#### **Report on Consultation for Lettings Policy**

#### 1. Lettings Policy Review

North Tyneside Council's Lettings Policy sets out the ways in which the Council's housing is allocated. North Tyneside Council have been reviewing their policy to ensure that it is in line with national policy and that it best meets the needs of the Borough.

In carrying out this review officers have considered the wider context including recent legislative changes, best practice from other organisations, feedback from Councillors, customers and staff. We have also worked with our 'involved tenants' through the Homefinder Service Development Group. This has resulted in six main policy proposals.

In February 2016 we undertook consultation with our customers and stakeholders on these proposed changes. This report summarises the results of that consultation and how we propose to use that feedback.

#### 2. Consultation Process

The consultation ran from February 18th - March 21st 2016 and was targeted at North Tyneside Council tenants, North Tyneside residents, applicants on Tyne and Wear Homes and stakeholders. This consultation was in the form of a combined letter / survey which described the main changes in the policy along with a question asking to what extent they agreed with the change and an opportunity to give further comments, the letter also explained that a full copy of the draft policy could be viewed on the council's website and was available at Customer First Centres. The wording of the letter was reviewed to try to be as clear as possible while not oversimplifying the policy changes and was reviewed by colleagues in the Involvement Team, Senior Managers and Members.

People were given the opportunity to get involved with the survey in a number of ways:-

- This letter was sent direct to tenants (approximately 14,500) who could either return the form by post (no envelope provided), to a Customer First Centre, could complete the online survey, email comments through or call the contact centre number.
- All letters sent to applicants by the Homefinder Team included information about the consultation and how people could give their views.
- There was a bulletin on the Council Website alerting people to the consultation and with a link to the online survey
- An email was sent out to stakeholders alerting them to the consultation and informing people how they could give their views
- There was an article in the North Tyneside residents magazine sent to every household in the Borough which included information about how to get involved

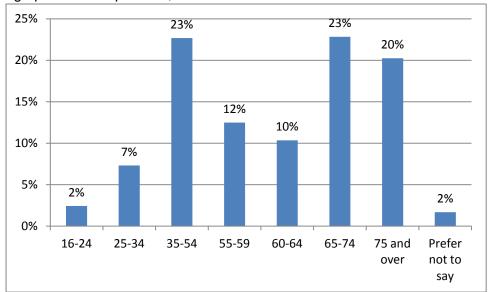
#### 3. Consultation Responses

A summary of the responses given to each question is provided in the sections below. All comments and full breakdown of the results are available on request.

#### 3.1 Overall Response (and profile of respondents)

In total 671 responses were received

- 528 respondents were tenants of North Tyneside Council
- 149 respondents were registered with Tyne and Wear Homes
- Only 35 Stakeholders
- 40% male, 60% female
- 1.4% pregnant and 1.6% had been on maternity leave in past 12 months
- Age profile of respondent, as follows



- Over 94.2% of respondents were White British
- 85.9% of respondents were heterosexual, with 2.6% Bisexual and 0.5% Gay or Lesbian.
- 70.4% of respondents were of a Christian denomination, 21.9% 'none',
- 33.5% of respondents had a physical disability, 5.8% had a mental health disability and 1.7% had a learning disability
- 18.4% of respondents had caring responsibilities
- 31.6% of respondents were married, 20.1% single, 18.6% divorced, 15.% widowed and 7.9% cohabiting as a couple

#### 3.2 Giving priority to applicants with a 'Local Connection'

#### **Policy proposal**

A customer's 'band' determined where they come on a shortlist after bidding for a property. Currently we have four banks which relate to the level of housing need (Band 1 - Urgent and High Need, Band 2 - High Needs, Band 3 - Medium Need, Band 4 - General Need).

Where two people are in the same band, the current policy gives priority to applicants with a 'local connection'. We are proposing some changes to the way we define 'Local Connection'. Local Connection would apply:-

Where the applicant has lived in North Tyneside for the last 2 years

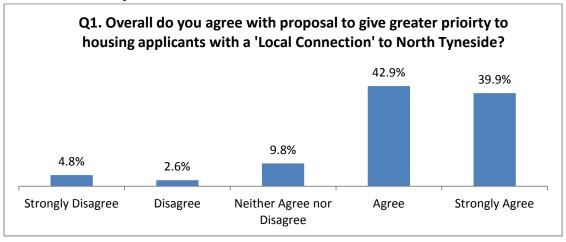
- Where the applicant is employed or attending a training establishment in North Tyneside
- Where the applicant has family (parents, grandparents, children, brothers, sisters, step-parents, aunts or uncles) who have lived in North Tyneside for the last 2 years.
- To those who are in the Armed Forces or who make an application within five years
  of discharge. Or, Where a bereaved spouse or partner is leaving service family
  accommodation following the death of their spouse or partner
- To those who have been accepted as a priority homeless applicant in North Tyneside

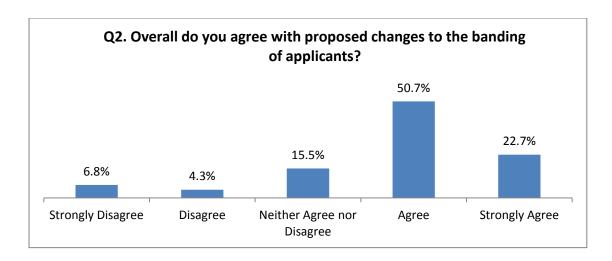
We are also proposing to change the way we 'band' applicants to give greater priority to applicants with a local connection. The proposed banding would be

- Band 1 Those with a local connection and an 'urgent and high need'
- Band 2 Those with a local connection and a high housing need'
- Band 3 Those with a local connection and a 'medium housing need'
- Band 4 Those with no local connection but where a 'reasonable preference' applies
- Band 5 Those with a local connection and a 'general' housing need
- Band 6 Those with no local connection and a 'general' housing need

#### The survey asked the following questions

- Q1 Overall, do you agree with the proposal to give greater priority to housing applicants with a 'Local Connection' to North Tyneside?
- Q2 Overall, do you agree with the proposed changes to the banding of applicants?
- Q3 Do you have any further comments in relation to proposed changes on Local Connection?





Overall 83% of respondents agreed with giving greater priority to those with a 'Local Connection' (Q1) and 7% disagreed. A high proportion of applicants on Tyne and Wear Homes strongly agreed' with Question 1 (50%). But applicants and non-NTC tenants were slightly more likely to disagree with Question 1 (11% of respondents within each group).

73% agreed with the proposed changes to the bands (Q2) and 11% disagreed with the changes. Tenants were more favourable to the change than non tenants (74% compared with 69%). Applicants were less likely to be favourable to the changes (63% compared with 77%). This is potentially due to uncertainty about how individual applicants may be affected.

#### Comments **Responses / Actions** Overall many positive comments welcoming the proposal to give priority to those with a 'local connection' with some respondents citing the importance of community and support networks. However there were concerns from some that the We believe that this proposal offers a proposals appear to override the objective of balance between meeting housing need allocating based on housing need and there was and serving the interest of North a sense from some that housing 'need' should Tyneside Borough residents. always be given preference. Other respondents suggested that the proposal would be detrimental to social and geographical mobility and that it was important applicants has 'flexibility' of where they could live to meet work, education and support needs. Responses to this question included expressions of a general frustration about the difficulty of accessing council housing. Specific issues and concerns raised in relation to this proposal include: Some respondents within current band 4 For those applicants currently in Band 4 who have a Local Connection, although (General Needs) were therefore concerned that the change in banding means they will now be in they will be placed in Band 5, the impact Band 5 and they were worried this would mean of the change will not be detrimental.

they were even less likely to secure a council house. The creation of additional bands was seen by some as potentially confusing.

We recognise that this change may be confusing to some and that we need to carefully communicate the proposed change.

- Some commented that Local Connection should be based upon a longer period than 2 years (i.e. 5 years or 10 years). Others suggested that there should be additional priority given to those who had a longer term connection to the area.

The majority of respondent were in favour with the proposal therefore it will proceed as stated.

- Another suggestion put forward by some respondents was that Local Connection should be more 'localised' to specific areas within the Borough.

The majority of respondent were in favour with the proposal therefore it will proceed as stated.

- There was also a concern raised that this proposed definition of Local Connection within the policy differed from the Housing Act and could therefore lead to confusion.

The definition of Local Connection in the Housing Act relates specifically to the assessment of homelessness rather than the housing register.

- Specific queries in relation to the definition of Local Connection include

Those serving in the armed forces are already recognised as having a 'Local Connection' within the current policy and this will remain the same

 How those who serving within the Armed Forces are treated within the policy

For those claiming Local Connection through training, what length course would qualify?

For those claiming Local Connection through training this would only apply for so long as they continued to attend and would be verified at point of offer.

 Local Connection should only apply to 'immediate' family members (i.e. not Aunts and Uncles) The inclusion of other family members acknowledges the wider family support network.

 How Local Connection operates with regard to parents / children with access arrangements Parent / Child relations are acknowledged within Local Connection.

 Children's schooling should also qualify as a Local Connection

Children's schools will qualify as Local Connection in exceptional circumstances for example if a specific school is required to meet a child's needs and that is supported by a professional.

- Concerns about eligibility of applicants including those who are not 'born British' and those who have 'never paid anything into this

Eligibility for social housing with regard to immigration status is determined by the Secretary of State. country'.

- Some respondents suggested that 'Local Connection should be given overall priority by swapping band 4 and band 5.
- Some respondents found the definition of band 4 provided within the consultation document unclear.
- The different approach proposed by North Tyneside to that taken within other sub regional partners (especially Newcastle) was seen as being potentially 'unfair' to those in Newcastle. Some respondents proposed widening the area for 'Local Connection' to include neighbouring authorities (i.e. Newcastle)

The Local Authority needs to show 'reasonable preference' to some applicants who may not have a Local Connection.

We will review how we communicate the definitions of bands.

While we work in partnership with other authorities in Tyne and Wear, each authority has its own Lettings Policy which is aligned with the needs, priorities and aims of that authority.

#### 3.3 Financial Assessments / Affordability

#### **Policy Proposal:**

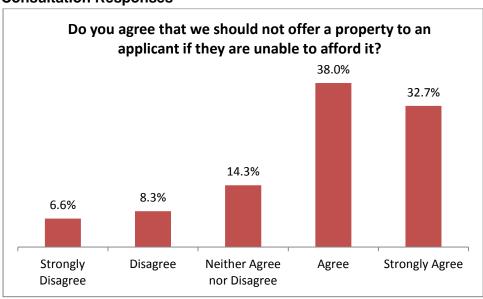
We want to be sure that when someone becomes a tenants of our property they will be able to pay their rent. This is about making sure we look after our homes but also making sure that we do not put people in a position of financial hardship.

We are looking to introduce a financial assessment for applicants before they are offered a property. Where it is thought that there is a significant risk that an applicant will be unable to pay their rent, and where there is no possibility of reducing this risk, then we will not be making an offer of accommodation.

#### The survey asked the following questions

Q4 - Do you agree that we should not offer a property to an applicant if they are unable to afford it?

Q5 - Do you have any further comments in relation to proposed changes on financial assessments and affordability?



Comments	Response / Actions
Overall 71% of those responding agreed that we should not offer properties to applicants who will not be able to afford it. Respondents who are not currently tenants of NTC were slightly more likely to agree with the proposal (75% compared with 70% of NTC tenants). Non-applicants were more favourable to the proposal than applicants (74% agreed compared with 70%).	
The majority of respondents were very positive with regard to the proposed changes seeing it as a 'responsibility' of landlords and	The introduction of affordability tests pretenancy phase is intended to ensure that applicants have the best possible chances of

as a means of ensuring that people do not fall into arrears. Although some pointed to the fact that circumstances change and an affordability test pre-tenancy does not necessarily mean that they will not encounter financial difficulties later in to their tenancies. Others also stated that affordability is not necessarily a guarantee that rent will be paid.

A proportion of respondents were unclear how this proposal related to benefits entitlement. Comments ranged from

- those paying 'full rent' should be given priority.
- benefit claimants should not be penalised and affordability tests must include benefit entitlement and applicants should be given support in ensuring that they claim their full entitlement
- others felt the proposal to be unnecessary as they believed that benefits provide a 'safety net' ensuring that social housing will always be affordable.

Some respondents were concerned about what options would be available to applicants who failed an affordability test and that 'failing' would mean destitution for some. This was especially a concern for some as 'Council Housing should always be affordable' and citing higher rents within the private rented sector as a cause for concern.

Some respondents (both in favour of the measure and opposed to it) were concerned about how the checks would be carried out including

- whether estimated costs would be realistic / reality checked or taken face value.
- how flexible assessments would be for instance would applicants be able to use savings / guarantors / planned work as a means of demonstrating affordability
- whether applicants will be able to appeal

sustaining their tenancy. If a tenant's financial circumstances change our neighbourhood teams will work with them to ensure that they are given the information and advice they need to support them to sustain their tenancy.

For those who do not pay their rent we will take enforcement action.

Changes to the benefit system means that social rent is no longer guaranteed to be affordable in all circumstances (for example due to the 'bedroom tax'). We need to support tenants in having access to this information when they are considering their housing options and our officers will work with applicants and give information about other benefits they may be entitled to.

When a property is thought to be unaffordable to an applicant our officers will work with that applicant to explore other housing options available.

Property adverts include information on the rent payable on the property and applicants will have access tools to carry out a self assessment to determine the affordability of a property prior to bidding

When carrying out affordability tests officers will be able to compare figures provided with a realistic range. Where figures provided are below then officers may query the information provided.

The assessment is intended to ensure that a tenancy is affordable in the medium to long term therefore savings / guarantors will not be considered in determining the affordability of a property.

All applicants will have the right to review.

#### 3.4 Restricted Choice for Homeless Applicants

#### **Policy Proposal**

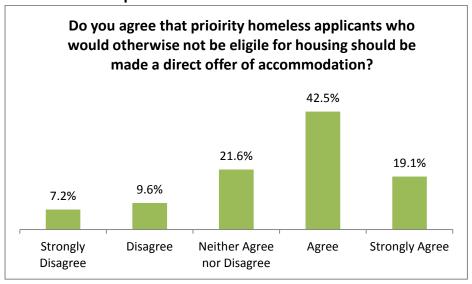
The Council has a legal responsibility to provide a suitable offer of accommodation to people who have been assessed as having priority homeless status. Currently we do this by allowing them on to the Housing Register. If they are not successful in finding a property in four week, we then make them a direct offer of suitable accommodation.

Sometimes an applicant is given priority homeless status where otherwise would have been excluded from joining the Housing Register (For example because of rent arrears). We propose in these cases, the applicant should not be allowed to bid for available homes but instead should be made a direct offer of accommodation.

#### The survey asked the following question

Q6 - Do you agree that priority homeless applicants, who would not otherwise be eligible for housing, should be made a direct offer of accommodation?

Q7 - Do you have any further comments in relation to proposals to restrict choice for homeless applicants?



Comments	Response / Actions
Overall 62% of respondents agreed with the proposal and17% of respondents disagreed with the proposal. Tenants of North Tyneside Council were less likely to agree with the proposal (60% agreed with the proposal 67% of non NTC tenants). Applicants were also less likely to be favourable to the proposal (55% compared with 66%).	
The comments made in response to this question revealed some confusion as to the nature of the proposal and tend to address a	

broader range of issues around homelessness rather than the specific change proposed for instance that there should be more funding and support available for homeless people.

Many respondents used the comments to raise concerns about why people with arrears or who had carried out asb should be allowed housing as a homeless applicant.

Some respondents had queries with regards to whether this would mean that the applicants would be re-housed quicker or slower. For some quicker was more desirable as due to the applicant's 'vulnerability' while others felt that it could be 'queue' jumping.

Many respondents welcomed the proposal suggesting that they should not be able to 'cherry pick' the most desirable homes.

Others expressed concern that this would be 'discriminating' against the most vulnerable people in society.

Some respondents queried what would constitute a 'suitable' offer and the following were raised as considerations in implementing the proposal.

- Need to be careful not to create ghettos
- Some areas may not be suitable
- Importance of support networks
- Recommendation that the applicant should be able to refuse at least one property
- Recommendation that the applicant should be able to select 2 estates they would not live on
- Would those intentionally homeless i.e. due to leaving an abusive relationship be subject to this proposal

Local Authorities' responsibilities towards homeless applicants, including the eligibility of homeless applicants are set out in law.

This proposal is aimed at ensuring we meet our statutory duties, and re-house potentially vulnerable people, while not providing unduly preferential treatment.

Officers working with Homeless applicants discuss housing requirements including type of housing and location. This information would be used in making an offer of suitable accommodation.

In some cases exceptional circumstances may apply which would allow them to be eligible for the Housing Register (provision for this is within the current policy).

# 3.5 Recognising medium housing need where children under 5 live in flats Policy Proposals

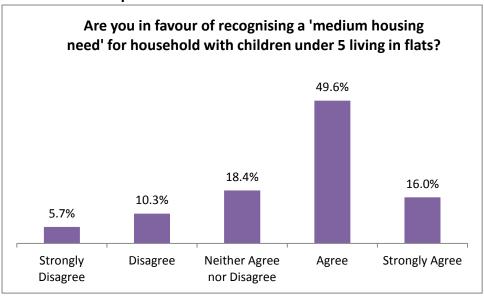
Currently we will not let a flat with a shared entrance to a family which includes a child under 10. However if a child already lives in a flat, we do not give that family additional priority to move.

We recognise that some of our customers have concerns about the safety and difficulty of accessing flats with young children. We are therefore now proposing that families living in flats with children under 5 should be recognised within our banding system as having a 'medium housing need'.

#### The survey asked the following question

Q8 - Are you in favour of recognising a 'medium housing need' for households with children under 5 living in flats or maisonettes?

Q9 Do you have any further comments in relation to proposals to recognise housing need, where children under 5 live in flats?



Comments	Responses / Actions
Overall 60% or respondents agreed with the proposal and 16% disagreed. There was little difference in the proportion of tenants and non tenants who agreed with the proposal (66% and 64%). Applicants were less likely to agree with the proposal (56% compared with 69% of non-applicants).	
Many of the comments from those in favour of the proposal cited that this was a good proposal on the grounds of children's safety, wellbeing and due to the impact of others	

living in the block.

Some stated however that this problem wouldn't apply in ground floor flats.

One respondent suggested that this should also apply to older people where their health means they may begin to find it difficult to access upper floor flats.

Some applicants stated that the need for outdoor space, which is one of the issues with flats that many respondents picked up on, is applicable beyond the age of 5, suggesting instead 10.

Others suggested that there is nothing wrong with children living in flats, and point to their own experience of having brought up children in flats or having been brought up in one themselves. Some respondents point to the fact that it is an individual applicant's choice to have children while living in flats and suggest that proposal could be a way of manipulating the system.

The policy has been updated to reflect this.

The policy already has provision to give priority to applicants on health and medical grounds.

While we recognise the important of play to all children, this policy proposal is specifically in relation to concerns about the safety and difficulty of accessing flats with young children while allowing choice.

The majority of respondents were in favour of this proposal.

#### 3.6 Home Owners

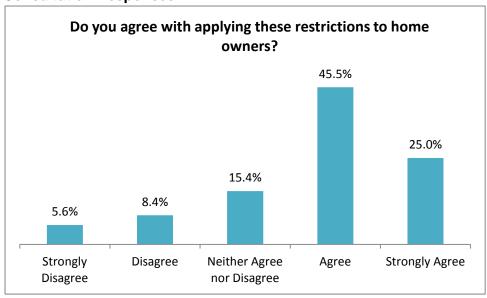
#### **Policy Proposal**

The current policy allows some home owners to be allowed on the Housing Register. We are proposing changes that we believe will make this policy fairer and more transparent. Our proposal is that applicants who own their own home will be considered to have the financial means to meet their own housing needs and will not be accepted onto the housing register. However there will be exception to this rule for example Those at risk of homelessness or in financial hardship

Those moving into older people's accommodation where the equity is less that the average price for similar accommodation within the Borough (this figure is currently £100,000). If someone has sold or transferred ownership of their home in the past three years, they will not be accepted on the Housing Register if their equity from the sale is greater than the average house price for similar accommodation within the Borough (This figure is currently £100,000).

#### The survey asked the following questions

Q10 - Do you agree with applying these restrictions to Home Owners?
Q11 - Do you have any further comments in relation to our proposals on the eligibility of Home Owners?



Comments	Response / Actions
Overall 71% of respondents were in favour of	
these proposals and 14% disagreed with	
them. There was little difference between the	
proportion of tenants and non tenants who	
agreed with the proposal (66% for both	
groups), however non-tenants were more	

likely to disagree with the proposals (22% compared with 12%). A greater proportion of non-applicants agreed with the proposal than applicants (74% compared with 63%).

Many comments welcomed the proposal and the thresholds (for those moving into older people's accommodation or those who had sold their homes) were seen as very generous.

Some commented that home owners did not need to be on the housing register.

For some respondents £100,000 was seen as too much and for those applicants they had other housing options available to them.

Other suggested that £100,000 was too low to allow for the purchase of bungalows and that for those with over £100k they would not be able to move into council sheltered housing.

In implementing the proposal some respondents stated that it was important to consider health issues which may also necessitate a move.

Some commented that the costs associated with housing are not just the purchase price but include upkeep, service charges etc.

One response queried why equity was considered as opposed to savings.

This proposal is intended to provide fair and transparent decision making in relation to how home owners are treated within the Lettings Policy, as there are cases where social housing is an appropriate choice for some people who are currently home owners.

£100,000 has been suggested as the current threshold as it links to house prices within the Borough (both general needs and Older people's accommodation). It is felt that for those with equity over this threshold, alternative housing options are available.

Exceptional circumstances will be considered.

There is provision within the current policy to consider issues such as disrepair and financial hardship in determining eligibility.

We currently consider an applicant's tenure (including home ownership) in relation to their eligibility for the scheme and the changes proposed here are aimed at simplifying and making that decision making process more transparent. We also recognise that there is a relationship between equity, savings, income and housing options which it might be appropriate to explore at a later date in response to changes in legislation such as the Housing and Planning Bill.

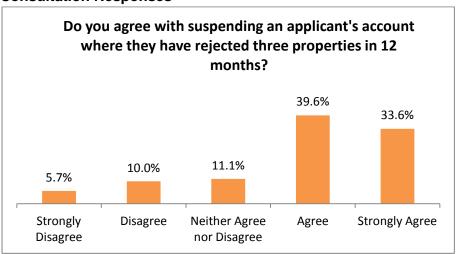
#### 3.7 Restricting the number of refusals

#### **Policy Proposal**

We have become aware that there are a small proportion of customers who are repeatedly refusing offers of accommodation. This costs the council a lot of money. We are proposing to suspend an applicant's account for three months where they have rejected three or more offers over a 12 month period.

#### The survey asked the following questions

- Q12 Do you agree with suspending an applicant's account where they have rejected 3 properties in 12 months?
- Q13 Do you have any other comments in relation to restricting the number of refusals applicants can make?



	Comments	Responses / Actions
	Overall 73% of respondents agreed with the	
	proposal, 16% disagreed. Tenants were	
	more likely to be in favour of the proposal	
	(75% agreed and 15% disagreed) compared	
	with non-tenants (67% agreed, 20%	
	disagreed). The proposal was less popular	
	among applicants (56% agreed, 13%	
	disagreed) than non applicants (56% agreed,	
	28% disagreed. This is likely to be due to the	
	fact that this is the group that it is most likely	
	to be impacted by this proposal. It is worth	
	noting however that even among applicants,	
	the majority was still in favour of the	
	proposal.	
	Many rean anges were received welcoming	Me recognise that aboles is an improved
	Many responses were received welcoming	We recognise that choice is an important
	the proposal as it will prevent time and	part of the operation of our Lettings Policy.
L	money being wasted. Some queried how	However, we feel that applicants are

effective it would be and pointed to the fact that it is only a small number of applicants who are behaving inappropriately.

For those that were not in favour of the proposal, comparisons with the house buying process were made and felt that free choice was an important aspect of the system given the serious nature of the decision.

provided with sufficient information to make an informed choice prior to bidding. This proposal is intended to encourage applicants to carefully consider their choice prior to bidding with an aim of reducing the overall number of refusals.

This will significantly increase the efficiency and effectiveness of the scheme.

The proposal is also intended to allow us take effective action against those applicants who repeatedly refuse properties.

A review will be carried out after the first year to determine the effectiveness of the measure.

There were some alternatives proposed including

- Increasing the length of suspension to 12 months
- Allowing 3 rejections in 6 months, rather than 12 months
- Allowing a greater number of refusals (5)

Some respondents raised some concerns about the quality of the offers and proposed that suitable safeguards are in place to ensure that the offers are suitable.

Some respondents also raised some concerns that women, LGBT people and those from other minority groups may not feel safe in some areas of the borough and that this proposal may detrimentally effect them.

It was also felt that this proposal could potentially have a discriminatory impact on those with a mental health issue and would need to be sensitively implemented.

As the majority of respondents were in favour of the proposal it will remain as is. However, alternatives will be considered as part of a review.

In the implementation of this measure careful consideration will be given as to whether offers of accommodation are suitable, in particular whether the relevant information was available to the applicant in advance of the bid.

Staff will also be made aware of the need to sensitively implement the proposal particularly with regard to minority groups and those with mental health issues.

The proposal is not intended to be punitive, but is intended to encourage applicants to carefully consider a properties suitability before bidding.

### 3.8 Other Comments

## The survey asked the following question

Q14 - Are there any other comments you would like to make about the proposed Lettings Policy?

Comments	Responses / Proposals
Many of the comments made in response to this question have been addressed in earlier sections of this report. Other comments / proposals include  - Lowering the age restriction for older people's accommodation to allow people to better plan rather than move in response to crisis	- This has not previously been raised as an issue an therefore has not formed part of this Letting Policy Review.
More time should be allowed to consider offers	<ul> <li>We need to balance the time for applicants to consider offers against the need to be efficient at letting properties and therefore reducing costs.</li> </ul>
There needs to be greater support for Foster Carers	Foster Carers registered with North     Tyneside Council are recognised within     the Lettings Policy
- Greater regard for 'good tenants' within Lettings Policy.	- The Lettings Policy gives some priority to 'good tenants', we believe this is a fair balance between rewarding good behaviour and giving priority to housing need.
<ul> <li>There needs to be greater awareness of the needs of disabled tenants.</li> <li>Insufficient help for single fathers</li> </ul>	We use customer feedback to continually review our policies and procedures so they reflect the needs of our customers.
There needs to be greater choice for single applicants	The Homefinder Team works alongside the Housing Strategy Team who look at Housing Options for all including single applicants and looks at how that demand can be met.
- Too many children (16 and 17) being given flats	The Lettings Policy does not allocate properties to under 18s unless specific circumstances apply.
Changes should be made to the property size guidance in relation to expectations about bedroom sharing.	North Tyneside Council's property size guidance is for guidance only and allows for applicants to bid on larger properties.

- Will the policy apply retrospectively or only to new applicants?
- If the policy is agreed, supporting procedures and ICT will be required and therefore changes won't be implemented immediately. In most cases the changes that come into affect will not apply to current applicants. The exception to this is affordability checks and the restriction on refusals which all applicants will be subject to once the policy is agreed.

A general theme arising from the comments is that the Lettings Policy should prioritise those who are vulnerable and in need. Applicants need to be subject to greater vetting prior to being offered a home, greater support should be given once their in their home and the council needs to be stricter at enforcing tenancy conditions and taking action where necessary.

We believe that this policy will support us in achieving these aims.