

## **SCRUTINY REVIEW PANEL 1 – Housing and Planning**

### **MINUTES**

**Tuesday 4<sup>th</sup> July 2018**

**PRESENT:** Councillors: Rooney (Chair), Conlan, Martin, Joy Morrissey (Vice-Chair), Rice, Steed, Lauren Wall and Ray Wall.

#### **Ealing Officers Present:**

Sharmin Akter	- Housing Graduate
David Baptiste	- Head of Housing Development
Lynne Duvall	- Head of Housing (Prevention)
Allison Forde	- Head of Service, Property Regulation
Mehmet Kiranel	- Housing Graduate
Anna-Marie Rattray	- Scrutiny Review Officer
Lee Teasdale	- Democratic Services Officer
Mark Wiltshire	- Director of Safer Communities and Housing

#### **1. Apologies for Absence** (Agenda Item 1)

Councillor Gareth Shaw tendered his apologies for the meeting.

#### **2. Declarations of Interest** (Agenda Item 2)

There were none.

#### **3. Matters to be Considered in Private** (Agenda Item 3)

There were none.

#### **4. Panel Terms of Reference and Work Programme 2018-19** (Agenda Item 4)

The Terms of Reference for Scrutiny Panel 1 (Housing and Planning) were agreed by the Panel.

It was agreed that the work programme for the year ahead would be considered after agenda item 5 had concluded.

**Resolved:** That the Panel's Terms of Reference be agreed.

## **5. Housing Overview in Ealing** (Agenda Item 5)

Sharmin Akter and Mehmet Kiranel, in their role as Housing Graduates, were invited to give an introductory presentation – providing the Panel with an overview of the key areas for consideration including:

- Tenure of homes in Ealing
- Social housing stock
- Affordability to rent and buy
- Housing demand
- Types of affordable housing products
- Planned new affordable homes
- GLA and local housing policies

Key figures highlighted to the Panel included:

- In the most affordable areas of the borough it would still require an income of £51.6k based on current typical lending to get a mortgage on a 1 bedroom apartment. The median household income in Ealing was presently £31,255 p.a.
- A minimum income of £35,136 would be required to afford to rent a 1 bedroom apartment in the most affordable area of the borough.
- Circa 1,500 homelessness applications were made and 750 households were accepted as homeless each year.
- There were 13,660 households currently on the housing register, with 68.3% of these requiring 1 or 2 bedroomed properties.
- Ealing's Administration's target was to deliver 2500 genuinely affordable homes over five years.
- However, the projected net supply of genuinely affordable was 659 for the next four years, resulting in a shortfall of 1841

The Chair thanked the Housing Graduates Officers for the introductory presentation and invited Mark Wiltshire (Director of Safer Communities and Housing), Dave Baptiste (Head of Housing Development), Lynne Duvall (Head of Housing (Prevention)) and Allison Forde (Head of Service, Property Regulation) to join the conversation. Members were invited ask questions and make comments about the housing situation in the borough.

### **Questions**

Councillor Martin noted that the percentage of people renting from Ealing Council or another social housing landlord had decreased from 18% in 2011 to an estimated 14.3%. How had this happened, and what were the consequences? How many of the households involved in the reductions had needed to move out of the borough and how many had needed to move out of London completely?

She also noted that Table 5 on page 20 of the Agenda seemed to have some odd variations. For example, in Dormers Wells, a 3-bedroomed property appeared to be significantly cheaper to rent than a 2-bedroomed property.

Reference was then made to the level of forecasted affordable completions set to take place over the next four years in the borough. Would the properties being developed on regeneration estates just be a provision of already extant but now refurbished properties, or an actual growth in the number of properties?

There was also concern around the difficulties in obtaining copies of policies. For example, the Allocations Policy was currently unavailable online.

The Director of Safer Communities and Housing stated that there were 'levers' that the Council could use to influence partners and developers, things the Council could do itself and things the Council had no control over. The housing regeneration stock had to be improved, as they existed in the present state meant that they were not sustainable homes for the future. When the Council reached the end of the cycle of regeneration it would help in providing "a burst of energy" to work with those currently on waiting lists. No parts of the regeneration scheme would deliver any loss of properties, and most would deliver at least some growth.

The Head of Housing (Prevention) stated that the reason for the unavailability of the Allocation Policy at present was because the Council had been challenged on the Policy. The Council had won this challenge and was now looking at the new allocations programme. Panel Members were assured that a version of the Policy would be made available to them before it was considered at the panel.

The Director of Safer Communities and Housing stated that there had been housing growth in the borough, however this had not been reflected through social housing, hence the smaller social housing stake now being seen. The outcome from many of the regeneration schemes was that the Council were not the main 50%+ stakeholder anymore. An outcome was that residents did not have the same fluidity of choice, and the Council needed to work with its partners on how they could improve that fluidity.

With regards to the figures in Table 5 of the agenda, it was advised that this was likely related to the types of stock available in Dormers Wells, if there was a relative surplus of 3 bedroomed properties they may not attract the level of market rent that they would elsewhere, however, officers would go back to check on the accuracy of the figures.

Councillor Martin queried whether the regenerated and enhanced properties would be as affordable as those they had replaced.

The Head of Housing Development stated that three of the regeneration were fully under the remit of the Council and six were in collaboration with partners. The Council only property rents started at around £100 per week, those with partners at around £150 per week, which was still considerable less than the current market rate.

Councillor Ray Wall asked if tenants were paying more money for improved properties.

It was advised that for those solely controlled by the Council there had been a slight increase, averaging at around £20 a week more. They were still cheaper than a regular housing association property but higher than the average Council owned property. It was noted that these new improved properties offered a range of potentially money saving improvements for the tenant, such as significant improvements in energy efficiency.

It was assured that all regenerated properties remained affordable, and that where required, the levels of rent were completely covered by housing benefits. The regeneration was not putting the properties out of residents' reach.

Councillor Martin asked about the kind of feedback being received from residents following the regeneration projects.

It was advised that research had indicated that prior to regeneration, 80% of residents in the South Acton Estate had wished to leave – it was now found that 90% of residents wanted to stay. There was no research available at present that 'drilled down' into the specifics of this, but good surface feedback had been received.

Councillor Joy Morrissey stated that she had been in communication with the Redbrick Residents Group in South Acton. A lot of the Group's members had significant apprehension and anxiety around costs and right to buy issues. Many residents liked the security offered by social housing tenancies, and were cautious about taking on housing association tenancies. Lots of residents with strong social connections to the area now felt they were in a state of isolation.

The Head of Housing Development stated that he could understand these concerns, but residents could be assured that all housing associations were properly regulated, and that existing tenancies did continue, there was not an expectation of new fixed terms. It had been found that a lot of people did move away, the change in their housing situation often triggering thoughts around exploring all their options going forward in to the future, however, the Council did all it could to try to offer the best deal it could to the resident and the opportunity to stay should that be their wish.

Councillor Lauren Wall made reference to the GLA's approach to affordable housing and related targets. The GLA's previous housing target for Ealing of 890 homes per annum had been increased to 1,297 new homes in 2015/16. The draft London Plan proposed to more than double the existing housing target to 2,807 new homes to be delivered per annum. How had the Council been meeting the targets and how might it be able to meet it going forwards?

The Head of Housing Development stated that it was still currently a draft plan, but that direction of travel was expected. All outer London boroughs had been set demanding targets. It was reminded that this was a target for all housing and not just affordable housing, however it remained a very challenging target. On affordable housing, officers looked at what they knew was in the system, and worked on the worst-case scenario. There was no complacency, but there was a confidence that the Council would be able to achieve the target if things "fell into place". Councillor Lauren Wall asked that the target figures for other outer London boroughs be fed back to the Panel.

Councillor Rice noted that planning permission had been granted for 17,321 units on major sites in the borough that had not yet commenced – was this for types of properties? It was confirmed that this referred to all types of planning permissions granted, including conversions. Permission lasted for three years but the developments granted did not always happen.

Councillor Rice then referred to the fact that around 50% of homelessness applications were not accepted. Why was this? And she also noted the expense involved in housing around 2300 residents in temporary accommodation. Could the money spent on this not be used by the Council to build their own accommodation units? Finally, she also sought confirmation that right-to-buy receipts were being used as defined by law.

The Head of Housing (Prevention) advised that around a 1000 people contacted the homelessness team every quarter, with the numbers having increased last year. Some of these people just needed advice, some just wanted to register themselves at risk, and some of these made an actual homelessness application. At this initial stage, officers might still be able to prevent them becoming homeless – by working with landlords to find a solution, cover arrears if necessary. There are also people who apply that the Council did not have a statutory duty for – it was found that some people actually have accommodation elsewhere after checks had taken place. A 50% acceptance rate was considered to be fairly typical for a local authority. It was noted though that even if someone did not meet the statutory requirements, there may be other functions in place to support them – people with children or other vulnerabilities for example, would be picked up by other departments within the Council.

With regards to temporary accommodation, it was agreed that on paper, for the Council to have a provision of its own temporary accommodation would make sense. Unfortunately, the reality was that temporary housing was for people in crisis who had not been able to find a long-term housing solution. This was very expensive, and until the issues were resolved, the monies tied up in supporting them were not free to invest, officers were at pain to avoid a situation where no money was free for 'crisis accommodation'. However, despite the significant cost, the approximately £10 million put towards temporary accommodation would still not be able to meet the level of property needed to provide a council stock without significant borrowing.

However, this did not mean that the Council did not try to develop its own solutions where possible. Modular homes provided an example of more affordable temporary accommodation options.

Modular Homes is an example of a more affordable temporary accommodation.

Officers confirmed that all right-to-buy receipts had been spent entirely in-line with legislation to date.

Councillor Steed stated that it would be helpful to have figures on how much right-to-buy take up had decreased the Council's core stock. He also asked that benchmarking information against neighbouring borough on social housing lettings would be useful. He then referred to issues around the sub-letting of Ealing properties. Was this a big problem in the borough? and how was it managed and monitored?

The Director of Safer Communities and Housing stated that sub-letting was not a huge problem, there was a strong audit team in place who quickly addressed issues around this. If a resident was found to be sub-letting they were dealt with quickly and firmly, with demands for repayments.

Councillor Steed then referred to the lack of absolute clarity about what is meant to define a genuinely affordable home.

The Head of Housing Development stated that each authority seemed to have their own interpretation on the exact definition. London Living Rents were broadly considered to be no more than 60% of the market rate. Calculated on a ward by ward basis, the rates were quite sensitive to income and locality, and were actually much lower than a lot of other promoted products.

Councillor Joy Morrissey referred to situations of family homelessness. Many families had gone into modular units, and feedback received on these had been good. But with them being temporary solutions, what were the definitions of the tenancies – what was the classification and what was the level of security?

It was advised that residents in modular homes did have a tenancy agreement, but it was not a secure tenancy. Modular homes were not to be seen as the ‘final option’ but generally they were found to be preferred to bed and breakfast establishments as temporary solutions. Work took place with people in modular homes on their opportunities to move on, they were given the same level of priority on reallocation as anyone else.

Councillor Ray Wall stated that the modular homes units in his ward had been considered pretty successful. Were there plans for more and if so, how many and where?

He also referred to the confusing definitions of “genuinely affordable”, and echoed the frustration of other members, particularly those who sat on the Planning Committee, that there did not appear to be a proper clear definition available. He stated that it would be useful if the panel could recommend that one be created and that this would act as a good steer for officers going forward.

He also referred to sub-lettings – stating that he would like to see the figures available. He felt that it was more of a problem than the audit team were able to uncover. Did officers wait for reports from the audit team, or were they more proactive in their approach? He suggested that it would be useful to get information on the number of inspections carried out and the number of sub-lettings identified.

He also suggested that removing right-to-buy in the borough would be a great recommendation for the panel to take forwards.

The Director of Safer Communities and Housing confirmed that more modular units planned, with an overall figure of around 200 that the Council was trying to deliver. A large scheme from Southwark was being transported to a site in Ealing. This was much bigger than any existing project, they were much more like proper flats than containers, it was expected that these would be available in the new year. Lots of new modular products were coming online that could be exciting for future projects.

With regards to right-to-buy properties. There had been a slowdown recently, and that has been down to the London market. Even where £100k discounts were offered, this still left a lot of properties unaffordable to buy for most residents.

It was advised that figures would be provided on the audits of sub-let accommodations. The majority of tenants were visited once a year for general checks of properties, and officers would likely pick up on sub-letting concerns at this point.

Councillor Lauren Wall asked if occupants were notified ahead of the general checks or where they random checks? She stated that in her experience as a Councillor she had heard about quite a few cases of sub-letting.

It was advised that the audit team were constantly cross-matching through the London forward hub and other databases. It was felt that the Council was very proactive in terms of trying to match the stock. Unfortunately, there would always be cases where it happens, as people would occasionally find clever workarounds.

Councillor Martin referred to housing allocation. How did the Council set its waiting lists?

It was advised that this would be covered in more detail in the meeting directly considering housing allocation. There were many elements to consider, did the Council want accommodation to go to working households to keep them within the locality? Or should the most vulnerable always get first priority? Even with the risks around contributing further to people in the borough who would not make up for it in other parts of the system? Was it fully understood who Ealing's populations were and who wanted housing? And on top of this, there was a need to ensure legal compliance at all times.

Councillor Lauren Wall then referred to concerns around property inheritances for those currently in Council tenancies.

It was advised that if someone was in a tenancy for life. There was nothing in the system to stop those in receipt of property inheritances from remaining in their current Council property should they wish to.

Councillor Lauren Wall suggested that the policy could be explored by the Panel with a view to making a recommendation around it, that could help other families get in to much needed properties.

The Chair then drew the item to a close, thanking all in attendance for their participation.

**Resolved:** That

- (i) the report given an overview of housing in the borough be received by the Panel;
- (ii) that figures on the number of households being placed outside of the borough be fed back to the Panel;

- (iii) that figures on the number of households being placed outside of London be fed back to the Panel;
- (iv) officers be asked to check and confirm that the figures in table 5 regarding the affordability of market rents are accurate;
- (v) a copy of the housing allocations policy be provided to Panel Members once available;
- (vi) figures be provided on the take up of right-to-buy purchases and the related impact upon the Council's housing stock;
- (vii) information regarding how the Council benchmarked against other on social housing lettings be fed back to the Panel;
- (viii) further information be provided to the Panel on how the sub-letting of Council properties was audited, including the number of visits and inspections carried out and the numbers of sublet properties identified;
- (ix) the housing targets for other outer London boroughs be fed back to the Panel;
- (x) the Panel be minded to consider forming a recommendation around the definition of "genuinely affordable housing" going forward; and
- (xi) the Panel be minded to consider forming a recommendation around the inheritance of properties for households residing in Council owned properties.

**6. Panel Terms of Reference and Work Programme 2017-18**  
(Agenda Item 4 cont.)

The Chair returned to item 4 of the agenda, and asked that Members consider the Panel's Work Programme and Scope for the year.

The Panel agreed that the co-option of any external members would not be beneficial to the Panel and that each meeting would individually see relevant speakers and experts invited where required.

Councillor Steed asked if the actual planning process would be considered or did the 'planning' in the Panel's title just refer to the planning of housing.

It was advised that the November 2018 meeting of the Panel would cover some elements of the planning process, and the Panel also had some flexibility to consider planning process issues in early 2019.

Councillor Martin referred to the consideration of rent controls. Meeting four of the Panel was due to look at estates regeneration. It was suggested that problems around viability assessments be considered, as well as the ensuring of 50% affordable housing provisions within the planning process – as concerns were expressed that developers were increasingly trying to find workarounds to lower the level of affordable provision within their developments.

Councillor Lauren Wall suggested that meeting three or four of the Panel could look at assets and land release for housing.

Councillor Martin agreed, suggesting that consideration could be given to looking at land release for self-builds. Possibly linking this in to the consideration of co-operative housing models and community land trusts during meeting four of the Panel.

Councillor Ray Wall referred to the proposed Panel visits – noting that one of the proposals referred to the attending of a meeting with local developers and council officers. He asked what this would entail.

It was advised that this was about talking to developers about the barriers to delivery, and about whether the Council was applying enough influence, and overall where the “line in the sand” lay.

Councillor Ray Wall then suggested that Panel members could benefit from attending a planning committee meeting. He also suggested that an outreach to St Mungo’s, would be beneficial to see the great service they provided and visiting Christmas shelters would also be an “eye opener” for Panel Members.

It was advised that the proposed visit to accompany officers regulating the private rented sector would take place ahead of the next Panel meeting. Dates would be circulated in due course.

Councillor Joy Morrissey suggested that it would be helpful to the Panel if Councillors Steed and Ray Wall, as members of the Planning Committee, were to note down what they considered to be the most pertinent planning issues based upon their knowledge of the panel.

**Resolved:** That

- (i) the Panel’s work programme and scope be agreed;
- (ii) no co-opted members be added to the Panel Membership;
- (iii) the Panel be minded to seek assurances that developers were adhering to the need for viability assessments as part of the planning process;
- (iv) consideration of assets, and land release for self-build housing be considered as part of the work programme;
- (v) Panel Members be offered the opportunity to sit in on a meeting of the Planning Committee;
- (vi) an outreach visit to St Mungo’s homeless charity, including Christmas shelters, be arranged for Panel Members; and
- (vii) Councillors Andrew Steed and Ray Wall be asked to feed back to the Panel on what they considered to be the most pertinent issues in relation to the Planning Committee process at present.

**7. Date of Next Meeting**  
(Agenda Item 6)

The next meeting of the Panel was due to take place on Wednesday 12 September 2018.

Councillor Sarah Rooney, Chair.

The meeting ended at 8:40pm.