

Cabinet Meeting

18 October 2017

Report title	Housing Allocation Policy - Immediately Available Homes	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Peter Bilson City Assets and Housing	
Corporate Plan priority	Place - Stronger Economy	
Key decision	Yes	
In forward plan	Yes	
Wards affected	(All Wards)	
Accountable Director	Lesley Roberts, Strategic Director: City Housing	
Originating service	Housing	
Accountable employee	Jenny Lewington	Service Lead Housing Strategy
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Report to be/has been considered by	Improving the City Housing Offer Board 20 September 2017 Senior Executive Board 12 September 2017 Place Leadership Team 11 September 2017	

Recommendation for decision:

The Cabinet is recommended to:

Endorse the inclusion of the Immediately Available Homes scheme as part of the City of Wolverhampton Councils Housing Allocation Policy.

1.0 Purpose

- 1.1 To provide an update on the Immediately Available Homes pilot which operated between January and July 2017 and the outcome of the pilot review.
- 1.2 To recommend that the Immediately Available Homes scheme be adopted as part of the City of Wolverhampton Councils (the Council) Housing Allocation Policy.

2.0 Background

- 2.1 In November 2016, the Council agreed to undertake a six-month pilot to advertise those properties proving difficult to let as 'Immediately Available Homes'. The pilot took place between January and July 2017.
- 2.2 All managing agents took part in the pilot, with all allocations of immediately available to let properties being subject to the allocations monitoring process undertaken by the Council.
- 2.3 Employees of the Council and the managing agents monitored the pilot monthly. This review forms the final evaluation of the six-month pilot, on which the decision will be based whether to adopt the scheme as part of the Councils Allocation Policy.
- 2.4 To be considered for an immediately available let, a property must have;
 - been advertised through Homes in the City once, and;
 - received no eligible bids; or
 - not been accepted by any applicants on the shortlist.
- 2.5 Properties were not considered for an immediately available let if:
 - The property type would usually have proved popular, but may not have attracted any eligible bids due to a number of the same property types, in the same location, on the same advert.
 - There is a high concentration of immediately available to let properties emerging in a particular area.
- 2.6 'Immediately available' properties were advertised in the usual way on Homes in the City in the next available advertising cycle, clearly branded as 'immediately available to let'. This meant that any applicant that met the eligibility criteria for the property could express an immediate interest in the property during the advertising cycle. Expressions of interest were then assessed on a first come first allocated basis by the Council's managing agents. Applicants were subject to standard checks.
- 2.7 To apply for an immediately available to let home, applicants must have registered on Homes in the City. The applicant who was first to bid was eligible for the property. Subject to the standard checks, the applicant was invited to view the property and a formal offer was then made.

- 2.8 Applicants were only considered for a property for which they were eligible for, in accordance with the Council's Allocation Policy. The only exceptions to this were three bedroom houses as families with two children, who would typically only be eligible for a two-bedroom house, were considered for, subject to an affordability assessment.
- 2.9 Where an applicant refused a property, this was regarded in the same way as the main Allocations Policy; applicants that refuse three offers in any 12-month period are deferred for three months.
- 2.10 Local lettings policies, for example age designations, were applied to shortlists where applicable.
- 2.11 Having once been part of the 'immediately available to let' scheme, a property would not retain this status. As and when it becomes available for re-let it will be advertised in line with the main Allocations Policy before being considered as 'immediately available to let' if it is not successfully allocated.

3.0 Progress, options, discussion, etc.

- 3.1 The six-month pilot was subject to a review conducted by Housing Services.
- 3.2 During the six-month pilot, 12 homes were advertised as immediately available to let. Of the 12 homes advertised as immediately available to let, there were four bed sits, four one-bed flats and four age designated flats.
- 3.3 Whilst the type of properties in low demand during the six-month pilot have remained fairly typical (bedsits and one-beds), this is likely to change in the future. From April 2019, social housing tenants in receipt of Universal Credit will have their benefit for housing costs capped to the LHA rate. For single people under the age of 35 this will be capped at the shared accommodation rate of £60. Bedsits with a lower rent than one bedroom flats may become more popular, however other property types may become more difficult to let due to affordability.
- 3.4 Operating the Immediately Available Homes scheme enables the Council to make financial savings on properties that would previously have been advertised multiple times; in the past properties have been advertised up to four times prior to letting. Each additional advertisement of the same property results in an additional two-week void period and the associated rental loss.

For example, possible savings in one year:

12 advertised twice (12 x 2 week's rental loss):	£1,764.72
12 advertised 3 times 12 x 4 weeks' rental loss):	£3,529.44
Total	£5,294.16

(Based on 24 properties per year, 50% advertised twice and 50% advertised three times, and an average one-bed rent of £73.53.)

3.5 In terms of the applicants the properties were allocated to; five of the 12 properties were let to applicants in bands two and three. The remaining seven properties were let to applicants with a lesser housing priority or no housing need.

3.6 It should be noted that these properties will all have been advertised according to the allocations policy once, prior to inclusion in the Immediately Available Homes pilot, so applicants in a higher band or with a greater housing need would have had the opportunity to bid for these properties, before becoming available on an immediate let.

4.0 Evaluation of alternative options:

4.1 As discussed in section 2.0, a number of strategies have previously been put in place to tackle low demand properties, including reviewing the Allocations Policy, making changes to stock, removing age restrictions and increased marketing through Homes in the City.

4.2 Despite this, certain property types can at times be hard to let. Typically, these include bedsits, one and two bedroom flats, one bedroom bungalows, three bedroom maisonettes and occasionally certain three bedroom houses. However, with continued changes to the welfare system, they type and size of properties likely to be in demand will change.

4.3 The number of properties advertised as Immediately Available to let was low during the pilot period and this is considered a positive. It is unlikely that the scheme will let a considerable number of properties, based on the pilot period it is estimated that between 20-30 properties may be let through the scheme; 2% of properties available to let each year.

4.4 The Immediately Available Homes scheme is also likely to make a positive contribution to the wider environment and community; as properties are let more quickly, they are less likely to be associated with anti-social behaviour, graffiti and damage to the property.

5.0 Reasons for decision(s):

5.1 The Immediately Available Homes scheme will provide a valuable tool and a formal process for effectively letting a small number of properties in low demand which will minimise void time and rental loss.

5.2 It is recommended that the Immediately Available Homes scheme be adopted as part of the Councils Housing Allocation Policy.

5.3 The inclusion of the Immediately Available Homes scheme will follow Section 16, Selection of Offers, in the Housing Allocations Policy. Legal advice has been received on the wording of the scheme in the Policy:

Difficult to Let Properties

A property will be considered difficult to let if;

- There are no bids received when the property is advertised
- The property is not let despite bids being made after the shortlist is exhausted due to refusals, withheld offers or withdrawn offers

The property will be advertised as an immediate available property and let on a first-come first-served bases. The applicant needs to be eligible for the property type and evidences provided as outlined in Section 16 Selection of Offers. Should the property be a three-bedroom house, families eligible for a two-bedroom house will be considered, subject to an assessment of affordability.

6.0 Financial implications

- 6.1 There are no additional costs to operating the Immediately Available Homes scheme, as this will form part of the existing Housing Allocation Policy.
- 6.2 Adopting the Immediately Available Homes scheme as part of the Council's Housing Allocation Policy will assist to reduce void times and rental loss. [JM/09082017/F]

7.0 Legal implications

- 7.1 Legal advice has been received on the inclusion of immediately available to let homes in the Councils Allocation Policy. [RB/25082017/B]

8.0 Equalities implications

- 8.1 An Equality Impact Assessment has been completed.

9.0 Environmental implications

- 9.1 The Immediately Available Homes scheme is likely to have a positive contribution to the wider environment and community. As properties are let more quickly, they are less likely to be associated with anti-social behaviour, graffiti and damage to the property.

10.0 Human resources implications

- 10.1 There are no human resources implications associated with this report.

11.0 Corporate landlord implications

- 11.1 There are no corporate landlord implications associated with this report.

12.0 Schedule of background papers

12.1 [IEDN](#) 08 November 2011 Immediately Available to Let Pilot

12.2 Appendix 1 - Review of the Immediately Available Homes Pilot