

**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1.</b>	<b>Meeting:</b>	<b>The Cabinet</b>
<b>2.</b>	<b>Date:</b>	<b>19<sup>th</sup> January 2011</b>
<b>3.</b>	<b>Title:</b>	<b>Local Letting Policy for New Build Council Housing</b>
<b>4.</b>	<b>Programme Area:</b>	<b>Neighbourhoods and Adult Services</b>

**5. Summary**

The proposed Local Letting Policy report was originally presented to Cabinet Member for Safe and Attractive Communities on 28<sup>th</sup> October 2010. As the proposal represents a major change to the current Housing Allocation Policy, The Cabinet are required to agree the policy change. This report also provides a summary of the consultation responses.

**6. Recommendations:**

**That Cabinet:**

- 1. AGREE THE LOCAL LETTING POLICY FOR NEW BUILD COUNCIL HOUSING AND SUBSEQUENT LETTINGS DETAILED IN APPENDIX 1 TO TAKE EFFECT INITIALLY FOR 12 MONTHS FROM JANUARY 2011.**

## **7. Proposals and Detail.**

**7.1** The proposed Local Lettings Policy, which will be included as part of the Council's Housing Allocation Policy, is set out in Appendix 1, for the initial and subsequent lettings of 127 new Council homes for rent. At the end of 12 months, the Policy would be reviewed, with a view to extending it for a further 12 month period. The properties covered are 36 properties at Wood Street/School Street in Thrybergh, 29 properties at Albert Road, West Melton, 29 properties at Rother View, Canklow, 21 properties at Albany Road, Kilnhurst, 8 properties at Newlands Avenue, Maltby, and 4 properties at Stone Park Close in Maltby. In total there are a 5 properties for disabled people on Wood Street (1) Albert Road (2) Newlands Avenue (2). All the new homes will be available for social rent through Key Choices and will be managed and maintained by 2010 Rotherham Ltd. The properties at Wood Street are expected to be ready for letting in February 2011.

**7.2** As the proposal represents a major change to the current Housing Allocation Policy, the Cabinet Member for Safe and Attractive Neighbourhoods agreed that wide consultation should take place. Therefore to ensure that Elected Members, Registered Social Landlords, statutory and voluntary agencies, local residents and other applicants were involved in this proposal a series of meetings were held and a survey used to capture the views of local communities and other housing applicants throughout the Borough.

174 customers completed and returned the survey/ questionnaire and the consultation also included individual meetings with the Strategic Housing Partnership, Credit Crunch Group, Rotherfed, Ward Members and the chair of Rotherham Older Peoples Forum. Information was distributed to Elected Members, Housing Associations, Supporting People Providers, Citizens Advice Bureau and Shelter. A news article and 2 advertisements were published in the Rotherham Advertiser, and information was published on the Internet.

In summary, the majority of feedback from meetings held supported the proposals to let the new build properties to existing Council tenants transfers with a good tenancy record in the previous two years. Feedback from the survey was not as clear cut with 55% of respondents disagreeing with the proposals on prioritising Council tenants. However, in relation to employment, the views were different again with survey respondents largely supportive of the employment quota being proposed (51% in favour). Of these 55% thought it should be increased beyond 10%. Respondents in meetings showed much less support for increasing the %, with the majority accepting the 10% proposal or preferring it was removed.

**7.3 Equalities Impact Assessment** – this was completed at the start of the process and was revisited throughout the consultation exercise. The key findings were that:

- the proposed Local Letting Policy is potentially discriminatory against good tenants living in other types of tenures as many households will be excluded from applying.

- The employment quota could be seen as potentially discriminatory against those not in work such as older people and people with disabilities.

There is however mitigation for both of these impact areas. Firstly, the percentage of properties affected by the Local Letting Policy is very low - amounting to less than 0.6% of the Council's overall housing stock. This means that those potentially excluded will be able to access the vast majority of properties that become available for letting in the normal way. In addition, a number of properties are being specifically prioritised for people with a disability and these properties will be exempt from the employment quotas. Although the proposed policy is designed to give preference to Council tenants it will also release existing council properties to other applicants on the Housing Register.

**7.4 Consultation feedback regarding lettings to Council tenants** - As stated above, the majority of the feedback from the individual meetings facilitated by the Housing Choices service was in support of the proposal that Council tenants be given preference. This was not the case in the feedback from the consultation survey in that 33% agreed and 55% disagreed and 12% didn't have a view.

The verbal feedback from the meetings was that people supported the proposals because they felt that Council tenants who have looked after their property would be rewarded and that by targeting Council tenants this in turn would free up another home from someone else. There was however concerns raised about the Right to Buy for the new Council tenancies, as this will still apply (with the exception of the Disabled Persons Units). However, some felt that because the maximum discount a tenant can receive is £24,000 and the market value of the new build properties will be high, this may deter any prospective buyers. Some of the individual comments included:

- *"Great idea, this frees up houses for someone else."*
- *"This is an real incentive for Good Council tenants to move into a nice new home, this shouldn't cost too much for the Council as the tenants moving out will have looked after their home and we can relet it quickly"*
- *"By offering a percentage of properties for people who are in employment will help in creating more mixed communities and regenerate the area".*

**7.5 Consultation feedback regarding 10% of properties to be set aside for people in employment** - The feedback from the meetings regarding the proposed 10% of properties set aside for tenants in employment was a mixed view. Some felt that the percentage should be removed altogether with only 2 people thought that the percentage should be increased to 20%. The majority of views were that either the 10% was an acceptable percentage, or that it should be removed. Some of the individual comments included:

- *"I am worried that people in work may not be able to afford the higher rent"*
- *"In this economic climate should we be stipulating that you should be in work"*
- *"By targeting those in employment are older people and disabled people disadvantaged?"*

- *“Its good to get a mix of people, those in work will be able to contribute to the economy in the local area”*

In mitigation of these concerns, it is useful to note that without giving any preference to those households in employment, during the last 3 years between 20% and 26% of Council lettings have been made to applicants who are in employment. The feedback from consultation survey was however more supportive with 51% of people supporting the proposal. Of these, 55% said the % should be increased.

**7.6 Additional issues raised** – there were a number of additional issues during the consultation. These included:

- **Local Connection** – some feedback indicated that preference should be given to households with a local connection to properties in **Canklow, Maltby, West Melton and Kilnhurst**. (In relation to Kilnhurst, the Ward Members requested that the local connection be extended to those who have a connection to Swinton). This was not the case for feedback relating to **Wood Street, Thrybergh** where it was felt that all applicants in Rotherham should be considered to encourage and attract other applicants into the area to support the regeneration of the area. The feedback from the survey was that 52% agreed that preference should be given to Council tenants living in the local area, 36% disagreed and 12% had no view. The current proposal does not specifically address Local Connection and would further specific consultation before being included.
- **Newlands Avenue, Maltby - during the discussion at Scrutiny, an issue emerged relating to** the previous 86 residents of this estate whom it was felt had been assured they would get priority to move back (if they wished to do so). Of these, 82 residents have been permanently rehoused, 1 former tenant died and 3 remain on site awaiting rehousing. In order to address the concern raised, specific correspondence could be addressed to these residents drawing attention to the development and proposed lettings criteria. In all cases that have been rehoused the households would need to be eligible for the property type/bedroom need and adaptations. With regard to the 3 remaining families, it is proposed that all must meet the proposed letting criteria. However 1 of the remaining tenants, who has expressed an interest to move on the estate, hasn't been a tenant for the 2 year period. The family have lived on the estate for a number of years, previously as an owner occupier. **It is proposed that an exception to the Local Letting Policy be adopted (for this family only) to be rehoused to New Lands Avenue.**
- **Home Visits to verify applications and to check property standards -** The survey results were that 93% agreed that a home visit should be undertaken to check that the property hasn't been damaged before an offer of accommodation is made. In addition 67% told us that a home visit should be undertaken after 4 weeks of moving in and also every 6 months there after. Housing Choices will work with 2010 Rotherham to take this forward to ensure that a home visit will be undertaken to verify the transfer application and to complete an affordability check prior to every letting.

- **References/checks** 60% of survey respondents felt that references/checks should be requested before being offered a property and that these are considered prior to an offer of accommodation. The reference/checklist will therefore need to include details of any tenancy breaches, including anti social behaviour issues.

## **8. Finance**

**8.1** It is anticipated that the Local Lettings Policy will create more sustainable communities, which should lead to fewer empty properties (voids) on that particular estate. The view is that there will be high demand from existing Council tenants but there is no evidence to back this up, therefore to avoid the risk that empty properties may take longer to let due to the restrictive local lettings policy, it is imperative to avoid void rent loss that other households are then considered. It is therefore proposed that where the shortlist has been exhausted that properties will be offered in accordance with the normal Allocation Policy to those applicants who have made a request.

**8.2** There will be additional costs for the letting process, including staff time to produce the advert, the shortlist, verify the application, undertaking the viewing, making the offer and sign up procedure. In effect this policy will incur over 250 lettings. A dedicated Officer could focus on the new lettings, void relets and intense housing management of the new tenancies, for a 6 month period. Discussions will take place with 2010 Rotherham and Housing Choices to establish how best to take this forward.

## **9. Risks and Uncertainties**

**9.1** There is no 100% guarantee that previous Council tenants with a good tenancy record will not have housing management problems into the future. As many checks as possible will be undertaken to try and mitigate this risk.

## **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.

## **11. Background Papers and Consultation**

Wider consultation has taken place to enable other applicants, organizations and housing organizations to be given the opportunity to comment. A consultation programmed was drawn up and the findings are included in the report in Appendix 2.

**Background papers have included:**

- The Allocation Policy (1st December 2008)
- Local Lettings Policies
- The Homelessness Act 2002.
- Housing Act 1996, Parts VI and VII
- The Code Of Guidance in Allocation [CLG 2007]
- The Homelessness Code of Guidance

**Contact Name:**

Dave Richmond, Director of Housing & Neighbourhoods

Sandra Tolley, Housing Choices Manager,  
Telephone 01709 336561  
E-mail - [sandra.tolley@rotherham.gov.uk](mailto:sandra.tolley@rotherham.gov.uk)