as Annex C to this report.

10.5 Implications completed by: Aaron Cahill, Interim Housing Strategy Manager, 0208 753 1649.

11. LEGAL IMPLICATIONS

11.1 Section 87 of the Local Government Act 2003 gives Local Housing strategies on a statutory basis and the Government's Explanatory Notes state "*a local housing strategy is the local housing authority's vision for housing in its area. It sets out objectives and targets and policies on how the authority intends to manage and deliver its strategic housing role and provides an overarching framework against which the authority considers and formulates other policies on more specific housing issues*". In addition section 28 of the Greater London Authority Act 2007 requires that Housing Strategies are "*in general conformity with the Mayor of London's London Housing Strategy*": Officers consider that the Housing Strategy recommended to Members complies with these statutory requirements.

11.2 Implications verified/completed by: Janette Mullins. Principal Solicitor (Housing and Litigation) 020 8753 2744.

12. FINANCIAL AND RESOURCES IMPLICATIONS

12.1 The costs of consultation relating to proposals for the Council's Housing Allocation Scheme, Homelessness approach, and Tenancy Strategy are not envisaged to be significant (unless additional staff are required) as the resources for this process are expected to be substantially drawn from existing staff time. A maximum provisional sum of £10,000 has been identified for routine consultation costs, e.g., production of consultation materials, room bookings, internal recharges, etc, but actual costs are expected to be less than this figure.

- 12.2 It is likely that there would be costs and benefits associated with implementing of the draft Housing Strategy including: a possible requirement for the use of commuted sums; the use of land / capital receipts; and additional cost pressures may arise as a result of changes to the Housing Register and Allocation Policy, Tenancy Strategy and the development of a Homelessness Prevention Strategy.
- 12.3 The costs and benefits of changes in policy will need to be carefully considered. In the event that the Council proposes to proactively support affordable housing supply through use of its own resources and a Housing Allocation Scheme that increases the size of the Housing Register, more detailed comments on the potential revenue and capital costs associated with such approaches will be provided for consideration by Cabinet at the appropriate time.
- 12.4 Implications verified/completed by: Kathleen Corbett, Director of Finance and Resources, 020 8753 3031.

13. RISK MANAGEMENT

- 13.1 The delivery of a Housing Strategy positively contributes to the management of public needs and expectations risk and meeting the council's statutory duty risks both of which are noted on the Strategic Risk Register.
- 13.2 Implications verified/completed by: Michael Sloniowski, Risk Manager Telephone: 0208 753 2587.

14. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 14.1 There are no procurement or information technology implications directly arising from this report.
- 14.2 Implications verified/completed by: Robert Hillman, Procurement Consultant (HRD), 0208 753 1538.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

LIST OF ANNEXES

Annex A – Hammersmith & Fulham's Housing Strategy – Delivering the Change We Need (May 2015)

Annex B – Housing Strategy Consultation 2015 Summary Report

Annex C – Housing Strategy Equalities Impact Assessment