

CABINET MEMBER FOR HOUSING AND NEIGHBOURHOODS

**Venue: Eric Manns Building,
Moorgate Street,
Rotherham**

Date: Monday, 18th January, 2010

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972 (as amended March 2006).
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Environmental Works Partnering Board
- 2010 Rotherham Ltd. have requested a representative to sit on the above Board – 26th January, 2.00 p.m.
4. Area Assemblies Devolved Budget Proposals (Pages 1 - 3)
5. Allocation Policy Review (Pages 4 - 58)
6. Housing Rent Increase 2010/11 (Pages 59 - 63)
7. Exclusion of the Press and Public
Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs indicated below of Part I of Schedule 12A to the Local Government Act 1972.
8. New Council Houses (Pages 64 - 73)
(Exempt under Paragraph 3 of the Act - information relating to the financial/business affairs of any person (including the Council))
9. Housing Investment Programme (HIP) 2009/10 (Pages 74 - 81)
(Exempt under Paragraph 3 of the Act - information relating to the financial/business affairs of any person (including the Council))
10. Housing General Fund (Pages 82 - 87)
(Exempt under Paragraph 3 of the Act - information relating to the financial/business affairs of any person (including the Council))

(The Chairman authorised consideration of the following item to enable the matter to be processed.)

11. Housing Revenue Account Budget Monitoring to 31st December 2009 (Pages 88 - 92)

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER

1.	Meeting:	Cabinet Member for Housing and Neighbourhoods
2.	Date:	18 January 2010
3.	Title:	Area Assemblies Devolved Budget Proposals
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

This report provides an update on the proposals from the Rotherham South Area Assembly Co ordinating Group for projects identified to be funded through Local Authority Business Growth Incentive (LABGI) within the 09/10 financial year.

The proposals to be funded from LABGI if approved by the Cabinet Member for Housing and Neighbourhoods will be submitted for recommendation to Cabinet on 20th January 2010.

These proposals support the corporate objective of devolved decision-making in the Borough through Area Assemblies and the delivery of local projects and actions which meet Corporate Objectives and community priorities as identified in the Area Plans of the Area Assemblies.

6. Recommendations

That the Cabinet Member

- i. Approves the project proposals to be funded from Area Assemblies Devolved Budgets**

7. Proposals and Details

In 2009 the Rotherham South Area Assembly submitted a bid for 23k to the Area Assemblies Devolved Budget for a project to fund Police Community Support Officers (PCSOs) from their LABGI funding. The objective of this proposal at the time was to maintain the number of PCSOs in Rotherham South Area Assembly/SNT. However as 2009 progressed it became clear that the proposed funding was not needed in Rotherham South as no PCSO funding was or is to be reduced during the term the LABGI Funding is available.

Rotherham South Area Assembly Coordinating Group therefore agreed to withdraw the PCSO funding and instead fund four additional projects from their LABGI funding.

The bids are the result of partnership working between the Area Assembly, the Elected Members, South Yorkshire Police and Youth Services and although the same eligibility criteria and application process has been used to submit these projects they are as a result of direct bids to the coordinating group. Because of timescales and the fact that LABGI funding ceases in 2010 the project proposals have not been through any element of public voting. The projects submitted for approval by Cabinet are detailed below.

Project and Project Sponsor	Ward	Cost	Strategic Link	Link to Area Plan	Timescale
South Yorkshire Police PS3 Club project	Rotherham East and Boston Castle	10,500	Safe	Reduce perception and fear of crime. Children and young people activities	Apr 09 - Mar 10
RMBC Youth Service - operation coverage	All	5,000	Safe	Community Safety/anti social behaviour	Jan 2010 to Dec 2010
RMBC CCTV maintenance	All	5,500	Safe	Community Safety/anti social behaviour	Jan 2010 - ongoing
Whiston Cinema Club	Sitwell ward	2,000	Safe, alive and proud	Community Safety/ anti social behaviour	Jan 2010 to March 2011
		23k			

8. Finance

Local Authority Business Growth Incentive (LABGI) awarded over two years 2008/09 and 2009/10. Each Area Assembly was allocated £100,000 to be spent approximately £35,000 in 2008/09 and £65,000 in 2009/10.

9. Risks and Uncertainties

Risks around the timescales and delivery of projects have been managed and through auditing and monitoring of the Area Assemblies Devolved Budget have resulted in the withdrawal of the funding for the Rotherham South PCSO and the subsequent replacement projects. If the project proposals are not approved then this may result in the LABGI funding being underutilised.

10. Policy and Performance Agenda Implications

The development of devolved budgets for Area Assemblies has clear linkages with the key Corporate Strategic Themes and contributes towards the aims of Strategic Objective 1 of the NAS Service Plan 2008-11

To **provide integrated local services** so that;

- People can exercise choice, retain their independence, be offered protection and have equality of access.
- Communities are active and shape local services to meet their characteristics and needs.
- Neighborhoods are safe, free from crime and places to be proud of.

The development of devolved budgets for Area Assemblies is a key driver in meeting element three of the Outcomes Framework - **Making a Positive Contribution** by engaging residents and community groups in discussing and identifying community/area/spending priorities and participating in the proposals for the development of projects.

11. Background Papers and Consultation

The Community Empowerment White Paper: Communities in Control: Real People, Real Power: July 08

Local Government White Paper: Strong and Prosperous Communities 2006

Local Government and Public Involvement in Health Act 2007

Contact Name: Jan Leyland, Neighbourhood Partnership Team Manager Ext 3102

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Housing and Neighbourhoods
2.	Date:	18th January 2010
3.	Title:	Allocation Policy and Local Lettings Policy Review
4.	Programme Area:	Neighbourhoods and Adult Services

5. Summary

This report details progress since the last review of the Allocation Policy on 27th July 2009, and includes recommendations for amendments to both the Allocation Policy and Local Lettings Policies following the publication of the Governments Fair and Flexible consultation document and subsequent statutory guidance published on the 4th December 2009. (Appendix 1)

6. Recommendations

That Cabinet Member:

Agrees the amendments to the Allocation Policy as identified in Section 7.7

7. Proposals and Detail

7.1 The New Housing Allocation Policy was launched on the 1st December 2008 and revised on 27th July 2009. (Minute No. 42). The Allocation Policy determines eligibility for council housing, it is also focussed on assisting people in urgent housing need with the introduction of the Priority Plus group and the General Plus group.

7.2 On 31st July 2009, Communities and Local Government issued a consultation paper regarding the Allocation of Social housing. The consultation paper was called **“Fair and flexible - Draft statutory guidance on social housing allocations for local authorities in England” – Subsequent Statutory Guidance was published on the 4th December 2009.** (Appendix 1.) This guidance strengthens councils’ freedom to prioritise specific local needs alongside those households who are in ‘reasonable preference’. In some areas this will mean giving more priority to people who have been on waiting lists for a long time or more priority for people with strong local connections to rural areas. Elsewhere, there may be a greater need to attract workers with particular skills, or to support people in low paid work.

To ensure that we involved local residents in this debate we implemented a survey which captured the views of local communities. Over one thousand customers completed and returned a survey/ questionnaire; the results have been clearly analysed, and are reflected in proposed changes to the Allocation Policy and Local Lettings Policies. The proposed changes will meet the needs, demands and aspirations of local people, whilst also giving priority to those in the greatest housing need.

The proposed changes to the Housing Allocation Policy are to consider:

- Introducing a rural priority lettings policy
- Set aside a proportion of vacancies for applicants in employment and help people to live closer to their place of work
- Analyse waiting time regarding the lettings quotas in the General Band

7.3 The feedback from the consultation was that generally people (46%) disagreed that the Allocation Policy was fair, this is because customers have told us that they want more priority to be given to waiting time, and more priority to be given to those customers with a local connection.

7.4 There were 20 individual comments from customers who thought that customers in the General group with long waiting time should be given more priority, and 76% agreed that a percentage of rural housing should be set aside for people with a local connection, 64% wanted help to move home in another area to gain employment, 67% of people wanted help to move home within South Yorkshire.

7.5 Moreover, in order to dispel myths and misperceptions, Rotherham is looking to improve the provision of information on how housing in Rotherham is being allocated, and are looking at innovative ways such as “virtual property tours”

and “real time feedback” to enable customers to make informed choices available to them. The Fair and Flexible consultation told us that 69.50% of people found the Allocation Policy easy to understand, 37.7% of people told us that they looked for information about housing on the Key Choices website, 34.3% at the Property Shop, 21.20% in the Rotherham Advertiser’s Key Choices Property page and 6.8% at their Local Neighbourhood office (10.4% of people were not looking to move)

7.6 Earlier this year there has been a Scrutiny Review of “*Choice based Lettings (CBL)*” which examined current CBL practices and how we can make improvements to the service from a customer’s perspective. There was also a separate Scrutiny Review of the “*Void Process*”, which examined the process of turnaround of void properties. These are separate from the Allocation Policy but are clearly linked to improving information. Progress made against the 24 recommendation was presented to Sustainable Scrutiny panel on 10th December 2009.

7.7 Proposed amendments to the Allocation Policy are:

7.7.1 More priority to be given to households with waiting time by increasing the quota in the General band from 10% to 20% and reducing the General Plus band from 40% to 30%

- The feedback from the **Fair and Flexible Consultation** was that generally people (46%) disagreed that the Allocation Policy was fair. The Housing Register has increased from **17,000** in December 2008 to 21,952 as at 10th November 2009. Of these there are **87 Priority Plus, 2001 Priority, 1631 General Plus and 18,233 General applications. Between 1st March 2009 and 30th November 2009, 1261 properties have been let to;**

Group	Reason	Number of properties let
Priority Plus	Applicants who need to move in an emergency and have been awarded this code by a panel of housing and none housing professionals including locally elected members	18
Priority	Applicants who have undergone an assessment and need to move urgently due to medical needs, homelessness, statutory overcrowding etc	697
General Plus	Applicants who need to move urgently but their circumstances are less urgent than those in the priority group such as homeless applicants who are not in priority need or those households sharing bedrooms	342
General	Applicants who want to move and have registered an application to safeguard for the future	214

7.7.2 Amend occupancy levels in section 2.2 – On rare occasions three individual adults can make a joint housing application to move, the eligibility rules must ensure that they are eligible for 3 bedroom flats or maisonettes and remove the eligibility for family houses (section 2.2). Joint applications must comply with the rules for joint tenancies. The occupancy levels for couples and single people need amending so that they are also eligible for 3 bedroom upper floor flats.

- The current Allocation Policy allows 3 individual adults with no children to access a 3 bedroom house. Although these cases are relatively rare, this occupancy levels should be amended to flats or maisonettes as 3 bedroom family houses should be retained for households with children. Joint applications from individual adults must comply with the rules regarding joint tenancies. (Section 3.1 Allocation Policy procedures) In addition the current Allocation Policy only allows couples with access to children or 3 individual adults access to 3 bedroom flats and demand from these groups are relatively low. It is therefore recommended that childless couples and single persons be also considered as eligible for 3 bedroom upper floor flats.

7.7.3 More information is included in section 2.4 regarding offering of properties to the advertised quotas – The current Allocation Policy details in section 2.4 that if there are no requests received from the General Plus Band then the General Band will be offered the property. More clarity should be included regarding the Priority Band. e.g. *“If there are no requests from the advertised band or the applicant refuses the property the next band will be contacted. This means that if a property is advertised to the Priority band and there are no requests from this band the General Plus band will be considered. If a property is advertised to the General Plus band and there are no requests then the General Band will be considered.”*

7.7.4 Clarification that Priority Plus awarded detailed in Section 2.5.7 of the Allocation Policy for households with multiple needs to only include those households assessed as having two reasonable preference grounds detailed in section 2.2.1 of the Allocation Policy procedures.- The current Allocation Policy Procedures clearly details in Section 2.2.1 those households who are considered as having a reasonable preference. However the Allocation Policy in section 2.5.7 does not make this clear as it states that Multiple Needs include households who have 2 Priority Needs – This should be reworded and changed to 2 reasonable preferences.

7.7.5 Include households under occupying without and assessed need willing to downsize in the Priority Plus group - The current Allocation Policy **Section 2.5.7** places those households who wish to move and are under occupied into the Priority Group. In order to facilitate a quicker move for the existing tenant more priority should be awarded. The Priority Plus award will still be considered by Housing Assessment panel and an assessment will still be required for households who require a bungalow.

7.7.6 Increase housing options for disabled people to ensure the needs of disabled people are adequately met by offering all adapted properties in date turn order irrespective of age - Following the inspection carried out by the Care Quality Commission (CQC) between 23rd June and 2nd July 2009, it was identified that we needed to increase housing options for disabled people. This is also set out in the Safeguarding Adults and PDSI Inspection Action Plan.

The current Allocation Policy in respect of non sheltered **ADAPTED bungalows** where Rothercare is a condition of the tenancy gives priority to disabled people over the age of 60. This means that younger disabled people are only considered if there are no over 60's in the shortlist. In real terms this could mean that someone younger than 60 years old with a physical disability that is in need of an adapted bungalow could be waiting years to be accommodated, and someone over the age of 60 with a physical disability could only have to wait weeks. It is therefore recommended that as long as the household has been assessed as needing the property attributes which include the adaptations and Rothercare then the property should be offered to the household who has been assessed and who has been waiting the longest time irrespective of age.

7.7.7 Proposed changes to the Local Lettings Policies are:

- **Set aside 50% of vacancies in rural areas detailed in appendix 2a for applicants with a local connection to that area.** - The results of the Fair and Flexible consultation told us that 76% of households agreed that a percentage of rural housing should be set aside for people with a local connection. Properties in rural areas are extremely high demand as they rarely become available for re-letting. Often families within villages wish to remain within the community for family support but when a property becomes vacant they find they are competing in the choice based letting process with other applicants with no local connection. The guidance relating to local connection is detailed in appendix 2a.
- **That a local letting policy to help applicants into employment is adopted in specific areas of the borough.** The list of areas is detailed in the Local Lettings Policies in appendix 2c. The advert will clearly state that a Local Lettings Policy applies and give preference households who are currently in employment (the area where the applicant is employed is not taken into account and is only relevant if a rural letting policy is applied). This will be adopted only in the specific areas listed in appendix 2c and will not be applied to more than 10% percent of voids in Rotherham.

***Support for people in work or seeking work** - Section 167 (2E) of the 1996 Housing Act enables authorities to allocate particular accommodation to people of a particular description, whether or not they fall into a reasonable preferences category. This is the statutory basis for Local lettings Policies. The Fair and Flexible consultation told us that 64% of customers wanted help to move home in another area to gain employment. This can be achieved by setting aside a proportion of vacancies for applicants who are in employment and will also contribute to

dealing with concentrations of deprivation and will help in creating more mixed communities.

RMBC has implemented a number of initiatives to support people seeking work, including our new Employment Solutions Team. In the last 6 months they have helped 316 people, successfully assisted 37 people back to work, 16 into education, and 57 for benefits that they are entitled to but not claiming, 114 job searches and 173 CVs completed. In addition a proportion of vacancies can be set aside to help people retain/gain employment or training. The housing application asks for information on employment status, this can be utilised to give preference in certain areas to create more balanced communities.

- **To Include in the Local Lettings Policy in respect of Management Difficulties:** *“where a conviction for an offence of anti social behaviour or where of illegal drug use played a major part in their conviction in the last 12 months.. i.e stolen goods to pay for drug addiction was more than 12 months and they MUST have also demonstrated good behaviour in the Community for the last 12 months.*

*It has become apparent that more clarity is required regarding the local letting criteria for properties with local lettings policies due to housing management difficulties. Currently the criterion excludes applicants with an offending background if their convictions are less than 12 months old. Officers within 2010 Rotherham Ltd have requested that an additional criterion is included to capture offenders in prison where they have not demonstrated good behaviour in the Community in the last 12 months.

***Local Lettings Policies** were implemented in December 2008 and these have been reviewed every six month - led by 2010 Rotherham Ltd in consultation with Elected Members, Safer Neighbourhood teams and Community groups through the Area Assembly Coordinating groups. Consultation has also been undertaken with residents. As 1st July 2009 there are 20,968 properties in the Council's stock and 2,096 properties with Local Lettings Policies which is 9.9% of the Council's stock. The latest review in December 2009 has identified an additional 538 properties, and no properties have been removed. This brings the total of properties with a local letting policy to 2634 which is 12.56 % of the Council's stock.

Any recommendations for additions have been justified by supporting evidence, and where there has been significant improvement in sustainability such as reduced abandoned properties, evictions and reported crime it is proposed that the Local lettings Policy be removed. The proposed changes for period 1/01/2010 to 1/7/10 are detailed in **Appendix 2**

8. Finance

8.1 By focusing on meeting urgent housing need will reduce time periods in the Priority and Priority Plus Group which in turn will reduce the number of households living in temporary accommodation. This will enable a cost saving to

the Council as it is likely to allow a reduction in the temporary units of accommodation currently needed for homelessness families.

8.2 By applying Local Lettings Policies to a limited part of the local authorities stock will create sustainable communities, which may lead to fewer voids. However there is a slight risk that void properties may take longer to let as some policies are quite restrictive. This will lead to a financial impact on rent loss through voids.

9. Risks and Uncertainties

9.1 The current demand for social rented housing is high which translates to pressures on the housing register. We have also seen an increase in households in urgent housing need who are affected financially by the economic downturn. The existing quotas seem to be adequate in meeting the needs of households in urgent housing need. However these will need to be monitored in the next six months to establish whether the advertising quotas need to be altered to reflect local need.

9.2 Any change to the Allocation Policy must ensure that the needs of vulnerable and hard to reach groups are addressed, and the Council's statutory obligations are met. The Allocation Policy must be delivered in a transparent way to ensure it is fair, and seen to be fair.

10. Policy and Performance Agenda Implications

10.1 The Allocation Policy is delivered at a local level and via the Key Choices Property Shop and Neighbourhood Offices, which supports the Council's commitment to providing greater accessibility to services, meeting social needs by helping to ensure a better quality of life, improving fair access and choice, protecting, keeping safe vulnerable people and specifically addresses the diversity agenda, by tailoring services to the needs of hard to reach groups.

Working to improve services for Rotherham people and to ensure more effective links to the Rotherham 'Proud' theme.

Rotherham people, businesses and pride in the borough are at the heart of our vision. Rotherham will have a positive external image and its people will be renowned for their welcome, friendliness and commitment to the values of social justice. Active citizenship and democracy will underpin how Rotherham works. Achievements and diversity will be celebrated. Rotherham will be a caring place, where the most vulnerable are supported. It will be made up of strong, sustainable and cohesive communities, both of place and interest and there will be many opportunities for people to be involved in civic life and local decision making. The means to do this will be clear, well known and accessible.

The Allocation Policy can demonstrate a contribution to five Key Lines of Assessment within the CSCI 'New Outcomes Framework for Performance Assessment of Adult Social Care'. In particular there is a significant contribution to improved quality of life [KLA 2] through the development of more information;

more joined up work to ensure minimum delays; better service consistency between agencies. The changes will lead to shorter waiting times for services and better interventions leading to the increased awareness of housing options and the prevention of homelessness.

11. Background Papers and Consultation

The proposed changes have been informed by the consultation process in respect of the Fair and Flexible publication where 1173 households participated and told us their views about their local priorities. Legal Services have also been consulted on the proposed changes.

In monitoring the Allocation Policy we have used the Housing Assessment Panel as a mechanism to consider any changes, where possible, to seek views of others to ensure any improvements are effective and are at the heart of customer's needs and aspirations.

The review of the Local Lettings Policies, which has been led by 2010 Rotherham Ltd, has involved consultation with elected members, customers, legal services, partners and staff.

- "Fair and flexible - Draft statutory guidance on social housing allocations for local authorities in England – Consultation results
- Fair and Fair and flexible: statutory guidance on social housing allocations for local authorities in England (December 2009)
- The Allocation Policy (Revised July 2009)
- Local Lettings Policies (Revised July 2009)
- The Homelessness Act 2002.
- Housing Act 1996, Parts VI and VII
- The Code Of Guidance in Allocation [CLG 2007]
- The Homelessness Code of Guidance
- Safeguarding Adults and PDSI Inspection Action Plan

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Fair and flexible: statutory guidance on social housing allocations for local authorities in England



Fair and flexible: statutory guidance on social housing allocations for local authorities in England

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Foreword

Building more homes that people can afford to rent or buy is one of the highest priorities for the Government. We are investing to build the 112,000 new affordable homes over two years that we set out in the Government's plan, Building Britain's Future, in June.

As well as building more homes, we must enable local areas to respond to housing pressures in different ways. I want local councils to be more able to reflect the needs, demands and aspirations of their area in the way that they allocate housing. And I want the management of council waiting lists in every area to be better understood and seen as fairer.

By issuing this new guidance, the government sets out more clearly the freedoms and flexibilities that local authorities should use when developing allocations policies in their area.

I am reaffirming the Government's commitment to giving priority to those in the greatest housing need, through the reasonable preference categories.

Nevertheless, this guidance concerns greater scope for councils to meet local needs and priorities through their allocation policies. It strengthens councils' freedom to give greater weighting to specific local needs alongside those households who have 'reasonable preference'. In some areas this will mean giving more priority to people who have been on waiting lists for a long time or more priority for people with strong local or family connections. Elsewhere, there may be a greater need to support people in low paid work. Councils should work closely with the housing associations in their area to meet local priorities.

The system for allocating housing is complex and poorly understood. The demands and pressures on housing in an area are rarely well explained to local people. This helps give rise to the perception that the system is inflexible and unfair and the mistaken view that much public housing goes to those who have no legitimate right to it.

I want to see such myths and misunderstandings challenged. It is part of a council's responsibility to do so. Greater understanding will only come if councils do more to inform their communities about who is getting housing and do more to consult tenants and residents on their policies. This new guidance makes clear the responsibilities councils have to do exactly this when deciding how they allocate their housing.

This guidance is an important part of the Government's commitment to meet housing need across the country and we recognise that need is different in different places.

The Rt Hon John Healey MP
Minister for Housing and Planning

Summary

1. This statutory guidance covers a number of issues:

(i) It sets out the Government's strategic view of the objectives and outcomes which local authorities must and those they should seek to achieve in their allocation policies. These are:

- providing support for those in greatest housing need, including people who have experienced homelessness
- ensuring allocation policies comply with equality legislation
- promoting greater choice for prospective and existing tenants
- creating more mixed and sustainable communities
- promoting greater mobility for existing tenants
- making better use of the housing stock
- supporting people in work or seeking work
- delivering policies which are fair and considered to be fair

(ii) It sets out the importance of local authorities' responsibilities under the Local Government Act 1999 (as amended by the Local Government and Public Involvement in Health Act 2007) to involve, inform and consult with local people; and it draws attention to the main legislative provisions governing the allocation of social housing, including the requirement to provide for 'reasonable preference'.

(iii) It emphasises the importance of communicating facts about allocations (including regular updates on how properties have been allocated), to tackle false perceptions which may arise about the way social housing is allocated.

(iv) It highlights the implications of the House of Lords judgment in the case of *R (on application of Ahmad) v Newham LBC*¹, which, among other things, removes the requirement to provide for cumulative preference to be taken into account in prioritising applicants.

(v) It reinforces the flexibilities local authorities have within the allocation legislation to meet local pressures by:

- adopting local priorities alongside the statutory reasonable preference categories
- taking into account other factors in prioritising applicants, including waiting time and local connection
- operating local lettings policies

(vi) It emphasises the importance of close working between authorities and registered social landlords.

¹ [2009] UKHL 14

Scope of the guidance

2. This is statutory guidance provided under s.169 of the Housing Act 1996 (the 1996 Act). It applies to local authorities in England. Local authorities are required to have regard to this guidance in exercising their functions under Part 6 of the 1996 Act. In so far as this guidance comments on the law it can only reflect the Department's understanding of the law at the time of issue. Local authorities will still need to keep up to date on any developments in the law in these areas.
3. This guidance replaces the following parts of the *Code of Guidance on the Allocation of Accommodation* which was issued in November 2002² (the 2002 code):
 - chapters 1, 2 and 6
 - paragraphs 5.1 to 5.12 , paragraph 5.18 and paragraphs 5.23 to 5.32 of chapter 5
 - annexes 2, 4, 5, 6, 7, 8 9 and 12
4. This guidance also replaces the following paragraphs of the *Code of Guidance on Choice Based Lettings* which was issued in August 2008³ (the 2008 code):
 - 4.1 to 4.49
 - 4.68 to 4.71
 - 4.79 and 4.80
5. *Circular 04/2009: Housing Allocations – Members of the Armed Forces* remains in effect.
6. This guidance is specifically for local authority Members and staff. It is also of direct relevance to registered social landlords⁴ (referred to as RSLs). On a local authority's request, RSLs have a duty under s.170 of the 1996 Act to co-operate with local authorities to such extent as is reasonable in the circumstances in offering accommodation to people with priority under the authority's allocation scheme.
7. For local authorities, developing their allocation scheme and carrying out their allocation functions often requires joint planning and operational co-operation between local authorities and other bodies. These are likely to include social services departments, health authorities, the probation service, children's services, other referral agencies and voluntary sector organisations, although this list is not exhaustive. This guidance will be of interest to these organisations as well.

² *Allocation of Accommodation: Code of Guidance for Local Housing Authorities*, ODPM, November 2002

³ *Allocation of Accommodation: Choice Based Lettings: Code of Guidance for Local Housing Authorities*, CLG, August 2008

⁴ Subject to Parliamentary approval, from 1 April 2010 RSLs will cease to exist in England. Any references to RSLs will after that date be understood as references to private registered providers.

8. We believe that local authorities will welcome the additional flexibilities which this guidance promotes and would encourage them to review their existing policies as soon as possible and to revise them, where appropriate, in the light of this guidance.
9. The Audit Commission will consider, through its agreed programmes of monitoring and inspection, which will be reflected in comprehensive area assessments, how well local authorities allocate social housing and therefore their response to this guidance.

Introduction

10. Social rented housing is an asset of great significance to the country, to local communities, to families and to individual people. It provides an essential part of the welfare safety net that supports many of the most vulnerable in our society. It provides a firm foundation, with the security and stability that can help people to overcome disadvantage and to build successful lives for themselves and their families. And it can help to create prosperous, healthy local communities, as part of a balanced housing market.
11. In any circumstances, the way that social housing is allocated would be a matter of real importance. That importance is greatly increased by the pressure of demand that we currently face in all parts of England. Almost every local authority has experienced significant growth in applications for social housing over the past five or six years. In *Building Britain's Future*, we set out ambitious plans to invest a further £1.5bn in building thousands of new affordable homes over this year and the next. In total we are committing more than £7.5bn over these years (2009/2011) to deliver 112,000 affordable homes, including 63,000 homes for social rent to be delivered by the Homes and Communities Agency (HCA) over the next two years. However, despite this ambitious programme of affordable housing delivery we can expect continued excess of demand over supply to continue for the medium term.
12. High levels of demand, often from families with pressing needs, mean decisions on the allocation of social housing need to be taken carefully. Because of the impact such decisions may have, people care deeply about how they are made. Whilst many local authorities are responding positively to this increased demand, we must ensure not only that decisions taken achieve the best overall outcomes for our communities: but also that they are made fairly, and in ways that can be explained and justified to all concerned.
13. The Government takes the view that decisions on the allocation of social housing – having, as they do, profound impacts at national and at local level – should rightly be taken in a framework which balances national and local interests.
14. It is important that local authorities continue to play a strong role in housing. They are best placed to assess housing need across the district, in light of demographic and economic change. Councils now have access to specific grant funding to build new council homes. We have also proposed a devolved system of accountability and funding for the existing stock. This would give more power to councils to plan long term, manage their assets and meet the housing needs of local people. They should also be working with partners to address such needs, including ensuring that the best use is made of existing housing stock. Local authorities also have responsibility for framing local allocation policies within the context set by legislation and taking into account the reality of their local circumstances. It is only at local

level that many of the key decisions can be taken, and balances can be struck between competing priorities. Many people find allocation policies complex and confusing. While the Government has a role to play in dispelling the myths which can arise around the allocation of social housing, the task of explaining local allocation policies to local people ultimately depends on effective communication and engagement by local authorities with their communities.

15. In recent years, many local authorities have felt constrained in their decisions on allocations and the way in which their allocation scheme is devised because of the way in which the legislation has been interpreted by the courts. A recent judgment by the House of Lords (see paragraph 58), which we strongly welcome, provides clarity on the allocation legislation and the extent of local authorities' discretion under the legislation. The Government's view is that this is an opportune time, as well as an important one, for local authorities to re-examine their allocation policies and to make changes which take full advantage of the scope for local decision-making.

Objectives and outcomes which allocation policies must achieve

16. There are a number of objectives and outcomes which local authorities must achieve when framing their allocation schemes.

Support for those in greatest housing need

17. We believe it is right that social housing – which brings with it the dual benefits of security of tenure and sub-market rents – should continue to provide a stable base for those who are likely to have more difficulty finding for themselves in the private market. For this reason, we remain of the view that, overall, priority for social housing should go to those in greatest housing need. The current statutory reasonable preference categories are set out in s.167(2) of the 1996 Act. These were rationalised in the Homelessness Act 2002 (and further refined by the Housing Act 2004) to ensure that they are squarely based on housing need. The reasonable preference categories are:
 - (a) people who are homeless (within the meaning of Part 7 of the 1996 Act); this includes people who are intentionally homeless, and those who do not have a priority need for accommodation
 - (b) people who are owed a duty by any local authority under section 190(2), 193(2) or 195(2) of the 1996 Act (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any local authority under section 192(3)
 - (c) people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
 - (d) people who need to move on medical or welfare grounds, including grounds relating to a disability
 - (e) people who need to move to a particular locality in the district of the local authority, where failure to meet that need would cause hardship (to themselves or to others)
18. This means that a scheme must be framed to give reasonable preference to applicants who fall within the categories set out in s.167(2), over those who do not. While local authorities must demonstrate that, overall, reasonable preference is given to applicants in all the reasonable preference categories, this does not mean that they must give equal weight to each of the reasonable preference categories. Local authorities may wish to take into account local pressures. So, for example, where overcrowding is a particularly serious problem, they may wish to give more priority to overcrowded households in their allocation scheme. Authorities might give effect to this

policy objective, for example, by assigning overcrowded households to a higher band, or by including a specific target in respect of overcrowded households in their annual lettings plan.

19. In addition, s.167(2) gives local authorities the power to frame their allocation scheme so as to give additional preference to particular descriptions of people who fall within the reasonable preference categories and who have urgent housing needs. While there is no requirement for an allocation scheme to be framed to provide for additional preference, all local authorities should consider, in the light of local circumstances, whether there is a need to give effect to this provision.

Providing settled homes for people who have experienced homelessness

20. The Government places great emphasis on the prevention of homelessness and local authorities are generally responding very positively to this agenda. Through their housing options services, local authorities are increasingly helping people at risk of homelessness by intervening earlier to resolve their difficulties before they reach crisis point. This is reflected by the significant reduction in the number of households accepted as owed the main duty to secure accommodation under the homelessness legislation since acceptances peaked in 2003-04. Local authorities are increasingly harnessing the private rented sector to help meet housing needs and we are looking at how this work could be extended and made more effective. Nevertheless, there are people at risk of homelessness or living in temporary accommodation for whom an allocation of social housing continues to be the most appropriate option to meet their need for a settled home. It is right, therefore, that people who are homeless or placed in temporary accommodation under the homelessness legislation should continue to be entitled to reasonable preference for social housing.

Promoting greater equality and clearly meeting equalities duties

21. In framing their allocation scheme, local authorities need to ensure that it is compatible with the requirements in the equality legislation. In particular, as well as the other duties to eliminate unlawful discrimination, local authorities are reminded that they are subject to a duty to promote equality of opportunity and good relations between people of different racial groups, as well as a duty to promote equality of opportunity between disabled persons and other persons, and between men and women. Local authorities are strongly recommended to carry out an equality impact assessment of any change to their allocation policies to ensure compliance with the local authority's legal equality duties; and to monitor lettings outcomes under the

allocation scheme and ensure that this information is made regularly and publicly available.

22. Local authorities should bear in mind that, subject to Parliamentary approval, the general public sector equality duty in the Equality Bill will mean that they will need, when carrying out their allocation function and reviewing and revising their allocation policies, to consider the impact of their decisions on people with the protected characteristics of age, race, disability, sex, pregnancy and maternity, sexual orientation, religion or belief or gender reassignment. Local authorities should also be aware of the provision in the Equality Bill which will require all local authorities to give due regard to the desirability of tackling socio-economic inequalities, when making strategic decisions about how to exercise their functions. The Government believes that the way in which local authorities frame their allocation scheme will be significant in ensuring they discharge this duty.

Objectives and outcomes which the Government believes allocation policies should achieve

23. There are also a number of objectives and outcomes which local authorities should seek to achieve when framing their allocation schemes.

Greater choice and wider options for prospective and existing tenants

24. The Government believes that allocation policies for social housing should provide for applicants to be given more of a say and a greater choice over the accommodation which they are allocated. This is the best way to ensure sustainable tenancies and to build settled, viable and inclusive communities. Research carried out for Communities and Local Government into the longer term impact of choice based lettings⁵ found that tenants who were offered a choice of accommodation were more likely to be satisfied with their home and remain in that home for a longer period. Satisfied tenants are more likely to meet their tenancy obligations and maintain the property in good condition.
25. It is also important that the allocation of social housing is set within a wider enhanced housing options approach, so that people receive joined-up advice and information about all the options open to them across sectors, including:
- renting in the private sector
 - low cost home ownership options
 - mobility schemes which enable applicants to move out of the district
 - mutual exchange options for existing social tenants
 - home improvement schemes or adaptations services which enable applicants to remain in their existing accommodation and
 - supported/sheltered housing for older and disabled people

Creating more mixed and sustainable communities

26. The way in which social housing is allocated can be instrumental in helping to create safe, prosperous and cohesive communities in which people want to live and work, now and in the future. The research into the longer term

⁵ *Monitoring the Longer Term Impact of Choice Based Lettings*, Heriot-Watt University and BMRB, October 2006

impacts of CBL suggests that the policy is encouraging applicants to think more flexibly about their housing options. It found that, where applicants have the opportunity to see details about all available vacancies, they will consider moving to areas beyond their immediate locality and beyond areas which, under a traditional allocations system, they would have specified as their 'preferred area'.

27. Alongside CBL, making greater use of the existing flexibilities within the allocation legislation can help to tackle concentrations of deprivation, creating more mixed and sustainable communities. This might include:
- setting local priorities alongside the reasonable preference categories, such as promoting job-related moves
 - setting aside a small proportion of lettings to enable existing tenants to move even where they do not have reasonable preference
 - using local lettings policies to achieve a wide variety of policy objectives, including dealing with concentrations of deprivation or creating mixed communities by setting aside a proportion of vacancies for applicants who are in employment, or to enable existing tenants to take up an offer of employment.

Greater mobility

28. Providing social housing tenants with greater opportunities to move within the social sector can help to promote social and economic mobility, as well as meeting individual tenants' specific needs and aspirations. It can also help make the best use of social housing stock.
29. One way of increasing the opportunities for mobility between local authority areas is to develop choice based lettings schemes on a regional or sub-regional basis and our aim is to expand choice based lettings so that people can move nationwide. However, even where local authorities do not participate in regional or sub-regional choice based lettings schemes, there are ways in which they can frame their allocation scheme to increase the opportunities for mobility across local authority boundaries. So, for example, authorities could use local lettings policies to allow for a small proportion of properties to be prioritised for essential workers (or people with skills in short supply) to attract them into the district; or they could develop arrangements with other authorities or RSLs to make a proportion of their lettings available for cross-boundary nominations.

Making better use of the housing stock

30. Making better use of the social housing stock could mean giving existing tenants who are under-occupying social housing appropriate priority to secure a transfer within an authority's allocation scheme and ensuring that

scarce accessible and adapted accommodation is prioritised for people with access needs. This might be coupled with personal support, incentives and financial payments to encourage people who under-occupy family-sized homes to downsize or vacate adapted homes they no longer need. Authorities may want to consider other approaches such as ‘chain lets’ – an approach under which a large property released by an under-occupying household can be reserved for existing overcrowded social rented tenants, where the resulting vacancy is then used to house another household with priority under the allocation scheme. For overcrowded households waiting for an allocation of larger accommodation, authorities can assist in mitigating the impacts through a range of measures. Improvements can be made to existing properties in order to improve liveability: additional toilets or wash basins, partitions or space saving furniture can all contribute to alleviating the pressures of overcrowding.

Policies which are fair and considered to be fair

31. There are widespread perceptions that the current allocation system is unfair and favours certain groups (such as the unemployed or migrants). An Ipsos MORI survey carried out for Communities and Local Government in 2008 showed that less than a quarter (23%) of the public agreed that the way social housing is allocated is fair. One in three (32%) did not agree that it is fair. Just under a half (45%) said they did not know if it is fair or were unwilling to give an opinion and opted for ‘neither agree nor disagree’⁶. While these perceptions may not always be founded on fact, we recognise that they are strongly felt.
32. It is important that local authorities engage fully with their local community in developing their allocation priorities and drawing up their allocation scheme; and in providing regular, accurate, and generalised information on how housing is being allocated, working actively to dispel any myths and misperceptions which may arise. Policies which are easily understood and sensitive to local needs and local priorities are more likely to achieve acceptance across the wider community and to be, not just fair, but seen to be fair.⁷

⁶ Communities and Local Government (2009) *Attitudes to housing: Findings from Ipsos MORI Public Affairs Monitor Omnibus Survey (England)*.

⁷ An Ipsos MORI survey for Inside Housing shows that people consider the most important factors for prioritising social housing (where demand is greater than supply) as: how long someone has been on the waiting list (23%); whether they are currently living in inadequate accommodation (22%); how long someone has lived in the local area (15%); and being a key worker (e.g. nurse or teacher) (14%). Inside Housing, 6 June 2008, pp 22–25.

Support for people in work or seeking work

33. Local authorities should consider how they can use their allocation policies to support those who are in work or who are seeking work. This could involve using local lettings policies to ensure that particular properties are allocated to essential workers or to those who have skills which are in short supply, regardless of whether they are currently resident in the authority's district. Alternatively, authorities may choose to give some preference within their scheme to existing tenants who are willing to move to take up employment or training opportunities – where, for example, the authority has identified a need to address skills shortages and worklessness, perhaps as part of their skills strategy.

Involving, consulting and raising awareness with local communities

34. For many people, the frustration engendered by long waiting times for social housing, the complexity and lack of transparency of many allocation policies, and poorly trained or supported front line housing officers, can contribute to false perceptions of unfairness or generate myths about 'queue jumping' by other groups. These myths and false perceptions need to be countered through effective, transparent communication.
35. Local authorities need to do more to help people locally understand how social housing is allocated⁸. The public are more likely to accept that allocation policies are fair if they have a clear understanding of what those policies are and what the justification for those policies is. Clarity about why social housing is prioritised for certain groups is key. To give a specific example, if an authority provided information about the amount of housing they have which is, not only accessible, but capable of being made accessible, and explained why priority for this accommodation is given to those with access needs, it is likely that people would view it as a fair and sensible use of that stock.
36. That is why it is important to engage fully with the whole community in developing allocation policies. It is also why it is important to provide feedback on properties let through choice based lettings⁹, and wider statistics about who is actually accessing social housing. Simple banding schemes play a role here too, since they can be more easily explained to applicants. Front line staff need to be properly trained and supported so that they provide accurate and consistent messages about how social housing is allocated, and elected members need to take a leading role in explaining to local people how social housing is being allocated and managed in their district – and what their local authority is doing to help increase availability of social housing.

The requirement to have an allocation scheme

37. Local authorities must have an allocation scheme for determining priorities and the procedures to be followed in allocating housing accommodation; and they must allocate in accordance with that scheme (s.167 of the 1996 Act).
38. The requirement to have an allocation scheme applies to all local authorities, regardless of whether or not they retain ownership of the housing stock

⁸ The Ipsos Mori survey reports that 8% of the general public said they know a lot about the way social housing is allocated, 48% know a little and 41% said they know nothing, with 3% giving a 'don't know' response.

⁹ Further guidance on feedback in the context of choice based lettings is provided at paragraphs 5.14–5.18 of the 2008 code.

and whether or not they contract out the delivery of any of their allocation functions. Authorities are prohibited from contracting out certain allocation functions, including adopting and altering the allocation scheme, which includes the principles on which the scheme is framed. 'Procedure' includes all aspects of the allocation process, including the people, or descriptions of people, by whom decisions are taken. It is essential that the scheme reflects all the local authority's policies and procedures, including information on whether the decisions are taken by elected members or officers acting under delegated powers.

Involving and consulting about the allocation scheme

39. Part 6 of the 1996 Act imposes certain requirements on local authorities when consulting on changes to their allocation scheme, or before they adopt a new scheme. Authorities are required to consult with RSLs with which they have nomination arrangements (s.167(7)); while anyone likely to be affected by an alteration to the allocation scheme which reflects a major change of policy must be notified of it (s.168(3)).
40. Under section 3 of the Local Government Act 1999 (as amended by the Local Government and Public Involvement in Health Act 2007) an authority is under a general duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Under s.3A of the Local Government Act 1999, where an authority considers it appropriate for representatives of local persons to be involved in the exercise of any of its functions by being provided with information, consulted or involved in another way, it must take such steps as it considers appropriate to secure that such representatives are involved in the exercise of the function in that way. Statutory guidance published by the Government in July 2008¹⁰ sets out the issues which local authorities should consider under the 'duty to involve'.
41. Engaging with and involving local communities in the development of allocation policies will contribute to:
 - better awareness among local people of the facts around social housing, including a clearer understanding of the amount of housing available
 - reduced opportunities for the circulation of misunderstandings and myths about the ways in which social housing is allocated
 - local allocation policies which better reflect local pressures and priorities
 - a greater sense among local people that housing is allocated fairly
 - stronger community cohesion

¹⁰ *Creating Strong and Prosperous Communities*, July 2008

42. Some local authorities currently make significant efforts to engage with local communities in the development of allocation policies, using techniques such as questionnaires and surveys aimed at residents or those on the waiting list, citizens' panels and focus groups. There is scope for all authorities to develop their approaches further, drawing on good practice from within the housing sector and more broadly.¹¹
43. Anyone who is affected by or interested in the way social housing is allocated should be included when consulting on changes to an authority's allocation scheme. It will be important to engage with a wide range of stakeholders in the statutory and voluntary and community sector, as well as applicants and the general public. Consultation gives people the opportunity to have their views heard but it also gives local authorities the opportunity to engage the community, to raise awareness about the pressures on social housing, and to ensure that people have a better understanding of why certain groups are prioritised for social housing.
44. However, authorities should also engage with and involve the wider community before they produce their allocation scheme so that people are given the opportunity to contribute to the development of the allocation priorities. Only in this way can authorities ensure that the allocation scheme properly reflects local priorities and issues. An important aspect of engagement will be managing expectations. Providing clear information about allocations, including which households must be given priority under the allocation legislation and what social housing is available in the district, may be helpful here; as also ensuring that any consultation on allocation priorities is set firmly within the context of the local authority's overarching strategic priorities.
45. It will be important to take action to ensure that all groups within the area are engaged. Voluntary and community organisations can be useful here as they often have strong links with their particular communities or client groups. Authorities will need to give particular thought to how to engage those who can often be marginalised but for whom social housing may be particularly relevant (such as substance misusers, gypsies and travellers and ex-offenders). Again, the voluntary and community sector may be in touch with hard to reach groups and can help ensure that they are involved in the consultation process. For this reason, it is particularly important that third sector organisations are involved at an early stage in the consultation process.
46. Where local authorities involve individuals or groups in developing their allocation priorities or consult them on their allocation scheme, they should consider how they can feed back the outcomes of such involvement or consultation. In doing so they should make clear how the input to consultation and involvement has contributed to the published allocation scheme.

¹¹ *The Duty to Involve: Making it Work* published by the Community Development Foundation (2009) provides advice and examples of effective engagement.

Information about allocations

47. It is important that applicants and the wider community understand what social housing is available in their district, how social housing is allocated, and who is getting that social housing. Accordingly local authorities are encouraged to make appropriate information about allocations widely available in a way which is easy to access and to understand¹². This is in addition to the duty in s.168 to make the full allocation scheme available for inspection and a summary of the scheme available free of charge. However, to ensure that local people have access to as much information as possible, authorities should publish their full allocation scheme on their website as well as in hard copy.
48. Local authorities must ensure that advice and information is available free of charge to everyone in their district about the right to apply for an allocation of accommodation (s.166(1)). This includes general information about the procedures for making an application; as well as information about how applicants are prioritised under the allocation scheme.
49. If applicants are to view the system as fair, they need to know how their application will be treated under the allocation scheme, what their rights and expectations are under the scheme, and they need reassurance that the scheme is being complied with and applied consistently across all applicants. So, for example, applicants have the right to be informed of certain decisions in relation to their application¹³ and the right to a review of such decisions (s.167(4A)(d)). It is important that applicants have clear information about these rights as well as the procedure upon review. Applicants should also be provided with information about any other relevant complaints procedures which are available to them.
50. However, information about allocations should go beyond publication of the allocation scheme itself or information about how to apply for an allocation. Most applicants will want to know how long they are likely to have to wait to be allocated accommodation which meets their needs and aspirations (this is in line with their rights under s.167(4A)). Authorities can help applicants assess whether particular accommodation is likely to be available and how long they are likely to wait for it, by making available general information about the profile of their stock (amount, type, size, location and accessibility); together with information about how often property of that type/size/location becomes available and estimated waiting times. Information should be kept up-to-date and published on a regular basis. It should be widely available as it may be of interest to people who may be considering applying for social housing as well as those who are already on the waiting list.

¹² Chapter 5 of the 2008 code provides detailed guidance on how to ensure that information is provided in a way which is accessible and that advice, assistance and support are available to those who need them in order to apply for social housing.

¹³ Applicants have the right to be informed of any decision and the grounds for it, relating to their eligibility (160A(9)) and to be informed of a decision not to give them preference on grounds of unacceptable behaviour (167(4A(b))). Applicants also have the right on request to be informed of any decision about the facts of their case which are likely to be, or have been, taken into account in considering whether to allocate accommodation to them (s.167(4A)(c)).

51. It is important that local authorities go wider than simply informing applicants, and consider how they can share information about allocation policies and outcomes with the wider community. Where tensions are associated with housing allocations, communication may need to be part of a wider community cohesion strategy.
52. Key individuals and organisations need information and training to ensure that they understand how the allocation system works and that they provide consistent messages both to applicants and to the wider public. Training needs to be ongoing, recognising that allocation policies change over time and that council staff and other personnel move on. When communicating messages about why certain groups have access to social housing, it is important to work together with the statutory bodies or community organisations which support those groups and individuals. So, for example, local authorities should work together with local drug action teams and crime and disorder reduction partnerships to explain why providing a stable base for substance misusers or ex-offenders can reduce crime and anti-social behaviour.

Monitoring and evaluation

53. Monitoring and evaluation systems should be put in place and lettings outcomes published so that people can see that the allocation scheme is being complied with and is fair, and that the authority is meeting its duties under the equality legislation (see paragraph 21). Local authorities should give people the opportunity to feedback comments about how the allocation scheme is working. This might include periodically carrying out surveys of people on the waiting list to find out about their experience over time, or people who have bid for social housing through a choice based lettings scheme (both successfully and unsuccessfully).

Framing an allocation scheme

54. An authority's allocation priorities should be developed in the context of the authority's other housing functions. Consideration should be given to the wider objectives of meeting the district's housing needs, as set out in the strategic housing market assessment. The allocation scheme should also be compatible with the local authority's housing strategy and the relevant regional housing strategy. Furthermore, since the allocation of accommodation under Part 6 of the 1996 Act is one of the ways in which the main homelessness duty can be discharged, allocation policies and procedures should also be consistent with the local authority's homelessness strategy.
55. It is also important that the allocation scheme is compatible with and flows from the authority's sustainable community strategy¹⁴ which sets the overall strategic direction and long-term vision for the economic, social and environmental well-being of the local area.
56. It is strongly recommended that local authorities put in place allocation schemes which, not only meet the requirements in the legislation to ensure that reasonable preference for an allocation goes to those in the reasonable preference categories, but also:
- reflect the Government's objectives, and
 - take into account the particular needs and priorities of the local area
57. We recognise that getting the balance right will be challenging, particularly given the constraints within which local authorities operate in terms of the supply of and demand for social housing. Nevertheless, we believe that there is considerable flexibility within the existing statutory framework, particularly following the recent decision in *Ahmad*.

R (on application of Ahmad) v. London Borough of Newham

58. In March 2009 the House of Lords gave judgment in the case of *R (on application of Ahmad) v. Newham LBC*¹⁵ ("*Ahmad*"). The case has significant implications for the way local authorities frame their allocation scheme. In particular the House of Lords found:
- there is no requirement for local authorities to frame their allocation scheme to provide for cumulative preference, i.e. affording greater priority to applicants who fall into more than one reasonable preference category.

¹⁴ S.4 of the Local Government Act 2000

¹⁵ [2009] UKHL 14

- an allocation scheme which allows for priority to be determined between applicants in the reasonable preference categories on the basis of waiting time (alone) is not unlawful or irrational
 - an allocation scheme is not unlawful if it allows for a small percentage of lets to be allocated to existing social housing tenants who wish to transfer and who do not fall within any of the reasonable preference categories
 - where a local authority's allocation scheme complies with the requirements of section 167 and any other statutory requirements, the courts should be very slow to interfere on the ground that it is irrational
59. Through their judgment in the *Ahmad* case, the House of Lords have recognised the complexity of allocation policy and the need for local decision-making.
60. The following paragraphs consider the factors which local authorities should consider in developing their allocation priorities and the different tools and mechanisms available to them to allow for greater flexibility within their allocation scheme and to adapt their scheme to respond to local needs.

Removal of the requirement to provide for 'cumulative preference'

61. The House of Lords decision in *Ahmad* reverses a line of Court of Appeal authority that has held that allocation schemes were required to provide for cumulative preference. This means that it is no longer necessary to distinguish between degrees of housing need, or to provide that those applicants who fall within more than one reasonable preference category are given greater priority for an allocation than those who have reasonable preference on a single, non-urgent basis (indeed there is no requirement for any system of determining priority between those in the reasonable preference groups). In the light of the decision in *Ahmad*, what is important is that an allocation scheme makes an appropriate distinction between those applicants in the reasonable preference categories and those who are not. It is no longer necessary to make a detailed prioritisation of applicants within the reasonable preference categories (instead it is open to local authorities to determine between applicants in the reasonable preference categories by waiting time alone (see paragraph 65).
62. Removing the requirement to provide for cumulative preference gives scope for local authorities to develop simpler, more transparent, systems of applicant prioritisation which are easier for applicants to understand and for housing staff to operate.

Determining priorities between households with a similar level of need

63. For practical purposes, allocation schemes will need to have some mechanism for determining priorities between applicants with a similar level of need, for example between applicants who are in the same band.
64. Section 167 (2A) provides that authorities may frame their allocation scheme to take into account certain factors for the purposes of determining relative priorities between applicants in the reasonable (or additional) preference categories. Examples of factors which may be taken into account are given in the legislation: local connection¹⁶, financial resources and behaviour. However, these examples are not exclusive and authorities may take into account other factors instead or as well as these.

Waiting time

65. The simplest way of determining priorities between those with a similar level of need would be to take into account the length of time which applicants have been waiting for an allocation (in the case of new applicants this will normally be the date of their original application or date into band, and in the case of transferring tenants, the date they applied to transfer).
66. Waiting time has the benefits of being simple, transparent, and easy to understand. It also accords with the view held by some sections of the public about how social housing should be prioritised. Of course, we recognise that waiting time will already play a role in most allocation schemes. However, authorities may wish to consider the scope for giving more weight to it in the light of *Ahmad*, where this is seen locally as the fairest means of distinguishing between otherwise similar applicants.

Behaviour

67. This would allow local authorities to take account of good as well as bad behaviour. So, for example, authorities could provide for greater priority to be given to applicants who can demonstrate that they have been model tenants or whose actions have directly benefited other residents on their estate or the community more generally. Bad behaviour would include unacceptable behaviour which was not serious enough to justify a decision to treat the applicant as ineligible, or to give him no preference for an allocation, but which could be taken into account in assessing the level of priority which was deserved relative to other applicants. An example could be minor rent arrears or low level anti-social behaviour.

¹⁶ For these purposes, local connection is defined in accordance with s.199 of the 1996 Act.

Local connection

68. Some local authorities may wish to give more priority to 'local connection', ensuring that, wherever possible, social housing goes to those people who live or work in the district, or to those who have close family associations with it or have other special circumstances. While local authorities cannot exclude people who do not have a local connection from applying for social housing, there is nothing to prevent them from framing their allocation scheme to include local connection as a policy priority, provided that overall the scheme continues to meet the reasonable preference requirements in s.167.
69. An allocation scheme which attaches particular weight to local connection could disadvantage individual applicants. One example might be someone who has been placed out of the district they would normally live in for a period of time, while being looked after by children's services – although each case would need to be considered on its merits (care leavers might be able to establish a local connection through family association or special circumstances). Local authorities may wish to provide for circumstances such as these by setting aside a proportion of lettings (e.g. by including a specific target in their lettings plan, or by means of an appropriate local lettings policy) to help meet the housing needs of such applicants where they meet the reasonable preference criteria.

Banding schemes

70. An appropriate method of applicant prioritisation could be a system that groups applicants into a number of 'bands' that reflect different levels of housing need or relative priorities within a housing authority's allocation scheme. Such systems are commonly referred to as 'banding schemes'.
71. The House of Lords in *Ahmad* recognised that simple banding schemes could have a number of advantages over more nuanced systems. They are clear, relatively simple to administer and highly transparent. Whereas banding schemes, which involve a large number of bands based on degrees of housing need, are likely to be more expensive and time consuming to operate, more based on value judgement, more open to argument, and more opaque. The House of Lords also considered that more complex banding systems may need to be monitored more closely to take account of the fact that applicants' circumstances are liable to change over time.
72. In addition to the benefits identified in *Ahmad*, simpler banding schemes may also make it easier for authorities to work together to put in place sub-regional and regional choice based lettings schemes.
73. Authorities should bear in mind that a banding scheme must be consistent with and give effect to the principles in the authority's allocation scheme for determining priorities for an allocation. The greater the number and

complexity of these principles, the more complex the banding scheme will normally need to be.

Points based approaches

74. Many local authorities have adopted a points-based approach to the prioritisation of applicants. Points-based systems can be complex and consequently lacking in transparency and difficult for applicants to understand. Local authorities that wish to continue with a points-based system should consider whether there is any scope to simplify it.

Including local priorities alongside the statutory reasonable preference categories

75. Section 167(6) of the Housing Act 1996 makes it clear that, subject to the reasonable preference requirements, it is for local authorities to decide on what principles their allocation scheme is to be framed.
76. An allocation scheme may provide for other factors than those set out in s.167(2) to be taken into account in determining which applicants are to be given preference under a scheme, provided they do not dominate the scheme and that overall the scheme operates to give reasonable preference to people in the reasonable preference categories. This means that an allocation scheme may include other policy priorities, such as promoting job-related mobility, prioritising under-occupiers, or providing move-on accommodation for people leaving supported housing, provided that:
- they do not dominate the scheme and
 - overall, the scheme operates to give reasonable preference to those in the statutory reasonable preference categories over those who are not
77. The House of Lords in *Ahmad* accepted that local authorities are entitled to allocate to people who do not fall within the reasonable preference groups. For example, Newham's very favourable treatment of under-occupiers was not unlawful, notwithstanding the fact that they were unlikely to fall within any of the reasonable preference groups. It was accepted that account could be taken of wider housing management considerations (as well as the needs of those in the reasonable preference categories), and the judgment made the point that encouraging people in larger homes to transfer to smaller ones could be to the advantage of those in housing need because it produces an overall increase in the accommodation available.
78. Lettings outcomes should be evaluated over time to ensure that the authority is able to meet the priorities and principles set out in its allocation scheme and the reasonable preference requirements in s.167(2). Robust monitoring systems are essential here.

Existing tenants seeking a move

79. Part 6 of the 1996 Act extends to existing tenants of local authorities and RSLs who apply to transfer within the social rented sector. This means existing tenants applying for a transfer must be treated on the same basis as other applicants in accordance with the reasonable preference requirements in s.167. However, the House of Lords in *Ahmad* recognised that there could be good housing management reasons for enabling existing tenants to move, even where they do not have reasonable preference – provided that overall those in the reasonable preference categories continued to receive some preference. This is because such moves are broadly stock neutral (every transfer creates another void which can be used to meet housing needs). The House of Lords also recognised that people who are allowed to move to properties or locations which they prefer are likely to be happier and, as a result, better tenants.
80. In the light of *Ahmad* we consider that authorities have the scope to provide within their allocation scheme for existing tenants to transfer to similar sized accommodation where they can demonstrate good reason for seeking a move, for example, where they want to move to take up an offer of employment. The extent to which there is scope to allow existing tenants to move within the stock will depend on the particular circumstances in the district, taking into account the demand from other applicants in greater housing need and the effect which this could have on lost revenue from increased void periods. In *Ahmad*, the court considered that setting aside a small proportion of lettings for transferring tenants was not unreasonable.

Quotas, targets and lettings plans

81. An authority may want to set targets for the proportion of properties which it expects to allocate to the various groups within the allocation scheme as part of an annual lettings plan. So, for example, this might set a target for the proportion of large family-sized accommodation to be allocated to overcrowded households, or for the proportion of lettings to be given to transferring tenants.
82. Authorities should avoid setting rigid quotas which cannot be amended in the light of changing circumstances. However, they may wish to set broad targets which should be published alongside the authority's allocation scheme. Targets should be published as part of an annual lettings plan and monitored, and lettings outcomes against the targets should be published. Published targets, together with information about lettings outcomes, help make the allocation process more transparent.
83. In setting targets, authorities should take into account:
- the size and composition of the waiting list

- the profile of their stock and the vacancies which are likely to become available.

Local lettings policies

84. Section 167(2E) of the 1996 Act enables local authorities to allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories, provided that overall the authority is able to demonstrate compliance with the requirements of s.167. This is the statutory basis for so-called 'local lettings policies'. This could mean setting aside houses on a particular estate, or certain types of property across the stock, for applicants who meet specified criteria.
85. A study carried out by Heriot Watt University¹⁷ for Communities and Local Government in 2008, based in two regions, found that about half of responding authorities (23 out of 52) operated local lettings policies. This would suggest that local authorities may not be making as much use as they could of the flexibilities which the allocation legislation allows them.
86. Local lettings policies may be used to achieve a wide variety of policy objectives. So for example, they may be used to:
 - deal with concentrations of deprivation or create more mixed communities by setting aside a proportion of vacancies for applicants who are in employment or to enable existing tenants to take up an offer of employment
 - attract essential workers into the district by giving them priority for a small number of properties even though they may not fall within any of the reasonable preference categories
 - deal sensitively with lettings in rural villages and on s106 exception sites by giving priority to those with a local connection to the parish
 - ensure that properties which are particularly suited to being made accessible (e.g. ground floor flats) are prioritised for those with access needs

¹⁷ *Exploring local authority policy and practice on allocations* (Hal Pawson and Anwen Jones) (CLG 2009).

- set aside a proportion of properties to help meet the housing needs of people whose employment requires them to be mobile, such as members of the Armed Forces¹⁸
88. Where a number of local authorities have agreed a common allocation policy or common prioritisation criteria, as part of a sub-regional CBL scheme, local lettings policies can be useful as a means of incorporating local priorities.
 89. Before adopting a local lettings policy, authorities should consult with those who are likely to be affected by it. So for example, where a local lettings policy is to apply to a particular estate, they should consult with tenants and residents on that estate. RSLs should also be consulted in relation to and, where appropriate (e.g. where stock they own is included in a relevant estate) involved in developing local lettings policies.
 90. The proportion of stock or lettings which may be made available through a local lettings policy to people who are not in the reasonable preference categories will depend on the particular circumstances and factors at play in the district. Authorities will need to take into account factors such as: the size and composition of the waiting list (i.e. the proportion of applicants in the reasonable preference categories); the stock profile; and the number and type/size of vacancies which are available overall.
 91. In the interests of transparency, local lettings policies should be published. Since they will often be time limited, it may not be practicable for the detailed policies to be included in the allocation scheme. One way to get around this would be for the allocation scheme to include a general statement about the intention to implement local lettings policies and to set out the detail in a separate published document or documents which could be revoked or revised as appropriate. Authorities should include an explanation of the local lettings policy which should be evidence-based wherever possible. Where it is intended that the policy is time limited, it should include an appropriate exit strategy.
 92. Local lettings policies should also be monitored as to their effectiveness and reviewed regularly so that they can be revised or revoked where they are no longer appropriate or necessary.

¹⁸ For further information on the Government's commitment to ensure that Service personnel are not disadvantaged when accessing public services, authorities are referred to *The Nation's Commitment to the Armed Forces Community: Consistent and Enduring Support*, Cm7674, published 16 July 2009

Partnership working with RSLs

93. It is important that local authorities take a strong strategic approach to meeting housing needs in their district. To do this, they will need to develop close working partnerships – both at the strategic and operational level – with RSLs, given their key role in the supply and management of social housing, to ensure that:
- best use is made of the available social housing in the district and
 - applicants are offered the widest choice of accommodation
94. This will be important for all local authorities but for those who have transferred their stock it will be crucial.
95. RSLs should be involved at an early stage in developing allocation priorities and must be consulted on the allocation scheme. RSLs which manage a large number of properties in the district are likely to be well informed about the general housing needs of the area; while specialist RSLs may have significant knowledge of the needs of minority or marginalised groups. Allocation policies which are framed to take account of local needs and priorities are more likely to gain the support of RSLs.
96. RSLs have a duty under s.170 of the 1996 Act to co-operate with local authorities – where the authority requests it – to such extent as is reasonable in the circumstances – in offering accommodation to people with priority under the authority's allocation scheme. This is reflected in the Tenant Services Authority's (TSA) draft allocation standard (issued for consultation on 12 November) which requires 'registered providers' to co-operate with local authorities' strategic function and their duties to meet identified housing needs, including meeting obligations in nomination agreements.
97. Local authorities should ensure that they have nomination agreements in place with RSLs in their district and these should be updated regularly to ensure that they reflect changing housing markets¹⁹. Nomination agreements should set out the proportion of lettings that will be made available which should reflect the existing housing market circumstances; any criteria which the RSLs have adopted, following consultation with the housing authority, for accepting or rejecting nominees; and how any disputes about suitability and eligibility will be resolved. The TSA's draft allocation standard requires registered providers to clearly set out, and give reasons for, the criteria they use for excluding actual and potential tenants from consideration for allocations, mobility or mutual exchange schemes. When negotiating nominations agreements, local authorities should try to ensure that the criteria for rejecting nominees are kept to a minimum. This will be particularly important where the housing authority has transferred its housing stock.

¹⁹ *Effective Co-operation in Tackling Homelessness: Nomination Agreements and Exclusions*, published by CLG in November 2004 and available on the CLG website, identifies good practice in co-operation between housing authorities and RSLs in relation to nomination agreements and exclusions.

Robust monitoring arrangements should be put in place to measure the effectiveness of the nomination agreement.

98. Authorities should also agree information sharing protocols with RSLs in their district, covering issues such as rent arrears, anti-social behaviour and support needs. Information sharing between local authorities and RSLs is particularly important and failure to get this right could undermine the nomination process or the success of a joint choice based lettings scheme; while effective information sharing should help ensure that tenancies have the best chance of being sustained. The former Housing Corporation issued a national standard protocol for sharing information about applicants which authorities may wish to follow²⁰. Amongst other things, it provides helpful advice on data protection issues.
99. Local authorities are strongly encouraged to consider – together with RSLs in their district – the scope for developing common approaches to the allocation of social housing. This could include the adoption of a common housing register and a common allocation policy, and local lettings policies which cover RSLs as well as local authority stock. Providing a single point of access to social housing and one set of rules, should help make the process of applying for social housing simpler and more transparent for applicants, and can reduce wasteful duplication of effort by social landlords and applicants. This may help remove some of the confusion and frustration which applicants currently experience. The TSA made clear in *Building a new regulatory framework – a discussion paper* (June 2009), that it views agreement locally between social landlords and local authorities on how accommodation should be allocated as desirable and important for fairness and transparency within local areas.
100. Common housing registers and common allocation policies are particularly relevant in the context of choice based lettings. Developing common approaches requires trust between the partners which can be built by partnerships agreeing clear accountable governance structures and cost sharing arrangements and by delivering a high quality service which is viewed by applicants and by all partner landlords as an improvement on those delivered by local authorities and RSLs on their own²¹.

²⁰ *Access to Housing: Information Sharing Protocol*, Campbell Tickell for the Housing Corporation, November 2007.

²¹ Further guidance on partnership working with both RSLs and private landlords is provided in chapter 6 of the 2008 code.



Appendix 2a

Rural Housing Local Letting Policy - A Rural village is a population less than 3,500; few or no facilities; surrounded by open countryside. There are 35 rural villages in Rotherham, some with populations as small as 100. However, not all villages have any council stock. In the villages listed below with Council Stock 50% of new vacancies will be offered to persons on the housing register with a local connection. The applicant will have a Local Connection if:

- Their only or principle home is within the boundaries of the locality covered by the rural housing letting policy and has been for the last 12 months.
- The applicant (not a member of their household) is in **permanent paid work** in the locality covered by the rural housing letting policy
- They have a son, daughter, brother, sister, mother or father, who is over 18 and lives in the locality covered by the rural housing letting policy and has done so for at least five years before the date of application.

The localities covered by the rural housing letting policy are:

Rural Villages	Approx Pop	Council Stock
Brookhouse / Slade Hooton / Carr	251	2 X HOUSES SLADE HOOTON
Laughton en le Morthen	951	NO STOCK
Firbeck / Stone	326	5 X HOUSES FIRBECK
Letwell / Gildingwells	221	4 X HOUSES GILDINGWELLS
Woodsetts	1792	47 MIXTURE OF TYPES
Thorpe Salvin	437	9 X HOUSES
Harthill	1688	136 MIXTURE OF TYPES
Woodall	171	NO STOCK
Todwick	1259	15 MIXTURE OF TYPES
Hardwick	102	NO STOCK
Ulley	164	10 MIXTURE OF TYPES
Upper Whiston / Morthen / Guilthwaite	198	NO STOCK
Scholes	339	NO STOCK
Harley / Barrow / Spittal Houses / Hood Hill	864	38 MIXTURE OF TYPES HARLEY
Wentworth	362	11 BUNGALOWS
Hooper	173	NO STOCK
Nether Haugh	104	NO STOCK
Hooten Roberts	154	4 X BUNGALOWS
Hooten Levitt	121	4X BUNG AND 1 HOUSE
Brampton en le Morthen / Brampton Common	112	NO STOCK
Treeton	2769	230 MIXTURE OF TYPES
Springvale	324	NO STOCK
Dalton Magna	525	NO STOCK
Ravenfield	280	144 MIXTURE OF TYPES
Laughton Common	1058	8 BUNGALOWS
Total	14745	668

Appendix 2 - Review of the current Local Lettings Policies – JANUARY 2010

2010 Rotherham Ltd manages all of Rotherham Metropolitan Borough Council Housing Stock.

The number of properties at close of business 1st December 2009 was approximately 20,968.

For period 1st January 2010 to 30th June 2010, the Local Lettings Policies will cover 2634 properties which is 12.56 % of the Council's stock.

The additions have been justified by supporting evidence, and where there has been significant improvement in sustainability such as reduced abandonment's /evictions and reported crime the Local lettings Policy has been removed.

Where age restrictions apply they are subject to a declining age threshold so eventually age restrictions will disappear allowing the area to develop into a properly balanced community. The age threshold will be reviewed every 6 months by 2010 Rotherham Ltd and any changes will be made in consultation with Elected Members, Safer Neighbourhood teams and Community groups through the Area Assembly Coordinating groups.

Where there are Housing Management Difficulties evidence will be supported by the number of abandoned tenancies, estate management difficulties and crime statistic from the Community Information Unit (CIU) .

The Local Lettings Policies will be reviewed before JUNE 2010

Rotherham North

Area	Properties covered	Local Letting Criteria	Rational
Rotherham North	Wingfield 1-24 Swale Road, 1-25 and 8-20 Loy Close, 22-46 Orchard Flatts Crescent,	<ul style="list-style-type: none"> • Do not have convictions of anti social behaviour where the conviction/offence is less than 12 months ago. • Do not have a police record of anti social behaviour, where the last offence is less than 12 months ago. • Has not been prosecuted for an offence where illegal drug use played a major part in the conviction. i.e stolen goods to pay for drug addiction. 	Housing Management Difficulties Reduce ASB and increase sustainability High levels of anti social behaviour or crime statistics which have been supplied as evidence by Safer Neighbourhood teams, Crime Involvement Unit or Joint Action Groups.
Rotherham North	Rockingham 1-48 Plowmans Way, 18-48 Goodwin Road, 13-27, 29A, 31A, 33A and 35A Ochre Dike Walk 25-39 Whitehall Way, 291-359 and 433-443 Town Lane,	<ul style="list-style-type: none"> • Do not have a drug or alcohol problem and is not in a treatment programme, where the drug and alcohol problem is associated with anti social behaviour. (Consideration will be given to individuals who have a drug or alcohol problem and are actively engaging in a rehabilitation treatment programme) • Have not signed and agreed an Anti Social Behaviour Contract (ABC) within the last 12 months • Individuals or a family member of the household are a former tenant of Rotherham Borough Council, who have no former tenants arrears or history of breaching their former (if former tenant arrears applies then the applicant or household member must signed an agreement to undertake a repayment plan and have been making regular weekly payments for 13 weeks. 	
Rotherham North	Masbrough 1-46 Robert Street	<ul style="list-style-type: none"> • Do not have a drug or alcohol problem and is not in a treatment programme, where the drug and alcohol problem is associated with anti social behaviour. (Consideration will be given to individuals who have a drug or alcohol problem and are actively engaging in a rehabilitation treatment programme) • Have not signed and agreed an Anti Social Behaviour Contract (ABC) within the last 12 months • Individuals or a family member of the household are a former tenant of Rotherham Borough Council, who have no former tenants arrears or history of breaching their former (if former tenant arrears applies then the applicant or household member must signed an agreement to undertake a repayment plan and have been making regular weekly payments for 13 weeks. 	

**Review of the current Local Lettings Policies (additional areas)
Rotherham South**

Area	Properties covered	Local Letting Criteria	Rational
Rotherham South		No Changes	No Changes

**Review of the current Local Lettings Policies (additional areas)
Wentworth North**

Area	Properties covered	Local Letting Criteria	Rational
Wentworth North	<p>Manor Farm</p> <p>Dawsons Croft No's 18, 18A, 20, 20A, 30, 30A, 32, 32A, 33, 33A, 34, 34A, 35, 35A, 36, 36A,</p>	<ul style="list-style-type: none"> • Do not have convictions of anti social behaviour where the conviction/offence is less than 12 months ago. • Do not have a police record of anti social behaviour, where the last offence is less than 12 months ago. • Has not been prosecuted for an offence where illegal drug use played a major part in the conviction. i.e stolen goods to pay for drug addiction. 	<p>Please do not let to anyone with a history of ASB or Drugs into these properties, notice has been served on 35, and 34 for ASB and growing cannabis. There have also been warning letters at 36A for cannabis use and foil found in property that could have been used for harder drugs such as heroin.</p>
Wentworth North	<p>Wilde Avenue No's 5, 5a, 6, 6a, 7, 7a, 8, 8a</p>	<ul style="list-style-type: none"> • Do not have a drug or alcohol problem and is not in a treatment programme, where the drug and alcohol problem is associated with anti social behaviour. (Consideration will be given to individuals who have a drug or alcohol problem and are actively engaging in a rehabilitation treatment programme) • Have not signed and agreed an Anti Social Behaviour Contract (ABC) within the last 12 months • Individuals or a family member of the household are a former tenant of Rotherham Borough Council, who have 	<p>Please do not let to anyone with a history of ASB or Drugs in these properties, notice has been served on 7 Wild for Growing cannabis, and 7a is an introductory tenant and within a week has received her first warning letter for ASB for stealing from a local shop to support her drug habit.</p>

<p>Wentworth North</p>	<p>Brampton 11 Brierlow Close</p>	<p>no former tenants arrears or history of breaching their former (if former tenant arrears applies then the applicant or household member must signed an agreement to undertake a repayment plan and have been making regular weekly payments for 13 weeks.</p> <p>Age Restriction</p> <ul style="list-style-type: none"> • Persons on a decreasing age range ie over 50 then over 40 etc 	<p>Age Restriction</p> <p>Lettings policy sensitive towards existing tenants living in sheltered accommodation priority to people over 40 with no children under 12 years as accommodations situated above elderly persons community centre.</p>
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**Review of the current Local Lettings Policies (additional areas)
Wentworth South**

Area	Properties covered	Local Letting Criteria	Rational
Wentworth South	Herringthorpe 1-8 Barratt Corner, Herringthorpe	<ul style="list-style-type: none"> • Do not have convictions of anti social behaviour where the conviction/offence is less than 12 months ago. • Do not have a police record of anti social behaviour, where the last offence is less than 12 months ago. 	Housing Management Difficulties Reduce ASB and increase sustainability High levels of anti social behaviour or crime statistics which have been supplied as evidence by Safer Neighbourhood teams, Crime Involvement Unit or Joint Action Groups. Recommendations required because of a significant increase in substance abuse abandoned, plus terminations
Wentworth South	Thrybergh St Leonards Avenue No's 15A, 15B, 17A, 17B, 19A, 21A, 21B, 23A, 25A, 25B, 27A, 27B, 29A, 29B, 31A, 31B, 33A, 33B, 35A, 35B, 37A, 37B, 39A, 41A, 41B	<ul style="list-style-type: none"> • Has not been prosecuted for an offence where illegal drug use played a major part in the conviction. i.e stolen goods to pay for drug addiction. • Do not have a drug or alcohol problem and is not in a treatment programme, where the drug and alcohol problem is associated with anti social behaviour. (Consideration will be given to individuals who have a drug or alcohol problem and are actively engaging in a rehabilitation treatment programme) 	
Wentworth South	Dalton Meadow Close No's 1, 3, 5, 7, 9, 11, 13, 14, 17, 18, 19, 20, 21, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 35, 37, 39, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59	<ul style="list-style-type: none"> • Have not signed and agreed an Anti 	

<p>Wentworth South</p>	<p>Herringthorpe 1-8 Barratt Corner, Herringthorpe</p>	<p>Social Behaviour Contract (ABC) within the last 12 months</p> <ul style="list-style-type: none"> Individuals or a family member of the household are a former tenant of Rotherham Borough Council, who have no former tenants arrears or history of breaching their former (if former tenant arrears applies then the applicant or household member must signed an agreement to undertake a repayment plan and have been making regular weekly payments for 13 weeks. <p>Age Restriction</p> <ul style="list-style-type: none"> Persons on a decreasing age range ie over 50 then over 40 etc 	<p>Age Restriction Persons over the age of 40. Neighbouring residents are predominantly older people.</p> <p>Housing Management Difficulties</p> <p>A problem household already in this area have already contributed to the fear of crime in this area and leave residents feeling vulnerable. High levels of drug dealing activity from this property. ASB unit and South Yorkshire Police involved.</p>
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Wentworth South	Thrybergh 22 Leverton Way 1 Staple Green Ravenfield 7 Longfield Drive Rawmarsh 26 Greenfields	Age Restriction <ul style="list-style-type: none">• Persons on a decreasing age range ie over 50 then over 40 etc	Age Restriction <p>Lettings policy sensitive towards existing tenants living in sheltered accommodation priority to people over 40 with no children under 12 years as accommodations situated above elderly persons community centre.</p>
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**Review of the current Local Lettings Policies (additional areas)
Rother Valley South**

Area	Properties covered	Local Letting Criteria	Rational
RVS	North Anston 23 Capern Road	Age Restriction <ul style="list-style-type: none"> • Persons on a decreasing age range ie over 50 then over 40 etc 	Age Restriction Lettings policy sensitive towards existing tenants living in sheltered accommodation priority to people over 40 with no children under 12 years as accommodations situated above elderly persons community centre.

**Review of the current Local Lettings Policies (additional areas)
Rother Valley West**

Area	Properties covered	Local Letting Criteria	Rational
Rother Valley West	Brinsworth Pike Road Flats No's 1 - 41, 43 - 59, 61-71, 73 - 83, 20-26, 28-34, 36 - 42, 44-50, and 52-62	Do not have convictions of anti social behaviour where the conviction/offence is less than 12 months ago. <ul style="list-style-type: none"> • Do not have a police record of anti social behaviour, where the last offence is less than 12 months ago. • Has not been prosecuted for an offence where illegal drug use played a major part in the conviction. i.e stolen goods to pay for drug addiction. • Do not have a drug or alcohol problem and is not in a treatment programme, 	The housing in this road consists of blocks of flats, sharing communal access and landings. The area is one of the NAG priorities, and suffers from youth nuisance, under age drinking and crime. We request that the following LL Criteria be applied to this area to prevent a deterioration in the area, and an increase in crime and the fear of crime as the SNT and partners work to alleviate the problems which already exist.

<p>Rother Valley West</p>	<p>Catcliffe 9 Tristford Close Aughton 7 Windy Ridge Aston 42 Hepworth Drive Thurcroft 10 Arbour Drive 15 Rotherwood Crescent</p>	<p>where the drug and alcohol problem is associated with anti social behaviour. (Consideration will be given to individuals who have a drug or alcohol problem and are actively engaging in a rehabilitation treatment programme)</p> <ul style="list-style-type: none"> • Have not signed and agreed an Anti Social Behaviour Contract (ABC) within the last 12 months • Individuals or a family member of the household are a former tenant of Rotherham Borough Council, who have no former tenants arrears or history of breaching their former (if former tenant arrears applies then the applicant or household member must signed an agreement to undertake a repayment plan and have been making regular weekly payments for 13 weeks. <p>Age Restriction</p> <ul style="list-style-type: none"> • Persons on a decreasing age range ie over 50 then over 40 etc 	<p>Age Restriction Lettings policy sensitive towards existing tenants living in sheltered accommodation priority to people over 40 with no children under 12 years as accommodations situated above elderly persons community centre.</p>
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**Review of the current Local Lettings Policies (additional areas)
Wentworth Valley**

Area	Properties covered	Local Letting Criteria	Rational
Wentworth Valley	Wickersley 18 Ash Grove 111 Flanderwell Lane	Age Restriction <ul style="list-style-type: none"> • Persons on a decreasing age range ie over 50 then over 40 etc 	Age Restriction Lettings policy sensitive towards existing tenants living in sheltered accommodation priority to people over 40 with no children under 12 years as accommodations situated above elderly persons community centre.

Appendix 2C – Employment - Local Lettings

The housing application asks for information on employment status, this can be utilised to give preference in certain areas to create more balanced communities. The list of areas is detailed below. The advert will clearly state that a Local lettings Policy applies and give preference households who are currently in employment. This will be adopted only in the specific areas listed and will not be applied to more than 10% percent of voids in Rotherham. In total **63 properties** which is 0.3 % of the Council's stock will be given preference to households currently in employment. **Note that the area where the applicant is employed is irrelevant unless an employment connection is applied as a result of a rural local letting policy.**

Rotherham North	Kimberworth Park 2-30 St John's Green 236, 240 & 244 Kimberworth Park Road 2-32 Simmonite Road	Preference will be given to people in work.
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ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member for Housing and Neighbourhoods
2.	Date:	18th January, 2010
3.	Title:	Housing Rent Increase 2010/11
4.	Directorate:	Neighbourhoods and Adult Social Services

5. Summary

The purpose of this report is to inform Cabinet Member of the proposed housing rent, garage rent and heating charge increases for 2010/11.

6. Recommendations

- **THAT THE CABINET MEMBER RECEIVES AND NOTES THIS REPORT**

7. Proposals and Details

Council Rent Setting

- 7.1 From 2002/03 onwards DCLG required all authorities to use a prescribed Formula to calculate each tenants rent and to apply annual increases to actual rents to achieve the Formula Rent (Formula Rent is the rent set under rent restructuring). This formula for 2010/11 produces an average rent increase for RMBC tenants of 2.91%.
- 7.2 For 2010/11, DCLG have set a national guideline rent increase of 3.1%
- 7.3 The average rent for 2009/10 was £56.88 collected over 48 weeks, the proposed 2010/11 average weekly rent collected over 48 weeks would rise to £58.54, an increase of £1.66 per week.
- 7.4 Total housing rent income generated through the proposed revised weekly rents is estimated to be £58.423m (allowing for a 2% income loss from empty properties and an estimated sale of 17 Council Houses in the year).

From February 2006 to March 2010 the Council spend on the refurbishment of Council dwellings (Decent Homes Programme) amounts to an estimated £251.5m, including £50m in 2009/10, and the Council has plans to spend a further £8.5m in 2010-11, amounting to total decent homes expenditure of £260m.

Housing Subsidy & Revised Determination

- 7.5 The Draft HRA Subsidy & Rent Determination for 2010/11 was released by the DCLG on 9th December 2009; this document is being consulted on up to the 25th January 2010.
- 7.6 The final determination will not be issued until late February 2010 at the earliest, therefore decisions on next years rent must be made on the basis of the draft in order to achieve Council rent setting timetables. We are not expecting any significant changes in relation to rents.

Garage Rents

- 7.7 The garage site improvement programme received £100k investment in 2009/10 and substantial works were carried out in 2008/09. It is therefore proposed to increase the rents by 2.91%, in line with the rent increase. Garage rents were previously increased by 4.5% in 2009/10.

District Heating

- 7.8 In line with the recommendation approved by Cabinet Member in 2007/08 the strategy is to have a phased increase over three years to achieve full recovery of district heating costs, thereby avoiding any shortfall being effectively funded by all council house tenants.

- 7.9 The proposed charges for pooled schemes (960 properties) in 2010/11 are:-
7.10

Pooled district heating charges

	10/11	% diff	09/10	% diff	08/09	% diff	07/08
Unit Cost	0.0593	12.95%	0.0525	5.63%	0.0497	47.92%	0.0336
Pre-payments							
Bedsit	11.54	12.04%	10.30	0.00%	10.30	10.52%	9.32
1 Bed	13.44	12.00%	12.00	0.00%	12.00	10.50%	10.86
2 Bed	15.42	15.00%	13.41	0.00%	13.41	10.46%	12.14
3/4 Bed	17.84	5.00%	16.99	0.00%	16.99	10.40%	15.39

- 7.11 The unit cost in the table above is an amount that tenants pay for each kWh of gas consumed. This is measured by individual dwelling meters fitted on the district heating system. The pre-payment amount is the weekly charge that is raised through the rents system to pay for the heating charges. Tenants will then receive a credit or debit on their rent account depending on how much gas they have used.
- 7.12 It is proposed to increase the unit rate charged from 5.25 pence per kWh to 5.93 pence per kWh (an increase of 12.95%) in order to recover the costs of the District Heating Service.
- 7.13 It is proposed to increase pre-payments in 2010/11 from between 5% for 3 bed properties to 15% for 2 bed properties. This is due to the unit rate increase of 12.95% and the increases have been adjusted depending on the levels of credits or debits residents have had in the previous year.
- 7.14 Pre-payment amounts were not increased in 2009/10 due to the fact that residents were receiving large enough credits to absorb the increased unit cost from 4.97 pence per kWh to 5.25 pence per kWh.
- 7.15 The amount charged and the levels of increase to residents as a pre-payment vary depending on previous year's consumption. On average the majority of residents should be in credit by the year end and therefore receive a refund from the scheme, a procedure which has been particularly well received by elderly residents who previously have struggled to pay year end charges.
- 7.16 There are two district heating systems that are not part of the pooled, metered district heating schemes. These are Beeverleigh and Tickhill Road. It is proposed that they are increased as per the 3 year plan previously approved by Cabinet on the 17th September 2007. The proposed charges are as listed below:-

7.17	<u>Beeversleigh</u>	Proposed charge	increase
	One bedroom flat	£15.36	31.06%
	Two bedroom flat	£17.29	30.98%

Tickhill Road

	One bedroom flat	£19.42	23.30%
	Three bedroom (leasehold)	£28.16*	0%
	Three bedroom (tenanted)	£22.27*	0%

7.18 It is proposed to keep the 3 bedroom charges in Tickhill Road at the same level as 2009/10 pending a review of the 2 properties.

7.19 We have a third category of district heating and this is the dwellings charged by installation of "switch 2" card meters. These are St Ann's (73 properties) and Swinton (238 properties). It is proposed that the charges are increased from 3.02 pence per kWh to 3.4 pence per kWh. This amounts to an increase of 12.58% which is roughly in line with the pooled increase. The basis of this increase is again, to recover the costs relating to the dwellings.

Warden Service and Communal Facilities

7.20 The Wardens Service is currently subject to a full service review with member support with any potential new charges likely to be implemented in or around June 2010. Current rates will continue until the outcomes of the review are confirmed.

8 Risks and Uncertainties

The greatest risk and uncertainty surrounds the level of rent income received into the HRA. This is dependent upon the number of properties available to generate income. The level of properties is directly affected by the level of sales and demolitions which may vary to those used in the budget assumptions. Due to the current economic climate it is unlikely that RMBC will see any significant sales.

It is possible that rent income may fall and arrears may rise, this would affect the amount of income received and therefore be reflected in housing revenue account balances.

All budgets carry a certain level of risk in that unforeseen circumstances may arise, causing additional pressures on the level of resources applied.

9 Policy and Performance Agenda Implications

The proposals contained within this report are in line with Council priorities and policies, as established and set out in key planning documents. The aim is to deliver effective, value-for-money services for people within Rotherham.

10 Background Papers and Consultation

The Housing Rent & Subsidy Settlement of 9th December 2009.

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