

## Introduction

- This is Leeds City Council's response to Communities and Local Government consultation on social housing allocations, 'Fair and flexible'. The response includes comments from the Leeds Arms Length Management Organisations (ALMOs) and the Belle Isle Tenant Management Organisation (BITMO). It has also been approved by the Executive Member for Environment and Neighbourhoods and the Environment and Neighbourhoods Scrutiny Board.

## Background information

- Leeds City Council owns 58,500 properties which are managed by three Arms Length Management Organisations (ALMOs) and the Belle Isle Tenant Management Organisation (BITMO).
- We manage the Leeds Homes Register, which is a common housing register shared with 12 partner Registered Social Landlords, and we operate the 'Leeds Homes' choice based lettings scheme which advertises available council properties, with some RSLs and accredited private landlord properties.
- Leeds City Council's current lettings policy gives preference for lettings to customers in the reasonable preference groups using a simple banding scheme, but other groups are given preference through the use of Local Lettings Policies.

## General points

- Leeds City Council welcome the opportunity to comment on the consultation document.
- With regards to the scope of the guidance, page 13, paragraphs 3 and 4, we would urge CLG to publish one definitive code of guidance. The extent of the proposed changes to the existing 2002 and 2008 Codes are so far reaching as to make the operation of three separate codes potentially confusing, especially given the significant amendments proposed to the two previous codes.
- Leeds City Council supports the development of the housing options approach to reduce homelessness and to better utilise the private rented sector.
- Leeds City Council recognises the importance of developing greater links between its housing options approach and the proposed changes in this code, and of developing links between the council's strategic objectives and the lettings policy. To do this effectively we need to collect more indepth data about our communities, including our tenants, the people who live with them in council properties and whether they work or in training, type of work and so forth.

- The council also needs to improve its public accountability and communication, in particular with residents about the lettings policy to improve the general public's understanding of the policy objectives as well as its operation. This could include publishing an annual report on how housing need is met. This is one of the recommendations in the recently published Local Government Information Unit 'Room to move' report. Therefore the council believe that the code should promote as good practice the adoption of an annual report, or require it in the code.
- Leeds City Council would like greater prominence placed on a expectation or obligation for local authorities to develop local lettings plans. The council believes that greater use of such plans could help meet the council's wider objectives. The council believe that evidence-based local lettings plans could be developed in conjunction with key stakeholders for areas within the city of Leeds, whilst simultaneously retaining the legal requirement to ensure that overall priority for social housing goes to those in greatest need.
- Leeds City Council would welcome new versions of annex 12 of the 2002 code (the eligibility flowchart) as part of the final code, which we requested in the consultation on the 2008 choice based lettings code.
- Leeds City Council welcome the reference to ensuring that allocations schemes are equality impact assessed prior to approval to ensure compliance with equality standards.

## **Consultation questions**

### **Q1. Do you agree with the objectives and outcomes which local authorities should seek to achieve through their allocation policies?**

- We welcome the objectives and outcomes contained in the draft guidance in terms of the commitment to retain reasonable preference, while allowing authorities the flexibility to determine local priorities. However, we are concerned that the scope remains for local authorities to be threatened with legal challenge should they adopt greater flexibility in their allocations policy.
- We agree with the objectives of improving choice and options, mobility, making best use of housing stock, supporting workers and work seekers and working to improve understanding of allocations policies.
- We recognise that while the number of applicants exceeds the number of available homes, it is inevitable the some individuals will perceive the system to be unfair, particularly if they have been unsuccessful using choice based lettings to find council accommodation.
- We also believe that engagement with communities should involve newly arrived communities who are eligible by law to be considered for council accommodation, in addition to the longer standing communities which generally have better established links with local authorities.
- The lettings policy is also linked to wider council objectives, including tackling worklessness, homelessness, working with the private sector and reducing the use of temporary accommodation.

## **Q2. What can local authorities do to raise awareness and understanding of social housing allocation among local communities?**

- Information on the proportion and quality of lettings made to certain groups needs to be published to inform the public of the shortage of social housing.
- All the suggestions made in the draft guidance are used to some degree by Leeds City Council. However, given the large number of households on our housing register (30,000 at present) it is difficult to engage with all customers to the same degree to raise their awareness and understanding.
- We use our choice based lettings scheme to provide feedback on individual lettings and provide statistics on who is being rehoused, and provide information on the lettings process by publishing a guide to the lettings policy which is sent to all households on the housing register.
- A number of misconceptions continue to be perpetuated, particularly in relation to the number of newly arrived migrants who are rehoused, for example, as outlined in research undertaken by the Equality and Human Rights Commission in 2009.
- Our experience has been that many newly arrived migrants are housed in private sector accommodation, and those who opt for council housing often accept offers of less popular property types (for example, a flat in preference to a house) or in lower demand areas.

## **Q3. How can local authorities engage most effectively with local communities in order to shape local allocation policies?**

- It is hard to engage effectively with all communities to shape the allocation policy in a city the size of Leeds.
- When we propose changes to our allocations policy, we publish a summary in the Leeds Homes property flyer newsletter and website to encourage home seekers to respond, as well as using the council's 'Talking Point' web-based community engagement portal to obtain feedback from the citizens of Leeds.
- We also consult with RSLs in Leeds to obtain their views on proposed changes. The RSLs have their own consultation processes with their tenants and stakeholders.
- We rely on the Leeds ALMOs and BITMO to consult with tenants, and we consult with the Leeds Tenants Federation. The views of elected members (including through Scrutiny Board and the Lead Executive Board Member) are also important in obtaining feedback about the allocation policy, as they have direct contact with customers, and housing issues make up a large proportion of their constituency queries. Feedback about changes is given to customers by publicising the changes using the Leeds Homes property flyer and website.
- Consultation is also undertaken through the network of focus group within the Leeds ALMOs and BITMO, as well as the established Area Management structures within the city.

**Q4. What is the best way for local authorities to provide information and facts about how the allocation process is working in their area?**

- We publish our full allocations policy on our website, at [www.leeds.gov.uk](http://www.leeds.gov.uk). We also publish a guide to the policy and the choice based lettings scheme. Full details can be viewed at:  
[http://www.leeds.gov.uk/Housing/Council\\_housing/Applying\\_for\\_a\\_home\\_in\\_Leeds.aspx](http://www.leeds.gov.uk/Housing/Council_housing/Applying_for_a_home_in_Leeds.aspx)
- We provide information about the average waiting time for the previous year broken down by housing office area, size of property and the housing need band of the successful applicant. This is produced on a quarterly basis for elected members, the ALMOs and the BITMO. In addition, detailed feedback about individual property lettings is published on the Leeds Homes website and the paper flyer.
- Translations of the choice based lettings guide are provided from the Leeds Homes website's homepage at [www.leedshomes.org.uk](http://www.leedshomes.org.uk).
- Customers are made aware of their right to request a review, although this is also an area we would like to see more government guidance on in respect of what is deemed a reasonable time for customers to lodge a review request under Part 6 Housing Act, as is given under Part 7 for homeless cases.
- We conduct ongoing customer consultation with successful and unsuccessful housing applicants to gauge satisfaction, and in 2006 we commissioned an in-depth piece research into the demand for social housing in Leeds which asked for the views of 15000 applicants and new tenants.

**Q5. Does the draft guidance provide sufficient clarity on the extent of flexibilities available to local authorities when formulating allocation policies?**

- The draft guidance provides examples of the flexibilities available to local authorities. However, achieving a balance between the statutory reasonable preference groups, government objectives (such as the homeless prevention agenda, or tackling overcrowding) and local priorities will always be difficult to achieve because of the shortage of social housing.
- In addition, the consultation states that all households in reasonable preference can be awarded the same priority, which leads to the question why an intentionally homeless customer or someone without a local connection should receive the same degree of preference as an unintentionally homeless person or someone with a local connection.
- We feel the guidance should provide greater clarity on the way flexibility can be incorporated into a local authority's lettings policy, and would welcome further guidance and examples of good practice on establishing lettings quotas, targets and lettings plans in, and how an authority can achieve a fair balance between customers with local priorities and those in housing needs groups, for example, how available properties should be identified in terms of quality of accommodation.
- We would also welcome further guidance on the use of local lettings policies. CLG did undertake a study some years ago and surveyed local authorities, but the report was never published.

- Our current policy considers the priority first, then the date the customer was assessed as being in priority. Only then would we consider the date of registration. We also take housing management issues into account as alternative deciding factors, such as maximising best use of stock.
- Annex 3 of the 2002 Code 'Indicators of the criteria in the reasonable preference categories', gives the example of underoccupation as a category authorities can adopt in its local definition of s 167(2)(c) and (d), which appears to be contradicted by paragraph 70 of the consultation which suggests underoccupation is a factor outside the reasonable preference groups which can be taken into account, as long as it does not dominate the reasonable preference categories. We would welcome clarification of whether underoccupation is classed as a reasonable preference category.
- Our current policy already recognises other local priorities, including moving underoccupiers in social housing, where the move will achieve best use of stock. We feel it is important to include this caveat as there are circumstances where underoccupation per se is permitted to ensure good housing management, for example, by letting 2 bedroom multi-storey flats to single customers. We also operate a financial incentive scheme which allows a payment of £1000 per bedroom released to tenants downsizing. In the first year of the scheme's operation we have achieved 115 moves to smaller properties.
- Paragraph 73 of the consultation suggests existing tenants can be moved between like for like properties, but while stock neutral, there are additional void costs which will be borne by local authorities, including repair, security and rent loss, where budgets are already stretched. Again, there are potential equality impacts in giving existing tenants preference for moves, if the tenant population is not representative of the housing register or the wider local population.

**Q6. How effective, currently, is cooperation between RSLs and local authorities over the allocation of social housing? What further measures could help?**

- Many RSLs in Leeds engage fully with the Leeds Homes choice based lettings scheme, and advertise regularly. They are also partners on the Leeds Homes Register. Over recent years, we have seen a vast improvement in the number of nominations made to customers on the Leeds Homes Register, with some RSLs regularly exceeding their 50% target. We have set up a Lettings Reference Group with RSLs which meets twice a year and is always well attended.
- Some of the RSLs operate across a number of local authority areas and justifiably wish to retain their own register. This can also be an issue when the RSL has specific founding principles, for example, assisting particular groups of customers.
- With regards to new build affordable housing, Leeds City Council is currently working with RSLs to develop consistent local lettings policies for RSL and ALMO-managed properties, to ensure local priorities are reflected, including giving preference to households in employment or training, and to ensure thorough checks are made on applicants in terms of their behaviour prior to offers being made.

**Q7. How have you involved your local community in putting together your response to this consultation document?**

- We have consulted with the Leeds ALMOs and BITMO, as well as RSLs operating in Leeds. These organisations are responsible for consulting with tenants.

**Q8. Do you intend to revise your allocation scheme in light of the new statutory guidance?**

- Leeds City Council generally updates its lettings policy annually, and will commence consultation on revising the lettings policy once the final version of the allocations guidance has been published. The review has been included on the council's Forward Plan for April 2010, assuming the final version of the code is published in November 2009.

**Q9. If so, what changes will you be considering, and how might you engage local people and organisations in this process?**

- We will focus on how greater preference can be given to local households while still fulfilling our duty to households in the reasonable preference groups.
- The removal of the requirement to provide for cumulative preference as a result of the Ahmed ruling could lead to hardship for some customer groups, for example, where an elderly couple both have urgent medical needs it would make sense for them to be afforded higher priority than a single person with medical needs. The number of customers assessed as being in urgent cumulative needs on the Leeds Homes Register is relatively stable at around 10 – 15 out of 30000 households, and we believe this enables us to identify the limited number of households in extremely urgent housing need. For this reason, we will consider carefully the implications of removing our cumulative preference provisions.
- Local people will be engaged in the consultation process in a number of ways, including in conjunction with elected members, Leeds Tenants Federation, the ALMOs and BITMO, the Leeds Supporting People Provider network, Registered Social Landlords, by publicising the changes through our choice based lettings magazine and website, and using the council's 'Talking Point' online community engagement portal.

**Q10. Do you agree with the estimate in the impact assessment on the one-off familiarisation cost associated with this policy?**

- We estimate that the one-off costs would be higher than the £1 – £1.5k cost per authority cited in the consultation.
- It is difficult to give a precise figure, but the cost of a review of the lettings policy is resource intensive in terms of staffing the consultation and implementing the new policy, both to the council and the managing agents through training and through revising the customer handbook on the lettings policy and reprinting it. Additional costs may also arise from changes required to the IT system and reprinting the housing application form.

**Q11. Is there any further evidence or analysis relating to the initial assessment in the impact assessment of the wider costs and benefits of this new guidance which we should consider for the final impact assessment?**

- As per answer to Q10 above.

**Q12. Is there any further evidence or analysis relating to the initial assessment in the impact assessment of the impact on race, disability and gender equality which we should consider for the final impact assessment?**

- If greater preference is given to local priorities, there could be implications for certain groups including migrants, refugees from BME groups, and for younger people. This will depend on the demographics and profile of the local population.
- Households in all the reasonable preference groups may be affected by a decision to give greater preference to customers who are not in any recognised housing need, meaning a household with a disabled member may wait longer for an allocation.
- A further conflict may arise because local authorities are expected to deliver on a number of government initiatives to assist customers from the reasonable preference groups, including customers in temporary accommodation and living in overcrowded accommodation. Affording greater preference to customers outside the reasonable preference groups could have a negative impact on these priority areas.

**Q13. Is there any further evidence or analysis we should consider for the full equalities impact assessment which we will be undertaking in light of this consultation in the autumn?**

- Evidence of potential impact on different equality groups, also guidance on how a quota system can operate across a range of properties of high and lower demand.

**Q14. What impacts, costs and benefits do you think might be associated with any changes to your policy which you will be considering in the light of this guidance?**

- As per answer to Q10 above. Potential impacts could be on reasonable preference and non-reasonable preference groups (positive and negative for both groups), costs as referred to above in terms of staffing, promotional materials and IT-related costs, benefits in terms of engaging with members of the public and making the system easier to understand in terms of the policy adopted and publishing results of ongoing monitoring. For a city the size of Leeds, the cost of revising and printing the customer guide to the lettings policy alone would be more than the £1.5k suggested in the consultation document.