



## Living in Hackney Scrutiny Commission

19 February 2020

Paper presented by Dawn Harrisson, Director of Housing & Neighbourhoods

### **Item 1: How are Housing Associations supporting the Council to best meet housing need and to fulfil homelessness duties**

We have a stock base of 2329 across our key boroughs with 875 in Hackney. We relet approximately 50 homes per annum across all stock and numbers within Hackney vary from year to year.

#### **Tenancy sustainment:**

With regards to tenancy sustainment Hackney provide the best support in the boroughs where we operate in terms of supporting tenants facing eviction.

We offer lifetime tenancies only and we do not convert social rented homes to affordable homes.

We want all our residents to flourish and this starts at the beginning of any tenancy. We **do not** carry out affordability checks on social rented homes – some 576 of our homes in the Borough. Our reasoning is that if residents cannot afford a social rent in Hackney, they can afford no other. As a housing association, a charity, it is our job to support people in housing need and to help alleviate poverty. If that increases the risk to our business, so be it – it is what we exist to do. A safe, affordable home is the prerequisite of being able to build a settled life.

For our 76 affordable rented properties we do carry out affordability checks to ensure that the home they are moving into is truly affordable for them.

The biggest challenge we face with affordable rent properties is when people most in need are nominated. This group tend to be on full benefits at the time, so the property is deemed 'affordable', but all this does is trap people in poverty. Any jobs secured at a later date often mean that if an affordability check was carried out then the property would not be 'affordable'. This often leads to arrears and other debts.

Current arrears levels in affordable rent homes

39 homes where tenants either working or benefit not declared have arrears at 13.06% of annual charge

34 homes with tenants on benefits have arrears at 7.5% of annual charge

3 homes have no arrears



Moving forward we would like to see a change in how affordable rent properties are allocated and would welcome a discussion with you on this.

To illustrate:

A 3-bed affordable rent let in 2016 (so the rent would be higher now as it's linked to the market) - £266.83 weekly.

A 3-bed social (today) in one of our blocks - £142.85 weekly

### Our plans

As an organisation we are looking to prevent new tenancies from failing. We don't want people getting into debt and having to choose whether to carpet their new home or buy a bed. We are looking to provide carpets and curtains on all relets so that people can start their new tenancy in a real home. Where residents have real vulnerabilities and or have nothing, options of welcome packs and some white goods may be offered. Sustainment of tenancy and growth is one of the pillars of our next five-year plan.

We look forward to continuing to work with you to really help those in need. There is certainly more we can all do.

### Nominations agreements:

We have an old bilateral nomination agreement and a Lettings protocol from 2006 which is how lettings of homes are administered. All nominations, 100%, of all new builds are given to the Council and 50% of 1 bed true voids and 75% of 2 bed plus true voids.

Lettings Return 16/17		
Period	1 bed	2 bed +
Q1	0	0
Q2	1	0
Q3	3	1
Q4	1	0
Totals	5	1

Lettings Return 17/18		
Period	1 bed	2 bed +
Q1	0	1
Q2	0	0
Q3	0	0
Q4	0	0
Totals	0	1

Lettings Return 2018/19		
Period	1 bed	2 bed +
Q1	0	0
Q2	1	0
Q3	2	3
Q4	2	0
Totals	5	3

In 2016/17 there were also 25 lets of a newly built development, 17 of which were affordable rents on lifetime tenancies and 8 for shared ownership

Year to date allocations to Hackney for 2019/20 out of 18 true and non-true voids:



Letting Return 2019/20		
Period	1 bed	2 bed +
Q1	2	2
Q2	4	1
Q3	3	0
Total	9	3

Overall the timeframe around nominations has really improved. Nominations are received within the expected timeframe (within a week of the end of the advertising cycle). It would be beneficial however to have email addresses where available for prospective tenants along with correct phone numbers. There can be delays with having to chase up for correct information.

#### **The nominations process for people in the homeless band:**

For applicants that have direct offers made to them, enforcement officer details are also made available so that they can attend viewings which helps speed up the process of letting.

Whilst the Councils duty is being met with direct nominations, we as an association are often left dealing with the fallout from enforcements when new tenants are distressed.

Choice based lettings appears not to apply to people with a homeless band. Although residents bid on the system, it appears they must take an offer if matched.

The following response was received when this issue was queried in relation to a woman who had made a bid, but realised it was one of our (mercifully few) affordable (rather than social rental) properties. The tenant was concerned, as are we, that these properties with rents pegged to a percentage of the market are not affordable and trap people in worklessness and poverty:

‘With all Homeless cases where they have bid for a property and it is deemed suitable for their needs the offer will be enforced. We have an acute shortage of social housing properties in Hackney and spending in excess of £9 million per year on keeping applicants in temporary accommodation. Her reasons for not accepting is not acceptable as the property is suitable, she was aware of the rent when she made the bid as this was clearly advertised and she does not have an actual job that she is going into, her reasoning is for the future’.

Should the approach be to make a direct offer in the first instance which is then enforceable particularly for applicants that make no bids at all?



We are not signed up to any choice-based lettings scheme and this is something we are potentially looking to explore so that we are in control of advertising homes as they become available and managing shortlists.

Friday, 7<sup>th</sup> February 2020