

## **Committee: Council**

**Date: 14<sup>th</sup> September 2022**

Wards: All

**Subject: Strategic Theme Report: Work to make Merton a fairer, more equal borough and support those on lower incomes by tackling poverty and fighting for quality affordable housing.**

Lead officer: John Morgan, Interim Director of Community and Housing;

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Lead member: Councillor Andrew Judge, Cabinet Member for Sustainable Communities

Contact officer: Elliot Brunton, Interim Head of Housing Needs and Strategy;

Tara Butler, Programme Manager, Future Merton

David Keppler, Head of Revenue and Benefits

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### **Recommendations:**

A. That the Council consider the content of this report

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## **1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY**

1.1. Council, at its meeting on 2nd March 2022, approved the new Business Plan 2022 - 2026. The Business Plan sets out five strategic priorities and each meeting of the Council receives a report updating against one of the Council's strategic themes. The Business Plan sets out how the Council will deliver its ambition with five strategic priorities to shape and guide delivery.

- Maintaining excellent education and skills for all ages and needs;
- Promote a dynamic, connected and inclusive community and economy with safe, vibrant high streets and jobs for our residents;
- Support residents who are most in need and promote the safety and wellbeing of all our communities;
- Ensure a clean and environmentally sustainable borough with inclusive open spaces where people can come together and enjoy a variety of natural life;
- Work to make Merton a fairer, more equal borough and support those on lower income by tackling poverty and fighting for quality affordable housing

- 1.2 Performance against these priorities is monitored by Council. Each meeting of Council receives a report updating on progress against one of these priorities. This report provides Council with an opportunity to consider progress against the priorities that are to be delivered, specifically under the priority to Work to make Merton a fairer, more equal borough and support those on lower income by tackling poverty and fighting for quality affordable housing

## **2. INTRODUCTION**

- 2.1 Section 3 of the body of the report provides an overview of the Council's work, including with partners, to deliver new affordable housing in the borough and to improve the quality of existing stock.
- 2.2 Sections 4 to 12 covers support for homelessness, renters and other housing related support provided by the Housing Needs Service.
- 2.3 Section 13 of the report provides an overview of the financial support available to residents in respect of housing costs provided by the Benefits service

## **3. NEW AFFORDABLE HOMES**

3.1 New affordable homes are mainly provided via two routes:

- The planning system, where developments of large sites (11 homes or more) must provide a proportion of affordable housing, according to Merton's planning policies
- Social housing providers building developments themselves.

3.2 Merton is a borough of small sites due to fragmented land ownership and high land values, making site assembly difficult. For the past 15 years more than 90% of the planning applications received for new homes have been for small sites, which aren't currently required to provide any affordable housing. This makes the provision of affordable housing in Merton extremely challenging, compared to other boroughs such as Croydon which are characterised by larger development sites.

3.3 In recent years government has introduced changes to the planning system to allow the conversion of commercial premises (offices, shops etc) to homes under a process called "prior approval". Any homes created under prior approval do not use the local Council's planning policies, therefore do not have to provide any affordable housing.

3.4 In these challenging circumstances the Council has to support the delivery of affordable homes in other ways.

3.5 In August 2022 the Council held a special Cabinet to allocate funding to build 93 affordable homes across four Council-owned sites.

3.6 The Council's new Local Plan proposes reintroducing a policy to require a financial contribution from small sites towards the creation of new affordable homes. The new Local Plan is currently the subject of an independent examination, led by Planning Inspectors appointed by the Secretary of State. The Local Plan will have to pass the examination before this policy can be adopted (likely late 2022 or early 2023, depending on when the Inspectors deliver their report).

3.7 The Council supports Clarion's regeneration of Eastfields, High Path and Ravensbury to improve the quality of homes, including affordable homes, by adopting Merton's Estates Local Plan in 2018, considering successive planning applications and approving compulsory purchase in March 2022 to accelerate delivery.

3.8 The Council also supports Housing Providers in building affordable homes, either by buying more homes within a development above those required by planning permission or by developing sites themselves.

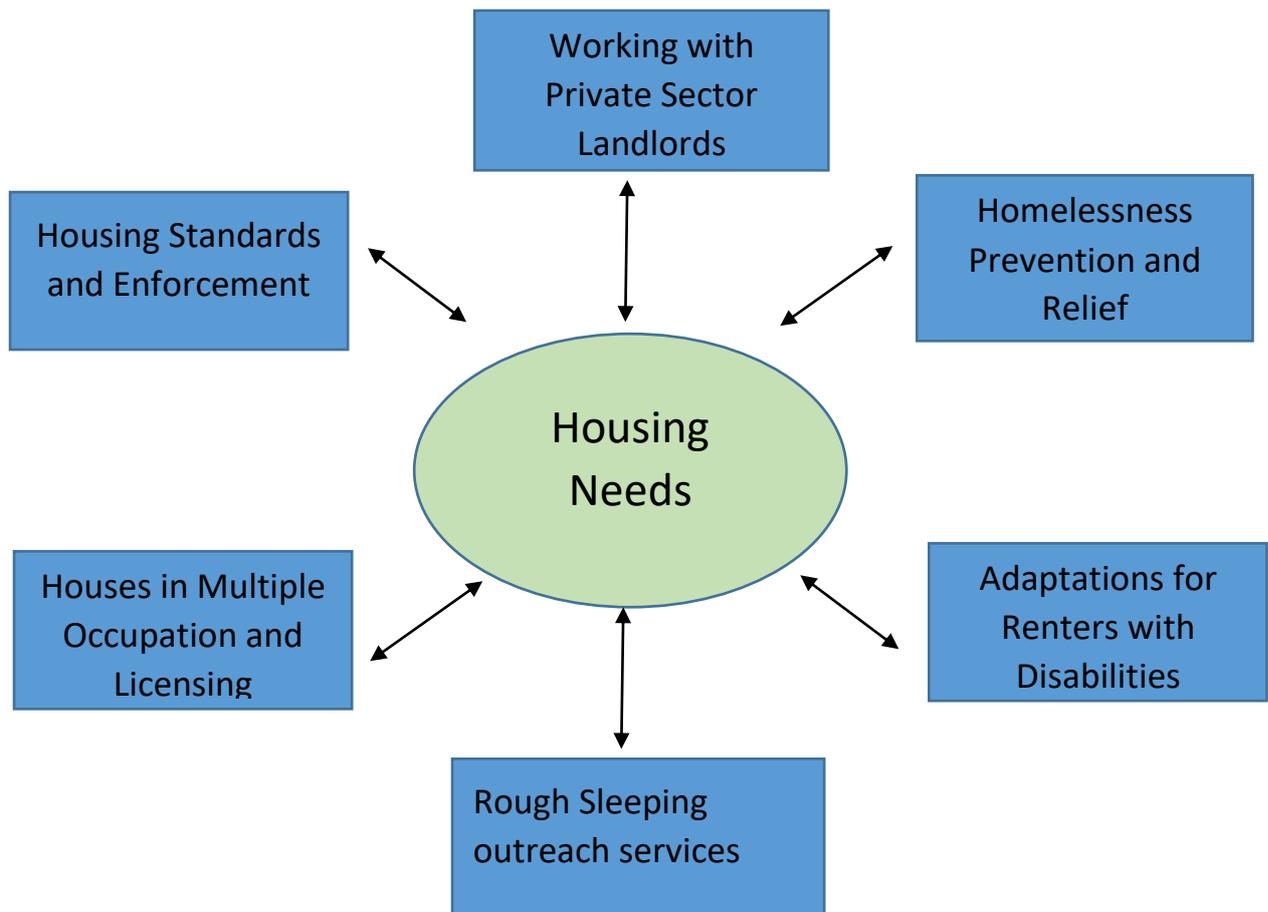
3.9 Between 2015 and 2020 Registered Providers have delivered 192 affordable homes in this way including:

- 118-120 Christchurch Road, Colliers Wood – L&Q (54 affordable homes, 100%)
- 191-193 Western Road, Colliers Wood – L&Q (48 affordable homes, 100%)
- Former community centre, Woodstock Way, Mitcham (36 affordable homes, 100%)
- 2-6 High Street, Colliers Wood – Optivo (34 affordable homes, 100%)
- Windmill Road, Mitcham (20 affordable homes, 100%) (in addition to the remainder of The Willows having been developed for affordable homes at an earlier date.

#### **4. SUPPORT FOR HOMELESSNESS, RENTERS AND OTHER HOUSING RELATED SUPPORT**

4.1 The Housing Needs and Strategy service has a number of functions that supports residents who may have a lower income and/or experience poor or insecure housing. Support for homelessness and renters falls broadly into 6 areas:

- Homeless applications and the prevention and relief of homelessness
- Partnership working with other agencies (via duty to refer)
- Working with private sector landlords
- Housing standards and enforcement
- Houses in Multiple Occupation
- Adaptations to renters with disabilities



4.2 Whilst prevention of homelessness for renters has always been a central plank to the work of the housing team, the legal duties to take action to prevent and relieve homelessness were strengthened by the introduction of the Homelessness Reduction Act 2017 (HRA). The 2017 Act did not replace the earlier legislation, but it created several new duties and gave additional rights to housing applicants.

4.3 The Act placed a duty on all local authorities so that, where someone makes a homeless application and they are deemed eligible (in terms of their immigration status) and if there are threatened with homelessness within 56 days, then the Council owes the prevention duty, or if they are actually homeless, the Council owes the relief duty for 56 days.

4.4 In both cases this means that the Council has to devise a Personalised Housing Plan (PHP). In order to do so the Council has to assess the circumstances that caused the applicant to be homeless or threatened with homelessness and assess their housing needs. The Council then has to devise a number of reasonable steps that the applicant and the Council will take to prevent or relieve their homelessness. The assessment and reasonable steps are then set out in the PHP and the applicant will then sign the plan if they agree to the steps.

4.5 When devising these steps Officers carry out an assessment of each person's individual needs and look at what housing options are available to prevent their clients from becoming homeless. These include, but are not limited to:

- Advice on security of tenure.
- Advice on Protection from Eviction.
- Legal Advocacy on tenant's behalf with private landlords.
- Negotiating with hosts to allow clients to continue to stay with them.
- Offering incentives to Landlords to renew tenancies
- Increasing the security of the homes of the victims of domestic violence via the sanctuary scheme to allow them to stay.
- Home visits to confirm the circumstances of the client.
- Rent and mortgage rescue scheme to pay arrears where clients meet the criteria
- Increased priority on the Council's waiting list where the requirements of the Council's Housing Allocations and Nominations Policy are met.
- Offers of accommodation from the Council's Rent Deposit Scheme.
- Arranging local supported housing / hostel places for single people.

4.6 Outside of a formal application, the housing service also provides advice and assistance to renters who visit the Council's offices. Housing Officers are available on a drop-in basis, or alternatively residents can contact officers via email or telephone. Officers will also sign post cases to the citizen's advice bureau and local law centres where specialist advice is required.

## **5. HOMELESSNESS PREVENTION AND RELIEF PERFORMANCE**

5.1. Under the Homelessness Reduction Act there are a number of specified circumstances where the prevention and relief duties come to an end. The Council records the reasons that the prevention and relief duties end against each separate homeless case.

5.2. If the duty ends due to the applicant being able to stay in their current home for 6 months, or because they have found alternative accommodation that is available for at least 6 months, this is recorded as either a positive prevention or relief outcome. It is the case that prevention and relief activities mean the individual's housing crises are resolved far quicker than those cases who go beyond the 56 day duty. Prevention and relief activities have a cost benefit for the Council in that where this is achieved the Council does not have a long-term duty to provide temporary accommodation with the associated general fund costs.

5.3. Performance in relation to the number of positive outcomes is recorded below. As the table below sets out, the number of homelessness preventions have remained fairly consistent over the previous years. Merton has historically had the lowest number of cases in temporary accommodation in London and these activities contribute directly to this achievement.

	2017/18	2018/19	2019/20	2020/21	21/22
<b>Preventions</b>	465	504	480	455	452

## 6. PARTNERSHIP WORKING VIA THE DUTY TO REFER

6.1. The Homelessness Reduction Act 2017 introduced duty on specified public authorities to refer service users who they think may be homeless or threatened with homelessness to local authority homelessness/housing options teams.

6.2. The duty to refer helps to ensure that services are working together effectively to prevent homelessness by ensuring that peoples' housing needs are considered when they come into contact with public authorities. The specified authorities are-

- prisons
- young offender institutions
- secure training centres
- secure colleges
- youth offending teams
- probation services (including community rehabilitation companies)
- Jobcentres in England
- social service authorities (both adult and children's)
- emergency departments
- urgent treatment centres
- hospitals in their function of providing inpatient care
- Secretary of State for defence in relation to members of the regular armed forces

6.3. The Council has set up a portal on its website through which such referrals are made, and these automatically feed into the homelessness case management system. Officers review these to check whether the statutory threshold for a homeless application is met, and if yes, an application is processed and a personalised housing plan is produced as noted above.

6.4. The Housing service is also a member of multiple multi-agency panels such as: the Multi Agency Risk Assessment Committee (MARAC) for domestic abuse cases; Multi-Agency Public Protection Arrangements (MAPPA) for serious offenders; weekly discharge meetings with mental health services; and regular liaison with the probation service. The Housing Needs Service also works closely with colleagues in Children's, Schools, and families, particularly the Children's safeguarding Hub, and with colleagues in Adult Social Care. In respect of both children and adults, safeguarding is a key aspect of all Housing functions.

## **7. ROUGH SLEEPING OUTREACH SERVICES**

- 7.1. Over the last 6 years, the Council has secured just over £2.5 million of grant funding to develop a range of services specifically for rough sleepers. This group has specific needs above and beyond the provision of accommodation alone. The services include: day-time outreach provided by a team of in-house staff with night-time outreach covered by Thamesreach; emergency accommodation; and day-to-day support and tenancy sustainment for clients. The service has established an accommodation pathway for clients to enable them to move on to more sustainable housing depending on their needs, including shared housing with support in the private rented sector, supported housing, or tenancies of self-contained accommodation in the private rented sector.
- 7.2. From having only 4 designated bed spaces for rough sleepers up until 2019, the Council now has 27 bed spaces in shared houses and 24 supported housing units available for rough sleepers before they move on to independent tenancies. Since the start of the pandemic in March 2020, the Council has placed 190 rough sleepers into accommodation. To date, we have moved 38 into private rented sector tenancies or other settled accommodation.
- 7.3. Our success in securing supported housing schemes played a huge part in keeping our very entrenched rough sleepers in accommodation, allowing them to stabilize and improving their engagement with services. It is not always easy as the team have to work hard to gain the trust of people. Currently 8 of our 12 most entrenched people are in supported accommodation. We are working very closely with support organisations such as English as a Second Language (EASL) and the Westminster Drug Project and refer clients to them for mental health assessments and substance misuse support including detox and rehab programme.
- 7.4. We have made huge progress in bringing down the number of rough sleepers in Merton. Our annual one-night count has dropped from the peak of 23 in November 2018, to 5 in November 2021, and the latest available figures show that Merton is one of only three boroughs in London reporting zero rough sleepers in February 2022, therefore we are well on course to meet the government target to eradicate rough sleeping by 2025.

## **8. TEMPORARY ACCOMMODATION**

- 8.1. When residents make homeless applications, in some circumstances the Council has a legal duty to provide temporary accommodation, typically during the relief period if someone is actually homeless. Not all individuals are entitled to temporary accommodation.
- 8.2. Where people appear to be (a) eligible for assistance (mainly concerned with having settled immigration status); (b) homeless; and (c) in priority need of accommodation (most commonly having responsibility for children or being

vulnerable), they are owed what is known as the ‘interim’ duty. This duty provides them with temporary accommodation pending more detailed enquiries into their application and actions taken by the authority to relieve their homelessness.

- 8.3. Where on conclusion of those enquiries, (and assuming it is not possible to prevent or relieve homelessness) if officers within the Housing Department are satisfied that the homeless person is eligible; homeless; is in priority need and did not become intentionally homeless; and has a local connection, then they are owed what is known as the ‘full’ or the ‘main’ duty.
- 8.4. This is a duty to continue to provide them with suitable temporary accommodation, without limit of time, until the duty is brought to an end in a limited number of prescribed circumstances, most commonly via a reasonable offer of accommodation. This offer is from a registered social landlord or via a private sector Landlord.
- 8.5. Accommodation offered under the Act is required to be suitable for homeless households and this is set out in the Homelessness (Suitability of Accommodation) (England) Order 2012. When securing accommodation in relation to either the “interim” or “main” homeless duty, s208(1) of the Housing Act states, so far as reasonably practical, the authority must secure this accommodation in its own area. This was reinforced in the Supreme Court judgement handed down in the case of *Nzolameso v Westminster* 2015.
- 8.6. Central government policy has restricted the types of temporary accommodation that can be seen as a suitable in the discharge of these duties. With effect from 1st April 2004, the use of bed and breakfast for families with children was made unlawful over a 6 week period and the use of this accommodation for persons aged 16 or 17 years old is likewise discouraged.
- 8.7. Merton Council has the lowest number of households in temporary accommodation of a London Borough

#### **Numbers in Temporary accommodation snapshot at year end**

<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
165	174	199	197	230

## **9. HOUSING STANDARDS AND ENFORCEMENT**

- 9.1. Private sector housing makes up a significant proportion of the housing stock within Merton. It is recognised that the majority of this housing is in good condition and well managed, however nationally the conditions in the private rented sector (PRS) tend to be less satisfactory than any other occupancy type. The Council has a responsibility to deal with unsatisfactory housing

that presents health and safety hazards to the occupier.

- 9.2. It is not disputed that the private rented sector should provide high standards, secure swift and effective access to justice and that the large volume of powers to protect tenants from poor housing are being used.
- 9.3. The Council takes a proactive approach to dealing with “rogue landlords” and improving housing conditions in the borough, thus seeking to ensure that private renters can occupy their homes safely.
- 9.4. Upon consideration of all available evidence the Council has a number of options to resolve a private tenant’s difficulties: take no action, offer informal action/advice, serve a statutory notice, issue a formal caution, prosecute, carry out works in default. The Council has a number of cases in the pipeline where a Civil Penalty / Prosecution may be necessary and appropriate.

## 9.5 Housing Enforcement Activity during 2021/22

### Service Requests Received

Service Request – Apr 2021 - Mar 2022	Total
F&V - Filthy & Verminous	2
FIDR - FOI Request	2
FO12 - Premises Hygiene	1
GPAY - Grant Repayment Query	16
HDIS - Housing Disrepair	276
HMOA - HMO Advice	60
HMOG - General HMO	282
HOTH - Housing - Other	222
MEN - Members/ MP Enquiry	95
P001 - Rats	30
P002 - Mice	22
P003 - Cockroach Infestation	3
P008 - Pigeons	5
P00B - Bedbug Infestation	5
PDRA - Drainage	30
REFU - Refuse/Rubbish	90
URGE - Urgent Housing Request	37
WID - Works in Default	1
<b>Total</b>	<b>1179</b>

### Notices Served

2021/22 Notices Served	
H234 - HMO Management Notice	41
HAWA - Hazard Awareness Notice	6
HPRO - Prohibition Order	6

PDP4 - PDPA 49 Sec 4	1
PRIM - Prelim Improvement notice	99
S011 - Improvement Notice	1
S012 - Improvement Notice	1
S083 - PHA 1936 Section 83 F&V Prem'	1
S16 - LGMPA76 Section 16	57
S235 - Section 235	3
S287 - PHA 36 Notice of Entry S287	1
<b>Total</b>	<b>217</b>

## HOUSES IN MULTIPLE OCCUPATION (HMOS) & LICENSING

- 9.6 Some privately rented houses are let to people from several different families, either as bedsits or as shared houses. Houses like this are known as Houses in Multiple Occupation (HMOs).
- 9.7 HMOs provide a valuable source of rented housing to primarily single people in our area. However, this form of housing can be problematic due to fire safety issues and poor standards such as dampness, lack of affordable heating and other physical defects.
- 9.8 HMOs present higher risk accommodation particularly when considering fire safety. For that reason larger HMOs (housing 5 or more people) require a licence and planning permission is also required to convert a house into a HMO for seven people or more.
- 9.9 At the present time there are 457 licenced HMOs in the borough and officers are working hard to identify any others to safeguard the occupiers.
- 9.10 Identifying, inspecting and licensing of HMOs became more challenging when the requirement to licence was extended in October 2018, where previously there was no requirement to register these dwellings.
- 9.11 Landlords operating licensable HMOs without a licence are committing a criminal offence. It is our legal responsibility to monitor and enforce the new law to improve housing conditions for the tenants.
- 9.12 The housing enforcement team identified 3 dwellings which were required to have a licence but the Landlord failed to apply. All three cases were to the subject of a criminal investigation and all three landlords were prosecuted. Offences included failure to licence an HMO, fire safety and HMO Management Regulations.

## HMO licences by year

2017/18	2018/19	2019/20	2010/21	2021/22
154	173	182	319	416

## Selective Licensing and Article 4 Direction Development

9.13 To address the issues identified with problematic HMOs and the harm they can cause to local residential amenity and the occupiers, the Council is pursuing a holistic approach across both its planning and licensing powers.

9.14 On 3rd June 2019 Cabinet approved the recommendation of the Private Sector Housing Enforcement report to further analyse which areas in Merton could be subject to Selective Licensing (SL). Selective Licensing legislation is discretionary and enables Councils to deal with poor management of private rented properties that result in issues such as antisocial behaviour (ASB), crime, and health and safety hazards. Councils may also consider Additional Licensing of houses in multiple occupation (HMOs), which would apply to HMOs not covered by the current mandatory scheme, which applies to properties rented to five or more people who form more than one household.

9.15 A SL designation may be made if an area meets one or more of the following conditions (a scheme based on one condition would be unlikely to succeed, and for conditions 3-6 an area should have a higher than the average PRS stock (ca.19.6%)):

- That the area is, or likely to become, an area of low housing demand
- A significant and persistent problem caused by anti-social behaviour
- Poor property conditions
- High levels of migration
- High levels of deprivation
- High levels of crime

9.16 Secretary of State approval is required for any scheme affecting more than 20% of the PRS, or 20% of the local authority area. Extensive data evidence, and a minimum 10-week public consultation are some of the stringent conditions required for a scheme. A scheme cannot start until three months after it is made. Following the 2019 Cabinet decision extensive data analysis and cost modelling was undertaken to assess the viability of a SL scheme. This work continued until 2020, but further progress was not made due to the impact of the pandemic. Members requested the previous work was revisited, and update reports were provided to Cabinet members in November 2021 and March 2022 and a

further one is due in October 2022.

9.17 This work has been combined with work to explore an Article 4 Direction in all or part of Merton, which would require any new small house or flat shares (small HMOs) to seek planning permission. In October 2022 Cabinet is due to consider approving both an Article 4 Direction (to require small HMOs (housing 3 people or more) in eastern wards to require planning permission) and Selective Licensing for specific wards.

## **EMPTY HOMES**

9.22 In July 2020 C&H DMT considered a report on options to increase the accommodation supply in the borough. The report discussed a range of options, including an Empty Homes Scheme (EHS). Whilst work on some options has progressed, EHS work did not progress due to other priorities, and the impact of the pandemic. In November 2021 Cabinet members requested that the EHS work be revisited and reported back to members. Updates were provided to Cabinet members in March 2022 and a further update is due to go to Cabinet in October 2022.

9.23 EHSs enable Councils to bring back into use long-term empty properties (empty for 6 or more consecutive months, subject to ten exemptions e.g. holiday homes) in order to:

- Increase supply of housing
- Address associated crime, antisocial behaviour, and street scene impact.

9.24 An EHS may complement the availability of other powers e.g. Empty Dwelling Management Orders or Compulsory Purchase Orders to deal with issues. A scheme may provide incentives to owners, e.g. grant funding for repairs to bring properties up to standard for letting. Schemes are costly to operate and a viability assessment is needed to assess cost-benefit, taking into account operating and set up costs, and the potential benefits:

- Meeting housing need in the borough
- Identifying potential increase in Council Tax revenue
- Reducing temporary accommodation expenditure
- Reducing impact of unsightly and nuisance properties on neighbourhoods
- Utilising vacant residential units above commercial properties in high streets.

9.25 Merton provides temporary accommodation for around 230 households that the Council has a duty to house, at a cost of around £3.5m. For each property brought back into use and utilised, a reduction in temporary accommodation costs could be achieved.

9.26 As at 31st March 2021 the number of empty properties in Merton was 4,928. Of these 1,470 were second homes (unoccupied but furnished) and would not be considered under an EHS. Profiling the empty homes in the borough forms part of the cost benefit analysis to inform a scheme viability assessment. Consultation with owners of empty properties is also a requirement, to gauge the likelihood of owners' engagement with a scheme. Consultation with other Councils operating schemes is ongoing.

## **10. CLARION REGENERATION AND VISITS TO SOCIAL HOUSING ESTATES IN MERTON**

10.1 Due to the need to improve housing conditions for residents in the longer term, the Council has been supporting the regeneration of Eastfields, High Path and Ravensbury estates.

10.2 In 2018 the Council adopted the Estates Local Plan to guide planning decisions. Outline planning permission for all three estates was granted in 2019 and detailed planning permission for Eastfields Phase 1 (c200 homes, including replacement affordable homes) was granted in April 2022.

10.3 Clarion has bought back a significant number of private homes on all three estates since 2016 and the Council is supporting the compulsory purchase of the remaining c40 existing homes on Eastfields Phase 1 to allow the new homes to be built. At the time of writing (end August 2022, the deadline for objections to the compulsory purchase will be 31st August 2022. Depending on whether there are objections, the next stage will be for the government's inspector to consider any objections to the compulsory purchase, which may include a public hearing.

10.4 For the remaining two estates, also granted outline planning permission in 2019, guided by Merton's Estates Local Plan 2018:

- High Path Phase 1 has been built and occupied: 136 homes of which most were replacement social housing
- High Path Phase 2 (+200 homes, mostly replacement affordable or private homes for existing residents) has started construction but will be in part dependent on whether there are objections to the compulsory purchase order (deadline 31<sup>st</sup> August 2022) and the nature of these objections.
- Ravensbury Phase 1 (22 homes, of which 18 were affordable) was completed in 2020
- Construction is underway for Ravensbury Phase 2 (c55 homes)

10.5 The remainder of the Ravensbury estate (phase 3 and 4) will be built depending on whether there are objections to the compulsory purchase of the remaining homes.

10.6 However, pending the regeneration of Eastfields, following the previous issues regarding the Eastfield estate that came to light in 2021, the Council set a regime of regular meeting with senior managers at Clarion and the

Council (including representatives and Directors from both Community and Housing and Environment and Regeneration) as well as the then Cabinet Member for Housing, Councillor Martin Whelton. There were two sets of monthly meetings, one concerned with the regeneration of High Path, Eastfields and Ravensbury estates, and the other concerning operational matters including estate inspections and repairs.

- 10.7 The Secretary of State for Levelling up, Housing and Communities, Michael Gove, wrote to Clarion and the letter was widely published in the media on the 23rd May 2022. In response to this the Leader of the Council visited residents on three blocks in Sadler Close (Chart House, Gladstone House and Fountain House) on 26th May 2022 and was accompanied by the ward Councillors and officers from the Housing Needs and Strategy service. Those present on the visit were shocked by the conditions that were witnessed on the estate. Following the visit the Leader has written to Claire Miller, the Chief Executive of Clarion regarding our concerns. We have also written to the Clarion Area Director and Head of Housing for Merton regarding the individual cases that were raised during our visit and this included officers findings of identified hazards under the Housing Health and Rating Safety System (HHSRS) under Housing Act 2004.
- 10.8 On 10th June, the Leader, cabinet member, ward Councillors, and Merton officers were accompanied by Clarion officers to visit Armfield Crescent and again picked up a number of issues from tenants, which are being followed up. On the 17th June there was a further visit to Edinburgh Court and the Four Acre estate in Lower Morden.
- 10.9 The Leader has arranged a series further visits to Clarion and other registered provider estates over the coming months.
- 10.10 These visits will be carried out by the Leader and Ward Councillors and officers from the Housing Needs and Strategy service, and any issues will be raised with the Landlord.

## **11. ADAPTATIONS FOR RENTERS WITH DISABILITIES**

- 11.1 Disabled Facilities Grants (DFGs) are available from the Council to pay for essential housing adaptations to enable disabled people, including private renters, to stay in their own homes. The funding comes from Central Government.
- 11.2 These grants are means tested, so target the most help to those who cannot otherwise afford to adapt their homes. To apply, a tenant has to be assessed initially by an Occupational Therapist (OT). Their role is to determine what works are necessary and appropriate to meet the tenant and his/her family's need.
- 11.3 The next stage of the process is a technical assessment to see if the recommendation made by the OT can be implemented in the property. We

need to assess if the works are reasonable and practical to be undertaken. The funding for DFGs is provided by Central Government and distributed locally through the Better Care Fund.

11.4 This process ensures that any home adaptations we carry out are part of the overall health and care system to deliver joined up services.

**Disabled Facility Grants – Completed**

2017/18	2018/19	2019/20	2010/21	2021/22
68	74	61	43	80

**12. GOVERNMENT WHITE PAPER ‘A FAIRER PRIVATE RENTED SECTOR’ BRIEFING**

12.1 On 16 June 2022, the Department of Levelling Up, Housing and Communities (DLUHC) published its white paper, "A Fairer Private Rented Sector", giving us insight as to what we can expect to see in the Renters Reform Bill.

**Reform of grounds for possession including the abolition of section 21**

12.2 The White Paper confirms the Government's intention to abolish section 21; the "no-fault" / 2 month notice only basis for possession in the private sector. Service of such a notice has been the biggest cause of homelessness in Merton and the country for the last decade. Abolition of section 21 will necessitate a reform of possession grounds, in order to ensure that landlords can recover possession if they wish to sell a property or need the property as a home for themselves or a family member.

12.3 Two months' notice will be required where the ground for possession arises from circumstances beyond a tenant's control, such as the landlord selling, with less notice required for rent arrears and serious tenant fault.

12.4 Where tenants are in arrears, there is to be a new mandatory ground for repeated cases of serious arrears, in order to tackle the problem of tenants who regularly build up arrears and then reduce these before a Court hearing in order to avoid a mandatory possession order being made. Under this ground, eviction will be mandatory where a tenant has been in at least 2 months' rent arrears three times within the previous 3 years, regardless of the arrears balance at hearing. Tenants will be protected from eviction if the reason for their arrears is that they are waiting for benefits to be paid.

## Rent and rent reviews

- 12.5 Contractual rent increases will no longer be permitted, so there can be no index linked or fixed uplifts. All rent increases will have to take effect by service of statutory notice in accordance with section 13 of the Housing Act 1988.
- 12.6 The notice period for rent increases will double, from at least 1 month to at least 2 months. Where a tenant does not agree the new proposed rent, they will have the statutory right to have this determined by the First Tier Tribunal. The Tribunal's role, which is currently to determine market rent, will be restricted so that it can only confirm or reduce the proposed rent. In other words, the Tribunal can no longer determine a market rent higher than the proposed rent.
- 12.7 In cases where several months' rent is paid in advance, landlords will be required to repay upfront rent, if the tenancy ends before the end of the period which the tenant has paid for. There is also a proposal to limit the amount of rent that landlords can ask for in advance through the Renters Reform Bill. This could result in landlords being reluctant to rent to those tenants without good references or credit history, such as those moving to the UK from abroad.

## Other tenant rights

- 12.8 **Written terms of tenancy at the outset:** Oral tenancies are currently allowed, but the new proposal will require landlords to provide the tenant with a written tenancy agreement setting out the obligations and rights of both parties. The aim is that this will assist in resolving disputes.
- 12.9 **Property Portal:** The new Property Portal will include basic details about landlords, the properties they let, whether a property meets basic criteria such as whether it has a valid gas safety certificate and whether it meets the Decent Homes Standard. This will allow tenants to check the credentials of their landlord as it will become mandatory for local authorities to include details of all eligible offences. This data will be made publicly available.
- The Portal is also intended to provide a single 'front door' for landlords to understand their responsibilities, making it easier for landlords who are private individuals to access the necessary information about compliance.
- 12.10 **Decent Homes Standard:** For the first time it is proposed that the Decent Homes Standard, which was introduced in the social housing sector, would apply to the private rented Sector in an aim to improve the quality of housing in the private sphere. 'Decent' will mean the property will need to be free from the most serious health and safety hazards and landlords will need to ensure properties do not fall into a state of disrepair.

12.11 The implementation of this will begin with a review of the Housing Health and Safety Rating System (HHSRS), which is due to conclude in Autumn 2022 and then it is believed that pilot schemes adopting the Decent Homes Standard will be run.

12.12 **Pets:** Tenants will have the right to request a pet in their property and landlords will not be able to unreasonably withhold consent. The balancing side of this equation is that the Tenant Fees Act 2019 would be amended to allow pet insurance as a permitted payment. This means landlords will be able to require pet insurance, so that any damage to their property is covered.

12.13 **Unlawful blanket prohibitions:** It will become illegal for landlords to have blanket bans on renting to families with children or those in receipt of benefits with the aim of assisting the vulnerable.

12.14 **Dispute resolution:** The proposals promise a powerful new Property Ombudsman to resolve disputes between landlords and tenants in a time and cost-effective way, without the need to involve the Courts. Membership of the Ombudsman Scheme will be made mandatory.

The Ombudsman will have various powers of redress including compelling landlords to issue apologies, provide information, take remedial action, reimburse rent to tenants and/or pay compensation of up to £25,000. Decisions of the Ombudsman will be binding and failures to comply with the decisions may result in landlords being subject to Banning Orders.

12.15 **No lifetime deposits:** The initial plan to passport deposits from property to property to address the problem of crossover deposit periods has been dropped. Instead, the plan set out is that the Tenancy Deposit Protection Working Group will monitor and review private led solutions.

12.16 **Regulation/Enforcement:** At present, local authorities are only mandated to record Banning Orders on the Database of Rogue Landlords and Property Agents. The proposal is that this will be replaced and all eligible offences will have to be recorded on the Property Portal, which will be publicly available.

The threshold for civil penalties to be included on the Property Portal will be lowered from the current position which is only when two or more penalties are served within 12 months.

### 13. FINANCIAL SUPPORT

14.1 There Council offers a number of schemes to offer residents financial support.

**14.2 Housing Benefit:** A means tested scheme administered on behalf of the government to assist residents with help towards rental costs. Housing benefit for working age residents is being phased out and support for housing costs is now included in Universal Credit which is administered by Job Centres. Approximately 6,700 residents received housing benefit in 2021/22 and a total of £57.5 million was paid. The number of live claims is continuing to reduce as residents move to Universal Credit.

Pensioners and working age residents living in Supported Accommodation will continue to claim housing benefit.

**14.3 Council Tax Support:** A locally devised scheme to help residents with Council tax. In 2013 the government transferred responsibility for support with Council tax. The Council Tax Benefit scheme was scrapped and local authorities were given responsibility for devising their own local scheme with a 10% reduction in funding. Merton elected to adopt the Council Tax Benefit scheme as its local Council Tax Support scheme. The majority of local authorities adopted new scheme which were less generous than the Council Tax Benefit scheme. This meant that the majority of residents in other boroughs had to contribute more towards their Council tax and some had to make a contribution for the first time as they no longer received 100% support. Some residents Since 2013 Merton have continued to adopt a more generous scheme than the majority of local authorities.

**14.4 Discretionary Housing Payment (DHP):** Additional support to residents who receive Housing Benefit or the housing element of Universal Credit, but still have to pay some rent themselves. Examples of support would be where residents have their housing benefit reduced due to Local Housing Allowance caps, restrictions due to over occupation (bedroom tax). The Department of Work and Pensions provide a limited level of funding, for 2022/23 £422,000 has been allocated.

**14.5 Local Welfare Support Scheme (LWSS):** The LWSS is financial support to help vulnerable households in the London Borough of Merton if they are at risk to their health or safety or need help to re-settle or remain in the borough. The scheme allows us to consider awarding grants for emergency payments for food, heating and hot water and essential household items when someone is re-settling. These grants do not have to be paid back.

**14.6 Welfare Benefits Support:** This service offers residents help and advice on the following benefits:

- Attendance Allowance
- Carers Allowance
- Child Tax Credit
- Council Tax Support
- Disability Living Allowance
- Employment and Support Allowance
- Housing Benefit
- Local Welfare Support

- Pension Credit
- Personal Independence Payments
- Social Fund loans and grants
- State Pension
- Universal Credit
- Working Tax Credit

The service can refer residents to Citizens Advice for further support and advice.

#### **14. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

#### **15. LEGAL AND STATUTORY IMPLICATIONS**

As stated in this report, the council has a number of statutory functions relating to the provision of housing and support for the homeless well as the general power of competence contained in the Localism Act 2011.

#### **16. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

None for the purposes of this report.

#### **17. CRIME AND DISORDER IMPLICATIONS**

None for the purposes of this report.

#### **18. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

None for the purposes of this report.

#### **APPENDICES – THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

None

#### **BACKGROUND PAPERS**

None

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