

# Communities Scrutiny Commission

27<sup>th</sup> January 2020



**Report of:** Housing Options Head of Service  
**Title:** Review of lettings scheme for social housing  
**Ward:** All  
**Officer Presenting Report:** Paul Sylvester  
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## **Recommendation:**

This report is for information and feedback on the review of the lettings scheme for social housing and does not make any recommendations at this point.

## **The significant issues in the report are:**

- Bristol City Council is reviewing its lettings scheme for social housing in order to support the development of mixed, balanced and sustainable communities
- Early engagement work is being undertaken with a wide range of stakeholders, including applicants to the letting scheme and registered providers of social housing
- Feedback from this early engagement work will be used to inform the development of options for the future scheme
- A full public consultation will take place in the summer of 2020



## 1. Summary

All local authorities are required to develop and operate a lettings scheme for social housing. Bristol City Council operates a Choice Based Lettings (CBL) scheme that enables households to 'bid' on properties that are suitable for their needs.

Bristol City Council is reviewing its scheme and is in the early stages of stakeholder engagement. Outcomes of this engagement will be used to inform the development of options for the future scheme. A full public consultation will take place in summer 2020.

The review is being undertaken to support the development of mixed, balanced and sustainable communities, whilst housing those in need. It is an opportunity to make other improvements, since it was last reviewed in 2015.

## 2. Context

### Bristol's lettings scheme for social housing

1. Applications are made to join the current scheme. Applicants are placed into one of four bands, based on their need for housing (e.g. homelessness, fleeing domestic violence and overcrowding). Band one is the highest priority. Band four is for applicants that do not have a housing need under the scheme.
2. Applicants apply, or 'bid', for available property through the HomeChoice Bristol website. Generally those who were in the highest priority band for the longest would be offered the property.
3. The following paragraphs summarise the current situation in Bristol, national policy context and local and national research into lettings schemes.

### Bristol's Housing Market

4. Home ownership has become a less affordable housing option for households who have a low income over the past decade or so with high earnings to property price ratio. This has more than doubled over the last 20 years<sup>1</sup>.
5. Rents within the Private Rented Sector (PRS) have increased significantly in recent years, with an average monthly rent of £1,070 across all property types in Bristol. This is higher than the average rent for England as a whole. These increases in rent and relative reduction in support available through benefits and tax credits in recent years have reduced the affordability of PRS accommodation to households who have a low income.
6. Homelessness duties accepted had been increasing up to 2015 and has stabilised and reduced in recent years. However, figures in 2017/18 represent a 122% increase on 2012/13 and this has an impact on the council's ability to let property to households who do not have such an urgent housing need.
7. The Joint Spatial Plan (JSP) has identified that Bristol needs over 16,000 affordable homes over the period 2016-2036. Work is underway in Bristol to increase the supply of affordable homes to 800 per year by 2020.

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<sup>1</sup> Office for National Statistics (ONS), See:-

[www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian](http://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian)

## **Policy context**

8. All housing authorities are required to develop a lettings policy for social housing. Although some flexibility is afforded to local authorities, reasonable preference must be given to certain groups in housing need when developing a lettings policy. Other priorities such as 'community contributions' (e.g. those working, volunteering or undertaking training) cannot dominate the scheme at the expense of those groups.
9. Bristol City Council's corporate strategy identifies development of mixed and balanced communities as one of its strategic aims. The government's green paper 'new deal for social housing' is also relevant to the review and the government will be undertaking evidence gathering on the efficacy of lettings schemes nationally.

## **Register and Lettings data**

10. There were 12,181 applicants on the housing register as of 31<sup>st</sup> March 2019. This was an increase of 488 applicants on the previous year. There were 1,805 lettings made in the year 2018/19. This was a reduction of 10 lettings on the previous year.
11. Over 50% of applicants are in the lowest priority banding (band four) and most are unlikely to be offered social housing. Only 10% of lettings went to applicants in this group in 2018/19. These successful bids would have been for sheltered and older peoples' accommodation or landlord's own lets.
12. Significantly under-occupying properties and urgent medical needs were the main reasons for being included in band one. Homelessness was the most common reason for being included in band two.
13. The largest proportion of households who were housed were ones to which the council owed a full homelessness duty. This group makes up almost half of those housed in band two and almost a third of all lettings in 2018/19.
14. Disabled people, Black, Asian and Minority Ethnic Communities and those who have declared a religion or faith are overrepresented on the register.

## **Choice Based Letting**

15. Despite some dissatisfaction with CBL, the majority of local authorities within the United Kingdom are using some form of it (over 70%). The eight English Core Cities and 28 out of 32 London Boroughs continue to use CBL. Those boroughs that have moved away from CBL are using a managed lettings policy.
16. General criticism of CBL includes complaints that it often involves a complicated process, that CBL systems are poorly maintained and expensive to administer and that there are often unnecessary delays in lettings. The Chartered Institute of Housing's initial findings to 'Rethinking Allocations' also suggested that known challenges could largely be addressed by managing expectations and investing in the technology to deliver systems that work for everyone.
17. National research suggests that needs based lettings systems (including CBL) contribute to the formation of large scale, single tenure, social housing estates that concentrate the poorest households in the more deprived areas. In response commentators have identified the creation of mixed income and mixed tenure communities as a key housing policy objective.
18. Local research and engagement has identified similar issues to the national research. Key issues were identified as unrealistic expectations of the likelihood of being housed and the concentration

of vulnerable households in particular areas. It was suggested that alternative and more managed ways of letting should be investigated.

19. International examples have demonstrated similar issues to those experienced in the United Kingdom, such as the challenge of balancing targeted approaches to house those in need with the creation of more mixed, balanced and sustainable communities.

### Introducing balance

20. A number of authorities have included community contribution criteria in their lettings scheme or adopted a lettings quota system in order to try and create more mixed and balanced communities. Some of these have been subject to legal challenge and must not dominate a scheme at the expense of those groups who must be given reasonable preference. Some authorities have removed community contribution from their schemes.

### Timescales for the review

21. A high level timeline for the review is shown below:-

Month	Phase
January 2020 to March 2020	Early engagement with stakeholders:- <ul style="list-style-type: none"> <li>• Online, paper and Easy Read Surveys</li> <li>• Member sessions</li> <li>• Three area based engagement events with community organisations</li> <li>• Two feedback events</li> <li>• One Registered Provider event</li> <li>• Attendance at existing meetings (including service user groups and area forums)</li> <li>• Staff meetings</li> <li>• Communities' Scrutiny</li> </ul>
April 2020 to May 2020	Development of options:- <ul style="list-style-type: none"> <li>• Based on feedback from early engagement</li> </ul>
June 2020 to July 2020	Public consultation
August 2020 onwards	Implementation of chosen option (following decision pathway). Length dependent upon scale and complexity of changes required

### Work to date

22. An evidence base has been developed for the review, including research into alternative lettings schemes both in the United Kingdom and other countries. Analysis of housing register data and a workshop with a range of Bristol City Council staff was undertaken to identify local issues, along with a review of previous roundtable events held in Bristol.

23. A survey has been developed with stakeholders, including housing staff and equalities representatives. This will be available online as well as in paper and Easy Read form. Publicity materials for the review have also been developed.

24. Engagement with staff and the sector is already taking place, with updates going to staff involved in the lettings scheme and user testing of the survey undertaken with these groups.

25. Three area based community events are being developed for March 2020. These will bring together individuals who are affected by the lettings scheme (applicants and current residents),

community groups, voluntary and community sector organisations, housing providers and Bristol City Council.

26. Member sessions are to take place in late January 2020 to provide an update on the review and give an opportunity to feedback on the approach to the review and identify issues that need to be addressed in the current scheme.

### 3. Policy

The current HomeChoice Bristol Housing Allocations Scheme is relevant to this review and can be accessed below:-

[www.bristol.gov.uk/documents/20182/32791/HCB%20allocation%20scheme%202015%20-%20MASTER%20COPY.pdf/596abc80-1988-4229-ac72-5ca41c76156b](http://www.bristol.gov.uk/documents/20182/32791/HCB%20allocation%20scheme%202015%20-%20MASTER%20COPY.pdf/596abc80-1988-4229-ac72-5ca41c76156b)

### 4. Consultation

#### a) Internal

Not applicable

#### b) External

Not applicable

### 5. Public Sector Equality Duties

- 5a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
  - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
    - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
    - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
    - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
  - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
    - tackle prejudice; and
    - promote understanding.
- 5b) Analysis of the social housing register identifies that disabled people, Black, Asian and Minority Ethnic Communities and those who have declared a religion or faith are overrepresented when compared to Bristol’s overall population. A draft baseline EqIA has been written for the current

scheme and advice sought from the equalities and community cohesion team.

This will be updated to reflect the options that are developed during the design phase so that impacts on those groups with protected characteristics are identified so that appropriate mitigation can be considered.

The Voice and Influence Partnership have been made aware of the early engagement work and have participated in user testing of the survey questions. They will assist in publicising the survey amongst stakeholders and ensuring that those with protected characteristics will be able to participate in this early phase of the review.

**Appendices:**

None

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Papers:**

None