



Report of the Director of Neighbourhoods and Housing

Scrutiny Board (Neighbourhoods and Housing)

Date: 6th December 2006

Subject: Local Lettings Policy

Electoral Wards Affected:

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

Local Lettings Policies (LLPs) were approved in principle in the lettings policy review in January 2005. Responsibility for the approval of specific LLPs was delegated to the Director of Neighbourhoods and Housing. This enabled existing lettings practice to be formalised to minimise the risk of a legal challenge to the lettings policy. It was agreed that LLPs would be reviewed. The first review of LLPs was completed in Autumn 2006.

Current LLPs in Leeds operate either on a local street / block level or within a distinct housing management area, which means they can continue to operate within the new ALMO structure.

1.0 Purpose of this report

1.1 The purpose of this report is to update Neighbourhoods and Housing Scrutiny Board on the operation and review of Local Lettings Policies, and to consider the impact on LLPs within the new ALMO structure

2.0 Background information

2.1 Local Lettings Policies are permitted under the Homelessness Act 2002 for specific property types and particular customer groups as long as:

- The Council continues to ensure that customers in housing need (as defined in law) are rehoused and that these customer groups are placed in the priority bands in the Lettings policy.
- There is no direct or indirect discrimination arising from Local Lettings Policies.
- Local Lettings Policies are based upon evidence that has resulted in improved housing management of the area.
- Lettings are made consistently throughout the city.

Local Lettings Policies are not treated as absolute rules.

- 2.2 The Department Of Communities and Local Government (DCLG) produces detailed Guidance to accompany the legislation. This guidance provides examples of local lettings policies. These are for “essential workers such as teachers, nurses, police officers [who] could be allocated accommodation within reasonable traveling distance from their working areas where high housing costs might otherwise price them out of communities they serve.....Similarly the child to adult ratio could be lowered on an estate where there is high child density or, conversely, young people could be integrated into an estate via this route.”¹ These examples are not prescriptive, but illustrative of the DCLGs views on the application of local lettings policies.
- 2.3 It is recognised that due to the diverse range of sub housing markets within the city, that a single city wide lettings policy cannot cover every market. Therefore, there is a need in certain circumstances for Local Lettings Polices to be implemented. Local lettings polices allow allocations within a specified area or to specified groups of people to be made outside of the general lettings policy. This means that customers who comply with the terms of the Local Lettings policy may be given preference for a property based upon their housing need.
- 2.4 In January 2005 Executive Board:
- approved the principals for the creation of Local Lettings Polices where there is evidence:
 - a) that there was a clash of lifestyle as a result of the building type
 - b) in areas where there is high demand for rehousing, low supply, and a lack of affordable housing alternatives.
 - Delegated responsibility for the approval of Local Lettings Policies using the approval criteria, to the Director of Neighborhoods and Housing.
- 3.0 **Main issues**
- 3.1 In January 2005, 5 ALMOs stated that they would prefer to have some Local Lettings polices. Leeds North West Homes and the Belle Isle Tenant Management Organisation do not operate any LLPs. The number proposed differs within each ALMO. In total, nearly 16% of all non-sheltered council stock is subject to a LLP
Table 1 provides the number of properties covered by a LLP by ALMO.
- 3.2 The most prevalent type of LLP is an age preference. Such LLPs recognize that that certain construction types have poor sound insulation. These properties have been unable to accommodate the lifestyle of some young people and this has been illustrated through anti social behavior complaints and subsequent legal action taken by the Department. This type of LLP covers 6805 properties, equating to 12.3% of council stock across the city
- 3.3 The other type of LLP adopted is to ensure that local people can get rehoused in very high demand areas. In high demand and low stock housing estates where there is no affordable housing alternative, local lettings policies have been introduced to enable a customer, with a proven local connection, to be offered the property in preference to a customer with equivalent housing needs. Local connection may include taking into account factors such as current residence, employment in the area, or having family that will provide support in the area. Three housing office areas, Wetherby, Garforth and Kippax, have LLPs with a local connection criteria covering 2042 properties, equating to 3.6% total council stock.

¹ Office of Deputy Prime Minister, (2002) Allocation of Accommodation Code of guidance for local housing authorities HMSO

Table 1. Proportion of stock included by a Local Lettings Policy

| ALMO | LEH | LSEH | LSH | LWH | LNEH | Total LCC² |
|---|-------------|-------------|------------|-------------|-------------|------------------------------|
| Total stock ³ | 10732 | 6214 | 10949 | 10535 | 5460 | 55457 |
| No. units - local connection preference | 0 | 1294 | 0 | 0 | 748 | 2042 |
| % stock - local connection preference | 0 | 21 | 0 | 0 | 14 | 3.6 |
| No. units - age preference | 2114 | 400 | 300 | 3303 | 688 | 6805 |
| % stock - age preference | 19.7 | 6.4 | 2.7 | 31.4 | 12.6 | 12.3 |
| % stock subject to LLP | 19.7 | 27.3 | 2.7 | 31.4 | 26.3 | 15.9 |

- 3.4 From Spring 2006, Strategic Landlord undertook a review of the LLPs. Strategic Landlord set out detailed guidance for the ALMOs and supported them in the Review with the provision of performance information. The Guidance asked ALMOs to state:
- The objective of the Local Lettings policy, in particular how this linked into the ALMO Business Plan
 - The percentage of the stock types to be let through a Local Lettings Policy.
 - The evidence used to support the Local Lettings Policy, including profiles of the existing tenant base, potential customers, property turnover and whether there is a local tenants compact.
 - A risk analysis of any adverse affects of the Local Lettings Policy. In particular, how the ALMO proposed to provide housing for customer groups that could be displaced as a result of the Local Letting Policy.
 - Evidence of consultation undertaken by the ALMO with other stakeholders, such as Housing Associations or Voluntary Sector groups, or other forms of consultation, such as at now Area Forums etc.
 - How the Local Lettings Policy will be promoted to ensure that all existing, potential and stakeholder groups are aware of the new policy.
 - How the Local Lettings policy will be monitored to measure its success, and the review process.
 - Approval from the ALMO Management Board

3.5 The following ALMOs submitted LLP reviews:

- Leeds East
- Leeds South East
- Leeds South
- Leeds West
- Leeds North East

3.6 LLPs will continue to operate after the ALMO Review. Lettings performance will be used to measure how effective LLPs have been in meeting their stated aims and objectives, and LLPs amended accordingly. For example, if performance information shows demand is too low to sustain a high age preference, the age could be reduced by 5 or 10 years.

3.7 The review of LLPs showed consultation with existing tenants was well evidenced, and in all cases the tenants supported the continuation of the LLP. Evidence of

² All non-sheltered stock including Belle Isle TMO and Leeds North West Homes-managed properties

³ None of the LLPs apply to sheltered housing, which is excluded from the totals.

consultation with customers on the Leeds Homes Register, or other key stakeholders, such as Registered Social Landlords or Supported housing providers either was not undertaken, or was not sufficiently comprehensive to enable definite conclusions to be drawn.

3.8 This review has been a useful exercise in providing feedback on how to conduct future reviews. For example ALMOs need to provide more detailed and comprehensive performance data to support their request for a LLP. Furthermore, ALMOs need to consider the long term sustainability of operating LLPs. For example, one LLP property attracted only 8 expressions of interest when it was advertised through the choice based lettings scheme, compared with an average of 47.6 for similar property types (multi-storey flats) in the same ALMO area .

4.0 Implications for Council policy and governance

4.1 LLPs enable ALMOs to make lettings to prescribed groups based upon their housing need. Strategic Landlord recognises the value of ALMOs being able to respond to local circumstances by using LLPs. However, the use of LLPs must be proportional and balanced against the council's legal duty to give preference to customers in housing need. LLPs must not dominate the main lettings policy.

4.2 Strategic Landlord must regularly review LLPs. The next review is due in Autumn 2007.

4.3 Prior to the next review Strategic Landlord will research other types of LLPs, such as LLPs based upon enabling giving preference for a proportion of lettings to be made to customers in employment, as has been done by North British Housing Association (Places for People) and Camden council.⁴ This will be assisted by a forthcoming Good Practice guide from the Department of Communities and Local Government in January 2007.

5.0 Legal and resource implications

5.1 In 2004, before the Council recommended the implementation of LLPs it sought counsel opinion to ensure that the ALMOs meet legislative requirements and reduce the possibility of legal challenge.

6.0 Conclusions

6.1 Strategic Landlord recognises the need for LLPs to used in specific circumstances

6.2 Strategic Landlord will commence a further review in autumn 2007. This will allow a bedding in time for the new ALMOs to bring together their LLP polices as well as enable Strategic Landlord to revise its guidance to take into account in the forthcoming DCLG Good Practice,

7.0 Recommendations

7.1 That Neighborhoods and Housing Scrutiny Board note the content of this report.

7.21 That Neighborhoods and Housing Scrutiny Board receive a further report in 12 months time to inform them of outcome of the 2007 Review of LLPs

⁴ Jobs and Enterprise in Deprived Areas, Social Exclusion Unit, September 2004