

Brent Tenancy Strategy - Equalities Impact Assessment Analysis

1. Summary

- 1.1 This document provides an equalities impact analysis of Brent's Tenancy Strategy in response to questions 4 and 5 of the Equalities Impact Assessment.

2. Affordable Rent – Policy Summary

- 2.1 To allow Affordable Rent (AR) development in the borough to maintain a reasonable level of new supply and to promote a proportionate level of conversions of existing units to provide cross funding of the development programme in Brent
- 2.2 To specify the affordability thresholds to be complied with by providers when setting rents, with exceptions subject to agreement in line with the proposals set out.
- 2.3 Providers to ensure that the rent for any AR property is at maximum the lower of some or all of the following thresholds, with exceptions being granted by the council in limited on a scheme by scheme basis

The thresholds:-

- LHA rates, or 80% of LHA rates
- Strict affordability under the UC Cap, after taking account of living cost benefits
- 35% of median earned income
- 80% of the market rent for the property.

Introduction

- 2.4.1 The affordable rent regime has been in place since April 2011 and is now the main mechanism through which new social housing is developed. Significantly reduced grant funding means that Registered Providers (RPs) have little option but to use the flexibilities available and set rents at up to 80% of local market levels, including a proportion of existing homes when they are let to new tenants. The key to ensuring the success of the regime is to ensure that rents are pitched at a level which is affordable whilst ensuring that new development continues.
- 2.4.2 All new social housing tenants will be subject to this new regime with the most acute impacts experienced by households who are either in employment of

less than 24 hours per week or are unemployed and subject to the Universal Credit cap, which limits overall welfare benefit income to £350 per week for a single household and £500 per week for all other households.

- 2.4.3 The council's affordability analysis demonstrates that if rents are set too high certain households, particularly unemployed larger households, will struggle to meet the cost. The relationship between the AR regime and the changes to welfare benefits therefore raises concerns about affordability. This is a national regime and AR is now the standard product for new social housing. The impact of this change, as noted above, will be felt most by unemployed or low income households and therefore the extent to which households with protected characteristics are over-represented among these groups will govern the impact of the changes on them. So, for example, younger people, older people and households from certain BAME groups may be more affected than others. While government policy is driving these impacts, the aim of local policy is to mitigate them as far as possible.
- 2.4.4 Brent has adopted a two-part approach which encourages RPs to pay full regard to affordability to mitigate the impact of higher rents whilst acknowledging that overly harsh constraints will have the effect of limiting the development of new homes in the borough, which in turn will limit the council's ability to meet housing need.
- 2.4.5 The council recognises that the most effective way to mitigate the impact of rent and welfare changes is for households to move into work and Brent is developing a new employment offer which will provide opportunities for households to lift themselves out of the benefits cap. Detailed proposals will be published during 2012.
- 2.4.6 In summary, Brent's policy direction is designed to ameliorate the impact of higher rents and welfare reform by ensuring that properties remain affordable within the overall AR framework, whilst working with partners to provide opportunities for households to find employment

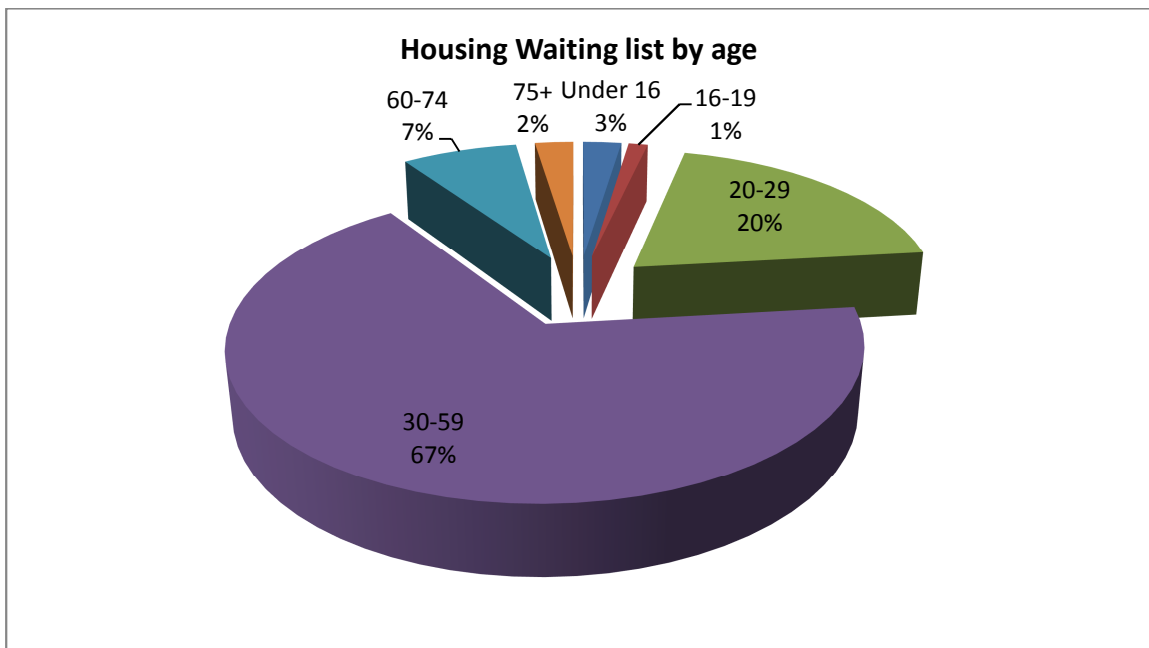
2.5 Affordable Rent - Equalities Impact

- 2.5.1 The key concern is whether affordable rents are affordable to all households.
- 2.5.2 It is worth noting that rent levels remain significantly lower than equivalent rents found in the private rented sector. With generally better housing conditions and security of tenure, affordable housing remains an option which is suitable for all groups.

2.6. Age Equality

2.6.1 Analysis of homelessness data indicates that the majority of homeless households are aged 30-59 and are more likely to have children. Households aged 16-19 (1% of the waiting list) and over 60 (7%) tend to be single or childless couples.

Chart 1: Housing waiting list by age



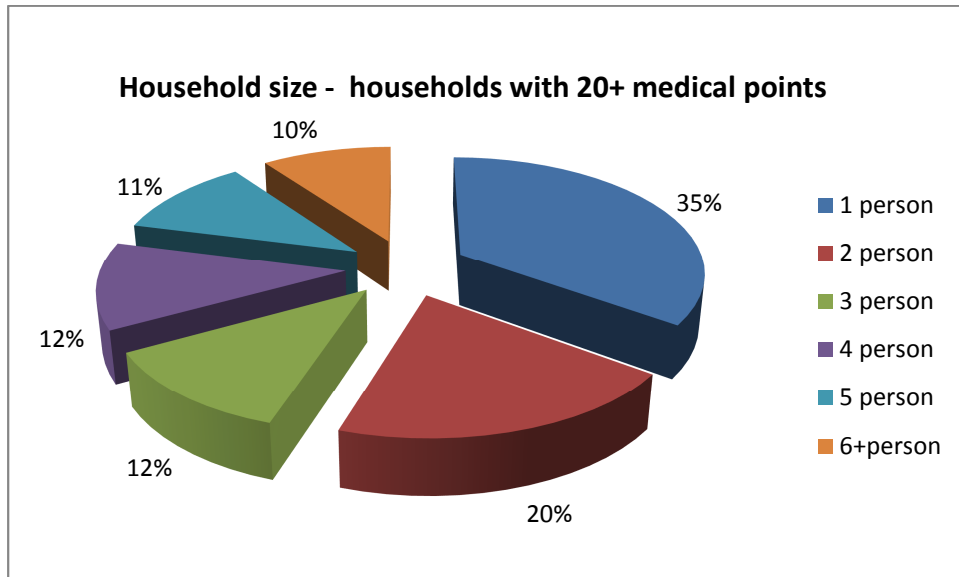
Source: Brent Council – Housing Options – Northgate April 2012

Brent's affordable rents policy ensures that rents remain affordable to the majority of age groups, including smaller households and those without children. Rents also remain affordable to the majority of 30 – 59 households found on the waiting list (. See affordability analysis in appendix 2)

2.7 Disability

2.7.1 Analysis of the housing register indicates that most households that include someone with a significant disability are smaller or single person households and therefore require properties containing 2 bedrooms or fewer.

Chart 2 - Household size of households with 20+ medical points on the Housing Register

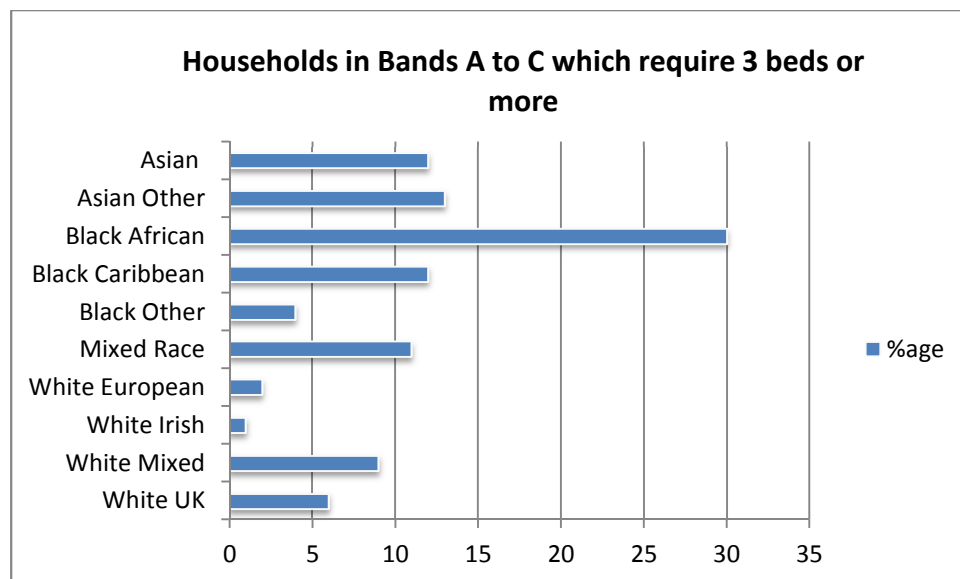


Source: Brent Council – Housing Options – Northgate April 2012

2.7.2 Brent’s preferred option is to offer households with a substantial long term disability a secure tenancy at target rents. However this may not always be possible. The offer of affordable rent with a tenancy which rolls on every 5 years is an alternative option which ensures affordability to someone in receipt of Universal Credit or Disability Benefits. Further, when compared to private rented sector properties an affordable rent home is more likely to be suited to their needs

2.8 Ethnicity

Chart 3 - Percentage of households that require larger properties by ethnicity



NB – Asian includes – Bangladeshi, Chinese, Indian, Pakistan

White mixed includes - Albanian, Bosnian, Croatian, Portuguese, Serbian, Bulgarian, Polish

Source: Brent Council Housing Waiting List April 2012 - Northgate

2.8.1 Analysis of the council's housing register indicates that larger households requiring larger properties are most prevalent amongst BAME communities and this has particular implications under the AR regime. Without the tenancy strategy rent setting policy, affordable rents could be set at £324 per week (3bed), which is unaffordable (see Appendix 2 of Executive report). The council has therefore advised that target rents are set for larger properties and this equates to approximately £120pw 3 bed or £133.27pw – 4 bed properties.

2.8.2 Without this level of constraint there is the possibility that overcrowding would increase as families may be reluctant to move to larger properties due to significantly higher rents.

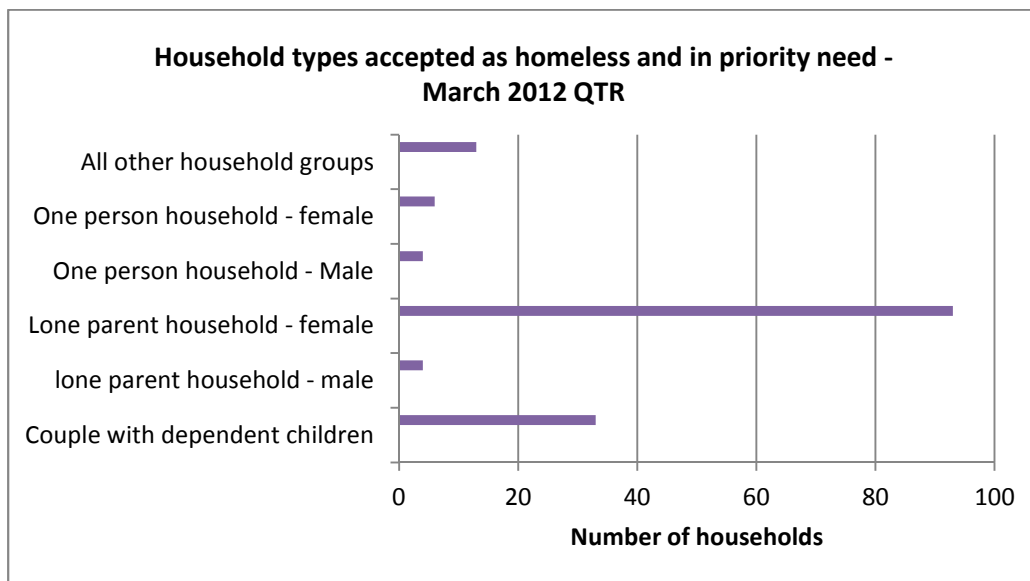
2.8.3 Setting rents at this level does lead to an anomaly where rents for a 3 bed property may be lower than those for a 2 bed property. However, affordability analysis indicates that families requiring a 3 bed property would have £229.67 available for rent and in fact some larger households requiring 4 bed properties may struggle even to pay the agreed target rent.

2.8.4 Brent's is therefore developing an employment initiative to support households into employment which will go some way towards alleviating affordability issues.

2.9 Gender

2.9.1 Female headed households make up 52% of the waiting list and female lone parent households make up the majority of households accepted as homeless and in priority need in the most recent quarter. The current economic climate has resulted in a steep increase in the number of households presenting as homeless and lone parent households are experiencing the worst effects. Affordability is a key issue for these households

Chart 4



Source: CLG P1E Jan to March 2012

2.9.2 Affordability analysis indicates that most lone parent households, which are headed mainly by women, will be able to afford AR rents as set out in the tenancy strategy, with a lone parent with 2 children able to afford to pay £270 per week.

2.9.3 The rents also remain affordable for households in full and part time work as the strategy has advised that the rents should be set at 35% of median earned income.

2.10 Other protected groups

There is insufficient information to assess the impact of affordable rents in relation to the following protected characteristics

- Religion
- Civil Partnership / Marriage
- Pregnancy and Maternity
- Lesbian, Gay, Bisexual and Transgender

Officers will put in place rigorous monitoring and review processes in order to acquire this information and will report back when the tenancy strategy is reviewed

3. Fixed term tenancies and succession – Policy Summary

- 3.1 Brent supports the introduction of a fixed term tenancy for a minimum period of 5 years but with shorter and / or longer periods for specific groups / circumstances. This will be preceded by a introductory / probationary tenancy of 12 months.
- 3.2 With regard to succession Brent supports succession only to a spouse, civil partner, or a person who lives with the tenant as if they were a spouse or civil partner and such a succession can happen only once.

3.3 Introduction

- 3.3.1 Social housing is generally let at a time when households, particularly homeless households are in the greatest need. However, need does not necessarily remain constant over a lifetime but varies according to a variety of circumstances such as birth of children, children leaving home, health, disability, employment and caring needs. The current use of social housing does not reflect this, contributing to an overall shortage of social housing and over and under- occupation as well as occupation of properties which are unsuitable, for example to meet the needs of a disabled household.
- 3.3.2 Social housing is acknowledged to be the most stable form of tenure and whilst this is commendable and assists community stability it also means that a property once let and succeeded to can be unavailable for general letting for approximately 80 years. The council's intention in supporting the introduction of fixed terms is to introduce more movement into the system and offer the opportunity for the council and its partners, together with the households concerned, to consider and review housing needs and aspirations periodically. It should be stressed that the expectation is that the majority of fixed-term tenancies will be renewed particularly where the household's circumstances remain unchanged.
- 3.3.3 The impact of policy in this area will not be immediate; the first fixed term tenancies were created in 2011 and will run for five years from then and represent a very small proportion of total social lettings. To date the council has not granted a fixed term tenancy. However, in the longer term the number and types of property let under these terms will grow. This will, therefore, enable Brent to
- use the stock more flexibly to support a wider range of households and initiatives such as those linked to employment and training
 - rehouse more homeless households in the borough rather than outside the boroughs boundaries.

- Ensure that adapted properties are made available to those who require them
 - Release more under occupied properties thereby alleviating overcrowding
 - Make more properties available for mobility and transfer schemes
 - Reduce B&B and temporary accommodation costs.
- 3.3.4 The key concern however is the impact on the household of undergoing a tenancy review every five years and the insecurity it may cause. Further policy needs to be developed to take account of this.

Fixed Term tenancies and Succession – Equalities Impact

3.4.1 Ethnicity

- 3.4.2 Black and minority households will be disproportionately affected by the introduction of fixed term tenancies as they are over represented on the waiting list, particularly amongst larger households e.g. Somali and Asian households. Changes in their circumstances such as a reduction in household size may mean that a tenancy is not renewed due to under-occupation, although the expectation will be that this would result in a move to a smaller home rather than eviction. This is also advisable since benefit changes due to come into effect in 2013 will result in a reduction of benefits to under-occupying households
- 3.4.3 The introduction of fixed term tenancies needs to be considered alongside the significant shortage of larger properties. Brent is committed to increasing the number of larger homes developed but supply is and will continue to be insufficient. Increasing supply of housing through this policy and changes in succession will, over time, ensure that a greater number of properties are available to larger households thereby reducing overcrowding, temporary accommodation costs and the use of the private rented sector for discharging homeless duties.

3.5. Disability

- 3.5.1. The main concern is centred on the impact of managing a disability when renewal of a fixed term tenancy is not certain.
- 3.5.2 Brent's preferred option is to ensure social housing remains available to households with a substantial and longstanding disability either through a lifetime tenancy or a fixed term tenancy which is rolled on for as long as the disabled household requires it.
- 3.5.3 On the whole, disabled households are one of the groups most likely to benefit from the introduction of fixed term tenancies as it is anticipated that the increased number of properties made available can be used not only to meet the highest need but also to meet moderate physical or mental health needs.

3.5.4 Furthermore Brent anticipates that further adapted properties will become available as limits on succession will release homes previously 'lost' from the housing stock through succession by other members of the household without a disability.

3.5.5 In the event where the property would have passed to a carer the tenancy strategy commits to finding alternative appropriate housing for the remaining household.

3.6 Gender

3.6.1 Lone parent households are one of the largest groups on the waiting list and are likely to benefit from an increase in properties available to let.

3.6.2 Concerns have been raised regarding the impact of 5 year tenancies on the family unit and in particular the impacts on children and young people in education. These concerns centre on the potential for instability caused by non-renewal of tenancy at crucial stages of a child's education, notably Year 6 (SATs) and Year 11 (GCSE). In response the strategy recommends that tenancies roll on whilst children are in full time education or under the age of 18

3.6.3. Should a tenancy not be renewed as children are no longer resident and the household is under -occupying Brent's policy is to ensure that alternative social housing is made available.

3.6.4 With regard to succession, anecdotal evidence suggests that the majority of carers are women and they would be adversely affected by this policy if they were unable to succeed to a property on the death of the person they were caring for. Given the valuable role played by carers provision has been made for one succession to be allowed where family members have lived with a household member as a carer for a considerable period of time. Decisions on such cases would be referred to a panel.

3.7 Age Equality

3.7.1 Brent has in place a children leaving care quota of 28 units per year, which is designed to assist vulnerable young people with housing and support needs. It is likely that a young person's needs will change over time, often requiring a different home. Fixed term tenancies are flexible enough to meet these circumstances by either ensuring that a social home is available to meet any continued need or providing advice and assistance to enable them to move on.

3.7.2 In addition, consultation on the strategy indicate support for shorter tenancies that would enable young people, including those moving on from supported housing, to be provided with a secure base that could be linked to employment and training or other support. Brent is developing an employment initiative which would provide a home, for 2 years, to a young

person undergoing employment and training. Once established that young person could move on thereby releasing the property to another household

3.7.3 Older people make up a very small proportion of households on the waiting list as generally their housing needs are met. However, households in this age group are most likely to be under-occupying as a result of children leaving home and are therefore more likely to be impacted by the termination of a tenancy. The tenancy strategy responds to this by ensuring that suitable social housing is made available in this event

3.7.4 With regard to older people with disabilities, it is anticipated that these households will benefit from the increase in availability of adapted properties made available from limits to succession or tenancy termination.

3.7.5 Other protected groups

The council doesn't have sufficient information to assess the consequences of this policy for groups with protected characteristics. Monitoring and review mechanisms will be established in order to assess the impacts

4. Discharge of duty into the Private Sector – Policy Summary

To discharge the s193 duty through an offer of suitable accommodation in the private sector as standard with exceptions limited to those households who are assessed as requiring a high level of support

4.1 Introduction

In recent years Brent has successfully procured private rented properties, with approximately 106 homes procured in 2011/12. These homes have provided a valuable source of supply for households who have agreed to be rehoused in this way. In particular, the option to accept an offer of private rented housing has two main advantages: households can move much more quickly than if they opt to wait for one of the very scarce social rented homes and they have significantly wider choice of neighbourhood and type of property.

4.1.1 However, given the current financial climate, significant housing pressures in London, changes to the Local Housing Allowance (LHA) and imposition of Universal Credit caps, Brent will need to procure a substantial number of properties but will face real difficulties in acquiring them especially within the boroughs boundaries.

4.1.2 Recent press coverage has highlighted the difficulty in finding affordable private rented sector housing in London and a recent study by Shelter emphasises this problem. The study found that the average private sector rent in Brent is £1757 per month for a 3 bedroom property, which is the third highest when compared to our west London partners

Table 1

LA	Monthly rent for a 3 bed property
Kensington and Chelsea	4915
Hammersmith and Fulham	2076
Brent	1757
Ealing	1394
Harrow	1278
Hillingdon	1150

Source: Shelter Private Rents Watch – Oct 2011

4.1.3 These rent levels are unaffordable, particularly to unemployed and working households on low incomes and the challenge is to find good quality affordable homes. As well as affordability, concerns have been raised about security of tenure, condition and location. The government has recently issued a consultation, on future guidance to local authorities on the suitability of private rented housing that attempts to address these concerns and it is expected that final guidance will be issued later in 2012. Brent's current approach, led by the Housing Needs Service and the Private Sector Enforcement Team already addresses most of the issues raised in the

consultation and officers are confident that current and future practice will be in line with the proposed guidance.

- 4.1.4 There has, since the introduction of LHA changes, been a significant increase in the number of households presenting, as homeless and there is no sign of this abating. At the same time there are 3000 homeless families in temporary accommodation and supply of social housing is likely to remain static at around 900 units per year. In the context of high demand and shortage of supply, the option to use the private sector more extensively provides an opportunity not only to meet the needs of homeless households more quickly and effectively but to free up access to social housing for other households in need. The council will therefore opt to use the private rented sector more extensively where possible and reasonable and it is likely that properties will be procured outside of the borough boundaries.
- 4.1.5 It is important to stress that provision of private sector housing should not be seen as a “second best” option. If successful, this policy may be a positive housing option in so far as homes may be located closer to a household’s place of work, schooling and support structures. There may also be a wider choice of more appropriately sized, particularly larger properties with additional benefits such as a garden. Most importantly, households will not face the prospect of spending very long periods in temporary accommodation.
- 4.1.6 From the council’s perspective, the flexibilities brought about by the Localism Act 2011, which allow councils to discharge homelessness duty into the private sector without the applicants consent, will enable Brent to respond more effectively to housing need, make better use of the housing stock and reduce temporary accommodation costs

Discharge of Duty into the Private sector - Equalities Impact

4.2 Age Equality

- 4.2.1 Single people under 35 are least likely to be affected by this policy despite affordability being constrained by housing benefit caps which mean that they are only entitled to the single room rate of £85 per week. London Rents Map analysis shows that lower quartile rents are well within this range at £77 per week
- 4.2.2. For young people, leaving care, aged between 16 -21 Brent will continue to meet its children leaving care / Children Act obligations by the provision of suitable social housing and support.
- 4.2.3 Small households including couple and single households over 60 are most likely to be able to afford rents in the private rented sector. Affordability analysis as detailed in appendix 2 demonstrates that unemployed households

will have in the region of £271 - £377 available for rent against an average rent for a 1 bedroom flat of £196 per week¹.

4.3 Disability

4.3.1 Although the majority of disabled households already live in the private sector, the council acknowledges the additional difficulties faced and the importance of health and support structures. Brent will therefore not discharge duty into the private sector particularly where significant adaptations would be required or where the household contains someone with a long term substantial disability.

4.4. Ethnicity

4.4.1 Black and minority households are most likely to be affected by these proposals not only because they are over represented amongst homelessness acceptances but also household size on the whole tends to be larger requiring 3+ bed accommodation.

4.4.2 Discharge of duty into the private sector will open access to a far wider range of properties, with the potential to bring homelessness to an end sooner benefiting both the household and Brent. This will be of particular benefit to larger households who tend to have the longest wait for permanent accommodation.

4.4.3 Despite these benefits the housing options for larger households are restricted due to disproportionately high levels of unemployment coupled with the introduction of the LHA and UC caps. These changes mean that it is unlikely that an unemployed household requiring a three bed plus property will find an affordable private rented sector property in Brent and therefore along with most London boroughs Brent will be required to procure properties outside its boundaries (See affordability assessment – Appendix 2 executive report) This gives rise to concerns regarding:

- Suitability of accommodation which is away from support structures and communities
- Affordability, condition of the property and security of tenure
- Employment – larger affordable homes in the private sector are likely to be found in areas of high unemployment, further reducing those households' prospects of gaining a job.

4.4.4. The council's ability to mitigate the impact of the housing and welfare benefit changes that drive procurement of accommodation outside borough boundaries is limited. Put simply, there are some households that, by virtue

¹ London Rents Map – July 2012

of their size and employment status, will not be able to afford to live anywhere in London. At the most extreme, the very largest households will have little or no ability to meet rental costs anywhere in the country following the introduction of UC, even in social housing. It should also be stressed that the obvious alternative of social housing at target rents is not available to these households, or at least only to a very small number, owing to the acute shortage of larger social rented homes. The key aim for local policy therefore, is to mitigate the impact of change as far as possible.

- 4.4.5 The council will ensure that private rented properties meet Brent's rigorous suitability standards through the work of the Housing Needs Service Procurement team and the Private Sector Housing Enforcement team. With regard to security of tenure, additional safeguards are in place to ensure that the length of tenancy will be at least one year and should the household become homeless within two years of discharge they will remain the council's responsibility as is required under the Localism Act 2011
- 4.4.6 Finally, rigorous and robust monitoring mechanisms will be established in order to assess the impact of these changes

4.5 Gender

- 4.5.1. Currently, lone parent households, which are typically headed by women, spend on average 3-5 years in temporary accommodation even though 2 bed properties are the greatest source of housing supply. Brent is unable to meet this need and therefore the private rented sector offers an alternative source. These households will be affected by concerns already documented however there are further concerns regarding schooling, particularly for children at crucial stages of their education such as Year 6 & Year 11, and loss of support networks.
- 4.5.2 The tenancy strategy recognises the issues regarding education and the potential impact on the household's life chances and social mobility. Therefore the strategy proposes that education is taken into account when deciding whether to place a household outside of the borough.
- 4.5.3 Further, support provided by the Housing Needs team will go some way towards ensuring that the relocation of households to properties outside of the borough runs smoothly.

4.5.4. Other protected groups

The council doesn't have sufficient information to assess the consequences of this policy. Monitoring and review mechanisms will be established in order to assess the impacts

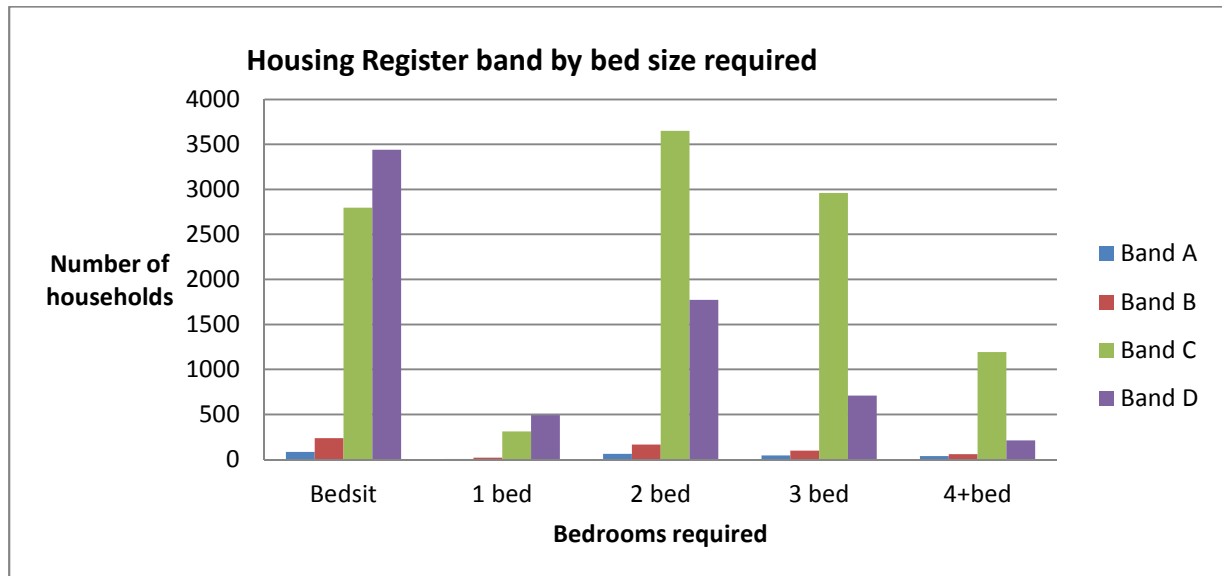
5. Waiting list - Removal of Band D and Additional Preference- Policy Summary

- Waiting List – To restrict access to those with some housing need who are resident in Brent, or working in Brent for a defined minimum period, or with other significant connections
- To abolish Band D of the current Locata² banding system
- To give greater priority to those in low waged employment, and potentially to give these households particular additional priority for Affordable Rent properties.

5.1 Introduction

5.1.1. Almost a third of households on the waiting list are in Band D, a band which unlike bands A to C contains households without any identified housing need and no realistic prospect of social housing. The band is largely made up of smaller, single person, younger households with almost all households waiting in excess of 5 years for accommodation. Last year only 5 households were rehoused from this band however it is unlikely that any further band D households will be rehoused in the future

Chart 5



Source: Brent Council – Northgate April 2012

5.1.2 The number of households rehoused from outside of the borough is small and therefore limiting access to those who are resident in the borough ensures that Brent households are prioritised, expectations from households resident outside of the borough are managed and our policy is in line with our west

² Locata is a choice based letting scheme which enables households to bid for social housing not only in Brent but in other member authorities. Applicants are allocated a banding from Band A to D dependent on housing need. Those households in Band D are judged to have little or no need and are unlikely to be rehoused through Locata.

London partners as if our policy was at variance it could result in increased applications and demand.

- 5.1.3 Offering additional priority could work in tandem with a number of wider council objectives designed to raise the socio – economic profile of the borough – particularly in relation to training, employment and voluntary work. It should be stressed that granting additional priority to certain groups does not remove priority from those covered by the existing reasonable preference rules.

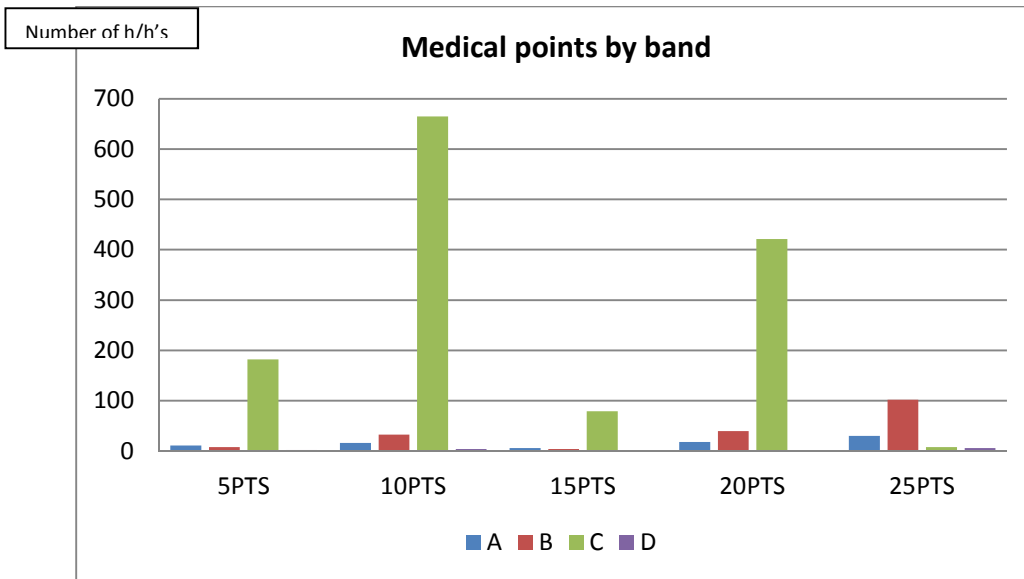
5.2 Waiting list - Removal of Band D and Additional Preference Equalities Impact

Age Equality

- 5.2.1 Young people will be most affected by the removal of band D particularly as they are less likely to be in priority need. They will also be affected by the new residence qualifications which are likely to be in the region of 5 years as they are the most mobile of households, often relocating to follow education or employment opportunities. For these reasons, among others, the private rented sector is generally considered to be the most suitable form of tenure for this group. The majority of these households would not be eligible for assistance under homelessness legislation unless they had children, a substantial disability or there were Children Act / Child leaving care obligations and in such cases changes in residence requirements would not apply.
- 5.2.3 There is the potential for young people in bands A to C to benefit from additional priority due to the employment offer which is currently being developed by Brent. Consultation found that a number of voluntary organisations favoured an employment / training initiative linked to a fixed term tenancy
- 5.2.4 Older people are unlikely to be affected by the new policies.

5.3 Disability

Chart 6



Source: Brent Council – Northgate April 2012

5.3.1. Households containing someone with a significant physical or mental disability are more likely to be found in bands A- C and are therefore unlikely to be affected by the removal of Band D. Furthermore the Council's allocations scheme states -

Band C is awarded where:

' an applicant's or member of the household's current housing conditions are having an adverse effect on their medical condition which creates a particular need for them to move as recommended by the Medical Officer'

5.3.2. As with gender, concern may arise where a disabled individual requires care from someone who needs to move to the borough to provide it but does not have the necessary residency qualifications. These cases will be considered on their merits and an exception applied if appropriate

5.4 Ethnicity

5.4.1 Changes in residency qualifications will have a significant effect upon some Black and Minority groups, particularly migrants moving to the borough who may need to be resident for 5 years before being eligible to apply to the waiting list. This may be particularly difficult to obtain if migrants are in low paid insecure employment which necessitates frequent moves to find work. On the other hand, Brent has substantial established BAME communities who will benefit from the changes.

5.4.2. Homeless migrants from the EU eligible for assistance under Part 7 will remain unaffected. As residence criteria requires either 6 months residence over the last 12 months or 3 years out of the last 5 years

5.4.3. On a more positive note incentivising households into employment / training by offering additional preference will benefit BAME communities largely as they are overrepresented not only on the housing register but also amongst workless households.

5.5 Gender

5.5.1 As noted above, limiting access to the waiting list to those who are resident in the borough could result in difficulties where that person / household has not been resident in the borough for sufficient time but needs to move in order to undertake caring responsibilities.

5.5.2 Under these circumstances Brent would assess each case on its merits and where applicable apply an exception to the policy.

5.6 Other protected groups

5.6.3 There is insufficient information to form a judgement about the impact of this policy change. Monitoring will be undertaken and outcomes reported back as part of the retrospective Equalities Impact Assessment.