

WANDSWORTH BOROUGH COUNCIL

HOUSING OVERVIEW AND SCRUTINY COMMITTEE – 15TH NOVEMBER 2011

EXECUTIVE – 21ST NOVEMBER 2011

Report by the Director of Housing on proposals for a Housing into Work Strategy

SUMMARY

Background: The Council's Housing into Work Strategy is set in the context of robust central government policy proposals in relation to making work pay and welfare reform. National policy, as set out by the Coalition Government in its Programme for Government<sup>1</sup> and which is relevant to these proposals, includes a review of the welfare system, the provision of incentives to move into employment and a commitment to end child poverty with the policy aim of moving people into work and making work pay. On the 14th October 2011, the Minister for Housing and Local Government also announced that a "home swap direct" scheme would be launched, one aim of which will be to encourage existing social tenants to move to where employment opportunities exist. It is this kind of link between housing, training and employment opportunities that this report explores and makes proposals on.

Policy: Proposals set out in this report will be considered as part of the review of the Council's Allocation Policy following proposed changes set out in the Localism Bill.

Issues/proposals: The proposals within this report include seeking to improve sign posting to local advice, training and employment initiatives by Housing Department staff, giving additional priority to working households in the allocation of social housing, bringing forward a housing into work pilot that will link the offer of social housing on a fixed term tenancy to a requirement that the applicant must be in training leading to work or in employment and, as part of end of tenancy reviews for fixed term tenancies, review current employment status and whether any information or advice about moving into work can be provided.

Director of Finance comments: All costs incurred in relation to the implementation of these proposals will be met from existing Housing Department budgets.

Economic Development Officer comments: The proposals in this report support the policies and priorities in the Council's approved Wandsworth Employment and Skills Strategy. The key role the Housing Department and other social housing landlords can play is explicitly linking 'back into work' support as part of their tenant participation work and creating a link between housing offers and training and employment status.

Supporting information: Not applicable.

Conclusions: Approval is sought for the policy direction set out in this report in respect of encouraging non working households to move into work. These changes will help support a greater socio economic mix in the Council residential stock, will contribute to the achievement of the Wandsworth Employment and Skills Strategy and will reinforce the message of making work pay.

GLOSSARY

EDO	Economic Development Officer
JCP	Job Centre Plus
RSL	Registered Social Landlord

**RECOMMENDATIONS**

1. The Housing Overview and Scrutiny Committee are recommended to support the recommendations in paragraph 3.
2. If the Housing Overview and Scrutiny Committee approve any views, comments or additional recommendations on this report, these will be submitted to the Executive for consideration.
3. The Executive are recommended to: -
  - (a) support the Housing Department in seeking to improve sign posting to local advice, training and employment initiatives by Housing Department staff, as set out in paragraph 12;
  - (b) agree the principle of giving additional priority to working households with this to be explored further as part of a comprehensive review of the Council's Allocation Policy, as set out in paragraph 13;
  - (c) approve establishment of a housing into work pilot, as set out in paragraph 15;
  - (d) approve including, within the new end of tenancy reviews for fixed term tenancies, a review of the current employment status of Council tenants and their household members with appropriate advice and information being provided where appropriate, as set out in paragraph 18; and
  - (e) endorse the Housing Department working as part of the Wandsworth Employment and Skills Partnership to increase take up of volunteering, training and employment opportunities as set out in paragraphs 12 and 19.

**INTRODUCTION**

4. The Coalition Government set out a very clear policy agenda with a number of proposals relating to jobs and welfare, children and families and communities and local government in their Programme for Government<sup>1</sup> published in May 2010. Proposals most relevant to this report are set out in the following paragraphs.

**Jobs and Welfare**

5. Government proposals and action since that date (welfare reform, capping of housing benefit, changes to job seekers allowance etc.) have supported the policy objectives of encouraging responsibility and fairness in the welfare system by providing help for those who cannot work, training and targeted support for those looking for work, but sanctions for those who turn down reasonable offers of work or training. The aim of the proposals was simply to move people into

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<sup>1</sup> Freedom, Fairness and Responsibility:  
<http://webarchive.nationalarchives.gov.uk/20100526084809/http://programmeforgovernment.hmg.gov.uk/files/2010/05/coalition-programme.pdf>

work and to make work pay.

**Children and Families**

6. Policy proposals were also set out in relation to children and families including a pledge to end child poverty in the UK by 2020 and to investigate a new approach to helping families with multiple problems. In terms of the latter this has been effected through the Community Budget pilot programme which has involved the setting up of a number of Family Recover Projects<sup>2</sup>.
7. The Council is one of 16 pilot groups taking part in the Community Budget pilot. As part of that process, the Council considered how to better coordinate all the services received by the most complex families in Wandsworth with the aim of making a difference to their lives through early intervention. The pilot is expected to start in late October/early November 2011.

**Political Reform and the Localism Bill**

8. The Coalition Government also pledged to abolish Regional Spatial Strategies and return decision-making powers on housing and planning to local councils. This raft of reforms has been progressed through the publication of the Localism Bill.
9. The Localism Bill includes freedoms for councils to use social housing resources to meet local housing needs more appropriately, support wider sustainability objectives and to engender greater personal responsibility. Social landlords will have more flexibility as to who is housed from the Council's waiting list, be able to set fixed term tenancies and undertake tenancy reviews to establish the suitability of the current accommodation occupied and explore with the tenants other housing options that may be relevant given any change in personal circumstances.

**Review of the Council's Allocation Policy**

10. The Council is currently required to operate "open" housing waiting lists. The Localism Bill will repeal the 2002 Homelessness Act to give back to councils the freedom to determine which categories of applicants should qualify to join the waiting list and to make lists simpler and easier to manage.
11. Also increasingly links are being made between the allocation of social housing, mobility and work. The London Mayor, for instance, will shortly launch the Pan London Mobility Scheme, which provides opportunities for those in work to move closer to where they are working to sustain that employment. Additionally, on the 14th October 2011, Grant Shapps, the Minister for Housing and Local Government, launched the "home swap direct" scheme that will allow social tenants the chance to swap their homes for ones in other parts of the country, with the introduction of a system whereby tenants can review all available swaps nationwide. One anticipated outcome of home swap direct will be to encourage people to move around the country to find work. A number of councils have also identified quotas or provided additional priority for social housing to working households be it to increase the number of economically active households living in their social housing stock or to provide a cheap and locally available housing option to low income working households.

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<sup>2</sup> The Family Recovery Project is an intervention programme to turn around the small minority of families whose children are likely to be excluded from school or get involved in anti-social behaviour or crime with the aims of reducing youth crime; increasing school attendance and improving behaviour; highlighting access to a variety of organised positive and constructive activities; and enabling families to reach their full potential.

**HOUSING INTO WORK PROPOSALS**

**Housing Advice and Information**

12. The Housing Department recognises the role it can play in raising the awareness of non-working Council tenanted and applicant households regarding employment and training opportunities and encouraging their take up. It is accepted that housing services need to become more closely involved in promoting and sign posting employment and training opportunities. It is proposed that the Housing Department work with the Economic Development Officer (EDO) and other partner agencies to ensure that there is locally based literature available to those in temporary accommodation and in social housing on local training and employment initiatives and, additionally, during 2011 and 2012, that Housing Department staff are briefed on any local training and employment initiatives that their clients and tenants may be able to access.

**Applicant Households in Work**

13. It is proposed that the Council takes into consideration the employment status of those households applying to the Council for housing, with a view to attaching a degree of priority for allocation of accommodation to working households. Details of the proposals are currently being developed, and would be subject to consultation with residents and partner agencies and would balance any necessary legislative requirements to meet housing need.
14. It is considered that this could provide incentives to currently unemployed households and an element of priority to working households, which will go some way towards achieving a greater socio-economic mix on the Council's housing estates where approximately 30 per cent of working age households are in receipt of full Housing Benefit.

**Housing Into Work Pilot**

15. Establishment of a housing into work pilot is proposed, with full details being brought forward by June 2012. The pilot would link the offer of social housing on a fixed term tenancy to a requirement that the applicant must be in training leading to work or in employment. Models are already in place elsewhere in London through arrangements between local authorities and registered social landlords which offer accommodation on condition that the applicant moves into training or work. Should a viable model be developed, any allocations under this scheme would be reported as part of the annual housing resources and commitments report to the Committee and Executive.

**Fixed Term Tenancies and Tenancy Reviews**

16. Social rented housing is a valuable asset. However, its use is not optimised in meeting local housing needs or in meeting wider social and economic objectives. It currently offers lifetime tenancies at heavily subsidised rents that take very little account of how individual and household circumstances change.
17. By April 2012, the Department will have published a strategic policy on tenancies setting out the Council's expectations in relation to the use of fixed term tenancies, probationary tenancies, tenancy reviews and use of affordable rent tenancies to meet a more diverse range of local needs. From 2012, the Housing Department will propose that the Council uses fixed term tenancies in the letting of its general needs social rented housing.
18. The Housing Department will establish periodic tenancy reviews for existing and new Council tenants. It is now proposed that part of the tenancy review includes a review of the household's current circumstances and where either the tenant or a household member is not working what the options might be for that individual to move into volunteering, training and/or work. It is expected that this would establish improved links with Job Centre Plus and their employment providers. Additionally, the tenancy review will explore and establish housing options that are available to

the household, including options to buy the property they are living in, where the household is working.

**Moving into Work**

19. More generally, and as part of the Wandsworth Employment and Skills Strategy, the Housing Department is committed to working closely with other agencies (including partner Registered Social Landlords such as London & Quadrant) in the Wandsworth Employment and Skills Partnership to identify innovative opportunities for Council residents to move into volunteering (either in its own right or as a precursor to employment) or to move into training and/or work and to make sure that they are brought to the attention of both housing applicants and Council residents.
20. The Housing Department also recognises the role it can play as employer and as a contractor of services. In this respect, the Housing Department has contributed to the Council's Work Right Scheme<sup>3</sup> with two employees in post and through the Housing Trainee Scheme has provided 31 places for trainees since it began in 2002. Where housing developments are taking place, the Council seeks through the planning system (Section 106 notices) to agree to provide apprenticeships through the Construction Trainee Initiative. More directly, as part of the bid to the Homes and Community Agency (HCA) for funding for the development of 38 new homes on the Rollo Estate, the Council, as client, stipulated a clause in the contract for the employment of a minimum of four local apprenticeships to be drawn from a range of trades. Where possible, the Council will seek to roll out similar requirements where the HCA is used to develop affordable housing.

**COMMENTS OF THE ECONOMIC DEVELOPMENT OFFICER**

21. The EDO comments that the proposals in this report support the policies and priorities in the Council's approved Wandsworth Employment and Skills Strategy (WESS). The overall strategic objectives are: -
  - (a) employer engagement and meeting recruitment/skills needs;
  - (b) new ways of working in partnership to deliver at the front line; and
  - (c) information and communication between partners.
22. About 75 per cent of the 20,000 people in receipt of working age benefits are tenants of social housing and almost half live in the wards of Furzedown, Graveney, Latchmere, Queenstown, Tooting, Roehampton, and West Hill.
23. Housing into Work Strategy impacts on both (b) and (c) above. The main interface between WESS and the Housing into Work Strategy is the key role the Housing Department and other social housing landlords can play by explicitly linking 'back into work' support as part of their tenant participation work and creating a link between housing offers and training and employment status.
24. A key policy aim of Government is the introduction of a new Universal Credit that will absorb many of the current benefits into a single payment strongly linked to helping claimants find and stay in work. This will mean that it will be more advantageous to get and stay in work rather than remain in receipt of benefits. Properly informed front line housing staff can help ensure that out of

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<sup>3</sup> Work Right gives people with disabilities a greater opportunity to find suitable employment, which is generally more difficult for them to find

### ***Housing into Work Strategy***

work tenants get good advice and information on financial and income maximisation and where to go to get expert support back into work. Housing partners are likely to be the best ones to try and fill this delivery gap.

### **COMMENTS OF THE DIRECTOR OF FINANCE**

25. The Director of Finance comments that all costs incurred in relation to the implementation of these proposals will be met from existing Housing Department budgets.

### **CONCLUSION**

26. The Director of Housing considers that the proposals within this report will work to encourage non-working Council residents to move into work. In addition, it is considered that these changes would support a greater socio economic mix in the Council residential stock, would contribute to the achievement of the Wandsworth Employment and Skills Strategy and would reinforce the message of making work pay.

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The Town Hall,  
Wandsworth,  
SW18 2PU.

ROY EVANS  
Director of Housing

4th November 2011

### **Background Papers**

1. Programme for Government: Freedom, Fairness and Responsibility.

All reports to Overview and Scrutiny Committees, regulatory and other committees, the Executive and the full Council can be viewed on the Council's website ([www.wandsworth.gov.uk/committ](http://www.wandsworth.gov.uk/committ)) unless the report was published before May 2001, in which case the committee secretary (on 020 8871 6039) can supply if required.