

# Guidance for registered providers on the use of social and affordable housing

## The Tenancy Strategy





# Contents

<b>1. Purpose</b>	4
1.1 Process of development	4
1.2 Review	5
<b>2. Social and affordable housing in North West Leicestershire</b>	5
2.1 The role and shape of the social and affordable housing market today	5
2.2 Key facts about affordable homes in North West Leicestershire	6
2.3 Social and affordable housing in the future	7
2.4 Partnership working	8
<b>3. The Council's guidance for registered providers</b>	9
3.1 Summary of preferences and aspirations for joint working	9
3.2 Tenancy preferences by household group	11
- A note on equality and comprehensive impact assessments	11
- Families with children of school age or younger	11
- Single and couple households of working age	12
- Households on a low income, but not in receipt of housing benefit	12
- Households with a disabled household member	12
- People over working age	12
3.3 Tenancy preferences – other circumstances	12
3.4 How we will monitor the impact of choices in North West Leicestershire	13
<b>Glossary of terms</b>	14
Annex A Affordable rent homes – current picture and what may be different	16
- Social housing tenancies	16
- Affordable rents	16
Annex B Our ambitions for homes and housing services; fixed term tenancies and affordable rent	19
Annex C Community and customer characteristics, housing need and demand	25
Annex D NWLDC Settlement Hierarchies	29
Annex E Welfare Reform – main changes	30

# 1. Purpose

This document aims to describe:

- The social rent<sup>1</sup> and affordable rent housing market in North West Leicestershire, and its role in helping us to achieve our vision for the district
- The choices that are now available to the council as a landlord of social housing, and to registered providers, to enable us to manage social and affordable homes effectively
- The preferred minimum length of fixed term tenancies and other factors we would like registered providers to consider in the process of a) deciding whether they should introduce fixed term tenancies and b) developing their tenancy and affordable rent policies<sup>2</sup>
- The action the council and the North West Leicestershire Strategic Housing Partnership would like to take, working with providers, to manage choices and change so that we are able to meet housing need and demand, and achieve our longer term vision for the district

This document **is not** the tenancy policy for the council landlord. This is a separate document, developed with regard to this guidance as is expected of other registered providers.

Whilst the primary audience for this document is registered providers, we hope it is of interest to members of the public and other stakeholders in the district with an interest in social and affordable rent housing. We have provided a glossary of terms towards the end of this document.

<sup>1</sup> Planning Policy Statement 3 defines affordable rented housing as “rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent.” It also states that “The terms ‘affordability’ and ‘affordable housing’ have different meanings. ‘Affordability’ is a measure of whether housing may be afforded by certain groups of households. ‘Affordable housing’ refers to particular products outside the main housing market.”

<sup>2</sup> This document is also North West Leicestershire’s Tenancy Strategy. Registered providers are expected to ‘have regard to’ the contents of this document in developing and reviewing their tenancy policies. Case law suggests that this means providers should actively inform themselves of the content of this document and any others referred to herein, and maintain a written record of why decisions have been taken to align with the direction provided here or otherwise.

## 1.1 Process of development

This guidance has been developed with reference to the council’s housing strategy, homelessness strategy and allocations policy, as required by the Localism Act 2011.

The North West Leicestershire Strategic Housing Partnership has played the lead role in developing this guidance. The Partnership is a group that brings together a wide range of organisations (public, private and the voluntary and community sector) working across the district that are committed to improving housing conditions and housing choice and encouraging pride in local communities. The Partnership has held four discussions on the strategy since July 2011, members have responded to consultation and participated in a workshop. For a full list of partners please see our housing strategy [www.nwleics.gov.uk/pages/housing\\_strategy](http://www.nwleics.gov.uk/pages/housing_strategy)

In November 2011 North West Leicestershire held a scenario planning workshop in conjunction with Blaby, Melton, Oadby and Wigston, Charnwood, Hinckley and Bosworth and Harborough councils and a wide range of statutory and non-statutory partners. Many of our registered providers work across more than one local authority area and it will be challenging for them to have regard to a number of very different policies.

We published a draft version of this document with consultation questions on 6 February 2012; consultation closed on 21 March 2012. Seven responses were received including three from registered providers, one from NWL Homelessness Project and one from the Police. The North West Strategic Housing Partnership has made subsequent recommendations for change. All responses and recommendations, alongside the action we have taken as a result, are available on request.

We have considered detailed information about our communities, their housing needs and aspirations

in developing this document (see Annexes B and C and the equality impact assessment available on our website, [www.nwleics.gov.uk/pages/housing\\_strategy](http://www.nwleics.gov.uk/pages/housing_strategy)).

A number of our consultation questions sought to ensure that we have properly understood the potential impact of decisions taken by registered providers and the council as a landlord.

We have commissioned a piece of work to establish the need for 'affordable rent' housing in the district, taking into consideration rent levels in the private sector, welfare reform and benefit caps, and household income in the district. We have provided figures in Annex A.

## 1.2 Review

We have described in section 3.4 how we intend to monitor the impact of choices in relation to tenure length and the affordable rent model in North West Leicestershire with registered providers, in conjunction with other stakeholders. This regular monitoring will inform the direction provided by this guidance; it may be necessary to make amendments. As a minimum we will undertake a robust review of this guidance by March 2015<sup>3</sup>, involving registered providers and other partners in the process.

# 2. Social and affordable housing in North West Leicestershire

## 2.1 The role and shape of the social and affordable housing market today

The Council and its partners want North West Leicestershire to be:

**"A place where people and businesses feel they belong and are proud to call home"**

There are some people who, for various reasons, can't afford to rent from a private landlord or to buy their own home. These include young people leaving home, couples starting out, families and older people. It also includes people who are working but are in a low-paid job. Social and affordable housing gives the opportunity to low income households in North West Leicestershire to:

- Spend time with their family and friends, socialising, supporting and caring for them
- Access local services and amenities that enable them to live healthy and independent lives

- Contribute to their communities and to volunteering
- Live within a community where they work or have their own business
- Add to local demand for goods and services, improving local economic well-being

Social and affordable rented homes and low-cost home ownership are cheaper than private homes available to rent or buy because public money is used to build them. However, there isn't enough public money to build all the affordable homes we need so we have to make sure that the people who most need these homes are able to access them.

From April 2012 the council and registered providers (also known as social landlords) will be able to manage social and affordable rent housing in different ways<sup>4</sup>. There are new choices to make but these need to be made carefully, bearing in mind what we want to achieve in the district, the housing needs and aspirations of our residents. We do not want to make it more difficult than it already is for people to find a home that is suitable for their needs and income.

<sup>3</sup> The government suggests that tenancy strategies should be reviewed every five years as a minimum.

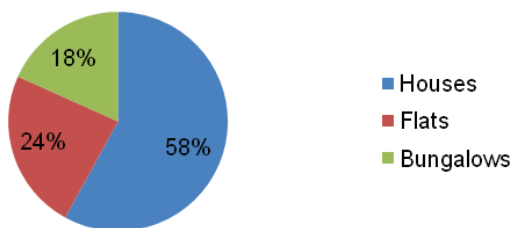
<sup>4</sup> The government is providing freedoms and flexibilities to local authorities and social landlords by making some changes to legislation. These changes are described in the Localism Act 2011.

## 2.2 Key facts about affordable homes in North West Leicestershire

The Council's definition of an affordable home is "non-market housing, including social rented and intermediate housing (that which is at prices or rents above those of social rents but below market prices or rents) and which will remain available as affordable housing in the future or include provision for any subsidy to be recycled for the provision of additional affordable housing in the event that it ceases to remain affordable".

- There are around 6,300 social and affordable rent homes (15.6% of all homes in the district):
  - \* The Council owns 71% (4,477) of these homes.
  - \* There are 11 registered providers in NWL managing 29% or 1,803 homes. East Midlands Housing Group owns 1,319 of these and Sanctuary Housing owns 206.
- In 2010/11 fewer homes became available to rent than in 2009/10 (334 general let homes compared to 408).

Types of social rent housing

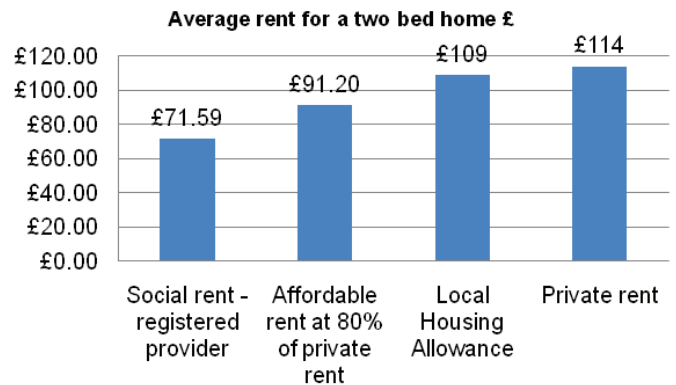


Source: NWLDC HSSA



Affordable rent will be more expensive than social rent, as evidenced by this example for a two-bed home:

Source: Hometrack data November 2011



- The average gross household income in NWL is £24,312 per annum. To buy an average price house a household on an average income would need 6.1 times this compared to 3 times for it to be affordable.
- There are 830 households on the council's register for social and affordable homes, of whom 583 are not currently living in social or affordable housing. This includes:
  - \* 396 families (48%), 102 couples and 332 single people
  - \* 122 households are in urgent housing need ie, they will get priority for housing
  - \* 350 applicants aged 16 - 34, 210 applicants aged 35 to 49, 152 applicants aged 50 to 64 and 118 applicants aged over 65
  - \* Based on their household income, around 629 applicants are not earning enough to afford another type of home
- We need 355 additional social and affordable homes per year in order to respond to household growth, changing housing needs and demand. On average 57.5 new affordable homes have been built per year since 2008. In more detail we need:
  - \* 280 additional affordable homes (social rent and 'affordable rent') and 75 additional homes at intermediate rent or low cost home ownership, per year.
  - \* Between 35 and 45 homes per year should be provided in rural areas

## 2.3 Social and affordable housing in the future

The government, through the Localism Act 2011, has enabled the council as a landlord and registered providers to make choices about how they manage social and affordable housing. In summary:

1. Registered providers may choose to introduce different types of tenancy agreement for new tenants that last for fixed periods of time, for example five years (existing tenancies are protected)<sup>5</sup>
2. New 'affordable rent' housing is likely to be more expensive than existing social rent housing. Social rents have historically been approximately 50% of a market rent whereas the new 'affordable rent' can be up to 80% of market rent. For example a new two bed affordable home could cost £91.20 per week, compared to £71.59 per week for an existing two bed social rented home managed by the same registered provider<sup>6</sup> in the same area (see Annex A for more information about affordable rents in the district). New 'affordable rent' homes must be let through the same mechanism as social rent homes<sup>7</sup>.
3. Registered providers who are developing new affordable rent homes can 'convert' a number of their existing social rented homes to a higher 'affordable rent' when they become available to let to a new tenant. The number of conversions is critical to the financial viability of providing new affordable rent homes. Conversions may take place in local authority areas other than those where the new affordable rent homes will be built.
4. Registered providers operate as not-for-profit organisations. Many of them are charitable organisations. To build new homes and/or so they can focus their resources on managing the rest of their homes to a high standard, providers may now need to sell some of their homes.

5. The council could change who can access social and 'affordable rent' homes – they can decide to limit access to the housing register to those who have a defined housing need<sup>8</sup>, and/or reflect that there are local priorities such as enabling under-occupiers to move home. The council will also be able to use the private rented sector more to meet housing needs.

There are other things that are also likely to affect the supply of affordable housing in North West Leicestershire in the future, and the need and demand for these homes:

6. The council will be able to decide how to spend all the rent from their homes from April 2012. It is developing a business plan to ensure that it brings council homes up to a decent standard (the council has received government funding to do this), and to maintain this standard in the longer term.
7. Registered providers may be planning to offer an alternative to social rent and affordable rent homes. Low cost home ownership may meet some household needs.
8. The government has announced a greater Right-to-Buy discount for people wishing to buy their social rented home. This might reduce the number of social rent homes available to others in housing need.
9. People who have a low or no income and receive benefits may receive less money in the future as a result of changes to the welfare system. People may have less to spend on their housing costs and may need to move to more affordable housing.
10. Welfare reforms will affect existing, working age, tenants in social housing who are under-occupying their home by one bedroom or more; demand for smaller homes may rise, as might rent arrears from those who can't move.

Further detail on what may be different in the future is provided in Annex A and Annex E describes the changes introduced by welfare reform.

<sup>5</sup> If you are an existing tenant of a housing association or the council your security of tenure is protected

<sup>6</sup> New rent levels will only affect people moving into an affordable rented home; they will not affect existing tenants unless they choose to move to an 'affordable rent' home

<sup>7</sup> This is stipulated by the Government in its revised Planning Policy Statement 3 definitions of affordable rent

<sup>8</sup> The council must enable people who meet the Government's reasonable preference criteria to register.

The government has introduced changes because it would like affordable rented housing to:

- Be targeted at those in greatest housing need
- Offer value for money and not cost the public purse more than it needs to
- Not be seen as somewhere where only people without work are able to live
- Be used fairly, for those people who need it most, when they need it.

More detail about how things work now, and might be different (depending on the choices organisations make), is provided in Annex A. This includes an assessment of the difference between social rents and affordable rents by property size.

You can see what approach each social landlord is taking by viewing their tenancy policy and affordable rent policy (if they are offering this type of home). As these might be updated on a more regular basis than this document we do not provide a summary of what these say here. Please contact us if you require a specific registered provider's policy or contact them directly.

## 2.4 Partnership working

### With registered providers

The council is keen to work with registered providers in the district and already does so through the North West Leicestershire Strategic Housing Partnership and one-to-one relationships.

The council recognises that registered providers want to provide good quality homes and housing services to tenants and other customers, and that this requires sustainable business plans. We also value providers' contributions to improved health and wellbeing, economic stability and growth (for example through training opportunities presented by the construction of new homes), quality environments and safe neighbourhoods. We understand that in the current climate providers are facing a number of risks to their businesses; the council does not want to add to these and we have taken this into consideration in developing our guidance.

We would, however, also like providers to recognise that whilst we have similar goals, the council has a wider responsibility for ensuring a good quality of life for all residents and communities, and not just for those households already living in social and affordable housing. Our ambition is to, as far as possible, enable housing needs and demand to be met. The council also needs a sustainable plan (described in the community strategy, corporate plan, medium term financial plan and the local housing strategy), for which the council is held to account by the public.

We acknowledge that our different roles are likely to result in different perspectives and practice but we hope to understand over time how we can manage differences to achieve the best outcomes for our district, for tenants and prospective tenants. We hope that the guidance we provide in this document is just the beginning of new and refreshed relationships.

### With other local authorities

Many of our registered providers work across more than one local authority area and this was one reason why a joint scenario planning workshop in conjunction with other Leicestershire local authorities was held to inform the development of this guidance.

The guidance the council provides may also impact on the strategic priorities of Leicestershire Together, and on the housing ambitions of individual Leicestershire local authorities. For this reason it will be important that we continue to work together to monitor and manage any effects. We will do this through existing officer working groups and through the Leicestershire Housing Services Partnership<sup>9</sup> which has a particular remit to achieve Leicestershire Together priorities and to ensure that impact on, and from, housing provision on other strategic outcomes is adequately considered.

### With other partners

The North West Strategic Housing Partnership will continue to monitor and inform the direction of this guidance, as part of the framework which provides strategic direction to all housing activity in the district.

<sup>9</sup> Leicestershire Housing Services Partnership [http://www.leicestershiretogether.org/index/partnerships/housing\\_services\\_partnership.htm](http://www.leicestershiretogether.org/index/partnerships/housing_services_partnership.htm)



# 3. The Council's guidance for registered providers

With our Leicestershire local authority partners, the North West Strategic Housing Partnership and other stakeholders eg, Leicestershire County Council, we have given careful consideration to the pros and cons of fixed term tenancies and the new 'affordable rent' product for five different household types and against the North West Strategic Housing Partnership's ambitions for homes and housing services.

Through the scenario planning workshop held in November 2011, we have considered pros and cons from four different perspectives:

- **The customer.** The primary interests of this group are security of tenure, stability and affordability in the long term. The ability to move within and outside the social and affordable housing market may be of interest to some customers.
- **The council in its strategic housing role.** The primary interests of the council are to meet the need and demand for social and affordable housing and to achieve the vision for the district (this includes sustainable neighbourhoods and communities), making the best use of resources in the area.
- **The registered provider and local authority landlord.** The primary interests of providers are to meet the need for social and affordable housing, to enable sustainable neighbourhoods and communities, and to manage sustainable, not-for-profit businesses.
- **Other interested parties** eg, health and social care, advice agencies etc. Primary interests include improved health and wellbeing, reducing inequalities and disadvantage and economic stability.

We have sought to balance interests, thinking also about different housing types, for example general needs family and non-family housing, accessible<sup>10</sup> and adapted, and long term specialist housing eg, sheltered housing and extra care<sup>11</sup>.

We have also considered the household characteristics of those we know are in housing need (see Annex C for further information).

## 3.1 Summary of preferences and aspirations for joint working

We acknowledge that the decision to use fixed term tenancies, and the length of these tenancies, lies with the registered provider. We also accept that a number of homes in the district will be rented at 'affordable rent' levels in the future. However, we would like registered providers to enable us to comment on their tenancy and affordable rent policies and their equality impact assessments of these policies before decisions are taken.

### Fixed term tenancies

We have expressed our preferences in terms of minimum tenancy lengths but clearly the provider can choose for these to be longer, or shorter in exceptional circumstances. If registered providers decide to use fixed term tenancies, we would prefer:

- A **minimum** of a five year fixed term tenancy for most households<sup>12</sup>. There are some households whom we would prefer a longer tenancy and there are some exceptional<sup>13</sup> circumstances where we are prepared to accept a shorter term (these are described later). Where a term of less than five years is proposed we expect providers to give the

<sup>10</sup> General needs accessible ie, ground floor, lift accessed, non-older person bungalows

<sup>11</sup> Supported accommodation providing Extra Care means that people have their own flat or bungalow, but also have access to high levels of personal care, meals, domestic support, leisure and recreation, nursing and 24-hour security

<sup>12</sup> This is in line with the government's preferred minimum tenancy length

<sup>13</sup> Exceptional is defined as not typical or usual. Therefore issuing a shorter tenancy in order to deliver the provider's asset management strategy, for example, is not considered to be exceptional as asset disposal and management is usual practice.

Council and NWL Strategic Housing Partnership an opportunity to comment.

- For fixed term tenancies to be re-issued at the end of the term unless there is a significant change of circumstance. We want to work with providers to establish the criteria they use to inform this decision.

We consider the use of fixed term tenancies as a management tool to be inappropriate, particularly in relation to tenants who are perceived to present a greater risk to tenancy sustainment or neighbourhood sustainability. Existing tools are available to social landlords eg, probationary tenancies, to manage risk. We will seek to monitor the use of fixed term tenancies in relation to vulnerable groups (please see 3.2 for definitions).

We consider the following to be critical in managing fixed term tenancies and the affordable rent product, and we would like to work with registered providers and other partners to decide what these look like in the district:

- Timely information and advice services to help people understand their housing options which should include, where appropriate, opportunities to move within and outside the social and affordable rent sectors eg, into market rent or home ownership (including low cost).
- Support to improve financial inclusion, beginning at the start of a tenancy. This may include enabling access to education, training and/or employment.
- Clear criteria against which the decision to re-issue the tenancy will be made
- A clear and transparent review process which is understood by the tenant at the time of tenancy sign up
- A clearly communicated appeals process should the tenant disagree with the decision or the way in which it has been made
- Information sharing between registered providers and the council when the decision not to reissue a tenancy has been taken, provided 6 months before the tenancy ends, so as to avoid homelessness

In designing refreshed services, tenancy policy criteria and the review process thought must be given to how

the tenant's quality of life can be improved, and the role of agencies that can enable this eg, employment, health, care and support.

## **Affordable rent**

We have sought to establish the need for affordable rent homes in the district. This has highlighted particular issues and we would like registered providers to consider the following in developing their affordable rent policies:

- Studio accommodation and four bed homes should be maintained at social rents

We would like to work with registered providers and other partners to develop approaches to financial inclusion, beginning at the start of a tenancy.

## **Rural Areas**

Where homes are in settlements of less than 3,000 (currently identified in Annex D) we expect providers to let homes in accordance with a local lettings policy that gives preference to people with a connection to that settlement. To ensure sustainability of these settlements, we would expect to see allocations made to households who would fall outside the normal property size eligibility criteria<sup>14</sup>.

## **Access to social and affordable rent housing**

At this stage no decision has been made to limit access to the housing register as we do not understand enough about the impact this could have on households in need, neighbourhood and estate sustainability. This decision will only be taken when we have a better understanding of the advantages and disadvantages, and in consultation with registered providers and other local partners.

We will ensure that the Leicestershire Choice Based Lettings Scheme makes it clear to customers what the differences are between social and affordable rent homes, and the different tenure options.

A review of our allocations policy will also be undertaken in 2012/13.

We provide further detail on our tenancy preferences for the five household types next.

<sup>14</sup> We recognise that consideration will need to be given to working-age households in receipt of housing benefits



## 3.2 Tenancy preferences by household group

### A note on equality and comprehensive impact assessments

The regulatory framework for social housing in England from April 2012 reminds providers that it is essential to understand tenants' needs, including those within the equality strands<sup>15</sup>. We have provided information about our community and the characteristics of those in housing need (prospective tenants and transfer tenants) in Annex C to support providers' policy making process. Providers may also wish to refer to our housing strategy challenges document at [www.nwleics.gov.uk/pages/housing\\_strategy](http://www.nwleics.gov.uk/pages/housing_strategy).

Our housing strategy incorporates action to make access to housing fair and equal, and for vulnerable people to be able to live independently, particularly:

- Older people
- People with a learning disability
- Offenders
- People fleeing domestic abuse
- Young people
- Households at risk of homelessness

The strategy also recognises that the following groups have unmet housing needs:

- Rural communities
- Single households under the age of 35 (a result of welfare reform – see Annex E for more information)

We ask that providers give particular consideration to the above groups in developing their policies.

We also ask that reference is made to our assessment of the possible impacts of tenancy and affordable rent policies on our ambitions for homes and housing services (Annex B).

We will be seeking to work with providers to understand and manage adverse impacts of tenancy and affordable rent policies in the longer term. To inform this we wish to incorporate equality monitoring data in our proposed information sharing between the council and registered providers.

We have drawn out the main equality considerations for providers within the next section.

### Families with children of school age or younger

Our preferred tenancy terms are:

- A minimum of a five year fixed term tenancy

Security and stability during a child's education is critical to educational attainment. Families also rely on nearby friends and relatives to provide care for their children. We expect these factors to be considered by providers in reaching a decision about the use of fixed term tenancies for this household group.

We are particularly interested in working with providers to explore how under-occupation in family homes can be addressed through the use of fixed term tenancies.

### Single and couple households of working age

Our preferred tenancy terms are:

- A minimum of a five year fixed term tenancy

We recognise that shorter tenancies may be deemed appropriate by providers and their partners, for example for households who are in fixed-term local employment, or households who are in transition to

<sup>15</sup> Regulatory framework for social housing in England from April 2012 [http://www.homesandcommunities.co.uk/sites/default/files/our-work/regulatory\\_framework\\_2012.pdf](http://www.homesandcommunities.co.uk/sites/default/files/our-work/regulatory_framework_2012.pdf)

another form of accommodation.

### **Households on a low income, but not in receipt of housing benefit**

Our preferred tenancy terms are:

- A minimum of a five year fixed term tenancy

We recognise that shorter tenancies may be deemed appropriate by providers and their partners in certain circumstances. These may relate to the type of property eg, non-family housing and/or the characteristics of the applicants eg, younger working households may simply be seeking a short term solution to enable them to access home ownership.

We are particularly interested in working with providers to develop suitable financial inclusion services.

### **Households with a disabled household member**

A disability may be a physical disability or other long term health condition that requires specific adaptations to the home or other design features to enable mobility and greater independence.

Our preferred tenancy terms are:

- For fixed term tenancies only to be used to enable the best use of adapted stock
- A minimum ten year fixed term tenancy where it is likely that the disabled person will remain living in the property for some time and still require the adaptations

We recognise that shorter tenancies may be deemed appropriate by providers and their health and care partners, for example we acknowledge that a two year tenancy in an adapted home may be deemed appropriate where a household member has a recoverable injury/condition and is fully expected to move on into a non-adapted home. It may also be appropriate for shorter tenancies (of not less than five years) to be used where there is an adapted family home and the needs of the disabled child may change, or the child may move out.

Easy access to education and employment, health, care and support, and to informal support networks, may be particularly important to this household group. Access to adaptations is also important. Providers are asked to consider these factors in making decisions about the use of fixed term tenancies for this household group.

### **People over working age**

At this stage our preferred tenancy terms, are:

- A minimum of a five year fixed term tenancy for people over working age living in general needs accommodation
- Lifetime tenancies for people over working age living in sheltered and extra-care accommodation

Consultation concluded that lifetime tenancies are the most appropriate option for tenants in extra care housing<sup>16</sup>.

In deciding on the use of fixed term tenancies for this household group, or for accommodation that is specific to people over working age eg, sheltered, we would like providers to consider health and wellbeing (particularly as national policy supports care and support 'closer to home'), the role of friends and relatives in enabling independence, and the possibility that insecurity of tenure may add to someone's worries about their future.

We are particularly interested in working with providers to explore how under-occupation of family homes can be addressed; this is an action in our housing strategy.

## **3.3 Tenancy preferences – other circumstances**

We have also given consideration to the length of tenure in the following circumstances:

### **In rural areas**

North West Leicestershire is a rural district, with a

<sup>16</sup> Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. For more on the definition see <http://www.housingcare.org/jargon-extra-care-housing.aspx>.

number of larger settlements. There is a very limited supply of social and affordable housing in villages but community sustainability is particularly important here.

Our preference is for a minimum five year fixed term tenancy provided that registered providers work with the council and other stakeholders to enable:

- Strong and sustainable communities
- Households living in rural areas who are dependent on support from families and friends to continue accessing this support, for example as people get older

Action to mitigate negative impacts could include:

- Developing smaller accommodation options
- Local lettings policies

In our priority neighbourhoods (Coalville, Thringstone, Whitwick Greenhill, Ashby (there are large local inequalities in these wards), Measham, Ibstock, Moira and Castle Donington).

Health, housing, unemployment and the environment needs improvement in these areas so that people can have a better quality of life. Life expectancy, for example, is lower in these areas than elsewhere. There is a greater supply of social housing in some of these areas and it is possible that low income and potentially vulnerable households will have no choice but to live here should other areas become unaffordable.

Our preference is for a minimum five year fixed term tenancy provided that registered providers work with the council and other stakeholders to:

- Manage social rent conversions in these areas to enable mixed communities
- Monitor quality of life indicators in these areas to understand the impact of different rent levels

Action to mitigate negative impacts could include:

- Local lettings policies

**For households who have experienced crisis** such as homelessness, they may benefit from greater stability and security to enable them to move-on.

Our preference is for a minimum five year fixed term tenancy provided that registered providers work with

the council and other stakeholders to enable:

- New tenants to set-up their home and to sustain this in the longer term
- Additional support where necessary, for example for young people who have not held a tenancy before, or to enable the household to deal with their recent experiences eg, domestic abuse, relationship breakdown etc,

### 3.4 How we will monitor the impact of choices

We would like to understand the impact of choices made by registered providers, the Council as a landlord and the Council in its role of directing housing activity. This strategy will be supported by an information sharing and monitoring protocol that describes what information the council, registered providers and others will share to enable this.

In developing the protocol and monitoring we felt it was important not to introduce unnecessary burden for any organisation. We also wanted to use the opportunity of sharing information to ensure the public has the information needed to make informed decisions about their housing options.

As the housing market is always changing, and choices can be made by the council and registered providers at any time, the intention is to keep the content of this document under regular review and revise it where necessary, particularly in light of adverse impact. Where the review results in a significant change in policy we will consult providers and stakeholders on these changes first.

## Glossary of terms

Term	Definition
Allocations Policy	All local housing authorities and registered providers are required to state how they will allocate affordable rent housing and to conform to regulations or statutory guidance issued by the Secretary of State. Once the Policy has been agreed, all lettings must be made in accordance with the Policy. It is possible to have different policies (Local Lettings Policies) that differ from the main Policy and are applicable to a small number of homes within any registered provider's stock.
Affordable Rent	A form of affordable rented housing, the Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent
Affordable rented housing	Planning Policy Statement 3 defines affordable rented housing as let by registered providers of social housing to households who are eligible for social rented housing. It may include homes let at an Affordable Rent
Extra care housing	Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. For more on the definition see <a href="http://www.housingcare.org/jargon-extra-care-housing.aspx">http://www.housingcare.org/jargon-extra-care-housing.aspx</a> .
Fixed term tenancy	A tenancy issued by a registered provider for a term certain of not less than 2 years (intended for 'exceptional circumstances' only) and usually for five or more years. At the end of that period, and after a tenancy review, the tenancy may be reissued for a further period. The meaning is the same as 'flexible tenancy', used for local authority tenancies
Flexible Tenancy	Born out of the Localism Act 2011, these local authority tenancies are awarded for terms certain - the minimum tenancy period is 2 years (intended for 'exceptional circumstances' only) but the usual period is five or more years. At the end of that period and following a tenancy review, the tenancy may be reissued for a further period
Homelessness Strategy	Usually prepared and published by a local housing authority following a homelessness review. The strategy outlines the causes and determinants of homelessness and what needs to be done to reduce it. It should include an action plan agreed with partners in tackling homelessness.
Housing Strategy	A document usually prepared and published by a local housing authority that considers the housing needs of the current and future population compared to the housing available in the area and directs actions to be taken both by the authority and its partners (eg, registered providers, health, social care, voluntary and community organisations) to improve the balance and meet housing needs more effectively. Housing strategies often incorporate enabling new homes, homelessness, private sector housing (rented and owner occupied), bringing empty homes back into use, adapting homes and other housing-related matters. However, an authority may also publish separate strategies and/or policies on some or all of these topics.
Intermediate market	Renting and ownership options for households who cannot afford open market ownership but also have no priority for social housing

## Glossary of terms

Low Cost Home Ownership or LCHO	Subsidised home ownership eg an interest free loan for a percentage of the property value or shared ownership (part buy, part rent)
Registered Provider or RP	Organisations which provide affordable housing and are registered with the Homes and Communities Agency. Registration implies that RPs meet certain standards and are also open to scrutiny in relation to their financial affairs and management of homes. The term includes housing associations (HAs) or registered social landlords (RSLs), trusts and co-operatives who are all termed 'private registered providers'. Most are not-for-profit organisations, but private landlords can now register with the HCA provided they are prepared to be open to the same level of scrutiny. Local authority landlords are automatically registered providers, but are not 'private'.
Social housing (also social rented housing)	Type of affordable housing, which includes rented dwellings, which are usually owned and managed by either the Council or other Registered Provider and let at a social rent (typically lower than an 'affordable rent')
Social landlord	Landlords of domestic properties that are let at rent levels that are below open market levels, usually provided with subsidy on the original capital cost of providing these homes. Social landlords include all registered providers and may also include private or charitable organisations that have stock let to people who can't afford open market rents or property purchase prices. Where a private organisation considers itself to be a social landlord, the expectation would be that any surpluses (profits) from the activity are used to increase the stock or improve housing management or conditions.
Tenancy Policy or TP	Every registered provider is required to publish a 'clear and accessible' tenancy policy that states, as a minimum, the kind of tenancies they will grant, where they use fixed terms, how long these will be in certain circumstances, when tenancies won't be reissued at the end of the term, how they will take into account the needs of more vulnerable households, how they will assist/advise tenants to find alternative housing if their tenancy isn't to be reissued and how tenants can appeal against decisions on tenancy matters
Tenancy strategy or strategic tenancy policy	Every local housing authority must, by January 2013, publish a tenancy strategy that provides direction to registered providers operating in their area on, as a minimum, the types of tenancy they consider suitable for local people, the lengths of any fixed term, and where these should be used and where tenancies should be reissued. Local authorities are expected to base their tenancy strategy on their understanding of the housing needs of their population and the housing market.

## Annex A Affordable rent homes – current picture and what may be different

### Social housing tenancies

#### How do things work now?

New social housing tenants are usually offered a short tenancy, for example 12 months. As long as the tenant shows they can adhere to the terms of their tenancy agreement, for example they pay their rent on time, they look after their home and are not a nuisance to neighbours, they will be invited by the landlord to take a more secure tenancy.

This starter tenancy (also referred to as an introductory tenancy or assured shorthold tenancy<sup>17</sup>) is usually converted to a more secure tenancy (called a secure tenancy for council tenants or assured tenancy for tenants of other social landlords). At the moment these tenancies do not have a fixed term: tenants can live there as long as they choose provided that they adhere to the terms of their tenancy agreement.

#### What will be different?

Social landlords will be able to offer tenancies for a fixed term period<sup>18</sup>. These tenancies could be as short as two years but this should be an exception. The usual length is expected to be five years. Social landlords who do introduce fixed term tenancies for new tenants must explain:

- The kind of tenancies they will grant and in what circumstances
- The length of tenancy terms
- What the exceptional circumstances are for introducing tenancies of less than five years (if they choose to do this)
- The circumstances in which a further tenancy will be granted after that initial tenancy
- What approach will be taken to tenancies for people who are vulnerable because of, for example, their age, disability, health or because they have children

- What advice or assistance will be in place should a tenancy not be renewed

This will be explained in the landlord's tenancy policy.

### Affordable rents

#### How do things work now?

Until April 2011 new affordable (social) housing was funded in a number of ways:

- Money (grant) from the government, provided by the Homes and Communities Agency
- Grant from the local council
- Free or discounted land from the council or other public body
- Bank loans to social landlords
- The use of assets already owned by the social landlord eg, land or buildings
- From the development of new homes, through planning obligations

This funding means that the rent is cheaper than rent in the private sector: the average 'social rent' for a two bedroom affordable home in North West Leicestershire is £71.59 per week, compared to £114 in the private sector<sup>19</sup>. This funding also means that some



<sup>17</sup> East Midlands Housing Association

<sup>18</sup> Housing associations will call these 'fixed term' tenancies; the council will call them 'flexible' tenancies.

<sup>19</sup> July 2011





households could afford discounted homeownership

The Council, working with other councils in Leicestershire, decided where new affordable homes were needed based on:

- An assessment of who needs homes and where
- Where there is land available to build on
- What funding was available

The Local Investment Plan describes what the priorities are in Leicestershire for affordable housing. In North West Leicestershire the priority is to build grant funded affordable housing in rural settlements where the population is under 3,000, where a housing need has been identified and in the Greater Coalville area. Social landlords were required to develop new affordable homes in line with the Council's priorities.

### What will be different?

To reduce the national deficit the government has reduced the amount of money available to fund affordable housing. To make up the difference so that new affordable home can still be built, there are three major changes:

- New affordable homes built with grant from the Homes and Communities Agency will be charged at a higher rent – this will be up to 80%

of the market rent (ie, the rent in the private sector). Using the example of a two bedroom house, this will mean the 'affordable rent' will be £91.20 instead of £71.59 per week.

- A proportion of existing social rented homes can be converted to the new 'affordable rent' when they become available for letting
- Councils and social landlords will need to look more closely at what they can afford to contribute

In May 2011 social landlords and private developers submitted proposals to the Homes and Communities Agency for grant for new affordable homes. The Council has been asked whether these proposals meet with our local priorities. New affordable homes must be built by April 2015.

An analysis commissioned by the Council to understand who will have their housing needs met through the 'affordable rent' home has been undertaken. Detail is presented in the tables that follow but in summary:

- The difference between social rent and affordable rent varies by property size, with 4 bedroom affordable rent homes considerably more expensive than social rent homes
- Affordable rent homes will be unaffordable to 25.7% of those who may have a housing need, having taken into consideration the income profile for NWL residents
- Taking welfare reform into consideration, whilst most affordable rent homes fall below the Local Housing Allowance, this is not the case for studio flats, where the affordable rent is above the LHA rate. This suggests a particular problem for single households under the age of 35.
- The district is covered by a number of broad rental market areas. There are pockets of affluence and deprivation. Access to larger homes in more expensive areas may be limited by the Local Housing Allowance rate.

## Comparison of RP social rents 2011 and potential Affordable Rents

North West Leicestershire	Average RP gross social rents	Equivalent 80% Affordable Rent	£s difference	% Difference
Bedsits	£58.95			
One bedroom	£67.48	£73.48	£6.00	8.9%
Two bedrooms	£74.68	£91.94	£17.26	23.1%
Three bedrooms	£82.59	£110.29	£27.70	33.5%
Four bedrooms	£87.78	£157.48	£69.70	79.4%

## Average Affordable Rents and proportion unable to afford

Cannot afford AR	1 bed	2 bed	3 bed	4 bed
Cannot afford	14.8%	25.5%	25.5%	47.6%
Proportions in need mix	6%	24%	66%	4%
Overall can't afford AR	0.9%	6.2%	16.8%	1.9%
		Overall % cannot afford	25.7%	

Derived from Find a Property PRS rents and CACI Paycheck household incomes profile.  
Based on rent not being more than a third of gross household income

## North West Leicestershire overall average of rents (weighted)

Overall average	Monthly average asking prices	Weekly PRS rent	80% of PRS rent	LHA rate	Difference to LHA
Studio Flats	£340	£78.46	£62.77	£58.50	-£4.27
1 Bed Flats	£398	£91.85	£73.48	£86.54	£13.06
2 Bed Flats	£491	£113.40	£90.72	£109.62	£18.90
1 Bed Houses	£436	£100.62	£80.49	£86.54	£6.05
2 Bed Houses	£498	£114.92	£91.94	£109.62	£17.68
3 Bed Houses	£597	£137.86	£110.29	£126.92	£16.63
4 Bed Houses	£853	£196.85	£157.48	£160.38	£2.90

Tables are extracted from 'Establishing the need for provision of 'Affordable Rent' housing in North West Leicestershire', February 2012, produced by Bob Lines.

## Annex B Our ambitions for homes and housing services; fixed term tenancies and affordable rent

### Our vision for the future

The Council would like social landlords to bear in mind what we would like homes and housing services to look like in the future. Our vision and outcomes are those of the North West Strategic Housing Partnership and were developed in 2010/11. They are described in the 2011-2015 housing strategy (see [http://www.nwleics.gov.uk/pages/housing\\_strategy](http://www.nwleics.gov.uk/pages/housing_strategy)) and are summarised here:

1. Homes for all
2. Healthy homes
3. Content and confident communities
4. Fair and equal access to housing

We have identified a number of challenges that we need to overcome to achieve our vision.

1. There is a limited choice of housing available to people in North West Leicestershire, including a lack of affordable homes:
  - \* 355 affordable homes are needed per year, most for social rent
  - \* Between 35 and 45 affordable homes per year should be provided in rural areas
2. Improvement is needed in the condition of existing homes in both the social and private housing sector, particularly to improve health and wellbeing. The private rented sector will need to play a greater role in the future in meeting housing needs as other options are limited.
3. There is an increasingly older population, and people are living longer but not necessarily healthier lives. Other households also have additional health needs which impact on their housing requirements.
4. The economic downturn, government spending plans and welfare reform are expected to reduce household income, increase the need for

affordable housing and increase vulnerability. Our collective capacity to respond to demand is also reducing and we will need to prioritise what we spend and do

5. There are a number of areas within the district with concentrations of issues, and there's a danger these areas will not improve, or will get worse

These challenges are described in more detail in our 2011 – 15 housing strategy and in our housing challenges document, [http://www.nwleics.gov.uk/pages/housing\\_strategy](http://www.nwleics.gov.uk/pages/housing_strategy). Taking these into consideration, we describe next how we think our ambitions could be affected by changes to the rent level and/or the use of shorter, fixed term, tenancies.



## Analysis of effects against our local ambitions

### Our Ambitions - Homes for all

New homes will be suitable to meet different aspirations and needs. They will be well-designed and sustainable

#### Positive

Funding from the Homes and Communities Agency means that some new affordable homes will be built in North West Leicestershire

#### Negative

- Despite HCA funding there will be fewer new homes than we had envisaged as funding has reduced. Income from 'affordable rent' homes may also be used to develop new homes outside of the district but in the wider housing market area
- If it is difficult to develop new affordable rent homes in our area, for example if there are significant objections to planning permissions by the council or communities, social landlords may choose to build elsewhere in Leicestershire. Landlords in receipt of HCA funding have to complete new homes by April 2015.
- NWL has specified design requirements for new affordable homes. This could mean that the number of new homes will reduce as public funding has reduced.
- Developers may charge more for homes and land because the 'affordable rent' will generate more income for the social landlord than a social rent
- Charging higher rents on new homes in rural areas and neighbourhoods where there is already a very limited supply of affordable homes will limit choice to households in housing need



## There is a better use of existing homes to meet needs and aspirations

### Positive

- Fixed term tenancies may mean that homes in high demand can be better used if, for example, the current tenant no longer needs that type of property or tenure.

### Negative

- Social landlords may want to dispose of some of their homes if they are high cost and/or have a high value so they can afford to develop new homes and manage a sustainable business. This might reduce the number of affordable homes to rent in the district.
- Charging higher rents on existing homes in rural areas will reduce the already very limited supply of homes available to households in need
- Tenants may not understand how important it is for us to make the best use of social housing and may not engage with social landlords in the process of reviewing their housing circumstances at the end of a fixed term tenancy

## Our Ambitions - Healthy homes

### Homes will be warm, safe, well maintained and managed

#### Positive

- The review process associated with the introduction of fixed term tenancies should provide an opportunity for health issues to be identified and addressed. For example the tenant may need adaptations, or support to remain living in their home independently. It will be important that the review process involves the right agencies to achieve improved health outcomes.

#### Negative

- There is a risk to social landlords that 'affordable rent' homes are not attractive to new tenants so landlords may offer a different level of service to these homes. Whilst this may be better for some, it may cause tensions amongst tenants.
- Social landlords who use fixed term tenancies are likely to have to change the way they work, for example they will need new tenancy agreements, new customer information and perhaps new or revised IT systems. There is likely to be a cost and money may be diverted from somewhere else to pay for this eg, from other services.
- Tenants in the 'affordable rent' homes may have to make decisions about what they spend their money on and may choose to spend less on heating their homes or keeping them in good repair
- Tenants with fixed term tenancies may not keep their homes in good order or invest in them if they are uncertain about how long they will be living there

## Homes will be flexible to meet changing needs, for example as you get older

### Positive

- The review process associated with the introduction of fixed term tenancies should provide an opportunity for health issues to be identified and addressed. For example the tenant may need adaptations, or support to remain living in their home independently. It will be important that the review process involves the right agencies to achieve improved health outcomes.

### Negative

- With less subsidy, and the potential to let homes on a fixed term tenancy ie, not a home for life, new affordable housing might not be developed to accessibility and mobility standards eg, Lifetime Homes.
- For existing tenants the introduction of the 'affordable rent' model may be a disincentive to move to a different home. This may include households who we would like to move so that we can make a better use of their home, for example older households who are under-occupying their current home.



## Neighbourhood environments support a good quality of life

### Negative

- Tenants with shorter tenancies may not look after their environment if they are uncertain about how long they will be living there.

## Our Ambitions - Content and Confident Communities

## People will be able to afford a wider range of housing options

### Positive

- There may be some tenants who are able to afford to purchase a home at the end of their fixed term tenancy. They may be able to buy the home they live in, and remain living in their community. This will however mean a reduction in the number of affordable homes to rent in the area.
- There may be some households who are unable to access affordable housing at the moment because their housing needs are not a high priority when compared with others. If priority households can't afford new 'affordable rent' product, these households may have a new opportunity.

## Negative

- 'Affordable rents' will be more expensive. Although people in receipt of benefits will be able to live in these homes, it might be harder for households who work to afford the rent, particularly those on a low income. As more income is needed, households in receipt of benefits might have little incentive to get work, if it is available.
- Existing tenants who would like to move may choose not to do so because they don't want to pay the higher 'affordable rent'. This might have a particular impact on working-age tenants who may need to move from their current social rented home in 2013 because they are under-occupying it (housing benefit will reduce).

## Communities will welcome and support people living in their neighbourhoods

### Negative

- The new affordable rent model and fixed term tenancies may cause community tensions, particularly in rural and smaller neighbourhoods:
  - \*Rents for some homes will be higher, even if it is the same type of house on the same street
  - \*Tenants may be less willing to contribute to their community if they are uncertain as to how long they will be living there.
- There is potential for some neighbourhoods to have greater concentrations of low income and potentially vulnerable residents. These households may find their housing choices limited because they are too expensive and/or because they are unable to understand the larger range of options on offer.



## People will understand the options open to them to maintain or improve their housing circumstances

### Positive

- There will be a wider range of affordable housing options.
- The process of reviewing a fixed term tenancy may identify ways in which the tenant's quality of life can be improved through their home, for example someone may need an adaptation as their health has deteriorated, or other action eg, by signposting someone to local services for assistance.

### Negative

- A wider range of options has the potential to be confusing to customers. Demand for housing advice and information from the council and social landlords may increase.
- Social landlords will be required to provide advice and assistance to tenants who have a fixed term tenancy if they will not be issued with a new tenancy. It will be important that this advice and assistance is good quality and consistent, and enables the household to make an informed choice about the housing options on offer (see homelessness later).

## Our Ambitions - Fair and equal access to housing

People will be able to live independently, particularly: older people, people with a learning disability, people fleeing domestic abuse, offenders and young people

### Positive

- The review process associated with the introduction of fixed term tenancies should provide an opportunity for health issues to be identified and addressed. For example the tenant may need adaptations, or support to remain living in their home independently. It will be important that the review process involves the right agencies to achieve improved health outcomes.

### Negative

- The new 'affordable rent' model may mean that less new supported housing is built as it is not cost-effective.
- Households living in short-term supported housing or temporary housing may find it harder to move-on; they might not want or be able to afford an 'affordable rent' home; they might be confused by new and different types of rent and tenancy.
- Social landlords may seek to use fixed term tenancies as a tool to ask households who are thought to be more likely to be a challenging tenant to leave their property.





People will be able to sustain their home and there is a reduction in homelessness

#### **Positive**

- Provided the council and registered providers work together to develop approaches to financial inclusion and capability for tenants, tenants will be allocated a home they are able to afford in the longer term and financial issues will be identified and addressed at an early stage.

#### **Negative**

- There are some households, for example those who have already experienced insecure housing and/or homelessness and/or other crisis in their life, for whom uncertainty about what will happen at the end of a fixed term tenancy and/or worry about paying the rent may affect their health and wellbeing. In turn this may affect their capacity – and perhaps willingness - to sustain a settled home
- Uncertainty and worry may also reduce the positive effects that a settled home can have on someone's quality of life; enabling them to get back on their feet, to access education and employment and to begin contributing to the local community.
- There is a risk that households who do not receive a new tenancy at the end of their fixed term may approach the council for homelessness assistance (see advice and information earlier).

## **Annex C Community and customer characteristics, housing need and demand**

This section should enable robust comprehensive impact assessments of tenancy and affordable rent policies. The Council will refer to this information in its own impact assessments and we would like our partners, including registered providers, to do the same.

The Council would like social landlords to bear in mind the evidence we have of housing need and demand in North West Leicestershire. The 'housing challenges' document that supports the 2011-2015 housing strategy (see [www.nwleics.gov.uk/pages/housing\\_strategy](http://www.nwleics.gov.uk/pages/housing_strategy)) also provides some detail.

## Household/ other criteria

### North West Leicestershire community, housing needs and customer profile

#### Age

##### Older people

- At October 2011 there were 122 applicants on the housing register over the age of 65, and 180 applicants aged between 50 – 64 years. Only 31 households over 65 were in the top two priority bands (25 households are existing tenants seeking to transfer). Just over half of the applicants are single households. Few require sheltered housing (11) or support (16). There were 64 applications from couple households
- In 2010/11 26 general let affordable homes were let to older people (8%), whilst 137 sheltered homes were let.
- In 2010 there were an estimated 15,985 people age 65 and over. This is projected to rise to 23,700 by 2025, an increase of 57%. Increased life expectancy does not always mean extra years in good health.
- There are particular unmet needs for affordable suitable accommodation for older people, including those under-occupying larger and family homes. There is little suitable and smaller alternative accommodation.
- As people get older their housing needs change. Adaptations may be needed so people can stay in their home, or people may need to move to receive support and care.
- A 2010 Leicestershire study concluded that older people prefer to stay where they are and be supported to live in their own homes.
- Generally older applicants in the District prefer to move into bungalows not purpose built flats.
- Improving outcomes for older people with complex problems is a health priority in NWL.

##### Children and young people

- At October 2011 537 applicants on the housing register were couple or lone parent households with 'one or more others' in the household. 62 of these households were in the top two priority bands.

- In 2010/11 87 affordable homes were let to people aged between 16 and 24 (26%). 37.5% of affordable homes were let to families with children.
- 2,575 children live in poverty (defined as a household with half the average income - for a family of four this would be pay of less than £12,500 - but also suffers from material deprivation), despite overall deprivation being lower than average.
- At 2010 there were 21,400 people under the age of 19 living in the district.
- The economic downturn has seen an increase in the demand for housing advice services from young people who would like to find their own place or have been asked to leave their current home (top three most common enquiry)
- Private renting is felt to provide a flexible alternative to ownership for many younger and more mobile households, but it is unlikely to provide a suitable alternative for households requiring longer-term secure and affordable housing – particularly families with children (JRF)

#### Disability (physical, visual, hearing, learning disabilities, mental health)

##### Physical disability

- There are 1,500 Disability Living Allowance claimants (Feb 2011 DWP).
- In 2010/11 36 lettings to general let affordable homes and 51 lettings to supported housing (CORE) were to households who required some form of disability related requirement.
- As of January 2010 there were 70 people on the Council's housing register for Disabled Facilities Grant (DFG). (This does not include council tenants waiting for aids and adaptations). Some people have been waiting for over 2 years.

## Mental health

- The prevalence of mental health problems in North West Leicestershire between 2008 and 2025 is expected to rise.

## Learning disability

- There are 312 known people aged 19 and over in North West Leicestershire with learning disabilities, considerably fewer than the estimated number of 1,676 people. The majority of people with learning disabilities are aged between 20 and 29 years.
- The housing strategy identifies a particular need for homes and housing services to enable people with a learning disability to live independently.

## Racial Group

The ethnic makeup of the district is predominately White British 98.78% (2001)

## Sexual Orientation

There is no evidence yet to suggest that sexual orientation is affecting the housing circumstances of people living in the district.

## Transgender

There is no evidence yet to suggest that sexual orientation is affecting the housing circumstances of people living in the district.

## Carers

There are 6 applicants on the housing register who are single people with carers, of which one applicant is in the second band of priority.

## Priority neighbourhoods

North West Leicestershire has a number of priority neighbourhoods. These are Coalville, Thringston, Whitwick Greenhill, Ashby (there are large local inequalities in these wards), Measham, Ibstock, Moira and Castle Donington. Deprivation is strongly linked to poor health, poor housing and poor local environment.

Life expectancy is 4.4 years lower for men and 5.2 years lower for women in the most deprived areas of North West Leicestershire than in the least deprived areas (2011 Health Profile)

North West Leicestershire is mostly rural with several large settlements, the largest of which are Coalville, Ashby de la Zouch and Castle Donington. North West Leicestershire has settlements with varying characteristics, with a fairly distinctive division of wealth – Ashby de la Zouch attracts wealthier households, while Coalville houses more blue-collar households.

In rural areas where the population is less than 3,000 people there is very little social housing available which limits the choice of affordable housing for people who wish to live there, for example young people who have grown up in the area and would like to leave the family home.

## Other protected groups (pregnancy & maternity, marriage & civil partnership)

There are particular unmet needs for affordable rented family housing and housing for vulnerable people with support needs.

## Other socially excluded groups (low literacy, socio-economic, rural communities, etc)

### Socio economic

- Of the 1,091 applicants on the housing register around 800 are unable to afford anything other than social housing (those over income threshold of £42k, equity limit £27k or savings limit of £16k are placed in the low band).
- North West Leicestershire is more affected by socio-economic deprivation than Leicestershire as a whole: 3.5% of the population live in neighbourhoods that have been classified as the most deprived nationally.
- The proportion of residents employed in lower skilled occupations is high (38%) in NWL: higher than the national average. Overall the percentage of people with no qualifications is high and above the national average. The skills gap creates a situation where many local people are unable to take advantage of higher salaries
- The average weekly wage £483.40, (about the national average, 2009).
- In NWL the number of people unemployed for more than six months (May 2010) has been increasing steadily since October 2008 and now represents 38% of the total unemployment figures. Across North West Leicestershire the unemployment rate has risen by 2% since 2008 to 3.3% of the population. Rates peaked at 3.5% in April 2009, but it has been falling for the past five

months. The number of Job Seeker Allowance claimants has tended to be higher in NWL, as a % of the total population, than other districts in the County during 09/10.

- 3,660 council and housing association tenants and 1,380 private sector tenants are in receipt of housing benefit (April 2011, Department for Work and Pensions (DWP) Single Housing Benefit Extract).
- In 2008 7,229 households were estimated to be in fuel poverty. Due to increased fuel prices and stagnation of wages, central government have indicated that the number of households in fuel poverty has increased.

### Health

- Across the district there are higher than average levels of households which includes someone with special needs or health issues
- Alcohol misuse is a problem for almost 30,000 people.

### All

There are some migrant populations spread across the district, for example the Polish community in Measham.



## Annex D NWLDC Settlement Hierarchies

NWLDC Settlement Hierarchies			
Settlement	Total housing stock	Under 3000 population	DEFRA Settlement Classification
Lockington	66	Yes	Hamlet
Hemington	297	Yes	Hamlet
Gelsmoor	20	Yes	Hamlet
Outwoods	48	Yes	Hamlet
Peggs Green	94	Yes	Hamlet
Staunton Harold	34	Yes	Hamlet
Lount	21	Yes	Hamlet
Chilcote	47	Yes	Hamlet
Stretton en le Field	16	Yes	Hamlet
Boothorpe	12	Yes	Hamlet
Overseal	43	Yes	Hamlet
Shellbrook	36	Yes	Hamlet
Willesley	19	Yes	Hamlet
Oakthorpe	309	Yes	Hamlet
Charley	82	Yes	Hamlet
Breedon On The Hill	326	Yes	Village less Sparse
Wilson	68	Yes	Village less Sparse
Tonge	53	Yes	Village less Sparse
Isley Walton	30	Yes	Village less Sparse
Long Whatton	502	Yes	Village less Sparse
Diseworth	271	Yes	Village less Sparse
Belton	321	Yes	Village less Sparse
Coleorton	371	Yes	Village less Sparse
Griffydam	101	Yes	Village less Sparse
Osgathorpe	177	Yes	Village less Sparse
Newbold Coleorton	228	Yes	Village less Sparse
Worthington	216	Yes	Village less Sparse
Normanton Le Heath	63	Yes	Village less Sparse
Packington	321	Yes	Village less Sparse
Ravenstone	704	Yes	Village less Sparse
Appleby Magna	482	Yes	Village less Sparse
Heather	412	Yes	Village less Sparse
Snarestone	131	Yes	Village less Sparse

Newton Burgoland	183	Yes	Village less Sparse
Swepstone	84	Yes	Village less Sparse
Blackfordby	450	Yes	Village less Sparse
Boundary	82	Yes	Village less Sparse
Acresford	45	Yes	Village less Sparse
Batram	98	Yes	Village less Sparse
Castle Donington	2,834	No	Town & Fringe less sparse
Kegworth	1,580	No	Town & Fringe less sparse
Ibstock	2,559	No	Town & Fringe less sparse
Measham	2,213	No	Town & Fringe less sparse
Ellistown	1,080	Yes	Town & Fringe less sparse
Swannington	554	Yes	Urban less sparse
Albert Village	352	Yes	Urban less sparse
Moira	1214	Yes	Urban less sparse
Ashby	5,367	No	Urban less sparse
Donisthorpe	771	Yes	Urban less sparse
Coalville	4,780	No	Urban less sparse
Whitwick	3881	No	Urban less sparse
Thringstone	1066	No	Urban less sparse
Greenhill	2848	No	Urban less sparse
Hugglescote	818	Yes	Urban less sparse
Bardon	1309	No	Urban less sparse

Urban Settlements not covered by AH SPD threshold of 5 dwellings
Settlements under 3,000 & covered by AH SPD

## Annex E Welfare Reform – main changes

The government's welfare reform plans aim to stem the increasing public expenditure on benefits, to reduce dependency on benefits and encourage people into work. This Annex summarises the main changes and who they will affect.

Change	Effect
The excess payment of up to £15 has been stopped for tenants whose rent is below the average	Reduced household income
The 5-bedroom rate for LHA is abolished and the maximum LHA is now 4 bedrooms.	Reduced household income for large families
Absolute caps have been introduced for the benefit to be paid for each size of property.	Reduced household income
LHA rates have been set to reflect the bottom third of private rents rather than the bottom half.	Less choice of home in the private rented sector
The shared room rate now relates to claimants under 35 (previously 25) – from January 2012. There are exemptions for those aged 25-34 who have lived for at least 3 months in a homeless hostel and received support to resettle and rehabilitate, or are offenders supervised through the MAPPA process who would pose a risk to others if they shared accommodation	Need for shared accommodation Single parent access to children may be affected
LHA rates will increase in line with the Consumer Prices Index (CPI) from 2013	Reduced household income as CPI does not include housing costs
Universal Credit will bring together all means tested working age benefits, there will be an overall benefit cap (from 2013)	Reduced household income, for larger families in particular
The combined total of Universal Credit, Child Benefit and other benefits such as contributory JSA and ESA will be capped to a maximum of median net earnings.	Reduced household income
Universal Credit will be administered by a central, national system, accessed primarily through the internet and by telephone.	<ul style="list-style-type: none"> <li>Limited local service provision</li> <li>Access difficult in rural areas</li> <li>Not all customers can use/like distant service provision</li> </ul>
Direct payments of Universal Credit will be made to all tenants	<ul style="list-style-type: none"> <li>Rent arrears may increase</li> <li>Arrears will affect private landlord and registered provider business plans &amp; in turn may limit access to supply</li> </ul>
Non-dependent deductions have been uprated	<ul style="list-style-type: none"> <li>Members of household asked to leave as income reduced as result</li> <li>May particularly affect younger household members</li> </ul>
Restrictions to housing benefit for working age social housing tenants who are under-occupying	<ul style="list-style-type: none"> <li>Social housing tenants will have to pay up to 14 per cent of their housing benefit if they have one spare room and up to 25 per cent for two spare rooms</li> <li>Rent arrears may accumulate</li> <li>May need more smaller accommodation to enable moves</li> </ul>
An extra bedroom is now allowed for a non-resident overnight carer of an HB claimant.	People requiring care can provide a room for their carer

MAPPA: Multi-agency Public Protection Agency

Universal Credit will replace: Income Support, Income-based Jobseekers Allowance, Income related Employment and Support Allowance, Housing Benefit, Child Tax Credit, Working Tax Credit

