

**Report of Chief Officer, Housing Management**

**Report to Director, Environment and Housing**

**Date: 27 July 2015**

**Subject: Local Lettings Policy for new build homes in the East End Park Area**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Burmantofts and Richmond Hill		
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, Access to Information Procedure Rule number:		
Appendix number:		

**Summary of main issues**

1. This report sets out the framework for the development and implementation of a new local lettings policy for 32 new build council flats to rent on the East End Park Road development, Richmond Hill, LS9.
2. The Council House Growth Programme will deliver 1,000 new homes to rent across the city. 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.
3. The report sets out the proposed local lettings policy which will support the council's ambition of being the best city and council in the UK.
4. Housing Leeds is currently reviewing its approach to local lettings policies, and is proposing a move towards community lettings policies. Consultation will begin on the approach to community lettings policies from autumn 2015. This local lettings policy will be included within the scope of this review, to ensure that a consistent approach is developed.

**Recommendations**

5. That the Director, Environment and Housing, approves the new local lettings policy for the new build homes in East End Park detailed in section 3.11.

## **1 Purpose of this report**

- 1.1 This report seeks approval for a local lettings policy for 32 new build flats on East Park Road in the East End Park area to deliver sustainable lettings and support community cohesion.
- 1.2 This report details how the local lettings policy for the East End Park Road development will support the Vision for Leeds, Council Business Plan and City Priority Plan.

## **2 Background information**

- 2.1 The Council Home Growth Programme will deliver 1,000 new council homes across the city in the next few years.
- 2.2 The local lettings policy outlined in this report will cover the 32 flats on East Park Road, Richmond Hill, as shown below:

<b>Estimated handover date</b>	<b>Address</b>	<b>No., size and type of property</b>	<b>Total no. properties</b>
Dec -15	Railway Close, LS9	16 x 1 bedroom flats 16 x 2 bedroom flats	32 flats

- 2.3 The East Park Road properties are built over two floors with the 2 bedroom flats on the ground floor and the 1 bedroom flat on the first. Both 1 bedroom and 2 bedroom flats offer the same floor space and have been designed so 1 bedroom can be converted easily into a two bedroom and vice versa to respond to future changing demand. The properties are divided in 3 blocks: a row of 20 flats with the 10 x ground floor flats benefitting from a private back garden and 2 blocks of 6 flats with a communal garden.
- 2.4 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.
- 2.5 The council wishes to let the new build properties through specific local lettings policies tailored to meet local needs and aspirations.

- 2.6 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 and 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 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. All successful applicants will have to demonstrate an excellent tenancy record for themselves and other household members.
- 2.7 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 manage the handover of the new homes and develop local lettings policy. The project team is made up of representatives from across Housing Leeds including the local housing management service, the Housing Policy Team, the housing partnership team, Property and Contracts and City Developments to ensure a smooth handover of properties to avoid homes standing empty prior to allocation.
- 3.2 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.
- 3.3 The council posted a survey questionnaire with a free post return envelope to local tenants and residents and to a proportion of housing applicants who indicated they would like rehousing in the area. Survey questionnaires were also given to the representatives of local tenants and residents groups to be distributed to their members.
- 3.4 Respondents were asked which 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.
- 3.5 The consultation in East End Park closed on 19 June 2015. Responses have been collated and a detailed report is provided in Appendix 1. The table below shows the preference groups the council consulted on, ranked in order of support:

<b>Preference group</b>	<b>Agree</b>	<b>Disagree</b>	<b>Don't know / no response</b>	<b>Total</b>	<b>% in favour</b>
LCC tenants with an excellent tenancy record living in the Burmantofts and Richmond Hill Ward	28	1	2	31	90%

Applicants who have a good tenancy record	26	2	3	31	84%
Disabled people who need adapted properties to meet their needs	26	0	5	31	84%
People who are living in overcrowded conditions or in a home too big for their needs	25	2	4	31	81%
People with a local connection to the Ward area – including living, working, or having close family living in the area	23	2	6	31	74%
People in employment, key workers or people in training in the area	19	5	7	31	61%
Families with dependent children who are living in high rise flats	18	6	7	31	58%
Members and former members of HM Armed Forces	15	4	12	31	48%

- 3.6 Views of respondents have been taken into account when finalising the draft local lettings policy for approval.
- 3.7 The ward members were consulted and no concerns were raised. One councilor was happy with the local letting policy and another expressed a wish that disabled people are considered for the 2 bedroom ground floor flats particularly if they are elderly. While no specific reference is made to elderly people, the local letting policy allows direct offers to disabled people who need an adapted home to meet their needs. The lettings team will work closely with the Occupational Therapist team to identify disabled customers who have direct let status with suitable new build properties.
- 3.8 In addition to the consultation, the council has analysed information from the housing waiting list about customers who need 1 and 2 bedrooms and indicated their preference for rehousing was in the Burmantofts & Richmond Hill area. Of the 311 customers on the housing waiting list, 100 (32%) are council tenants. The majority are not in any assessed housing need and are in Band C.
- 3.9 72 of the 100 council tenants have been on the housing waiting list for over 12 months, with 4 registered for more than 7 years. The new build properties present an opportunity to address the aspirations of tenants who have waited for a move.
- 3.10 Additionally, there are a number of housing association tenants (7) and customers living in other tenures including private rented tenants, owner occupiers, lodgers etc (204).
- 3.11 The council proposes to operate a local lettings policy which will give preference for offers of accommodation on the basis of:

Property types	Preference
<p>8 x 1 bedroom flats 8 x 2 bedroom flats</p>	<p><b>Shortlisting based on date of housing application</b></p> <p>LCC tenants living in Burmantofts and Richmond Hill Ward area with an excellent tenancy record</p> <p>Followed by LCC tenants with a local connection to the Burmantofts and Richmond Hill Ward area and with an excellent tenancy record</p> <p>Preference for the 2 bedroom flats with access to their own garden will be given to households with the primary care of dependent children followed by households with access to dependent children. 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.</p>
<p>8 x 1 bedroom flats 8 x 2 bedroom flats</p>	<p><b>Shortlisting based on housing need priority</b></p> <p>Households with a local connection to the Burmantofts and Richmond Hill Ward area</p> <p>Households who can demonstrate an excellent tenancy record / equivalent and fulfil at least one of the following criteria:</p> <ul style="list-style-type: none"> <li>• Leeds City Council tenants (* this has been included so that LCC tenants in housing need have an opportunity to secure rehousing)</li> <li>• people in employment or undertaking a vocational qualification for a keyworker profession; or</li> <li>• people living in overcrowded conditions; or living social housing who need to downsize; or</li> <li>• disabled people who need adapted properties to meet their need; or</li> <li>• members / former members of HM Armed Forces</li> </ul> <p>Preference for the 2 bedroom flats with access to their own garden will be given to households with the primary care of dependent children followed by households with access to dependent children.</p>

3.12 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.

- 3.13 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.
- 3.14 The 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.
- 3.15 Due to tight handover deadlines the onus will be on customers to provide evidence of how they meet the criteria within the timescales given in the advert.
- 3.16 The local lettings policy will apply to all initial lets and subsequent relets made to the end of 2016. The council will then evaluate the effectiveness of the policy and decide whether to extend it.
- 3.17 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.
- 3.18 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.
- 3.19 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.
- 3.20 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.
- 3.21 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**

- 4.1.1 The council focused consultation in the Burmantofts and Richmond Hill areas, where the properties being handed to the council between December 2015 and January 2016 are situated.
- 4.1.2 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 an interest in rehousing in the Richmond Hill and Burmantofts areas and need a 1 or 2 bedroom property. The survey was also sent to local resident groups.
- 4.1.3 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.
- 4.1.4 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.
- 4.1.5 The properties released by tenant transfers will be relet to other customers on the housing waiting list.
- 4.1.6 The priority groups will receive preference for 50% of the remaining new build properties.

### **4.2 Equality and Diversity / Cohesion and Integration**

- 4.2.1 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.
- 4.2.2 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 to a customer with a recognised carer who is unable to meet the employment criteria.

### **4.3 Council policies and City Priorities**

- 4.3.1 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.

#### **4.4 Resources and value for money**

- 4.4.1 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.
- 4.4.2 Void costs associated with increased transfers will be minimised by conducting enhanced checks on existing tenancies, including a home visit to inspect the property.

#### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 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.

#### **4.6 Risk Management**

- 4.6.1 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 and 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.
- 4.6.2 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 offer.

### **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 on the East End Park site detailed in sections 3.11.

## **7 Background documents<sup>1</sup>**

Appendix 1: Summary of consultation

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

Appendix 3: Equality Impact Assessment

Appendix 4: East Park Road development layout

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<sup>1</sup> 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.