



To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart
Report by: Liz Bisset, Director of Customer and Community Services
Relevant scrutiny committee: Community Services Scrutiny Committee 17/1/2013
Wards affected: All Wards

LETTINGS POLICY REVIEW

Key Decision

1. Executive summary

The purpose of this report is to explain, and seek approval for, proposed revisions to the Council's Lettings Policy. The policy is one of 7 drawn up by the district councils who form the Home-Link (choice based lettings) partnership. The decision to review lettings policies across the Home-Link partnership was a requirement outlined within guidance issued by the Department of Communities and Local Government paper entitled *Allocation of accommodation: guidance for local housing authorities in England* (June 2012). It was also influenced by the Government's welfare reform programme and, in particular, the introduction of size-related criteria affecting housing benefit entitlement for social housing tenants (see sections 3.3 to 3.5).

Local authorities did not necessarily have to develop a new allocations policy, but will need to be able to show that they had taken account of new regulations, and that they have considered the priorities identified by the Government.

Although each authority within the Home-Link partnership is free to devise its own lettings policy, the partnership is based on the principle that the reasonable preference banding categories and reasons for an A, B, C or D priority to applications need to be consistent across all 7 lettings policies. The Home-Link partnership has produced a framework document upon which all 7 lettings policies should be based.

2. Recommendations

The Executive Councillor is recommended:

To approve the amendments to Cambridge City Council's Lettings Policy

3. Background

3.1 Cambridge City Council is one of the partners in the Cambridge sub regional choice based lettings scheme (known as 'Home-Link'), which replaced the points-based waiting list in February 2008. Instead of allocating properties via a waiting list properties are now advertised by the council and registered providers every two weeks and applicants can 'bid' on up to 3 properties in each advertising cycle. Applicants are banded from A-D with A being the highest and properties are offered to the applicant with the highest band in each shortlist. Where two or more people have the same priority band priority is given to the applicant with the longest date in band.

3.2 The new Code of Guidance *Allocation of accommodation: guidance for local housing authorities in England* was issued in June 2012 and called upon local authorities to review allocations schemes and, in doing so, consider the following principles:

- § Applying local flexibilities – in line with the *Localism Act* authorities are encouraged to set their own priorities for allocations by defining *qualifying persons* who can join the housing register
- § Making best use of stock – tackling under occupation and overcrowding
- § Rewarding those who work or make a community contribution
- § Increased priority for applicants leaving the armed forces – this has been the only prescriptive element within the guidance. There are two Statutory Instruments, which apply part of the guidance. One prevents local authorities from excluding members of the armed forces, leaving service within the previous 5 years, from the housing register on the basis that they do not have a local connection to the district.

The other, still in draft form, requires that additional preference is given to applicants who have previously served in the armed forces. Please see section 5 for links to both of these documents.

- 3.3 The Government intends to use powers contained within the *Welfare Reform Act 2012* to provide that, from April 2013, working-age social tenants in receipt of Housing Benefit will experience a reduction in their benefit entitlement if they live in housing that is deemed to be too large for their needs.
- 3.4 The regulations stipulate that one bedroom is required for the following:
- § Adult couple
 - § Other person aged 16 or over
 - § Any two children of the same sex up to the age of 16
 - § Any two children regardless of sex under the age of 10
 - § Any other child
- 3.5 Housing benefit entitlement will be reduced by 14% for those under-occupying by 1 bedroom and 25% for those under-occupying by 2 bedrooms.
- 3.6 Home-Link scheme partners have been reviewing the lettings policy in response to both the Code of Guidance and welfare reform changes outlined above. In response to these considerations the main changes to Cambridge City Council's Lettings Policy are as follows (The full, revised policy can be found at appendix 1):
- § Applicants will need to demonstrate a local connection with Cambridge City before they can be accepted on to the housing register and become a *qualifying person* (see section 3.3 of amended policy attached at appendix 1)
 - § Exclusion provisions for applicants with histories of unacceptable behaviour such as domestic or other violence, harassment, anti social behaviour or tenancy related debt have been strengthened but are still subject to careful review (see section 3.4 of amended policy attached at appendix 1)
 - § A revision of the bedroom entitlement assessment so that it dovetails with the Local Housing Allowance size related criteria provisions (see section 5.5 of amended policy attached at appendix 1)
 - § Notwithstanding the change detailed in the above bullet point, landlords will still be able to use local lettings plans on new and, where appropriate, existing developments to create mixed and balanced communities (see section 5.17 of amended policy)

attached at appendix 1). An additional local discretion to allow landlords to meet the needs of atypical cases (see section 5.5.5 of amended policy attached at appendix 1) or properties (see section 7.3.2 of amended policy attached at appendix 1)

- § Increased priority for those assessed as under occupying or overcrowding current accommodation. Applicants lacking/under occupying by 1 bedroom will be placed in band B (band C under the existing policy) and applicants lacking/ under occupying by 2 bedrooms will be placed in band A (band B under the existing policy)
- § Increased priority for members of the armed forces – it is proposed that the date in band (the date that an applicant moved into a particular band and affords priority within that band) should be calculated by backdating the date in band by the cumulative length of military service (see section 2.4 of amended policy attached at appendix 1)
- § Foster carers and adoption - A new clause has been inserted which makes reference to foster carers and adoption and the principle that those accepted by the County Council to offer foster care or adoption placements should be given bedroom entitlement which reflects their proposed household size (see section 5.5.4 of amended policy attached at appendix 1)
- § Staying contact with children – the council’s existing Lettings Policy provides for one bedroom entitlement to be awarded to both parents in a split household where the staying contact is organised on a 50/50 basis. The wording of this clause has been amended to align with the framework document (see section 5.6 of amended policy attached at appendix 1)

3.7 The Home-Link partnership considered whether to offer increased priority to those who work or make a community contribution but it was felt that administering a fair system would be excessively complicated and was not deliverable within existing resources

3.8 In conjunction with the lettings policy review there are a number of system efficiencies and enhancements planned for the Home-Link IT system. Amongst these is the cessation of Home-Link magazine at the end of December, which has already been replaced by personalised property sheets for each applicant. It also includes digital member packs, an online housing options assessment process, an auto-banding system, bulk email services, a proxy bidding service and a housing register review module. These enhancements should enable

staff to spend more time supporting vulnerable customers to use the system.

- 3.9 Dispensing with the Home-Link magazine will save the partnership around £110,000 per annum in total. This will help fund the enhancements referred to in 3.8 above and bolster the development fund for future improvements.
- 3.10 If approved the proposed changes to the lettings policy will come into force on the 1st April 2013.

4. Implications

(a) **Financial Implications**

Existing applicants will need to be reassessed under the new policy and will need to reapply using a pre-assessment and full application process. From mid January until the end of March all existing housing register applicants will be contacted and supported to reapply if they are still eligible and wish to remain on the register. The Council will be paying a fee to Sector (part of Locata, the Home-Link systems provider) to contact every housing register applicant regarding the review process. This cost will be comfortably offset by the savings in printing costs from the cessation of the Home-Link magazine. Sector will be working closely with teams managing the housing registers across the sub region to resolve and manage queries throughout the process.

It is estimated that the savings realised from the ending of the Home-Link magazine as outlined in 3.8 and 3.9 above will be worth £22,000 to this authority.

(b) **Staffing Implications** (if not covered in Consultations Section)

None

(c) **Equal Opportunities Implications**

An Equality Impact Assessment (EIA) has been conducted on the lettings policy review, the new pre-assessment process and the cessation of the Home-Link magazine and is referred to as a background paper

(d) **Environmental Implications**

Nil

(e) **Procurement**

No implications

(f) **Consultation and communication**

An extensive customer and stakeholder consultation on the review has taken place and the results are contained within a background paper

(g) **Community Safety**

See exclusion provisions listed at 3.6 (2nd bullet point) listed above

5. Background papers

These background papers were used in the preparation of this report:

- § Equality Impact Assessment
- § Consultation summary
- § Statutory Instruments relating to allocation for those leaving the armed forces
<http://www.legislation.gov.uk/ukxi/2012/1869/regulation/3/made?view=plain> and
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8418/2060715.pdf

6. Appendices

Appendix 1 – revised Cambridge City Council Lettings Policy

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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