

REPORT TO:	Children and Young People Scrutiny Sub-Committee 14 June 2016
AGENDA ITEM:	7
SUBJECT:	Cabinet responses to recommendations arising from 17 November 2015 Children and Young People Scrutiny Sub-Committee meeting
LEAD OFFICER:	<i>Mark Meehan, Director of Housing Needs</i>
CABINET MEMBER:	<i>Councillor Louisa Woodley,</i>
PERSON LEADING AT SCRUTINY COMMITTEE MEETING:	<i>Mark Meehan, Director of Housing Needs</i>

ORIGIN OF ITEM:	This item was agreed following the 12 April Scrutiny and Overview Committee meeting.
BRIEF FOR THE COMMITTEE:	To provide detailed information on Cabinet responses to recommendations, the rationale for the responses, and timetable and arrangements for the implementation of approved recommendations.

1. EXECUTIVE SUMMARY

- 1.1 This report provides additional data on Cabinet responses to recommendations presented at its 21 March 2016 meeting. At the 12 April 2016 Scrutiny and Overview committee meeting at which these responses were discussed, Members requested more detail on plans to implement these recommendations.

2. RECOMMENDATIONS

Children and Young People Scrutiny Sub-Committee Recommendations - Housing for young people (Minute number A57/15)

- 2.1 The Children and Young People Sub-Committee at its meeting on 17 November 2015 resolved recommend to Cabinet that the council should:

Recommendation 1: Address the needs of its large young adult population in the Croydon Local Plan and its Housing Allocation Policy

Recommendation 2: Work with local developers to provide suitable housing for young graduates to retain talent in the borough

Recommendation 3: The council's development company should consider providing accommodation specifically for young people, such as basic "starter homes"

Recommendation 4: Consider introducing starter tenancies to encourage good tenancy management from the very beginning of a tenancy

Recommendation 5: Consider offering more enticing incentives to landlords to encourage them to lease more accommodation so that it can be let to young people on low incomes

Recommendation 6: Publicise the "My Croydon" app and housing services through a wider range of media including billboards around town

Recommendation 7: Work with local businesses to encourage them to offer their young staff support with rent deposits or part of them, and to encourage local businesses to provide references to prospective landlords to make it easier for young people to obtain a tenancy.

2.2 The paragraphs below set out the detailed information on Cabinet responses to recommendations presented on 21 March 2016 in the report 'Stage 2: Response to Scrutiny Recommendations arising from : Scrutiny and Overview committee meeting on 3 November 2015 and Children and Young People's Scrutiny Sub-Committee meeting on 17 November 2015', including the rationale for the original responses (and further information), the timetable and the arrangements for the implementation of approved recommendations.

2.3 **Response to Recommendation 1 provided in the cabinet report referred to in paragraph 2.2 above:**

Place i.) The Croydon Local Plan is anticipated to be adopted in late 2017. As part of the overall housing need, as identified in the Strategic Housing Market Assessment, the needs of the young adult population will be planned for in the context of the overall Local Plan housing target.

Rationale for the response to point response:

The recommendation asked the Council to consider how the needs of young people could be met through the Croydon's Local Plan.

Further detail:

The emerging Croydon Local Plan is anticipated to be adopted in late 2017. As part of the overall housing need, as identified in the Strategic Housing Market Assessment, the needs of the young adult population will be planned for in the context of the overall Local Plan housing target. The emerging Local Plan is planning for 31,765 homes between 2016 – 2036 and includes a strategic planning policy target for 40% of homes to be affordable housing. The emerging Local Plan is exploring the possibility of a commuted sum in lieu of on-site provision of affordable homes, or a different tenure split, on schemes which are covenanted Private Rental Schemes. In such instances the Council might expect the covenant to require the scheme to be solely for private rented

accommodation owned by one institution or company for a minimum of seven years post completion of the development. It also remains to be seen once the legislation is finalised what impact the proposed introduction of Starter Homes will have for the young adult population with proposed age cap of 40. Finally, the Local Plan will also allocate land for residential development to make a substantial contribution towards meeting this housing need.

Timetable: The emerging local plan is expected to be adopted in Late 2017

People ii.) The Council's housing allocation scheme will shortly (subject to cabinet approval) be the subject of a 12 week public consultation.

Rationale for the response to Recommendation 1:

Considerable detail was provided in the [report](#) presented to the Children and Young People Scrutiny Sub-Committee on 17 November 2016 and in the subsequent discussion setting out how the Council's Housing Allocations Scheme already addresses the needs of people in Croydon, including young people. It also set out how the Council commissions housing services specifically for young people, and provides a statutory "safety net" for young people that are homeless and vulnerable (i.e. in priority need which includes 16 and 17 year olds and people leaving or have been in local authority care). Social housing resources available to the Council are limited, and local authorities are required by law to give a "reasonable preference" to applicants in certain housing need groups (e.g. applicants who are homeless, or living in unsanitary, unsatisfactory or overcrowded housing, or who have a welfare or medical need (including a disability), or who need to move on hardship grounds) and, therefore, the ability to address the needs of a specific age group (rather than specific housing needs) in local housing policy is very restricted.

Further detail:

The Council proposes to amend its housing allocation scheme to:

- Increase the priority given to people that work with the council to prevent their homelessness (for example, by accepting an offer of private rented accommodation)
- Increase the current residency qualification (i.e. how long you have to have lived in the borough before you qualify to go on the housing register) from one year to three.

The Council also intends to bring in a new system for allocating social housing called "choice based lettings" where applicants bid for housing with a "currency" based on their housing priority, rather than wait for the council to offer them a property at some time in the future.

The Council proposes to hold specific consultation focus groups with young people to get their feedback on these proposals and to continue the dialogue started at the Children and Young People Scrutiny Sub-Committee meeting in November 2015.

Timetable:

The consultation started on Monday 9th May with a poll on the council's *Get Involved* web pages, further engagement and consultation will continue between May and August 2016. Under the Housing Act 1996, a local authority must set

out a housing allocations scheme (the Scheme) explaining how it will assess housing applications and determine priorities for the allocation of social housing. If the local authority proposes to make major changes to its allocations scheme, it must bring the proposed changes to the attention of those likely to be affected by the changes within a reasonable period. The Council will therefore carry out consultation with housing applicants on the housing register, homeless households, Registered Providers with which the Council has nominations agreements, and other stakeholders to obtain their comments and feedback on the proposed changes.

Consultation will also be carried out with a wide range of stakeholders including members of the Health, Social Care and Housing Scrutiny Sub-Committee, public sector agencies, registered providers, the voluntary sector as well as the neighbouring authorities and the GLA. Consultation with residents and stakeholders will include:

- A survey of applicants on the housing register.
- A mail shot to all tenants
- Public consultation meetings
- Choice based lettings demonstration sessions
- A stakeholders' consultation seminars and focus groups
- Display and information stands in Access Croydon
- Meetings with Voluntary Sector organisations and representatives

Consider introducing starter tenancies to encourage good tenancy management from the very beginning of a tenancy

2.4 Response to Recommendation 2 provided in the cabinet report referred to in paragraph 2.2 above:

The current Croydon Local Plan promotes the provision of further education in the borough. The emerging Croydon Local Plan is anticipated to be adopted in late 2017. As part of the overall housing need, as identified in the Strategic Housing Market Assessment, the needs of graduates will be planned for in the context of the overall Local Plan housing target.

Rationale for the response to Recommendation 2:

Croydon's Local Plan includes promotes the provision of further education in the borough, and for additional housing.

Further detail:

The current Croydon Local Plan promotes the provision of further education in the borough. The emerging Croydon Local Plan is anticipated to be adopted in late 2017. As part of the overall housing need, as identified in the Strategic Housing Market Assessment, the needs of graduates will be planned for in the context of the overall Local Plan housing target. The emerging Local Plan is planning for 31,765 homes between 2016 – 2036. Furthermore, developments which offer innovative products that genuinely address the need for affordable homes in the borough (either for rent, shared ownership or for sale) so long as they are affordable in perpetuity (or in the case of any sale of equity that the receipts are used to fund the delivery of more affordable housing) are likely to be considered favourably.

Timetable: The emerging local plan is expected to be adopted in Late 2017.

2.5 Response to Recommendation 3 provided in the cabinet report referred to in paragraph 2.2 above:

The development company will work up multi-tenure schemes which address planning policy and local need.

The development company is called Brick by Brick and it has been set up by the council and is a private, independent company, with the council acting as sole shareholder.

Rationale for the response to Recommendation 3:

Further detail:

Detailed feasibility work is underway in respect of more than 50 sites in Croydon potentially suitable for development by Brick by Brick. As stated above the housing need requirements are set out in the Local Plan. It is too early in the development process to be specific about the type, design and tenure of properties to be built at this stage.

Timetable: As per Brick by Brick delivery programme

2.6 Response to Recommendation 4 provided in the cabinet report referred to in paragraph 2.2 above:

Current Tenancy policy provides for fixed –term tenancies. Renewal is dependent on a number of considerations which include conduct of a tenancy.

Rationale for response:

Croydon Council did not introduce introductory tenancies when they were introduced in the 1990s, but adopted the use of 5 year fixed term "flexible" tenancies in 2013 for all new tenancies, except those in relation to sheltered housing and for the transfer of existing secure tenants.

Further detail:

Introductory (i.e. starter) tenancies were introduced in the 1996 Housing Act 1996 and provided local authorities with the discretionary power (local authorities were required to adopt a scheme) to offer 1 year tenancies to new tenants. Introductory tenancies restrict rights to carry out improvements, exchange and buy the property. They also make it easier to evict a tenant provided the proper notice is served and any request for a review dealt with through an appropriate and reasonable procedure. The 12 month introductory period is reduced for the period of time spent in accommodation provided under homeless legislation.

The Localism Act 2011 gave local authorities (and other providers of social housing) the discretionary power to offer "flexible" or fixed term tenancies. Flexible tenancies allow the local authority not to renew a flexible tenancy after the five year fixed term in certain circumstances, for example, where the tenant had failed to pay their rent, been guilty of anti-social or criminal behaviour or broken the other conditions of their tenancy.

The Council considers flexible tenancies provide similar provisions to introductory tenancies and introducing an additional introductory/starter tenancy regime is not necessary.

Timetable:

Not applicable

2.7 Response to Recommendation 5 provided in the cabinet report referred to in paragraph 2.2 above:

Incentives paid to private sector landlords are continually reviewed in line with changing market conditions

Response provided in Cabinet report:

Incentives paid to private sector landlords are continually reviewed in line with changing market conditions

Rationale for response:

The housing market changes rapidly and private rents in London have increased by 4.9% in the last year. Private landlords in London are faced with excess demand for their properties and fewer and fewer are choosing to offer them to the Council. There is also competition for private landlords from commercial letting agents, other local authorities and other housing organisations and incentives offered include free insurance, guaranteed rent, discounted or zero management fees, free gas and electricity safety certificates, and cash incentive payments. The Council keeps its "offer" to private landlords under review continually to ensure it is attractive and responsive to market conditions

Further detail:

Work on Improving the Council's "offer" to private sector landlords includes advertising and promotion in the property press, on billboards and in other media, proactive contact with estate and letting agents, landlords and property owners and a range of attractive incentives including (depending on the scheme applied for):

- free tenancy and landlord support
- Guaranteed rent
- no legal fees to regain possession
- free inventory service
- free bond, equivalent to six weeks' rent, against damage
- free sign-up service
- free management and maintenance service

Timetable:

Ongoing

2.8 Response to Recommendation 6 provided in the cabinet report referred to in paragraph 2.2 above:

The app and a number of my account services (including housing) are due to be advertised on the Decaux boards shortly

Rationale for the response to point response:

The Council advertises its services on a regular basis to ensure our customers are aware our online and mobile services offer. My Account

Further detail: 'My account' was advertised on Decaux boards in Croydon on 1 March 2016.

Timetable: Ongoing

2.9 Response to Recommendation 7 provided in the cabinet report referred to in paragraph 2.2 above:

The Council will engage with the Chartered Institute of Housing (CIH), Shelter and the GLA on best practice and action taken in this area.

Rationale for the response to point response:

Encouraging employers to support employees with housing costs was included in the London Housing Strategy, and housing policy is undergoing some fundamental changes with the passage of the Housing and Planning bill through parliament. This is the rationale for engaging with the GLA, CIH and Shelter to gain some insight and perspective on responses in London and across the housing sector to inform the council's future approach.

Further detail:

As part of the council's on-going work to respond to the changing housing policy environment, and to take forward similar recommendations in the Independent Opportunity and Fairness Commission's report, engagement with key stakeholders will take place during 2016 – however, the Housing And Planning Bill (and its forthcoming regulations) will need to have been enacted and its impact fully understood before this is concluded.

Timetable: During 2016

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BACKGROUND DOCUMENT 1: Reports to the Children and Young People Scrutiny Sub-Committee meeting, 17 November 2015

<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kabmenu.pl?cmte=CYP>