
Report of Chief Officer, Housing Management

Report to Chief Officer, Housing Management

Date: 19 July 2017

**Subject: Local Lettings Policy for new build homes at Broadlea Street, Bramley
LS13 2SD / 2SB**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Bramley and Stanningley	<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 24 new build council houses to rent on the Broadlea Street development in Bramley, LS13.
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.

Recommendations

4. That the Chief Officer, Housing Management, approves the new local lettings policy for the new build homes in Bramley detailed in section 3.13.

1 Purpose of this report

- 1.1 This report seeks approval for a local lettings policy for 24 new build houses on Broadlea Street in the Bramley area to deliver sustainable lettings and support community cohesion.
- 1.2 This report details how the local lettings policy for the Broadlea 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 24 houses on the Broadlea Street development site at the following addresses:

7 to 21 and 23 to 49 Broadlea Street, LS13 2SD
68 and 70 Broadlea Street, LS13 2SB
- 2.3 The properties are built on an incline and not all properties will have level access. The properties with garages are built over 3 floors. Access to the gardens is via a number of steps and some properties may not be suitable for people with restricted mobility.
- 2.4 The properties will be let at Affordable Rent, and all offers will be subject to an affordability check.
- 2.5 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.
- 2.6 The council wishes to let the new build properties through specific local lettings policies tailored to meet local needs and aspirations.
- 2.7 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.
- 2.8 This approach has the benefit of releasing additional council properties for rent, which will be relet to other customers on the housing register. This approach has

been used in other new build developments throughout the city and has helped create sustainable communities with below average turnover, rent arrears and tenancy management issues.

- 2.9 The local lettings policy will only apply when a home is being allocated under Part 6 Housing Act 1996. It does not cover mutual exchanges, assignments or successions which are regulated under Housing Act 1985. This allows the council to refuse requests to exchange a property if the tenant is an Introductory Tenant or where tenancy possession action has been taken on rent arrears, antisocial behaviour or any other tenancy breach.

3 Main issues

- 3.1 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.
- 3.2 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.
- 3.3 Respondents were asked which 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.
- 3.4 The consultation in Bramley closed on 25 January 2017. 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:

Preference group	Agree	Disagree	Don't know / no response	Total	% in favour
Applicants who have a good tenancy record	47	3	3	53	89%
People with a local connection to the Bramley and Stanningley Ward area – including living, working, or having close family living in the area	43	8	2	53	81%
LCC tenants living in the Bramley and Stanningley ward	40	6	5	53	75%
People with a local connection to the LS13 postcode area – including living, working, or having close family living in the area	39	11	3	53	73%

LCC tenants living in the LS13 postcode area	38	10	5	53	71%
Members and former members of HM Armed Forces	37	7	9	53	70%
Families with dependent children who are living in flats	36	11	6	53	68%
People who are living in overcrowded conditions	35	10	8	53	66%
People who are living in a home too big for their need	28	18	7	53	52%

- 3.5 Views of respondents have been taken into account when finalising the draft local lettings policy for approval.
- 3.6 Local Ward Members have been consulted on the proposals. Two members felt that giving priority to local people and LCC tenants with an excellent tenancy record was a reasonable approach. A briefing on the proposal in section 3.11 of this report has been shared with the Ward Members.
- 3.7 In addition to the consultation, the Council analysed information from the housing register about customers who need a 2 bedroom house and indicated their preference for rehousing was in the Bramley area. Of the 360 customers on the housing register, 124 (34%) are Council tenants. 71% are not in any assessed housing need and are in Band C.
- 3.8 47 of the 124 council tenants (38%) have been on the housing register for over 12 months, with 3 registered for more than 10 years. The new build properties present an opportunity to address the aspirations of tenants who have long standing housing applications.
- 3.9 Additionally, there are a number of housing association tenants (11) and customers living in other tenures including private rented tenants, owner occupiers, lodgers etc (224).
- 3.10 The properties will be let at an Affordable Rent (80% of market rent) as shown in the table below.

Addresses	Property size	Weekly rent
7 to 21 Broadlea Street, Bramley LS13 2SD	2 bed houses with integrated garage	£126.62
23 to 49 Broadlea Street, Bramley LS13 2SD	2 bed houses no garage	£122
68 & 70 Broadlea Street, Bramley LS13 2SB	3 bed houses	£135.85

- 3.11 All of the homes feature high levels of insulation as a 'fabric first' strategy to reduce the tenants energy costs for space heating. This includes PV 0.25kw per dwelling (in roof); Triple Glazing, Smart meters and a MVHR (Mechanical Ventilation Heat Recovery) system. Reduced utility bills will mitigate the impact of the higher rent charged on these homes.
- 3.12 Earlier in 2017 Housing Leeds let some new build houses at Cardigan Green in Bramley. The local lettings policy gave preference based on local connection to the Bramley and Stanningley ward area. When these properties were advertised there was only a small interest from tenants living in the Bramley and Stanningley ward with only 6 applicants meeting the priority criteria out of 392 bids. However there were a number of bids from tenants who live in nearby council estates with an LS13 postcode. Ward members are favorable to including the LS13 postcode in the local connection area to give an opportunity to tenants of nearby housing estates to access new build properties.
- 3.13 For the Broadleas scheme the council proposes to operate a local lettings policy which will give preference for offers of accommodation on the following basis:

75% of properties (18 properties) **will be let to applicants** who can demonstrate:

- an excellent tenancy record regardless of priority band and
- a local connection to the Bramley and Stanningley Ward area or the LS13 post code

Shortlisting will be by **date of application** on the housing register, and first preference will be given to Leeds City Council tenants living either within the Bramley and Stanningley Ward area or the LS13 post code, followed by other Leeds City Council tenants with a local connection (based on residence, employment and family associations) to the Bramley and Stanningley Ward.

25% of the properties (6 properties) **will be let to applicants** who can demonstrate:

- an excellent tenancy record; and
- a local connection (based on residence, employment and family associations) to either the Bramley and Stanningley Ward area or the LS13 post code
- one of the following preference groups:
 - people living in overcrowded conditions;
 - people living social housing who need to downsize;
 - people with dependent children living in flats; or
 - members / former members of HM Armed Forces

Shortlisting will be in order of **priority band** on housing register.

- 3.14 Prior to offers being made, the council will check the tenancy record of applicants 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.
- 3.15 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, an applicant fleeing domestic violence unable to be rehomed in their local area may be offered a home if they were the highest ranked customer on the shortlist who met the good tenant criteria.
- 3.16 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.
- 3.17 The local lettings policy will apply to all initial lets and subsequent relets made to the end of 2019. The council will then evaluate the effectiveness of the policy and decide whether to extend it.
- 3.18 Once approval has been received, the properties will be advertised through Leeds Homes with clear detail on 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.
- 3.19 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.
- 3.20 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.
- 3.21 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.
- 3.22 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 consulted in the Bramley area, where the properties are situated.
- 4.1.2 This included seeking the views of local Ward Members, the local housing team and 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 Bramley area and need a 2 bedroom property.
- 4.1.3 Previous consultations 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 Making lettings to existing tenants also assist reducing overcrowding and related issues in Council properties. Analysis of letting for the new build demonstrated that a large proportion of transferring tenants were living in overcrowded conditions.

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 The council has also taken into account recent allocations cases in other areas of the country to ensure any learning is incorporated into the equality impact assessment.
- 4.2.3 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 experiencing domestic violence who is unable to meet the local connection 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 The demand for the properties is likely to be high. There is a strong demand for 2 bed houses. However the demand from Council tenants may be lower because the rents are significantly higher than other council stock. The Cardigan Green properties in Bramley were let on an Affordable Rent and whilst there was a healthy number of bids for the properties (nearly 400) the number of bids from council tenants meeting the good tenancy criteria and living in the ward, was limited. 117 applicants were tenants but only half of those had arrears under £50 and of those, only 10 lived in the Bramley and Stanningley Ward. There was however a further 13 applicants from the nearby Snowden , Raynville, Wyther, Poplar and Swinnow housing estates who identify themselves as living in Bramley but did not qualify, as they do not live in the Bramley and Stanningley ward.
- 4.6.2 The higher rents will be mitigated to some degree by the reduced utility costs of running the properties. Additionally there are no planned new build council properties in Armley and for these reasons we propose to extend the opportunity to access the new build to those tenants living in the LS13 postcode area who may have missed out on lettings at the Cardigan Green scheme.
- 4.6.3 The number of properties handed over is of a medium size but there is no other new build scheme to be handed over in the same period. Additionally we are in discussion to implement a phased handover.

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 2018.
- 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 Chief Officer, Housing Management, approves the new local lettings policy for the new build homes on Broadlea Street as detailed in sections 3.13.

7 Background documents¹

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.