

**Report of Chief Officer, Housing Management**

**Report to Director, Environment and Housing**

**Date: 11th November 2015**

**Subject: Reviewed Local Lettings Policy for 18 new build flats in the Little London Regeneration Area**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Hyde Park and Woodhouse Ward	<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 amending the Little London local lettings policy for the new build council homes being developed through the Housing Regeneration Project in the area
2. The council recognizes 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 reviewed Little London lettings policy which will support the council's ambition of being the best city and council in the UK.

**Recommendations**

4. That the Director, Environment and Housing, approves the amended local lettings policy for the new build homes in Little London detailed in sections 4.4– 4.15.

## **1 Purpose of this report**

- 1.1 This report seeks approval for a reviewed local lettings policy for the remaining 18 new build council flats on Carlton Gate, Little London, to deliver sustainable lettings and support community cohesion.
- 1.2 This report details how the local lettings policy for Little London will support the Vision for Leeds, Council Business Plan and City Priority Plan.

## **2 Background information**

- 2.1 The local lettings policy for the new builds in Little London was approved in December 2014. The LLP covers 68 x 2 bedroom flats and 45 family houses at Carlton Gate development.
- 2.2 All but 18 of the 2 bedroom flats have been let or advertised under the original LLP:

50% of properties to be let to Leeds City Council tenants with an excellent tenancy record who live in the Hyde Park and Woodhouse ward, or who have a local connection to the area.

Shortlisting is based on waiting time.

The remaining 50% of properties to be let to people with an excellent tenancy record and who have a local connection to the Hyde Park and Woodhouse council ward.

Shortlisting is based on housing need band, and meeting one of the following criteria:

- Employment
- Studying in a keyworker profession
- Living in a high rise flat with a dependent child
- Overcrowded or under occupying
- Armed forces

- 2.3 The reviewed local lettings policy outlined in this report will cover the 18 new build flats on Carlton Gate, Little London and is to be implemented after the 15 November 2015.
- 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.
- 2.5 The council wishes to let the new build properties through specific local lettings policies tailored to meet local needs and aspirations.

### **3 Initial letting outcomes**

- 3.1 Shortlisting for the second batch of flats at Little London is now complete. Despite what appeared a healthy demand of 264 bids for 26 flats, only 148 (56%) applicants had a 2 bedroom need.
- 3.2 In total, 43 flats have been let so far under the 50-50 split. 18 of the flats let under the housing need band have been offered to customers in employment. 2 flats have been allocated to customers who only had a one bedroom requirement. This is because on the second batch of flats we run out of applicants with a 2 bed need and a local connection to the Hyde Park and Woodhouse ward
- 3.3 There is a risk that this continues and we experience similar issues when we shortlist for the final batch of flats in Little London. The third batch at Amber Close (15 flats) has been advertised under the same LLP criteria. Of 274 bids only 145 (52%) have a 2 bedroom need. While we have not run out of suitable applicants with a 2 bed need we are very close to the bottom of the list. Should we have refusals when flats are offered, we may have to consider applicants with a one bed need.
- 3.4 This has only been an issue for the flats, not the houses at Little London. We have has a similar problem with lettings of the flats in Holbeck, but this was anticipated and the Local letting policy enabled a greater flexibility where the local connection to City and Hunslet did cover city centre workers.
- 3.5 The final batch at Carlton Gate (18 flats) is due to be advertised in late November.

### **4 Main issues**

- 4.1 Amending the LLP for the final batch of flats at Carlton Gate by extending the ward area to include City and Hunslet Ward, would capture city centre workers and major employers such as LGI. The % breakdown would remain 50 – 50 to minimise the changes from the publicised version. The benefits of this approach would be to:
- Supports closer linkages between city centre and Little London area
  - Promotes new builds to city centre workers
  - Minimises under occupation of 2 bedroom flats
- 4.2 The amended LLP will take effect from the 15 November
- 4.3 Briefing paper was sent to ward members with an invite to discuss the proposals on the 22 October 2015. A Second email was sent on the 29 October seeking their view on the proposals and advising that the properties needed to be advertised so if no comments were received housing Leeds would go ahead with the advertising. Cllr Towler replied and indicated that he was happy with the proposals.

- 4.4 Cllr Coupar was happy to extend the LLP to City and Hunslet to target those who work in the City Centre to link Little London with the wider economic area. She asked for the LLP to cover the remainder of HydePark and Woodhouse which the LLP does.
- 4.5 From the 15 of November and for the remaining 18 flats on the Carlton Gate development in Little London, the council proposes to operate a local lettings policy which will give preference for offers of accommodation on the basis of:
- 4.6 **50% properties will be let to current Leeds City Council tenants** who can demonstrate an excellent tenancy record regardless of priority band and a local connection to the Hyde Park and Woodhouse ward or the City and Hunslet ward Ward areas. Shortlisting will be by date of application on housing waiting list. This will reward tenants who have been registered on the housing waiting list the longest and who have conducted their tenancy well. Should there be insufficient tenants who meet this criteria, shortlisting will revert to the date of registration for applicants with a local connection to the wards with an excellent tenancy record or equivalent.
- 4.7 **50% properties will be let to the following preference groups;** shortlisting will be in order of priority band on housing waiting list, and applicants must have a local connection to the Hyde Park and Woodhouse or City and Hunslet Ward area, an excellent tenancy record, then one of the other preference groups: (1) households with dependent children under 18 years old living in high rise accommodation, (2) people living in overcrowded conditions, (3) people in employment or undertaking a vocational qualification for a keyworker profession, (4) members / former members of HM Armed Forces, (5) people under occupying.
- 4.8 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.
- 4.9 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.
- 4.10 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.

- 4.11 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.
- 4.12 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.
- 4.13 This local lettings policy takes effect from the 15<sup>th</sup> November 2015 and will apply to the final lets for the 18 flats on Carlton gate. Subsequent relets to the end of 2016 will revert to the original local letting policy for Little London new build. The council will then evaluate the effectiveness of the policy and decide whether to extend it.
- 4.14 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.
- 4.15 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.
- 4.16 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.
- 4.17 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.

## **5 Corporate considerations**

### **5.1 Consultation and Engagement**

- 5.1.1 The review included seeking the views of local Ward members. Local tenants and residents were consulted on the original policy via a written survey and a number of local events. The revised version still reflects their views.
- 5.1.2 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.

- 5.1.3 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.
- 5.1.4 The properties released by tenant transfers will be relet to other customers on the housing waiting list.
- 5.1.5 The remaining priority groups will receive preference for a proportion of the remaining new build properties.

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

- 5.2.1 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. The assessment was reviewed as part of the reviewed proposal
- 5.2.2 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 a customer with a recognised carer who is unable to meet the employment criteria.

## 5.3 **Council policies and City Priorities**

- 5.3.1 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.

## 5.4 **Resources and value for money**

- 5.4.1 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.
- 5.4.2 Void costs associated with increased transfers will be minimised by conducting enhanced checks on existing tenancies, including a home visit to inspect the property.

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

- 5.5.1 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.

## **5.6 Risk Management**

- 5.6.1 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, particularly as a result of the economic climate and welfare reform changes. The original local letting policy for Little London mitigated this 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. The reviewed proposal will mitigate this further by including City and Hunslet in the local connection area.
- 5.6.2 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 offers and developing a short life local lettings policy in these areas.

## **6 Conclusions**

- 6.1 Amending the little London letting policy for the final batch of flats at Carlton Gate by extending the ward area to include City and Hunslet Ward will capture city centre workers and major employers such as LGI. This would support closer linkages between city centre and Little London area; promotes new builds to city centre workers and minimises under occupation of 2 bedroom flats. The amendment will take effect from the 15 November 2015
- 6.2 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.
- 6.3 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.

## **7 Recommendations**

- 7.1 That the Director, Environment and Housing, approves the revised local lettings policy for the remaining 18 new build flats on Carlton Gate in Little London detailed in sections 4.4 – 4.15 to take effect from the 15 November 2015.

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

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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.

8.1 None

Appendix 1: Summary of consultation

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

Appendix 3: Equality Impact Assessment