

scrumptious ('skrʌmpʃəs) *adj.* *Inf.* very pleasing; delicious — 'scrumptiously *adv.*

scrumpy ('skrʌmpɪ) *n.* a rough dry cider, brewed esp. in the West Country of England.

scrunch (skrʌntʃ) *vb.* **1.** to crumple or crunch or to be crumpled or crunched. — *n.* **2.** the act or sound of scrunching.

scruple ('skrʊ:pəl) *n.* **1.** a doubt or hesitation as to what is morally right in a certain situation. **2.** *Arch.* a very small amount. **3.** a unit of weight equal to 20 grains (1.296 grams). — *vb.* **4.** (*obs.* when *tr.*) to have doubts (about), esp. from a moral compunction.

scrupulous ('skrʊ:pjʊləs) *adj.* **1.** characterized by careful observation of what is morally right. **2.** very careful or precise. — 'scrupulously *adv.* — 'scrupulousness *n.*

scrutinise or **-nize** ('skrʊ:tɪnaɪz) *vb.* (*tr.*) to examine carefully or in minute detail. — 'scruti.niser or -nizer *n.*

scrutiny ('skrʊ:tɪni) *n.* **1.** close or minute examination. **2.** a searching look. **3.** official examination of votes [from Latin *scrūtiniūm* and *scrūtārī* to search even to the rags, from *scrūta*, rags, trash.]

scuba ('skju:bə) *n.* an apparatus used in scindiving, consisting of a cylinder or cylinders containing compressed air attached to a breathing apparatus.

scud (skʌd) *vb.* **scudding, scudded.** (*intr.*) **1.** (esp. of clouds) to move along swiftly and smoothly. **2.** *Naut.* to run before a gale. — *n.* **3.** the act of scudding. **4.** **a.** a formation of low ragged clouds driven by a strong wind beneath rain-bearing clouds. **b.** a sudden shower or gust of wind.

scuff (skʌf) *vb.* **1.** to drag (the feet) while walking. **2.** to scratch (a surface) or (of a surface) to become scratched. **3.** (*tr.*) *U.S.* to poke at (something) with the foot. — *n.* **4.** the act or sound of scuffling. **5.** a rubbed place caused by scuffling. **6.** a backless slipper.

scuffle ('skʌfl) *vb.* (*intr.*) **1.** to fight in a disorderly manner. **2.** to move by shuffling. — *n.* **3.** a disorderly struggle; the sound made by scuffling.

scull (skʌl) *n.* **1.** a single oar moved from the stern of a boat to propel it. **2.** one of a pair of double-handed oars, both of which are pulled by the same person. **3.** a racing shell propelled by a single oar. **4.** an act, instance, period, or distance. **5.** to propel (a boat) with a scull. — 'sculler *n.*

scullery (skʌləri) *n., pl. -leries.* *Chiefly Brit.* a small part of a kitchen where kitchen utensils are kept.

scullion ('skʌljən) *n.* **1.** a mean or despicable person employed to work in a kitchen.

sculpt ('skʌlp) *vb.* **1.** variant of **sculpture**. **2.** to carve. — 'sculpture *n.* — also: **sculp.**

sculptress ('skʌlpɪs) *n.* (*fem.*) **sculptress** *n.* a woman who sculpts.

sculpture ('skʌlpʃə) *n.* **1.** the art of making a three-dimensional work of art by carving wood, stone, or metal. **2.** a work of art in this medium.

sculptural ('skʌlpʃərəl) *adj.* **1.** of or relating to sculpture. **2.** in the manner of sculpture.

by natural processes. — *vb.* (*mainly tr.*) **4.** (*also intr.*) to carve, cast, or fashion (stone, bronze etc) three-dimensionally. **5.** to portray (a person, etc.) by means of sculpture. **6.** to form in the manner of sculpture. **7.** to decorate with sculpture. — 'sculptural *adj.*

scumble ('skʌmbəl) *vb.* **1.** (in painting and drawing) to soften or blend (an outline or colour) with an upper coat of opaque colour, applied very thinly. **2.** to produce an effect of broken colour on doors, panelling, etc. by exposing coats of paint below the top coat. — *n.* **3.** the upper layer of colour applied in this way.

scunner ('skʌnə) *Dialect, chiefly Scot.* — *vb.* **1.** (*intr.*) to feel aversion. **2.** (*tr.*) to produce a feeling of aversion in. — *n.* **3.** a strong aversion (often in **take a scunner**). **4.** an object of dislike.

scupper¹ ('skʌpə) *n.* *Naut.* a drain or spout allowing water on the deck of a vessel to flow overboard.

scupper² ('skʌpə) *vb.* (*tr.*) *Brit. sl.* to overwhelm, ruin, or disable.

scurry ('skʌrɪ) *vb.* **-rying, -ried.** **1.** to move about hurriedly. **2.** (*intr.*) to whirl about. *n., pl. -ries.* **3.** the act or sound of scurrying. **4.** a brief light whirling movement, as of snow.

scut (skʌt) *n.* a small animal, esp. of animals such as the deer or rabbit.

scuttle ('skʌtl) *vb.* **1.** to move quickly. **2.** *Dialect chiefly Brit.* to move quickly, esp. of vegetables, etc. **3.** to move quickly, esp. of a ship, immediately behind the enemy.

scurry ('skʌrɪ) *vb.* **1.** to run or move quickly. **2.** to run or move quickly at a hurried pace or in a hurried manner. **3.** to cause to run or move quickly.

Housing Scrutiny Task Group — Final Report

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FOREWORD



It gives me great pleasure, on behalf of the Health, Housing and Adult Services Overview and Scrutiny Committee, to ask the Cabinet to accept this Housing Task Group Report.

This report was agreed unanimously by all Members of the Committee and was praised for its thoroughness and depth. It is a document that can hopefully be used as a template for further work in this area as its topic is just one of the pressing problems of our time.

The hours spent by the Members of the Committee and Overview and Scrutiny staff in questioning and discussing, not only a topical subject but one that deserves to be scrutinised as fully as this document demonstrate, is much welcomed.

The in-depth discussions with witnesses, from a wide variety of organisations, is testament to a job well done.

Councillor Sue Jones
Chairman of the Health, Housing and Adult Services Overview and Scrutiny Committee



INTRODUCTION



This task group on homelessness has been working throughout a time of profound economic challenges when benefits and housing issues have come to the forefront of the national consciousness as never before.

The group has therefore faced similar challenges in ensuring we sought evidence from appropriate people across the whole sector. Homelessness is not a single entity and we hope this report helps to clarify what it is, how it has been seen in the past, and how this may change in the future as well as addressing how changes may impact on Richmond residents and how we can help them.

Our topic fell into various categories within which we took evidence from a wide range of witnesses who could inform us about current issues and most important in this time of rapid change, how things might look in the future and how this will impact on the residents of Richmond.

The categories within which we took evidence included:

- The national impact of the Localism Bill
- Housing Benefit Reform
- Changes to local Housing Allocations Policy
- The Affordable Rent Model in Richmond upon Thames
- Local Housing Allowance Changes in Richmond Upon Thames
- The Homelessness Review in Richmond Upon Thames
- Funding and Delivery of Affordable Housing in Richmond Upon Thames
- The Supporting People Programme

Our witnesses included the Department of Work and Pensions (DWP), registered housing providers (RP's); our own officers in various departments including Supporting People who address the housing problems experienced by the most vulnerable in our communities such as those suffering from mental health problems.

We hope that the findings and recommendations of the Housing Task group will help Councillors and others to understand the dynamic changes taking place in the sector and in turn help to support those affected by those changes in Richmond Upon Thames.



I would like to thank all of the witnesses who came to give evidence to us here in Richmond, especially representatives from the Department of Work and Pensions and local registered housing providers.

Finally, a huge thank you to Christian Scade, Senior Scrutiny Officer, for all of his efforts to guide this task group and ultimately to produce a report on a complex issue at a time of great change.

Cllr Lisa Blakemore
Chairman of the Housing Scrutiny Task Group



TASK GROUP MEMBERSHIP

Cllr Lisa Blakemore (Chairman)

- Health, Housing and Adult Services OSC
- Education and Children's Services OSC

Cllr John Coombs

- Health, Housing and Adult Services OSC

Cllr Martin Elengorn

- Environment, Sustainability and Community OSC

Cllr Scott Naylor

- Environment, Sustainability and Community OSC

Mr Martyn Kingsford TD FRICS FCIH (Co-opted Member)

- Health, Housing and Adult Services OSC

Mr Keith Sangster (Co-opted Member)

- Health, Housing and Adult Services OSC



RECOMMENDATIONS

Number	Recommendation
1.	The task group support the principles of the Universal Credit. However, given the complexities of change, the Cabinet Member for Adult Services, Health and Housing should seek early notification, from the Department for Work and Pensions, to better understand their timetable for incremental change i.e. how will benefits be processed at a national level and how will these changes affect claimants in Richmond upon Thames?
2.	Given the significant changes to Housing Benefit / Local Housing Allowance it's recommended that a briefing session be held, within six months, for all Councillors to help improve understanding of national developments and what they mean locally for Richmond upon Thames so that Councillors can better support their constituents.
3.	The task group: <ul style="list-style-type: none"> (a) Recommends that the impacts of the LHA changes be monitored regularly by the Cabinet Member for Adult Services, Health and Housing. In addition, this information should be made available to Members of the Health, Housing and Adult Services Overview and Scrutiny Committee. (b) Recommends that the Council's Housing Services Team provide information on LHA changes to partner organisations so that front line services can sign-post households, affected by the changes, to appropriate advice and support, e.g. the Citizens Advice Bureau.
4.	The task group recommends that the Cabinet Member for Adult Services, Health and Housing monitors the development of the Pan-London Agreement on Inter-Borough Accommodation Placements. This will ensure the impacts of housing benefit changes, on the movement of households into and out of the borough, are better understood and enable services to respond appropriately.
5.	The task group are impressed by the cross directorate work that is taking place to deal with homelessness amongst young people (16/17 year olds). The task group recommends that this excellent work be promoted, amongst professionals, to highlight the importance of cross directorate working.
6.	In the development of the Homelessness Strategy 2012 – 2016, the task group recommends that the Cabinet Member for Adult Services, Health and Housing supports the following actions:



	<p>(a) That the Council work with colleges and schools in the borough to understand how raising the school leaving age, to 18 in 2013, will affect young people experiencing homelessness and allow colleges and schools to respond to potential changes.</p> <p>(b) Expand monitoring of homeless acceptances from 16/17 year olds to include greater information such as on overcrowding, tenure, school, results of mediation to understand and better develop preventative services.</p> <p>(c) Consider whether a greater focus on working with young people's services (in particular Adolescent Resource Team, Youth Offending Team and young people's mental health services) would be beneficial in targeting homelessness prevention upstream of application.</p> <p>(d) Look at the potential for working with registered providers to address youth homelessness from their sector via tenant profiling and casework. Solutions could include using their own nominations to prevent youth homelessness and addressing the links with overcrowding.</p> <p>(e) Increase provision of young peoples supported housing in conjunction with registered providers. The options, subject to sufficient resources, may include a crash pad / increased supporting housing.</p>
7.	<p>The task group recognise the need and the potential, to work sub-regionally, with other boroughs, to increase the availability of and to jointly source bed and breakfast and temporary accommodation to cater for any spike in homelessness during 2012.</p> <p>However, given the increase (from 2009) in numbers of homeless households in bed and breakfast accommodation the task group recommends:</p> <p>(a) That the Cabinet Member for Adult Services, Health and Housing treats the increased use of bed and breakfast as a priority;</p> <p>(b) That the Health, Housing and Adult Services Overview and Scrutiny Committee receives regular monitoring reports, in colour, covering: scale; cost; inter-borough arrangements / notifications; staffing issues. The report should contain a narrative explaining how the Executive view the bed and breakfast situation at the time of the report.</p>
8.	<p>In the development of the Housing Allocations Policy, the task group recommends that the Cabinet Member for Adult Services, Health and Housing supports the idea, where a household is not working, of giving some points, but not as many as those who work, to those making a community contribution.</p>



9.	In the development of the Housing Allocations Policy, the task group recommends that the Cabinet Member for Adult Services, Health and Housing gives consideration to: (a) a definition for community contribution that is based on a minimum of 18 hours per month for at least 6 months and (b) more points being given to some community activities, such as households who are already fostering.
10.	In the development of the Housing Allocations Policy, the task group recommends that the Cabinet Member for Adult Services, Health and Housing gives consideration to: (a) Households who owe money relating to a housing debt, to either the council or a registered provider, being suspended from the housing register, whether this be when they first register or at the point a household is due to be made an offer; (b) Housing debt incurred by households living in the private sector.
11.	In recognition of the Military Covenant, the task group supports the policy to provide a housing quota for ex members of the armed services who are currently being discharged and who have a local connection with the borough. To ensure clarity it is recommended the "Quota for ex armed forces" is clearly defined in the final version of the Housing Allocations Policy.
12.	In addition to consultation undertaken by the planning authority, the task group believe there is a need for the Council to engage with the local community to explain why affordable housing is required, the benefits of such schemes and how the proposals can help address issues highlighted in the All in One / Village Plan process.
13.	When choosing registered providers to work with on sites that emerge in the borough, the Council should seek a robust assurance from each registered provider that they have both the financial capacity and ready access to funding to enable a swift response to opportunities that are presented.
14.	<p>The task group recognise that the delivery of new build housing is not sufficient to meet housing need on its own. In the development of the Homelessness Strategy 2012 – 2016, the Cabinet Member for Adult Services, Health and Housing is recommended to give consideration to:</p> <p>(a) The Council working with registered providers and other public land holders to identify, and map, land and assets to develop affordable housing for the most vulnerable, amongst others.</p> <p>(b) The following options, which could be funded by the Housing Capital Programme, be considered, to help make the best use of existing assets (stock and land) and maximise the benefit of each scheme though chain lettings:</p> <ul style="list-style-type: none"> • Extensions to existing rented properties. This can assist those living in overcrowded accommodation or extend



	<p>homes as they become void.</p> <ul style="list-style-type: none"> • Encourage residents to buy on the open market, targeting those who would be vacating social rented homes. • Encourage under-occupiers to move to smaller accommodation, potentially through an extended Sponsored Moves scheme or new developments tailored to meet the needs of downsizers. • Ensure developers have a registered provider identified as soon as sites come in for planning – this will be in line with forthcoming GLA guidance. • Identification of ‘hidden homes’ on larger developments – e.g. unused areas such as an old communal laundry.
15.	That the Health, Housing and Adult Services Overview and Scrutiny Committee identify procurement activity relating to the Supporting People Programme as a priority, in the development of their work programme, to ensure appropriate timescales, for member led scrutiny, are built into the procurement process.
16.	In the development of the Homelessness Strategy 2012 – 2016, the task group recommends that where ever possible, operationally relevant information is collected and shared in order to support partnership agencies to deal with cross cutting issues associated with homelessness.
17.	That the Health, Housing and Adult Services Overview and Scrutiny Committee reviews the progress of the task group’s recommendations six months after the “Executive Response” is considered by Cabinet. In view of the valuable evidence collected from Richmond Housing Partnership, L&Q Housing Trust, Richmond upon Thames Churches Housing Trust and Thames Valley Housing it is suggested that representatives from local housing associations be invited to take part in such a meeting.



PART I – ROLE AND FUNCTION OF THE TASK GROUP

Background to the Task Group

1. In September 2010 the Health, Housing and Adult Services Overview and Scrutiny Committee agreed that housing issues should be encouraged in the development of their work programme. Following an initial scoping session, the task group was set up by Committee on 11 November, 2010. However, given the cross cutting nature of the review, Members from other Committees were also appointed¹.
2. At its initial meeting the task group agreed, given various developments at a national level, including Housing Benefit reform, that an investigation focusing on national policy changes and how these could affect the statutory homeless and vulnerable households in Richmond upon Thames, would be beneficial and timely.
3. The following terms of reference were established, and agreed by the “parent” Overview and Scrutiny Committee:
 - (a) The task group should act as a “critical friend” in the development of policies to prevent and reduce homelessness, making comments on reports (i.e. the new Homelessness Strategy and Housing Allocations Policy) before decisions are made by Cabinet.
 - (b) Given the significant developments at a national level, the task group should look at how these changes could affect the statutory homeless and vulnerable households in Richmond upon Thames, with particular focus on the following:
 - Residents who may be newly at risk of becoming homeless;
 - To make recommendations to local housing associations to ensure best use of stock;
 - To investigate how changes to housing policy will affect health and social care in the borough;
 - To look at ways to prevent homelessness – including services

¹ See *Task Group Membership* for details



currently available for the 16 – 17 age group and how these services might change in the future;

- To make recommendations, in relation to homelessness, to assist in the development of the Council's Tenancy Strategy.
4. Many things have changed in the period from setting up the task group and reporting back. Particularly significant are the measures outlined in the Welfare Reform Bill 2011, which include changes to the structure of housing benefit. Changes, such as these, are outlined in the report.

Methodology

5. In order to address their terms of reference, respond to national policy changes and assist with the development of the Council's new Homelessness Strategy and Housing Allocations Policy, the task group agreed to gather information from a variety of stakeholders. However, given the rapid pace of change the task group had to collect its evidence and work in different ways. For example, making comments on update reports, provided by officers, has helped the task group to contribute to policy development throughout the review. These comments, suggestions and recommendations have been used by officers and the Cabinet Member for Adult Services, Health and Housing to develop two of the papers² which will be discussed by the Health, Housing and Adult Services OSC on 22 November 2011.
6. The aim of this report is to summarise the task group's findings. However, the report should be read in conjunction with the other papers (noted above) as they provide the background detail considered by the task group during their investigation.
7. To help with their enquiry the following witnesses were interviewed (in order of their appearance before the group):
- Brian Castle, AD, Community Services Operations
 - Nicky Simpson, Policy and Planning Manager, Housing and Well Being
 - Robin Oliver, Housing Development Manager
 - Philip Wealthy, Head of Planning Policy and Design
 - Joanne Capper, Environment Policy and Plans Co-ordinator

² (1) Housing Allocations Policy and (2) Homelessness Review 2011



- Ken Emerson, Head of Housing Operations
 - Kieran Travers, Principal Manager, Safeguarding Children and Family Support
 - Paul Howarth, Local Housing Allowance, Department for Work and Pensions
 - David Done, Chief Executive of Richmond Housing Partnership
 - Grahame Freeland-Bright, Head of Service Development and Commissioning, Adult and Community Services
 - Tom Bremner, Neighbourhood Director, West Neighbourhood, L&Q Housing Trust
 - Gavin Rodgers, Assistant Director, South Neighbourhood, L&Q Housing Trust
 - Ian Watts, Managing Director, Richmond upon Thames Churches Housing Trust
8. In addition, the task group carried out their own research by attending a scrutiny meeting at the London Borough of Hounslow, which considered how changes to Local Housing Allowance and Housing Benefit would affect households in Hounslow. The Chairman attended a Centre for Public Policy seminar on “*Preventing and Reducing Homelessness: Taking forward policies of the new coalition government*”. Written evidence was received from Thames Valley Housing and members were given a guided tour of the new Richmond Housing Partnership offices in Teddington.
9. By interviewing different witnesses, both from Richmond upon Thames and further afield, the task group has learnt about a range of cross cutting housing issues. **Appendix 1** gives a summary of the issues discussed at each meeting.



PART II – FINDINGS

NATIONAL CHANGES AND INITIATIVES

10. The task group's findings need to be contextualised within a wider national context. Factors include the national economic situation with budget pressures facing local authorities and stakeholder organisations, a national increase in homelessness with the 2nd quarter in 2011 showing a 17% increase in acceptance compared to the same quarter in 2010. There has also been an increase in acceptances nationally from the private rented sector at 18% compared to 14% in the same period in 2010.
11. In addition, there is a new national policy context for housing, outlined in the Localism Bill and the Welfare Reform Bill, both currently going through parliament.

Localism Bill 2010

12. The Localism “Bill introduces major reforms to homelessness, allocations and tenancies. These changes, which were set out in the recent policy paper, *Local decisions: a fairer future for social housing*, will change the face of social housing and have already sparked fierce debate in the sector³”.
13. The reforms proposed are wide-ranging and will affect the way social housing is allocated in the future.
14. **Reforming social housing tenure – introducing flexible tenancies**
 - The government will legislate to create a new type of tenancy which local authorities can offer to some or all new tenants rather than the secure lifetime tenancy
 - This tenancy will be flexible allowing landlords to provide tenancies with a range of fixed periods
 - The government initially proposed that the minimum fixed term for social landlord flexible tenancies should be two years. However, they

³ Quote from http://www.hqnetwork.org.uk/scripts/get_normal?file=7135



subsequently extended this to five years with shorter tenancies only agreed in exceptional circumstances.

- The government will provide increased freedoms to all social landlords on tenancies they can grant through a new tenancy standard on which views are being sought
- Housing associations will have the option to offer a fixed term tenancy at either an affordable rent or at a social rent, depending on the local needs and circumstances
- There is an expectation that advice and assistance will be provided for tenants moving out of social housing at the end of a fixed term, to help them find suitable alternative accommodation
- There is a recognition that social housing will always be the best tenure option for some groups, particularly for older people and those with a long term illness or disability
- Landlords will have a policy on the reissue of flexible tenancies
- Landlords must serve a notice six months before the end of the tenancy
- The rights of existing secure and assured tenants will not change
- Local authorities will have a duty to publish a strategic policy on tenancies
- The government will however prescribe who local authorities should consult in preparing the policy (tenants, local voluntary and community organisations)
- All social landlords will be required to publish and follow a policy on tenure, which meets the requirements of the tenancy standard and the local tenancy strategy

15. **Introducing Affordable rents up to 80% of market rents**

- Housing associations will be able to charge higher rents – up to 80% of market rent – as announced in the Spending Review
- The affordable rents will be offered on a proportion of providers' empty properties from April 2011, and on new stock
- They will be offered on a fixed term of at least two years with appropriate safeguards around termination



- Affordable Rent homes will be eligible for Housing Benefit
- Local authorities will be able to discharge their homelessness function through the new tenancy

16. Investing in reducing empty homes

- The government's intention is to invest £100m to bring empty homes into use as affordable housing and possibly empty homes being part of the New Homes Bonus incentive scheme.

17. Reforming the allocations system

- Local authorities will have the powers to manage their waiting lists and determine which categories of applicants should qualify to join the list
- However the government will continue to determine which groups have priority through the statutory reasonable preference requirements
- The government will also set centrally the rules to define which persons from abroad are eligible for social housing

18. Introducing a national social housing swap scheme

- A nationwide social home swap programme for social tenants will be introduced and data sharing between providers put on a statutory basis.

19. Reforming homelessness assistance provision

- Local authorities will be able to fully discharge the homelessness duty in the private rented sector, by arranging an offer of suitable accommodation without requiring the applicant's agreement
- There will be no change in the homelessness priority need groups
- The government will legislate to require private rented tenancies to be an assured short hold tenancy for a minimum fixed term of 12 months
- A safeguard will be put in place for the homelessness duty to recur for applicants that become homeless again within a period of two years through no fault of his or her after their main homelessness duty had been ended with an offer of accommodation in the private sector

20. Overcrowding: The government is seeking views on reforms needed to tackle overcrowding.



21. **Reforming social housing regulation**

- Confirmation of the overhaul of regulation, including a new 'power of scrutiny' for tenants. Landlords will be expected to support tenant panels 'or equivalent bodies' to monitor their performance in the wake of the abolition of the Tenant Services Authority

Housing Benefit Reform

22. In addition to the changes outlined above, the government's ongoing reform of the welfare system (outlined in the Welfare Reform Bill 2011) will have a major impact on people using support and homelessness services and consequently on the organisations providing them. The task group were particularly keen to understand the significant changes to housing benefit and Local Housing Allowance (LHA) and invited Paul Howarth, Local Housing Allowance Reform Division, Department for Work and Pensions, to their 2 August 2011 meeting.
23. Mr Howarth provided the task group with this information and explained the overall context for welfare reform.

24. **Overall context for welfare reform:**

- Commitment to reduce the budget deficit
- Growing expenditure on benefits
- Principle of fairness
- Work incentives and support into work
- Ending benefit dependency
- Radical reform of benefits and tax credits
- Decentralisation and new delivery models

25. The Government announced a number of changes to the Local Housing Allowance in the Emergency Budget on 22 June 2010:

- **From April 2011:**

- the five bedroom Local Housing Allowance rate will be removed so that the maximum level is for a four bedroom property.
- absolute caps will be introduced so that Local Housing Allowance rates cannot exceed:
 - £250 for a one bedroom property,



- £290 for a two bedroom property,
- £340 for a three bedroom property,
- £400 for a four bedroom property.

26. In addition, the £15 weekly excess that some customers can receive under the Local Housing Allowance arrangements will be removed.

- **From October 2011:**

- LHA rates will be set at the 30th percentile of rents in each Broad Rental Market Area rather than the median.

27. The Coalition Government has also announced that it will triple its contribution to local authorities' funding for Discretionary Housing Payments. This is currently £20 million a year, and will increase to £30 million in 2011/12 and then to £60 million a year from 2012/13. In discussion with local authorities, the government intends to target these resources to give extra support to areas where the impacts are greatest. The DWP website⁴ notes that this will give authorities more flexibility to provide additional support where it is most needed. For example, this could provide either a transitional safety net for customers who need to find alternative accommodation or longer term support for customers who are less able to move.

28. The Government also announced the inclusion of an additional bedroom within the size criteria used to assess Housing Benefit claims in the private rented sector where a disabled person or someone with a long term health condition has a proven need for overnight care and this is provided by a non-resident carer(s).

29. **Reasons for the changes:** The DWP website⁵ states that the measures announced will provide a fairer and more sustainable Housing Benefit scheme by taking steps to ensure that people on benefit are not living in accommodation that would be out of the reach of most people in work, creating a fairer system for low-income working families and for the taxpayer. It will avoid the present situation where Housing Benefit recipients are able to live in very expensive properties in areas that most working people supporting themselves would have no prospect of being able to afford.

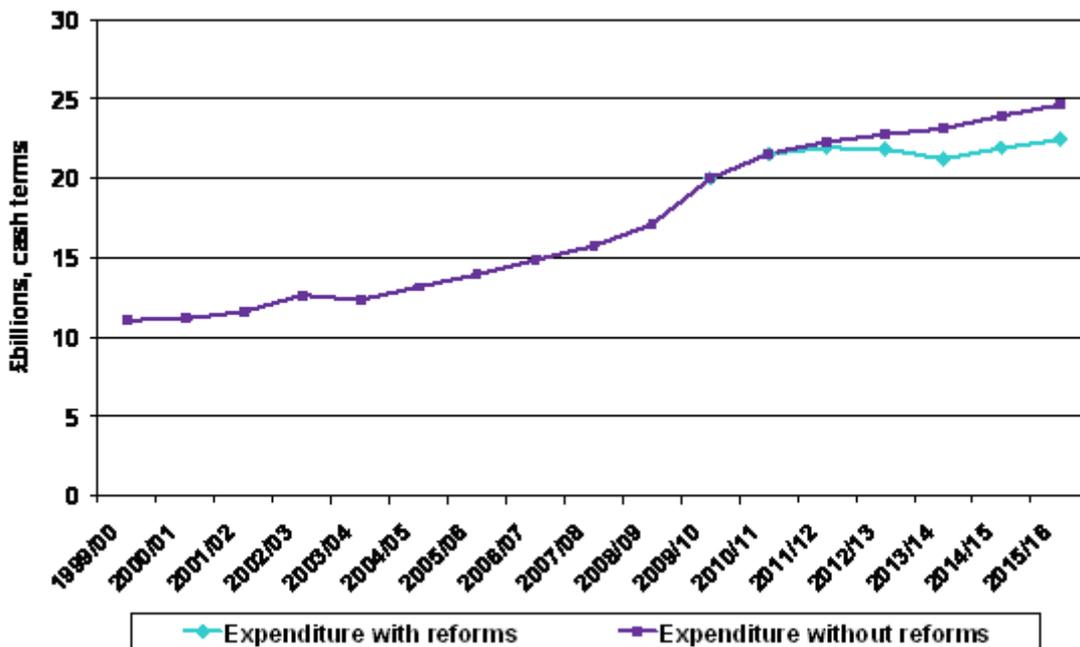
⁴ <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/claims-processing/local-housing-allowance/impact-of-changes.shtml>

⁵ <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/claims-processing/local-housing-allowance/impact-of-changes.shtml>



30. Housing Benefit expenditure has ballooned in the past 10 years, from £11 billion in 1999/2000 to £20 billion in 2009/10, in cash terms. Within this total, expenditure on working age recipients has increased from £7 billion to over £14 billion. Without reform, total expenditure is forecast to reach £25 billion by 2015/16, a further rise of 24 per cent. This is unsustainable in any economic climate, but the need to tackle the record deficit makes reform even more pressing.
31. The Government is clear that the overall cost of Housing Benefit must be controlled and constrained. The package of measures being introduced for the Local Housing Allowance in 2011/12, including the removal of the £15 excess planned by the previous administration, will achieve savings of around £1 billion by 2015/16. The other changes to Housing Benefit announced in the June Budget are estimated to save a further £1.1 billion in 2015/16. Overall, this represents a reduction of nine per cent in the total 2015/16 expenditure on Housing Benefit.

Housing Benefit expenditure, with and without reforms, in cash terms



32. The impact of these changes will affect tenants, social and private landlords, and strategic housing authorities across the UK. A timetable for change/implementation is outlined below⁶.

⁶Source:

http://england.shelter.org.uk/_data/assets/pdf_file/0003/361245/Timetable_for_proposed_housing_benefit_changes_2011-2014.pdf



Shelter

Housing benefit changes – timetable for implementation

NB: This information is accurate as of 16th June 2011 but is subject to change

DATE	REFORM	MECHANISM
From April 2011	<u>For new claimants</u> - the separate local housing allowance (LHA) rate for five bedroom homes will be abolished so that the maximum rate that can be claimed will be for four bedroom homes.	Secondary legislation (passed)
From April 2011	<u>For new claimants</u> - Claimants will no longer be able to claim a £15 weekly excess if their rent is lower than the amount of LHA they receive.	Secondary legislation (passed)
From April 2011	<u>For new claimants</u> - The percentile of market rents used to calculate Local Housing Allowance (LHA) rates will be reduced from the median to the 30 th percentile of local rents.	Secondary legislation (passed)
From April 2011	<u>For new claimants</u> - The maximum LHA payable for each property size will be capped (so that LHA weekly rates cannot exceed £250 for a one bedroom property; £290 for a two bedroom property; £340 for a three bedroom property; and £400 for a four bedroom property).	Secondary legislation (passed)
From April 2011	<u>For existing claimants</u> – existing claimants will be affected by the above changes up to nine months after the date of the anniversary of their claim. ⁱ	Secondary legislation (passed)
From April 2011	An additional bedroom will be included within the size criteria used to assess housing benefit claims in the private rented sector where a disabled person or someone with a long term health condition has a proven need for overnight care.	Secondary legislation (passed)
From April 2011	Non-dependent deductions will be increased in stages over three years.	Via the annual up-rating (no legislation required).



From January 2012	The age threshold for claiming the Single Room Rate (SRR) will be increased from 25 to 35.	Secondary legislation (due to be laid in Parliament in summer 2011).
From 2012-13	Discretionary housing payments (DHP) will be increased from £10 million in 2011-12 to £40 million a year.	No legislation required.
From April 2013	HB will be restricted for working age claimants in the social rented sector who are occupying a larger property than their household size warrants. This is likely to apply to claimants with at least one spare bedroom.	Welfare Reform Bill (currently going through Parliament)
From April 2013	The maximum amount of benefits an out of work household can claim will be capped at approximately £500 per week (£26k per annum) for couples and lone parents and £350 per week for singles.	Welfare Reform Bill (currently going through Parliament)
From 2013	Introduction of the Universal Credit which will incorporate housing benefit for claimants in both the private and social rented sectors.	Welfare Reform Bill (currently going through Parliament)
From 2013/14	LHA rates will be up-rated by the Consumer Price Index (CPI) rather than in reference to local rents.	Welfare Reform Bill (currently going through Parliament)

ⁱ Existing claimants will be affected earlier if they move or their household size changes. In these circumstances, only claimants who have their claim assessed before their anniversary date because they become eligible for a larger property will receive nine months transitional protection.

Claimants will not receive the full nine months transitional protection if they move or become eligible for a smaller property under the bedroom calculation during the nine months. Therefore some existing claimants may be affected well before January 2012.

Existing claimants will not receive nine months transitional protection from the loss of the £15 excess; they will lose the excess from the anniversary of their claim.

33. The task group acknowledge the session with Paul Howarth, Local Housing Allowance Reform Division, Department for Work and Pensions, was extremely beneficial. Not only did it provide an overall context for welfare reform but it gave an insight to the measures being introduced and the reasons why. The move towards Universal Credit and the implications for Housing Benefit delivery was of particular interest and the recommendation below reflects this.
34. The task group spoke to a number of witnesses concerning the likelihood of payment of housing costs for social sector tenants being made to the tenant instead of the landlord (except in cases of vulnerability) when the Universal Credit is introduced. The Government gave its assurance in the Welfare Reform White



Paper that the facility to make payments to landlords will still be available at the point when Universal Credit is introduced. However, DWP officials gave the task group a very clear indication that in the medium to long-term landlord payment will be the exception rather than the norm.

35. The task group also learnt that the Department for Work and Pensions has commissioned a research consortium comprising the Centre for Regional Social and Economic Research at Sheffield Hallam University, the Institute of Fiscal Studies, the Institute of Social Policy at the University of Oxford and Ipsos MORI to undertake a programme of independent primary research on the impact of recent changes to Housing Benefit across Great Britain.
36. Local authorities, especially in London, will be affected by changes to national homelessness policy, the model of delivery and rents for affordable housing. The social effects of these changes will be driven by a complex mix of factors over a period of time. The task group believe that the LHA review is valuable, and that DWP modelling work with the benefit of expert analysis of the national picture is also very interesting.
37. Following the task group meeting with Mr Howarth, council officers made contact with representatives from DWP and explained that they were very keen to help DWP with their modelling, based on joint service planning and networks with other boroughs and London Councils, so that Government has the best chance of avoiding problems. Members of the task group view this as not so much Government seeing a snapshot of life of the effects of LHA cuts in a corner of South West London, but as central Government seeing how London boroughs are likely to react to the combination of national changes, LHA cuts just being one major one. The task group hope that it's possible for the London Borough of Richmond upon Thames to contribute to policy making in this area of welfare reform.
38. Following the task group's meeting with Mr Howarth the Task Group Chairman wrote a letter to Lord Freud, Minister for Welfare Reform, to thank the Department for Work and Pensions for taking part in the investigation.

Recommendation 1:

The task group support the principles of the Universal Credit. However, given the complexities of change, the Cabinet Member for Adult Services, Health and Housing



should seek early notification, from the Department for Work and Pensions, to better understand their timetable for incremental change i.e. how will benefits be processed at a national level and how will these changes affect claimants in Richmond upon Thames?

WHAT DOES THIS MEAN FOR RICHMOND UPON THAMES?

39. Central Government has therefore announced (and started to implement) significant policy changes that could affect the statutory homeless and vulnerable households in Richmond upon Thames. The authority will need to be aware of the impact of these proposals and ensure preparations are made both in terms of publication of impacts of the new legislation and providing appropriate support.
40. In order to understand what the changes mean for Richmond upon Thames the task group, at its first meeting, considered the 11 November 2010 Health, Housing and Adult Services Overview and Scrutiny Committee report – “*Housing Update*”. This gives an overview of housing in the borough, including key facts and figures, the issues and challenges facing the borough and where known, how the emerging government policy in relation to housing will impact locally. Members requiring further information should refer to this report in addition to the 22 November 2011 Committee Report entitled “*Homelessness Review 2011*”.
41. The Homelessness Review 2011 provides Members with an update on the developing evidence base on homelessness in the borough and provides background detail to this section of the report.

LHA Changes in Richmond upon Thames

42. In a challenging economic climate, with an increased risk of unemployment, more people are becoming dependent on Housing Benefit or Local Housing Allowance. There are more Housing Benefit recipients in every local authority in April 2010 compared to the previous year⁷.
43. The task group anticipate that a reduction in LHA will push more households into rent arrears, initially leading to a higher demand for housing and debt advice services and potentially triggering eviction and homelessness. These effects are likely to be phased as the changes will come into effect on a rolling basis on the

⁷ http://www.sheltercymru.org.uk/images/pdf/HB_briefing_final_Feb2011.pdf



anniversary of people's initial claims for housing benefit. The task group also anticipate increased pressure on many households to move into overcrowded and/or sub-standard accommodation. Alternatively it may force households to move to cheaper areas outside the borough.

Table: Shortfalls due to LHA rates at April 2011

	Total no. of claimants at 29/11/2010	No. with rent above Apr 2011 LHA rate (based on Nov 2010 rates)	Value of shortfall			
			>£0 - £20	>£20 - £50	>£50 - £100	>£100
Room	266	215	83	89	26	17
1 bed	634	468	149	199	83	37
2 bed	743	439	173	180	73	13
3 bed	212	142	32	57	37	16
4 bed	54	34	6	13	6	9
5 bed	11	10	2	2	2	4
Total	1920	1308	445	540	227	96

44. The table below shows the number of households facing a shortfall, as a result of the April 2011 changes, and the 3 month period in which they will be affected (the dates in brackets take into account the 9 months transitional protection afforded existing customers).

Table: Timescale of impact

LHA anniversary date of those with a shortfall			
Apr-Jun 2011 (Jan-Mar 2012)	Jul-Sep 2011 (Apr-Jun 2012)	Oct-Dec 2011 (Jul-Sep 2012)	Jan-Mar 2012 (Oct-Dec 2012)
334	410	288	276

45. A recent London Councils survey found 60% of private landlords would not be prepared to reduce rents to the 30th percentile levels and would take steps to encourage tenants to leave/serve notice. This would rise to 90% of landlords if the shortfall was £20 per week or more.
46. Faced with LHA cuts, households will need to negotiate a lower rent or meet the shortfall from their income. They could seek help from families and friends; move to more affordable accommodation; or apply for a Discretionary Housing Payment for a temporary period.
47. The cost of temporary accommodation is also likely to increase. This is because temporary accommodation has been procured at below market levels. With



reductions to the LHA this will no longer be viable. There is likely to be an increased demand for temporary accommodation from accepted homeless households.

48. The task group recognise the impact of LHA changes are significant and are pleased further modelling work is being carried out. This additional analysis will provide greater understanding of who is affected, including whether LHA applicants are from vulnerable households. This work will help inform service responses.

Recommendation 2:

Given the significant changes to Housing Benefit / Local Housing Allowance it's recommended that a briefing session be held, within six months, for all Councillors to help improve understanding of national developments and what they mean locally for Richmond upon Thames so that Councillors can better support their constituents.

Recommendation 3:

The task group:

- (c) Recommends that the impacts of the LHA changes be monitored regularly by the Cabinet Member for Adult Services, Health and Housing. In addition, this information should be made available to Members of the Health, Housing and Adult Services Overview and Scrutiny Committee.
- (d) Recommends that the Council's Housing Services Team provide information on LHA changes to partner organisations so that front line services can sign-post households, affected by the changes, to appropriate advice and support, e.g. the Citizens Advice Bureau.

49. The task group had discussions about the impact of LHA changes and concerns over wide scale movement of low income households out of central London. These households could be moving of their own volition in response to the changes or moving into temporary accommodation that other local authorities have rented from private landlords in other boroughs. The task group understand that there might be similar movement out of Richmond to cheaper areas.
50. Movement into Richmond is most likely to be from 'in-work' households who are moving from central London and can top up LHA levels with their own income. A key risk would come if their income was reduced for any reason and they fell into rent arrears, especially if this occurred after six months of local residence (the test for local connection under homelessness legislation). Migration could also come from other central London boroughs using the private rented sector in



Richmond as temporary accommodation although they may 'leapfrog' Richmond for cheaper boroughs or the South East. There may also be migration from households where a number of adults club together to pay the rent, possibly in overcrowded conditions.

51. Increased pressure on housing services has prompted a reconsideration of accommodation placements made by councils across borough boundaries. In March 2011 the London Councils Leaders' meeting voted to adopt a Pan-London Agreement on Inter-Borough Accommodation Placements.

52. The Agreement has four core principles:

- **Not to 'out-bid'** - all boroughs agree not to offer a landlord or supplier more than the host borough offers for a property in its area.
- **Presumption to inform** - all boroughs placing a household in another borough will inform the host borough of the placement.
- **Safeguard vulnerable households** - boroughs will avoid placing the most vulnerable households in other boroughs.
- **Host borough - first choice** - RSLs procuring temporary accommodation will offer these properties to the host borough in the first instance

53. Leaders also asked that London Councils and boroughs themselves develop further some of the detail of the agreement including:

- The definition of 'vulnerability'. Suggestions were that this should also include statemented special educational needs children, children with disabilities and vulnerable adults.
- Accreditation of properties (how best to ensure that procured properties are of an acceptable standard. This may link into work the GLA has begun looking at landlord accreditation.)
- Length of responsibility that a borough continues to have to a household once it has been placed in another borough.
- Information on pricing (information has already been collected from each borough but boroughs may wish to develop the detail of this further).

54. It should be noted that in the past agreements such as boroughs not paying over certain rates for bed and breakfast were often ignored by some boroughs. In a crisis, officers have legal duties to house the homeless families in their reception areas, whereas the cross-borough agreements are more gentlemen's



agreements. Nevertheless, the task group recognise this agreement as a positive development.

Recommendation 4:

The task group recommends that the Cabinet Member for Adult Services, Health and Housing monitors the development of the Pan-London Agreement on Inter-Borough Accommodation Placements. This will ensure the impacts of housing benefit changes, on the movement of households into and out of the borough, are better understood and enable services to respond appropriately.

Homelessness Review

55. Carrying out a Homelessness Review is a statutory requirement under the Homelessness Act 2002 as pre-requisite for developing the new Homelessness Strategy 2012-2016. The review is an evidence base on which to base the Homelessness Strategy priorities.
56. Feedback from the task group has been used by officers and the Cabinet Member for Adult Services, Health and Housing to develop the report which will be discussed by the Health, Housing and Adult Services OSC on 22 November 2011. The recommendations below should be read in conjunction with this report, which provides further information on areas, highlighted by the task group as a priority, such as bed and breakfast and temporary accommodation and homelessness amongst vulnerable groups including young people (16/17 year olds).
57. In addition to the information outlined in the Homelessness Review 2011 (above) the task group acknowledge the importance of the joint Housing / Specialist Children's Services protocol, developed as a result of the Southwark Judgement⁸. Members of the task group have been impressed by the cross directorate work taking place to deal with homelessness amongst young people (16/17 year olds).

⁸ The Southwark Judgement (May 2009) challenges local authorities to consider the wider needs of vulnerable young people between the ages of 16 and 18 who present as homeless and to deal with the issue in a corporate manner rather than through individual agencies.



Recommendation 5:

The task group are impressed by the cross directorate work that is taking place to deal with homelessness amongst young people (16/17 year olds). The task group recommends that this excellent work be promoted, amongst professionals, to highlight the importance of cross directorate working.

Recommendation 6:

In the development of the Homelessness Strategy 2012 – 2016, the task group recommends that the Cabinet Member for Adult Services, Health and Housing supports the following actions:

- (a) That the Council work with colleges and schools in the borough to understand how raising the school leaving age, to 18 in 2013, will affect young people experiencing homelessness and allow colleges and schools to respond to potential changes.
- (b) Expand monitoring of homeless acceptances from 16/17 year olds to include greater information such as on overcrowding, tenure, school, results of mediation to understand and better develop preventative services.
- (c) Consider whether a greater focus on working with young people's services (in particular Adolescent Resource Team, Youth Offending Team and young people's mental health services) would be beneficial in targeting homelessness prevention upstream of application.
- (d) Look at the potential for working with registered providers to address youth homelessness from their sector via tenant profiling and casework. Solutions could include using their own nominations to prevent youth homelessness and addressing the links with overcrowding.
- (e) Increase provision of young peoples supported housing in conjunction with registered providers. The options, subject to sufficient resources, may include a crash pad / increased supporting housing.

Recommendation 7:

The task group recognise the need and the potential, to work sub-regionally, with other boroughs, to increase the availability of and to jointly source bed and breakfast and temporary accommodation to cater for any spike in homelessness during 2012.

However, given the increase (from 2009) in numbers of homeless households in bed and breakfast accommodation the task group recommends:

- (c) That the Cabinet Member for Adult Services, Health and Housing treats the increased use of bed and breakfast as a priority;
- (d) That the Health, Housing and Adult Services Overview and Scrutiny Committee receives regular monitoring reports, in colour, covering: scale; cost; inter-borough



arrangements / notifications; staffing issues. The report should contain a narrative explaining how the Executive view the bed and breakfast situation at the time of the report.

Changes to the Housing Allocations Policy

58. In response to the changes outlined in this report and in order to utilise freedoms outlined by Government, a new Housing Allocations Policy will be introduced by Council and implemented in April 2012. The task group has been consulted on the changes and are pleased local changes will be made to ensure social housing does not represent a deterrent to work.
59. Feedback from the task group has been used by officers and the Cabinet Member for Adult Services, Health and Housing to develop the draft Housing Allocations Policy which will be discussed by the Health, Housing and Adult Services OSC on 22 November 2011. The recommendations below should be read in conjunction with this paper.

Recommendation 8:

In the development of the Housing Allocations Policy, the task group recommends that the Cabinet Member for Adult Services, Health and Housing supports the idea, where a household is not working, of giving some points, but not as many as those who work, to those making a community contribution.

Recommendation 9:

In the development of the Housing Allocations Policy, the task group recommends that the Cabinet Member for Adult Services, Health and Housing gives consideration to: (a) a definition for community contribution that is based on a minimum of 18 hours per month for at least 6 months and (b) more points being given to some community activities, such as households who are already fostering.

Recommendation 10:

In the development of the Housing Allocations Policy, the task group recommends that the Cabinet Member for Adult Services, Health and Housing gives consideration to:

- (a) Households who owe money relating to a housing debt, to either the council or a registered provider, being suspended from the housing register, whether this be when they first register or at the point a household is due to be made an offer;
- (b) Housing debt incurred by households living in the private sector.

Recommendation 11:

In recognition of the Military Covenant, the task group supports the policy to provide



a housing quota for ex members of the armed services who are currently being discharged and who have a local connection with the borough. To ensure clarity it is recommended the “Quota for ex armed forces” is clearly defined in the final version of the Housing Allocations Policy.

Affordable Rent Model in Richmond upon Thames

60. Against a backdrop of shortages in public finance the Homes and Communities Agency (HCA) has developed a model to fund the supply of new affordable based on 10% grant, 90% of other funding, compared to the current 50/50 balance. To fund new developments, registered providers will be able to charge rents of up to 80% of the local market rent. Unsurprisingly, it is difficult to make it work in the same way as the current model. Some issues that have arisen are:

- Local authorities will be requested to develop a Strategic Tenancy Policy which registered providers will have to ‘*pay due regard to*’. Registered providers were asked to submit bids in May 2011 for a four year programme⁹, this is in advance of the timeframe for boroughs to develop their Strategic Tenancy Policy. In London because the HCA is moving to the GLA, contracts entered into will be novated to the new body after April 2012. The affordable rents model could affect 4% of RSL stock in the first year, April 2011 – April 2012. The effect after 5 years could be up to a maximum of 22% of their stock in the borough being let at 80% market rents.
- To operate the 80% market rent model, (the ‘Affordable rent model’), registered providers will need to sign an agreement with the HCA that demonstrates how the money raised will be used to generate new supply, and they will be able to use a mix of re-lets and new properties to raise the money. The HCA will not require the registered providers to deliver new supply in the areas where the income from the investment was raised, although money raised in a London Borough is expected to remain in London.
- Richmond Housing Partnership is not a development partner of the HCA and so cannot claim grant funding in its own right; however, it intends to work in partnership with Thames Valley Housing Association as an Investment Partner under the new arrangements.

61. **Affordability in Richmond:** An average RSL rent in Richmond for a 2 bedroom property is £90 pw, whereas 80% of the market rent for a 2 bed in Richmond is £216 pw. Currently 60% of all households on the Richmond Housing Register

⁹ For further information please refer to the next section of the report - “Affordable Housing: Funding and Delivery”



are reliant on welfare benefits, and for households needing a 3 bedroom property the figure is 80%. Under the new model local authorities will still be able to nominate to affordable rent properties from the Housing Register and discharge homelessness duties but there are key issues around affordability in being able to do so. The introduction of welfare caps and Universal Credit in 2013 will mean the maximum amount of benefits families can receive will be £500, (not all families will get the maximum) and for single households the maximum will be £350 pw. The combination of 80% market rents, high property values, and the welfare cap would mean that the new Affordable rent model will probably be unaffordable for households on benefits, particularly larger properties and particularly in some high cost wards. Another issue is that households that are reliant on benefits which are nominated to affordable rent properties may find it harder to access work due to the higher rental costs.

62. Detailed research in Richmond shows:

- The model works on a very limited basis in the majority of private rented market areas with high rents which are generally the most affluent parts of the borough. This is especially true for larger family sized homes. The model works best in areas of the borough where private rents are lower such as Hampton Heathfield and Whitton, and less well in higher cost areas such as Barnes, Kew and East Sheen. The viability of the Affordable Rent model in Richmond upon Thames therefore broadly (with a few exceptions) reflects the borough's wider housing market both in terms of house prices and private rent levels.
- There are only 311 households on the housing register with incomes necessary to pay affordable rent levels of 80%, the majority of whom have incomes necessary for one bedroom properties, very few have incomes necessary for three bedroom homes.
- For registered providers who wish to consider offering new property or using re-lets at 80% of market rents, it is highly likely that they will be marketing their properties to an entirely new Customer who at the moment is not coming forward to register for housing through the Richmond Housing Register. They are more likely to have been registering with private estate agents.

63. On 23rd June the Council adopted the following interim policy statement on affordable rent.

Interim Policy Statement on Affordable Rent

1. With an expensive private rented sector in many parts of the borough, Richmond upon Thames expects Registered Providers to adopt a scheme by scheme approach when setting rent levels.



2. The borough will support Registered Providers' programme bids that are aligned to the priorities of the administration as articulated in the Borough Investment Plan (BIP).
3. Bids will be supported that minimise the impact of the Affordable Rent model on three bedroom plus properties either in new provision or re-lets. The need in the borough is still however for family sized accommodation for rent.
4. The borough would encourage Registered Providers to use investment raised from affordable rent from either new provision or re-lets within Richmond upon Thames and would prioritise bids that demonstrate a continuing commitment to invest within the borough. As an LSVT authority we expect the relevant Registered Providers to have due regard to the obligations outlined in the transfer agreement in relation to development opportunities.
5. The Council will support bids that use HCA grant to lower rents so that lower paid working households can access schemes without the risk of becoming benefit dependent. The borough will also consider use of the Housing Capital Programme and Affordable Housing Fund to make rents more affordable and to enable the delivery of schemes that may otherwise not be viable.
6. Bids that contain innovative proposals to lower rents or keep affordable rents at a level that better reflects the income of working social tenants will also be supported.
7. Richmond upon Thames will prioritise bids of Registered Providers where they are willing to negotiate with the borough on the scale of re-lets at affordable rent, particularly during 2012 when Local Housing Allowance (LHA) changes may impact on homelessness in the borough.

64. The task group are concerned about the affordability of homes under the new model and understand each local provider has taken steps to try and address this. However, the approaches used will vary and will be discussed with the council representatives before they are finalised.

Affordable Housing: Funding and Delivery

65. When looking at the delivery of affordable housing in Richmond upon Thames the task group were cautious that planning issues did not form part of their terms of reference. However, to help set the scene members asked Phillip Wealthy, Head of Planning Policy and Design, to provide a briefing for their first meeting. This information is attached at **Appendix 2**.
66. To gain a better understanding of the changes affecting affordable housing delivery, relating to the terms of reference, the task group received regular officer briefings, on new models of government funding, and collected evidence from registered providers of social housing.



67. Developing affordable housing in the borough is challenging mainly because of limited land opportunities. Sites in Richmond have historically required higher grant levels from the Homes and Community Agency (HCA) to make schemes economically viable than other areas of London and without grant support sites would remain in their existing use. This has led the HCA to allocate more funding to cheaper boroughs in the South West London Housing Partnership through their funding of housing on a sub-regional basis. In December 2010 Richmond had the second smallest development programme in the sub-region, with Kingston having the lowest. That said from 2009 there has still been £18.8m of inward investment through the HCA to Richmond. The amount of affordable housing can vary significantly each year because development is a cyclical process and is impacted by prevailing economic conditions.
68. **Resources for affordable housing:** Most delivery is achieved as a result of developers being required to provide affordable homes to gain planning consent for their private schemes; this applies to all developments capable of delivering more than 10 homes. The planning policy paper attached at **Appendix 2** explains the mechanisms for this.
69. Traditionally the Housing Association (HA) funds the purchase and development of sites through a combination of grant funding from the HCA and/or borough and their own borrowing based on the income stream they will receive from future rents. However this funding mechanism is about to change (see below) and the borough has made representations on how this will affect delivery and the supply of affordable homes.
70. To support housing development the borough has used the Housing Capital Programme (HCP), Affordable Housing Fund (AHF), and our own land to attract funding and make sites viable for development. In three recent schemes £4.4m of Richmond resources has attracted nearly £16m inward investment. The priority need is for family sized homes but these are the most expensive to deliver and the HCA look at value for money on a per unit rather than per person basis so that a scheme of smaller homes offers better 'value for money' for them than family houses.
71. **Changes affecting affordable housing delivery:** The main changes affecting the delivery of affordable homes are the new models of funding being proposed, looking at both how funding is raised and also allocated. These changes are all



set within the context of an overall reduction in the level of public subsidy for new housing from £8.4bn to £4.4bn, the impact of which is already affecting developments across the borough. There is a move away from funding schemes with capital investment through grants, towards funding developments by increasing revenues from the housing association's rental stream, by allowing them to offer rents at up to 80% of open market value. In Richmond where there is a buoyant private rental market, rents set at 80% would be unaffordable for most households on the Richmond Housing Register, an initial analysis has revealed that where households required 3 bedroom properties they would need an income in excess of £50,000.

72. Although tenancies offered on the new affordable rent model would be eligible for housing benefit there are concerns that housing associations who charge increased rent levels may find them to be unsustainable if the tenants occupying homes at these rents become affected by the introduction of a Welfare Cap in 2013 of £26,000 p.a. This would not support such high rents in Richmond. In effect these new affordable rent models may therefore need to be considered by those who are in work as an alternative to shared ownership and perhaps only for smaller sized units in cheaper areas of the borough.
73. In the short term the HCA have advised that there will be little or no capital grant funding available in 2011/12, with meaningful improvement to this situation not being likely until 2013/14. Without the availability of grant private developers will attempt to argue that social housing cannot be delivered on S106 schemes. Where it is proposed it is likely to be more in the form of shared ownership rather than social rented homes.
74. The proposed **new homes bonus scheme** is unlikely to make a significant contribution to developing more homes in Richmond. Details of this scheme have just been released for consultation; essentially the scheme offers payments from central Government for delivering housing, based on an amount equalling 100% of council tax per property for six years and 125% Council tax per property for affordable housing.
75. With reduced grant funding Local Authorities will be looking towards leveraging additional support from partners through land and/ or funding support in order to deliver affordable housing solutions locally.



76. **What is currently being delivered?** The majority of schemes funded under the HCA's last programme (2008-11) need to complete by March 2012. At the end of the programme several sites in the borough were allocated funding that had previously been allocated to other developments across the country but which could no longer deliver. It is anticipated that over £10m of HCA funds will support development in the borough in 2011/12, much of this secured as a direct result of contributions from the Housing Capital Programme (HCP).
77. Currently 215 homes are due to complete in 2011-12. 144 will be for Target Rent and 71 available for sale on a shared ownership basis. This represents a high figure compared to the average annual delivery (114 per annum from 2008-11).
78. A variety of methods are used to secure delivery. The two largest affordable housing developments in the borough (53 units at Third Cross Road and 52 units at Lower Richmond Road) are 100% affordable housing and are funded by a combination of HCA, local authority and registered provider funding. Funding of £1.8m from the Housing Capital Programme has helped attract in excess of £10m of funding from the HCA and registered providers on these 2 sites alone. A close working relationship with Planning Policy and Development Control helped ensure that the homes were affordable.
79. Delivery on sites of this size is rare and the majority of developments either form part of private development led schemes (S106) or are on smaller sites. Support for affordable housing at an early stage of negotiation on new developments helps secure delivery. Provision on Williams Lane was initially proposed at c.20%, following negotiation with the developer this increased to c.40% and the scheme remained financially viable.
80. Identifying Council owned land for affordable housing has helped boost the delivery programme. Working in partnership with a registered provider enables small sites to be economically viable, even single units. This is particularly true for those developed as part of a package of sites.
81. **HCA funding programme 2011-15:** Allocations from the bidding round for the HCA's Affordable Homes Programme 2011-15 have been made. London has received an allocation of £627m (35% of the national figure) to deliver 21,856 homes by March 2015. Funding has been allocated to registered providers on a sub-regional basis, Richmond now forms part of the North West sub-region for HCA administrative purposes. Allocations of funding are either 'firm' for specific



schemes, or 'indicative'. The registered provider can spend their indicative funding within an individual sub-region.

82. As several Richmond schemes were funded at the end of the previous funding round, few had progressed enough to be given a firm allocation. This means that as schemes progress, registered providers will use their indicative allocation to fund sites. One site in Richmond did receive a firm bid. This is for Abbeyfield Housing to deliver an Extra Care scheme in the borough.
83. The impact of the new model of funding on Richmond is that we will need to work with registered providers that have an indicative allocation of funding. The registered providers that deliver the majority of affordable housing in the borough have received an indicative allocation for the North West sub-region.
84. Grant levels per property have dropped significantly. Previously, grant rates in the borough often exceeded £100,000 per unit. The new average grant per unit differs for each registered provider and range from below £15,000 per unit to c.£30,000 per unit. In relation to the total cost of a development, grant has fallen from in excess of 50% to below 15%.
85. Of note is the fact the Thames Valley Housing Association is leading a consortium of registered providers. This consortium includes Richmond Housing Partnership who will now be eligible to access HCA funding to help develop new homes. In order to do so they, like all other registered providers, will be required to conform to the new Affordable Rent model. Richmond Housing Partnership has already identified several opportunities for development and have started negotiating with the owners either directly or in partnership with Thames Valley Housing Association.
86. While the HCA has allocated indicative funds to each registered provider, use of funds will need to be agreed on a site by site basis. Sites that could provide appropriate social housing during the current funding period have been highlighted to the HCA.
87. **How will future delivery be secured?** Planning applications for a significant number of new developments in the borough are already submitted with a viability assessment to try and demonstrate that a development would only viable with a level of affordable housing that falls below policy requirements. It is likely that the lower level of grant per unit available under the 2011-15 funding round will make this more common. One of the key tenets of this funding round is that registered



providers will be able to borrow against the higher rents being charged and thereby decrease their dependency on grant. This will work better in some parts of the country than others. Reforms to the benefit regime will impact on rents that can be charged.

88. The robust defence of viability appraisals at an early stage is important to help maintain supply. Currently all viability assessments are reviewed by external assessors. Some local authorities have this as an in-house role. Other benefits beyond social housing can also be secured by this process e.g. ensuring education and health payments remain at levels acceptable to the borough.
89. Availability of land is crucial to future delivery. The mapping of partners' land holdings could identify sites for development where adjoining sites are in public ownership and also identify sites with the potential for the co-location of services and/or land swaps.
90. A number of larger sites across the borough are expected to come forward for development during the current funding round. The inclusion of affordable housing on the sites will help ensure that the schemes meet planning policies. Forthcoming GLA guidance is due to require developers to have identified a registered provider partner before negotiations commence with the local planning authority. Early support for affordable housing will ensure that appropriate resources can be allocated to it and borough priorities incorporated in to any proposal.
91. Council disposals, particularly smaller sites, have helped boost the current programme and are delivering family homes at Target Rent levels. The Council can receive a receipt for land sold to registered providers but in some instances this may be lower than on the open market. The long term impact of site disposal will need to be considered, particularly where social housing is being provided. This can provide long term revenue savings that should be considered at disposal. The short term capital receipt may not always be the most cost effective option, particularly if a site is sold for a use that may place a financial burden on the Council in the future.
92. **Role of the Housing Capital Programme:** The Housing Capital Programme (HCP) can be used to support a variety of housing options including:-
 - Use to lever in external funds. With grant rates cut and registered providers having to deliver a fixed number of units in their sub-region, they will be



looking to secure the best value for money they can. Use of the Housing Capital Programme will make the borough an attractive place to invest in and secure a share of the funds available.

- Support for borough priorities that may not qualify for HCA funding. This includes the highly efficient Supported Moves programme, a potential extensions programme for overcrowded households and use to secure supported housing on non-secure tenancies.
- Full and direct funding for specific priority sites.
- Reduction in rents, particularly on larger family homes. Registered providers are not obligated to meet the boroughs' priorities and may require funding to keep rents at levels affordable to those in housing need and working households.
- The Housing Capital Programme has an enabling function with funding helping to unlock developments that need to have a level of affordable housing included in them. Certainty of funding assists greatly with the negotiation process as certainty of funding can be offered to developers and registered providers.

93. In the short to medium term, a number of risks, outlined below, are likely to impact on the delivery of affordable housing in the short to medium term.

Risk Analysis

- Reduced supply, particularly of homes with levels of rent accessible to households on low incomes.
- Impact of higher rents on working households.
- The introduction of a fixed rate Community Infrastructure Levy could impact on scheme viability, reducing the delivery of and limiting the flexibility to prioritise affordable housing.
- Indicative grant being spent in other boroughs within the sub-region.
- What happens in next funding round post 2015 – will registered providers gearing be too high following this bid round to continue to develop?



94. Based on the information above, and discussions held with key stakeholders, the task group has made a number of recommendations in relation to improving the delivery of affordable housing in the borough.

Recommendation 12:

In addition to consultation undertaken by the planning authority, the task group believe there is a need for the Council to engage with the local community to explain why affordable housing is required, the benefits of such schemes and how the proposals can help address issues highlighted in the All in One / Village Plan process.

Recommendation 13:

When choosing registered providers to work with on sites that emerge in the borough, the Council should seek a robust assurance from each registered provider that they have both the financial capacity and ready access to funding to enable a swift response to opportunities that are presented.

Recommendation 14:

The task group recognise that the delivery of new build housing is not sufficient to meet housing need on its own. In the development of the Homelessness Strategy 2012 – 2016, the Cabinet Member for Adult Services, Health and Housing is recommended to give consideration to:

(a) The Council working with registered providers and other public land holders to identify, and map, land and assets to develop affordable housing for the most vulnerable, amongst others.

(b) The following options, which could be funded by the Housing Capital Programme, be considered, to help make best use of existing assets (stock and land) and maximise the benefit of each scheme through chain lettings:

- Extensions to existing rented properties. This can assist those living in overcrowded accommodation or extend homes as they become void.
- Encourage residents to buy on the open market, targeting those who would be vacating social rented homes.
- Encourage under-occupiers to move to smaller accommodation, potentially through an extended Sponsored Moves scheme or new developments tailored to meet the needs of downsizers.
- Ensure developers have a registered provider identified as soon as sites come in for planning – this will be in line with forthcoming GLA guidance.
- Identification of 'hidden homes' on larger developments – e.g. unused areas such as an old communal laundry.



The Supporting People Programme

95. The national Supporting People Programme was implemented by the Office of the Deputy Prime Minister, now Department for Communities and Local Government, on 1st April 2003. The Supporting People Programme was introduced as part of the Government's aim to help enable vulnerable people to live independently, thus improving their quality of life and avoiding social exclusion. The Supporting People Programme also forms part of the prevention agenda, whereby the provision of housing related support can help to prevent the need for future health and social care services or other types of intervention.
96. At the 14 September 2011 Health, Housing and Adult Services Overview and Scrutiny Committee meeting Members received an update on the review of services in receipt of the Supporting People Programme Grant and future commissioning intentions. The "*parent*" Committee agreed that the task group should meet with officers to gain a better understanding of commissioned services for the single homeless with support needs.
97. Grahame Freeland-Bright, Head of Service Development and Commissioning, Adult and Community Services, informed the task group that monies were distributed for support and interventions across 13 existing client groups via a large number of contracted providers. Over the 2010-211 period, commissioning arrangements had been reviewed to identify client groups in greatest need to ensure services were commissioned accordingly and monies used effectively.
98. In the London Borough of Richmond upon Thames, Supporting People funding is currently distributed across 31 service providers, delivering housing related support for circa 1,200 vulnerable service users in 99 contracted services across 13 vulnerable client groups. The top three client groups, accounting for over half of the total, are Mental Health, Older People, and People with a Learning Disability. Other groups covered include offenders, homelessness, rough sleepers, domestic violence and young people.
99. Funding arrangements for the Supporting People Programme are outlined in the 14 September 2011 Committee report. However, by meeting with Grahame Freeland-Bright the task group gained a better understanding of housing related support needs for the following client groups:

- Rough Sleepers



- Single Homeless with Support Needs
- People with Mental Health Problems
- Women at risk of Domestic Violence
- Offenders of People or Risk of Offending

100. The task group also gained an overview of the targeted approach that will be taken to the future commissioning and procurement of services. This will be based on the following:

- Strategic relevance and demand for individual client groups
- Providers' ability to deliver support for these services within the context of reductions to funding.

101. A procurement timetable was outlined in the 14 September 2011 Committee report and is below for ease of reference.

Procurement Timetable

There are a number of key activities that will need to be completed in order to shape and inform the procurement and commissioning approach for Supporting People services. For example, governance arrangements, and an engagement process involving key stakeholders, providers and service users, will be critical in helping to guide and develop commissioning proposals. Accordingly, it is intended to commence these activities at the earliest opportunity. These, and key activities in the commissioning process are contained in the retendering timetable, below.

The procurement process identifies options ranging from remodelling provision across entire client groups to provide greater efficiencies in the way services are delivered in the borough to working with individual providers to identify targeted efficiencies. All options will, wherever possible, tailor current provision to provide support in line with evidenced based need and demand in the borough.

Cashable savings will be realised through the adjustment of funding in line with efficiencies achieved via the re procurement process i.e. innovative approaches to delivering the services as well as reduced funding envelopes. The discontinuation of services that are evidenced to no longer serve a strategic relevance in the borough will also yield savings for the borough.

The proposed commissioning approach, by client group, has been developed with advice and guidance from Richmond Procurement who have agreed in principle to the approaches outlined in this report and will be continue to be involved throughout the development of the commissioning process.



102. The task group recognise the new Homelessness Strategy and new Housing Allocations Policy will give the Supporting People Programme a bigger evidence base. This will help identify client groups in greatest need and ensure services are commissioned accordingly.
103. On the 22 November 2011 the Health, Housing and Adult Services Overview and Scrutiny Committee will consider a report outlining the Council's forward procurement activity over the course of the remainder of the financial year. The recommendation below should be read in conjunction with this report.
104. In view of the developments outlined above, and given that the task group has had limited opportunity to look at these issues, it is suggested that the Health, Housing and Adult Services Overview and Scrutiny Committee identify procurement activity relating to the Supporting People Programme as a priority, in the development of their work programme, to ensure appropriate timescales, for member led scrutiny, are built into the procurement process.

Recommendation 15:

That the Health, Housing and Adult Services Overview and Scrutiny Committee identify procurement activity relating to the Supporting People Programme as a priority, in the development of their work programme, to ensure appropriate timescales, for member led scrutiny, are built into the procurement process.

105. By looking at the Supporting People Programme the task group gained a better understanding of the how various organisations in the statutory and voluntary sectors worked together to address homelessness in the borough.
106. Other sessions allowed the task group to learn about the work carried out by the Homelessness Forum. This was established in 1996 and brings together organisations in the statutory and voluntary sectors that have an interest/remit to address homelessness in the borough. Further information can be obtained via http://www.richmond.gov.uk/homelessness_forum
107. The forum meets twice a year and a steering committee meets more regularly to agree the agenda and ensure that agreed joint working is carried out. The forum has always played a role in determining the Council's homeless strategy. The Chair of the forum is currently coordinating the voluntary sector's response to the homelessness review consultation.
108. The task group acknowledges the important role played by the Homelessness Forum and where possible would like to see more operationally relevant



information shared amongst partnership agencies to help deal with issues associated with homelessness.

Recommendation 16:

In the development of the Homelessness Strategy 2012 – 2016, the task group recommends that where ever possible, operationally relevant information is collected and shared in order to support partnership agencies deal with cross cutting issues associated with homelessness.

Next Steps

109. To enable the Health, Housing and Adult Services Overview and Scrutiny Committee to keep abreast of national and local policy developments, relating to the task group's terms of reference, it is suggested that a progress report be discussed by Committee six months after the *Executive Response* is considered by Cabinet.
110. The purpose of the six month progress report will be to provide an update on the impact of recent changes on housing and homelessness in the borough and to outline progress against the task group's recommendations.
111. In view of the valuable evidence collected from Richmond Housing Partnership, L&Q Housing Trust, Richmond upon Thames Churches Housing Trust and Thames Valley Housing it is suggested that representatives from local housing associations are invited to take part in such a meeting.

Recommendation 17:

That the Health, Housing and Adult Services Overview and Scrutiny Committee reviews the progress of the task group's recommendations six months after the "Executive Response" is considered by Cabinet. In view of the valuable evidence collected from Richmond Housing Partnership, L&Q Housing Trust, Richmond upon Thames Churches Housing Trust and Thames Valley Housing it is suggested that representatives from local housing associations be invited to take part in such a meeting.



APPENDICES

Appendix 1

Timetable of meetings

Appendix 2

Planning Policy Context



Appendix 1 – Timetable of Meetings

Meeting	Issues / Witnesses
Meeting 1 - 22 October 2010	<ul style="list-style-type: none"> • Initial scoping session • Setting the Scene • The Scrutiny Review Process / Scoping
Meeting 2 - 14 December 2010	<ul style="list-style-type: none"> • Housing, Homeless and the impact of recent changes in Richmond upon Thames (Update) • Planning Policy Context • Terms of Reference
Meeting 3 - 24 January 2011	<ul style="list-style-type: none"> • London Borough of Hounslow's Housing and Environment Scrutiny Panel meeting <ul style="list-style-type: none"> ○ Update on Proposed Changes to Local Housing Allowance and Housing Benefit
Meeting 4 - 8 March 2011	<ul style="list-style-type: none"> • Housing, Homeless and the impact of recent changes in Richmond upon Thames (Update)
Meeting 5 - 14 June 2011	<ul style="list-style-type: none"> • Housing, Homeless and the impact of recent changes in Richmond upon Thames (Update) • Services available for the 16-17 age group
Meeting 6 - 2 August 2011	<ul style="list-style-type: none"> • Housing Benefit Reform – <ul style="list-style-type: none"> ○ Input from the Department for Work and Pensions • Housing, Homeless and the impact of recent changes in Richmond upon Thames (Update)
Meeting 7 - 4 October 2011	<ul style="list-style-type: none"> • Richmond Housing Partnership • The Supporting People Programme • L&Q Housing Trust • Richmond upon Thames Churches Trust



<p>Meeting 8 - 25 October 2011</p>	<ul style="list-style-type: none"> • Changes to the Housing Allocations Policy • Findings from the Allocations Questionnaire Responses • Local Housing Allowance Update • Homelessness Review: Initial Findings • Initial Thinking from the Homelessness Review • Affordable Housing: Funding and Delivery • Findings / Recommendations
<p>Meeting 9 - 7 November 2011</p>	<ul style="list-style-type: none"> • Draft Report



Appendix 2 – Planning Policy Context

Housing Task Group 14 December 2010 - Planning Policy Context

Development Planning Context

Local Development Framework

Core Strategy Policy CP15 (adopted April 2009) expects 50% of all new units will be affordable housing. On sites capable of 10 or more units gross, this should be at least 50% on-site provision.

Emerging Development Management Policy DMHO6 (publication consultation October 2010) which provides the policy basis for development control decisions, seeks the maximum reasonable amount of affordable housing when negotiating on sites, having regard to the strategic borough-wide target and the individual circumstances of the site. It also introduces a methodology to seek a financial contribution (from adoption, anticipated in 2011), commensurate with the scale of development, on smaller sites below the threshold of capable of 10 or more units gross.

Monitoring data for our 2009/10 AMR illustrates the affordable housing completions (as monitored for planning purposes) in recent years. As can be seen affordable completions have been averaging around 20% considerably less than the 50% target within the Core Strategy. The main factors which limit the percentage being achieved are

- affordable housing can only be required on schemes of 10 units or over – these are typically only 5-10 schemes per annum;

- there are often a range of requirements on any site for example repair of a listed building, remediation of contamination, provision of employment floorspace which mean that affordable housing may not be viable.

Affordable Housing Completions by financial year 2000/01 – 2009/10

	Total completions	Affordable housing units*		Total affordable	Affordable as % of total completions
		Private sector sites*	LA/RSL owned sites		
2000/01	508	46 (32)	17	63 (32)	12% (19%)
2001/02	195	6	-6*	0	0%
2002/03	319	50 (2)	7	57 (2)	18%
2003/04	246	31	12	43	18%
2004/05	582	105	35	140	24%
Total 2000/01 - 2004/05	1850	238 (34)	65	303 (34)	16% (18%)
2005/06	842	155	76	231	27%
2006/07	230	35	3	38 (3)	16%
2007/08	260	16	-13	3	1.2%
2008/09	436	48	50	98	23%
2009/10	145	0	0	0	0%
Total 2005/06-	1913	254	116	370	19%



	Total completions	Affordable housing units*		Total affordable	Affordable as % of total completions
		Private sector sites*	LA/RSL owned sites		
2009/10					

Notes: RSL = Registered Social Landlord. Figures are net of demolitions

* includes units for which a financial contribution to the Affordable Housing Fund was agreed as an alternative to on-site provision. The number of units concerned is put in brackets afterwards.

Minus figures are due to a reduction in units through improvements to accommodation for older people

Some units partly funded from the Affordable Housing Fund (e.g. 9 in 2002)

Future housing targets

The level of affordable housing in the future will also relate to the level of opportunities for new housing in the Borough. Overall housing targets are informed by assessments of capacity within boroughs. For Richmond the current adopted London Plan (Table 3A.1) set an annual target of 270 homes per annum. This target is relatively low, compared with other boroughs, which reflects the nature of the Borough. These targets were derived from the Mayor's 2004 Housing Capacity Study, a comprehensive technical analysis of London's potential for future housing growth. Officers contributed to the capacity study by providing information on sites within the borough.

The London wide Strategic Housing Land Availability Assessment and Housing Capacity Study 2009 (SHLAA/HCS) informed the draft replacement London Plan which proposes a new annual target for the borough of 245 homes per annum for 2011 – 2021 (Table 3.1). The study was based on a detailed large sites assessment which recognises constraints. The capacity estimate for small sites has been reduced in light of the draft replacement London Plan's presumption against development on back gardens. The capacity estimate for small sites was also based on an extended seven year period of completions back to 2000 (rather than four years previously considered sufficient) to allow for the significant difference in the rate of house building in recent years compared to the long-run average, so as to better reflect the ups and downs of the housing market. The combination of these factors – a realistic assessment of potential capacity taking account of emerging policy and the current market - has reduced the annual target for the borough from the current figure of 270 homes per annum.

The London Plan Examination closes this month. There was a lot of debate at the Examination about targets, as nationally there is a move away from prescribing at the regional level. However, the Mayor said that because of his particular strategic responsibilities and considering London as a single housing market area, this is more than a local issue and wished to retain the housing targets. However, he did commit to working in the next couple of years on a more bottom-up process, and the GLA has just started the debate on options for a new SHLAA/HCS. The report following the Examination is expected in Spring, with adoption of the replacement London Plan scheduled for Winter 2011/12.

Current Approach

Affordable housing is seen within a wide range of requirements on sites, and the above gives some indication of the potential for the planning system to bring forward new affordable units..



Officers in planning policy and housing provide joint technical advice to colleagues on the development management process, where applicable, including during pre-application discussions, applications and regarding legal agreements. This is to ensure funding is used in the most efficient and effective way to maximise housing provision which meets local needs, having regard to viability. If necessary, housing colleagues will consider future years capital funding.

