

Report of Director, Environment and Neighbourhoods

Report to Executive Board

Date: 12 December 2012

Subject: Lettings Policy review 2012/13 – approval to commence consultation

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): all	<input type="checkbox"/> Yes	<input checked="" 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 checked="" type="checkbox"/> Yes	<input 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

This report sets out the proposed changes to the Council's Lettings Policy required by the Localism Act 2011 and to enable the Council to assist social housing tenants affected by forthcoming Welfare Reform changes.

The report also updates Executive Board on the interim measures being taken within the scope of the current Lettings Policy to support tenants affected by Welfare Reform and mitigate, as far as possible, the impact on tenants and the Council.

The report sets out the consultation process and timescales for implementing a new policy and seeks Executive Board approval to commence consultation.

Recommendations

The Executive Board notes the contents of this report and the actions being taken to support tenants affected by the changes to housing benefit.

Executive Board recommends an equality impact assessment is undertaken on the potential impact of the proposed letting policy changes.

Executive Board recommends that the proposals contained in this report are consulted upon with a view to a revised Lettings Policy being prepared by March

2013. Following the resolution of Council in November 2012, a cross party working group will be established to oversee and inform the consultation process.

Executive Board recommends that the Director of Environment and Neighbourhoods prepares a report for the March 2013 Executive Board setting out the results of the consultation exercise, an equality impact assessment and seeking approval for the implementation of the revised Lettings Policy.

1. Purpose of this report

2. Background information

- 2.1. The Housing Act 1996 requires every local housing authority to have an allocation scheme for determining which customers are prioritised for re-housing, and the procedure to be followed in allocating housing. This covers lettings of Council tenancies made by the Leeds Arms Length Management Organisations (ALMOs) and the Belle Isle Tenant Management Organisation (BITMO), and nominations to Registered Social Landlords.
- 2.2. This report evaluates the impact of the changes made in the last review when a waiting time quota was introduced.
- 2.3. In June 2012, the Department of Communities and Local Government (DCLG) published a new statutory Code of Guidance on Allocations of Accommodation. The guidance replaces the three previous Codes, and provides guidance to local authorities on implementing changes made by the Localism Act 2011.
- 2.4. The Localism Act 2011 repealed section 160 A (7) Housing Act which prescribed which groups of people could be considered ineligible for Council accommodation on the basis of their unacceptable behaviour (the 'suitability test'). The Localism Act gives local authorities in England the power to determine what classes of persons are or are not 'qualifying persons' who can appear on the housing register and be allocated housing.
- 2.5. Other services are changing as a result of the Localism Act, for example, how housing complaints are managed and the new Independent Housing Ombudsman service. Final details are not yet known, but will be incorporated into the Lettings Policy.
- 2.6. A set of statutory regulations on the rehousing of members of the Armed Forces has been issued. The government has announced its intention to issue further regulations subject to parliamentary approval. The Council must have regard to the Code of Guidance and fully implement the regulations through the Lettings Policy.
- 2.7. The Lettings Policy outlines how the Council allocates its homes and sits below the Council's Tenancy Strategy. In developing its Tenancy Strategy, the Council consulted on whether to retain an open waiting list. The consultation was broadly in support of retaining an open waiting list, with some exceptions including people who possess sufficient financial resources to meet their housing needs, owner

occupiers in no housing need and people with rent arrears or guilty of perpetrating antisocial behaviour. These options, which would prioritise customers without the financial means to meet their own housing needs and take behaviour into account, have been included in the proposed changes to the Lettings Policy.

- 2.8. This report considers how the Council can assist tenants affected by a reduction in the amount of housing benefit paid to under occupying social housing tenants from April 2013, when the Department of Work and Pensions introduce the 'Social Sector Size Criteria' (SSSC).
- 2.9. The introduction of the SSSC represents one of the biggest challenges for the Council as a social landlord. The SSSC will affect up to 7,000 Council and housing association tenants in Leeds, many of whom will be unable to make up the shortfall in their rent and will request a transfer to a smaller property.

3. Main Issues

3.1. Choice Based Lettings

- 3.1.1. The challenges stemming from SSSC are such that an option to consider would be the suspension, on a short or longer term basis, of the choice based lettings system. ALMO officers would then directly allocate properties to households on the basis of their judgement of which household most requires and best fits the available property.
- 3.1.2. The Leeds Homes choice based lettings scheme was introduced in 2003, and offers customers the opportunity to express their preferences for rehousing. Currently 97% of Council lettings are made through the CBL scheme.
- 3.1.3. Officers do not believe that the suspension of choice based lettings would be a positive step. Officers believe the benefits of CBL are:
 - It offers customers the opportunity to express their preference for rehousing. An example of how this has worked in practice has been the increased choice offered to BME customers to seek rehousing away from traditional areas of concentration, a trend identified in Leeds where the proportion of minority ethnic lets in 'areas of concentration' fell from 47% pre-CBL to 27% post-CBL.
 - It provides transparency in the lettings process by giving feedback on lettings outcomes, and ensuring properties are let in accordance with the Council's approved Lettings Policy
 - It enables the Council to balance the needs of under occupying tenants with the needs of other customers in urgent housing need, including overcrowded households, homeless customers, and people with medical or welfare needs.
- 3.1.4. Officers do not believe suspending choice based lettings would assist tenants and other customers in housing need. Reverting to a system based on making direct offers of accommodation would be extremely resource intensive and could result in increased refusals if tenants cannot exercise choice over where they live.

3.1.5. Suspending CBL would result in:

- Tenants and customers having less choice about their re-housing
- Reduced transparency in the lettings process
- the risk of the Council being challenged for failing to meet its duties to other customers in housing need
- increased workload in making direct lets to tenants which would require a dramatic reconfiguring of resources

3.1.6. Instead, the Council is seeking to amend the operation of the choice based lettings scheme and Lettings Policy to ensure tenants who wish to move to a smaller property are supported to do so whilst still fulfilling its duties to customers in the statutory housing need groups.

3.1.7. Given the number of tenants likely to be affected and the potential rental loss, amending the Lettings Policy represents one measure that can help mitigate the impact, but will not resolve the challenges facing the Council and tenants.

3.2. 'Date of Registration' Quota

3.2.1. Part VI of the 1996 Housing Act (as amended) requires local authorities to give 'reasonable preference' (priority) for re-housing to applicants with a defined form of housing need: whether that be homelessness, living in overcrowded or sub-standard housing or requiring alternative housing on medical grounds. Such households are awarded Band A or Band B for re-housing on the Leeds Homes Register.

3.2.2. The 1996 Housing Act also gives local authorities the scope to award preference to applicants who have a local connection to a specific area of the authority's district. The 2011 update of the Lettings Policy introduced the 'date of registration' lettings quota. Essentially, this permits the Leeds ALMOs to let up to 25% of available homes to applicants, with no defined housing need, but who have had a registered housing application for the longest period of time and who have a local connection to the area of Leeds where the property is located.

3.2.3. Officers are seeking to consult on whether, in light of the challenges associated with welfare reform, the current proportion of properties let through the 'date of registration' route is proportionate and sustainable.

3.2.4. One option that officers are seeking approval to consult on is the tapered reduction in the 'date of registration' quota: perhaps reducing on a 5% basis on a quarterly or six monthly basis.

3.2.5. On the basis of 5000 Council lettings being made per year, and omitting adapted homes, a reduction of the 'date of registration' quota by 5% would release around 200-250 properties that could be allocated to people in housing need.

- 3.2.6. Another option officers are seeking permission to consult on is whether specific property types, such as sheltered housing and/or bungalows, should be omitted from the 'date of registration' quota. Currently, only adapted homes are excluded from the quota.
- 3.2.7. There has been case law that focused on the percentage of properties that could be 'reasonably' allocated to applicants without an identified housing need without adversely affecting the obligations to give 'reasonable preference' to applicants with an identified housing need. In this case, the House of Lords determined that a 5% quota of properties allocated to applicants without an identified housing need was not in contravention of the authority's duties to applicants with an identified housing need.¹
- 3.2.8. The Council proposes consulting on the introduction of a ring fence which would allow a proportion of 1 and 2 bedroom properties to be advertised to give preference to tenants affected by the Social Sector Size Criteria. Within the ring fence, preference will be given to tenants with an established local connection to the Ward, as defined by s199 Housing Act and including residence, employment or family associations. This will require an amendment to the Lettings Policy. The introduction of such a ring fencing provision could be linked to a change to the 'date of registration' quota: either included within the quota or running alongside a reduced quota.
- 3.2.9. A small number of home-owners have secured a Council let through the 'date of registration' quota. In such an instance, there is no obligation for the home-owner to sell the property: the letting criteria being their date of housing application registration and their local connection to the area where the property is situated. Officers are seeking to consult on 'capping', where the applicant has no identified housing need, the date of registration to be taken into account to 6 months before the bid being considered.
- 3.2.10. Officers also wish to consult on changing the local connection area from housing office area to Ward area. This will make it easier for customers to understand the applied geographical area, for example, some parts of Chapeltown fall within Meanwood housing area.

3.3. Refusal of offers by customers in Band C

- 3.3.1. The Council wishes to consult on introducing a 'penalty' for customers in Band C who refuse a reasonable offer of a suitable property. This would be achieved by resetting their application date to the date they refused the offer.
- 3.3.2. Customers in Band C have no assessed housing need, but a small number repeatedly top shortlists for date of registration quota properties and refuse following a viewing. Because they retain their original date of application, they tend to top shortlists more than once.

¹ R (Ahmad) v Newham LBC [2009] UKHL

- 3.3.3. This prolongs the relet time and ties up resources, because the ALMO has to obtain proofs of eligibility and arrange a viewing each time the property is offered, meaning other customers on the shortlist wait longer for an offer. It also increases refusal rates and rent loss while the property is empty.
- 3.3.4. This proposal is predicated on the principle that Band C applicants have no identified housing need. Band C applicants have no priority status to lose were they to be not bidding. Officers would be reluctant to apply a comparable approach to applicants with Band A or Band B status: such as strengthening the capacity to remove priority awards when a Band A or Band B applicant refuses an offer, or is not bidding regularly, because invariably the applicant will still have an unmet housing need. There is some level of perception amongst housing applicants that they have to bid on properties that don't meet their needs because not bidding could result in their priority award being removed. The Council and the ALMOs need to do more work to assure applicants that they should only bid on properties that meet their needs.
- 3.3.5. Additional guidance will be provided for staff to follow and customers will have a right to request a review of a decision to reset their date of application.

3.4. Qualification criteria

- 3.4.1. The Localism Act gives the Council greater powers to decide which customer groups qualify to appear on the housing waiting list. The government will continue to set rules on which customer groups are eligible for Council accommodation in relation to people from abroad and those subject to immigration control.
- 3.4.2. The Council wishes to seek views on a number of trigger points, which will lead to an individual assessment of all the circumstances before a customer and their household is deemed to be non-qualifying, and unable to register a housing application.
- 3.4.3. The proposed trigger points include:
- customers who for legal reasons are unable to hold a tenancy, due to lacking capacity to hold a tenancy under the Mental Capacity Act or being under the age of 16 years old. An assessment that a customer lacks capacity will normally be undertaken in conjunction with Social Care and be subject to relevant safeguards.
 - customers who are not resident in the Common Travel Area (CTA) other than British Armed and Reserve Forces personnel. The CTA is made up of the United Kingdom, the Channel Islands, Isle of Man and the Republic of Ireland. These customers are not eligible for an offer of Council accommodation although they may be considered by housing associations. There are a very small number of customers in this group (10 households) so the impact will be minimal.
 - customers who do not have a local connection to Leeds (other than homeless customers or British Armed and Reserve Forces). There are currently 2,339

households on the housing register who do not have a Leeds postcode, although some will be able to establish a connection through previous residence, employment, family association or other reason.

- customers with serious rent arrears or with a recent history of antisocial behaviour, causing nuisance or other serious behaviour grounds. The Lettings Policy will include a statement about the rights and responsibilities of Council tenants with particular reference to the action that will be taken against people who perpetrate antisocial behaviour.
- customers who have the financial resources to meet their own housing need. This group includes owner occupiers with no identified housing need and applicants with a joint annual income of more than £80,000 (this would apply to the main and joint applicants only, and would not include other household members). There are only 423 owner occupiers in Band C at present, although some of these customers are undergoing a housing needs assessment on the basis of affordability.

3.4.4. The proposed qualification criteria includes the grounds set out in the current Lettings Policy relating to behaviour. The new criteria relating to financial resources is designed to prioritise customers who lack the financial ability to resolve their housing need, through purchasing a property or renting privately. This will enable the Council to focus its limited resources on households in the greatest need, including low income earners.

3.4.5. The qualification criteria would be a trigger to prompt further investigation. Before making a final decision, officers would have to consider all the facts of the case, including:

- the seriousness of the issue such as the level of rent arrears and whether any repayment has been made over a sustained period
- the reason for the behaviour, for example, whether the customer is affected by Welfare Reform
- the urgency of their housing need
- the threat of domestic violence or hate crime
- vulnerability
- Corporate duties (eg safeguarding, child protection etc)
- any other mitigating factors

3.4.6. Where the customer or tenant is vulnerable and at risk of being found not to qualify, the Council will undertake a full assessment of their needs, and ensure support from the ALMO's Independent Living Team, voluntary sector or statutory services is put in place. In all cases, customers will be notified of the reasons for the decision and advised of the action they need to take to be considered

qualifying when they reapply. Customers will also be given the opportunity to request a review by officers not involved in the original decision.

- 3.4.7. The Council will seek views on the proposed trigger points and ask for feedback during the consultation.

3.5. Tenants in Band C

- 3.5.1. The Localism Act gives Councils new powers to set different criteria for tenants and non-tenants. Transfer requests from tenants who are in Band C are not covered by Part 6 Housing Act, and authorities may set their own transfer policies in relation to these tenants.

- 3.5.2. There are currently 4,308 Council tenants on the housing register in Band C with no assessed housing need. For these tenants, the Qualification Criteria would be set to reward behaviour and for tenants who have kept to the terms of their tenancy agreement. The Council proposes consulting on amendments to the Lettings Policy to introduce a pre transfer visit system to identify any breaches of the tenancy before allowing the tenant to register for rehousing.

- 3.5.3. This would:

- reward tenants for adhering to their tenancy agreement
- flag up any tenancy conduct issues at an early stage and incentivise changes in behaviour
- reinforce the message that the Council takes the tenancy agreement seriously and make better use of the annual tenancy visit
- give tenants in housing need and those affected by welfare reform a better chance of being rehoused
- reduce void costs when a tenant leaves their property in a poor condition
- ensure support is put in place for vulnerable tenants, through ALMO's Independent Living Team, voluntary sector or statutory services is put in place

3.6. Housing applications from customers age 16 and 17 years old

- 3.6.1. The table below shows the Leeds Housing Register broken down by age (October 2012) and lettings made in 2012/13 Q2:

Age band	% LHR	% lettings
Under 20	5	9
20-29	26	29
30-39	22	24
40-49	17	15
50-59	12	9
60-69	8	8
70-79	6	4
80+	4	2
Not Known	0	0
Total	100	100

3.6.2. There are 291 applications registered by 16 and 17 year olds, of which 89 (31%) are in Band A, 5 (2%) are in Band B and 197 (68%) are in Band C.

3.6.3. The Council will continue to accept applications from customers age 16 and 17 years old, but will review the policy on the rehousing of young people to ensure adequate support is in place, over and above the requirement to have a responsible adult act as a tenancy trustee. The aim is to support young people sustain their tenancies, not to exclude them, and ensure Environment and Neighbourhoods continues to work closely with Children's Services to fulfil the Council's legal obligations.

3.6.4. This amendment reflects the legal duties the Council has when dealing with applications from young people, and builds on the current protocols in place between Children's Services, Adult Social Care and Environment and Neighbourhoods. These protocols cover the rehousing of looked after children and care leavers, which enable housing needs to be resolved as early as possible, ensure a positive outcome for the family or young person and reduce the financial and social costs associated with care placements.

3.7. Priority award period

3.7.1. Officers wish to consult on extending the period a priority is awarded for from 120 to 180 days. This is to reflect the length of time it can take to obtain a property and reduce the burden on customers and staff which arises from the priority extension process.

3.8. British Armed and Reserve Forces personnel

3.8.1. The government intends to issue regulations about giving additional preference to Armed and Reserve Forces personnel in urgent housing need. The Council will amend the wording of the Lettings Policy to reflect the final regulations. Housing Services and the ALMOs are working with agencies across the city as part of the Leeds Armed Forces Community Covenant group to improve access to services for former Armed Forces personnel.

3.9. Tenants affected by housing benefit changes

- 3.9.1. From April 2013, a working age social housing tenant under occupying by 1 bedroom will have a shortfall in their Housing Benefit equivalent to 14% of their eligible rent, rising to 25% for under occupying by 2 or more bedrooms: Social Sector Size Criteria (SSCR). An estimated 7,000 Council tenants will be affected by the changes, along with a further 1,300 housing association tenants.
- 3.9.2. The ALMOs care carrying out a programme of visiting all affected Council tenants to ensure that they are aware of the changes and to help them consider their options. By the end of October, approximately 66% (around 4600) of the affected tenants had been visited by ALMO staff.
- 3.9.3. 707 of the visited tenants expressed an interest in moving to a smaller property.
- 3.9.4. The majority of tenants therefore expressed a preference to, if possible, stay in their existing homes. An option for some tenants will be a Discretionary Housing Payment (DHP) to 'top-up' the rent shortfall. The budget for DHP is a fraction of the total rent shortfall resulting from the benefit changes. Specific groups of tenants will be prioritised for DHP including disabled tenants living in significantly adapted properties and approved foster carers. Other groups that may receive DHP include parents who have part time access to children, tenants approaching the state pension age, families expecting their first child and cases where vulnerable tenants with social care needs require an additional bedroom.
- 3.9.5. Whilst the Council will endeavour to maximise the number of affected tenants who can stay in their existing home and can cover the rental charge, it is clear finding alternative housing will be the most viable option for many tenants. The Council is committed to facilitating such moves in a sensitive, supportive and effective way.
- 3.9.6. The biggest challenge the Council faces in this respect is the shortage of available homes for affected tenants to move to. 4,865 of the tenants affected by welfare reform have a 1 bedroom housing need. In comparison, the Council has let 1,501 non-sheltered 1 bedroom properties in the last three years. In theory, it would therefore take over three years to re-house all tenants affected by SSCR with a one bedroom housing need; notwithstanding the need to re-house other applicants and issues such need/preference to be re-housed in specific areas.
- 3.9.7. The Council will seek to maximise transfers through the mutual exchange process whereby properties are swapped by a tenant who is overcrowded and the other who is under-occupying. Mutual exchange offers a quick and easy way to resolve overcrowding and under occupation, and allows moves to take place between Council and housing association tenants.
- 3.9.8. The Council can also facilitate moves through appropriate priority awards for re-housing. The current Lettings Policy permits such awards to be made under the banner of 'best use of stock': under occupying tenants can be awarded Band A /direct let status for re-housing if they are under-occupying and the property can be readily re-let as a 'high demand' property. The definition of 'high demand' is

not wholly prescribed and nor is it entirely fixed; nevertheless, 2 or 3 bedroom houses tend to attract the highest number of bids per available home.

- 3.9.9. The updated Lettings Policy will need to cover options for helping people to move; irrespective of the property they are occupying. An option that officers are seeking to consult on is advertising their property (with the tenant's consent) through the choice based lettings scheme and re-housing through a direct let the tenants once a prospective customer has been identified who meets the criteria for the property.
- 3.9.10. Given the number of tenants affected by SSCR, there is likely to be an increase in the number of households applying for rehousing and being awarded a priority on the housing register. An increase in the number of tenant transfers will result in increased void costs and lost rent during the void period.
- 3.9.11. To maximise the availability of smaller properties, officers propose awarding tenants living in smaller bedroom Council or housing association property who require a larger property a higher priority to move than is currently given. For example, a couple with a child living in a 1 bedroom flat who require a 2 bedroom property would normally be awarded Band B for overcrowding. If the 1 bedroom flat could be offered to a tenant affected by the SSCR, their priority would be upgraded to Band A. This will require an amendment to the Lettings Policy.
- 3.9.12. Where tenants need to move to a smaller property, the Council will ensure those with additional needs are supported with their move to ensure suitable alternative accommodation is identified.

4. Corporate Considerations

4.1. Consultation and Engagement

- 4.1.1. The Council has a statutory duty to consult with Registered Social Landlords it has a nomination agreement with, and give them a reasonable opportunity to comment on the proposals.
- 4.1.2. Consultation on the proposed changes will run from 19 December to 22 February.
- 4.1.3. Following the resolution of Council in November 2012, a cross party working group will be established to oversee and inform the consultation process.
- 4.1.4. A series of consultation events will be organised with ALMOs and the BITMO, Registered Providers, elected members, voluntary sector housing organisations and tenants groups. This will include a series of 'road shows' at One Stop Centres.
- 4.1.5. Details of the proposed changes will also be included in the Leeds Homes website and flyer to ensure customers seeking a home are aware of the proposals and have an opportunity to comment. An online survey will run on the Council's Talking Point portal with paper copies available from housing offices and One Stop Centres.

4.2. Equality and Diversity / Cohesion and Integration

4.2.1. The Council has undertaken an Equality, Diversity, Cohesion and Integration Screening Assessment. A full assessment will be undertaken and included in the Executive Board report seeking approval for the final policy.

4.2.2. In summary, the changes are intended to assist the Council meet its legal duties to customers in housing need and support tenants affected by the forthcoming housing benefit changes which will affect under occupying Council and housing association tenants of working age.

4.2.3. The positive impacts are:

- Removing sheltered properties and bungalows from the date of registration quota will increase proportion of lettings available to older and disabled customers in housing need or tenants affected by the Social Sector Size Criteria
- The introduction of a qualification criteria will assist in streamlining the housing register, to place focus on customers in housing need and those without sufficient resources to make their own arrangements
- The policy on rehousing customers aged 16 and 17 will ensure adequate support is in place for the Council to meet its obligations to younger people
- Awarding priority to under occupying tenants will release larger properties for overcrowded households who are more likely to be customers from BME groups.
- Tenants affected by the housing benefit changes who downsize will be better off financially
- The main negative impact is that there will be fewer properties available for customers without an assessed housing need.

4.3. Council policies and City Priorities

4.3.1. The policy will contribute to the corporate objectives outlined in the Council Business Plan of creating communities that people want to live in. The changes also seek to minimise the impact of Welfare Reform measures by supporting Council and housing association tenants downsize to a smaller property and reduce rent arrears.

4.3.2. The housing protocols in place with Children's Services and Adult Social Care link to the City Priority Plans for Health and Wellbeing 'Support more people to live safely in their own homes' and Children: 'Help children in safe and supportive families'.

4.4. Resources and value for money

- 4.4.1. 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 the associated social and financial costs such as temporary accommodation placements.
- 4.4.2. 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.
- 4.4.3. Assisting under occupying tenants to downsize will help reduce rent arrears arising when tenants are unable to make up the shortfall in their rent, which will reduce the need for possession action and evictions. The policy changes will help prevent homelessness and potential increased expenditure on temporary accommodation.
- 4.4.4. Additional resources will be required to collect an estimated £4 million in rental shortfall arising from the Social Sector Size Criteria.

4.5. Legal Implications, Access to Information and Call In

- 4.5.1. The Lettings Policy must comply with the Housing Act 1996, as amended by the Homelessness Act 2002 and Localism Act 2011, and take account of statutory guidance issued by Department Communities and Local Government. The revised Lettings Policy will be checked for compliance by a representative of the Council's Legal Services Division and by counsel.
- 4.5.2. The Council must consult with housing associations operating in Leeds before amending its allocations scheme and with others likely to be affected by the changes. The Council will consult with other stakeholders and customers, including elected members, the Leeds ALMOs and BITMO, other Council sections, Leeds Tenants Federation, customers on the housing register and voluntary sector organisations.
- 4.5.3. The Lettings Policy must have regard to the authority's Homelessness Strategy and Tenancy Strategy.

4.6. Risk Management

- 4.6.1. The Council has a duty to publish a Lettings Policy. The Council must also review its Lettings Policy to ensure compliance with new and statutory guidance.
- 4.6.2. The changes to housing benefit rules have the potential to result in increased rent arrears which could jeopardise the Council's ability to meet its stock investment plans. There is also a risk of increased possessions, homelessness and use of temporary accommodation as well as an increase in transfers and associated void costs.

5. Conclusions

- 5.1. The Council needs to review its Lettings Policy in response to recent changes in housing legislation and to deal with the impact of Welfare Reform.

6. Recommendations

- 6.1. Executive Board notes the contents of this report and the actions being taken to support tenants affected by the changes to housing benefit.
- 6.2. Executive Board recommends an equality impact assessment is undertaken on the potential impact of the proposed letting policy changes.
- 6.3. Executive Board recommends that the proposals contained in this report are consulted upon with a view to a revised Lettings Policy being prepared by March 2013. Following the resolution of Council in November 2012, a cross party working group will be established to oversee and inform the consultation process.
- 6.4. Executive Board recommends that the Director of Environment and Neighbourhoods prepares a report for the March 2013 Executive Board setting out the results of the consultation exercise, an equality impact assessment and seeking approval for the implementation of the revised Lettings Policy.

7. Background documents²

- 7.1. None

8. Appendices

- 8.1. Equality Impact Assessment Screening, 31 October 2012

² 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.