

Individual Executive Member Decision

Title of Report:	West Berkshire Council Response to the CLG Consultation Paper "Local Decisions: a fairer future for social housing"
Report to be considered by:	Individual Executive Member Decision
Date on which Decision is to be taken:	17/01/2011
Forward Plan Ref:	ID2201

Purpose of Report: To agree the Council's response to Governments consultation paper 'Local Decisions: A fairer future for social housing'

Recommended Action: That the Portfolio Holder for Planning & Housing approve the Council's response to the consultation paper 'Local Decisions: A fairer future for social housing'

Reason for decision to be taken: To enable the submission of a formal response by the Council to the Government's consultation paper on social housing reform

Statutory: **Non-Statutory:**
Other:

Other options considered: No formal submission is made

Key background documentation: 'Local Decisions: a fairer future for social housing', CLG, November 2010

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Implications

Policy:	This papers proposes a response to the Government's intended policy on social housing reform. Once the consultation is concluded and the intended reforms adopted, the Council will need to review its own relevant policies.
Financial:	There are no financial implications in this report.
Personnel:	N/A
Legal/Procurement:	N/A
Environmental:	N/A
Partnering:	N/A
Property:	N/A
Risk Management:	N/A
Community Safety:	N/A
Equalities:	This is a response to a Government-proposed policy. Equalities issues have been highlighted where applicable within the response.

Consultation Responses

Members:	
Leader of Council:	Accepted the report on the basis of my discussion with him.
Overview & Scrutiny Management Commission Chairman:	Said that issues appeared to be covered well. Welcomed the notes of caution which are made.
Select Committee Chairman:	Read the report and had no problem with this item
Ward Members:	N/A
Opposition Spokesperson:	<p>This is the Lib Dem Group's collective view.</p> <p>We are broadly in support of both what Government is setting out in "Local Decisions..." and what the Council proposes to say in response. However we would like certain points in the response strengthened and we fundamentally differ on one point.</p> <p>We believe the issue as whether a Local Housing Authority's statutory policy on tenancies 'trumps' the policies of social landlords operating in its area needs to be clarified. We agree totally with what you say in "7" but feel that something needs to also be said at "3" up-front.</p>

Perhaps we need to ask the Government to clarify whether the Authority's policy takes precedence over those of landlords and what sanctions, if any, the Housing Authority might have to impose its policy on landlords. We feel it is important, in terms of local democratic accountability, that elected members can say to their communities that the needs of those whom it has a duty to house are being reflected in the operations of those social landlords who provide housing to meet those needs. A policy that has no 'teeth' is worse than no policy.

Relating to this, it needs to be made clear that although Government may channel funds for new social housing direct to landlords it will not impose conditions that are contrary to Local Housing Authority policy when allocating such funds. It is for the Authority to decide what local needs are, whereas a landlord has to put its corporate needs - which might conflict with local needs - first.

On Qs 13 & 14, we agree that a 'two tier' system is undesirable and that existing tenants who move to new homes should not, in general, be treated more favourably in their tenancy terms than new tenants. However we believe that a rigid interpretation of this principle will have perverse consequences. Where a tenant is, for example, under-occupying their current home, by only offering a fixed term tenancy in a new, smaller home, there will be a tendency for the tenant to refuse to move if, by doing so, they also lose their lifetime security of tenure. We therefore strongly favour landlords and Local Housing Authorities being allowed to continue to offer lifetime social tenancies (perhaps even 'Affordable Rent' tenancies) in circumstances where it can be shown to help improve the efficiency of use of social housing stock (and hence reduce overcrowding of other properties). A tenant who applies to move to a smaller home (not a bigger one) in the same LA area should, if the Authority so wishes, be able to retain lifetime tenancy in that new home. This should be a once-only transitional concession, perhaps time-limited (i.e. the right to downsize while retaining lifetime tenancy rights) should be limited to, say, five years from the date at which the reforms come in.

Local Stakeholders: Colleagues from Registered Providers and Housing Support Providers were invited to a consultation event to inform the response.

Officers Consulted: June Graves, Head of Housing & Performance
Staff from Housing & Performance, CYP, Adult Social Care, Planning and Legal were invited to a consultation event to inform the response.

Trade Union: N/A

Is this item subject to call-in.	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
<p>If not subject to call-in please put a cross in the appropriate box:</p> <p>The item is due to be referred to Council for final approval <input type="checkbox"/></p> <p>Delays in implementation could have serious financial implications for the Council <input type="checkbox"/></p> <p>Delays in implementation could compromise the Council's position <input type="checkbox"/></p> <p>Considered or reviewed by OSC or associated Task Groups within preceding 6 months <input type="checkbox"/></p> <p>Item is Urgent Key Decision <input checked="" type="checkbox"/></p>		

Supporting Information

1. Background

1.1 In November 2010, the Government published 'Local decisions: a fairer future for social housing', setting out its intended reforms for social housing. The Government stated that this was a fundamental reform of social housing to:

~ make the system fairer, striking a proper balance between the needs of new and existing tenants

~ ensure that the support which social housing provides is focused on those that need it most for as long as they need it

~ give local authorities and housing associations new powers so that they can make best use of their housing, in a way which best meets the needs of individual households and their local area.

1.2 Some of the reforms proposed require a change in the law and the Government has indicated that it intends to use the Localism Bill to do this.

2. The Reforms

2.1 The reforms cover all aspects of social housing, from social housing finance, to regulation to tenure to allocations to homelessness. A brief summary of the key proposals is included below.

2.2 Tenancies

The Government intends to introduce a new fixed term Affordable Rent tenancy for new tenants. The new Affordable Rent tenancy will be introduced from April 2011 and landlords will be able to apply it to social rents as they become vacant, as well as to new built properties.

2.3 The fixed term period will be for a minimum of two years but with no maximum period so landlords can provide a length of tenancy that takes account of the needs of the households and local community. At the end of the fixed term period, landlords will be required to discuss options with their tenants and help tenants to move on to different accommodation, if this is appropriate.

2.4 The Government is not proposing to change lifetime tenancies for existing council and housing association tenants.

2.5 Succession

The Government intends to change the rules on succession so that, in the future, only the spouse or partner of the tenant will have an automatic right to succeed, so long as the tenant him/herself is not a successor. Landlords will have discretion to offer additional succession rights in the tenancy agreement if they choose.

2.6 Affordable Rents

The Government intends to introduce a new 'Affordable Rent' tenancy to be offered by housing associations to new tenants of social housing from April 2011. Offered on a fixed term basis, the rents will be higher than a social rent, with landlords able

to set rents anywhere between current social rent levels and up to 80 per cent of local market rents. This is linked to the proposal set out in 2.2 above.

2.7 Allocations

The Government intends to give local authorities greater flexibility to decide who qualifies to go on the housing waiting list by ending the requirement for local authorities to maintain an 'open' waiting list.

2.8 The rules which determine who should get priority for social housing will continue to be set by central Government through the statutory Reasonable Preference categories.

2.9 It is intended that transfers will be taken outside of the allocation framework, meaning that existing tenants who want, rather than need, to move will no longer compete with people on the waiting list. Local authorities will be able to develop their own policies for those transferring tenants. Social tenants who are in housing need will still go on the waiting list and will also continue to get priority.

2.10 Mobility

The Government intends to introduce a nationwide social home swap scheme so that all council and housing association tenants who wish to move have the best chance of finding a suitable match.

2.11 Homelessness

The Government intends to introduce provision that will allow local authorities to bring the homelessness duty (owed to people homeless through no fault of their own and in priority need) to an end with an offer of suitable private housing. At the moment, a local authority can only do this if the person agrees. The tenancy offered will have to be for at least 12 months and if the person becomes homeless again within two years through no fault of their own, the Council would have a duty to secure accommodation for them again.

2.12 Council housing finance

The proposals in respect of housing finance are related to the current Housing Revenue Account (HRA) arrangements, which the Government intend to replace with a self-financing arrangement that allows councils to keep all of the rent money that they raise and spend it locally on their services. West Berkshire Council does not have an HRA as it is a non-stock holding authority.

3. The Consultation Response

3.1 To formulate a response, two workshops were held, one for Members and one for relevant partners and staff, to consider each of the proposed reforms. The feedback from these workshops has been taken into account when formulating the response.

3.2 The consultation paper asks 30 questions about the proposals. The questions do not cover all aspects of the proposed reforms. The response has been prepared in accordance with these questions with some additional comments raised at the end. Responses must be submitted to CLG by 17th January 2011.

4. Recommendation

- 4.1 That the Portfolio Holder for Planning & Housing approve the attached response as the Council's formal submission to the consultation.

Appendices

Appendix A – 'Local Decisions: A fairer future for social housing consultation' -West Berkshire Council Response