



## Housing Management and Almshouses Sub (Community and Children's Services) Committee

**Date:** MONDAY, 14 SEPTEMBER 2015  
**Time:** 1.45 pm  
**Venue:** COMMITTEE ROOMS, WEST WING, GUILDHALL

**Members:** Virginia Rounding (Chairman)  
Ann Holmes (Deputy Chairman)  
Randall Anderson  
Revd Dr Martin Dudley  
John Fletcher  
Alderman David Graves  
Deputy the Revd Stephen Haines  
Deputy Henry Jones  
Deputy Catherine McGuinness  
Gareth Moore  
Dhruv Patel  
Elizabeth Rogula  
Mark Wheatley

**Enquiries:** Philippa Sewell  
tel. no.: 020 7332 1426  
[philippa.sewell@cityoflondon.gov.uk](mailto:philippa.sewell@cityoflondon.gov.uk)

Lunch will be served in the Guildhall Club at 1pm  
**NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Reports

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To approve the public minutes and summary of the meeting on 14 July 2015.  
**For Decision**  
(Pages 1 - 6)
4. **HRA BUSINESS PLAN**  
Verbal report of the Chartered Institute of Housing.  
**For Information**
5. **ANNUAL REPORT FOR TENANTS 2014-15**  
Report of the Director of Community & Children's Services.  
**For Information**  
(Pages 7 - 14)
6. **WELFARE BENEFITS UPDATE & FINANCIAL INCLUSION PROGRAMME**  
Report of the Director of Community & Children's Services.  
**For Information**  
(Pages 15 - 28)
7. **THE CITY OF LONDON CORPORATION HOUSING ALLOCATION SCHEME 2015**  
Report of the Director of Community & Children's Services.  
**For Decision**  
(Pages 29 - 48)
8. **HORACE JONES HOUSE - REVIEW OF ALLOCATIONS**  
Report of the Director of Community & Children's Services.  
**For Information**  
(Pages 49 - 52)
9. **PROPOSED EXTENSION OF RIGHT TO BUY POLICY**  
Report of the Director of Community & Children's Services.  
**For Information**  
(Pages 53 - 56)
10. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**
11. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

12. **EXCLUSION OF THE PUBLIC**

MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A of the Local Government Act.

**Part 2 - Non-Public Reports**

13. **NON-PUBLIC MINUTES**

To approve the non-public minutes of the meeting held on 14 July 2015.

**For Decision**  
(Pages 57 - 58)

14. **COMMUNITY SAFETY PROJECT - CITY ESTATES**

Report of the Director of Community & Children's Services.

**For Decision**  
(Pages 59 - 64)

15. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

16. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

This page is intentionally left blank

## HOUSING MANAGEMENT AND ALMSHOUSES SUB (COMMUNITY AND CHILDREN'S SERVICES) COMMITTEE

Tuesday, 14 July 2015

**Minutes of the meeting of the Housing Management and Almshouses Sub (Community and Children's Services) Committee held at the Guildhall EC2 at 1.45 pm**

### **Present**

#### **Members:**

Randall Anderson	Dhruv Patel
Revd Dr Martin Dudley	Elizabeth Rogula
Ann Holmes	Virginia Rounding
Deputy Catherine McGuinness	Mark Wheatley
Gareth Moore	

#### **Officers:**

Philippa Sewell	Town Clerk's Department
Mark Jarvis	Chamberlain's Department
Ade Adetosoye	Director of Community & Children's Services
Katherine Bowen	Community and Children's Services Department
Jacque Campbell	Community and Children's Services Department
Elizabeth Donnelly	Community and Children's Services Department
Karen Tarbox	Community and Children's Services Department
Jacqueline Whitmore	Community and Children's Services Department

### **1. APOLOGIES**

Apologies were received from Alderman David Graves, John Fletcher, Deputy the Revd Stephen Haines, and Deputy Henry Jones.

### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

Mr Gareth Moore declared an interest in housing matters as a tenant of Golden Lane Estate.

### **3. ELECTION OF CHAIRMAN**

Members proceeded to elect a Chairman in accordance with Standing Order No. 29. A list of Members eligible to serve was read out and Virginia Rounding, being the only Member indicating her willingness to serve, was declared to have been elected for the ensuing year.

### **4. ELECTION OF DEPUTY CHAIRMAN**

Members proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30. A list of Members eligible to serve was read out and Ann Holmes, being the only Member indicating her willingness to serve, was declared to have been elected for the ensuing year.

The Chairman welcomed new Members, Randall Anderson, John Fletcher, Deputy McGuinness and Mark Wheatley, and thanked the outgoing Members Chief Commoner Deputy Billy Dove (who was in attendance) and Adam Richardson.

5. **TERMS OF REFERENCE AND ALLOCATED MEMBERS**

Members received the Terms of Reference, as agreed by the Community & Children’s Services Committee at their meeting on 8 May 2015, and the Allocated Member guidelines and list for 2014/15, which was updated as follows:

<b>ESTATE</b>	<b>ALLOCATED MEMBER</b>
Avondale Square (Southwark)	Virginia Rounding
Small Estates: Dron House/Spitalfields (Tower Hamlets); Isleden House (Islington); Windsor House (Hackney)	Elizabeth Rogula
Golden Lane (City)	Gareth Moore (Ward Member) Deputy John Barker (Ward Member)
Holloway & York Way (Islington)	Deputy Catherine McGuinness Barbara Newman Michael Welbank
Middlesex Street (City)	Deputy Henry Jones (Ward Member)
South Bank Estates: Southwark Blocks (Southwark) William Blake (Lambeth)	Randall Anderson
Sheltered Schemes & Almshouses: Harman Close (Southwark); Mais House (Lewisham); City of London & Gresham Almshouses (Lambeth)	Mark Wheatley Ann Holmes
Sydenham Hill: Lammas Green/Otto Close (Lewisham)	Mark Wheatley

6. **MINUTES**

**RESOLVED** – That the public minutes and non-public summary of the meeting held on 27 April 2015 be approved as a correct record.

**Matters Arising**

Horace Jones House

In response to a Member’s query regarding Right to Buy, officers undertook to re-examine the legal framework.

Stanley Cohen House

Members noted that meter checks had been added to the five-year cyclical tests, and the Fire Brigade report was still outstanding.

### Tenancy and Rents Policy

Officers informed Members that the Chancellor's recent Budget announcement would significantly affect a number of areas of social housing, notably a cap on welfare benefits.

### Right to Buy Social Mobility Fund

Officers advised that information had been publicised but, so far, there had been little take-up.

### Questions

In response to Members' queries, officers confirmed that an interim Building Surveyor had been appointed, and the permanent Building Surveyor was due to start in August 2015. Officers also advised that a Professional Services Framework was now being put in place to simplify and expedite procurement procedures.

### Resident Communications & Engagement Strategy – Technology

With regard to communications and IS systems, Members resolved to seek assurance from the Information Technology Sub Committee that ensuring officers had the ability to send information to residents quickly and effectively was a priority.

### Golden Lane Estate – Petition

Regarding the Golden Lane Estate petition received at the last meeting, the Director of Community & Children's Services advised that he had responded to the petitioners and their reply was awaited.

## 7. **TENANCY SUPPORT PRESENTATION**

The Board received a presentation from Emma Martin and Martin Hammond from the Tenancy Support Team, after which Members of the Committee had the opportunity to ask questions.

The Tenancy Support Team worked with vulnerable tenants who, for a variety of reasons, were unable to manage their tenancy without support. The team worked with numerous types of organisations to offer short to long term support (depending on what was needed). Members were taken through two anonymised case studies, from the initial referral through assessment, intervention and the outcomes. In response to Members' queries, Mr Hammond confirmed that the team worked with all City tenants, including those in other boroughs. Members noted the complexity of liaison arrangements, and advised officers that Allocated Members could help wherever possible. With regards to problems with numeracy, Mr Hammond reported that the Money Matters training being offered on the Middlesex Estate was invaluable to help residents manage their own finances.

The Chairman thanked Ms Martin and Mr Hammond for their presentation.

8. **PROVISION OF WORKS RELATING TO ADAPTATIONS, REDECORATION WORKS AND CONDENSATION REDUCTION**

The Sub Committee considered a report of the Director of Community & Children's Services regarding the provision of adaptation works, as part of the Asset Management Plan.

**RESOLVED** – That, subject to the comments of Projects Sub Committee, approval be given to go out to tender to seek new contracts and £911,250 be approved to fund the procurement, management and works within the 3 year contracts.

9. **HOUSING UPDATE**

Members received a report of the Director of Community & Children's Services providing an update on the Housing Service performance and progress against key areas of work.

**RESOLVED** – That the report be noted.

10. **HOUSING ESTATES – ALLOCATED MEMBERS' REPORT**

Members received a report of the Director of Community & Children's Services which provided an update on the City of London Corporation's Social Housing Estates. The report had been compiled in collaboration with Allocated Members, who took an active interest in their estates, championing residents and local staff and engaging with residents.

**RESOLVED** – That the report be noted.

11. **CITY OF LONDON ALMSHOUSES UPDATE**

The Board received a presentation from the Assistant Director, Housing & Neighbourhoods regarding the forty-two City of London and eight Gresham Almshouses in Lambeth, after which Members of the Committee had the opportunity to ask questions.

Members noted the presentation and the report, and queried the governance arrangements for the Gresham Almshouses. The Assistant Director confirmed decisions affecting them were taken to the Gresham Committee and any maintenance or development schemes were proportionately funded from the Gresham Trust. She also reported that, at a request from the Chairman, a review of the Charitable Objects was being initiated. With regards to the suggested change of job title from 'Matron', Members agreed that 'Almshouses Manager' would be a suitable alternative.

The Chairman thanked the Assistant Director for her presentation, and it was **RESOLVED** – That:

- (a) A review of the Charitable Objects of the Almshouses be carried out; and
- (b) The job title of 'Matron' be changed to 'Almshouses Manager'.



12. **RESIDENT COMMUNICATIONS & ENGAGEMENT STRATEGY – UPDATE**  
The Sub Committee received a report of the Director of Community & Children’s Services which provided an update on the action plan for the Resident Communications and Engagement Strategy.

**RESOLVED** – That the report be noted.

13. **PROFESSIONAL TRAINING PROGRAMME**  
The Sub Committee received a report of the Director of Community & Children’s Services which provided a summary of the 2015/16 Professional Training Programme offered to Housing Service staff. Members were advised that they would also be welcome to attend any of the sessions on offer (provided they book in advance).

**RESOLVED** – That the report be noted.

14. **PETS POLICY**  
The Sub Committee received a report of the Director of Community & Children’s Services outlining the development of a new Pets Policy. Members noted that this policy would not apply to sheltered housing.

**RESOLVED** – That the new Pets Policy be adopted on all City estates.

15. **HOUSING REVENUE ACCOUNT – OUTTURN 2014/15**  
The Sub Committee received a joint report of the Chamberlain and the Director of Community and Children's Services, which compared the outturn for the Housing Revenue Account (HRA) in 2014/15 with the final agreed budget for the year. This had been approved at the Grand Committee meeting on 10th July 2015.

**RESOLVED** – That the report be noted.

16. **THE CITY OF LONDON ALMSHOUSES – RISK REGISTER 2015**  
The Sub Committee received a joint report of the Chamberlain and the Director of Community and Children's Services, which outlined key risks for the City of London Almshouses Charity, and suggested a RAG rating for each. Members discussed the report, and agreed to defer the report to allow the risks and their ratings to be re-examined.

**RESOLVED** – That the report be deferred to the next meeting.

17. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**  
There were no questions.

18. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**  
The Chairman thanked the Assistant Director – Barbican & Property Services and the Projects & Improvement Manager on behalf of the Sub Committee, as this would be their last meeting.

19. **EXCLUSION OF THE PUBLIC**

**RESOLVED** – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

<b>Item</b>	<b>Paragraph</b>
20-23	3
24-25	-

20. **NON-PUBLIC MINUTES**

**RESOLVED** – That the non-public minutes of the meeting held on 27 April 2015 be approved as a correct record.

21. **CAPITAL RECEIPT FROM REDROW - BLAKE TOWER, 2 FANN STREET**

Members considered a joint report of the Chamberlain and the Director of Community & Children's Services.

22. **HOUSING PROJECTS PORTFOLIO UPDATE**

The Sub Committee received a report of the Director of Community & Children's Services.

23. **ISSUE REPORT: HOSTEL DEVELOPMENT & LODGE II (MIDDLE STREET) ENABLING PROJECT**

The Sub Committee considered a report of the Director of Community & Children's Services.

24. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

There were no questions.

25. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE SUB COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There was no other business.

**The meeting closed at 3.36 pm**

-----  
Chairman

**Contact Officer: Philippa Sewell**  
**tel. no.: 020 7332 1426**  
**philippa.sewell@cityoflondon.gov.uk**

<b>Committee</b>	<b>Date:</b>
Housing Management & Almshouses Sub Committee	14 September 2015
<b>Subject:</b> Annual Report for Tenants 2014-15	<b>Public</b>
<b>Report of:</b> Director of Community & Children's Services	<b>For Information</b>

## Summary

This report presents Members with our fifth Annual Report for Tenants.

Producing an Annual Report is a regulatory requirement and is good practice within the housing sector. It allows us to comply with national standards to ensure that social landlords are accountable to their tenants and provide them with clear information.

The report has been designed to be user-friendly and available to residents in different formats. As in previous years, tenants have been involved in agreeing the content.

Overall, we have delivered a high performing housing service.

## Recommendation

Members are asked to:

Note the content of the Annual Report, which will then be made available to tenants.

## Main Report

### Background

1. In 2010, the Tenant Services Authority (TSA) introduced a requirement for all housing providers to produce an annual performance report for their tenants. The TSA was abolished in April 2012, its responsibilities transferred to the Homes & Communities Agency. However, the regulatory framework laid down by the TSA remains in place and it is accepted practice that annual reports continue to be produced.

### Current Position

2. Producing the report each year helps to build a picture of our work and achievements on a rolling basis for a range of stakeholders, including tenants, Members and the regulator.
3. The draft report for 2014-15 is attached as Appendix 1. Final proofreading will be done immediately prior to printing.

4. Since last year, we have delivered the summary report to each household. A full breakdown of all our results would be very lengthy and expensive to produce. We also have received feedback, in previous years, from some residents who asked us to reduce the amount of information we send out to them. Therefore, we now print the summary report only. Residents can request a more detailed breakdown of the data if they prefer.

### **Summary of our performance**

5. As we have streamlined our estate satisfaction survey process this year to bring it in line with our estate plans, we do not have any new satisfaction data at the point of writing this report. New data will be provided in the 2015/16 report and will be also brought to this Sub Committee in the next Housing Update Report (July 2016).
6. Overall, the City's Housing Services are provided to very high standards. Key achievements include:
  - 98.7% rent collection rate – slightly higher than last year's already excellent figure of 98.5%. This is a great result given the financial pressures facing many of our residents and credit should be given to the Income recovery Team, the Rents team and Estate Staff for their hard work to help achieve this.
  - Our latest satisfaction data shows 82% of households are satisfied with the overall service we provide on their estate.
  - Providing support to 99% of vulnerable tenants who require help to maintain their tenancy (in sheltered accommodation or in general needs properties) exceeds our target of 95%.
  - 97% of tenants indicated that they were either very satisfied or satisfied with the Repairs Service following a visit to their home to carry out work.

### **Financial and Risk Implications**

7. Producing the Annual Report meets a regulatory requirement and therefore reduces the risk of intervention from the regulator. Monitoring and reporting on performance on a regular basis reduces the risk of poor performance.

### **Strategic Implications**

8. The Annual Report positively contributes to the Department's strategic objectives. Monitoring and reporting performance to tenants helps to ensure greater efficiencies, value for money, engagement with our service-users and on-going service improvements.

## Appendices

- Appendix 1 – Annual Report for Tenants

### **Jacque Campbell**

Assistant Director Housing & Neighbourhoods

T: 020 7332 3785

E: [jacque.campbell@cityoflondon.gov.uk](mailto:jacque.campbell@cityoflondon.gov.uk)

This page is intentionally left blank





# How did we do?

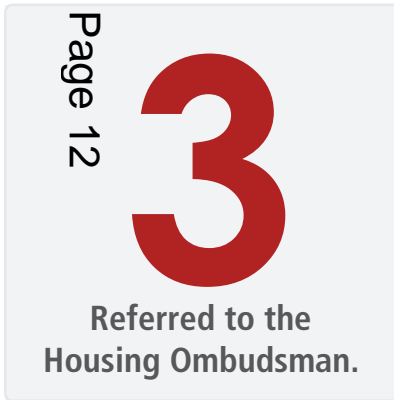
Annual report for City of London tenants 2014/15



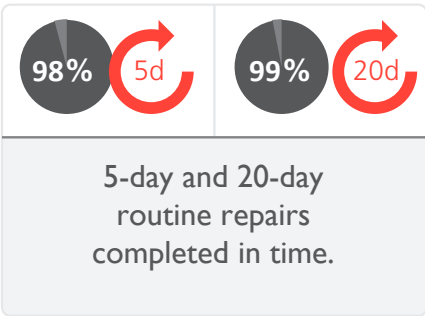
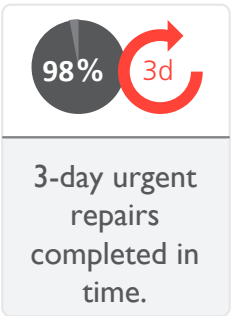
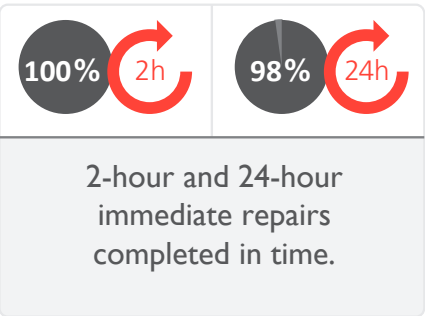
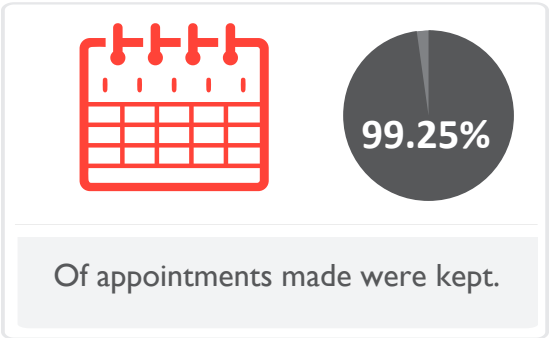
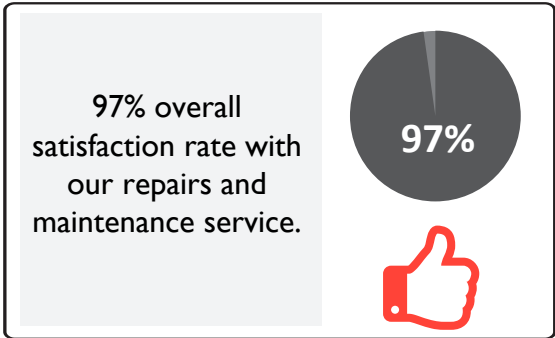
# HOW DID WE DO?



## Customer complaints



## Repairing and maintaining your home



## Gas servicing

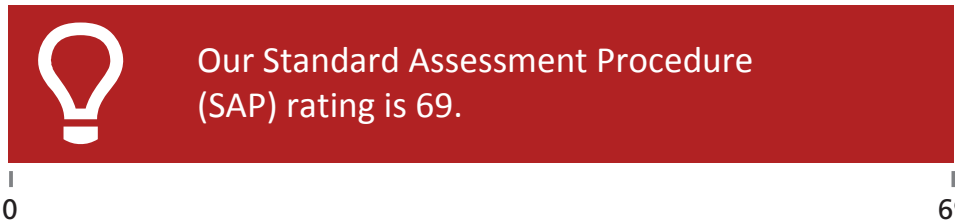
99% of our properties have a valid Gas Safety Certificate, or CPI2, for gas safety. The national target is 100%. We have not been able to achieve this because some tenants persistently refuse to allow us access to their homes. We continue to make every effort to address this, with various initiatives including Saturday appointments, stopping non-emergency repairs in the home and legal action.

## Planned Maintenance and Improvement Works



Between April 2014 and the end of March 2015, we spent £5,350M investing in our housing stock. This included carrying out national Decent Homes works.

## Energy efficiency



The SAP rating is the national calculation for measuring the energy efficiency of a house. A perfect rating is 100 and our figure of 69 is a good rating for our older housing stock.



## Tenant and resident satisfaction with estate services

No surveys were done during the reporting period as the timing of these has been moved to the summer. Therefore, new results will be available in the 2015-16 report. The most recent results we have available are as follows:



76% of households were satisfied with cleaning standards on their estate



82% of households were satisfied with the overall service we provide on their estate.



82% of households were satisfied with the customer service on their estate.

## Supporting People and Supported Housing



99% of vulnerable people supported to maintain independent living.

This applies to residents in our sheltered accommodation and those who receive support in their own home.

## Rent collection



We collected 98.7% of all rents owed.

Rent from City of London tenants collected  £11.6m

Service charges from home owners collected  £1.36m

Commercial rents collected  £1.19m

## How we allocated and let our properties

102 

Total properties let.

94 

Properties let under Choice Based Lettings.

693 

People on the waiting list.

20 

Households living in temporary accommodation.

# SOME OF OUR ACHIEVEMENTS 2014/15



Introduced Facebook pages for all our estates.



Supported residents affected by benefit reform and achieved a record level of rent collection.



Established and ran the hugely successful 'Remembering Yesterday, Celebrating Today' programme of community events.



Demolished the old Avondale Community Centre and started work to develop a new one plus 16 new homes.



Set up a Housing User Board (HUB) to help us with detailed consultation and policy development.



Developed plans to build new homes on the Richard Cloudesley School site in Islington.



Took possession of 43 new flats at Horace Jones House next to Tower Bridge.



Produced a new Anti-Social Behaviour policy.

# KEY CHALLENGES 2015/16



Supporting residents affected by the introduction of Universal Credit and other benefit reforms.



Implementing new policies for Rents, Tenancies and Allocations.



Moving forward with plans to improve the homes we offer to older residents.



Addressing nuisance behaviour on our Square Mile and Islington estates through a pilot Neighbourhood Patrol Service.



Managing changes in national housing policy and the impact this will have on our financial position.



Upgrading our properties by ensuring that work starts on major repairs programmes.



Upgrading our use of IT to streamline processes, reduce paperwork and improve communications with residents.

<b>Committee:</b>	<b>Date:</b>
Housing Management & Almshouses Sub Committee	14 September 2015
<b>Subject:</b> Welfare Benefits Update & Financial Inclusion Programme	<b>Public</b>
<b>Report of:</b> Director of Community & Children's Services	<b>For information</b>
<p><b>Summary</b></p> <p>This report gives an update on the paper brought to the Sub-Committee in January 2015. It gives Members the latest information about:</p> <ul style="list-style-type: none"> <li>• the impact of reforms to date,</li> <li>• future changes announced in the Summer budget 2015</li> <li>• outlines the work taking place to help residents cope with the introduction of Universal Credit</li> </ul> <p>Housing Benefit and Council Tax Reduction Scheme for City of London residents, and Housing Benefit for tenants of CoL estates in other boroughs, are administered by the Benefits Team within the Housing Service. Since proposals for benefit reform were first raised, the Benefits Team has worked closely with the Housing Management Team and other colleagues, to ensure that the implications, both for residents and for the City's Housing Revenue Account (HRA) have been identified and addressed.</p> <p>As a result, we have developed a Financial Inclusion Programme which groups together a number of projects designed to assist residents. An update on this programme is included in this report.</p> <p><b>Recommendations</b> Members are asked to note the report.</p>	

## Main Report

### Background

1. The Welfare Reform Act 2012 introduced a number of changes aimed at reforming the welfare benefits system. Chief amongst these were:
  - Reductions in housing benefit to households considered to be occupying accommodation with more bedrooms than needed – known as the Bedroom Cap;
  - An overall cap on total benefits payable to a household, limiting these to £26,000 per annum for couples and lone parents and £23,000 per annum for single adults – known as the Benefits Cap;
  - The introduction of a new benefit, Universal Credit, designed to replace housing benefit, income support and other types of payment.
  
2. Further significant changes were announced in the 2015 summer budget which will be introduced over the next three years:
  - Further reduction in the household benefit cap in London to £23,000 per annum for couples and lone parents and £15,410 per annum for single adults.
  - Backdating of Housing Benefit claims limited to a maximum of four weeks from April 2017
  - The annual uprating of working age benefits frozen for 4 years
  - Various changes to tax credits and benefit premiums which will impact on housing benefit calculation rules
  - From April 2017, 18-21 year olds will not be entitled to claim the housing element of Universal Credit (may apply to Housing Benefit too)
  - For tenants of social housing a mandatory upper income limit will be set, above which a 'market rent' must be charged. The limit for households in London has been set at a gross income of £40,000

To help mitigate these changes the government will provide £800 million of funding to local authorities for Discretionary Housing Payments over the next 5 years. Additionally, a national living wage will be introduced for employees over 25 in 2016. This will be compulsory for most employers
  
3. Extensive work has taken place to support residents affected by the Bedroom Cap and Benefits Cap. A summary of this work was presented to the Housing Management Sub-Committee in February 2014 and January 2015 and an update on the impacts to date can be found below. Support for households affected continues.
  
4. We are now focussing on the introduction of Universal Credit. The City was part of the first tranche of national rollout of Universal Credit. From March 2015, a small group of residents in the east of the City (new claims from single people seeking work who would previously have applied for Jobseeker's Allowance) have been directed to apply for Universal Credit. This will roll out across all our estates in the next six months. However, there are a sizeable number of

exemptions so the impact on the Benefits Section is not expected to be significant until migration of the existing case load begins.

### **Bedroom Cap and Benefits Cap Updates**

5. As at August 2015:

- a total of 108 households had been affected by the Bedroom Cap.
- 61 are no longer affected.
- 47 households are being currently affected (42 City of London tenants, 5 Guinness Trust tenants).

Of the 42 City of London tenants who are currently affected, only 10 households are in significant rent arrears (that is, over £300), but the arrears average £734 per household.

6. As at August 2015:

- a total of 11 households had been affected by the benefit cap.
- 3 households are affected at the present time.

All 3 households affected by the benefit cap are now in rent arrears, averaging £372 per household.

7. As a result of the lower benefit caps announced in the summer budget we anticipate that a further 22 households will be affected by the reduced cap amount. It is anticipated that this will be introduced in autumn 2016, though this has yet to be confirmed.

8. To date, there have been no evictions as a result of benefit reform. Our protocol is that we only move to serve a notice to quit on a tenant whose arrears are due to benefit changes, if they have been offered a smaller property and have refused to accept it or to engage with us. We use Discretionary Housing Payments (DHP) in many cases to cover the shortfall while we work with households to help them decide on a long-term solution.

### **Universal Credit**

9. The latest challenge we face is managing the introduction of Universal Credit. Universal Credit will be a single monthly payment to each household which will replace:

- Jobseekers Allowance
- Employment Support Allowance
- Income Support
- Child Tax Credit
- Working Tax Credit
- Housing Benefit

10. It will be personalised according to every household's circumstances and is designed to make sure that households are better off in work than unemployed. It will not affect people of pension age. The implementation will be phased in for different categories of claimant, starting with new claims from single jobseekers in March 2015.
11. Unlike Housing Benefit, which, for social tenants goes direct to the landlord to pay rent, Universal Credit will be paid direct to the claimant, who will be responsible for managing all their household costs, including rent, themselves.
12. Whilst many households will be capable of dealing with this, there will be others who struggle and, in the face of competing demands for their money, may prioritise the most immediate pressures and not their rent.
13. If a tenant has the equivalent of one month's rent arrears, the decision to pay Universal Credit directly to them will be reviewed, and if the arrears reach the equivalent of two months' rent, the payment of housing related support will automatically revert to the landlord. This is a welcome change but direct payments will still pose many challenges for landlords.
14. To prepare for the introduction of Universal Credit, the Housing & Neighbourhoods Service is in the process of implementing a Financial Inclusion Programme of measures which are designed to support residents, help them to manage their money effectively, and ensure that rent arrears remain low.
15. We have also entered into a Delivery Partnership Agreement with the DWP. This commits us to a number of measures to support residents with digital access and personal budgeting support. Most are already covered by our Financial Inclusion Programme and day to day work, but we will work with the DWP to ensure that we provide all the assistance they recommend.
16. A case study, describing experiences with the City's first Universal Credit claimant, is attached at Appendix 1. This will give Members an indication of the range of challenges facing both staff and claimants.

## **Financial Inclusion Programme**

Financial inclusion is defined as the ability of an individual, household, or group to access appropriate financial services or products. Without this ability people are often referred to as financially excluded.

People that are financially excluded might;

- not be able to access affordable credit
- not want or have difficulty obtaining a bank account
- be financially at risk through not having home insurance
- struggle to budget and manage money or plan for the unexpected
- not know how to make the most of their money

Anyone can be financially excluded. The key to our work in this area is catching problems before they become larger and helping people become more prepared and better equipped for the future. To do this we implemented the following during 2014/15:

<b>Financial Inclusion Programme</b>		
<b>Project</b>	<b>Outline</b>	<b>Aimed at</b>
Staff training & support	<ul style="list-style-type: none"> <li>All estate staff attended basic training on money management to help them to provide a support and signposting service to residents.</li> <li>The Tenancy Support Team, working with the most vulnerable residents, attended debt counselling training.</li> <li>In partnership with Toynbee Hall, two-day courses run for staff so that they can be Money Management Champions and can give practical support to residents.</li> <li>Equipping our Income Recovery Officers and Tenancy Support Officers with mobile technology so that they can review rent accounts, carry out benefit assessments and help people submit claims online during home visits.</li> </ul>	All residents
Digital Support	<ul style="list-style-type: none"> <li>Started upgrading our IT facilities and internet access in our estate offices so that residents can be helped to make benefits applications on-line</li> <li>Mapped free digital access for all City of London estates</li> <li>Referred residents to Digital Inclusion training run by the Library Service.</li> </ul>	All residents
Access to information	<ul style="list-style-type: none"> <li>Benefits team surgeries on our estates. Residents can make an appointment to see an advisor or can drop in and get help to make sure they are claiming all appropriate benefits.</li> <li>Raised the profile of our Tenancy Support Team to estates staff to ensure that all households who need support get an appropriate referral</li> </ul>	All residents
Local Welfare Assistance (LWA) Funding	<ul style="list-style-type: none"> <li>This allows crisis loans and payments to be made to low income families in an emergency. The City scheme is entitled the Emergency Support Scheme (ESS); it is administered on our behalf by the London Borough of Lambeth.</li> <li>Direct funding ended in April 2015. However, the City of London is continuing to support the ESS (Local Government Settlement Grant)</li> </ul>	Individuals and families experiencing a crisis or emergency
Pre-tenancy	<ul style="list-style-type: none"> <li>Engaged on a project with Broadway St Mungo</li> </ul>	Prospective

Training	where we will require first-time tenants to attend a two day money management training course before they are offered a property.	tenants on the waiting list for a first tenancy
Community Money Mentors	<ul style="list-style-type: none"> <li>• A project in partnership with Toynbee Hall. A total of 60 hours training for resident to improve money management skills</li> </ul>	All residents
Care Leavers Support	<ul style="list-style-type: none"> <li>• Improved support for looked after children, when they leave care and moved into independent living.</li> <li>• We have worked with Children's Services to produce a new policy and procedure, whereby money management support starts to be given to look-after children from the age of 16 onwards.</li> <li>• By the time they are 18 and able to leave care, they will have received sufficient support and training to enable them to sustain their tenancy – but we also provide a package of support for a further six months and longer if needed.</li> <li>• Monitor the position of each care-leaver carefully, in liaison with their social worker.</li> </ul>	Looked-after children and care-leavers
Kineara Rent Support Programme	<ul style="list-style-type: none"> <li>• This project provided intensive support and training over a 10 week programme to households with serious and long term rent arrears.</li> </ul>	Tenants at risk of eviction for rent arrears
Illegal Moneylending support	<ul style="list-style-type: none"> <li>• Worked with the National Illegal Moneylending Team, to raise awareness of how to spot and deal with illegal moneylending activity.</li> <li>• All estate staff received training and presentations given to residents on every estate at their estate meetings, as well as promotional materials being widely displayed.</li> </ul>	All residents
Credit unions	<ul style="list-style-type: none"> <li>• Worked closely with the London Capital Credit Union (LCCU).</li> <li>• LCCU officers have attended estate meetings and held surgeries on our estates, talking to both residents and staff to encourage them to make use of the low-cost loans provided by them and to encourage them to develop a savings habit.</li> <li>• LCCU membership forms were sent to all tenants in January 2015.</li> </ul>	All residents
Essential items support	<ul style="list-style-type: none"> <li>• Identified a budget to help residents in financial difficulties to purchase essential items, in particular carpets and curtains.</li> <li>• Residents often complain to estate staff that neighbours are covering windows with sheets,</li> </ul>	Residents identified by estate staff as being in need of support



	<p>or that hard floors are noisy. These issues indicate that a household is in poverty.</p> <ul style="list-style-type: none"> <li>• By providing grants to assist households in these circumstances, we can not only help them to avoid being singled out, but by offering this support, we can get access to the household to provide further support.</li> </ul>	
Ongoing information	<ul style="list-style-type: none"> <li>• We provide a range of information for residents to use at any time.</li> <li>• We also have a subscription to 'Quids In' magazine, a publication which aims to provide financial information in a chatty, easy to read format, alongside celebrity news and other popular items. We make 'Quids In' available to residents free on a quarterly basis.</li> </ul>	

In the current year we aim to achieve the following:

Financial Inclusion Programme		
Project	Outline	Aimed at
Personal budgeting support	<ul style="list-style-type: none"> <li>• As part of the Delivery Partnership Agreement entered into with the Department for Work and Pensions, we will offer Personal Budgeting Support to tenants on Universal Credit who have been referred to us by the DWP.</li> <li>• Individuals who require intensive budgeting support will be referred to City Advice</li> </ul>	Referred clients
Credit unions	<ul style="list-style-type: none"> <li>• Support residents in receipt of Universal Credit who do not have transactional bank account to open an appropriate credit union account.</li> </ul>	All residents
Rental Exchange	<ul style="list-style-type: none"> <li>• Participate in a programme led by Experian, the credit-rating agency, allowing all our tenants to have a credit rating.</li> <li>• A tenant who has no previous borrowing history has no credit rating, regardless of their rent payments. This affects their ability to sign up to contracts for services such as mobile phones and utilities. Without a credit rating, they cannot take advantage of cheaper rates offered through contracts and have to use more expensive, pay-as-you-go options.</li> <li>• The Rental Exchange project allows rent accounts to be taken into account so that tenants with a good rent payment history can get a credit rating.</li> <li>• A test of our data revealed that over 50% of tenants would benefit from the sharing of their</li> </ul>	All tenants

	data. A report asking for approval to implement the scheme will be brought to the Housing Management & Almshouses Sub-Committee in November.	
Local Welfare Assistance (LWA) Funding	<ul style="list-style-type: none"> <li>Widen the scope of the scheme to ensure that anyone in receipt of a state benefit eligible to apply. Funding can be critical to recipients in a crisis.</li> <li>Improve take up of the ESS scheme</li> </ul>	Individuals and families experiencing a crisis or emergency
Estate information	<ul style="list-style-type: none"> <li>Make Universal Credit packs available in all estate offices to ensure all appropriate information and forms are available to staff to support residents as the move onto direct payments under Universal Credit</li> </ul>	All tenants
Charities	<ul style="list-style-type: none"> <li>Create a list of local charities and their criteria in order to support residents in need</li> </ul>	Individuals and families requiring support
Income maximisation	<ul style="list-style-type: none"> <li>Providing support and information to assist individuals and households to maximise their income</li> </ul>	All tenants

## Risks for the City

As previously reported, the programme of Welfare Reform poses the following risks to the City of London:.

- The principal risk from a financial perspective is that, as a result of direct rent payments under Universal Credit, rent arrears will rise. This will impact on the 30 year Housing Revenue Account Business Plan and restrict our ability to carry out repairs and improvements to our homes. An allowance has been made within the current Business Plan for increased rent arrears and we will continue to monitor this closely and make amendments to reflect changes.
- Increased rental arrears will result in more evictions – not just from City housing but from privately rented homes and from other housing providers such as the Guinness Trust. This will impact on the City’s Homelessness Service. People evicted due to rent arrears are considered to be ‘intentionally homeless’, which means there is no duty to rehouse them. However, we **do** have a statutory duty to rehome and of those households which contain children and vulnerable adults. At present, we have low numbers of people in temporary accommodation and the budget available reflects this. When the impact of Universal Credit begins to be felt, it is likely that we will see a surge in the demands on the Temporary Accommodation budget and on the staffing resource. We propose a piece of work to profile the risks and likely impacts of the changes and will use this to inform strategy as we move forward.

19. Government funding to support local authorities through the impact of welfare benefit reform is reducing. Our Discretionary Housing Payments budget was reduced by a further 13% in 2015-16, with a DWP grant of £21,562. This cut has severely limited our ability to support vulnerable households.

20. This, in turn, could have an impact on crime and anti-social behaviour. We are already seeing an increase in chaotic lifestyles, as households and individuals are affected by benefits sanctions and struggle to find secure employment, severely limiting their ability to manage their finances. Proposals to reduce and even discontinue support for single males of working age may well increase this problem further, and make them more vulnerable to illegal moneylending activity and drug and alcohol abuse.

**Liane Coopey**

Benefits & Tenant Support Manager

T: 020 7332 1614

E: [liane.coopey@cityoflondon.gov.uk](mailto:liane.coopey@cityoflondon.gov.uk)

This page is intentionally left blank

## **Universal Credit in the City of London**

This is a case study of the first resident of the City of London to receive Universal Credit (UC). It is used to illustrate some of the issues that we believe will become important for staff, tenants and the City of London as UC goes live.

### Background

Mrs M is a single lady in her 50's living on an estate in the City of London. She lives with her two adult sons – one in full time employment and the other is unemployed and receiving Jobseekers Allowance (paid at the rate of £57.90 per week).

Mrs M has been a housing tenant since the early 90's. Since 2009 she has been working and in receipt of partial Housing Benefit. She has always managed her Housing Benefit claim well – being responsive and proactive with her claim.

### Claiming Universal Credit

In February 2015, Mrs M lost her job and was the first City resident to submit a claim for UC with the DWP. She submitted an online claim with assistance from her DWP work coach on 23<sup>rd</sup> March 2014.

When submitting her claim for UC, Mrs M was advised she would receive her first payment (paid monthly in arrears on the 1<sup>st</sup> May 2015). However, the first payment wasn't received until 1<sup>st</sup> June 2015.

The UC claim was paid from 25<sup>th</sup> April 2015 to 25<sup>th</sup> May 2015. Mrs M was not paid UC for the first month of the claim as the DWP stated she had not provided proof of her current rent. She challenged the decision not to pay her for this period but was unsuccessful. (Housing Benefit regulations would allow for late submission of documentation and would have paid from 23<sup>th</sup> March 2015). Guidance states that Housing Benefit cannot be paid for any period Universal Credit has been claimed for – even if Universal Credit is not paid for that period.

Therefore Mrs M had no income from 20<sup>th</sup> March to 25<sup>th</sup> April 2015.

### Payment of Universal Credit

Universal Credit was awarded at the rate of £709.53 per calendar month:

Personal Allowance	£314.67
Housing Allowance	£394.86

Weekly rent liability is currently:

Weekly	£147.99
Monthly	£641.29

There is a shortfall of £246.43 per month between rent liability and the Housing Allowance element of UC. (Approx £130 of this is in respect deductions for the 2 adult residents currently living with Mrs M)

#### Snapshot of rent account

Historically the tenant managed her rent account well until 2009 when she was working and earning a low salary. Between 2009 and 2013 her arrears escalated to £1200. These were cleared in full with a lump sum payment in 2013.

Date	Rent Arrears	Action
5 <sup>th</sup> January 2015	£88.04	
23 <sup>rd</sup> March 2015	£345.74	Letter sent
18 <sup>th</sup> May 2015	£1145.87	Notice seeking possession issued
28 <sup>th</sup> July 2015	£1671.77	Interview with tenant
26 <sup>th</sup> August 2015	£1783.73	Referred to C&CS

Between 23<sup>rd</sup> March 2015 and 24<sup>th</sup> August 2015, Mrs M has paid a total of £1630 to her rent account. Her total rent liability for this period was £3255.

#### Staff interventions

Mrs M first contacted the Housing Benefit office on 9 April 2015 to advise that she had applied for Universal Credit. Initially she was in regular contact with estate staff. When the Universal Credit was not paid as expected on 1<sup>st</sup> May 2015, Mrs M withdrew from contact. Records show that an income recovery officer recorded 8 telephone contacts with Mrs M between 21<sup>st</sup> April 2015 and 24<sup>th</sup> August 2015

On 18<sup>th</sup> June 2015, Mrs M attended the Barbican estate office. Staff from the Benefits Team spent over an hour with Mrs M discussing budgeting and meeting rent payments. During the meeting Mrs M became visibly upset. She reported that she'd found the whole process of claiming Universal Credit unsettling and frustrating. The importance of receiving financial support from her adult sons' was discussed. Support was required in order that Mrs M could meet her rent payments and household living costs. Budget planning could not be supported as any plan would require commitments of financial support from her sons' who were not present.

#### Current situation

Mrs M has been given form for a Discretionary Housing Payment (DHP) and advised to seek assistance from CityAdvice in relation to the DHP request, the missing Universal Credit at the start of her claim and her overall debts.

Mrs M's Council Tax account is in arrears. Mrs M was sent an arrangement notice but has failed to make the first payment due on 15 August 2015. Total outstanding £474.95. Last payment was March 2015. (Her Council Tax account had been kept in order for all of 2014.)

Possession of the property is now being sought

Organisational learning

- There can be no one size fits all approach to dealing with tenants in receipt of UC – each case will need to be assessed on an individual basis
- An assessment of the claimant's ability to manage her rent account should have been made on the day we found out she'd applied for UC.
- Direct payments from UC should have been applied for the week the tenant reached 8 weeks of rent arrears.
- DWP UC rules on backdating and submitting requested evidence are far more stringent than existing housing benefit regulations

This page is intentionally left blank



<b>Committee(s):</b>	<b>Date(s):</b>
Housing Management and Almshouses (Community and Children’s Services) Sub Committee	14 September 2015
<b>Subject:</b>	<b>Public</b>
The City of London Corporation Housing Allocation Scheme 2015	
<b>Report of:</b>	<b>For Decision</b>
Director of Community and Children’s Services	
<b>Summary</b>	
<p>This report presents the revised City of London Corporation Housing Allocation Scheme. The Scheme has been revised following feedback from the Housing User Board and in response to legislative developments and also to the challenges faced by the Corporation from increasing demand for its limited housing stock.</p> <p>The main changes include strengthening of the employment local connection rule. Amendment to the bands include removing from band 1 (high need) and placing into band 2 (medium need): <i>homeless households to whom the City Corporation has accepted a statutory duty to accommodate</i>. There is now also clearer recognition of members of the armed forces who may qualify without a local connection and in some circumstances given additional priority.</p> <p>A two week consultation of the proposed revisions was undertaken. Responses supported the changes proposed.</p> <p>The revised Policy supports the Department of Community and Children’s Services strategic business priorities to develop strong neighbourhoods and ensuring people have a decent place to live.</p>	
<b>Recommendation(s)</b>	
Members are asked to:	
<ul style="list-style-type: none"> <li>• Note the revised City of London Corporation Housing Allocation Scheme (as attached in Appendix 1 to this report) and recommend it to the Community &amp; Children’s Services Committee for approval.</li> </ul>	

## Main Report

### Background

1. The City Corporation’s policy on housing waiting lists and nomination to affordable housing are governed by a number of Acts and Guidance. The most important ones are the Housing Act 1996; the Housing Act 2004; the Homelessness Act 2002; Localism Act 2011 and Guidance issued in 2012 and 2013.

2. The Corporation adopted its current Housing Register and Allocations Policy on May 2014. The 2014 Policy marked a significant change of practice for the City Corporation because it enabled the Corporation to utilise the new powers and flexibilities granted to local authorities by the Localism Act 2011 and Codes of Guidance issued in 2012 and 2013.
3. The 2014 policy made use of the ability for local authorities to set local connection qualification rules, to ensure homes go to households with a housing need and to set the allocation priorities to meet local needs and circumstances.
4. A range of local qualification rules were implemented at this time including local connection, household income savings limit, no rent arrears, no anti-social behaviour, as well as some others. Waiting list households were required to have a housing need as set out in the housing need priority bands 1-3.
5. The 2014 policy has been operating for almost one year. During this time, a number of issues have arisen which need to be addressed to enable the policy to operate more fairly and consistently. Furthermore, the local and national housing market has changed. Most notably an increase in private rental costs has placed more pressure on the City Corporation's Register and Housing Needs Service. Revisions to the policy are intended to reduce pressure.

### **Current Position**

6. A number of changes were proposed to the policy and a two week consultation period was undertaken on the proposed revisions with the Housing User Board. Responses supported the changes proposed. The consultation and changes are detailed below.

### **Consultation**

7. A consultation was undertaken with the Housing User Board. This took place in August 2015. All members of the Board were invited to take part in a survey. The survey detailed the proposed revisions to the existing policy and a link to the existing policy. The survey was available on line and on request hard copies of the survey were available to post to interested parties.

### **Changes to Local Connection and Qualifying Criteria**

8. Supplementary guidance issued in December 2013, encourages local authorities to implement a two year residency test. In line with this, the twelve month City residency local connection requirement will be extended from 12 to 24 months. An extension to the length of time of employment local connection will extend from twelve to 24 months. This change reflects a need for applicants to demonstrate a stronger commitment to the City and better aligns this local connection with the residency qualification.

## **Local Connection and moving for work**

9. On 9 March 2015, the Government announced that it would introduce “Right to Move” regulations to “ensure local connection requirements do not prevent social tenants from moving into the area to take up work or apprenticeships opportunities”. This new guidance also includes “an expectation for local authorities to set aside a proportion of their lets for social tenants who need to move across local authority boundaries for work related reasons”. The guidance sets a minimum expectation of 1% of lets, although it is for local authorities to decide on the appropriate proportion in the light of local circumstances.
10. To meet this, the revised allocation scheme will allow social housing tenants without a local connection to the City, but who are seeking a move to the City of London to take up work or be closer to work to approach the City Corporation for social housing. The City Corporation will make up to one per cent of its voids available to meet the needs of this group. Where such a household is accommodated a direct offer will be made for a property suitable for the household.

## **Armed Forces Personnel and Local Connection**

11. In encouraging authorities to implement the two year residency test for social housing applicants, the guidance also states that authorities must make an exception for certain members of the regular and reserve Armed Forces. Therefore, this revised scheme now places into the priority band 3, members of the regular and reserve armed forces *without* local connection to the City or their bereaved spouses who need to move because of serious injury, a medical condition or disability sustained as a result of their service. This new revision recognises the special position of members of the Armed Forces (and their families) whose employment requires them to be mobile and who are likely therefore to be particularly disadvantaged by local connection requirements; as well as those injured reservists who may need to move to the City to access treatment, care or support.

## **Changes to the priority bands**

12. The following applicants will be removed from band 1 (high need) and placed into band 2 (medium need): *homeless households to whom the City Corporation has accepted a statutory duty to accommodate*.  
They will be made a single, suitable direct offer, and if their application is successful, the City Corporation will discharge its homeless duty in accordance with legislation. However, in line with its Homelessness Strategy, The City Corporation will also seek to discharge its full homelessness duty where it can secure a reasonable offer of accommodation in the private rented sector.

### **Allocations made outside the process**

13. The revised policy will raise the age of applicants entitled to sheltered accommodation from 60 years to the state retirement age for women. This will be in line with the eligibility criteria set for the City of London and Gresham Almshouses.

### **The Right to Buy**

14. The revised Allocation Scheme takes into account the changes made to the Right to Buy legislation which came into effect in July 2014. The Scheme will stipulate that households who have previously exercised their right to buy or have received a cash incentive for a mortgage and then subsequently sell their property, will not be eligible to join the City Corporation Housing Register. Exemptions to this rule the circumstance when a homeless duty is accepted by the City Corporation under Part VII of the Housing Act 1996.

### **Corporate & Strategic Implications**

15. The revised Policy supports the Department of Community and Children's Services strategic business priorities to develop strong neighbourhoods and ensuring people have a decent place to live.

### **Implications**

16. The Localism Act 2011 requires the City Corporation to publish an allocation scheme for determining priorities and the procedure to be followed in allocating housing accommodation. Guidance issued in December 2013, provides further assistance to local authorities on making full use of the flexibilities within allocation legislation to better meet the needs of their local residents. This revised Allocation Scheme aims to make better use of the assistance provided by the guidance. Specifically, this revised Scheme strengthens the employment local connection and includes some flexibility and exceptions to the local connection qualification.

### **Conclusion**

17. This report presents the revised City of London Corporation revised Housing Allocation Policy. The revisions have been informed through consultation and in response to recently introduced legislation and guidance.

### **Appendices**

Appendix 1- The City of London Housing Allocation Scheme

#### **Nina Bhakri**

Policy Officer

Community and Children's Services

T: 020 7332 1214

E: [nina.bhakri@cityoflondon.gov.uk](mailto:nina.bhakri@cityoflondon.gov.uk)

**City of London Corporation**

**Housing Allocation Scheme  
2015**

## **1 Introduction**

- 1.1 This document sets out the City of London Corporation (the City Corporation) Housing Allocation Scheme. This determines the basis for allocating vacancies within the City Corporation's social housing stock, and housing association vacancies within the Square Mile to which it has nomination rights.
- 1.2 The aims of this Scheme are to:
- achieve a balance between the housing needs of existing City of London tenants and those applying to be new tenants
  - make the best use of our housing stock in this time of extremely high demand for social housing
  - be clear about who can go on our housing register, how we will prioritise households on the register, and the process for allocating homes
  - efficiently let our properties to reduce the amount of time properties are empty
  - help achieve our Business Plan aim to provide safe, stable and vibrant communities.

## **2 Legal Framework**

- 2.1 The policies set out in this document are shaped by a framework of legislation including the Housing Act 1996 (as amended by the Homelessness Act 2002 and the Localism Act 2011). It also reflects regulations and guidance issued by government relating to allocations. The City Corporation is required by s.166A(1) of the Housing Act to have an allocation scheme for determining priorities, and for defining the procedures to be followed in allocating housing accommodation; and must allocate in accordance with that scheme (s.166A(14)).

## **3 Equalities**

- 3.1 The City Corporation promotes equal opportunities and opposes all forms of unfair discrimination. Providing a clear and consistent policy for housing allocation supports the City Corporations to treat all applicants fairly. All applications and decision relating to them will be made in line with this policy and irrespective of their gender, colour, marital status, race, nationality, ethnic origin, disability, sexual orientation, age or faith.

## **4 Policy changes and discretion**

- 4.1 New government guidance and newly arising circumstances can require amendment to policies during their proposed lifetime. To make sure this allocation policy remains current and operates fairly and within the law, the Director of Community and Children's Services in consultation with the Chairman of Housing Management and Almshouse Sub Committee for Housing will be able to approve minor amendments. Major revision – such as that driven by legislative change - will be approved by the Sub Committee

4.2 This document aims to provide comprehensive information to ensure applicants are informed and understand the decision making process that will apply to the allocation of social housing. However, the allocation scheme cannot cover every eventuality. The City Corporation recognises that some exceptional needs may arise that are not addressed by this scheme. In such cases the Director of Community and Children’s Services has discretionary power to award additional priority and approve offers of housing, taking into consideration all factors relevant to housing and social needs.

## 5 Eligibility

5.1 To support the application of its Allocation Scheme the City Corporation holds a “Housing Register” of applicants who are eligible to qualify for social housing – whether a council property or a housing association home.

5.2 Housing allocations can only be made to those who are both eligible for housing and a qualifying person.

5.3 Applicants over the age of 18 years are can apply to the City Corporation for housing. Those under the age of 18 may be considered in exceptional circumstances: the City Corporation will provide advice on housing options with these applicants and consider any exceptional circumstances in conjunction with children’s social care services.

5.4 The following are applicants eligible:

- those who are resident in the City of London for a minimum period of 24 months, or who have been placed in temporary or supported accommodation provided by the Corporation for a minimum of 24 months
- those employed by the City Corporation for a minimum of 24 months (including interim or supported employment)
- those employed within the City of London for a minimum 24 months and who have been working for at least 16 hours per week (including interim or supported employment)
- those who are a child of a current City Corporation secure tenant and who has lived continuously within the household
- those who are a young person looked after by the City Corporation and placed in care.

5.5 The following are **not** eligible to join the Housing Register:

- those who are not entitled to access to public funds due to immigration status because:
  - they are subject to immigration control
  - only have the right to reside in the UK because they (or a member of their household) are a jobseeker
  - are not habitually resident in the UK

- have a right to reside in the UK of less than three months
  - Where an applicant who is eligible and qualifies for the Housing Register has a partner who falls into one of the above groups, they cannot, if successful in bidding for a home, have a joint tenancy with their partner.
- anyone who owns a property in the UK or abroad, unless exceptional circumstances apply.
  - households who have previously exercised their right to buy or have received a cash incentive for a mortgage and subsequently sell their property (unless a homelessness duty is accepted by the City Corporation under Part VII of the Housing Act 1996)
  - those who have an annual household income of £60,000 or more (before tax)
  - those who have household savings or capital of £30,000 or more
  - unless exceptional circumstances apply, applicants will be excluded from the City Corporation's Housing Register if their behaviour as a tenant of the Council, or the behaviour of a member of their household, has not been acceptable and there are reasonable grounds to believe that the applicant will not be a suitable future tenant.

5.6 Unacceptable behaviour includes:

- owing serious rent arrears and failing to comply with a current or past tenancy agreement with a local authority (including the Corporation), housing association or private landlord
- conviction for illegal or immoral purposes
- causing nuisance and annoyance to neighbours or visitors and which results in court proceedings
- committing certain criminal offences in or near the home and still posing threat to neighbours or the community
- being violent towards a partner or members of the family
- paying money illegally to obtain a tenancy
- having lost accommodation provided in connection with employment due to conduct making it inappropriate for the person to reside there.
- obtaining a tenancy fraudulently
- committing tenancy fraud.

5.7 If an applicant is not eligible to go on to the housing register we will aim to notify of the decision and reasons in writing within 30 working days. They have the right to request a review of the decision within 10 working days.



5.8 In allocating its housing, the Corporation is committed to ensuring that certain categories of people have access to appropriate accommodation. This allocation scheme therefore ensures that the requirement for a local connection does not apply to the following persons so as to disqualify them from an allocation of social housing:

- those who are currently serving in the regular armed forces or who were serving in the regular forces at any time in the five years preceding their application for an application of social housing.
- bereaved spouses or civil partners of those serving in the regular forces where (i) the bereaved spouse or civil partner has recently ceased or will cease to be entitled, to reside in Ministry of Defence accommodation following the death of their service spouse or civil partner and (ii) the death was wholly or partly attributable to their service
- existing or former members of the reserve forces who are suffering from a serious injury, illness, or disability which is wholly or partly attributable to their service.

## **6 Reasonable Preference**

6.1 The City Corporation's Allocation Scheme is required by legislation when determining allocation priorities to ensure that reasonable preference is given to the following categories of people:

- people who are homeless within the meaning of Part 7 of the 1996 Act (including those who are intentionally homeless and those not in priority need)
- people who are owed a duty by any housing authority under section 190(2), 193(2) or 195(2) of the 1996 Act (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any housing authority under s.192(3)
- people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
- people who need to move on medical or welfare grounds, including grounds relating to a disability, and
- people who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or others).

6.2 The City Corporation will give additional preference to applicants in one of the reasonable preference priority groups and you are:

- at risk of domestic abuse in your current home

- a witness or victim of crime and at risk of intimidation
- harassed, threatened or attacked in the local area because of your race or sexuality.

6.3 The City Corporation will also give additional preference to a person with urgent housing needs who falls within one of the reasonable preference categories above who:

- is serving in the regular forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service,
- formerly served in the regular forces,
- has recently ceased, or will cease to be entitled, to reside in accommodation provided by the Ministry of Defence following the death of that person's spouse or civil partner who has served in the regular forces and whose death was attributable (wholly or partly) to that service, or
- is serving or has served in the reserve forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service.

## 7 Qualifying categories

7.1 The City of London will accept onto the Housing Register applicants who fall into one of the following groups:

**I. existing City of London tenants who are under-occupying:**

tenants who wish to transfer to another City of London property and who are 'down-sizing' by 1 or more bedrooms

**II. low-paid City workers**

people who have worked for a minimum of 24 months in a job(s) within the 'square mile' whose total household income is less than £26,000 per year (includes City of London Corporation employees wherever they may be based).

**III. Sons and Daughters of current City of London tenants**

Band 3 will be awarded unless an applicant qualifies for higher priority by meeting any of the other criteria in this policy

**IV. Retiring City of London workers who have been in tied accommodation**

## **V. Those carrying out a caring role (including adoption / fostering) with City children**

### **8 Joining the Housing Register**

- 8.1 To join the Housing Register applicants must complete a housing application form and where appropriate, medical and social need assessment forms.
- 8.2 Applicants who need help with completing the form can request an appointment with the Housing Needs Team (see below for contact details) who will be able to help them.
- 8.3 Applicants will be asked to provide information and evidence necessary to enable officers to check their eligibility and housing need. This will usually include:
- photo identification
  - proof of identity for all household members and evidence of their right live in the UK if they are not British Citizens
  - proof of current address, for the last five years
  - national insurance number
  - proof of their residency or employment connection to the City
  - proof of savings
  - proof of earnings.
- 8.4 If the City Corporation is satisfied that the applicant is eligible to be on the housing register, an initial assessment will be made based on the information on the application form and any other information provided.
- 8.5 Applications will normally be processed within 30 working days, once all the required information has been provided in the requested form.
- 8.6 All those eligible will be assessed and placed in the appropriate bedroom category for their household size and in one of the four bands in date order. Applicants will be sent a letter explaining what band they are in, the points awarded to them and their date of application and guidance on how to bid for properties.
- 8.7 If an applicant feels that their application has been assessed incorrectly under the scheme and relevant circumstances have not been taken into account, they may request a review of the decision and must be able to provide supporting evidence. To request a review, the applicant should write to the Housing Needs Team setting out reasons for requesting a review within 10 days of their notification letter.

### **9 Who can be considered part of the household?**

- 9.1 An application to join the Housing Register should include those people who normally live with the applicant as a member of their family.
- 9.2 In considering the size and type of housing need, the Corporation will only consider households members who reside with the applicant at the time of application, or who subsequently need to join applicant as they are dependent (not financially) on them to receive care.
- 9.3 A partner will be considered where they live in a permanent relationship with the applicant for at least 12 months, or for any period where they are married to the applicant or in a civil partnership.
- 9.4 Dependent children are those under to whom the applicant has a legal care responsibility (e.g. guardianship or a residence order) amounting to more than 50 per cent of the time.
- 9.5 A dependent relative is one who is unable to live independently and there are no other options available for their care. The City Corporation will seek an assessment and recommendation from its independent medical assessor or the Head of service of Adult Social Care to confirm this.

## **10 City Corporation's bedroom standard**

- 10.1 Applicants on the housing register can only bid for properties that meet their assessed need. The City Corporation assess the number of bedrooms needed as follows:
- one bedroom for the applicant, and partner/spouse
  - one bedroom for any additional adult couple
  - one bedroom for any two additional people of the same sex under 16
  - one bedroom for any two additional people of the opposite sex aged nine and under
  - one bedroom for any additional person.
- 10.2 Single applicants qualify for a studio property. However, single applicants over 45 years old who are current City Corporation tenants seeking a transfer, or applicants who have care or custody for children who do not live with them qualify for a one bedroom property.
- 10.3 The City Corporation does not have any properties with over five bedrooms

## **11 Application update and renewal**

- 11.1 Applicants must notify the Corporation of any changes in their circumstances as they arise, such as, but not limited to, a relationship breakdown, a child leaving home, or a new child being born, a change of address or employment.
- 11.2 When an applicant's change of circumstance has been re assessed, this may result in a change in the applicant's band or bedroom need. If an applicant

loses their local connection, increases their household earnings to more than £60,000 per annum, or owns a property, their application will be cancelled.

## **12 Giving false or misleading information**

12.1 Under Section 171 of the Housing Act 1996, it is a criminal offence for an applicant to knowingly give false information or to withhold information relevant to their application.

12.2 This applies if:

- an applicant knowingly or recklessly makes a statement which is false in a material particular
- knowingly, withholds information which the Corporation's housing team has reasonably required the applicant to give in connection with the exercise of its functions.

12.3 This applies at all stages of the application. If there is significant change in the applicant's housing circumstances then there is an obligation on them to inform the Housing Needs Team of this.

## **13 Help with registering and bidding for properties**

13.1 Some applicants may need help with registering for housing and bidding for properties. In most cases applicants needing assistance will be identified through the application process. Officers will work with the applicant to identify someone appropriate who will act as their nominated helper.

13.2 The housing register application form includes a question asking whether an applicant may have difficulty in applying and bidding for a property themselves and whether they have someone who can help them.

13.3 Applicants who need help with registering or bidding for properties should contact the Housing Needs Team.

## **14 Priority for housing**

14.1 Households accepted onto the Housing Register are awarded a band and points level that reflects their priority for housing. Priorities reflect the aims of this policy and preference the City Corporation is required to give by law to certain household types as set out above (see Reasonable Preference).

14.2 Where a household falls into more than one reasonable preference group, cumulative preference is recognised in the points awarded (as outlined above). The banding scheme allows for applicants with multiple housing needs to move between the bands described below, according to level of need.

14.3 In some exceptional circumstances the City Corporation will provide additional preference to households identified as having the most urgent need or multiple needs. The types of circumstances likely to be eligible for additional preference are set out in the Emergency Band described below.

## **15 How needs are assessed**

15.1 The Corporation operates a banding and points scheme which takes into account applicants who should be given “reasonable preference”, additional preference groups and local letting priorities.

15.2 There are **four bands**:

### ***Emergency Band***

This is a time limited band and all applicants in this band will be kept under review. This band is limited to City of London tenants. Only one reasonable offer of accommodation will be made under this scheme.

### ***Band 1- High***

### ***Band 2 - Medium***

### ***Band 3 – Low***

15.3 Points and priority for a property will be awarded in the following way:

### ***Emergency Management Transfer Band (4000 points)***

- urgent need to move due to violence, harassment, protection issues
- severe or life threatening medical need

### ***Band 1 – High (3000 points)***

- overcrowded by 2 bedrooms or more as defined by the bedroom standard
- medical need has a severe impact on normal life and likely to deteriorate
- need for adapted accommodation
- moving on from supported housing / living
- care leavers
- under occupying City Corporation tenants
  - downsizing by 2 or more bedrooms
  - moving to older people’s accommodation
  - or whose household is affected by the removal of the “spare room subsidy”.

### ***Band 2 – Medium (2000 points)***

- homeless households for which the City Corporation has a statutory duty
- low income City workers with household incomes less than £23,000 per annum
- former members of the armed forces with a local connection to the City of London, through employment or residency
- overcrowded by 1 bedroom as defined by the bedroom standard

**Band 3 – Low (1000 points)**

- sons and daughters of secure City of London tenants who have resided continuously with their parents
- Members of the reserved forces without connection to the City of London or their bereaved spouses who need to move because of serious injury, medical condition or disability sustained as a result of their service
- qualifying homeless applicants found to be intentionally homeless

**Discretionary Banding Criteria**

The City Corporation recognises that there may be exceptional circumstances where the only way a housing need can be resolved is through the use of discretion. This will only be agreed if there are no other options available or feasible or if the applicant is in urgent need of housing.

**Additional points**

15.4 In addition to the bands above, additional points are awarded under the following:

**Sharing**

- sharing with family 5 points
- extra priority for sharing with non-family 1-4 people 10 points
- extra priority for sharing with non-family 5-9 people 15 points

**Lack of accommodation**

- bedroom 20 points per room

**Preference points**

- without tenancy 5 points

**Welfare grounds**

- domestic violence / harassment; other special reason for moving to city estates; near relatives/friends for support or special needs; property deemed unsuitable 0-30 points
- split family 20 points
- downsize - standard 30 points
- downsize - due to removal of spare room subsidy 50 points

**Medical**

- no medical priority 0 points

- low medical priority 20 points
- medium medical priority 50 points
- high / urgent medical priority 4000 points

## **16 Medical Priority**

16.1 Applicants who indicate that they or anyone in their household has an illness or disability which is affected by their current home will be asked to complete a medical self assessment form. This is assessed and given a priority by an independent medical assessor.

16.2 Medical priority will kept under review and may change if:

- the applicant moves to another property
- there is a material change in the medical condition of an applicant or other member of the household
- the condition is acute and the applicant had been awaiting treatment and the treatment is now complete, thereby resolving the medical need.

## **17 Transfer applicants**

17.1 Current secure tenants of the City of London can apply to join the Housing Register for a transfer. Priority for such a move will be awarded in line with the applicant's assessed housing need. It should be noted the City Corporation does not permit like for like transfer moves where there are no other welfare, medical or emergency needs.

Applicants with rent arrears will not be eligible to transfer and may be disqualified.

## **18 Choice**

18.1 The Housing Act 1996 requires local authorities to offer choice of accommodation, or to give an opportunity to express reasonable preference in relation to accommodation. The Corporation will offer a choice of accommodation in line with its Choice Based Lettings scheme, which provides the opportunity to choose accommodation by expressing an interest in properties that are advertised on the home connections website (see below).

## **19 How vacancies will be advertised and let**

19.1 Applicants who are accepted onto the housing register will be able to express an interest in a vacancy by making a bid. A guide to choice based lettings explaining the bidding process will be sent to these applicants.

19.2 Vacancies will be advertised every week in the following locations:

- the City Home Connections website
- the City of London Corporation Estates Offices



Each vacancy will have information on the location, size and type of property, and any other criteria that applicants must satisfy in order to be eligible for shortlisting.

19.3 Each bidding cycle begins every Thursday morning and closes the following Monday at one minute to midnight.

19.4 Applicants who bid for a property will be prioritised on the basis of their band and points. Applicants in the same band will be distinguished by the points awarded to them. Where their points are equal, priority is given to the applicant who has been in that band for the longest period.

19.5 If the applicant with the highest priority on a shortlist refuses the offer, the property will then be offered to the next eligible applicant on the shortlist.

19.6 Applicants will not be able to express an interest in a vacancy for which they are not eligible.

19.7 An applicant will be excluded from a shortlist on the following grounds:

- the applicant is not eligible in accordance with the bedroom standard and type of accommodation
- the applicant does not satisfy the advertising criteria included in the advert.

## **20 Allocation to housing association homes**

20.1 Housing association homes to which the City has nomination rights will be advertised alongside City Corporation vacancies. Where an applicant is successful they will be subject to the lettings policies and procedures of that housing association, including their assessment of bedroom needs.

20.2 Applicants who take up a tenancy with a housing association will have their application to the Corporation's Housing Register closed and removed.

## **21 Allocations made outside of this process**

21.1 The Corporation will aim to maintain the integrity of the allocation of property as set out above.

21.2 However, there will be occasions where direct allocations of properties are made where they have not been advertised and applicants have not made bids or where applicants will be required to submit a separate application. Such circumstances will include:

- specialist housing where an applicant has been identified and there is a need to house the applicant as soon as possible.
- sheltered accommodation where applicants have reached the state retirement age for women.

- so as to manage the supply of temporary accommodation and enable the Corporation to meet its statutory homeless duties, some properties may be allocated outside this allocation scheme.
- those occupying extreme insanitary or unsatisfactory housing conditions
- those with a City connection who face a critical or immediate need to move

21.3 The City Corporation may be approached by a tenant in social housing without a connection to the City of London, but who is seeking a move to the City of London to avoid hardship in order to take up work or be closer to work. The City Corporation will in any single financial year make up to one per cent of its voids available to meet the needs of this group where hardship can be demonstrated and employment or the offer of employment verified. Where such a household is accommodated a direct offer will be made for a property suitable for the household.

## **22 Statutory homeless households**

22.1 The City Corporation will give households to whom it owes a full homelessness duty (under Part VII of the Housing Act 1996) will be given reasonable preference within this policy. Those found to be homeless but intentionally so will be placed in the lowest band.

22.2 The City Corporation's full homeless duty will be discharged if a homeless applicant successfully bids for a property. However, in line with its Homelessness Strategy, the City Corporation will also seek to discharge its full homelessness duty where it can secure a reasonable offer of accommodation in the private rented sector. In this circumstance the household's Housing Register application will be suspended for two years, after which it will be closed, or reactivated should the private rented sector tenancy come to an end during this period, through no fault of the tenant.

## **23 Local Lettings Plans**

23.1 Section 167 (2E) of the Housing Act 1996 (as amended by the Homelessness Act 2002) enables housing authorities to adopt Local Lettings Policies and Plans. The Code of Guidance states that these lettings plans could enable a housing authority to allocate to specific groups, whether or not they fall into the reasonable preference categories. However, it also states that reasonable preference categories must be taken into account overall and that local lettings plans should not discriminate either directly or indirectly on any equality grounds.

23.2 The City Corporation may seek to develop local lettings plans for new build properties to allow flexibility to make lettings outside of the overarching allocations policy in line with the agreed local lettings plan.

23.3 Where the City Corporation considers that there is specific need to respond to local conditions, it will engage in and support the development of local lettings policies within its housing stock.

23.4 These policies will normally be time limited and the objectives may include targets to:

- increase the number of lets to those in employment or training
- lower child density
- balance the number and ages of children to avoid a large concentration of older or younger children
- make the best use of stock allowing a level of under-occupation / over-crowding
- enable new schemes to be allocated to a mixture of tenants in order to develop a sustainable community
- enable the City to manage particular business needs
- enable households to return to an area they left for redevelopment to take place.

23.5 This list is not exhaustive and local lettings plans may be agreed in other circumstances where there is evidence that the local community would benefit from such a plan and there is no significant adverse impact on other communities.

23.6 All local lettings and scheme-specific plans will be subject to formal approval. Each will have clear criteria and possibly their own qualification requirements, which are openly published. When a property which is being advertised is subject to a local lettings plan, this will be stated clearly.

23.7 Any local lettings plan will be agreed for a limited time, after which it will be reviewed, and lettings will revert to the main allocations scheme if appropriate.

## **24 Making offers to applicants**

24.1 The Housing Needs Team will be responsible for contacting successful applicants, within 5 working days with additional detail of the property, a potential tenancy commencement date and details of how to view the property. Nominations under a housing association or in the private rented sector will be subject to the policies of that body.

24.2 If an applicant cannot be contacted or if they are unable to view a property within 5 working days, the nomination rights for that property will pass to the next priority applicant.

## **25 Refusal Policy**

25.1 Applicants are expected to accept or reject an offer of a property at the time of viewing. Applicants who refuse two offers of suitable general needs accommodation, for which they have bid, will have their application reconsidered and will either not be able to bid for properties for a twelve month period or have their application cancelled. The twelve month period will begin at the date of the refusal of the second property or any decision on appeal.

- 25.2 The Corporation will discharge its statutory duty if applicants who have been placed in temporary accommodation, provided by the Corporation refuse one offer of suitable accommodation.
- 25.3 Applicants who have been placed in a band and awarded additional welfare points due to their current unsuitable accommodation and who refuse a suitable offer of accommodation will have their application reconsidered and their need to move removed. This will result in them being placed in a lower band.
- 25.4 Applicants have the right to appeal against any decisions to suspend bidding or remove priority.

## **26 Review of housing register and allocation scheme decisions**

- 26.1 Applicants can request a review of a decision concerning their housing register application or suspension from bidding. Applicants must make a request in writing, to the Housing Needs Team at the address below:

The Senior Housing Needs Officer  
Housing Needs Team  
Barbican Estate Office  
3 Lauderdale Place  
London  
EC2Y 8EN

## **27 Complaints**

- 27.1 The City Corporation is committed to providing you with the best possible service and to working with you to find a solution to your housing need. If, however, you are not happy with the service you have received from us, you can find Information about how to make a complaint and our complaints procedure at:

<http://www.cityoflondon.gov.uk/services/housing-and-council-tax/council-housing/contact-us/>

## **28 Housing advice and assistance**

- 28.1 Anyone needing advice or assistance with their housing situation can contact the Housing Needs team to discuss their housing options:

- by email - [hadvice@cityoflondon.gov.uk](mailto:hadvice@cityoflondon.gov.uk)
- by telephone – 020 7332 3452/1237/1654
- in writing

The Housing Needs Team  
Barbican Estate Office  
3 Lauderdale Place  
London  
EC2Y 8EN

<b>Committee(s)</b>	<b>Date:</b>
Housing Management & Almshouses Sub Committee	14 September 2015
<b>Subject:</b> Horace Jones House – review of allocations	<b>Public</b>
<b>Report of:</b> Director of Community & Children’s Services	<b>For Information</b>

## Summary

Horace Jones House (HJH) is a new block of social housing which was built by Berkeley Homes as part of the One Tower Bridge development and was passed to the City as part of the development agreement. The flats in the block are of a high quality and extremely desirable, not least because of the location and superb views of many. This report outlines the process by which those flats were allocated and the findings of a review of the allocations.

## Recommendation

Members are asked to note the report.

## Main Report

### Background

1. The City of London took possession of HJH, a new block of 43 flats for social rent and part of the prestigious One Tower Bridge development, in May 2015.
2. The first residents moved in during June 2015. This was the culmination of a year-long process to allocate the 29 flats in which the City can place tenants. The London Borough of Southwark has nomination rights to the other 14 flats, which means that they must be made available to people on Southwark’s Housing Register, not the City’s.

### Allocations Process

3. The allocations process started in June 2014, when publicity about the opportunities at HJH was sent to all existing tenants, asking them to express interest if they wished to be considered for a property there. All households on the Housing Register were also sent the same publicity. A spreadsheet of all interested households was developed.
4. In July 2014, a Local Lettings Plan for HJH was adopted by the Housing Management & Almshouses Sub-Committee. This plan allowed the properties to be allocated in a different way, rather than advertising them on the Choice Based

Lettings website. This was because the flats are different from the rest of our properties for two main reasons:

- They are more expensive as, although they are let at a social rent, the service charges are high;
  - There are no on-site staff, unlike at other estates, as the size of the block would not make this cost-effective.
5. It was, therefore, important to ensure that tenants would be in a position to maintain their tenancies financially and would require little or no support to do so. It was also felt that this was an opportunity to encourage existing tenants living in accommodation which was larger than needed to downsize, thus freeing up homes for families.
  6. The Local Lettings Plan for HJH departed from the normal Allocations Policy, then, as it allowed existing tenants to transfer to a property of the same size as their existing home. It gave priority to the City's existing tenants and, within this group, prioritised those in overcrowded accommodation, those with a severe medical need and those wishing to downsize. In the event of multiple households meeting the criteria, they would then be prioritised according to the length of time on the Housing Register.
  7. Two officers were seconded part-time to the HJH allocations. They first prioritised expressions of interest using the criteria of the Allocations Policy and Local Lettings Plan. They then made contact with all the interested tenants who fell into higher priority bands. They discussed the costs and nature of the new properties with the potential applicants and a number withdrew from the process at this point, citing high charges and lack of parking as their reasons. Tenants with significant arrears were ruled out at this stage on the basis that they would be unlikely to maintain higher payments.
  8. The remainder were then visited at home by the officers to be given detailed information on rents and service charges of individual properties. The interviews were also used to check the details of the prospective tenants and to check that there were no current tenancy breaches (eg that unauthorised alterations had taken place to the property). This eliminated more prospective applicants, and had the unexpected side effect of uncovering a number of potential fraud cases, which were subsequently investigated.
  9. Once the block had been handed over, prospective tenants were invited to view the flats. In all cases except one, the first tenants to see the property accepted it.
  10. The lengthy allocations process and amount of information and contact provided by officers meant that, by the time the flats were ready to be viewed and allocated, the list of prospective tenants matched the number of flats available. The flat which was declined on viewing was offered to, and accepted by, a tenant who had not expressed an interest originally, but had done so more recently. Happily, at the end of the process, all the applicants who met the criteria and had not dropped out were accommodated.

## **London Borough of Southwark Nominations**

11. Officers at Southwark accepted the Local Lettings Plan for HJH approved by the City and agreed to prioritise their nominations using similar criteria. Southwark's allocations scheme awards additional preference to working households, so they advertised the properties on their Choice Based Lettings site for applicants in employment.
12. They produced a list of applicants from those working households and informed us that they had put each household through a full audit by their fraud team before passing the list of accepted bidders to the City. These households were invited to view properties and all accepted them. As we had been assured that the applications had been audited, we did not carry out further checks ourselves and simply asked for City of London forms and normal documentation to be completed.

### **Issues**

13. There were two cases during the process where errors were made. In the first, a flat was erroneously offered to a household on Southwark's waiting list having already been viewed and accepted by another family. This was a staff error and the household concerned was, understandably, extremely disappointed, as there was no other property available for them at HJH. In recognition of the stress and inconvenience caused, the household was accepted onto the City's waiting list and has since been housed in a property meeting their needs and wishes.
14. In the second case, a prospective tenant was offered a different flat to the one he had viewed, which turned out to have already been accepted by someone else. An investigation took place and it transpired that the mistake came about because a plan provided to the City was inaccurate and had transposed the numbers of the two flats. Fortunately, this only affected the two flats concerned but it was also a great disappointment to the prospective tenant as the property he viewed was slightly larger than the one actually offered and had better views from the lounge. However, he accepted the other flat and assistance was given to help him move home, in recognition of his disappointment.

### **Case Review**

15. The Assistant Director, Housing & Neighbourhoods carried out, at the Director's request, a review of the process used for allocating the HJH properties to City of London tenants. Having reviewed the process outlined above and found it to be effective, she then looked at a sample of applicants to see who the process had been followed.
16. Twelve cases were selected randomly from a list of exiting City of London tenants who expressed interest in a transfer to HJH. These were tracked from the initial expression of interest until the end of the process. Of the twelve cases, five were offered flats and accepted. Two were ruled out on financial grounds. Two

withdrew because of a lack of parking. One was offered a flat but declined before viewing, having decided she did not wish to move from the City to Southwark. Two withdrew from the process citing a variety of factors in their decision.

17. In all cases, the process had been followed correctly. The officer managing the allocation process was able to provide information on each case and to show how the applicant had met the criteria.

18. As a further check, the officer carried out a brief review of all the successful applications from City of London tenants. All paperwork appeared to be in order, and no anomalies or errors were discovered, other than the one regarding the wrongly numbered flat, which is outlined in paragraph 14, above.

### **Conclusion**

19. The review of the process has found no evidence to suggest that the allocations process for Horace Jones House was not carried out correctly and that the Allocations Policy and Local Lettings Plan were both applied properly.

### **Background Papers**

Horace Jones House Local Lettings Plan – Housing Management & Almshouses Sub-Committee 210 July 2015.

### **Jacquie Campbell**

Assistant Director, Housing & Neighbourhoods

T: 020 7332 3785]

E: [jacquie.campbell@cityoflondon.gov.uk](mailto:jacquie.campbell@cityoflondon.gov.uk)



<b>Committee</b>	<b>Dated:</b>
Housing Management and Almshouses Sub Committee	14 September 2015
<b>Subject:</b> Proposed extension of Right to Buy policy	<b>Public</b>
<b>Report of:</b> Director of Community and Children's Services	<b>For Information</b>

## Summary

In the Queen's Speech the government set out its intention to bring forward legislation to extend the Right to Buy to housing association tenants. The government has stated that the policy will be funded by requiring local authorities to sell high value social rented homes when they become vacant.

This report sets out the details of the policy that the government has communicated to date, and alerts Members to the potential impact.

Approximately half of the City's social rented housing stock is above the high value thresholds indicated. As such the City could experience a loss of housing stock as a consequence, particularly within the Square Mile. Such a loss would have implications for rental income, and therefore asset management and future development plans.

The government has yet to set out details of their proposals, and what details have been shared may change significantly. It is anticipated that these will be contained within a Housing and Planning Bill to be published in the autumn.

## Recommendation

Members are asked to:

- note the report.

## Main Report

### Background

1. The government intends to bring forward legislation that will extend the Right to Buy (RTB) to secure tenants of housing association homes. The proposal, contained within the Queen's Speech on 27 May 2015, suggests that the extension of the RTB will be funded by requiring local authorities to sell off their high value properties.
2. High value homes will be defined as those whose market value is in the top one-third of all (private and social) homes of the same number of bedrooms in a given area. The sale of such properties will only happen when they fall vacant.

3. A government press release supporting the policy proposal set out estimates of what will constitute high value property. The figures for London are given below.

	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5 or more bedrooms
London	£340,000	£400,000	£490,000	£790,000	£1,205,000

4. Receipts from the sale of properties will fund the replacement of homes sold (on a one-to-one basis), the discount offered to housing association tenants (currently £104,000 in London), and the establishment of a “brownfield regeneration fund”. It is assumed that sale receipts will also be used to repay any local authority debt held against the homes being sold.
5. The government suggests that this policy will lead to the sale and replacement of around 15,000 homes a year.
6. The City has participated in a Londonwide research project to estimate the impact of this policy, based on the details of the policy communicated by the government, and the briefing notes supporting the Queen’s speech. This modelling suggests that half of the City of London’s stock of 1,800 social rented homes would be above the high value threshold and would therefore be required to be sold when becoming vacant (assuming the policy is implemented as proposed).
7. The annual turnover rate of properties varies from year to year, and many of the City’s vacancies are homes that would not be affected by this policy due to their size (studio flats) or their location in comparatively lower value areas. However, it is estimated that the City may have to sell 97 properties in the first five years of this policy, and over ten years could see 12 per cent of its stock sold.
8. Any loss of stock for the City arising from this policy would reduce future rent revenue with a consequent impact on investment in asset management. There is also a risk that any new homes developed by the City as part of a development programme would be above the high value thresholds and risk being sold at a future point.
9. The City’s higher value stock is likely to be concentrated on its estates within the Square Mile, and therefore could see the steady reduction of this stock and the role of the City as a landlord locally.
10. For central London boroughs the cost of replacing any homes sold is likely to be greater than the residual receipt from sales. Therefore the implication of the policy is a redistribution of resources from central London to outer and outside of London where land values and building costs are lower, and possibly that replacement homes will be smaller (lower cost) homes than those lost. It also implies that the replacement cost of any units will need to be met by additional borrowing.

11. More broadly the policy will in practice mean that delivering additional affordable housing in certain parts of central London, including the City, will become unviable.
12. A cross party letter has been sent to the Secretary of State for Communities and Local Government from Sir Steve Bullock on behalf of London Councils. The letter raises concerns about the policy and the impact it may have on local authority plans to develop new homes. London Councils has also expressed concerns that the policy may impact negatively on London's social mix, and it may have considerable financial impact on some local authorities who will be less able to meet their statutory housing duties.
13. The details of the proposed policy remain limited and may change considerably before their anticipated publication within the Housing and Planning Bill scheduled for October 2015.

### **Corporate & Strategic Implications**

14. The Department of Community and Children's Services Business Plan commits to delivering investment in new and existing properties and implementing the Asset Management Strategy. The implementation of the government's policy may impact negatively on the department's ability to deliver this commitment.

### **Conclusion**

15. The proposed extension of the Right to Buy to housing association tenants could have significant implications for the City of London. However, the details of this policy remain limited and will not be fully known until published in the autumn.

### **Appendices**

- None

### **Simon Cribbens**

Policy Development Manager

T: 020 7332 1210

E: [simon.cribbens@cityoflondon.gov.uk](mailto:simon.cribbens@cityoflondon.gov.uk)]

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank