



**Executive**  
10<sup>th</sup> April 2006

**Report from the Director of  
Housing and Community Care**

For Action

Wards Affected:  
ALL

**Sustainable Lettings – Proposed Pilot Scheme at  
Donnington Court**

Forward Plan: H&CC-05/06-26

**1.0 Summary**

1.1 This report makes recommendations for a pilot project for the Donnington Court development to test our approach to sustainable lettings. Appendices 1-3, provide some background on the issues. The recommendations reflect the sub-regional approach currently being discussed by the West London boroughs. The proposal involves ring-fencing certain sizes of property to smaller households than would usually be accommodated in the dwellings.

**2.0 Recommendations**

2.1 The Executive is asked to agree the proposals with regard to under-occupation set out in paragraphs 3.1.5. – 3.1.6

2.2 The Executive is asked to note the wider Sustainable Lettings agenda that is being developed in the sub region.

2.2 The Executive is asked to note that outcomes from the pilot will be reviewed to inform consideration of lettings policy and officers will report back on progress as the sub-regional and local picture develops.

### **3.0 Detail**

#### **3.1 Pilot scheme proposal: Donnington Court**

- 3.1.1 In November 2003 Planning Committee approved proposals for the redevelopment of Donnington Court, a 115 unit property acquired by the Council in 1979 and used since then to provide temporary accommodation for homeless households. The selected option was put forward by Genesis Housing Group, who had been managing the block on the Council's behalf since 1987. Lack of investment and inadequate maintenance meant that the property fell into disrepair and provided poor quality, overcrowded accommodation. In 2002 it was agreed that Donnington Court should be disposed of to Genesis Housing Group, whose new development will provide a mixed tenure of 120 units (70 affordable rented units and 50 shared ownership units) within four blocks.
- 3.1.2 Discussion has continued in the intervening period and has centred on the high density of the development and the issues that this raises in terms of ensuring that the development is sustainable. Appendix 1 sets out a definition of sustainability in this context. The process has now reached a stage where decisions need to be made about the future letting and management of the new homes as the scheme has a completion date of November 2006 and the intention is that homes will be pre-allocated these prospective residents to input into the final design and internal finishes prior to occupation.
- 3.1.3 Brent Housing and Community Care propose that the scheme should be treated as a pilot project to test an approach to sustainable high-density development by agreeing a lettings plan. This will require some deviation from established lettings policy. However, this does not imply the establishment of precedent for future developments; rather, the Donnington Court scheme would be used to test the validity of sustainable lettings agreements and establish the principles under which any future arrangements on individual schemes would be negotiated.
- 3.1.4 The plan would be based on the draft sustainability menu described in Appendix 3, which has been developed in conjunction with work to establish a common sub regional sustainable lettings agreement (see Appendix 2 for more details). However, it is important to stress that there are differences of opinion between local authorities and RSLs on the best approach. At this stage therefore, this pilot proposal only suggests some changes to occupation levels in some of the homes. Other aspects of the sustainability menu described in Appendix 3 have not been agreed and will not form part of the pilot.
- 3.1.5 At this stage, there is agreement between Housing and Community Care and Genesis that occupancy levels in the scheme are key to its sustainability. The current Allocations Scheme was approved by Members in March 1995 and revised in January 1998 to reflect changes resulting from the Housing Act 1996. Members agreed the

introduction of the Locata scheme in February 2002 and the resulting changes to the Allocations Scheme were agreed by the Executive in November 2002. The Scheme sets the following criteria for dwelling sizes:

- One double bedroom for a cohabiting couple
- One double bedroom for each single parent
- One double bedroom for two additional persons/children of the same sex and generation
- One double bedroom for children of the opposite sex, where both children are under 7

3.1.6 For Donnington Court, it is proposed that flats on the ground and first floors will be offered at full occupation as set out above. However, rented flats above the first floor will be let as follows:

- 2bed flats normally allocated to 4person households will be offered to 3person households
- 3bed flats normally allocated to 5 person households will be offered 4 person households

3.1.7 This will allow for a limited level of under-occupation such that, for example, children will not always be required to share a bedroom. In return for this the Council will negotiate a higher proportion than usual of new lettings for transfers from existing social housing. This will assist in alleviating the high levels of overcrowding in Brent's own permanent housing stock. Members are asked to note that officers are recommending an increase in lettings for transfers of existing tenants by 12% on 2005/06 lettings targets, which represent an increase of 28 lettings in total, within the Supply & Demand report being presented to the Executive at this meeting. Given this, it is proposed that at least 75% of the lettings available to affordable rented flats which are located above the first floor will be made to transfers from existing social housing.

3.1.8 Housing and Community Care's position on the other potential elements of a lettings plan is summarised in Appendix 3 below and reflects the discussions that have taken place at the sub-regional level.

3.1.9 In some respects, the success of a lettings plan for a particular development or of lettings plans in general, can only be judged accurately over the long term. Since lettings plans are intended to contribute to the continuing sustainability of housing schemes, their impact should be expected to be reflected in, for example, lower incidence of anti-social behaviour, higher levels of tenant satisfaction, lower rent arrears and incidence of eviction and so on. It will therefore be necessary to develop a set of common indicators across the sub-region against which the operation of lettings plans can be measured.

3.1.10 In the shorter-term, the aim is to use Donnington Court as a pilot. While the indicators noted above can be used, it is unlikely that they will produce much reliable evidence in the short term. The success or otherwise of the pilot will therefore need to be tested in other ways.

The details will need to be agreed and discussed at the sub-regional level but for an initial evaluation, measures could include:

- Surveying tenants to measure levels of satisfaction with their home, management of the scheme and so on.
- Obtaining views from the RSL on the success of the scheme
- Obtaining early indications of, for example, levels of complaints or transfer requests
- Assessing levels of tenant engagement in participation and consultation
- Assessing impact of subsequent relets to the development.

3.1.11 Completion of the scheme is expected in November 2006 and an initial report on first lettings will be produced after that date.

#### **4. Planning Service Comments**

4.1 Lettings Plans are outside the scope of planning control in this instance. Planning considers the number of units and number of habitable rooms in considering residential density; not the number of prospective occupants. The current permission is therefore unaffected. In terms of future policy, there is a body of research that suggests that child densities is one of the key factors in determining the future success of new high density housing. The Planning Service is looking at strengthening guidance to ensure that there is sufficient amenity space and other facilities for high density family housing in particular. Donnington Court is somewhat unusual in that there was an existing building with existing high densities. Taking into account issues of viability, it was difficult to ameliorate the impact of the high density in purely physical terms and lettings plans could assist in this process. The Planning Service would therefore support the idea of lettings plans as one way in which sustainable communities can be created and will include it as one possible option in future planning guidance.

#### **5. Financial Implications**

5.1 Members are asked to note that this proposal encourages a higher proportion of lettings to applicants seeking transfer from existing permanent housing than homeless households in temporary accommodation. However, this increase will form part of the overall 12% increase in lettings to transfer applicants set out in the Supply and Demand report elsewhere on the agenda. There are therefore no additional financial implications arising from the specific proposals for Donnington Court.

#### **6.0 Legal Implications**

6.1 Part VI of the 1996 Housing Act ('the Act'), as amended by the 2002 Housing Act governs the allocation of council housing, and the nomination by local authorities to housing owned by registered social landlords, ('RSLs') Nominations are required to be compliant with the Act regardless of whether they are pursuant to a legally binding contract or a purely voluntary arrangement.

- 6.2 The Act requires Councils to adopt an allocations scheme that gives certain categories of applicants (set out in section 167) a “reasonable preference”, and to allocate strictly in accordance with that scheme. Allocations in this sense includes nominations to RSLs. Section 167 (2E) of the Act allows the council to allocate particular housing to persons who specifically apply for it or who are of a particular description. This means that nominations to Donnington Court can be ring-fenced for those with households of a certain size, provided that the categories of reasonable preference are given due regard when making those decisions, and allocations/nominations are not made purely on a date/time on the register basis.
- 6.3 The properties in question at Donnington Court are not owned by the Council, they are owned by Genesis, consequently those who are successfully nominated by the Council to Donnington Court will be tenants of Genesis, not secure tenants of the Council. Any increase in the household size, and any related overcrowding issues, post-nomination will be dealt with by Genesis as a housing management matter.
- 6.4 The planning process does not take account of the number of people occupying a property, rather the planning focus is on the number of units and the number of rooms within those. The current planning permission for the Donnington Court development is therefore not affected by this proposal.
- 6.5 Section 170 of the Act requires RSLs to co-operate to such extent as is reasonable when a local authority requests assistance with accommodating people pursuant to its housing allocations scheme.
- 6.6 The Act requires that the Council must consult with every RSL with which it has a nominations arrangement before a major change in policy regarding the allocations scheme is made. Officers advise that this is not a major change in policy as it is restricted to a time-limited trial period and only impacts on Donnington Court, therefore that consultation is not required. If after the pilot officers wish to recommend a similar approach to nominations arrangements with other RSLs, then formal consultation will need to be undertaken.

## **7.0 Diversity Implications**

- 7.1 With regard to the proposed pilot scheme, the decision to allow a limited degree of under-occupation will affect the size of households housed in the scheme. Although some BME communities have larger than average household sizes, it is not anticipated that there will be any adverse impact on any particular group, since these communities are also over-represented on the housing register across all household sizes.
- 7.2 A key aim of lettings plans is to increase long term sustainability; in this case by addressing over-occupation. This will allow for household growth and assist in preventing overcrowding in the future. BME

households are over-represented among overcrowded households and the impact of these proposals is therefore likely to be beneficial in reducing the incidence of overcrowding.

- 7.3 In the longer term, lettings plans will be drawn up individually and will take into account the needs of particular areas. An EIA will be undertaken sub regionally on the sustainable lettings approach.

## **8.0 Staffing/Accommodation Implications**

- 8.1 None at this stage.

## **Background Papers**

London Borough of Brent Allocations Scheme (Version 4: 17<sup>th</sup> February 2004)

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## **Appendix 1.**

### **What is a Sustainable Community?**

Sustainable communities are defined by government as 'places where people want to live now and in the future'. Brent and the West London Housing Partnership have made progress on the wider sustainability agenda relating to housing needs being addressed alongside other aspects such as infrastructure, schools, shops, transport, community cohesion and sustainable building standards. The debate is now expanding to include consideration of how approaches to letting new developments can contribute to community sustainability.

### **What is Housing Sustainability?**

The ODPM's 'Sustainable Communities Homes for All' policy document and the recent London Housing Strategy focus on the Housing component of sustainability and particularly on the role that allocation of affordable housing plays. The challenge is to construct a sustainable lettings plan that also meets housing need.

The provision of affordable housing is central to the building of sustainable communities. However, with the level of demand massively outstripping supply, how and to whom this accommodation is allocated is key. Tension is most acute on the question of lettings where the statutory responsibility is to homeless families and occupation needs to be maximised to meet the most pressing needs.

The sustainability agenda is concerned with planning for the long term, therefore, it is proposed that we also need to have mechanisms in place to ensure that the social housing sector will remain sustainable, fluid and dynamic for those who choose to live in it.

In order to deliver sustainable housing developments, particularly given the increase in high density, mixed tenure schemes, we need to adopt a sustainable lettings approach that can address issues such as overcrowding and anti-social behaviour.

## **Appendix 2.**

### **Sub Regional approach to Sustainable Lettings.**

The outcome of sub regional work on this issue has been to propose a 'menu' of key issues that need to be addressed for a development to have the best chance of being sustainable. The menu is proposed as a tool for negotiating and agreeing sustainable lettings agreements with RSLs on appropriate new housing developments in West London, with an emphasis on flexibility and taking local needs into account. This will ensure that Sustainable Lettings plans are applied to new developments where the size, impact and location of the scheme make this appropriate, with the decision at the discretion of individual boroughs. The proposed menu is outlined in Appendix 3, along with a commentary on the key issues.



## **Appendix 3: Draft Sustainable Lettings Menu.**

The following menu will be used as the basis for negotiating a lettings agreement.

### **A. Child density**

#### **Issue**

High child densities can cause pressure on education places and contribute to levels of anti-social behaviour. However, low child density will be hard to achieve given the pressure to move homeless households (generally with children) out of temporary accommodation. Similarly the need to build more family-sized units to meet demand from overcrowded households could lead to higher rather than lower child densities.

#### **Resolution**

Given the likelihood of high child densities on new schemes, we must concentrate on providing adequate social support, play facilities, sports and cultural facilities for young people in order to ensure long term sustainability. Care needs to be taken on new developments to pepper-pot larger units as is the case with Donnington court.

### **B. Age profile**

#### **Issue**

The purpose of this would be to avoid a concentration of children of the same age but to encourage a range of ages. Whilst there is agreement that it is desirable not to have large concentrations of older children, the difficulty of administering a lettings plan that is so precise is significant in a choice based environment. To exclude a family because they do not fit the correct age profile despite the fact that they may be in the greatest housing need is questionable. This is particularly important for larger families, as larger properties are more likely to be on new developments (very few larger re-lets occur).

#### **Resolution**

As with high child densities, the answer may lie in improving community facilities rather than limiting the numbers of children. It has been suggested by RSLs that this problem could be addressed by a higher proportion of properties on new schemes going to transfers (e.g. 75% of family size units and 50% of single person units).

### **C. Under-occupation**

#### **Issue**

This is linked in part to child density and age profiles. The purpose of under letting is two fold. One is to allow natural growth of the family unit. The second is to provide better space standards in higher density schemes. However under-letting would impact on the number, or at least the size, of households in temporary accommodation. We would need to assess this as well as the impact on the housing registers and overcrowding for those on the transfer list.

## **Resolution**

It may be possible to agree a trade off between under occupation on some schemes whilst getting higher level of nominations on others. Under occupation would be limited to reduction on a bedspace basis rather than a room basis. Whilst this doesn't get round the overcrowding issue, if new build units are built with double bedrooms, under occupation is more likely to occur 'naturally', e.g. a 2bed/4 person unit can be properly let to a 2, 3 or 4 person household if there is a genuine need for a 2 bed. RSLs are generally in agreement with this idea, but it would be problematic where there were already 100% nominations on a scheme.

## **D. Vulnerability**

### **Issue**

LA's cannot agree to restricting lettings to people with specific problems as a general rule. This can only be done on a scheme by scheme basis, depending on the type of scheme, its location, nearby care facilities etc. It should be noted that there is a move away from purpose built schemes for some client groups, towards floating support in general needs housing.

### **Resolution**

Care packages should be identified before vulnerable tenants move in and information sharing protocols between the local authority, health services, police/ probation and other services is necessary as a lack of information for tenants with support needs can be problematic.

## **E. Economic Activity**

### **Issue**

Many people in housing need tend not to be in full time paid employment which can reduce the level of economic activity within the surrounding area. RSLs have requested a certain percentage of tenants in employment to contribute to long term sustainability.

### **Resolution**

LA's have made it clear to RSLs that we are not willing to accept this condition. Not only would this contribute to the potential discrimination, this would be difficult to administer – today's homeless person could easily become tomorrow's key worker. However, we would support active projects to help households into employment and training, rather than selecting households that are already working. LAs and RSLs would need to work together to deliver this.

## **F. Rent Arrears**

### **Issue**

Some lettings plans are keen to avoid letting to people with a history of rent arrears. Whilst people with existing rent arrears are generally excluded from getting offers unless they can prove they are sticking to a repayment plan, excluding people with a history of arrears is problematic.

## **Resolution**

Whilst LA's would be prepared to discuss a possible formula (around how long ago the arrears were cleared, how often and how much they were in arrears, how regular repayments are), they could not agree to a blanket ban.

## **G. Anti-Social Behaviour (ASB)**

### **Issue**

Some lettings plans are keen to avoid taking on those people with records of anti-social behaviour. This can be particularly sensitive in schemes with cross-borough nominations with host boroughs not willing to except other borough's 'problem cases'.

### **Resolution**

Local authorities would agree to pass on a full history of anti-social behaviour where relevant. Whilst they would not wish RSLs to exclude all tenants who have had problems in the past, they would also not wish to be seen to be 'offloading' troublesome tenants. The aim would be to create a dialogue to provide a solution to a problem (one of which may be for the household to move). There is a proposal for a sub regional protocol for dealing with vulnerable tenants, rent arrears and ASB. Probationary tenancies could be offered.

## **H. Tenancy Sustainment**

### **Issue**

An advantage of giving a higher proportion of new lettings to social housing transfers is that it allows for 2 properties to be let.

### **Resolution**

Lettings plans generally set the figure for having held a previous tenancy at around 40-50%. Providing this figure includes people who have previously been in Private Sector Leasing or private sector Assured Shorthold Tenancies, local authorities and RSLs are in agreement on this.