

Report of: Executive Member for Housing and Development

Meeting of:	Date	Ward(s)
Executive	21 May 2015	All

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SUBJECT: Local Lettings and Sales Policy

1. Synopsis

- 1.1 This report sets out proposals to introduce a new extended Local Lettings and Sales Policy to make sure local people benefit from all housing developed by the council and new social housing developed by housing association partners; and to delegate authority to make this and other minor changes to the allocations scheme.

2. Recommendations

- 2.1 To amend the council's Housing Allocations Scheme to include an extended Local Lettings Policy (as set out at 3.3 below), that will make sure local people benefit from all new social housing in Islington.
- 2.2 To implement a new Local Sales Policy that will prioritise sale of council shared ownership and private housing for sale to local people.
- 2.3 To authorise the Service Director of Housing Needs and Strategy in consultation with the Executive Member for Housing and Development to make other minor changes to the Housing Allocation Scheme.

3. Background

- 3.1 Islington council is committed to making sure that local people benefit from new social housing built near where they live. We introduced an Islington Council New Homes Local Lettings Policy in our 2013 Allocations Scheme that gave priority to local households from an estate for new build council homes on that estate. Since the introduction of this policy we have successfully housed over fifty households, helping older people downsize into smaller properties and young families living with their parents to move into a home of their own.
- 3.2 Due to the success of this scheme it is now proposed that the local lettings policy is extended to all new build social housing in the borough. This new policy would mirror our existing policy for new council homes on council estates.

- 3.3 Under the new policy people living in the same ward as the new social housing will be prioritised for new build lettings. This means that local households in housing need (with over 120 points) living in social housing will be able to apply for the new housing before anyone else in the borough. This will apply to either current social housing tenants or family members living with the tenants for the last 12 months. The person with the highest points from the ward will be offered the property. The council will ensure that the properties allocated are suitable for the households, for example household size must match the size of the new home, wheelchair adapted properties will be restricted to people who require such properties, and ground floor properties will be restricted to people with an assessed need for ground floor accommodation. If the development borders other wards or is particularly large, the Service Director of Housing Needs and Strategy can designate two or more wards to benefit from the local lettings policy.
- 3.4 The council is also committed to helping households who can afford shared ownership and private sale housing to find high quality housing in Islington that meets their needs. Households who live or work in the borough are already prioritised for our shared ownership schemes and it is recommended that this is extended to our council-built private sale properties. The first properties to be sold in this way will be on the Parkhurst Road development. Local people will be targeted in the marketing and we will give additional priority to households living in rented accommodation throughout our marketing process. Only if no local buyers can be found will the properties be opened up to the wider market. A legal restriction will be placed on all new council open market sale housing. As a result of this restriction the buyer will have to live in the property as their principal home for the first five years following purchase. Exceptions to this because of changes in personal circumstances will be at the council's discretion on a case-by-case basis. This will make sure that the council's private sale properties are bought by people who contribute to the local economy and community, and not investors who could buy the properties as buy-to-lets or who could leave the properties empty.
- 3.5 The council's commitment to new homes for local people is set out in our 'Building support for a new generation of council housing in Islington' policy at appendix 1.
- 3.6 The Housing Allocation Scheme was last reviewed in 2013 following an extensive consultation exercise. On occasion, for example in response to new central government policy or for clarification, there may be a need to make minor changes to the Housing Allocation Scheme, such as the extension of the Local Lettings Policy. A minor change to the allocation scheme is defined as a change to clarify the allocation scheme or to set out a small change in procedure. The proposed change would not have a major impact on the borough as a whole, or a large group of residents. It would not affect the relative priority of a large number of applicants or be a significant alteration to procedures.
- 3.7 Page 5 of the current Housing Allocation Scheme gives the Service Director of Housing Needs and Strategy discretionary powers to award additional points and approve offers of housing in relation to individual cases. It does not give the Service Director the power to make amendments to policy. It is recommended that authority is delegated to the Service Director of Housing Needs and Strategy in consultation with the Executive Member for Housing and Development to make minor changes to the Housing Allocation Scheme to streamline to process for these types of changes and ensure the council can respond quickly.

4. Implications

4.1 Financial implications

- 4.1.1 There are no financial implications arising from the recommended changes to the Council's Housing Allocations Scheme.

4.2 Legal Implications

- 4.2.1 Section 166 of the Housing Act 1996 provides that a local housing authority can only allocate housing accommodation in accordance with its allocation scheme. If the council proposes a major change of policy it is required to consult on this. However, there is no such requirement in relation to minor

changes to the policy.

- 4.2.2 In framing the allocation scheme the council must ensure that reasonable preference is given to the following categories of people:
- (a) People who are homeless
 - (b) People who are owed a re-housing duty by the council
 - (c) People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions
 - (d) People who need to move on medical or welfare grounds, including grounds relating to a disability
 - (e) People who need to move to a particular locality in the district of the council, where failure to meet that need would cause hardship
- 4.2.3 The Allocation of accommodation: guidance for local housing authorities in England 2012 provides guidance on including local priorities alongside the statutory reasonable preference categories and creating local lettings policies. The courts have found that local authorities are not required to give absolute priority to the reasonable preference categories over everyone else. The council's allocation scheme can provide for other factors to be taken into account in determining which applicants are to be given preference under a scheme, provided that they do not dominate the scheme and overall the scheme operates to give reasonable preference to those in the statutory reasonable preference categories.
- 4.2.4 Under section 166A(6)(b) of the Housing Act 1996 the council can allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories, provided the council is overall able to demonstrate that its allocation scheme is framed so as to secure that reasonable preference is given to the statutory categories. This power allows the council to create local lettings policies
- 4.2.5 Under the council's constitution at Part 3, the Executive has responsibility at paragraph 4.6(a) for the determination of the overall strategy in relation to the provision of housing services, in particular approval of all housing policy. Paragraph 55 of Part 4 provides circumstances in which the Executive can discharge its functions. Paragraph 55.4(a) provides that the Executive may further delegate an Executive function to an officer.
- 4.3 **Environmental Implications**
- 4.3.1 There are no environmental implications arising from the recommended changes to the Council's Housing Allocations Scheme.
- 4.4 **Equality Impact Assessment**
- 4.4.1 The council must, in the exercise of its functions, have regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations between those who share a relevant protected characteristic and those who do not (section 149 Equality Act 2010)
- 4.4.2 A resident impact assessment has been carried out. This confirms that extension of the Local Lettings Policy is a minor change in line with the legal definition. The resident impact assessment identifies a risk that new build properties may be let to households in less severe housing need because local households already in social housing will be prioritised. However, letting to households already in social housing should release another unit of social housing, which will be let to the household in highest need. The Local Lettings Policy should, therefore, create more churn in the borough's social housing stock - enabling more households to move to suitable housing. The impact of the changes will be reviewed after two years to ensure they do not have a negative impact on any particular groups.

5 Conclusion and reasons for recommendations

- 5.1 The proposed Local Lettings and Sales policies will ensure that local people benefit from new housing in the borough. Delegated authority will allow minor changes to the scheme to be carried out in a timely and cost effective manner.

Appendices

Appendix 1 – Building Support for a New Generation of Council Housing

Background papers: None

Final report clearance:

A handwritten signature in black ink, appearing to be 'P. Byer', with a long horizontal stroke extending to the right.

Signed by: Executive Member for Housing and Development

Date: 7 May 2015

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