

## REPORT OF THE CHIEF EXECUTIVE

<p><b>OVERVIEW AND SCRUTINY</b></p> <p><b>REPORT OF LIVING IN HACKNEY SCRUTINY COMMISSION</b></p> <p><b>REVIEW OF THE PROPOSED EXTENSION OF THE RIGHT TO BUY TO HOUSING ASSOCIATION TENANTS AND FORCED SALE OF HIGH VALUE COUNCIL HOMES</b></p> <p>Living in Hackney – 14 March 2016</p> <p>Cabinet – 18 April 2016</p> <p>Council – 20 July 2016</p>	<p><b>Classification</b></p> <p>Public</p>	<p><b>Enclosures</b></p> <p><b>Appendix 1</b></p> <p>Report of review on ‘The proposed extension of the right to buy to housing association tenants and forced sale of high value council homes’</p> <p><b>Appendix 2</b></p> <p>Executive Response</p>
	<p><b>Ward(s) affected</b></p> <p>All</p>	

### Introduction

The Council was involved in providing detailed evidence to the Housing & Planning Bill Committee of Parliament, submitting amendments and suggesting new clauses. Living in Hackney’s review ‘The proposed extension of the right to buy to housing association tenants and forced sale of high value council homes’ was undertaken as a response to the lack of affordable housing in Hackney relative to housing need, the impact of the previous government’s reform of Right to Buy in 2012, and proposals to extend Right to Buy to Housing Association tenants as part of the legislative programme of the new government following the 2015 General Election.

The Commission heard evidence from a range of residents and TMOs and a number of senior figures came to Hackney to give evidence to us including Lord (Bob) Kerslake, who is Chair of Peabody and has been previously Head of the Civil Service and Permanent Secretary of DCLG. Lord Kerslake was at the forefront of opposing the key piece of legislation the Housing and Planning Bill, in the Lords. The Commission also heard from the Chair of the London Assembly’s Housing Committee Tom Copley AM as well as Cabinet Members for Housing from our neighbours in Islington and Tower Hamlets and the Chief Executive of Family Mosaic.

The Commission concluded that the linking of the extension of Right to Buy to Housing Association tenants with councils being forced to sell off desperately needed social units was seriously flawed. The review highlighted that in areas of acute housing stress and high housing cost, such as Hackney, this would have serious and extremely far reaching adverse consequences for the communities living there now and in the future. The report highlights that it

was highly likely to undermine the Council's ability to undertake its statutory homelessness and other responsibilities.

The review has been useful in building a key local evidence base on these issues. Specific concerns were raised about Hackney potentially losing 700 homes over the next five years, on 'Pay to Stay' acting as a disincentive to work and aspiration, on how 'Starter Homes' will be unaffordable for nearly 98% of existing households in the borough and how the requirement to promote them will come at the expense of existing social and affordable rented homes. The proposals will result in even fewer homes being available for the Council to rehouse homeless families who are currently in temporary accommodation. On the introduction of fixed term tenancies it was pointed out how problematic these proposals will be and the perverse outcomes which might ensue.

## **RECOMMENDATION**

Council is requested to note the Commission's report and the response to it from the Executive.

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