

Report for Environment Scrutiny Committee - 5th November 2012

Report of the Director of Adult, Community and Housing Services

West Midlands Best Use of Stock (WMBUS) Initiative

Purpose of Report

1. To advise Committee of the collaborative work that is being undertaken by the major social landlords in the region.

Background

2. Dudley was appointed an Overcrowding Pathfinder authority for central Government in 2009, and has received funding to develop measures to address both overcrowding and under-occupation. This work has included
 - developing an incentive scheme with tailored support for older residents who wish to downsize,
 - using our allocations scheme to give higher priority to people who need to move to different sized accommodation within the social housing stock, and
 - encouraging registered providers to develop more housing that complements the existing stock, for example larger family houses.

All of this work has contributed to our making best use of limited stock when demand exceeds supply.
3. The Welfare Reform Act 2011 has introduced a new bedroom size criteria for social housing, which will mean that from April 2013 working age tenants who are deemed to be occupying homes larger than they need will have their housing benefit entitlement reduced. Around 3500 of our tenants will have their eligible rent for housing benefit reduced by 14% or 25%, and if they are unable to make up the shortfall will fall into arrears and be at risk of repossession. As well as affecting single people and couples who have remained in family houses as a result of family breakdown, children leaving home, succession etc, the benefit changes will impact on people we would not regard as under-occupied, in particular single people and couples in flatted accommodation designated for their age group, and families in three bed houses who have two children under 10 of opposite sexes, or two children aged 10–15 of the same sex. We are in the process of contacting all of these tenants to discuss their options, and whilst there are few who actually want to move, there are a growing number who are saying they may have to. Welfare Reform is therefore a strong incentive for us to continue with our work on overcrowding and underoccupation, which will include a review of our allocation policies.
4. Committee will also be aware that we have recently adopted a Housing Fraud strategy and action plan, which seek to ensure that council homes are occupied by people to whom they have legitimately been let, and who are entitled to the benefits and services they are receiving. This strategy is another element in our overall commitment to making the best use of our stock.

5. Against this background of Dudley already working to make best use of stock, there has also been work with neighbouring authorities and private registered providers (PRPs). The issues we and our tenants are all facing are generally the same, and there are opportunities to share best practice and work collaboratively for the benefit of our tenants and ourselves as landlords. This partnership approach was launched at a conference on 21st June this year, and includes

- Local authorities: Dudley, Walsall, Wolverhampton, Sandwell, Birmingham, Coventry & Solihull (including ALMOs)
- PRPs: Walsall Housing Group, Bromford, Midland Heart, Viridian, WM Housing, Sanctuary, Accord, Orbit & Jephson

The partnership is also considered to be of national significance, and is therefore being actively supported by Communities and Local Government and the Chartered Institute of Housing, through the members of each of their staff being members of the partnership.

6. The work programme for the WMBUS partnership includes five strategic themes and two intervention pilots. The five themes with associated working groups are

- Lettings & Mobility – to jointly examine and establish best practice in respect of allocation policies, exchanges, joint tenancies, lodger schemes, tenant mobility
- Welfare Reform – to develop practical responses to the challenges of the “bedroom tax”, universal credit, the benefit cap and other changes
- Tenancy Fraud – confirming and extending an existing partnership to share data and adopt procedures for the prevention and detection of housing fraud
- Private Sector – promoting access to a choice of secure, affordable and high quality private sector housing as a real alternative to social housing
- Communications & Engagement – sharing best practice in tenant engagement in all of these issues, and developing a bank of relevant information, advice and guidance for staff and customers

Workshops at the conference explored each of these areas, and details can be found at <http://www.sandwelltrends.info/themedpages/WMBUS/Conference2012>. The general principle is that all of these issues affect us all, and that we can achieve more by working together than separately.

7. The two intervention pilots are designed around two areas which cross local authority boundaries, contain stock belonging to several social landlords, and are known to have significant levels of both under-occupation and overcrowding. The first piece of work undertaken by the partnership was an ambitious attempt to map all of our stock across the seven local authority areas, including property types, turnover levels and occupancy. The initial mapping is virtually complete, and on paper much of our under-occupation and overcrowding could be resolved by enabling tenants to move within our stock. Dudley is involved in one of these pilots, on the north east of our borough crossing over into Wolverhampton, Walsall and Sandwell. Our first planned activity is an event for tenants in part of Coseley, Daisy Bank, Highfields, Hall Green, Bradley and Wednesbury Oak, who may wish to explore options for exchanging into a more appropriately sized home within these neighbourhoods. By focusing our intention on mutual exchanges, we hope to improve mobility and make better use of stock, without impacting on void numbers and therefore rent loss.

Finance

5. Some of the local authorities involved in the partnership are receiving CLG funding to address under-occupation, and will be expected to contribute a proportion of this funding for 2012/13 to support partnership activities. Other partners will also be asked

to make small contributions. Dudley's contribution and the purposes for which it will be used will be signed off by the Cabinet Member. One of the measures for evaluating the work of the pilot will be the savings we can make by working together rather than separately.

Law

6. The powers and duties of housing authorities in relation to the allocation and management of Council housing are set out in the Housing Acts 1985 and 1996 and the Homelessness Act 2002.

Equality Impact

7. The partnership is currently undertaking an Equality Impact Assessment, and if any unintended adverse impacts on protected groups are identified, then mitigating action will be taken.

Recommendation

8. It is recommended that Members note the contents of this report.



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List of Background Papers