
LOCAL LETTINGS POLICY - NEW BUILD HOUSING

Responsible Cabinet Member
Councillor Andy Scott, Housing, Health and Partnerships Portfolio

Responsible Director
Paul Wildsmith, Director of Neighbourhood Services and Resources

SUMMARY REPORT

Purpose of the Report

1. To seek members approval for the introduction of a new local lettings policy for new build council housing

Summary

2. The Council embarked on a much needed Affordable Housing programme in 2015 and initially development took place in relatively small numbers, often on in-fill sites on existing estates with established communities. Since then Government support and funding through the Homes and Communities Agency has become much stronger and larger sites are now being developed. Consequently it is important to consider how communities will form as a result of these new developments. It is proposed therefore that a new Local Lettings Policy is introduced for new build housing that sets the foundations for balanced and sustainable communities to develop where new Council housing is built.
3. Local Lettings Policies are supplementary to the Common Allocations Policy and create the opportunity to address the local needs and ambitions of an area. The new Local Lettings Policy will seek to address the needs of a broader range of people seeking affordable housing for rent. Although new properties will still be let in the usual manner, additional criteria will be applied to ensure that 60% of tenants are economically active. Most of those who apply for Council Housing and are employed are generally in low paid work. An Equality Impact Assessment has been undertaken to enable Members to understand the full impact of the proposed changes and it is included at **Appendix 1**.

Recommendation

4. It is recommended that approval is given to changing our local lettings policy for new Council housing to enable 60% of applicants to be in employment as described in the report in order to encourage a positive impact on the economic

and social development of the community.

Reason

5. The recommendation is supported as the new policy will ensure that a mix of needs are met within new developments helping to address aims set out in One Darlington, Perfectly Placed.

Paul Wildsmith
Director of Neighbourhood Services and Resources

Background Papers

Compass Common Allocations Policy

Pauline Mitchell: Extension 5831

S17 Crime and Disorder	A balanced community helps to prevent offending or reoffending.
Health and Well Being	Settled and appropriate accommodation plays a key role for applicants health and well being
Carbon Impact	The change does not deal directly with Carbon Impact.
Diversity	The purpose of the policy is to ensure the development of balanced communities and should help to ensure a diverse range of characteristics are met
Wards Affected	Wards where new build Council Housing will be developed
Groups Affected	Will ensure that a balance of different housing needs are met
Budget and Policy Framework	The Common Allocations Policy is not one that forms part of the Council's Policy Framework as set out in the Constitution and therefore this report does not represent a change to the framework.
Key Decision	No
Urgent Decision	No
One Darlington: Perfectly Placed	The Common Allocations Policy supports the vision and outcomes of the One Darlington Perfectly Placed by seeking to make sure that those that have a housing need have access to affordable, decent housing that meets their needs and contributes to sustainable communities
Efficiency	Will increase demand and address unmet housing needs
Impact on Looked After Children and Care Leavers	This proposal does not affect Looked After Children and Care Leavers

MAIN REPORT

Information and Analysis

6. All lettings of Council homes have to be made in accordance with an allocations policy¹. The Council has to ensure that the policy complies with all legislative requirements, case law, Council policies and strategies. The policy is supplemented by lettings procedures which provide more detailed guidance to staff. The lettings policy is therefore based upon the Council's statutory duties².
7. Allocations for Council Housing are based on a Sub-Regional Allocations Policy known as Compass which was first established in 2008 by the Tees Valley Choice Based Lettings Partnership. This is made up of the 5 Tees Valley Local Authorities and their partner organisations. As there are different circumstances and needs for the different areas and types of housing across the Tees Valley the Allocations Policy allows partner organisations to develop local lettings policies within the overall Allocations Policy to reflect these local differences.
8. Local lettings policies may give preference for offers of accommodation to defined groups of customers, for example, on the basis of their age, employment status or local connection to an area. A key area for the use of local lettings policies is in identifying first lettings for new properties. This is an opportunity to establish the foundations for a new community by ensuring a balance of household types and economic circumstances.
9. A new local lettings policy will set out to meet one the aims of the Sustainable Communities Strategy "One Darlington, Perfectly Placed"³ of building strong communities. Whilst reasonable preference is required to be given to those with a range of vulnerabilities, in order to create and maintain a sustainable community, it is also important to ensure that a proportion of the new community are economically active.
10. The current profile of applications on the waiting list shows that less than one third of primary applicants are in employment. There is therefore the potential for the balance of tenants moving into a new development to be economically inactive with the risk that the community will begin to develop symptoms of deprivation over time. Consequently, to ensure that a strong and balanced community develops it is important to give some additional priority to those in employment.
11. The Local Lettings policy will aim to ensure that, at first let, in a minimum of 60% of households at least one member of the household is in employment to encourage a positive impact on the economic and social development of the community. Darlington has a fast growing economy and we want to ensure that good quality affordable housing for rent is available to support local businesses in attracting employees into the area. There has been strong interest, for example, from

¹ Section 166(1) Housing Act 1996

² Housing Act 1996, as amended by Homelessness Act 2002; Fair and Flexible: Statutory Guidance on Social Housing Allocations for Local Authorities in England, Communities and Local Government, December 2009 and the Localism Act 2011

³ "One Darlington, Perfectly Placed" Darlington Sustainable Communities strategy 2008-2026, Revised May 2014

employees working in the Lingfield area for the new housing development of 62 houses and apartments at Earl Carlson Grove. This local lettings policy will include those who are in:

- (a) A permanent employment contract
- (b) A long-term temporary contract
- (c) Self-employed
- (d) Those who are working more than 16 hours per week
- (e) Those on zero hours contracts

12. Many, if not most of those who are employed and apply for Council housing are likely to be in low paid employment and therefore have very limited housing options. Every-one being offered a Council property is now subject to an affordability check including those on zero hours contracts who may face particular challenges because of the fluctuations in income. They have access to the Council's Income Management team and if additional help is needed the Money Wise team who will offer advice on budgeting to maintain a tenancy.
13. Overall the current priority bandings will still apply, as shown in Table 1 below, but with the additional criteria of employment as described above also applying:

Table 1: Allocations Bands

Band and % split	Level of need
Band 1: 40	Statutory homeless and homelessness prevention
Band 2: 30	High housing need
Band 3: 20	Other housing needs & efficient use of the housing stock
Band 4: 10	No or low level housing need

14. It is proposed that the new policy will begin with the letting of Earl Carlson Grove.

Legal Implications

15. The changes proposed are within the regulatory and statutory requirements that govern allocations policies.

Consultation

16. The new policy has been considered by the Tenant's Customer Panel and they are supportive of the changes that are proposed.

Equalities Considerations

17. An Equality Impact Assessment has been conducted and this found that the new local lettings policy does not have any specific detrimental impacts on those with protected characteristics