

**EALING TENANCY STRATEGY 2012-15:
CONSULTATION DRAFT**

1. Introduction

The Coalition Government's housing reforms mean that social housing landlords can now offer fixed term tenancies and charge 'Affordable Rent' at up to 80 per cent of market rent to help fund their development programmes. This is alongside the existing lifetime tenancies offered; secure tenancies for council tenants and assured tenancies for registered providers. The Localism Act has also introduced a requirement for local authorities to produce a tenancy strategy.

This strategy fulfils our statutory duty under the Localism Act by providing a broad strategic framework for social housing providers operating in the borough. Social housing providers will need to have regard to this strategy in setting their own landlord policies on tenure and rents. This strategy sets out:

- The kinds of tenancies the Council and registered providers in the borough should grant
- The circumstances in which social landlords should grant a tenancy of a particular kind
- The length of any fixed-term tenancies
- The circumstances in which a further tenancy should be granted when an existing fixed term tenancy comes up for review.
- The local approach to rent levels and use of the new Affordable Rent product
- Our approach to working with our partners to use the new freedoms to help meet the housing needs of local people

2. Local context

Ealing is a densely populated borough with a population estimated by the Office of National Statistics (ONS) of 318,500. It is the 11th largest London borough in terms of geographical size, but remains the 3rd largest in terms of population size.

Access to affordable housing remains one of the borough's biggest challenges as both house prices and rents are high with the average home in Ealing costing £363,649 (Q2, 2011, Land Registry) while average household income is £36,000. This means that saving for a deposit to rent or to buy a home is out of reach for many. Under the current market conditions, a first time buyer purchasing a house at the lowest 15th percentile would need to put down a deposit of £40,000 and have a joint income of £53,333, or individual income of £45,714 if buying alone. For many, this means that social housing will be the most affordable option. The average net income of new social housing tenants in Ealing was £185.70 in 2010-11 (CORE, see appendix 2).

Social housing consists of just over 18% of Ealing's total housing stock of 126,970 properties (CLG 2011). The majority of these properties are let with lifetime tenancies at around a third of market rent. Ealing Council is the largest provider of social housing in the borough and managed 13,047 homes as of 1st April 2011. There are also over 40 registered providers managing social housing in the borough. There are three main registered providers managing over 1000 properties: Catalyst (3259), A2Dominion (1799) and Notting Hill Housing Trust (1509).

As of April 1st 2011, Ealing had 12,020 people on the housing register waiting for social housing. For 2010-11 there were 1045 lets into social housing, including 211 transfers. Of these, 800 were into Ealing Council properties and 245 were into registered providers properties. The need to make best use of this stock and that of our partners is as urgent as ever.

3. Links to other Ealing housing policies

The Ealing Tenancy Strategy provides additional guidance for developing registered providers supplementing our Borough Investment Plan by setting out the types of tenancy and rent levels that should be provided. The Tenancy Strategy also complements the current Allocations Policy and Homelessness Strategy. Ealing's Allocations Policy sets out how we will prioritise and whom to offer council homes and the Homelessness Strategy sets out our approach to preventing and tackling homelessness. All our policies are available for download on the Ealing Council website.

4. Our Aims and Objectives

Ealing Council retains a preference for lifetime secure tenancies for social rented tenants. The main purpose of this strategy is to set out the Council's approach and priorities, providing guidance to social housing providers operating in the borough to inform their policies and practices on tenure and rents, in light of the changes introduced. Our framework aims to help address local housing need by ensuring that landlords take account of household's different circumstances by issuing a tenancy that best suits their needs. This will help ensure social housing landlords make the best use of the limited supply of the borough's social housing stock.

Ealing Council intend to work in partnership with our housing delivery partners to meet the aims of this strategy, which are:

- Promoting sustainable communities
- Maximising the availability of affordable social rented homes for residents
- Supporting residents into employment, training and education
- Providing the maximum security of tenure for vulnerable residents in receipt of care and support
- Delivering the most efficient use of the borough housing stock
- Helping to address child poverty by ensuring family sized social housing is reasonably affordable

Ealing Council want to ensure people looking for housing in the borough are provided with tenancies that are appropriate for their needs and affordable. It is crucial that we make the best use of the limited supply of social housing and maximise its potential to provide as many homes for people in Ealing as possible, ensuring that social housing in the borough is used as effectively as possible for those in need.

4. Our Approach

This section sets out the types of tenancies that Ealing Council and our partners should grant, guidance on rent levels and the content of landlord policies. It is divided into three themes and shows how we will meet our objectives. The three themes are:

Theme 1	Our Tenancy Framework
Theme 2	Our Approach to Rent levels
Theme 3	Partnership Working

Theme 1 – Our Tenancy Framework

- **Protecting existing tenants**
- **Lifetime tenancies**
- **Fixed term tenancies**
- **Reviewing fixed term tenancies**
- **Terminating flexible tenancies**
- **Succession rights for fixed term tenancies**

4.1 Protecting existing tenants' rights

The Social Housing Regulator, through the Regulatory Framework, protects existing social housing tenants who already have lifetime tenancies that were issued before section 154 of the Localism Act came into force (1st April 2012). Social housing providers will need to grant these tenants “with no less security where they choose to move to another social rented home”. The Social Housing Regulator’s Regulatory Standard on Tenancy states; “this requirement does not apply where tenants choose to move to accommodation let on Affordable Rent terms.”

Ealing Council’s preference is that social landlords extend this protection through their landlord policies on tenure to all tenants with lifetime tenancies, regardless of whether the tenancy is issued after 1st April 2012. This will help ensure that all tenants holding lifetime tenancies have equal protection, regardless of when issued. It will help support mobility, so that tenants are able to move closer to work and family without losing any security of tenure. It also supports social housing providers in addressing under and over-occupation as tenants will not stay put in unsuitable accommodation to retain their security of tenure.

In all circumstances, tenants who are moving as part of a regeneration scheme should be offered the same tenancy and rent terms for their new tenancy. Where possible, provision for existing tenants should be made for existing tenants who wish to be re-housed within the regenerated area.

4.2 Lifetime tenancies

Social housing supports Ealing Council's aim to create sustainable communities by offering residents stable, affordable housing. Lifetime tenancies are Ealing Council's preferred tenancy type across the borough. However, we also recognise that many social housing providers have an active development programme and are looking to use fixed term tenancies in conjunction with Affordable Rent, as part of their agreements with the HCA. For this reason, the Council is not seeking to impose a blanket approach to the type of tenancy social housing landlords should offer. This would constrain the amount of new social housing built in the borough and be contrary to GLA's housing policies contained within the Draft London Housing Strategy and London Plan.

Ealing Council's expectation is that social housing providers should continue to offer lifetime tenancies to vulnerable tenants that have a continuing long-term need for support or care. Vulnerable tenants circumstances are unlikely to change and continue to be protected by the higher level of security of tenure that lifetime tenancies provide. Vulnerable tenants are likely to include:

- Older tenants living in sheltered housing or extra care housing,
- Disabled tenants with learning difficulties, enduring mental health issues or physical disabilities.
- Tenants where a spouse or a dependant child is disabled or requires long term care
- Ex-armed forces personnel who have been both medically and honourably discharged

4.3 Flexible tenancies

Our aspiration is that lifetime tenancies continue to be the main type of tenancy offered by social housing providers in the borough. The Social Housing Regulator's Standard on Tenure states:

“registered providers shall grant tenancies which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use of their housing stock”.

We recognise the use of flexible tenancies as part of an active development programme containing homes at Affordable Rent. For new development, the CLG and HCA's 'Affordable Homes Programme Framework 2011-15' sets out their expectation that registered providers should issue the new flexible tenancies in conjunction with Affordable rent for the majority of new tenants. Our early discussions and consultation with registered providers has confirmed that developing registered providers are looking to use flexible tenancies in conjunction with Affordable Rent.

The introduction of flexible tenancies could potentially have a negative impact on neighbourhoods, with tenants feeling less of a commitment to the area they live in. To help maintain cohesive neighbourhoods, we recommend that flexible tenancies with a minimum fixed term of 5 years should be offered. Flexible tenancies should also form part of a mixed development offering a range of tenancy or tenure types to conform with the GLA's Draft Supplementary Planning Guidance Affordable Housing Note and Draft Supplementary Guidance on Housing, which supplements the London Plan.

Where possible, existing tenants with lifetime tenancies who are seeking to move should be offered the same tenancy terms, regardless of whether the lifetime tenancy was issued before the changes brought into force by the Localism Act. For new tenants, Ealing Council have identified the following types of households for whom a flexible tenancy may be more suitable:

- Young people (under 25)
- Households moving into larger family units (3 & 4 bed properties)
- Households moving into an Affordable Rent property
- Households with no adult in long-term employment

4.4 Reviewing flexible tenancies

An affordability assessment should be undertaken prior to sign-up and be included as part of the tenancy review process. This is to help ensure that tenancies are sustainable and also ensure that landlords are able to advise and help signpost households to the most appropriate housing solution. It should also support tenants in helping to access benefits and manage their budgets and bills.

Housing reviews should be undertaken no less than 6 months before a tenancy is due to end and should be used as a positive, supportive process for social housing tenants. The following factors should be considered in the review and where one or more apply, the tenancy will not normally be extended where:

- The household has a gross income that is more than £74,000 per annum. Households with an income above this should be encouraged and supported to consider other housing options, unless there are exceptional circumstances. This is in line with criteria set out in both the GLA's London Plan and First Steps programme (supporting Londoners access low cost home ownership in the capital) and the proposals for our new Allocations Policy, which will propose to restrict eligibility to social housing to households earning less than £74,000.
- The tenant or a member of their household has been convicted of criminal activity related to their property.
- The tenant has breached the terms of their tenancy. Exceptions will only be considered in line with our Allocations Policy on transfers.
- The property is under-occupied by one bedroom or more. The tenant should be provided with an option to move to smaller accommodation appropriate to their household size if they find themselves in a property that is too big for them. This will release larger properties for those that need them including existing tenants in overcrowded households.
- The property has been extensively adapted for someone with a disability who no longer lives there. This allows the property to be released for someone who will benefit from the adaptations.
- The household has assets or saving greater than the amount stipulated in the Council's Housing Allocations Policy (£75k), which would normally exclude someone from being granted a tenancy.

There may be circumstances where, even if the above criteria applied, that it would be unreasonable to expect tenants to move. These include:

- Tenant or member of household suffering from a terminal illness
- Tenant or member of the household has a disability (to be verified by occupational therapy / community care assessment)
- Tenant has children attending a local school
- Tenant is a foster carer and the tenancy enables them to continue in this role
- The tenant is a care leaver and is still receiving support from Adult Services
- Tenant is participating in a Family Intervention Project programme

4.5 Terminating fixed term tenancies

Where a tenancy will not be renewed as a result of the tenancy review, it is essential that social housing providers work proactively with the tenant to support them to explore their options and support the tenant to move to suitable alternative accommodation. These options could include home ownership, a private rented home or a more suitable social rented property. If the tenant moves to a private rented property, the tenancy should be for a minimum of 12 months to provide stability to the household and minimise the risk of future homelessness.

The tenant will need to be provided with sufficient written notice containing the reasons for the decision and informing the tenant of their right to appeal and explaining the appeal process. Our expectation is that the tenant will be written to and advised of the decision not to renew the fixed tenancy term a minimum of 6 months before the tenancy is due to end, with a notice served of at least 2 months before the end of the fixed tenancy term in accordance with the requirements set out in the Localism Act 2011.

4.6 Succession rights

The Localism Act has changed the law on succession, although it should be noted that applies only to tenancies issued after this provision comes into effect. For existing tenancies, the succession rules are unchanged.

All new lifetime and fixed term tenancies now have a legal requirement to allow for one succession, limited to a spouse or partner of a tenant. Successions to a flexible tenancy will only be for the remainder of the life of that tenancy, and subject to a full review when the end of the tenancy is due.

Additional successions above the statutory requirements are discretionary, known as a policy succession. Individual social landlords should set out their own approach setting out whether they wish to offer discretionary succession and the circumstances when this will be considered in their landlord tenancy policy.

Theme 2 – Rent capping and Affordable rent properties

- Rent capping & affordability
- Allocation of tenancies at Affordable Rent
- Affordable rent: re-lets & conversions

4.7 Rent capping & affordability

Market rents in Ealing vary widely within the borough and are already very high relative to resident's income. Acton and Central Ealing are the most expensive areas in the borough. The more affordable areas are Northolt, Southall and Perivale to the west of the borough. Regardless of area, social housing in the borough should be reasonably affordable to both working households and those households in receipt of benefits.

The introduction of Affordable Rent allows registered providers to charge up to 80% of market rent new properties and on a proportion of re-let homes as part of a funding agreement with the HCA or GLA. To ensure that social housing remains reasonably affordable to both benefit claimants and working households, Ealing Council is providing guidance to registered providers setting out our expectations on maximum rent levels. The recommended rent levels include service charges, to provide consistency with the development funding guidance on Affordable Rent provided by the HCA's Affordable Housing Programme Framework 2011-15.

Table 1 below summarises our recommendations on the **maximum** rent that should be reasonably affordable to non-working, as well as working households in the borough. In addition, Ealing Council will also supply area-based information on affordability to help support registered providers in agreeing rent levels for new developments within these guidelines, which will be updated annually using Valuation Office Agency data. Our guidance on rent levels aims at ensuring that larger, family-sized, social rented homes remains reasonably affordable to residents. This is in line with the strategic priority for affordable family housing set out in the GLA's housing policies and planning guidance. Ealing Council's preference is for social rent to be charged for family sized properties with 3 or more bedrooms.

Table 1: Maximum recommended rent levels for social housing in Ealing

1 bed-roomed properties	The lower of the following: <ul style="list-style-type: none"> • Up to 80% of market rent or; • The maximum applicable LHA rate
2 bed-roomed properties	The lower of the following: <ul style="list-style-type: none"> • Up to 80% of market rent or; • The maximum applicable LHA rate
3 bed-roomed properties	The lower of the following: <ul style="list-style-type: none"> • Maximum rent of £200 per week or; • The maximum applicable LHA rate
4 bed-roomed properties +	The lower of the following: <ul style="list-style-type: none"> • Maximum rent of £200 per week or; • The maximum applicable LHA rate

The London Housing Strategy sets out the Mayor's expectation that registered providers seek the support of boroughs for schemes coming forward. Ealing Council will consider the affordability of development proposals on a scheme-by scheme basis, but will generally not support new social housing that contains properties charging rent above these levels, unless social housing providers can satisfactorily demonstrate affordability.

4.8 Allocation of tenancies at Affordable Rent

Social housing providers should set out who properties for Affordable Rent should be targeted towards in their landlord policies. Affordable Rent is a new product so it is hard to predict the take-up of these tenancies and we want to provide maximum flexibility to social housing providers. Safeguards, in terms of affordability, are already provided by our guidance on rent levels and the requirements in the London Housing Strategy. We do intend to monitor the use and take up of homes with Affordable Rents through Locata, our Choice Based Lettings Scheme.

4.9 Affordable Rent: re-lets & conversions

Ealing Council considers that individual social housing providers are best placed to decide on the number of conversions which are needed to support the viability of business plans and development programmes.

We are seeking to restrict the use of Affordable Rents for family sized (3 bed-roomed and above) properties that are being re-let. Family sized accommodation should be re-let at target rent. Re-lets at Affordable Rent should be restricted to 1 and 2 bed-roomed properties, where the guidance in section 4.7 will apply. We will monitor the rent levels of re-lets through our Development Forum.

Theme 3- Partnership Working

- **Landlord Tenancy Policies**
- **The Localism Act and Devolution**
- **The GLA's London Housing Policies**
- **Monitoring and Review**

4.10 Landlord Tenancy Policies

From April 2012, social housing landlords will have a regulatory requirement to publish a landlord tenancy policy. Individual social housing providers should fully comply with the guidance on landlord policies contained in the Social Housing Regulator's Regulatory Framework, particularly section 2 of the Tenancy Standard. We also expect that social housing providers should make their landlord policies available on their websites and provide hard copies free of charge to anyone who might request a copy. The contact details of social housing providers who have social housing stock in Ealing are provided in appendix 6.

Individual social housing landlord policies will also need to pay due regard to the London specific housing and planning policies, as well as the local level guidance provided by this strategy. In terms of Ealing's Tenancy Strategy, individual landlord policies should pay due regard to the broad framework, as well as set out their specific approach to supporting the overarching aims of our Tenancy Strategy by:

- Promoting sustainable communities
 - In new developments/regeneration schemes social housing should be part of a wider mix of tenure/tenancy types ranging from home ownership, intermediate housing and social housing
- Maximising the availability of affordable homes for residents
 - Social landlords will need to participate in both the national and London mobility scheme.
 - Provide guidance on affordability for social housing landlords
- Supporting residents into employment, training and education
 - Offering policies that incentivise work
 - Providing affordable housing to support the economic viability of the borough
- Providing the maximum security of tenure for vulnerable residents in receipt of care and support
 - Any additional support or measures that are available
- Delivering the most efficient use of the borough housing stock
 - Addressing under and over-occupation
 - Addressing tenancy fraud
- Helping to address child poverty by ensuring family sized social housing is affordable
 - Ensuring social housing rent levels are reasonably affordable to families

4.11 The Localism Act and Devolution

The Localism Act has devolved many housing powers from the national level to the Greater London Authority (GLA). From 1 April 2012, the Mayor became directly responsible for strategic housing, regeneration and economic development in the capital taking over the HCA's powers and responsibilities in London and removing the legal restriction on the Mayor to spend money on housing. The Act also abolishes the London Development Agency and transfers their regeneration functions to the GLA. The Act also sets out the relationship between the Mayor and the TSA, placing obligations on each body to co-operate with one another to ensure the alignment of regulation and investment decisions.

4.12 The Greater London Authority's Housing Policies

Social landlords development programmes will need to be in general conformity with the requirements set out in the Greater London Authorities (GLA's) Revised London Housing Strategy and London Plan and any other housing guidance.

The London Plan and Housing SPG place a strong strategic priority on the provision of affordable family sized accommodation. The 2009 Ealing Strategic Housing Market Assessment identified the following ratios for the property size of new social rented housing, which provide evidenced need for additional family sized social housing in Ealing:

Table 2: Size requirements for social housing in Ealing (Ealing SMHA, 2009)

1 bed	2 bed	3 bed	4 bed
20%	39%	25%	25%

The GLA has taken over direct responsibility for monitoring and managing the delivery of all Affordable Rent contracts. New schemes will only be funded by the GLA where registered providers can demonstrate that they have fully engaged at the earliest possible stage with boroughs in working up schemes, and have paid full regard to local housing and planning policies, provided these are in general conformity with the London Housing Strategy and London Plan.

The London Housing Strategy sets out the following targets for the 2011-15 development programme in London as a whole, which should:

- Deliver a range of rents with a programme average of 65% of median market rent
- 36% should be for 3 bedrooms or more
- 10% of Affordable Rent homes should be let at target rent. These should preferably be located within regeneration programmes that involve re-provision of existing social rented housing.

In terms of the Affordable Housing Programme, the London Housing Strategy makes it clear that the Mayor expects registered providers ensure they seek the support of boroughs for schemes coming forward, stating the registered providers must pay full regard to a local authorities housing policies where these are in general conformity with the London Housing Strategy.

4.13 Monitoring and Review

We will revise our guidance on affordability on an annual basis and consult with social landlords on our recommendations on maximum rent levels.

The GLA will be developing a framework for monitoring Affordable Rent with Boroughs and registered providers participating in the 2011-15 Affordable Homes Programme will be expected to engage with this process. We will regularly review and share experiences and good practice with social housing providers. We will undertake our own monitoring, which is likely to include:

- The number of new lets at Affordable Rent
- The number of new lets at target rent
- The number of re-lets at Affordable Rent
- The number of re-lets at target rent
- The number of new fixed term tenancies let to new and existing tenants
- The number of secure or assured tenancies let to new and existing tenants
- Any other targets set by the new London Housing Strategy (see 4.12)

We propose to undertake a full review of the tenancy strategy towards the end of the HCA's current Affordable Homes Programme, due to finish in 2015. This will ensure that Ealing's tenancy strategy is aligned with the guidance in the next bidding round for funding new affordable homes.

Appendix 1: The consultation process

Table 3: Consultation Stages

STAGE	Timescale	ACTIONS
Stage 1: Consultation on strategy principles with RP's	Dec-Feb	<ul style="list-style-type: none"> • Information dissemination at Ealing Developer Forum • Tenancy strategy principles circulated to developing RP's • Meetings with individual RP's • Feedback collated • Amendments undertaken incorporate comments
Stage 2: Internal consultation on consultation draft	March 2012	<ul style="list-style-type: none"> • Housing Forum • Circulated internally for comment • Article in Departmental News Bulletin • Mail out to social housing providers • Allocations Event-presentation on strategy to voluntary sector and RP's • Localism Event-presentation to VCS
Cabinet Report	April 2012	Report and seek approval go out to consultation on the draft strategy & delegate authority to approve the final strategy
Stage 3: Formal Consultation formal consultation with residents, housing applicants, tenants, RP's and third sector	May 2012	<ul style="list-style-type: none"> • Consultation draft sent to all RP's with stock or developing in Ealing. • Consultation draft published on Council website for 6 weeks.
Final draft	June 2012	Changes to final strategy document with summary of feedback from consultation
Implementation	June 2012 onwards	Publish & circulate tenancy strategy

Appendix 2 Background Information on Ealing

1. Over view

Ealing is situated at the heart of the six West London boroughs. In terms of population, it is the third largest London borough and the largest of the six West London Boroughs. The borough sits between London's West End and Heathrow airport, with 11,000 businesses based in the borough and nearly 150,000 people working here, including 100,000 people who travel from outside the borough.

The population of Ealing is recognised as having the 4th most ethnically diverse and 6th most diverse in terms of faith. Residents come from all over the world from more than 173 different countries.

2. Ealing's tenure profile

There were a total of 127,884 properties in Ealing as of 1st April 2011. In terms of tenure, the split is 18% social rented to 82% in private ownership:

Table 4: Tenure breakdown (CLG live tables)

Property Type	Number of properties
Ealing Council tenancies	13,047
Housing associations	9,891
Other public	126
Private (rented & owned, including Council leaseholders)	104,820
Total	127,884

Estimates for the number of private rented properties vary considerably between 14.2% and 28.7% of the total housing stock. The higher estimate is likely to be more accurate as buy to let is widely acknowledged to have substantially expanded in the last 10 years since the 2001 Census. Figures are as follows:

- At the time of the 2001 Census, 18.11% of households lived in private rented accommodation
- The 2009 housing survey for Ealing's SHMA estimated that there were approx 20,897 private rented properties (17% of the overall borough housing stock)
- The 2010 private sector stock condition survey estimated there were 36,330 (approx 28.7%) private rented properties
- The 2010 West London SHMA estimated there were 17,987 private rented properties (14.2%)
- As of March 2011, there were 12,620 private rented tenants claiming housing benefit/LHA.

Most of Ealing's housing stock (98%) has 3 or fewer bedrooms. There is a shortage in the availability of larger properties, leading to a very long wait for suitable accommodation for larger families (see table 9).

Table 5: Number of properties by bedroom size for Ealing’s council housing stock

No of bedrooms	<u>Number of properties</u>
0 (studio or bedsit)	666
1	4327
2	4358
3	3304
4	284
5	14
6	7
7	1
8	1

3. The local housing market & affordability

The average property price in Ealing was £400,651 (Q3, 2011, Land Registry), an annual increase of 10.3%. The breakdown for each property type is as follows:

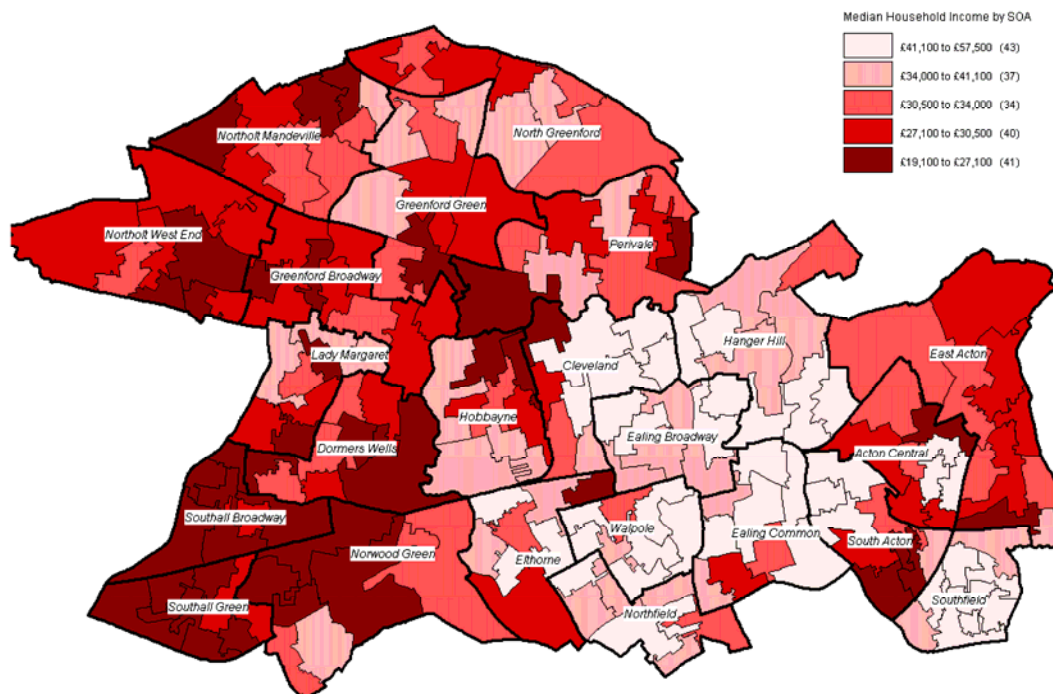
Table 6: Property Prices (Q3, 2011)

Property Type	Price
Detached	£941,906
Semi-detached	£523,260
Terrace	£428,433
Flat	£246,614

The 15th percentile house price (used as an entry price) in Ealing for Q3, 2011 was £200,000 (CLG Housing Stats). As average deposits required for first time buyers are currently around 20% (CML, Dec 11), this would require a first time buyer to put down a deposit of £40,000 and have a joint income of £53,333, or individual income of £45,714 if buying alone.

The ratio of lower quartile earnings to lower quartile house prices was x10.28 in 2010 (CLG Housing Stats). This means that even lower priced housing in the borough is only accessible to higher earning households in the borough.

The 2008/2009 ONS annual population survey shows average household income is around £36,000. The 2010 Paycheck data showed the median household income in Ealing was £33,400. Median household income within the Borough varied considerably from £25,100 in Southall Green and Southall Broadway to £43,700 in Walpole. These household income variations are shown below:



Source: CACI Paycheck 2010

4. Ealing Council tenants

Information gathered through our profiling of existing tenants suggests that household income levels are relatively low in comparison to overall income levels in the borough:

- An estimated 540 (4%) of Ealing Council tenants have a household income of above approx £50,000. (STATUS/tenant 2009 survey). This is about the income required to buy a property in the lowest 15th percentile in Ealing.
- An estimated 3.6% had a net household income of above £500 per week (STATUS/tenant 2009 survey). This figure does not include housing benefit payments.
- An estimated 70.1% of Ealing Council tenants had a net weekly income below £200 per week (STATUS/tenant 2009 survey).
- 62.5% of Council tenants are in receipt of Housing Benefit as of September 2011 (PI database)
- The net average household weekly income of new tenants was £185.70 during 2010/11 (CORE data).

5. Housing Demand

There were 12,020 households on the waiting list as of April 2011:

Table 7: The demand for different properties sizes (April 2011)

Number of bedrooms needed	Number of households
1 bed	4,999
2 bed	3,672
3 bed	2,272
4 bed plus	1,087

The average estimated wait for to become housed in an Ealing Council property (SMHA 2009) was as follows:

Table 8: Average time taken to be housed

Property size	Average wait (years)
1 bedrooms	15 years plus
2 bedrooms	14 years plus
3 bedrooms	11 years plus
4 + bedrooms	32 years plus

- There were 905 homelessness applications during 2010/11, with 26.07% accepted.
- There is a big issue with overcrowding in social housing. Almost a third of social housing tenants being overcrowded. Fixed term tenancy reviews will help tackle overcrowding by supporting households make the most appropriate housing choice for their circumstances.

Table 9: Under & over Occupation (%) by tenure (2009 SMHA)

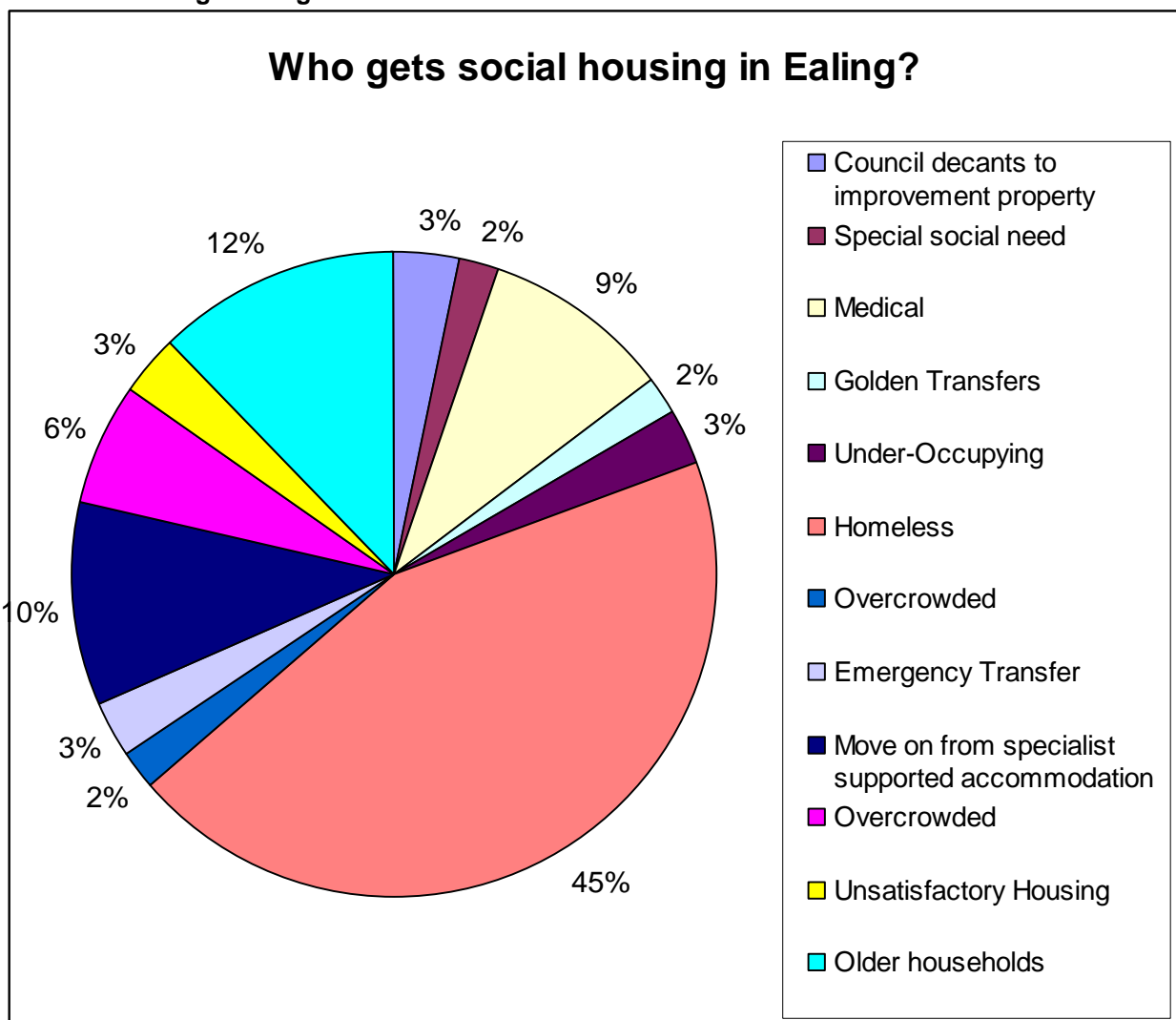
Tenure	% Under occupation	% Over occupation
Owner occupied with mortgage	16.4	14.7
Owner occupied no mortgage	48.2	5.3
Private rented	9.3	17.0
Ealing Homes/ Council rented	4.9	27.9
HA rented	3.5	30.7
Tied to Employment/ Living rent free	34.5	11.2
All tenures	20.4	15.6

6. Housing Supply

- 211 new homes were built during 2010/11.
- 166 affordable new homes were built during 2010/11, with a total of 1063 over the last 3 years.
- There were a total of 896 lettings during 2010/11, 781 general needs properties and 115 supported housing lets.
- A total of 207 nominations to housing associations were taken up during 2010/11.
- 203 transfers were undertaken and 56 mutual exchanges during 2010/11.
- Ealing Council's stock turnover was 6.7 % during 2010/11.
- There are 782 statutory HMO's in Ealing.

Of 1040 social housing properties let in Ealing during 2010/2011, 45% of lets were to homeless households. The breakdown was as follows:

Chart 1: Lettings during 2010/11



Appendix 3: Detailed Information for social landlords on Affordability in Ealing

1. Affordability

Market rents in Ealing vary widely within the borough and are already very high relative to our resident's income. There are also wide variations within areas, depending on a properties accessibility and location. Ealing comes within four separate Broad Market Rental Assessment Areas, which reflect these wide variations. Broad Market Rental Assessment Areas are the methodology used by the Valuation Office providing guidance on the maximum eligible rent for each property size in an area for Local Housing Allowance. As around 70% of social housing tenants in Ealing claim help with their rent, it is important that rent levels are set within these thresholds.

Table 10: BMRA allowance rates per week in Ealing, as of May 2012

BMRA	Shared acc rate	1 bed	2 bed	3 bed	4 bed
Inner North London (INR)	£88.50	£250.00	£290.00	£340.00	£400.00
Inner West London (IWL)	£100.00	£220.00	£290.00	£340.00	£400.00
North West London (NWL)	£80.81	£173.08	£219.23	£288.46	£346.15
Outer West London	£73.35	£167.31	£207.60	£253.85	£300.00

2. Benefit Reform

The UK benefit system has been subject to wide ranging reform. The 2012 Welfare Reform Act will introduce a further reform, including the introduction of Universal Credit and an overall household benefit cap. Ealing Council has undertaken extensive modelling and analysis of the impact of overall benefit caps and introduction of Universal Credit on affordability. Case studies on the impact on different types of households are provided in appendix 4.

Under Universal Credit, the income of working age households without a disability who are not in employment will be capped at £350 for a single person and £500 per week, equivalent to a net income of £26,000. Housing Benefit and Local Housing Allowance will be included within Universal Credit. From April 2011, housing benefit has been subject to the following caps dependent on property size:

- £250 for one-bed,
- £290 for two-bed,
- £340 for three-bed and
- £400 for four-bed and larger properties.

For larger families who are not working, the two benefit caps could mean that housing costs take up to 80% of income, potentially leaving a couple or single parent with 5 children only £100 a week to live on. This is clearly unaffordable and for this reason, we decided it was necessary to include guidance on affordability in Ealing for social housing providers developing and managing social housing in the borough to help mitigate the impact.

3. Affordability Modelling

Our baseline was the rent level that would be affordable for a non-working household in receipt of benefits. This is defined by Broad Market Rental Area assessments, which set out the maximum housing benefit payable in a defined area. Secondly, we considered affordability for a household with an income of £500, which is the overall household benefit cap for families coming into effect in April 2013. In terms of local rent levels, we used data from the Valuation Office Agency. This indicated that the introduction of household benefit caps from April 2013 would adversely impact housing affordability for non-working households living in properties with 3 bedrooms or more.

Ideally, housing costs should take up no more than a third of net household income, although up to 45% is considered manageable by registered providers in their income assessments for intermediate home ownership products. The Housing Draft Supplementary Planning Guidance uses 40% of net income for intermediate housing. We undertook some modelling looking at what rent levels would be affordable for a household with a net income of £500 per week if 30%, 35% and 40% of household income were spent on housing. As rent levels for larger properties are so high in Ealing, this effectively acts as a cap on rents of £150, £175 or £200 per week for larger properties.

Our early consultation with registered providers indicated that a lower rent cap would be too restrictive and would potentially constrain the financial viability of proposed schemes, limiting the delivery of much needed family sized properties. A rent of £200 per week for 3 bed-roomed plus sized properties is higher than existing social rent levels for larger properties, but will help mitigate the impact of the household benefit cap for out of work households living in 3 bed-roomed plus sized properties. The cap will also incentivise work for larger households by keeping rents affordable. For 1 and 2 bed-roomed properties, our modelling indicated that out of work households would not be subject to the household benefit cap and low income working households would receive support with housing costs. This means that the LHA rate would be the most effective cap on rent levels for 1 and 2 bedroom properties.

Appendix 4: Affordability Case Studies

Case Study 1

Sally Johnson is a single person working full-time (40 hours) on a minimum wage of £6.08. She lives in a 1 bed-roomed flat in Acton (a more expensive area of the borough) let at an Affordable Rent of £178 per week (80% of market rent). Although she spends 55% of her income on housing costs, she is still in receipt of housing benefit, so the rent is relatively affordable and she is better off in work by £157.65 per week.

Income type	Weekly Income Breakdown
Rent	£178
HB entitlement	£78.16
Income from working	£243.30
Total Household Income	£321.36

Case Study 2

Tracey Jones is a single parent with one child working full-time (40 hours) on a minimum wage of £6.08. She lives in a 2 bed-roomed flat in Northolt (a cheaper area) let at an Affordable Rent of £166 per week (80% of market rent). Tracey's spend on housing costs are an affordable 29.5% of her household income. As she is working, she will not be affected by the introduction of the £500 household benefit cap.

Income type	Income Breakdown
Rent	£166
HB entitlement	£151.37
Child Tax Credit	£59.36
Working Tax Credit	£89.18
Child Benefit	£20.30
Income from working	£243.30
Total Household Income	£563.41

Case Study 3

Sarah and Ben O'Connor are a couple with five children. Both are unemployed and live in a 4 bed-roomed house in Hanwell let at an Affordable Rent of £200 per week (60% of market rent). Their spend on housing costs is currently 31.5% of their net household income. Unless one of them finds work, they will stand to lose £134.93 per week when the household benefit cap comes into effect in April 2013. The £200 rent cap at least mitigates the impact limiting their spend on housing costs to 40%. Even at the current average target rent for a 4 bed-roomed home, this household would stand to lose £53.93 per week. However, should they be paying an Affordable Rent of 80% of market rent, they would lose £210.93 per week and need to spend more than 55% of their income on housing costs. This is clearly not affordable.

Should either Sarah or Ben secure part-time work for 16 hours a week at minimum wage, it will make a significant impact on housing affordability. It will increase their income to £780.36 per week, which will not be capped, so their spending on housing costs will be reduced to an affordable 28.5% of net income.

Income type	Income Breakdown
Capped Rent	£200
HB entitlement	£200
Child Tax Credit	£255.08
JSA	£105.95
Working Tax Credit	£0
Child Benefit	£73.90
Income from working	£0
Total Household Income	£634.83

Appendix 5: Glossary of terms

Affordable Homes Programme 2011-15	The HCA investment programme aiming to increase the supply of new affordable homes in England. The majority of the new programme will be made available as Affordable Rent, with some for affordable home ownership, supported housing and in some circumstances, social rent.
Affordable Housing	Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the open market.
Affordable Rent	Social housing where rent is charged at up to 80% market rents. The tenancies can either be flexible tenancies or lifetime tenancies. Affordable Rent properties are not subject to the rent restructuring policy that applies to social rented housing.
CLG	The Department of Communities and Local Government- the government department responsible for national housing policy
Fixed Term Tenancy	Applies to tenancies offered for a specific period of time rather than traditional "lifetime tenancies"
HCA	The national housing and regeneration delivery agency for England
Flexible Tenancy	Fixed term tenancy for a minimum of 2 years with built in review period
GLA	The Greater London Authority- the body directly responsible for strategic housing, regeneration and economic development in the capital.
Housing Association	Independent, not for profit organisation providing affordable housing
Lifetime tenancies	Either Secure (council) or Assured tenancies (registered provider).
Registered Provider	A provider of social housing registered with the Tenant Services Authority and subject to government regulation. Both profit and non-profit making social housing providers to be registered (with the Tenant Services Agency).
Market Rent	This refers to private sector rent levels. The rent levels used in this document are sourced from the GLA Rents map and use VOA data. Registered Providers will calculate market rent based on the RICS guidance " <i>Market Rent: a guide for providers of Affordable Rented housing</i> "
Registered Social Landlords	Government funded not-for-profit organisations that provide affordable housing. They include housing associations, trusts and cooperatives.
RSR	Regulatory Statistical Return- the annual TSA survey completed by all registered providers of social housing in England. Data includes the largest 200 PRPs in England, and data on size and type of home, location and rents over the year.
Social Housing providers	Provider of subsidised social housing below market rent, including the Council and other registered providers such

	as housing associations.
Social Housing Regulator	The body responsible for regulating social housing. From 1 st April this is the Regulatory Committee in the HCA, but for London this responsibility has been transferred to the GLA.
Social Rent	Rents which are kept low through state subsidy, to approximately a third of market levels. The social housing sector is currently governed by a strictly defined system of rent control to ensure that rents are kept affordable.
SMHA	Strategic Market Housing Assessment- a framework that local authorities and regional bodies can follow to develop a good understanding of how housing markets operate. It promotes an approach to assessing housing need and demand, which can inform the development of local development document and regional spatial strategy planning for housing policies.
Target Rent	This is the government's rent regime for social rented housing (owned by council's and registered providers). The original intention was to converge rents by March 31 st 2012 so that similar rents are charged for similar properties. This has now been revised to 2015/16. Every social rented property has a 'target rent', which is worked out using a formula set by the government. This means that rent rises are capped to current rent plus RPI+0.5% plus up to £2 per week.
TSA	Tenant Services Authority, the UK regulator of social housing providers.

Appendix 6: Directory of Registered Providers with housing stock in Ealing

1 Lettings data is taken from the Regulatory Statistical Return, data from 2010-11

2 Excludes intermediate housing or shared ownership properties (columns B, D & E)

A Name of registered provider	B General Needs stock	C General Needs Lettings 2010-11¹	D Supported stock	E Housing stock for older people	F Total stock²	G Address
A2Dominion Homes Limited	1556	57	205	38	1799	Head Office: 15th Floor, Capital House, 25 Chapel Street London, NW1 5WX
A2Dominion South Limited	74	4	0	0	74	Head Office tel: 020 8825 1000. Customer Services: 0800 432 0077, email: info@a2dominion.co.uk Website: www.a2dominion.co.uk
ASRA Greater London Housing Association Limited	205	4	0	63	268	ASRA Head Office: ASRA House 1 Long Lane London SE1 4PG Tel: 020 7940 6600 www.asra.org.uk
Birnbeck Housing Association Limited	0	0	3	0	3	Birnbeck Court 850 Finchley Road London, NW11 6BB Tel: 020 8201 8484 Email: info@birnbeckhousingassociation.co.uk Website: www.birnbeckhousingassociation.co.uk
Catalyst Communities Housing Association Limited	3037	134	3	219	3259	Head Office: Ealing Gateway, 26-30 Uxbridge Road, London W5 2AU: 020 8832 3334 Website: www.chg.org.uk

Central and Cecil Housing Trust	39	4	123	29	191	Cecil House 266 Waterloo Road London SE1 8RQ Tel: 020 7922 5300 Website: www.ccht.org.uk
Centrepont	0	0	17	0	17	Head Office: Centrepont, Central House, 25 Camperdown Street, London E1 8DZ Tel: 0845 466 3400 www.centrepont.org.uk
Circle Thirty Three Housing Trust Limited	27	0	0	0	27	Circle 33 Housing Trust 1-7 Corsica Street London N5 1JG Tel : 0207 447 3100/ 0800 073 0417 Website: www.circle.org.uk
Co-op Homes (South) Limited	8	0	0	0	8	Head Office: Co-op Homes 8 Waldegrave Road Teddington Middlesex TW11 8GT Tel: 0845 250 7276 E-mail: Homes@coophomes.coop Website: www.coophomes.coop
Family Mosaic Housing	327	15	5	0	332	Head Office: Albion House 20 Queen Elizabeth Street London, SE1 2RJ T: 020 7089 1000 www.familymosaic.co.uk
Hanover Housing Association	0	0	0	35* extra care	35	Head Office: Hanover House 1 Bridge Close Staines TW18 4TB Telephone 01784 446000 http://www.hanover.org.uk
Home Group Limited	65	7	26	0	91	Home (Head Office) 2 Gosforth Park Way Gosforth Business Park Gosforth Newcastle upon Tyne NE12 8ET Tel: 0845 155 1234 www.homegroup.org.uk
Housing 21	8	0	0	0	8	Head Office The Triangle Baring Road Beaconsfield HP9 2NA Tel: 0370 192 4000 Email: enquiries@housing21.co.uk

						Website: www.housing21.co.uk
Housing For Women	34	22	6	0	40	Head Office and Registered Office Sixth Floor, Blue Star House 234-244 Stockwell Road London, SW9 9SP tel: 020 7501 6120 Website: hfw.org.uk
Innisfree Housing Association Limited	5	0	12	0	17	Office: 190 Iverson Road London NW6 2HL Tel: 020 7625 1818 www.innisfree.org.uk
Inquilab Housing Association Limited	313	5	0	0	313	Office: Grove House 77 North Road Middlesex UB1 2JL Tel: 0208 843 1263 Email: enquiries@inquilabha.org www.inquilabha.org
London & Quadrant Housing Trust	170	12	17	0	187	Head Office: Osborn House, Osborn Terrace, London SE3 9DR Tel: Tel: 0844 406 9000 www.lggroup.org.uk
London Cyrenians Housing Limited	0	0	24	0	24	181 KENSINGTON HIGH STREET, LONDON, W8 6SH Tel: 02079382004 administrator@cyrenians.org www.londoncyrenians.org.uk
Look Ahead Housing and Care Limited	0	0	38	0	38	Head Office: 1 Derry Street London W8 5HY Tel: 0207 937 1166 Email: info@lookahead.org.uk Website: www.lookahead.org.uk

Metropolitan Housing Trust Limited	66	12	0	0	66	MHT House Crescent Lane Clapham London SW4 9RS Tel: 020 7501 2300/ 0800 783 2399 email: mhtlondon@mht.co.uk Website: www.mht.co.uk
Network Stadium Housing Association Limited	12	0	0	0	12	8 Fulton Road Wembley Middlesex HA9 0NU Tel: 0300 373 3000 Email: info@networkstadium.org.uk Web: www.networkstadium.org.uk
Notting Hill Housing Trust	1252	48	133	124	1509	Corporate Office: Bruce Kenrick House 2 Killick Street London N1 9FL Telephone: 020 8357 5000 Email: cst@nhht.org.uk Website: www.nottinghillhousing.org.uk
Genesis Housing Association	259	13	0	0	259	Head office Capital House, 25 Chapel Street London, NW1 5DT Telephone: 033 3000 5000 www.genesissha.org.uk
Pathways	0	0	0	119	119	The Trust Office 65 Tawny Close Ealing, London W13 9LX Tel: 0208 879 7411 Website: www.yourpathways.org.uk
Peabody Trust	70	5	0	0	70	45 Westminster Bridge Rd London SE1 7JB Tel: (020) 7021 4000 www.peabody.org.uk

Polish Retired Persons Housing Association Limited	0	0	0	44	44	24 Florence Road London Greater London W5 3TX 0208 567 1997
Raglan Housing Association Limited	40	2	0	0	40	Raglan House 22-24 Oxford Road Bournemouth BH8 8EZ Tel: 0800 011 6420 01202 319119 Email: info@raglan.org Website: www.raglan.org
Sanctuary Housing Association	12	0	25	0	37	Sanctuary House Lymington Avenue 88-96 High Road Wood Green London N22 6HE Email: contactus@sanctuary-housing.co.uk Website: www.sanctuary-group.co.uk
Shaftesbury Housing Association	0	0	0	82	82	Sanctuary House Lymington Avenue 88-96 High Road Wood Green London N22 6HE Email: contactus@sanctuary-housing.co.uk Website: www.sanctuary-group.co.uk
Shepherds Bush Housing Association Limited	259	9	12	0	271	Head Office: Mulliner House Flanders Road London W4 1NN Customer services: 0800 9170839 Email: group.info@sbhg.co.uk Website: www.sbhg.co.uk
St Christopher's Fellowship	0	0	32	0	32	St Christopher's Fellowship 1 Putney High Street London SW15 1SZ T - 0208 780 7800 Email: info@stchris.org.uk Website: www.stchris.org.uk
Star Housing Association Limited	5 (independent account for registered visually impaired)	1	0	0	5	Star Housing Association Limited, Suite 115 Premier House, 112 Station Road, Edgware, Middx. HA8 7BJ Telephone: 020-8731-5880 www.starhousing.info

Thames Valley Charitable Housing Association Ltd	102	2	0	0	102	Premier House 52 London Road, Twickenham TW1 3RP Tel: 020 8607 0607 mail: info@tvha.co.uk Website: www.tvha.co.uk
The Abbeyfield London Polish Society Limited	0	0	0	8	8	Abbeyfield House 104 Balham Park Road Balham London Greater London SW12 8EA England 020 8778 6540/ (the Housekeeper, on 020 8993 2462) website of parent company: www.abbeyfield.com
The Guinness Trust	0	0	1	0	1	London and South East region Care & Support Unit 3 Solent Buildings Southmoor Lane Havant PO9 1JW Tel: 023 9271 4652 Email: <a href="mailto:info@guinnesscareand
support.org.uk">info@guinnesscareand support.org.uk Website: <a href="http://www.guinnesspartners
hip.com">www.guinnesspartners hip.com
The Richmond Fellowship	0	0	15 (specialist mental health provider)	0	15	<u>Head Office / General Enquiries</u> 80 Holloway Road, London N7 8JG Tel: 020 7697 3300 Email: communications@richmondfellowship.org.uk www.richmondfellowship.org.uk
The Riverside Group Limited	1	0	0	0	1	Customer Service Centre 2 Estuary Boulevard Estuary Commerce Park Liverpool L24 8RF Tel: 0845 111 0000 Email: info@riverside.org.uk Website: www.riverside.org.uk

Water Tower Housing Co-operative Limited	42	9	0	0	42	8 Waldegrave Road Teddington Greater London TW11 8GT England 0845 250 7276 Email: Homes@coophomes.coop Website: www.coophomes.coop
West London YMCA	10	3	261	0	271	25 St. Mary's Road, Ealing, London, W5 5RE Tel: 0300 1111 500 Email: accommodation@londonymca.org Website: www.westlondonymca.org
Westlon Housing Association Limited	0	0	0	26	26	The Woodville Woodville Road, Ealing, London W5 2SE 020 8201 8484
Westway Housing Association Limited	87	1	0	0	87	Head Office: 1st Floor Ladbroke Hall 79 Barlby Road London W10 6AZ Phone: 020 8964 2323 Email: enquiries@westwayha.org.uk Website: www.westwayha.org.uk
Women's Pioneer Housing Limited	34	4	0	0	34	227 Wood Lane London W12 0EX England Phone: 0208 749 7112 Email: info@womenspioneer.co.uk Website: www.womenspioneer.co.uk
Total	8119	373	958	787	9864	