

## PROPERTY RECLASSIFICATION POLICY

### Responsible Officer

Director of Property and New Business

### Aim of the Policy

The aim of this policy is to set out when Phoenix will change property attributes on its databases that impact on rent or other charges attributable to a property or block. In most instances the change will be regarding the number of bedrooms recorded.

Phoenix aims to record, retain and provide accurate records of all assets, however, properties may need to be reclassified in the following circumstances;

- Alterations have been carried out by the resident (either with or without our consent)
- The property is currently recorded inaccurately
- Alterations are carried out at voids stage (when the property is empty)

The policy also seeks to ensure any reclassification of property size or attributes does not limit our ability to maximise the use of our stock to provide accommodation for those in housing need, now and in the future and adheres to all relevant legislation.

### Policy Scope

This policy will consider both the property reclassification process for voids/relets and the process for tenanted properties.

### The Policy

Circumstances where property reclassification may be identified:

- Void - Every property is surveyed when void prior to works being carried out as part of the specification process. A discrepancy may be noticed at this point. Where possible any parlour rooms will also be reinstated at the voids stage. This will result in the need for property reclassification.
- Stock Condition Survey - The in-house Home Surveyor will undertake a count of bedrooms and measurements when carrying out stock condition surveys to homes and may notice a discrepancy on our property database. The Home Surveyor will also verify the archetype and other data recorded.
- Resident query - A resident may raise a query regarding the number of bedrooms on which their rent is based and the number of bedrooms they consider their home to have.

## **What can/cannot be classed as a bedroom?**

### Bedrooms off kitchens and bathrooms

If a bedroom exists which leads from a kitchen or bathroom (where there is no other bathroom in the property and there are other bedrooms), this room will not be classified as a bedroom.

### Bedrooms too small to fit a single bed

Any room too small to fit a single bed for an adult will not be counted as a bedroom. We have set this measurement at approximately 70 sq. ft or 6.5 sq. metres benchmarked against other social housing providers and Government consultation for Houses of Multiple Occupation (HMOs).

### 'Parlour Type' Houses

Phoenix identifies a 'parlour type' property as having a self-contained room on the ground floor, which has independent access from the hallway, in addition to the living room and bedrooms upstairs.

Phoenix aligns its approach with Lewisham Council. Lewisham Council supports parlour rooms being classed as a bedroom where the landlord is satisfied that the room is self-contained; has independent access and is "*fit and safe for habitation*", however, classification is at the discretion of the landlord. The position of Lewisham Council is important as it impacts on lettings through choice-based lettings and the award of Housing Benefit. The policy position for parlour rooms was approved by the Phoenix Board in July 2013 in response to residents affected by the under-occupation charge.

For a ground floor parlour room to be classified as a bedroom, the following criteria must apply;

The room should:

- Be a separate room with a dividing wall and have a separate door for access
- Have a window
- Not contain a boiler or gas fire
- Conform to the minimum bedroom size detailed above
- If altered, have either been altered by Phoenix or Lewisham Council, or the alteration approved by us in the form of documented permission, meeting required building standards

## **Processing the property reclassification**

### Property Reclassification when void

All parlour-type rooms are converted to a bedroom at voids stage where this is feasible. All change requests with supporting evidence, verified by the Asset Management team and authorised by the Director of Property and New Business will be processed. The property will then be re-let according to the new bedroom number record and associated rent.

### Property Reclassification in tenanted properties

We only undertake parlour-type conversions at voids stage rather than retrospectively across the stock. We do not actively seek to convert tenanted properties unless it is on the request of the

resident to increase the number of bedrooms in their home, the conversion is feasible, and budget is available.

Where a resident is suggesting a reduction in bedroom numbers, necessary investigations will need to be carried out and measurements of the smallest room need to be undertaken. If a reduction in bedroom numbers is approved following the investigation and this policy process, then the change will be made on our databases. The impact of any change to any property attribute on rents or other charges will not be made retrospectively; unless approved as an exception to this policy by the Board.

Where the property is tenanted and it is highlighted that the bedroom numbers recorded and charged for should change, the core business system will be amended. The original lettings documents will be checked. If it is a rent decrease, the rent will be adjusted from the start of April following the approval of the change. If it is a rent increase, this will be applied at the next change of tenancy unless the property was originally let at the new bedroom size in which case rents will increase as per our rent policy and relevant legislation for the bedroom size when let.

#### Tolerances for discretion

Where a bedroom is identified as being close to the minimum 70 Sq. ft or 6.5 m2 other factors may be taken into account such as the shape of the room. The measurement process for awkward shaped rooms and those with fitted wardrobes or other storage space will be assessed on a case by case basis.

#### Appeals and Complaints

Any appeal or complaint about this policy will be considered using our complaints policy.

#### **Value for Money Implications**

By converting parlour type properties at voids stage we are maximising the use of stock, increasing the provision of bedrooms across our portfolio and increasing rental income.

#### **Equality Implications**

An Equality Impact Assessment will be undertaken at least once every three years.

### **Monitoring and review**

All property reclassification change requests will be recorded, monitored and reported to the Performance and Quality team at year end. Every year a review of changes made will be completed including their impact on occupants we can house, and rents charged.

This policy will be reviewed every three years or sooner whenever there are changes to legislation, good practice or other learning.

### **Legislation**

- Equality Act 2010
- Rent Standard

- Welfare Reform and Work Act 2016
- S326 of the Housing Act 1985 applying minimum bedroom size to all licensable Houses in Multiple Occupation as referenced in the Department for Communities and Local Government Houses in Multiple Occupation and residential property licensing reforms: A consultation paper (October 2016)
- Data Protection Act 2018
- Coronavirus Act 2020

## Reference to other documents and associated policies and procedures

- Allocations and Lettings Policy
- Data Protection Policy
- Equality and Diversity Charter
- Phoenix Standards
- Property Reclassification Procedure and Form
- Rent Setting and Service Charge Policy
- Voids Policy

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