

<b>Report title</b>	Local Lettings Plan – New Build Properties	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Peter Bilson City Assets and Housing	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Kate Martin, Director for City Housing	
<b>Originating service</b>	Housing Strategy and Policy	
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<b>Report to be/has been considered by</b>	Housing Leadership Team	14 May 2019
	Leader's Briefing	3 June 2019
	Executive Team	3 June 2019

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**Recommendation for decision:**

The Cabinet is recommended to:

Approve the Local Lettings Plan for new build properties, attached as Appendix 1 to the report.

## 1.0 Purpose

- 1.1 This report sets out the rationale for City of Wolverhampton Council's (CWC) Local Lettings Plan (LLP) for over 500 future new affordable rent Council properties.

## 2.0 Background

- 2.1 CWC's Allocations Policy satisfies the requirement for the Council to have a scheme which sets out the housing priorities, and the process to be followed, in allocating housing accommodation both to first time applicants and transferring tenants. This requirement is set out in Part VI Section 167 of the Housing Act 1996.
- 2.2 The policy recognises that from time to time certain housing stock would benefit from an LLP where the needs are not met by way of the main Allocations Policy. To date, LLPs have been agreed separately for each new housing development.
- 2.3 With CWC set to build or acquire over 500 new affordable rent Council properties by 2024, it is important that the Allocation Policy supports their integration into the wider stock of the City in a way that creates balanced and cohesive communities as set out in this LLP, which has been developed with the support of the Allocations Policy Steering Group, which includes representation from Tenant Management Organisations (TMOs) and Wolverhampton Homes, as well as Housing Development colleagues.

## 3.0 Letting Plan Criteria

- 3.1 The LLP attached at Appendix 1 has been designed to ensure the stability and sustainability of new communities created through new build development, whilst ensuring existing communities remain balanced and sustainable and are not destabilised by the letting of concentrations of new build within an area. Requirements set out in the plan maximise the number of new lettings by giving some priority to transferring tenants, which will help to alleviate a greater quantum of housing need through chain lettings. The LLP seeks to make best use of stock by maximising the number of households in housing need, who are assisted by the development of these new build properties as well as ensuring those groups protected by an equality characteristic are not disadvantaged by this plan.

- 3.2 The key criteria of the LLP are set out below:

### Eligible Applicants

- 3.3 Applicants will only be considered for those property types that they are eligible for based on household size and makeup. Eligibility Criteria and household categories are set out in the Council's Allocations Policy.

### Eligible Properties

- 3.4 All housing types are eligible for letting under this plan **excluding** bungalows, four bedroom plus properties, ground floor flats and specialist/supported housing, which will be allocated in full accordance with the Council's Allocations Policy. These property types are in short supply and should be allocated to those households with the greatest need for them, as is supported by an equality impact analysis on the policy.

### **Emergency Band**

- 3.5 10% of all properties will be prioritised for applicants in the Emergency Band, to ensure those households on the housing register in greatest housing need have the opportunity to be housed when new build properties become available to let.

### **Transfer List Applicants**

- 3.6 Priority will be given to existing Council tenants registered on the transfer list for the remaining 90% of properties.
- 3.7 The purpose of prioritising existing tenants is to:
- create/maintain sustainable and stable mixed communities, with housing being let to existing tenants in housing need who are eligible for a move and so are able to demonstrate they can manage and sustain a tenancy;
  - maximise the opportunity of meeting housing need offered by new build properties. Through chain lettings, the rehousing of existing tenants will increase the number of properties becoming available to applicants on the housing register, meaning multiple households will benefit from each new property.
- 3.8 To ensure those existing tenants securing a transfer are in housing need, the allocation of new build properties to transferring tenants will be limited to applicants in Emergency, Bands one, two and three, which the policy recognise as being in housing need. Applicants in Band 4 will not be eligible to ensure those existing tenants securing a transfer are in housing need.

### **Local Connection**

- 3.9 For 50% of properties where priority is given to existing tenants, additional priority will be given to existing tenants with an agreed local connection to the area of the development, in accordance with the local connection criteria set out in the Allocations Policy.
- 3.10 The local connection priority will only apply to developments with over five Council rented units and will be capped at 20 properties for any new build developments with more than 40 Council rented units.
- 3.11 The purpose of prioritising existing tenants is to:
- maintain sustainable communities, with housing being let to existing tenants in housing need who are local to the area, bringing stability to concentrations of new tenancies in an area;
  - provide opportunity to those in housing need to move within their local area, helping to maintain support networks that may be in place.

- 3.12 All new build properties allocated to applicants with a local connection will be done so in accordance with the Allocations Policy's banding system, however, applicants in Band 4 will not be eligible.

### **Failure to Let**

- 3.13 In the unlikely event of new build properties not being let after the initial round of bidding, all remaining properties will be allocated in full accordance with the Allocations Policy.

### **Excluded Developments**

- 3.14 This LLP does not apply to some current development sites due to commitments made during initial community consultation regarding each site.
- 3.15 The excluded sites are:
- Heath Town Estate
  - Burton Crescent
  - Bilston Tennis Club
  - Land at Ettingshall Road
  - Former Dale House
- 3.16 Each of these sites will have an individual LLP, which will be approved through a signed Individual Executive Decision Notice by the Cabinet Member for City Assets and Housing, in consultation with the Director for City Housing, as set out in paragraph 25.4 F in the Allocations Policy, following consultation with the relevant managing agent and Ward Councillors.

### **Consultation**

Consultation of the LLP has been undertaken with Wolverhampton Homes, the Allocation Policy Steering Group, Housing Development colleagues, registered providers and was endorsed by Better Homes Board on 3 April 2019.

## **4.0 Evaluation of alternative options**

- 4.1 If new build properties were all let in accordance with the Council's Allocations Policy, the majority of properties would be let to the Emergency band.
- 4.2 Emergency band includes cases where:
- applicants who are homeless and are owed the main duty including when they have become homeless or the Relief Duty has come to an end and they have been assessed as being in priority need and unintentionally homeless;
  - there has been a Multi-Agency Panel review and immediate rehousing is required;
  - a substantially adapted or purpose-built property is required. This category includes those applicants covered by regulations which apply to members and former members of the Armed Forces and having particular regard for those injured or disabled in action;

- a substantially adapted (two or more adaptations in the property) or purpose-built property is being freed; or
- an appointed Occupational Therapist has decided the applicant's property is unsuitable for the applicant or a member of their household needs and where adaptations would cost in excess of £5,000 or cannot be carried out due to the construction of the property.

On new build developments there is a concentration of new households settling in a compact area. Under the main Allocations Policy there is a concern that allocating primarily to the Emergency band is not the best way to create a new settled community. There is also concern that allocating primarily to the Emergency band may be detrimental to community cohesion. This option is therefore not recommended.

## **5.0 Reasons for decision**

- 5.1 Inserting a large concentration of new properties into a new or previously existing estate has the potential to destabilise a community, it is therefore important to ensure this process is well managed. By allocating a proportion of these new properties to existing members of the community it can help ensure a stable community is established.
- 5.2 These transferring tenants will create void properties spread out elsewhere which will then be available for applicants on the housing register via CWC's Allocation Policy. Implementing the LLP will therefore ensure that two applicants benefit from the development of each new build council property.

## **6.0 Financial implications**

- 6.1 Allocating new properties to existing Council tenants will result in an increased number of void properties and the associated costs e.g. void assessment, gas checks, remedial works, advertising costs etc. Extra voids will also result in increased rent loss during the void turnaround period, although this can be mitigated to some extent through early identification of transferring tenants and subsequent early identification of works required to minimise void periods. Furthermore, by creating stable and sustainable communities this should lead to lower future turnover, minimising future costs.

[JM/02052019/L]

## **7.0 Legal implications**

- 7.1 Section 166A(6)(b) of the 1996 Housing Act enables local authorities to allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories, provided that overall the authority is able to demonstrate compliance with the requirements of S. 166A(3). This is the statutory basis that allows local authorities to adopt LLPs for certain parts of the social rented stock within their area. The proposed LLP is compliant with the legislation and statutory guidance in this area.

[RP/07052019/A]

## **8.0 Equalities implications**

- 8.1 An equalities impact assessment has been undertaken, which demonstrates positive outcomes from implementing the LLP from an Equalities perspective.
- 8.2 Excluding bungalows and ground floor flats from the LLP ensures these properties are let to applicants with the highest level of need, which are often applicants with a disability.
- 8.3 Excluding four bedroom plus properties from the LLP ensures these properties are allocated to those with the highest level of need to alleviate some of the overcrowding issues in the City, which is more prevalent in BAME communities.

## **9.0 Environmental implications**

- 9.1 There are no environmental implications arising from this report.

## **10.0 Human resources implications**

- 10.1 The letting and management of properties under the LLP will be undertaken by Wolverhampton Homes or the relevant TMO under their respective management agreements with CWC.

## **11.0 Corporate landlord implications**

- 11.1 There are no corporate landlord implications as this report relates to properties with the Housing Revenue Account.

## **12.0 Health and Wellbeing Implications**

- 12.1 By implementing the LLP many applicants with complex needs will be allocated properties across the City, rather than a high concentration in a new community which may not yet have well established support systems in place.
- 12.2 Many transferring tenants who are allocated a new property will be on the transfer register due to concerns of overcrowding in their current properties, the LLP will therefore help alleviate some of the overcrowding issues throughout the City.

## **13.0 Schedule of background papers**

- 13.1 [City of Wolverhampton Council's Housing Allocations Policy, revised April 2018](#)

## **14.0 Appendices**

Appendix 1 – Local Lettings Plan – New Build Properties