

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 14 December 2006
AUTHORS: Executive Director / Housing Advice and Options Manger

CHOICE BASED LETTINGS – PRE CONSULTATION DRAFT LETTINGS POLICY

Purpose

1. To seek approval of the draft lettings policy to accompany the Choice Based Lettings (CBL) scheme, for the purpose of formal consultation.

Background

2. In the Housing Green Paper of April 2000 *Quality and Choice: A Decent Home for All* the Government put forward its proposals for reforms to lettings policies to give tenants in social housing real choice over the house they live in.
3. The ODPM published targets for moving towards greater choice in spring 2002 as follows:
 - (a) 25% of local authorities are required to have CBL schemes by the end of 2005 and,
 - (b) 100% of local authorities to have a CBL scheme by 2010
4. Further the government have stated that they want to see CBL schemes developing on a regional or sub-regional basis.
5. Cabinet agreed in principle on 8th September 2005 to proceed to implement a sub regional choice based lettings (CBL) scheme in order to achieve compliance with CBL delivery by 2010. An application by the seven sub regional partner authorities to the ODPM for funding successfully attracted £181,000 which will be used to fund a sub regional project manager and purchase of software.
6. In September 2006, Cabinet noted the proposals for consultation and agreed to the setting up of a Members Advisory group.
7. The successful applicant under a CBL scheme will be the one that has the highest priority for the property for which they have made a bid. This will be determined by the Lettings Policy.
8. The main difference between the traditional approach to lettings and CBL is that applicants are required to be proactive in seeking a home rather than wait for a local authority or housing association to contact them about a property they can be 'allocated'. It is therefore important that the system is straightforward, understandable, transparent and fair.
9. For these reasons in many of the existing CBL schemes a banding system has been preferred as this is considered to be more simplistic and easier for applicants to understand than points systems.

Considerations

10. The CBL scheme will have a sub-regional framework and each partner organisation will have its own lettings policy, with the same sub-regional principles. This includes a banding system that will be used across the sub-region to assess housing need. This will help to achieve an understandable and transparent policy.

11. **Summary of the draft policy is outlined below:**

Equal opportunities

The service will be responsive, accessible and sensitive to the needs of all. We will not tolerate prejudice and discrimination and we will actively promote equality.

Housing Needs Bands

By law the Council must ensure that customers with certain housing needs are given what is known as “reasonable preference”. To do this, customers will be placed in a housing needs band based on their current circumstances. Customers in a higher housing needs band will have a better chance of being rehoused than those in a lower band. In the new lettings policy, the sub-region is proposing there should be 4 Housing Needs Bands, with the following housing needs:

Band A: Urgent Need

- Emergency transfer
- Statutorily homeless
- Statutorily overcrowded
- Current Supported housing resident
- Urgent Health & Safety Risk
- Urgent medical need
- Urgent multiple needs

Band B: High Need

- High Health & Safety Risk
- High medical need
- Victim of harassment
- Lacking two bedrooms
- Threatened with homelessness
- Under-occupancy by two or more bedrooms.
- Multiple needs

Band C: Medium Need

- Insecure accommodation
- Medium Medical Need
- Under-occupancy by one bedroom
- Social Needs to move
- Poor housing conditions.

Band D: Adequately Housed

A customer will be assessed as being adequately housed when they do not fall into any of the other housing needs bands.

Emergency housing status

Where it is confirmed that a customer needs to move in emergency circumstances as remaining in their home may cause risk of death or serious injury. Customers with an emergency housing status will be short listed before all other customers. This status is time limited for three-months, but may be extended in exceptional circumstances.

Suspended applicants

In certain circumstances, customers will be accepted onto the housing register, but their application will be suspended. Their application will not be placed in a housing needs band and they will not be able to express interest in available properties.

A customer will be suspended if they (or a member of their household) have been guilty of unacceptable behaviour serious enough to make them unsuitable to be a tenant - based on s.160A of the Housing Act (1996) as amended by the Homelessness Act (2002). Unacceptable behaviour is behaviour by the customer or a member of their household that would have entitled the landlord to an outright possession order under s.84 of the Housing Act (1996) in relation to any of the grounds in Part 1 of Schedule 2 other than ground 8, had they been a secure tenant.

Reduced preference

Applicants, who have rent arrears or are responsible for anti-social behaviour not sufficient to fall into the definition of suspended applicants, will receive reduced preference. During the short listing process reduced preference may be given to these customers after taking into account the amount of debt outstanding, the date the debt was accrued, arrangements to clear these debts and adherence to these arrangements and/or current behaviour.

Intentionally worsening their housing situation

If, in the reasonable opinion of South Cambridgeshire District Council, a customer has worsened their housing circumstances deliberately, their housing needs will be assessed on the basis of their previous accommodation.

Financial resources

Due to the shortage of available housing in the sub-region, reduced preference will be given to customers who have sufficient financial resources, either through income or savings to purchase property.

Bedroom requirements

Where an applicant is assessed as requiring one or more additional bedroom(s), the assessment will be based on the assumption that:

- couples require one double bedroom;
- single adults require one bedroom (an adult for this purpose is classed as aged 18 or more);
- two children of the same sex under 10 years old require one double bedroom;
- if there are three children in one room they will be assessed as lacking one bedroom;
- two children of the opposite sex, where the oldest child is aged 6 years or over require two bedrooms; and
- a pregnant woman expecting her first child requires two bedrooms after 24 weeks of pregnancy.

Short listing

Unless the label states differently, advertised properties will be let to the person who bid for it who is in the highest housing band. If there is more than one person in that band, the property will be let to the person who has been waiting the longest for housing **in that band**. Former and current rent arrears, and any incidents of anti-social behaviour will be taken into account in the short-listing process.

Advertising and Labelling Properties

Customers are restricted to making three expressions of interest (or bids) per advertising cycle. It is important that they bid for properties for which they are eligible i.e. they meet the criteria outlined on the property label. Customers will not be considered for any property they are not eligible for. Participating organisations will label advertised properties to provide more information on who will be considered for the property. Criteria that can be applied when labelling properties include; local connection, transferring tenant, property size, property type, age restrictions, adapted properties and the housing band(s) that can apply.

Offer refusals

Usually, if a customer refuses an offer of accommodation through CBL, they will not be removed from their housing needs band. When a customer has refused three offers of a home made through CBL, their case will be reviewed.

Local Connection to a Local Authority

As this is a sub regional scheme 10% of advertised homes, (and 25% of new build homes in growth areas) will be available to anyone who has a connection anywhere within the sub-region.

One or both of the main or joint customers must fit the following criteria to be considered as having a local connection to a local authority within the sub-region;

- they live or work in the local authority area;
- they have lived in the local authority for at least 6 of the last 12 months, or 3 of the last 5 years;
- they are an ex-resident of the local authority and previously lived there for 5 years or longer;
- they have family associations who are resident in the local authority area. Family associations are defined as parents, children or brothers or sisters who have been resident in the local authority for a period of 5 years; or
- there are special circumstances which the partner organisation considers give rise to a local connection.

Area specific policies are used in specific areas to help create balanced and sustainable communities. Where this applies, it will be stated in the property label. Details of these schemes will be available from the housing advice and options team. Some schemes may ask for a customer to have a local connection to the specific parish or village. In those cases, the connection criteria may be defined as above for that specific locality or a different definition will be included in the policy.

Local Lettings Policy

Some areas of the sub-regional principles will allow for local policies to be adopted. This includes:

1) Direct lets, including the length of time to make a direct let to a homeless applicant;

Some homes will not be advertised through CBL, but let directly to customers without them having to bid for homes. This will be done in certain circumstances, such as where an allocation is required to ensure the protection of a member of the public, where a customer has been living in temporary accommodation for a period of time, or where a sensitive let may be required due to issues in a particular area.

In relation to homeless applicants, where a rehousing obligation has been accepted. It is proposed that the time limit is set at three months. This will mean that after this period of time, the Council can make a direct let offer to a homeless household to try to minimise the time spent in temporary accommodation. Consideration will be given to whether the applicant has had an opportunity to bid for a suitable property.

2) Bedroom eligibility for short listing;

It is proposed that this mirrors the Council's existing policy.

3) Whether an income restriction is in place.

It is proposed that this is similar to the Council's existing policy and a customer's ability to access home ownership (including low cost home ownership) will be determined based on the income and capital of the customer. Customers with such financial resources will not receive preference for rented accommodation.

12. The first meeting of the Members Advisory group met in November to discuss the principles of the draft lettings policy and proposals for consultation. At the meeting a number of suggestions/ comments were raised by members, which will be considered throughout the consultation period and discussed with sub-regional partners. This includes:
- (a) The name of the bands, in particular whether 'adequately housed' is an appropriate name.
 - (b) The local connection to be included in the labelling and whether this should be district or village connection.
 - (c) Whether the method for assessing overcrowding is appropriate, in particular the inclusion that 'a pregnant woman expecting her first child requires two bedrooms after 24 weeks of pregnancy'.

Implications

13.	Financial	<p>A commitment has already been given to fund the CBL local implementation costs within existing budgets. The cost of local consultation will be met through existing budgets, and sub-regional events/ consultation will be funded through the sub-regional consultation budget, to which the council has contributed.</p> <p>The Council is committed to meeting a share of the implementation costs of the Sub-regional scheme which is currently £17,000 based on estimated costs, the amount of DCLG funding made available and there being a minimum of 7 partners. This position could change over the course of its implementation e.g. due to unforeseen additional costs and/or increase/decrease in number of partners but the project is currently within budget.</p> <p>The Council's contribution of £17,000 is being accounted for over 3 financial years with £2,000 having been paid in 2005/06 and £9,000 provided for within the 2006/07 Housing General Fund Estimates.</p>
	Legal	<p>The scheme needs to meet the legal requirements for the allocation of social housing as set out in the Housing Act 1996 (as amended by the Homelessness Act 2002).</p>
	Staffing	<p>The Council have already agreed to the recruitment of a Choice Based Lettings Project Officer to enable implementation at a local level, the cost of which will be met from existing budgets. The development of this scheme requires commitment and input from various services across the Council, and a local corporate implementation group has been set up to facilitate and manage the project.</p>
	Risk Management	<p>To reduce the risk that the policy will not address local housing need, extensive consultation will take place and the scheme will be monitored closely following implementation</p>
	Equal Opportunities	<p>In line with general and specific statutory duties under the Race Relations Act 1976 and the Race Relations (Amendment) Act 2000, the Council operates a Race Equality Scheme (RES) in order to eliminate unlawful discrimination and to promote race equality and good race relations. This was last revised and agreed by the Council in July 2006, with an update of the 2005-08 action plan. The Council is committed to treating everyone fairly and justly, whatever their race or background. The proposed lettings policy will include a statement on equal opportunities and consultation will take place with the local community, including voluntary and statutory agencies that assist and support vulnerable groups. BME housing register applicants currently represents 4.3% of those aged under 60 and 1% of those aged 60 or over on our housing register and 1% of transfer applicants. Translation of leaflets and information will be made available when this is required.</p>

Consultations

14. Consultation will take place with partner RSL's, statutory agencies, and other stakeholders including tenants, applicants, Parish Councils and other locally based organisations whose clients may be affected.
15. Formal consultation will commence in January for a period of 12 weeks.
16. Comments will be welcome on all areas however in particular stakeholders will be asked to comment on the following:

Housing needs bands

Are there any other housing needs, which should be considered in the above proposals?

Are any of the housing needs placed in too high a band?

Are any of the housing needs placed in too low a band?

Do you think the names of the bands are appropriate?

Short listing

Do you think the method of short listing is a fair way of letting the homes?

Suspended/ reduced preference applications

Should customers who are in significant arrears with a landlord, or have perpetrated anti-social behaviour be given reduced preference?

Financial resources

Do you feel that customers with either income or savings above a certain level should be prevented from being rehoused, unless other people are not interested in the home?

Offer refusals

Do you agree that where an offer is refused a customer keeps their housing priority?

Local Connection to a Local Authority

Do you agree with each partner letting a proportion of homes to customers with a connection anywhere within the Cambridge Sub-region?

Do you think the remaining 90% of properties should be labelled to require a local connection to the district (except where there is a legal agreement relating to the site which requires a more specific i.e. village connection)?

Direct lets

Do you agree that in certain circumstances direct lets may be necessary?

Are there any particular circumstances where you feel a direct let should be made?

Bedroom requirements

Do you agree with the proposals for determining overcrowding?

Labelling properties

What information would you like to see in the property labels?

Effect on Annual Priorities and Corporate Objectives

17.	Affordable Homes	The lettings policy will determine who has priority for affordable rented housing
	Customer Service	As part of an options package allows those in housing need to exercise choice over their rehousing options
	Northstowe and other growth areas	25% of properties on new growth developments will be let to customers registered across the sub-region, as part of the sub-regional CBL scheme
	Quality, Accessible Services	Development of Choice based lettings scheme, which focuses on applicants for social housing having increased choice.
	Village Life	As part of an options package allows those in housing need to exercise choice over their rehousing options
	Sustainability	
	Partnership	This is a sub-regional scheme involving 5 Local Authorities in Cambridgeshire, St Edmundsbury and Forest Heath and local Registered Social Landlords.

Conclusions/Summary

18. The Council is working with partners across the sub-region to develop a choice based lettings scheme. This will fulfil the requirement by the government that all authorities are operating such a scheme by 2010. A new lettings policy is required that satisfies the Council's legal obligations, addresses the housing needs of households in the district and addresses the same principles across the sub-region, as well as being transparent to applicants.

Recommendations

19. It is recommended that Cabinet:
- a. Note the contents of the draft lettings policy
 - b. Approve this draft in order to commence consultation at the beginning of January 2007.

Background Papers: the following background papers were used in the preparation of this report:

Housing Green Paper: *Quality and Choice: A Decent Home for All*

ODPM April 2000

Allocation of Accommodation: Code of guidance for local housing authorities

ODPM November 2002

The full draft lettings policy is attached as Appendix 1.

The Choice Based Lettings sub-regional framework document is attached as Appendix 2

Contact Officer: Sue Carter – Housing Advice and Options Manager
Telephone: (01954) 713044