

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

20 February 2012

Report of the Director of Health and Housing

Part 1- Public

Matters for Information

1 THE LOCALISM ACT 2011

Summary

This report identifies the key implications for the Housing service arising from the Localism Act.

1.1 Introduction

1.1.1 The Localism Bill was introduced to Parliament on 13 December 2010 and received Royal Assent on 15 November 2011. The government intends that the Act will shift power from central government to individuals, communities and local councils. The main measures within the act are identified under four separate headings:

- new freedoms and flexibilities for local government;
- new rights and powers for communities and individuals;
- reform to make the planning system more democratic and more effective; and
- reform to ensure that decisions about housing are taken locally.

1.2 Reform to Ensure That Decisions About Housing Are Taken Locally

1.2.1 *Social housing allocation reform*

- the Act gives local authorities greater freedom to decide which households should be eligible to register for social housing. Of course, they are still obliged to ensure that social housing is allocated to the most vulnerable members of the community, but they are not obliged to accept applications from households who have no need for social housing. The Government believes that these arrangements will discourage false expectations and lengthy waiting lists. Draft statutory guidance on the allocation of accommodation by local housing authorities was issued at the beginning of January; and

- the Housing Allocations Scheme will be reviewed to take account of this increased flexibility. It will be submitted to the Board as a draft for approval to consult; and it will be subject to three months public consultation prior to further submission to the Board for final approval (NB: this is the subject of a separate report to this Board).

1.2.2 *Social housing tenure reform*

- social landlords will no longer be required to grant lifetime tenancies. The Government believes that more flexible tenancies will allow social landlords to manage the homes they provide more effectively and fairly. Although the Government has protected the security and rights of existing social housing tenants, the Act permits social landlords to grant flexible fixed-term tenancies. There is no upper limit on the length of a tenancy. The minimum tenancy term is restricted to five years, but in exceptional circumstances it can be for as short a time as just two. The Act also provides a duty for every local housing authority to produce and publish a tenancy strategy within twelve months of this part of the Act coming into force, and for registered providers of social housing to have regard to this; and
- the Council is currently working closely with other members of Kent Housing Group to develop a set of Kent-wide tenancy strategy principles, which will then be taken forward by individual districts and boroughs to form local tenancy strategies that reflect local conditions. We are also working closely with housing association partners in connection with their emerging approaches to flexible tenancies.

1.2.3 *Reform of homelessness legislation*

- the Act permits local authorities to discharge their duties to households accepted as homeless through the offer of a tenancy in the private rented sector. Previously a homeless household could refuse private rented accommodation that was suitable for their needs and wait in temporary accommodation for social housing. The Government believes that this will reduce the time that homeless households spend in temporary accommodation, and also the cost; and
- in reality however, private landlords are increasingly reluctant to offer tenancies to benefit-dependent households and a considerable amount of effort is made to develop and maintain relationships with local landlords and lettings agents. This is an ongoing priority along with the need to be flexible in terms of the assistance we can offer i.e. bond, deposits and rent in advance.

1.2.4 *National homeswap scheme*

- *Homeswap Direct* was launched in October 2011 and will go live in April 2012, providing household who would like to swap their socially rented

home with the details of other households who may be a suitable match. *Homeswap Direct* will be accessible to customers of *Kent Homechoice* via the internet and also digital TV.

1.2.5 *Reform of council housing finance*

- the Act abolishes the Housing Revenue Accounts of stock-holding authorities, and permits those authorities to retain the rental income they have collected.

1.2.6 *Reform of social housing regulation*

- the Act reforms the way that social housing is regulated, with the functions of the current regulator, the Tenant Services Authority (TSA) passing to the Homes and Communities Agency (HCA);
- the Act also changes the way complaints about social landlords are to be handled. At the moment, complaints from council housing tenants are considered by the Local Government Ombudsman, but the Independent Housing Ombudsman deals with complaints from housing association tenants. In future complaints from both council and housing association tenants will be dealt with by the Independent Housing Ombudsman; and
- in addition to these changes, from April 2013, a complaint to the Housing Ombudsman must be submitted in writing, from a “designated person”. This can be an MP, a local councillor for the district or borough in which the property is located, or a designated tenant panel for the social landlord. Complainants can go direct to the Ombudsman if the “designated person” declines to pass the complaint on. Further guidance on how this system will work in practice is awaited.

1.2.7 *Abolition of Home Information Packs*

- the Government believes that Home Information Packs, which were introduced in 2007, provide little significant value to the house purchase process. Although the obligation on individual households to produce them has been suspended since May 2010, the Act confirms their permanent abolition.

1.3 Implementation

1.3.1 Different parts of the Act will come into effect at different times but it is expected that the majority of measures will be effective from April 2012.

1.3.2 Various provisions of the Act relating to the reform of social housing came into force to a limited extent on 15 January by virtue of a parliamentary measure known as a Commencement Order (*The Localism Act (Commencement No 2 and Transitional and Saving Provision) Order 2012 (SI 2012/57)*).

1.3.3 This is the first step towards implementing reform, and it allows the Secretary of State to make regulations. The Commencement Order also allows local authorities to draft and consult on allocations schemes, which is the subject of a separate report to this Board.

1.4 Legal Implications

1.4.1 As set out in section 1.2.

1.5 Financial and Value for Money Considerations

1.5.1 None associated with this report.

1.6 Risk Assessment

1.6.1 The measures in the Act must be fully understood and implemented accordingly.

Background papers:

contact: Janet Walton

Cabinet 11 January 2012, item 12

John Batty

Director of Health and Housing