

Report of Director of Resources and Housing
Report to Executive Board
Date: 18 October 2017
Subject: Lettings Policy Review and Housing and Planning Act update

Are specific electoral Wards affected City wide	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, name(s) of Ward(s):		
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 checked="" type="checkbox"/>	<input 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:		

1. Summary of main issues

In February 2016 Executive Board agreed to commence consultation on proposed changes to the lettings framework which sets out how council homes are allocated. The consultation asked for feedback on the introduction of a tenant transfer policy, a review of the main lettings policy to mainstream some elements previously covered by local lettings policies and a new approach to community lettings policies to replace local lettings policies, with improved links to wider tenancy management issues.

This paper summarises the consultation responses and outlines the final proposals for approval. It also updates Executive Board on developments with the Housing and Planning Act 2016 in relation to the review of the council's Tenancy Agreement and Tenancy Strategy.

2. Recommendations

Executive Board notes the proposed amendments to the council's lettings policy set out in sections 4.7 – 4.46 to be implemented from February 2018 by the Chief Officer, Housing Management.

Executive Board notes developments regarding the Tenancy Agreement review set out in section 5, and delegates the review of the council's existing Introductory and Secure Tenancy Agreement to the Director, Resources and Housing to commence from November 2017.

Executive Board notes the proposal set out in section 5.6 to extend the council's current Tenancy Strategy to 30 September 2018 and will receive a further report from the Director, Resources and Housing on the implications of the Housing and Planning Act along with proposed changes to the Tenancy Strategy in September 2018.

1. Purpose of this report

- 1.1 To seek Executive Board approval for a new lettings policy and to update on the Housing and Planning Act in relation to the council's Tenancy Agreement and Tenancy Strategy.

2. Background

- 2.1 The current lettings framework is based on the council's legal duties under the Housing Act 1996. In order to balance the needs of households in housing need with those of local communities, the council lets 75% of its properties based on housing need and 25% to households who have been on the waiting list the longest with a local connection to the ward area.
- 2.2 Demand for council housing outstrips supply. Currently there are 26,240 (30/06/17) households on the housing register, approximately 26% (6,698) have assessed housing needs (Bands A & B). 74% have no identified housing need, but have expressed a preference to be rehoused by the council. In 2016/17 Housing Leeds let 4,335 properties.
- 2.3 Around 1 in 6 of the council's 57,000 homes currently has a local lettings policy which gives preference to certain groups of applicants, e.g. local connection in some outer lying areas of the city or age restrictions.
- 2.4 The current lettings policy provision to let 75% of properties to applicants in housing need includes households who have been assessed to be statutorily homeless: eligible for assistance, unintentionally homeless and in priority need. The Council has a duty to secure suitable temporary accommodation for statutory homeless households until a longer-term housing option, including a council letting, can be found. The number of statutory homeless households in temporary accommodation in Leeds has fallen significantly in recent years (33 placements at end of June 2017) and Leeds now has the lowest number of statutory homeless temporary accommodation placements out of any of the Core Cities. It is unlawful for local authorities to place a homeless family in bed and breakfast, unless in exceptional circumstances, and then for no longer than 6 weeks. Many local authorities, including Core Cities, regularly use bed and breakfast and struggle to find alternative options within the 6 week period. Leeds has not used bed and breakfast for approximately four years.
- 2.5 The reduction in temporary accommodation placements in Leeds can be attributed to a number of factors including a focus and investment in preventing homelessness (including helping people stay in their existing homes), making better use of the private rented sector as a longer-term housing option and a proactive approach to helping people in temporary accommodation as swiftly as possible. The availability of council housing, to end homelessness, remains an integral part of the overall approach to minimise temporary accommodation placements.

- 2.6 In February 2016 Executive Board agreed to commence consultation on proposed changes to the lettings framework. This consultation has now been completed and Housing Leeds proposes to make changes to the lettings policy.
- 2.7 In October 2016 Executive Board approved a number of changes to lettings as part of the High Rise strategy. These changes will be formally implemented as part of the lettings policy review, in line with the investment and management of high rise blocks.
- 2.8 Originally the lettings policy review was scheduled to dovetail with Housing and Planning Act proposals, including 'Pay to Stay', fixed term tenancies and the sale of high value homes. The Department for Communities and Local Government (DCLG) is expected to issue draft guidance and regulations but there is no clear timescale. The council has decided to commence the review of the existing Introductory and Secure tenancy agreement which was last reviewed in 2008.
- 2.9 The council's Tenancy Strategy 2012 – 16 outlines the council's expectations of local housing associations in relation to the types of tenancy they use. The Strategy will be reviewed once further guidance on Housing and Planning Act is issued.

3. Main Issues

3.1 Overview of lettings policy consultation

3.2 The consultation focused on the overarching lettings policy framework. Any changes to individual local lettings policies will be subject to local consultation with tenants, residents and members prior to changes being implemented.

3.3 The consultation asked for feedback on the following proposals:

3.4 **Introduction of a tenant transfer policy** to give greater preference to existing council tenants who have successfully held a tenancy.

3.5 **Review of the main lettings policy** to mainstream some elements previously covered by local lettings policies where it is appropriate, including:

- Conducting home visits to prospective applicants prior to making an offer and
- Introducing pre-tenancy training for 16- and 17-year olds and applicants who are unable to demonstrate a good tenancy record.

3.6 **Developing a new approach to local lettings policies**, called 'community lettings policies', which will be based on local ward profiling information, including lettings to household with children at height, use of age preferences and the use of local connection preference in outer lying areas of the city with low turnover and high demand.

4. Feedback from lettings policy consultation

4.1 Housing Leeds held two member sessions and met with a number of groups, including VITAL (Voice of Involved Tenants), Cross City Chairs Group, Leeds Tenants Federation, VOLT (Voice of Older Tenants), High Rise Group, Equal Access Group, Community Committees, Housing Advisory Panels and a number of staff groups. The proposals were also presented to Housing Advisory Board, Environment and Housing Scrutiny Board and Tenant Scrutiny Board.

4.1.1 A survey was available between April and August 2016. Respondents were able to complete an online or paper survey printed in the Leeds Homes Flyer and available in One Stop Centres and sheltered schemes. Online respondents were also asked to provide information about themselves, including gender, age band, current tenure, disability status and current postcode.

4.1.2 The survey generated 719 responses, comprising of 614 (85%) online responses and 105 (15%) paper responses.

4.1.3 Appendix 1 outlines the consultation responses. There are a number of key themes to emerge which are summarised below:

4.2 Introduction of a tenant transfer policy

4.2.1 There was overwhelming support (70% of respondents) for the introduction of a tenant transfer policy to reward and incentivise good tenant behaviour.

4.2.2 Unsurprisingly, council tenants were far more likely to be in favour the proposal than other groups. In terms of what proportion of properties should be selected for a tenant transfer quota, the highest number of respondents (34%) said it should be set at 25%.

4.3 Home visits

4.3.1 There was strong support for introducing home visits prior to making an offer to check how applicants are managing their current home, with 81% of respondents supporting this proposal. Of those that disagreed, there were concerns that home visits were intrusive and that problems with repairs could pre-date the tenancy or be outside the tenant's control.

4.4 Pre-tenancy training

4.4.1 There was a much lower level of support for pre-tenancy training for prospective tenants, with only 33% of respondents in favour. Common themes were that the council needs to adopt a flexible approach to pre-tenancy training/home visits, that support needs are taken into account, and that the resources and time required to complete the training would have a negative impact on re-let times.

4.5 Local Connection

4.5.1 Overall there was a positive response with 64% respondents in favour of giving preference to applicants with a local connection in areas of the city with a high demand and low turnover.

4.5.2 Concerns were expressed that people without a local connection are excluded from living in certain areas of the city, and that some customers are unable to meet the strict local connection criteria, for example, if they are estranged from their family and rely on friends to provide support, or where they live very close to the ward area boundary.

4.6 **Alternatives to age related preferences**

4.6.1 There was a general acceptance that the current policy of relying on age has not always worked, and leaves us open to legal challenge where the restriction cannot be objectively justified.

4.6.2 There was support for alternatives to age preference, particularly for under occupation moves and enhanced checks, although there were some concerns expressed about the potential impact on communities of removing age preferences. Respondents were able to express support for more than one proposal:

- 58% wanted moves for under occupiers
- 57% wanted tenancy checks/home visits
- 44% wanted employment related LLPs
- 33% wanted pre tenancy training
- 13% didn't agree with any of the changes
- 8% wanted alternative options.

4.6.3 Final proposals have been drawn up based on the consultation responses, legal opinion and an equality impact assessment as detailed below. There are also a number of other proposals that were not consulted on which relate to the council's new ICT system.

4.7 **Main lettings policy changes**

4.8 **Tenant Transfer Policy**

4.8.1 The council proposes to introduce a tenancy transfer quota of up to 10% of all lettings. This will be broken down further to 50-50 between waiting time and housing need depending on local need in the ward area. Preference within the quota will be given to tenants with a local connection to the ward area who can demonstrate a good tenancy record.

4.8.2 In the event there are insufficient tenants on the shortlist who meet the criteria, shortlisting will be based on either waiting time or housing need and non-LCC tenants will be considered.

4.8.3 In order to ensure that the council is able to meet its commitments to customers in housing need, the date of registration quota will be reduced, and there will be

10% of homes let through the tenant transfer quota, 15% through the date of registration quota and the remaining 75% let by housing need.

- 4.8.4 The initial consultation proposed setting the tenant quota at 20% of all lettings. However, since then Ealing Council's lettings policy which operated a 20% quota for people in employment and tenants was found to discriminate unlawfully against certain groups. In finalising the proposed quotas a full equality impact assessment has been undertaken to identify the potential impacts on particular groups. This found that some tenant groups may be more likely to be rehoused than others through the tenant transfer process. It is therefore proposed that initially the tenant transfer quota is set at 10% and then reviewed once the policy has been in operation for one year.
- 4.8.5 Overall it is anticipated that the majority of tenant transfers will release a property for re-let, and so will not impact significantly on the overall number of properties available but may affect an applicant's access to their preferred area of choice. There will be a small number of instances where this will not be the case, for example, if a joint tenant transfers to a new property leaving the remaining tenant in situ as a sole tenant.
- 4.8.6 There are other potential impacts on the tenant transfer policy which are unknown at this stage. The Housing and Planning Act will introduce mandatory fixed term tenancies for existing secure tenants who transfer to another property, unless they fall into an exempt category. It will also introduce the High Value Homes policy, which may be calculated based on the number of empty properties, which is likely to increase through the tenant transfer policy. Also, as the number of re-lets will increase, there will be an increase in re-let costs including void works and rent loss. Housing Leeds will review the actual impact of these over the first year with a view to increasing the quota if it can be evidenced that groups are not discriminated against and that the policy does not have a significant budgetary impact.

4.9 Home Visits

- 4.9.1 Housing Leeds wishes to amend the main lettings policy to state that we **may** conduct a home visit prior to making an offer. This approach has been used in the new build council homes and has given assurance that tenants have kept to their tenancy agreement. Home visits would be made on a risk based approach, rather than on every offer which would pose a major resource issue. Existing tenants seeking to transfer will normally be expected to have had a satisfactory Annual Home Visit within the last year. Otherwise, a visit could be made where issues are apparent from the top ranked customer's housing application or previous housing history, or where related to the property under offer (for example, where there are current or historic antisocial behaviour cases open).
- 4.9.2 There is a potential conflict between the council's duty to secure accommodation for homeless customers and to give preference for allocations to applicants in assessed housing need, and the home visit process. For applicants in Band C, Housing Leeds would not proceed with an offer of

accommodation unless the home visit and tenancy check is successful. If an applicant in Band A or B fails the tenancy checks, Housing Leeds would consider the individual issues and decide the appropriate course of action such as referring for support or advising on a course of action to remedy the issue, such as clearing a messy garden. However, in certain circumstances it may mean the customer would not be offered the particular property.

4.9.3 Pre tenancy training

4.9.4 Housing Leeds wishes to amend the main lettings policy to state that we **may** require an applicant to complete pre-tenancy training or equivalent (such as an office-based interview) prior to making an offer of accommodation. Pre-tenancy training has been piloted in the Clyde and Wortley blocks in Armley, and the programme is being evaluated. The council proposes to develop the programme for all 16- and 17-year olds on the housing register and for applicants with a previous failed tenancy to prepare them for successful independent living.

4.10 High Rise accommodation

4.11 As part of the High Rise strategy, the lettings policy will be amended to say 16- and 17-year olds will not be rehoused in high rise blocks. Housing Leeds will identify suitable alternative accommodation that better meets their needs and proactively support them with rehousing in low rise accommodation.

4.12 Affordability checks

4.13 The council is proposing to complete affordability assessments to ensure that customers are able to afford the rent at the point of letting. This approach is currently used for moves which result in under-occupation, but will be extended to cover all lettings. Where a move is deemed to be unaffordable, it will normally not be considered to be a reasonable offer of suitable accommodation.

4.14 Rough Sleepers Support Scheme – new direct let category

4.15 There will be a new direct let category for the initiative to rehouse rough sleepers who are accepted onto the support scheme. Applicants who are accepted onto the scheme will be awarded the relevant priority band and be considered for a direct offer of a suitable property linked to a wrap-around support service.

4.16 ICT changes - background

4.17 With the forthcoming implementation of the new housing ICT solution a number of changes to the Lettings Policy are required.

4.18 The new system will introduce an online housing application process and upgrade the Leeds Homes choice based lettings website www.leedshomes.org.uk. The website will enable customers to log in and see their account details, will stop customers bidding on a property that does not

match their needs, for example, number of bedrooms required, and allow them to see their real time position on the unfiltered bidding list.

4.19 The changes required are outlined below:

4.20 Application stage

4.21 Customers will be able to apply for rehousing online. The lettings policy will be reworded to state that acknowledgements, receipts and information about the application status will be available for the customer to view via their website account.

4.22 An alternative way of registering for rehousing will be available for vulnerable customers including people who cannot access the internet, or who have a support worker assisting them.

4.23 The online form will rely on an electronic signature from the applicant declaring the information they provide is correct.

4.24 At present, proofs such as identity paperwork must be verified (i.e. physically seen by a member of staff) at both registration and offer stage. Customers will be able to self-scan this information to the system when they apply, meaning this will need to be verified prior to an offer being made. The offer stage will be the last point that information provided by the customer can be verified, and will include a checklist for officers to verify original documentation etc. has been provided.

4.25 National Insurance numbers and email addresses

4.25.1 The online application will request National Insurance Numbers to improve data quality, reduce duplicates and the potential for fraud. In addition customers will need to provide an email address to register for the online system. The lettings policy will be amended to state that the primary method of contact will be via the online system or other electronic channels. While wishing to promote the use of electronic communications, Housing Leeds recognises that not all applicants will have a current National Insurance number (e.g. if waiting for one to be issued) or an email address, so there will be provision to allow people to register and bid using alternative methods.

4.26 Qualification criteria decision

4.26.1 When customers apply for rehousing they are asked about any current or previous rent arrears, antisocial behaviour and legal action. In addition, checks are made on previous LCC tenancies for any tenancy breaches. This may result in the customer failing to meet the Qualification Criteria, and their application may be cancelled due to their previous unacceptable behaviour. Currently there are relatively high thresholds on the amount of rent owed or the level of behaviour. Housing Leeds proposes to reduce the threshold to any amount of

rent arrears to support the 'Rent First' culture which prioritises payment of rent. This will be followed by an assessment which will consider the applicant's individual circumstances at the time the arrears accrued or when the unacceptable behaviour took place and at the time the housing application is considered.

4.27 Priority awards / banding

4.27.1 It is anticipated that following the move to an online application form there will be an increase in applications, including from customers who have no connection to the city through residence, close family or employment and from home owners with no assessed housing need.

4.27.2 Housing Leeds proposes to create a new housing need band called 'Band D' which would sit below Band C in order of precedence of the priority bands. It is proposed that Band D would include:

- Customers with no local connection to Leeds (except homeless customers)
- Customers who are not eligible for council housing
- Homeowners with no housing need

4.28 Customers with no local connection to Leeds

4.28.1 There is currently no restriction on customers who have no connection to Leeds applying to be rehoused through the Leeds Homes Register and an option in the revised lettings policy is to place these customers in Band D.

4.29 Ineligible customers

4.29.1 Customers who are ineligible for council housing due to their immigration status will be registered onto the Leeds Homes Register but placed in Band D. They will not be able to place bids on council homes but may be offered a home by a housing association, for example workers who are lawfully in the UK but have no recourse to public funds.

4.30 Home owners in no assessed housing need

4.30.1 There are just under 2000 home owners on the housing register (7.4%). Around 170 of these customers have been assessed as being in Band A or Band B, with the majority (1789) being in Band C with no assessed housing need.

4.30.2 At present homeowners with no housing need have their date of registration 'capped' at six months; however this has to be checked manually by lettings staff and can be confusing for customers. By placing them in Band D it would be a more efficient use of our housing stock, provide clarity to customers and also reduce the workload on lettings staff. It would also be seen as fairer to other applicants who do not own a property, while still allowing home owners to be considered for lower demand properties.

4.30.3 Where a home owner has a genuine need to move, for example, because they are unable to afford their home or need to move due to mobility needs or because they are experiencing domestic violence, they will be assessed for a priority award and placed in Band A or B, and would not be affected by this amendment to the policy.

4.31 Advertising

4.31.1 Currently properties are advertised through Leeds Homes on a 6 day bidding cycle that runs from Wednesday to Monday, with shortlisting on the Tuesday.

4.31.2 Housing Leeds proposes to retain this six day advertising cycle, but introduce a new way of re-advertising properties that haven't been let on the first advertising cycle. These would be labelled 'fast track' properties that will be advertised for a minimum of 1 day before being removed from the cycle when a suitable bidder is identified. This would have a significant impact on void times.

4.32 Bidding

4.32.1 The Leeds Homes choice based lettings scheme relies on customers logging into their accounts and actively bidding on properties. At present there are limited options for customers who are unable to do this, which generally involves an advocate placing bids on the customer's behalf. The new system has an option for automated bids to be placed on matching suitable properties, i.e. in the area and the size / type of property the customer is assessed as needing.

4.32.2 Currently customers can only place 3 bids a week, on LCC and housing association properties. The new system will allow customers to place up to 6 bids, consisting of a maximum of 3 LCC and 3 housing association properties.

4.32.3 Band D cases would only be shortlisted after customers in Bands A to C. This would apply on all properties, meaning customers placed in Band D would only be considered for low demand property types.

4.33 Matching adapted properties

4.33.1 There is the potential to proactively match adapted properties to a disabled customer's needs prior to advertisement in order to reduce void times and adaptations costs. Once the ICT system has been delivered and tested the council may need to review the lettings policy further to ensure best use of the matching facilities.

4.34 Bypassing

4.34.1 Customers will be able to see their real time position on the unfiltered shortlist, and will be aware of when they have been bypassed in favour of another applicant. Normally they will be able to see the reason, for example, if reduced preference is applied to them due to previous behaviour, but would not be given feedback where the decision to bypass is risk-based or based on 3rd party

information that could place another person at risk, for example, if we decide not to rehouse a known perpetrator of violence in the vicinity of their victim.

4.34.2 The implementation of the new ICT system will reduce the number of inappropriate and non-matching bids, which will mean fewer applicants are bypassed in favour of other customers.

4.35 Ward based Community Lettings Plans

4.35.1 Housing Leeds is developing a framework for Ward-based Community Lettings Plans (CLPs). These will replace the current local lettings policy framework and be based on an overview of the ward profiling information that takes account of local housing demand and supply issues in the Ward as well as issues in specific estates and blocks.

4.35.2 There will be an annual plan for each ward that captures information in terms of council stock, lettings data and housing need and identifies specific pressures which support the use of particular local lettings policies. The use of CLPs will support a risk based approach to managing particular issues with client groups, demand, management issues in an area or estate and to promote harmonious communities.

4.35.3 There will be a menu of CLPs to select from, where they can be justified by local information, for example, using good tenancy record and home visits or pre-tenancy training in place of age restrictions, local connection preference in areas of the city with low turnover of family homes, Good Neighbour preference in areas with anti-social behaviour and crime hotspots, employment in areas with major employers or good transport links, family friendly blocks where children would be rehoused at height, and under occupation / retirement preferences in blocks situated on large estates of family housing with high numbers of under occupying tenants.

4.35.4 The Ward CLPs will also identify areas of the city with high proportions of stock allocated to customers based on age, and blocks with high age preferences where there is insufficient demand.

4.35.5 The framework would ensure a consistent approach across the city while remaining flexible enough to address local issues and provide an evidence base to justify the use of CLPs. The Ward CLPs would be subject to annual reviews to ensure that policies remained relevant and could be amended regularly to reflect changes.

4.35.6 A template is available in Appendix 2 of the profiling information that will be used to develop ward based lettings plans.

4.36 Age Related Policies

4.36.1 There is clear evidence that age is not a determinant of behaviour, and there are more accurate measurements of behaviour, such as a good tenancy record. In some areas, age related local lettings policies limit the housing options

available to applicants under 40 years old and leave the council open to legal challenge. However, there are some blocks where age policies have helped successfully managed lifestyle clashes between different age groups, and over time some blocks have become established communities for older residents.

4.36.2 The use of age related policies is open to legal challenge as they directly discriminate based on age. The council must be able to justify their use as a proportionate means of achieving a legitimate aim.

4.36.3 The common legitimate aim stated in CLPs is to avoid differences in lifestyles between older and younger residents and to reduce incidents of antisocial behaviour. The legitimate aim will be evidenced when developing and reviewing CLPs through use of a standard template to consider evidence in support of the CLP, e.g. reduction in ASB or lifestyle clashes.

4.36.4 Should the Council be challenged by someone unable to obtain accommodation because of the existence of age related CLPs, the Council would need to justify the legitimate aim of the CLP. We would also have to prove that an age related CLP is the least intrusive way of achieving the aim, which could also be dealt with under tenancy management and use of ASB remedies.

4.36.5 Alternative proposals being developed include:

- Harmonisation of age related policies into 3 age bands, 18+, 35+ and 55+, where there is an evidenced need for an age preference
- Development of alternative local lettings policies for blocks where the age related local lettings policies can't be evidenced, e.g. replacing with a requirement for a good tenancy record / pre-tenancy training, or giving priority to applicants who are under-occupying. New lettings policies will be developed to address specific management issues in the enhanced high rise blocks. Good tenancy record has been used for LCC's new build properties and has proved to be much more effective than age related policies in ensuring balanced communities and reducing lifestyle clashes.
- Some blocks being categorised as retirement housing which would retain an age related focus, primarily aimed at the 55 plus age group, and would offer a range of suitable accommodation from retirement flats, a 'retirement living' model to full sheltered accommodation;
- Good neighbour policies will continue to be used in agreement with Community Safety and West Yorkshire Police

4.29.6 All age related CLP properties will be looked at individually within the context of the Ward profiling information. From this, proposals will be drawn up to either retain the current age restriction or amend and replace with an alternative lettings criteria such as home visits, pre-tenancy training, employment, under occupation preferences and so on.

4.29.7 In terms of managing the review of policies covering over 10,000 properties, the priority will be to review higher ages i.e. 40 years+, harmonising age bands to 18+, 35+ and 55+, and on areas with high proportions of age preferences where younger tenants are currently excluded.

4.37 **Local connection policies**

4.38 Local connection is used in some outer areas (Wetherby, Garforth and Kippax and Rothwell) to allocate their family houses giving preference to households with a local connection to the area. Where there is evidence to support the use of local connection in other outer areas facing similar demand and supply issues, the preference will be limited to 50% family houses.

4.39 In addition, guidance to staff will be reviewed to address cases where a decision not to accept local connection would cause undue hardship to the individual, subject to approval by a senior officer.

4.40 **Enhanced blocks**

4.41 A number of blocks have been designated as Enhanced Management blocks but continue to be allocated through the main lettings policy. The changes in investment and management need to be supported by enhanced lettings checks including:

- The ability to conduct pre-tenancy checks alongside good tenancy record and/or employment preference for all applicants.
- Enhanced verification including requiring attending a pre-offer interview or a home visit for applicants who are unable to demonstrate a previous good tenancy record.
- Requiring tenants to have appropriate support in place, as well as intensive programmes/schemes to support people with alcohol/substance dependency, employment schemes, and support for people with mental health issues.

4.42 **Children at height**

4.43 Proposals around rehousing families with children in high rise properties were approved by Executive Board in October 2016, including the recommendation that certain blocks are designated as 'family friendly' based on their location, design and lack of alternative family housing nearby.

4.44 Other blocks will retain a 'no dependent children' local lettings policy, again based on their design, historic restrictions, and availability of alternative family housing nearby.

4.45 Remaining blocks will permit households to move in with dependent children, where this is the customer's choice. Support will also be offered to tenants with children who want to move out of high rise to alternative accommodation.

4.46 Each model will be supported by a tailored management and investment approach, for example, family friendly blocks will have links with Children's Services. Work is ongoing in relation to the development of family friendly blocks.

4.47 **Implementation of revised Lettings Policy**

- 4.48 Prior to implementation, Housing Leeds will make changes to ICT systems and the Leeds Homes website and flyer, train officers in the new procedures and ensure a comprehensive communications plan is in place to notify tenants and applicants of the lettings policy changes.
- 4.49 Housing Leeds will seek to implement the new lettings policy once the new Leeds Homes website has been delivered, currently scheduled to be February 2018.

5. Tenancy Agreement review

- 5.1 The Tenancy Agreement was last reviewed in 2008 to introduce Introductory Tenancy extensions and Secure Tenancy demotions. Other changes included rewording of rent payment, Right to Buy and Antisocial Behaviour clauses.
- 5.2 The main driver for this year's review was the Housing and Planning Act which will introduce mandatory fixed term tenancies and remove existing succession rights. However, due to ongoing delays in the government's timetable for issuing draft guidance and regulations for consultation, Housing Leeds wishes to commence the review of the main policy to ensure the agreement remains fit for purpose. A separate Fixed Term Tenancy Agreement will be produced once the final guidance is issued.
- 5.3 The review will be conducted in accordance with ss102 - 103 Housing Act 1985 which outlines how the agreement can be varied.
- 5.4 The initial stage is to issue a Preliminary Notice under s103 Housing Act 1985. This informs tenants of the landlord's intention to serve a Notice of Variation, specifying the proposed variations and their effect. This must be accompanied by such information as the landlord considers necessary to inform the tenant of the nature and effect of the variation, and inviting the tenant to comment within such time specified in the Notice as the landlord considers reasonable. This is generally a 4 week period. The landlord must consider any comments made by tenants during this period before preparing the final Notice of Variation which is sent to all tenants.
- 5.5 The Tenancy Agreement review will be approved through delegated decision to the Director, Resources and Housing. Further details and a separate Equality Impact Assessment will be available in the delegated decision report, which will be subject to call-in.
- 5.6 The council's Tenancy Strategy 2012 – 16 outlines the council's expectations of local housing associations in relation to the types of tenancy they use. As the final version of the Act are not yet known, the council proposes to extend its existing Tenancy Strategy to 30 September 2018, pending a full review being undertaken in consultation with local housing associations and a further report being considered by Executive Board.

6.0 Corporate Considerations

7.0 Consultation and Engagement

- 7.1 There has been extensive consultation with Leeds residents on the proposed changes to the lettings policy. There was significant consultation with various groups in working up the proposed lettings policy changes, with Environment and Housing Scrutiny Board and Housing Advisory Board, and with strategic tenant groups, e.g. VITAL (Voice of Involved Tenants At Leeds) and High Rise Group.
- 7.2 Following approval from Executive Board in October 2016 formal consultation and engagement was undertaken. This included engagement with strategic tenant groups, Elected Members and public consultation. An online survey was made available which generated 719 responses, comprising of 614 responses online and 105 paper responses. A summary of the consultation outcomes are shared in Appendix 1. There was also more targeted consultation and engagement with groups representing particular customer groups, to ensure that their views were considered whilst developing the proposals.
- 7.3 The outcomes of consultation have been used to inform the development of the final lettings policy proposals included within this paper.

8.0 Equality and Diversity / Cohesion and Integration

- 8.1 The council has conducted a full equality and diversity impact assessment as part of the review to identify potential positive and negative impacts, along with an action plan to address any negative impacts identified. This is shown in Appendix 3.
- 8.2 An action plan has been drawn up to address the potential negative impacts, full details are contained in the Equality Impact Assessment.

9.0 Council policies and Best Council Plan

- 9.1 The development of community lettings policies supports the council's ambitions for Leeds to be a Strong Economy and a Compassionate City and for the council to be an Efficient and Enterprising Organisation.
- 9.2 The policy also supports the council's Breakthrough projects:
- Tackling domestic violence and abuse
 - Housing growth and high standards in all sectors
 - Making Leeds the best place to grow old in
 - Strong communities benefiting from a strong city
 - Early intervention and reducing health inequalities and priorities.

9.0 Resources and value for money

- 9.1 The Council aims to ensure its housing stock is managed efficiently and best use is made of the limited resource, for example, by reducing homelessness

and households living in housing need, and the associated social and financial costs such as temporary accommodation placements.

- 9.2 The Council aims to operate an efficient lettings process, to reduce the length of time properties remain empty to ensure the needs of customers in housing need are met, and to increase tenant and resident satisfaction with their homes and neighbourhoods.
- 9.3 The move to develop community lettings policies will improve lettings outcomes and reward tenants who abide by their tenancy agreement and care for their property.

10. Legal Implications, Access to Information and Call In

- 10.1 The council has considered the impact of a major allocations case taken against Ealing Borough Council, which found the council's tenant transfer policy unlawfully discriminated against particular customer groups. Housing Leeds has sought a legal opinion prior to finalising proposals, and undertaken a full equality impact assessment.
- 10.2 The council has obtained an opinion from Legal Services on the use of age preferences. As outlined in 4.36 above, the council must justify its use of age preferences and demonstrate the objective need to continue to use them.
- 10.2 Housing Leeds will undertake the review of the existing Introductory and Secure Tenancy Agreement in accordance with the requirements of the Housing Act 1985.

11. Risk Management

- 11.1 There are a number of potential risks around the lettings policy amendments. A risk log has been developed including the planned mitigation action, refer to Appendix 4.

12.0 Conclusions

- 12.1 This report proposes changes to the lettings policy based on the consultation, namely the introduction of a tenant transfer policy, the inclusion within the main lettings policy of some elements previously covered by local lettings policies and new approach to community lettings policies linked to wider tenancy management issues. It also proposes the development of evidence-based ward lettings plans to identify lettings policies to address specific issues faced in local areas.
- 12.2 The report also outlines developments relating to the Housing and Planning Act, particularly the implementation of fixed term tenancies and the removal of existing succession rights.

13.0 Recommendations

- 13.1 Executive Board notes the proposed amendments to the council's lettings policy set out in sections 4.7 – 4.46 to be implemented from February 2018 by the Chief Officer, Housing Management.
- 13.2 Executive Board notes developments regarding the Tenancy Agreement review set out in section 5, and delegates the review of the council's existing Introductory and Secure Tenancy Agreement to the Director, Resources and Housing to commence from November 2017.
- 13.3 Executive Board notes the proposal set out in section 5.6 to extend the council's current Tenancy Strategy to 30 September 2018 and will receive a further report from the Director, Resources and Housing on the implications of the Housing and Planning Act along with proposed changes to the Tenancy Strategy in September 2018.

Background documents¹

None

- Appendix 1: Summary of lettings policy consultation
- Appendix 2: Template for ward based community lettings plan
- Appendix 3: Equality Impact Assessment
- Appendix 4: Risk register

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.