



NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

ANNUAL DISTRICT LETTINGS PLAN 2015-16

(Sep 2015)

1. BACKGROUND

1.1 Part 6 of the Housing Act 1996 requires each housing authority to determine and publish a lettings scheme setting out how it will prioritise applications for social housing. In doing so, the Council must give “reasonable preference” to specific groups of applicants, including homeless and households residing in overcrowded conditions.

1.2 The Council’s current [Allocations and Lettings policy](#) (the lettings scheme) was approved by Members in March 2013, and is based on a common set of priorities developed by the Leicestershire Sub-Regional Choice Based Lettings (CBL) Partnership, a partnership of all seven Leicestershire district councils. It was developed in full consultation with service users and providers following a post implementation review of the CBL scheme that was introduced in February 2011. The policy provides transparency and consistency to all home seekers applying for social housing across Leicestershire excluding the City, which has its own separate CBL scheme.

1.3 In accordance with legislation, the policy gives 'Reasonable Preference' for housing to people in the following categories:

- Those legally defined as homeless or owed a particular statutory duty by any local housing authority under certain provisions of homelessness legislation.
- Those who currently occupy unsanitary, overcrowded or otherwise unsatisfactory housing (as defined by the Housing Act 2004)
- Those who need to move on medical or welfare grounds (including grounds relating to a disability)
- Those who need to move to a particular part of the district to avoid hardship to themselves or others.

1.4 As well as the ‘reasonable preference’ categories, the lettings scheme does more than the minimum required in terms of our statutory duties as we also align the lettings to achieve wider strategic priorities takes into account the council’s own priorities, incorporating some of the flexibilities provided by the Localism Act, for example giving preference to those:-

- under-occupying social homes that are in demand from overcrowded households
- affected by welfare reform changes wanting to downsize

and (other than in exceptional circumstances) making the decision not to accept onto the housing register, people who already own a home that is suitable for them to use.

The new scheme also gives additional preference to armed or former armed services families who are in any of the reasonable preference categories.

1.5 Following the post implementation review of the Choice Based Lettings scheme, properties are advertised on a weekly cycle through the Sub-Regional CBL system and applicants on the Council’s waiting list are able to bid for them. The system allows for tenants/applicants choice of home to be matched as closely as possible to supply, while continuing to let social housing on a needs based system of priorities. Bedroom eligibility is based on that used for housing benefit/local housing allowance i.e.

A separate bedroom is normally needed for each of the following:

- Every adult couple or single parent
- Any other person aged 16 years or over

- Any two children aged under 16 years of the same sex
- Any two children aged under 10 years regardless of sex
- Any other child

2. EQUALITIES IMPACT ASSESSMENT

2.1 Prior to the introduction of the scheme in 2011 an Equality Impact Assessment (EIA) was carried out with particular attention being paid to the steps the Council had taken to ensure that vulnerable and potentially disadvantaged clients could participate. A further EIA was undertaken as part of the post implementation review during 2012-13 and it was concluded that the scheme was operating fairly as the following assistance and support had been put in place:

- Clients are shown how to navigate the system and bid for properties on a weekly basis. This service is provided by housing advice staff on bidding days at the council's main reception and at local libraries where PCs are provided and staff were trained to ensure they could give basic advice about computer bidding.
- Housing advice officers are able to bid on behalf of clients through the 'back room bidding' system. This service is sometimes used by housing advice officers to place bids for those in temporary accommodation.
- The system can be programmed to automatically bid for suitable properties for clients on a weekly basis. It is used in exceptional circumstances mainly for vulnerable clients
- Hard copies of the weekly adverts are issued to 21 outlets across the district, including post offices, libraries and local shops with PayPoint facilities to ensure residents across the district can view homes that are available. A list of the outlets is included on the registration letter issued to each home seeker.
- The basic CBL telephone enquiries are dealt with by the housing choices team on freephone 0800 183 0357, the number advertised in our CBL publicity material.

2.3 The overall lettings to the different ethnic communities in the district are generally in line with the representation of the communities on the housing register. Social housing is not allocated on the basis of ethnic background, but on need.

2.4 The following data, extracted from CORE, shows the ethnicity details of those housed since 2009. Current analysis shows White people making up 95% of the waiting list.

Year	White People	Other ethnicity
2009-10	100%	-
2010-11	100%	-
2011-12	99%	1%
2012-13	97%	3%
2013-14	98%	2%
Averages	99%	1%

2.5 Around 91% of social homes have been allocated to UK nationals over the past two years, with 4% going to people from Eastern EU nations, 2% from other EU nations and less than 1% to other countries. The amount of social housing going to non-UK nationals has only edged up slightly in recent years

Year	UK Nationals	Eastern EU	Other EU	Other
2009-10	99%	0.5%	0.5%	-
2010-11	97%	3%	-	-
2011-12	96%	4%	-	-
2012-13	91%	6%	1%	2%
2013-14	91%	7%	2%	-

3. LETTINGS OUTTURN 2014-15

3.1 The total number of social lettings for 2014/15 was 507, comprising 327 council homes and 180 registered provider homes. This figure almost mirrored the previous year's outturn of 511, but was considerably higher than the total lettings figure of 400 for 2012/13. The number of active applicants on the housing register as at 31 March 2015 was 736 and an average of 10 additional applicants join the list each week.

3.2 The high number of lettings has reflected a healthy supply of new build social housing units and the return of long term voids following the completion of the council's 3 year decent homes improvement programme (DHIP) which was completed in March 2015. We anticipate the delivery of 110 new build affordable housing units in 2015-16, together with xx registered provider relets and a similar number of council owned relets experienced in 2014-15.

Numbers Re-housed by Band 2014-15 (General Needs and Supported)			
Band	New applicants	Transfer applicants	Total
Priority	48 (89%)	6 (11%)	54
High	29 (39%)	46 (61%)	75
Medium	220 (73%)	80 (27%)	300
Low	57 (73%)	21 (27%)	78
Total	354 (70%)	153 (30%)	507

3.3 Direct matches - the current service level agreement between all sub-regional Choice Based Lettings partners provides for each landlord to let up to 10% of their voids by way of direct match rather than advertising competitively. This allows partner landlords to use direct matches for certain sensitive lettings and to make best use of some adapted stock etc. The majority of our registered provider partners do not hold their own waiting lists so tend not to use the direct match facility, preferring to advertise their voids through the Choice Based Lettings scheme. However, during 2014-15, 24 (7%) of the council's 327 relets were by way of direct match.

3.4 Within the Council's own stock, there is a marked mismatch between general need demand and supply relating to one and three bedroom homes. During 2014-15, 121 or 51% of all council general needs lettings were for 3 bed homes, whilst just 39 or 16% of lettings

were 1 bed homes. This contrasts starkly with waiting list figures that show 380 or 53% of general needs applicants are eligible for 1 bed homes and only 72 or 10% of applicants are eligible for 3 bed homes. If turnover on 3 bed homes occurs at the same rate during 2015-16 we may have difficulty in letting some of the units unless we allow those with a 2 bed need to bid for larger homes.

3.5 The following table demonstrates the contrast between bedroom eligibility and lettings over the past 3 years .

	1 bed	2 bed	3 bed	4+ bed
Waiting list eligibility (General Needs)	53%	34%	10%	2%
2012-13 Lettings	20%	40%	37%	3%
2013-14 Lettings	21%	35%	42%	2%
2014-15 Lettings	16%	31%	51%	2%

Data taken from CORE

The table shows a steady increase over the past 3 years on the percentage of lettings to 3 bed homes whilst the percentage of 1 and 2 bed lettings is decreasing.

4. Housing Waiting List

4.1 The current Allocations and Lettings Policy approved in March 2013, was not implemented until March 2014 due to the time lag in getting the associated ICT software changes developed, tested and implemented. Although, the new policy retains the same four housing need bands – Priority, High, Medium and Low – the criteria for each changed with the new policy so the lettings outturn by band for 2014-15 cannot be directly compared with that for the previous years. We are therefore using the 2014-15 outturn figures as a baseline against which we can compare future years' figures. Below is a table of housing waiting list numbers at 31 March 2015 followed by summary of the criteria for each band together with the respective number on the waiting list shown in brackets at 31 March 2015.

Numbers on the waiting list at 31 March 2015			
Band	New applicants	Transfer applicants	Total
Priority	8 (89%)	1 (11%)	9
High	20 (29%)	49 (71%)	69
Medium	266 (72%)	101 (28%)	367
Low	185 (65%)	106 (35%)	291
Total	479 (65%)	257 (35%)	736

NB. The table above shows that the percentage of new and transfer applicants in each band on the waiting list closely corresponds to the percentages of respective lettings made during 2014-15 – see 3.2

4.2 **Priority Band (9)** - This band is intended for Home seekers who have been assessed as having an emergency need to move. The cases covered by the priority band include:-

- Homeless households where the council owes a full duty to rehouse (3)
- Emergency welfare needs
- Emergency medical needs (4)
- Complex housing needs (1)
- Management need (1)
- Other urgent need

In 2014-15, there were 54 (11%) lettings made to people in this band.

4.3 **High Band (69)** – This band includes those cases that the Council particularly wishes to move

- under occupiers in social housing releasing family size units (4)
- under occupiers in social housing affected by Welfare Reform (36)
- two or more needs from the following Medium housing need band sections (17)
 - Homeless households (intentional and non-priority)
 - Poor housing conditions
 - Medical need to move
 - Welfare need to move
- overcrowded households who require 2 or more additional bedrooms (17)
- those living in supported accommodation ready for move on (12)

In 2014-15, there were 75 (15%) lettings to people in this band

4.4 **Medium Band (367)** – includes

- Other homeless households e.g. non-priority/intentional (5)
- Those living in poor housing conditions – unsanitary, overcrowded, unsatisfactory conditions (34)
- Those with a non-urgent medical need to move (65)
- Those with a non-urgent welfare need to move – including those suffering financial hardship as a result of welfare reforms (72)
- Those living in insecure accommodation e.g. licensees, lodgers, assured shorthold tenancies where notice has been served (191)

In 2014-15, there were 300 (59%) lettings to people in this band

4.5 **Low Band (291)** – is for applications that are accepted but normally given no preference including:

- Applicant has security of tenure and no medical or welfare need to move
- Applicant only wishes to be considered for low cost home ownership schemes (1)
- Like for like transfers i.e. are adequately housed and only eligible for same size and type of property (272)
- Those who have deliberately worsened their housing situation to gain an advantage
- Social housing tenants from outside the district/sub-region with a local connection but no medical or welfare needs (18)

In 2014-15, there were 78 (15%) lettings to people in this band

5. DISTRICT LETTINGS PLAN 2015-16

5.1 As a Council, we are committed to ensuring that the limited supply of social housing available is accessed by those households that are prioritised by the existing legislation and our lettings scheme. It is also essential that the Council demonstrates fairness and transparency in allocating homes, in a situation where demand for social housing exceeds supply by almost 2:1. This is the Council's first annual lettings plan and should be seen as an integral part of this process and a comprehensive approach to meeting the housing needs of NWL residents.

5.2 The annual lettings plan will become a key element of the Council's lettings scheme that will, over time, provide a full picture of the anticipated supply of homes based on previous years' trends. It will also take into account the Council's statutory obligations and strategic priorities and set out below are the different measures, options and mechanism that will be introduced to achieve these priorities.

CORE indicates that the following council stock lettings were made during 2014-15:

	Council owned lettings 2014-15		
	General needs	Supported	
1 bed	39	89*	128
2 bed	73		73
3 bed	121		121
4 bed	3		3
5 bed	2		2
TOTAL	238	89	327

* Split between 1 and 2 beds is not recorded for supported lettings

5.3 *Move-on* – 12 (17%) of our High Band cases are in supported accommodation and assessed by their support workers as ready for move-on to independent living. If these applicants are unable to move-on, much needed supported accommodation spaces become blocked. This in turn means that homeless applicants who desperately need supported accommodation cannot access it and are placed into alternative temporary accommodation (often bed and breakfast with little support) until a place becomes available. This is not a good use of scarce public funds and represents a costly drain on the general fund due to bed and breakfast subsidy rules. To increase the availability of move-on accommodation, it is proposed that we set a quota of 4 x 1 bed accommodation units per year to be advertised with preference for those in this category.

Recommendation 1

4 x 1 bed units of general needs accommodation each year are advertised giving preference to those in supported accommodation ready to move-on.

5.4 *Value for Money* – more than 50% of those in the High band are under occupying social tenants who are affected by welfare reform. At the same time, our supply of smaller homes is limited. The majority of those under-occupying are in receipt of Discretionary Housing Payments (DHP) to make up the shortfall of rent due to the under-occupancy

charge. DHP is subsidised by the general fund and therefore falls on the council tax payers of the district. Since it is discretionary, there is no guarantee that DHP will continue in future years which will leave the tenant having to find an average £14 per week extra to cover the shortfall in rent. In order to assist these tenants, whilst not discriminating against those social tenants unaffected by welfare reform who wish to downsize, it is proposed that:

Recommendation 2

Preference is given to under-occupiers in social housing for 50% of 1 and 2 bed general needs homes advertised during 2015-16

5.5 *Best use of stock* – as noted in 3.4, if turnover on 3 bed homes occurs at the same rate during 2015-16 as it did during 2014-15, we may have difficulty in letting some of the units, resulting in rent loss, potential vandalism and blight. We experienced some difficulties letting larger homes during 2014-15 and introduced a pilot in March 2015 whereby those with a 2 bed need were able to bid for 3 bed homes. A detailed financial appraisal is undertaken at the point of offer to ensure the household can afford the larger home. The pilot has been successful, also ensuring larger households in lower priority aren't housed in front of smaller, higher priority households. It is proposed that this practice be formally adopted.

Recommendation 3

Adverts for larger 3 and 4 bed homes are opened up to allow those with a 2 and 3 bed need (respectively) to place bids

Note – it is anticipated that the implementation of recommendations 1 and 2 will compliment each other with those moving into larger homes freeing up scarce smaller homes for those downsizing.

5.6 *Direct Matches* – as stated in 3.3 the current service level agreement between all sub-regional Choice Based Lettings partners provides for each landlord to let up to 10% of their voids by way of direct match rather than advertising competitively. Since its introduction, the housing management team has not made full use of this flexibility - only 7% of eligible direct matches were made during 2014-15 in spite of some homes remaining empty. It is proposed that, in future years, subject to the maximum 10% limit, housing management are encouraged to use this flexibility where necessary. This will enable sensitive lettings, make best use of stock and provide the flexibility to offer redress in the event of evidenced service failure. A set of criteria for direct matches will be developed as part of this recommendation and any proposed direct match will require the joint approval of the Housing Management and Housing Choices team managers, or the Director and/or Head of Housing.

Recommendation 4

- Up to 10% of all lettings are made via direct matches
- All direct matches will require the approval of the Housing Management and Housing Choices team managers

5.7 *Low Band allocation* – as shown in the table at 3.2, there were a total of 78 lettings made to applicants in low band during 2014-15 and 21 of these were to transferring tenants. As well as applying for a move through choice based lettings, existing council tenants wanting to move can register with *HomeSwapper*. This is a nationwide scheme that is free to NWLDC tenants and enables them to swap within or outside the district and can even apply to swap with someone living in housing association property, provided certain criteria are met.

Moving through the *HomeSwapper* scheme is often much quicker than waiting for a suitable transfer through the Choice Based Lettings scheme and because tenants exchange homes rather than transfer, leaving their former home empty, it reduces the amount of annual rent loss. It is proposed therefore, preference will be given to *New* home seekers when allocating homes to those in the Low Band and all transfer tenants in the Low Band will be encouraged and assisted where necessary, to register with *HomeSwapper*.

Recommendation 5

- Preference will be given to New home seekers when letting homes to those in the Low Band

5.8 Assuming similar numbers of lettings (327) during 2015-16, implementation of the above recommendations will mean that during 2015-16:

4 x 1 bed homes	- will be allocated to vulnerable people who are ready to move-on to independent living – freeing up scarce provision of supported accommodation units
17 x 1 bed homes 36 x 2 bed homes	- will be prioritised for existing social housing tenants who are under-occupying and/or affected by welfare benefits reform
121 x 3 bed homes	- will be advertised allowing those with either a 2 or 3 bed need to bid – ensuring larger households in lower priority aren't housed in front of smaller, higher priority households and minimising the incidence of large homes standing empty
Up to 33 x direct matches	- will be made, providing officers with sufficient flexibility to make best use of adapted stock and enable sensitive lettings etc.
Up to 78 homes	- will be let to New home seekers in the Low Band

5.9 The anticipated balance of lettings (38) will be advertised without any of the above quotas or preferences.

6.0 OTHER LOCAL LETTINGS PLANS

6.1 Other local lettings policies may be developed and agreed from time to time that sit alongside the district lettings plan. They will be for the allocation and letting of specific properties, usually developed for a defined geographical area and used to make adjustments to the main allocations and lettings policy to meet specific local needs and issues.

6.2 They are typically for a fixed period of time or used on new developments when a number of new tenants will be moving in at a similar time and aim to meet housing need whilst preventing potential management problems on the site.

6.3 The targets and quotas within this district lettings plan will **not** be affected by any separate local lettings policies that are subsequently agreed.

7. MONITORING

7.1 The lettings plan will be monitored by the Housing Choices Team and reviewed annually in light of future trends.

Consultees

NWLDC Housing Senior Management Team

NWLDC Housing Portfolio Holder

NWLDC Tenants and residents

NWLDC Housing staff