



**Cabinet**  
15 November 2016

**Report from the Director of  
Policy, Performance and Partnerships**

Wards affected: ALL

## **Scrutiny Task Group: Brent's Housing Associations**

### **1.0 Summary**

- 1.1 This report sets out the recommendations agreed by the Community and Wellbeing Scrutiny Committee which have been developed as a result of a scrutiny task group set up to look at the future of Brent's housing associations.

### **2.0 Recommendations**

- 2.1 Cabinet is asked to note the recommendations agreed by the committee as set out in Appendix A.
- 2.2 Cabinet is asked to note the findings of the scrutiny task group's report in Appendix B.

### **3.0 Detail**

- 3.1 The former Scrutiny Committee set up a task group in March 2016 with a remit to examine the future of housing associations in Brent because of concerns about the impact of the Welfare Reform and Work Act 2016, and the Housing and Planning Bill, which was being debated in Parliament. The Bill received royal assent on 12 May 2016, and is now the Housing and Planning Act 2016.
- 3.2 The objective for the task group, which was chaired by Councillor Tom Miller, was to gather evidence to develop a set of recommendations for the Cabinet. Rather than reviewing all the wide-ranging legislation, the task group's scope was limited to five areas: the Right to Buy extension, social housing supply, 1% social rent reduction, Pay to Stay, and partnerships with housing associations.
- 3.3 As part of their evidence gathering, members spoke to chief executives and senior officers of a number of housing associations operating in Brent including

Apna Ghar, Genesis, Innisfree, Metropolitan, Network Homes and Origin. They also met with the then Cabinet Member for Housing and Development, Strategic Director Community Wellbeing, Operational Director Housing and Culture, and the Head of Housing Policy. To be able to understand the issues from different perspectives the task group members also spoke to the representatives from two tenants' organisations, the chief executive of a housing co-operative, the chair of a resident-managed housing association as well as two experts in housing policy.

- 3.4 Members also looked at data such as existing patterns of Right to Buy to better understand what the effects of proposed parts of the legislation could be, and asked housing associations for any modelling they had done on the Right to Buy. They also looked at limited data from a pilot of the Right to Buy scheme. Members of the scrutiny task group also considered Brent's existing 2014-19 Housing Strategy, and the implications for it of specific parts of the legislation and the Bill. Although the Right to Buy extension for housing association tenants is not in statute, the task group considered the voluntary agreement for implementation. It should be noted that to date, no specific starting date has been given for the start of the Right to Buy extension and the details of the final scheme are still being developed between the Government and National Housing Federation.
- 3.5 The task group's report was presented to the Community and Wellbeing Scrutiny Committee by Councillor Tom Miller on 20 July 2016. Members of the committee discussed the findings and recommendations in the report with the Cabinet Member for Housing, Strategic Director Community Wellbeing, and the Operational Director Housing and Culture and as a result some of the final report's recommendations were amended and agreed as set out in Appendix A.
- 3.6 A key finding was that the task group did not believe Right to Buy will be taken up in significant numbers by housing association tenants in the borough. One large housing association estimated that about 1% of its properties will be sold each year, and initial data from the pilot in London suggested a low take-up. Furthermore, there is a commitment to one-to-one replacement of properties. However, that doesn't mean it won't present problems for housing associations, and consequently Brent Council's ambitions for the provision of social housing. Even if housing is replaced, there is uncertainty about the type of product and tenure that would replace it, where it will be built, and there could be a time lag between loss and replacement of homes. The task group was also concerned that if scarce housing stock such as family-sized homes is sold it will be harder to replace, and recommended that the local authority sets out a common position to all registered providers that it would like specific stock exempted. The task group also made recommendations on other possible problems from the new Right to Buy such as fraud, and stock ending up in the private rented sector.
- 3.7 The task group's view was that the local authority could do more to increase the supply of social housing such as joint development with registered providers which maximises the amount of social housing retained in the borough.

Members of the task group also made recommendations which could stimulate growth in other models of social housing in Brent such as housing co-operatives, community housing, self and custom build and community land trusts. This would be very small-scale, but it might diversify the portfolio of social housing existing in the borough.

- 3.8 Members of the task group looked at the possible consequences of the 1% social rent reduction and other measures of welfare reform for housing associations and tenants. It recommended that the council works closely with social landlords to mitigate any effects that these changes could have.
- 3.9 On Pay to Stay there was some concern about what could happen if it was implemented by housing associations and the task group recommended that the Cabinet Member for Housing requests housing associations to update the council if they are considering implementing Pay to Stay. Again, Pay to Stay is a voluntary measure for housing associations and is not in the legislation.
- 3.10 The task group felt that the demands of the legislation means Brent Council will also need to rethink its existing partnerships with housing associations, and the relationships between them. In particular, recommendations were made that partnership working could be more focused on specific issues and an annual housing summit could take place each year for all registered providers in Brent. The task group's view was that partnership working should involve the local authority sharing the expertise it has as a way of building relationships and similarly, the knowledge which the larger housing associations have accumulated could be shared with the smaller registered providers in Brent. Members also felt that tenants and their representatives could be brought more into partnership working and that their needs to be a renewed effort to encourage tenant participation and representation within registered providers.

#### **4.0 Financial Implications**

- 4.1 None

#### **5.0 Legal Implications**

- 5.1 None

#### **6.0 Equality Implications**

- 6.1 It is anticipated that the recommendations put forward in this report will help achieve better outcomes for some of the most vulnerable residents such as:
- older residents and disabled people, and
  - individuals / groups experiencing socio-economic disadvantage, including but not limited to homeless people, low income households, lone parents, large families, people who are subject to unlawful eviction, residents living in poor conditions and/or fuel poverty.

## **Background Papers**

Brent's Housing Associations: Scrutiny Task Group Report, July 2016

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