

Report of Chief Officer, Housing Management

Report to Director, Environment and Housing

Date: 16th July 2014

Subject: Local Lettings Policy for new build homes in the Beeston Hill and Holbeck Regeneration Area

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Beeston and Holbeck, City and Hunslet	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report sets out the framework for the development and implementation of a new local lettings policy for the new build council homes to rent being developed through the Housing Regeneration Project in the Holbeck area.
2. The Council House Growth Programme will deliver 1,000 new homes to rent across the city, including 388 homes built through the Housing Regeneration Project in the Little London, Beeston Hill and Holbeck areas.
3. The council recognises the contribution that a local lettings policy will have in creating sustainable communities and rewarding existing council tenants within the regeneration areas.
4. The report sets out the proposed lettings policy which will support the council's ambition of being the best city and council in the UK.

Recommendations

5. That the Director, Environment and Housing, approves the new local lettings policy for the new build homes in Holbeck detailed in sections 3.10 – 3.15.

1 Purpose of this report

- 1.1 This report seeks approval for a local lettings policy for the new build council homes in the Holbeck area to deliver sustainable lettings and support community cohesion.
- 1.2 This report details how the local lettings policy for Holbeck will support the Vision for Leeds, Council Business Plan and City Priority Plan.

2 Background information

- 2.1 The Housing Regeneration Project will deliver 388 new council homes in Beeston Hill and Holbeck and Little London areas.
- 2.2 The first properties to be handed over will be in the Holbeck area, and the local lettings policy outlined in this report will cover the 12 flats and 64 houses in Folly Lane, Coupland Place, Malvern Road, Coupland Road and St Luke's Green, Holbeck, as shown below:

Address	No., size and type of property	Total no. properties	Estimated handover date
Folly Lane	6 x 2 bedroom flats 12 x 3 bedroom houses	6 flats, 12 houses	Sep 2014
Coupland Place	3 x 2 bedroom houses 3 x 4 bedroom houses 2 x 5 bedroom houses	8 houses	Sep 2014
Malvern Road	6 x 2 bedroom flats 2 x 2 bedroom houses 13 x 3 bedroom houses	6 flats, 15 houses	Dec 2014
Coupland Road	4 x 2 bedroom houses 3 x 3 bedroom houses 3 x 4 bedroom houses	10 houses	Mar 2015
St Luke's Green	10 x 2 bedroom houses 6 x 3 bedroom houses 3 x 4 bedroom houses	19 houses	May 2015

- 2.3 The council's lettings policy provides the overall framework for lettings of council properties. Local lettings policies allow the council to respond to local needs and have a localised approach to the management of specific property types. Local lettings policies may give preference for offers of accommodation to defined groups of customers, for example, on the basis of their age, employment status or local connection to an area.
- 2.4 The council wishes to let the new build properties through specific local lettings policies tailored to meet local needs and aspirations.

- 2.5 The council wishes to overcome the perception that the current lettings policy is unfair to tenants who have been on the housing register for a long time who feel they have little hope of being rehoused ahead of other customers in housing need. For this reason, the council proposes to give preference for the majority of lettings of the new build homes to existing Leeds City Council tenants who have a connection to the local area and can demonstrate an excellent tenancy record.
- 2.6 This approach will have the benefit of releasing additional council properties for rent, which will be relet to other customers on the housing waiting list.

3 Main issues

- 3.1 An officer Project Team has been established to develop the local lettings policy. This includes representatives from across Housing Leeds including the local housing management teams, lettings teams, Housing Policy Team, Leeds Homes, Communications Team and the PFI Housing Regeneration Team to ensure a smooth handover of properties to avoid homes standing empty prior to allocation.
- 3.2 Initially the council has focused on developing the local lettings policy for properties being handed over between September 2014 and May 2015, namely Coupland Place, Coupland Road, Folly Lane, Malvern Road and St Luke's Green in the Holbeck area.
- 3.3 In developing proposals for a local lettings policy the council has considered the information it holds about housing need in the locality as well as the aspirations of local communities. Draft proposals have been developed for consultation with key partners and stakeholders, including elected members, tenants and residents.
- 3.4 The council consulted on giving preference for lettings to a number of groups, including people with a local connection to the area and tenants and residents who have a good tenancy record, taking into account any rent arrears, the condition of the property and any antisocial behaviour. These groups were ranked as the two most important groups, with support from 87% respondents for local connection and 82% support for people with a good tenancy record.
- 3.5 Respondents were asked whether any other groups should be considered for preference. The council asked respondents to provide information about their circumstances including equality monitoring information, their current housing tenure (council tenant, private rented tenant, owner occupier etc) and the postcode area they currently live in. The survey was anonymous and respondents were not required to provide these details. The majority of respondents who indicated their tenure type were council tenants.
- 3.6 The consultation in Holbeck closed on 16 May 2014. Responses have been collated and a summary provided in Appendix 1. Views of respondents have been taken into account when finalising the draft local lettings policy for approval. Other groups which were suggested including council tenants living in the Holbeck regeneration area.

- 3.7 In addition to the consultation, the council has analysed information from the housing waiting list about customers who indicated their preference for rehousing was in the Beeston and Holbeck areas. Of the 1,118 customers on the housing waiting list, 178 (16%) are council tenants. The majority of these are not in any assessed housing need.
- 3.8 112 of the 178 council tenants have been on the housing waiting list for over 12 months, with 6 registered for more than 10 years. The new build properties present an opportunity to address the aspirations of tenants who have waited for a move.
- 3.9 In addition there are a number of housing association tenants (58) and customers living in other tenures including private rented tenants, owner occupiers, lodgers etc (882).
- 3.10 The council proposes to operate a local lettings policy which will give preference for offers of accommodation on the basis of:
- 3.11 **75% properties will be let to current Leeds City Council tenants** who can demonstrate an excellent tenancy record regardless of priority band. Shortlisting will be by date of application on housing waiting list, and tenants must have a local connection to the Ward area (Beeston Hill and Holbeck or City and Hunslet). This will reward tenants who have been registered on the housing waiting list the longest and who have conducted their tenancy well. First preference will be given to council tenants living within the Ward areas, followed by other Leeds City Council tenants with a local connection. Should there be insufficient tenants who meet this criteria, shortlisting will revert to the date of registration for applicants with a local connection with an excellent tenancy record or equivalent.
- 3.12 **25% properties will be let to the following preference groups;** shortlisting will be in order of priority band on housing waiting list, and tenants must have a local connection to the Ward area (Beeston Hill and Holbeck or City and Hunslet), an excellent tenancy record, then one of the other preference groups: (1) people in employment or undertaking a vocational qualification for a keyworker profession, (2) people living in overcrowded conditions, (3) households with dependent children under 18 years old living in high rise accommodation, (4) members / former members of HM Armed Forces.
- 3.13 Prior to offers being made, the council will check the tenancy record of tenants to ensure they have met their responsibilities under their tenancy agreement. This will include checks on their rent payment history, condition of the property including internal and external areas such as gardens, and community responsibilities, including antisocial behaviour, nuisance and environmental issues. The council will conduct a home visit to the property as part of the robust checks.
- 3.14 In order to pay due regard to equality issues, the council will work to identify suitable matches for disabled customers whose medical housing needs would be met by a move into one of the properties. In order to ensure properties are let as soon as possible the council will seek to make a direct offer of accommodation to customers in this group. In addition, the council's lettings policy allows accessible

ground floor properties to be advertised giving preference to customers who require level access.

- 3.15 The final local lettings policy and adverts will include clear definitions of preference groups and how this will be evidenced, as shown in Appendix 2. The local lettings policy is framed to allow the council to consider customers who are not able to meet the strict criteria where there would be the potential for unlawful discrimination, for example, a recognised carer who was unable to work due to their caring commitments may be offered a home if they were the highest ranked customer on the shortlist who met the local connection and good tenant criteria.
- 3.16 When making offers, the council will aim to avoid under occupation, but there may be cases where a degree of under occupation may be permitted, subject to an affordability check.
- 3.17 Due to tight handover deadlines the onus will be on customers to provide evidence of how they meet the criteria within timescales given in the advert.
- 3.18 The local lettings policy will apply to all initial lets and subsequent relets made to the end of 2015. The council will then evaluate the effectiveness of the policy and decide whether to extend it.
- 3.19 Once approval has been received, the properties will be advertised in the Leeds Homes property flyer and website with the local lettings policy criteria. The properties will be advertised ahead of the handover date to allow shortlisting and verification to be completed, and properties pre-allocated to the successful customer. This will involve a home visit to the prospective tenant at their current property.
- 3.20 By giving preference to existing council tenants there will be an increase in the number of transfers from neighbouring council tenancies, but the associated void costs will be minimised through the use of enhanced pre-transfer tenancy checks.
- 3.21 New tenants will be offered an introductory tenancy, unless they previously held a secure tenancy with the council, or an assured tenancy with a housing association.
- 3.22 An introductory tenancy is for a trial period which lasts for a year. Provided there are no issues the tenancy will become a secure tenancy at the end of the year. The introductory tenancy can be extended for a further six months if the tenant does not fully comply with the tenancy terms, or action to repossess the property can be taken.
- 3.23 The council will develop its tenancy management service offer to tenants in the new build properties, including a comprehensive sign up process, a programme of tenancy welcome visits and annual tenancy visits. The council will also seek to involve new tenants with Tenants and Residents Associations and Good Neighbour Agreements to ensure ongoing sustainability and tenant satisfaction.

4 Corporate Considerations

4.1 Consultation and Engagement

4.2 Initially the council is focusing consultation in the Holbeck area, covering the properties being handed to the council between September 2014 – May 2015.

4.3 This included seeking the views of local Ward members, local tenants and residents. A written survey was sent to a proportion of customers on the Leeds housing waiting list who have expressed interest in rehousing in the Holbeck area and local residents. In addition local community events were held.

4.4 Full details of the consultation are available in Appendix 1, in summary the feedback from the consultation showed:

- 87% of respondents agreed with giving people with a local connection preference.
- 82% agreed with a good tenancy record preference
- 61% agreed with the employment / key workers / training preference
- 74% agreed with overcrowding preference
- 63% agreed with giving preference to households with dependent children living in high rise flats being given preference
- 81% agreed that disabled people who need adapted properties should be given preference
- 57% agreed that preference should be given to former or members of the armed forces.

4.5 The top ranked priorities are reflected in the proposal to let the majority of properties to existing council tenants who have a local connection and excellent tenancy record. This is supported by the majority of respondents identifying as council tenants.

4.6 Previous consultation on changing the council's main lettings policy have consistently shown high levels of support for making lettings based on waiting time and local connection. With affordable social housing being a scarce resource, the council wishes to meet the aspirations of its tenants who have abided by the terms of their tenancy agreement, but who would not necessarily receive any priority on the housing waiting list.

4.7 Making lettings to existing tenants will assist tenants remain in the area they have a connection with, and will improve community cohesion and sustainability of the area, for example, by allowing grown up children to remain near their family. It offers another route into housing and will assist people before their housing situation becomes so urgent that they warrant a priority award.

4.8 The properties released by tenant transfers will be relet to other customers on the housing waiting list.

4.9 The remaining priority groups will receive preference for a proportion of the remaining new build properties.

4.10 Equality and Diversity / Cohesion and Integration

- 4.10.1 The council has undertaken an equality and diversity impact assessment of the local lettings policy, which identifies the main positive and negative impacts on equality groups. The assessment includes an action plan to address any potential negative impacts available in Appendix 3.
- 4.10.2 In developing the criteria for the local lettings policy, the council has considered the equality groups who may be unable to meet the criteria and allowed for the criteria to be relaxed, for example, an offer could be made a customer with a recognised carer who is unable to meet the employment criteria.

4.11 Council policies and City Priorities

- 4.11.1 Leeds' ambition is to be the best city in the UK – fair, open and welcoming with an economy that is both prosperous and sustainable so all our communities are successful. The development of local lettings policies for new build homes will support the council's desired outcomes of improving quality of life for our residents, particularly for those who are vulnerable or in poverty.
- 4.11.2 The local lettings policies will support the following 'Best council objectives':
- 4.11.3 **Supporting communities and tackling poverty** – involving people in shaping their city and tackling the challenges of poverty, deprivation and inequality through:
- providing affordable housing for tenants and households on low incomes
 - getting services right first time – by ensuring effective consultation with local tenants, residents and members
 - improving customer satisfaction – by creating sustainable communities and rewarding good tenants
 - tackling domestic violence – by assisting customers who are experiencing domestic violence who need to move
 - improving public health – by tackling overcrowding and poor housing conditions
 - improving housing – through the provision of Lifetime Homes
- 4.11.4 **Building a child friendly city** – improving outcomes for children and families. With a focus on:
- providing good quality affordable homes
 - tackling overcrowding
- 4.11.5 Delivery of Better Lives programme – **helping local people with care and support needs to enjoy better lives**. With a focus on:
- giving choice
 - helping people to stay living at home
- 4.11.6 Promoting sustainable and inclusive economic growth – **improving the economic wellbeing of local people and businesses**. With a focus on:

- boosting the local economy by supporting households in employment or training to secure affordable housing
- providing housing as the city grows through the provision of new homes
- generating income for the council by ensuring lettings are affordable

4.3.7 The council's values will underpin the development of the local lettings policies:

- Working as a team for Leeds
- Being open, honest and trusted
- Working with communities
- Treating people fairly
- Spending money wisely

4.12 Resources and value for money

4.12.1 The development of new local lettings policies requires resources to ensure effective consultation takes place and to undertake enhanced verification of applicants (through home visits) prior to a formal offer of accommodation being made. The timely approval of the local lettings policy, property advertisements and shortlisting is essential to ensure the properties are let as soon as they are available to reduce potential void costs to the council.

4.12.2 Void costs associated with increased transfers will be minimised by conducting enhanced checks on existing tenancies, including a home visit to inspect the property.

4.13 Legal Implications, Access to Information and Call In

4.13.1 The council must abide by the Housing Act 1996, as amended, in developing its allocations scheme, including local lettings policies. Local lettings policies may be used to achieve a wide variety of housing management and policy objectives. However, the council must have regard to its duties under equalities legislation, as well as the requirement to give overall priority for allocations of social housing to people in the reasonable preference (housing need) categories, including homelessness, medical need or overcrowding. This is achieved through the council's approach to lettings across the wider ward areas and city.

4.14 Risk Management

4.14.1 There is a risk that any delay in obtaining approval of the new local lettings policies could jeopardise the council's ability to let the properties to tenants as soon as they are handed over. This would result in void costs and reputational damage to the council. This has been mitigated by focusing consultation on the first properties to be handed over in Holbeck, and seeking approval 2 months ahead of handover.

4.14.2 There is a risk that there may be low demand for the properties, particularly the 2 bedroom flats, due to changing patterns of demand for social housing, particularly as a result of the economic climate and welfare reform changes. This has been mitigated by incorporating employment as a preference category for a proportion

of lettings, and including an affordability assessment for any properties which are let to households who don't fully occupy the property.

- 4.14.3 The council has identified that additional staffing resources will be required to enable lettings teams to undertake checks and home visits to prospective tenants, and additional costs may arise through increased transfers. This will be mitigated by conducting enhanced tenancy checks prior to making offers and developing a short life local lettings policy in these areas.

5 Conclusions

- 5.1 These new homes are part of a wider programme that will see the council providing more than 1,000 new properties by 2016.
- 5.2 The council is working with local stakeholders to develop new local lettings policies to address housing need and community aspirations, which support the council's ambition to become the best city in the UK.
- 5.3 The development of the new build homes present an opportunity for the council to address the aspirations of tenants who have waited for a move, and reward tenants who have demonstrated a commitment to their existing tenancy.

6 Recommendations

- 6.1 That the Director, Environment and Housing, approves the new local lettings policy for the new build homes in Holbeck detailed in sections 3.10 – 3.15.

7 Background documents¹

- 7.1 None

Appendix 1: Summary of consultation

Appendix 2: Local lettings policy criteria, verification and definitions.

Appendix 3: Equality Impact Assessment

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.