

BRECKLAND DISTRICT COUNCIL

Report of: Executive Member for Housing & Homelessness – Claire Bowes

To: Cabinet, Monday 3rd July 2023

Authors: Assistant Director, Health & Housing – Sarah Shipley
Assistant Director, Economy & Growth – Andrew Holdsworth

Subject: Breckland Registered Provider and Housing Solutions

Purpose To agree key steps in progressing the Council’s approach to supporting housing solutions for residents.

Recommendation(s):

- 1) Agrees that Breckland District Council becomes a Registered Provider (of Social Housing), and delegates to the Executive Director, in consultation with the Executive Member for Housing & Homelessness, application via the Regulator of Social Housing
- 2) Agrees an updated Tenancy Strategy as set out in Appendix A.
- 3) Agrees the Tenancy Policy as set out in Appendix B.
- 4) Agrees the Local Lettings Plan as set out in Appendix C
- 5) Delegates to the Executive Director, in consultation with the Executive Member for Housing & Homelessness, authority to take the necessary steps to implement the above.

1.0 BACKGROUND

- 1.1 Addressing the housing crisis and homelessness is one of the key challenges facing Breckland, as well as the rest of the country. Nationally there have been a 50% rise in no-fault evictions over the last year and homelessness is at its highest point since 2005. In Breckland we have seen the numbers in temporary accommodation double over the last 3 years, with social housing vacancies reduced by half over 10 years.
- 1.2 Working to prevent homelessness; ensuring residents have suitable, safe homes; and improving our housing supply are all strategic priorities within the Council’s Corporate Plan and highlight the importance placed on addressing these issues by Breckland.
- 1.3 Breckland has already taken bold and innovative steps to work towards tackling these challenges. In 2021-22 the Council invested £1.8m into the Elm House site in Thetford, creating new temporary accommodation capable of supporting up to 35 people at one time. In March of this year, a partnership between Breckland Council & Broadland Housing Association created five newly built homes in Thetford to support former rough sleepers in the district, helping them take the next steps into long term accommodation.
- 1.4 In 2022 the Council started a new programme of targeted acquisitions to use as temporary accommodation to increase standards and availability. At Full Council on the 22nd of February 2023 it was agreed that the Council should accept and spend all funding available through the Local Authority Housing Fund (LAHF) to continue and expand this programme. This provides capital funding to local authorities to obtain and refurbish properties to provide sustainable housing for those welcomed to the area under Afghan & Ukrainian resettlement schemes. Combined, this means the Council will likely own c. 26 new housing assets in the near-term.

- 1.5 As part of the programme, the Council agreed to review the optimal solution(s) for holding and managing housing assets, accepting that the situation we find ourselves in is fluid and there are various pros and cons to different mechanisms. As part of this ongoing work, the Council has received a strong legal and regulatory steer that it is now appropriate to become a Registered Provider, and officers have identified significant potential benefits in doing so.
- 1.6 Taking this step now ensures continued regulatory compliance with significant potential wider benefits as set out below. Alongside this step, given the volume of new assets now held, the Council needs to update and add to its policy and strategy documents which help govern how new properties will be managed and the basis for the fees and charging regime which will apply.

2.0 BECOMING A REGISTERED PROVIDER (RP)

- 2.1 At present, Breckland is not an RP, as it is not registered with the Regulator of Social Housing (RSH). Local authorities that provide social housing are required to register as an RP, with the definition of social housing being that the units are “low-cost rental accomodation”. External legal advice suggested that it is likely that the LAHF funded homes will fit this definition of social housing, and therefore Breckland will be automatically required to register as an RP and the RSH have confirmed this.
- 2.2 Breckland Council becoming an RP will aid its delivery of residential units via the LAHF and will also bring with it some wider benefits. Firstly, once registered as an RP, Breckland can claim registered social landlord relief from Stamp Duty Land Tax (SDLT), meaning that the Council can save money when buying residential units for social housing in the future.
- 2.3 Secondly, as an RP, Breckland will be able to access new streams of funding, particularly through Homes England (HE), to aid development and tackle the housing crisis and homelessness. One example of this would be the Affordable Homes Programme, which only awards grant funding to RPs.
- 2.4 Local authorities registering themselves as RPs is a growing trend across the country as this is viewed as another way to take on the challenges around housing supply in their areas.

3.0 ASSOCIATED POLICIES & STRATEGIES

- 3.1 In line with Breckland’s registration as an RP, changes need to be made to our related policies and strategies to ensure that the Council is compliant. Our Tenancy Strategy needs to be updated. We will also need to introduce a Tenancy Policy and a Charging Policy.
- 3.2 Breckland’s Tenancy Strategy states the Council’s approach to all social housing within the district and sets out matters which all RPs must consider when framing their own tenancy policies. This Strategy has been updated to reflect the fact that Breckland will be registered as an RP itself. The proposed updated Tenancy Strategy is attached as Appendix A to this report.
- 3.3 As an RP, Breckland is required to have a Tenancy Policy which covers the tenancies offered by the Council as well as laying out its approach, aims, and objectives regarding how properties will be managed to the benefit of all tenants. The proposed Tenancy Policy is attached as Appendix B to this report.
- 3.4 A Local Lettings Policy will also need to be adopted by Breckland Council to state how the LAHF funded properties will be allocated and let. This is because letting should be in line with the Council’s Allocations Policy, which is currently being reviewed. When this is reviewed and updated later in 2023 it will include the lettings of LAHF funded properties, but

a local lettings policy needs to be in place before then to enable them to be let sooner. The Local Lettings Plan is attached as Appendix C to this report.

4.0 **OPTIONS**

4.1 **Option 1** – As set out in this report, take the necessary steps to become a Registered Provider, and establish the required strategy and policy documents to provide robust and transparent housing service to residents.

4.2 **Option 2** – Do nothing. Not recommended as the Council would be acting against clear advice from the regulator and would not receive the associated benefits of becoming an RP.

5.0 **REASONS FOR RECOMMENDATION(S)**

5.1 Becoming an RP will allow Breckland to effectively manage the implications of the residential units acquired through the LAHF. The delegated authority would allow for the necessary application to be submitted, and for the subsequent work to be carried out to establish this new way of working.

5.2 The amended Tenancy Strategy, the Tenancy Policy and Local Lettings Plan are required to ensure that Breckland has the necessary documentation in place to enable it in its new role as an RP and let properties.

6.0 **EXPECTED BENEFITS**

6.1 The positive work Breckland has begun with LAHF monies will be able to be implemented more effectively as a result of the RP status and necessary delegations. Ensuring that the project's aims of addressing the housing needs of those vulnerable communities who have moved to our district is better realised.

6.2 Breckland will be able to tackle the key challenges facing the district around housing; new funding streams can be accessed by Breckland as an RP, the Council can claim social landlord relief from SDLT, all of which will allow us to be more proactive on the housing market.

6.3 The adoption and amendment of the three strategies/policies will ensure that the Council has everything in place for when it becomes an RP. This will also ensure that social landlords, tenants, and the wider public are clearly aware of the changes.

7.0 **IMPLICATIONS**

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

7.1 **Constitution & Legal**

7.1.1 External legal advice has been sought and informed us that it was highly likely that compulsory registration would be required as a result of Breckland becoming the landlord of

the residential units purchased with LAHF funds. This has been confirmed by the Regulator of Social Housing (RSH)

7.2 Corporate Priorities

7.2.1 The recommendations set out above would contribute towards achieving many of the strategic priorities set out within the Corporate Plan, most notably: Work to prevent homelessness in the district; ensure that residents have suitable, safe, and secure homes; improve housing supply in Breckland.

7.3 Financial

7.3.1 Becoming a Registered Provider (RP) will produce an immediate financial benefit as the Council will be able to purchase properties under the LAHF scheme without paying Stamp Duty. A future benefit will be that the Council can apply to a wider range of funding streams to help it meet its ambitions in respect of housing in Breckland.

7.3.2 The Council will charge rent to tenants in these new properties, with rents calculated according to the formula and guidance set by the Regulator of Social Housing (RSH).

7.3.3 The ongoing regulatory and administrative costs associated with becoming an RP are expected to be manageable within existing resources and budgets.

8.0 WARDS/COMMUNITIES AFFECTED

8.1 All wards will be affected.

9.0 ACRONYMS

9.1 The acronyms used in this report are as follows:

- a. RP – Registered Provider
- b. LAHF – Local Authority Housing Fund
- c. RSH – Regulator of Social Housing
- d. SDLT – Stamp Duty Land Tax
- e. HE – Homes England

Background papers:-

Lead Contact Officer

Andrew Holdsworth, Assistant Director, Economy & Growth
andrew.holdsworth@breckland.gov.uk

Key Decision: Yes

Exempt Decision: No

This report refers to a Mandatory Service

Appendices attached to this report:

Appendix A	Updated Tenancy Strategy
Appendix B	Interim Tenancy Policy
Appendix C	Local Lettings Plan

