# **Corporate Policy and Strategy Committee**

## 10.00am Tuesday, 1 October 2013

# Under-Occupation Regulations: Exploration of Re-designation of Bedrooms in Council Homes

Item number Report number Wards	7.2(b) All
Links	
Coalition pledges	<u>P8</u>
Council outcomes	<u>CO16</u>
Single Outcome Agreement	SO2 and SO4

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## **Executive summary**

# Under-Occupation Regulations: Exploration of Re-designation of Bedrooms in Council Homes

#### Summary

This report supplements the report on Under-Occupation – Re-designation of Bedrooms, and outlines the consideration given to the re-designation of rooms within Council homes with the objective of removing tenants from the provision of the under-occupation regulations.

#### **Recommendations**

Committee are asked to note the report and the consideration given to re-designation of bedrooms as public rooms to take tenants out of under-occupation regulations. Work will continue to support tenants subject to these restrictions.

#### Measures of success

There are no proposals to change policy within this report so no measures of success are suggested.

#### **Financial impact**

There are no financial impacts arising from this report.

#### **Equalities impact**

Any approach on re-designation should be consistent and based on property criteria to ensure there is no unfair impact on tenants. Tenants could challenge the Council's rent policy if re-designation were not applied across all similar stock.

#### Sustainability impact

There are no sustainability issues arising from this report.

Consultation has been undertaken with Edinburgh Tenants Federation on the potential to reclassify bedrooms as public rooms.

**Background reading / external references** 

None

# Under-Occupation Regulations: Exploration of Re-designation of Bedrooms in Council Homes

### 1. Background

- 1.1 This report supplements the report from the Director of Services for Communities on Under-occupation - Re-designation of Bedrooms which is referred to Corporate Policy and Strategy Committee from the Health, Wellbeing and Housing Committee of 10 September 2013.
- 1.2 The report outlines the consideration given to options around this and why they are not recommended.

#### 2. Main report

- 2.1 In considering the re-designation of bedrooms to avoid under-occupation regulations, officers were asked to look at designating one bedroom as a public room where the home was under- occupied.
- 2.2 This is considered impractical for the following reasons:
  - Housing Benefit regulations prevent a rent setting system which distinguishes between those in receipt of benefits and those not. Thus any re-designation of house size would have to be based on the property rather than the tenant's circumstances. We would therefore have to re-designate all two bedroomed homes as one bedroom and one public room.
  - This would create technical "overcrowding" for families in appropriately sized two bedroom accommodation and remove some 10,000 homes from being available to families.
  - Lord Freud has been very clear that, where a social landlord re-designates bedrooms, a reduction in overall income would have to be evidenced. This would impact on housing services and investment.
  - Our rent charges are based on house size and house type (house or flat) so the rent system would require complete remodelling to ensure the Council maintained the same level of income.
  - With any review of rent charges there will be winners and losers. This, coupled with Lord Freud's advice, suggests that people not subject to the under-occupation regulations would be required to pay more. The last review of rent charges has just this year completed transition and tenants have indicated that they are resistant to a further review since the current system

is viewed as transparent and fair. A complete review of rent structure would require significant time and probably take around 12 -24 months to complete, given IT development and statutory consultation with all tenants. This is not therefore a quick solution to the issue of under-occupation.

### 3. Recommendations

3.1 Committee are asked to note the report and the consideration given to redesignation of bedrooms as public rooms to take tenants out of underoccupation regulations. Work will continue to support tenants subject to these restrictions.

### Mark Turley

Director of Services for Communities

#### Links

Coalition pledges	P8 Make sure the city's people are well-housed, including encouraging developers to build residential communities, starting with brownfield sites
Council outcomes	CO16 Well-housed – People live in a good quality home that is affordable and meets their needs in a well managed Neighbourhood
Single Outcome Agreement	SO2 Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health SO4 Edinburgh's communities are safer and have improved physical and social fabric
Appendices	None