

AGENDA ITEM

CABINET

8 December 2022

AFFORDABLE HOUSING SERVICE POLICIES

Report of Senior Housing Compliance Specialist

Recommendation(s)

It is recommended that Cabinet:

Consider the first tranche of policies (allocations; lettings; local lettings; complaints; and compensation and redress) and they be approved on the terms as outlined in this report.

Summary

Eastleigh Borough Council (the Council) has been a local authority Registered Provider of affordable homes since May 2021 and is due to be the landlord of its first affordable housing tenants (from the Hampshire Home Choice Register) in 2023/24. As a registered provider of affordable housing the Council must ensure that it meets not only its regulatory requirements but also puts in place a transparent, high-quality service for its customers. Several policies require approval to enable the timely delivery of the Council's new affordable housing service. The draft policies are fully compliant and up to date with the latest regulations. The policies will be monitored and reviewed annually, using lessons learnt and tenant input to further improve them and the services they underpin.

Statutory Powers

Housing and Regeneration Act 2008

The Housing Act 1996 (Part 6), as amended by the Homelessness Act 2002, the Localism Act 2011 and other relevant legislation

Strategic Implications

1. The Council is re-opening its Housing Revenue Account (HRA) and since May 2021 has been a local authority Registered Provider of affordable homes. This supports the Council in taking more direct control and influence over new affordable housing supply in the Borough. This activity addresses the Corporate Strategy (Housing) objectives of accelerating the delivery of new homes, and encouraging a mix of housing types, tenure and sizes. The

proposal also addresses the 'Tackling Deprivation' objective by potentially improving access to lower-cost housing, reducing waiting times for affordable housing, and helping to reduce homelessness.

2. Cabinet endorsed an Eastleigh Homes Delivery Strategy in December 2020, which provides a direction of travel for the Council's Housing Programme activity from 2021. The Delivery Strategy confirms the Council's aim to provide a more diverse supply of housing to Borough residents, and its ambition to become a landlord of choice across all tenure types.
3. Establishing a set of robust policies to guide decision-making, processes and various landlord activity is necessary in order to satisfy regulatory compliance, but also to demonstrate that the Council's strategic objectives as a landlord of affordable housing are met.

Introduction

4. The Council disposed of all its housing stock back in 1996 as part of the Large Scale Voluntary Transfer (LSVT) and as a result closed the Housing Revenue Account (HRA). This transfer resulted in the creation of Eastleigh Housing Association which subsequently became First Wessex and now VIVID.
5. The Council decided to re-open the Housing Revenue Account (HRA) in February 2021 and registered with the Regulator for Social Housing in May 2021. The Council's Housing Programme, including delivery of a new sustainable community at One Horton Heath, means that inevitably the Council will shortly own and be the landlord of affordable homes.
6. The Council's objectives are to ensure development addresses unmet housing needs; and that residents have security of tenure and receive a high-quality management and maintenance service. As required by the Regulator, the Council as a Registered Provider must have a range of policies and strategies in place, specific to the Council's role and duties as a social housing landlord.
7. Policies are intended to support the HRA Business plan and will satisfy regulatory compliance. The HRA business plan is being developed to include the latest vision, priorities and the financial position of the Council's new Affordable Housing Service. To underpin the HRA there are several strategies and each of these are supported by policies and processes to ensure strategy implementation is achieved.

Background to policies

8. Registered Providers are required to adopt and keep up to date a range of policies which demonstrate a commitment to its own standards and

responsibilities. A large number of the policies are a statutory requirement, whilst others are discretionary.

9. The starting point for developing the required policies involved reviewing policies used by other Registered Providers, consultation with stakeholders and a review of the Council's existing strategies where relevant (e.g. complaints policy). The Council's existing Homelessness Strategy and Tenancy Strategy are related to several policies.
10. Policies submitted to Cabinet have been scrutinised by a Policy and Performance Scrutiny Panel Task and Review Group, then those recommended go to P&P panel before being submitted to Cabinet for approval.
11. A compliance checklist was undertaken to ensure coverage of all relevant policy areas.
12. The legislation setting out regulatory compliance for local authority Registered Providers is:
 - The Equality Act 2015 - <http://www.legislation.gov.uk/ukpga/2010/15/contents>
 - The Equality Act 2010.
 - The Human Rights Act 1998 - <http://www.legislation.gov.uk/ukpga/1998/42/contents>
 - The Housing Act 1996 (Part 6), as amended by the Homelessness Act 2002, the Localism Act 2011 and other relevant legislation.
 - Allocation of Housing (Procedure) Regulations 1997, SI 1997/483.
 - Allocation of Housing (England) Regulations 2002, SI 2002/3264.
 - Allocation of Housing and Homelessness (Eligibility) (England) Regulations 2006, SI 2006/1294.
 - Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations 2012, SI 2012/1869.
 - Housing Act 1996 (Additional Preference for Armed forces) (England) Regulations 2012, SI 2012/2989.
 - Allocation for Housing (Qualification Criteria for Right to Move) (England) Regulations 2015, SI 2015/967.
13. To assist local authorities in establishing policies, several standards and guidance documents are provided:
 - HCA Regulatory Standards - <https://www.gov.uk/government/publications/regulatory-standards>
 - Pre-Action Protocol for Possession Claims by Social Landlords (2015) - <https://www.justice.gov.uk/courts/procedure-rules/civil/protocol/pre-action-protocol-forpossessionclaims-by-social-landlords>
 - Allocation of Accommodation: Guidance for Local housing Authorities in England (2012, DCLG) "the Code".

- Providing social housing for local people: Statutory Guidance on social housing allocations for local authorities in England (DCLG, December 2013) “Supplementary Code”.
14. The Council's role as a private sector landlord (delivered through Leaf Homes) will be guided by its own policies, drawing on the Council's Registered Provider policies where applicable, particularly where this relates to customer service standards. The landlord roles are regulated under a different legislative framework, but the Council will seek to streamline services and policies where appropriate.

Policy approval process

15. There are various policies required for the effective management of an Affordable Housing Service. A total of 30 policies have been identified. Due to the numbers required, the approval of such policies has been split into manageable tranches. The policies cover a range of housing management matters, such as contractual (i.e., the landlord's roles and responsibilities) and social (the 'added value' role the landlord plays in supporting communities and households). Services and functions covered by these policies include, for example, the approach to anti-social behaviour, repairs and maintenance and tenancy support.
16. As a local authority, the Council will have similar policies in place to support other statutory functions (such as customer service, data protection and codes of conduct). The policies required for regulatory compliance apply to the Council in its role as Registered Provider, although cross-reference to corporate policies are made where applicable for consistency in approach. This report covers the first tranche of policies for approval which are listed below:
1. Allocations Policy (Appendix 2)
 2. Lettings Policy (Appendix 3)
 3. Local Lettings Policy (Appendix 4)
 4. Complaints Policy (Appendix 5)
 5. Compensation and Redress Policy (Appendix 6)
17. The tranches are set up to try and link related subjects to make them easier to understand. For example the lettings policies are referred to in the allocation policy as they are closely linked. Further information about the breadth of policies to be considered over the next 12 months is shown in Appendix 7.

First tranche of policies

18. The first tranche of policies groups those associated with the lettings process and managing tenancies and tenants.
19. Comments are sought on the Allocations Policy, the purpose of which is to explain to tenants and other stakeholders how the Council as Registered

Provider will interface with the Hampshire Home Choice Allocations process (the 'housing register').

20. Comments are sought on the Lettings Policy, the purpose of which is to explain how the Council as a landlord will let homes (e.g. advertising properties; nominations; refusals and areas of discretion). Related to this, the Local Lettings Policy is also available for comment, which covers the lettings approach to specific types or areas of development (e.g. a neighbourhood area).
21. Comments are sought on the Complaints Policy to help set out the differences between formal complaints and service requests, and how different types of complaints will be dealt with. Ensuring swift and effective compliant resolution is a key emerging central Government policy.
22. Finally, comments are sought on a Compensation and Redress Policy, which recognises circumstances whereby tenants may be inconvenienced (by the Council as landlord) and how this would be remedied in practice. This policy clarifies the residents' rights for repairs for example, and how they would be compensated for failures in this regard. A section on discretionary compensation and reimbursement is included to cover other eventualities not specifically covered in the policy.
23. The proposal for the scrutiny of these policies is for them to be considered by the existing Housing Working Group as they are developed, alongside the relevant Portfolio Holder. This group is made up of Councillors from both Policy and Performance Scrutiny Panel and Audit and Resources Committee. Those policies that the Housing Working Group consider need additional scrutiny, will be brought to the Policy and Performance Panel for their consideration and to make recommendations to Cabinet. The terms of reference for this Working Group will be reviewed and updated as required.
24. Due to the cancellation of the September meeting of the Panel at short notice following the death of Her Majesty the Queen, it was not possible to agree the process for scrutiny in advance of this meeting. Therefore, the initial tranche of policies has been brought to the Panel for scrutiny in order that the process is not delayed further.

Monitoring and Review

25. Policies will be reviewed annually and when necessary, should a legislative change be confirmed. The policies will be scrutinised by a tenant panel, possible amendments to be made by utilising information from lessons learned, measures and feedback from stakeholders. The recommendations will be distributed to and reviewed by a Housing Working Group.

Financial Implications

26. There are no direct financial implications as a result of considering these policies. The wider revenue cost implications of providing housing management services for example, will be addressed by the Housing Revenue Account (HRA) Business Plan, which will be considered by Members.
27. These policies will support the HRA Business plan and its underlying strategies. They will ensure the transparent, smooth and effective management of the service, its properties, and the meeting of compliance regulations. All of which have potential financial implications which will be reduced through the use of strong, transparent and effective policies.

Risk Assessment

28. The HRA Business Plan recognises the need for strict risk assessment and will carry these out regularly through operation. By providing policies that are compliant with the Regulator of Social Housing as set out in the Housing and Regeneration Act 2008, it will ensure that we;
 - protect our housing assets
 - ensure we are financially viable and properly governed
 - maintain confidence of lenders to invest into the sector
 - encourage and support supply of social housing
 - ensure tenants are protected and have opportunities to be involved in the management of their housing
 - ensure value for money in service delivery
29. To further ensure that the Council's policies are in-line with latest regulations and best practice an external partner will be used to review them before they 'go live'.

Equality and Diversity Implications

30. The Equality Act is relevant to the decision and an Equality Impact Assessment (EqIA) has been carried out and attached in Appendix 1. In summary the EqIA shows that this assessment notes that the totality of policies within the Affordable Home Service represents a balance between meeting different forms of housing need and maximising the overall delivery of affordable homes, within the context of national policy requirements and available funding.

Climate Change and Environmental Implications

31. The development of affordable housing service policies does not present any immediate implications for mitigating or adapting to climate change. However, having more direct control over a further element of housing delivery will help support the environmental aims as set out in the Eastleigh Homes Delivery Strategy. Future tranches of policies will include the approach to asset management and repairs, and the operational carbon impact of those

activities will be considered through the policy development process. Fuel poverty and energy usage are also likely to be covered in future policies (e.g. tenancy support).

Conclusion

32. The Council became a Registered Provider of affordable homes in May 2021 and will provide such homes in accordance with the Regulator's standards and other legislative requirements.
33. The policies are a substantial part of protecting the Council, its assets and the tenants it houses. Whilst they contain a large amount of information that is statutory, they do also hold parts that will dictate the Council's aspirations and approach to the management of their affordable housing service.

SUE EDGERLEY
Senior Housing Compliance Specialist

Date: 29th November 2022
Contact Officer: Sue Edgerley
Tel No:
e-mail: sue.edgerley@eastleigh.gov.uk
Appendices Attached: 6

LOCAL GOVERNMENT ACT 1972 - SECTION 100D

The following is a list of documents which disclose facts or matters on which this report or an important part of it is based and have been relied upon to a material extent in the preparation of this report. This list does not include any published works or documents which would disclose exempt or confidential information.