Housing in Central Bedfordshire
What lies ahead?
As the Council’s Executive Member for Social Care, Health and Housing I would like to welcome you to the Council’s ‘Green Paper’ on a new agenda for social and affordable housing in Central Bedfordshire. Please take some time to read through our proposals which I believe could positively transform how we meet local housing need and at the same time promote social mobility.

Housing has a central role in everything we are seeking to achieve in Central Bedfordshire. Access to a good supply of social and affordable housing that meets housing need is one of the pillars that will support our vision to make this a great place to live and work.

A stable, affordable home enables people to put down roots, invest time in their community, supports family life, helps to make work pay and supports people to establish themselves in their working life. At its best, affordable housing acts as a springboard for people to achieve their potential, and to raise aspirations for themselves and their children. The changes set out here aim to build on and strengthen the potential in our people, and in our affordable housing.

At present we are ‘doing ok’ in meeting housing need. There were approximately 1,068 lets to Council and Housing Association properties in Central Bedfordshire last year and the average waiting time for people in housing need was 35 weeks. In addition, 169 people were accepted as homeless last year, with the Council assuming a full re-housing duty. There were 127 mutual exchanges (home-swaps) and 104 new Shared Ownership homes were built during 2011/12.

However, I believe that there is untapped potential to improve our approach to social and affordable housing, and recent government legislation around housing, planning and health has provided the opportunity for a radical re-think of our approach.

The purpose of our local Green Paper is to set out our thinking to date and our priorities for action, and provide a basis for engagement with our residents in the creation of a new agenda. I am very keen to grasp and make best use of the new powers that the recent legislation has provided to help meet local housing need in our community.

Whilst there are still decisions to be made on the timing and detail of these changes, we have developed our vision for housing in Central Bedfordshire to help convey the scale of change that we are looking to make and the positive impact it could have for our residents.

**THE VISION FOR HOUSING IN CENTRAL BEDFORDSHIRE**

- Social mobility will be supported with a range of products which will open up home ownership and ‘affordable’ renting to a greater number of households, helping people onto the ‘housing ladder’.
- The local housing market will offer a good choice of locations, property and tenure types to older people.
- Well-managed, good quality social housing will be used to provide a strong safety net to those who are vulnerable.
- Social housing will be allocated fairly, and used to support people’s working lives.
- Social landlords will support their tenants to make the most of their tenancy as a springboard into work and financial stability.

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**Cllr Mrs Carole Hegley**
As you will see, there is potential for far reaching change that will need to be supported by in depth understanding of our communities and a strong idea of the outcome of any change before it is made. There is also a need to ensure that local people are supported and encouraged in having their say on the Council’s plans. For this reason, I am pleased to report that the Council made a successful bid for LGA (Local Government Association) support, via the ‘Keep it REAL’ programme, to ensure that the agenda is developed with many voices being heard and listened to.

In August 2012, I hosted a cross-party seminar on the new housing agenda to share information on the potential impact of new legislation; the Localism and Welfare Reform Acts, as well as the National Housing Strategy; and to provide the space for a debate on the scale of change that my colleagues would like to see taking place over the next 3 to 5 years. The seminar was facilitated by Central Bedfordshire members and ably supported by a representative of the LGA’s Keep it REAL programme, with a remit to promote and encourage evidence based decision making and genuine community engagement through the development of our local Green Paper. We examined five key questions in depth –

• Is now the right time for a radical approach to tackling under-occupancy?
• Can we devise a fairer and simpler system of assessing and meeting housing need?
• How can the Council’s housing offer contribute to social mobility, raising aspirations and tackling problems like benefit dependency?
• Should social housing provide a ‘home for life’?
• What should the Council’s new Development Strategy say about new build accommodation for older people?

Throughout the seminar members were fully engaged in, at times, robust debate and enquiry, resulting in a clear picture of the direction and priorities for the new agenda.

It is difficult to capture in writing the energy and interest displayed by fellow members during the debates on a range of issues including five year tenancies, housing for local people and meeting Older People’s housing needs. The above examples of what people said, are provided to illustrate and capture the essence and strength of feeling in a way that highlights the key areas that will shape future consultation on the Green Paper. As you can see, there is potential for significant change to ensure that social housing works well into the future, for those people in need, whilst they are in need.

At the same time, it is important to be clear that the Council sees the management of its housing stock as a business which is successful in generating investment into the physical fabric of our towns and villages. So whilst we are asking important questions about the circumstances in which homes are allocated, we absolutely want to continue letting homes.

This is the sort of change that cannot be rushed and must be developed with input from the people who will be directly affected both now and in the future.
I want to make sure that there are many voices contributing to the debate on this important and far reaching topic, therefore I am pleased to say that this Green Paper will be widely available throughout Central Bedfordshire and supported by a full and wide reaching consultation process. The Green Paper is a ‘living document’. It raises issues for debate and will develop in response to that debate.

As part of this consultation process, Members have formed a Task Group. The job of this task group is to debate the issues raised in the Green Paper in the light of feedback from the wider consultation, and make recommendations to the Council accordingly.

As I draw my introduction to a close I would like to share some facts with you. These form a small part of the substantial evidence base that we will draw from when developing the new agenda.

• At least 20% of our general needs housing stock is under occupied by one bedroom or more.
• There are 4213 households on the housing register, but only about 55% are actively bidding for properties.
• Current research indicates that around 6,200 more social rented housing units are needed before 2031.
• 55% of new general needs social housing tenants in the CBC area derive their income solely from state benefits and/or pensions.
• Around 120 new housing applications are received each month but only a relatively small proportion of these will be in ‘housing need’, meaning that the majority of households are suitably housed, but are approaching the Council because (typically) they want accommodation that is either less expensive; or perceived to be ‘more secure’.
• Across Central Bedfordshire, it is estimated that there are at least 1500 older person households living in social housing who are under occupying their home (according to official definitions of the number of bedrooms needed by a household).

Councillor Mrs Carole Hegley
Executive member responsible for Social Care, Health and Housing
OVERVIEW OF HOUSING IN CENTRAL BEDFORDSHIRE

Central Bedfordshire was, in 2009, home to about 252,863 residents. Central Bedfordshire’s population is projected to increase to 298,558 by 2030. The population of older people is expected to increase faster than the general population, with a 93% increase in the number of people aged 65+ predicted between 2011 and 2030.

The population of Central Bedfordshire is growing due to increasing life expectancy, a rising birth rate and inward migration.

Much of Central Bedfordshire’s land area is rural, with many villages and hamlets. However, there are also a number of market towns, whilst the towns of Dunstable and Houghton Regis to the south form part of the wider Luton/Dunstable conurbation.

Although relatively affluent, Central Bedfordshire has areas of persistent area-based deprivation in Dunstable and Houghton Regis, with five wards in particular identified in the Child Poverty Strategy for Central Bedfordshire (2011).

There are further pockets of urban deprivation in the market towns of Leighton Buzzard, Sandy and Flitwick, and isolated families experiencing poverty even in the most affluent geographical areas.

A large part of the Council’s vision for Central Bedfordshire is to attract employment which benefits Central Bedfordshire residents and lifts families out of poverty.

Central Bedfordshire housing market

Central Bedfordshire is a large area and contains several geographic housing sub-markets which run across the boundaries of neighbouring authorities.

Central Bedfordshire residents have relatively high average earnings compared with regional averages, and this is reflected in house prices, suggesting in-migration of higher income households and retirees to take advantage of the higher quality of life and good value for money offered by the Central Bedfordshire housing market.

The Strategic Housing Market Assessment 2009 links Central Bedfordshire’s relatively high house prices with a high level of out-commuting of residents into relatively well-paid work. By contrast, the local labour market is lower-paid, compromising the ability of families that live and work in Central Bedfordshire to compete in the local housing market.

Average earnings in Central Bedfordshire are £32,900 per annum. The average 3 bedroom property will cost approximately 7 times the average annual income (source: SMHA, 2009).

At the time of the 2001 Census, 74% of all properties across the area were owned outright or with a mortgage, 15% of the stock was rented from social landlords with the remaining 11% in the private rented sector.

Analysis in the updated (draft) 2012 SHMA suggests that the private rented sector in Central Bedfordshire has grown since 2001, with most of that growth in lower priced properties.

The Council is very ambitious to tackle area based deprivation and child poverty. Particularly on large estates within Dunstable and Houghton Regis, and in pockets within Flitwick, Leighton Buzzard and Sandy; area-based deprivation is associated with concentrations of social housing and cheaper private rented housing.

The larger estates have in previous years been the focus of area-based regeneration activity. Although these activities have achieved physical improvements in the estate environment, it is difficult to evidence any significant impact on the socio-economic circumstances of the areas’ residents.

Housing Demand

Each year the Council has around 1000 lets to make to social housing. Last year (2011/12), there were 1,068 lets available, comprising 309 council vacancies, and 759 nominations to Housing Associations, including new build properties. In addition, there were 104 shared ownership or other shared equity properties delivered in Central Bedfordshire.
Of the 1068 lets last year, the majority of which were advertised through Home Connections, (the Council’s Choice Based Lettings system), these were allocated to the following bands in the Council’s Allocations Policy:

- Band A – 1% - those applicants in the most acute housing need.
- Band B – 33% - households with very high housing need, mostly those to whom the council owes a full homelessness duty.
- Band C – 56% - all other households in housing need (according to the legal definition), prioritised according to their level of need and application date.
- Band D – 10% - applicants that are not in housing need (according to the legal definition).

Across bands, the average waiting time for a household which was housed during 2011/12 was around 35 weeks.

People who are in housing need according to the legal definition are those who fall within ‘reasonable preference’ categories set out in the Housing Act 1996, (although an applicant with ‘reasonable preference’ can be placed in Band D if they have financial resources above a certain level; no local connection; or have engaged in conduct which makes them unsuitable to be a tenant.)

It is evident that the Council is not just housing those in relatively high housing need, but a cross section of need categories. That being said, the total number of lettings to Band D applicants was low in 2011/12, about 100 households.

In fact, the local allocation of social housing has been driven almost entirely by need in recent years, effectively excluding families that have found their own housing solutions but face significant struggles with affordability. This has led to a perception that local allocations do not benefit ‘hard working families’.

Research shows that 73% of new council tenants and 53.8% of new Housing Association tenants in 2011-12 in Central Bedfordshire derived their income entirely from state benefits and pensions. (Source: Data published online from CORE at – https://core.communities.gov.uk/Images/CoreV2Logo.png). Available data shows that the majority of these unwaged households, at least 81% of them, were aged under 60.

The Councils housing register is a register of all applicants who have expressed an interest in social housing. The total number on the housing register is currently 4213 households. This is made up as follows:

<table>
<thead>
<tr>
<th>BAND A</th>
<th>BAND B</th>
<th>BAND C</th>
<th>BAND D</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 households</td>
<td>261 households</td>
<td>1691 households</td>
<td>2257 households</td>
</tr>
</tbody>
</table>

When all of the 1068 lettings in 2011/12 are considered, the average waiting time is about 35 weeks. Other key facts related to demand include that:-

- There are 1956 households with reasonable preference on the housing register.
- An estimated 2300 households on the housing register are actively seeking a new home (based on bidding activity), including those households which do not attract reasonable preference.
- Demand is constant – with around 40 new housing register applications each week.
- Demand from applicants claiming homelessness is very real. During 2011/12, 226 homelessness decisions were issued, with 169 acceptances of a full duty to be re-housed.

**Housing supply**

Affordable housing supply in Central Bedfordshire, during 2011/12 is:

- 230 first lets – new build affordable and social rented units
- 838 re-lets
- 127 mutual exchanges
- 104 new shared ownership homes

The table on the following page shows all social lettings in 2011-12 for CBC, Aragon and all other Housing Association stock, which are reportable from the Home Connections system, broken down by bed size.
Under occupation

A major theme of Housing supply is “potential” supply, referring to family sized homes which are under-occupied, and could potentially be freed up by providing smaller sized accommodation to their current occupants.

The Council has long wished to tackle under-occupation in the social housing sector. The available data indicates that at least 20% of the Council’s social housing stock (of 5200 homes) is under-occupied, amounting to 1198 households, 628 of which are aged 65 and over whilst the remainder are headed by a person of working age. This shows that there is potential for the Council to make better use of its housing stock.

It is likely that the extent of under-occupation is similar across the entire social housing sector in Central Bedfordshire.

Summary

The emerging picture in Central Bedfordshire is one in which the supply of new lettings is broadly aligned to local need. However, there are geographical variations in the alignment of supply and demand; and the available data shows the crucial role of new affordable development, at the level recommended in the SHMA, in achieving that balance between supply and demand.

The evidence further suggests that reducing under-occupation, and offering time-limited tenancies, will allow the council to meet more housing need from within the existing housing stock, and in turn make better use of the funding available for new housing.

Finally, the emerging picture of need and supply suggests that there is potential to use housing allocations to reward and support employment without unduly compromising the Council’s ability to meet the needs of people with reasonable preference.

<table>
<thead>
<tr>
<th>Bed size</th>
<th>1 bed/bedsit</th>
<th>2 bed</th>
<th>3 bed</th>
<th>4 bed</th>
<th>5+ bed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General needs</td>
<td>281</td>
<td>342</td>
<td>217</td>
<td>11</td>
<td>0</td>
<td>851</td>
</tr>
<tr>
<td>Sheltered</td>
<td>82</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>88</td>
</tr>
<tr>
<td>Total</td>
<td>363</td>
<td>348</td>
<td>217</td>
<td>11</td>
<td>0</td>
<td>939</td>
</tr>
</tbody>
</table>
JOINING UP THE NATIONAL AND LOCAL HOUSING CONTEXT

National Housing Strategy
The publication of Central Government’s Housing Strategy in 2011 posed a strong challenge to Local Housing Authorities when it described the previous 30 year’s approach to social housing allocation as a ‘lazy consensus’. Central Bedfordshire Council has risen to this challenge by examining the way that its own social housing stock is used.

The Government is focused on getting the housing market – and in particular new house building – moving again through delivering proposals outlined in “Laying the Foundations: A Housing Strategy for England”. The main objectives for this Strategy are –

- Increasing the number of homes available to rent, including affordable homes, and the opportunities for people to own their home, whether through access to mortgage finance or by reinvigorating Right to Buy.
- Improving the flexibility of social housing (increasing mobility and choice).
- Protecting the vulnerable and disadvantaged by tackling homelessness and supporting people to stay in their homes.
- Making sure that homes are of high quality, sustainable, and well designed.

Localism Act
The Localism Act 2011 was a landmark piece of legislation for the government, bringing in a number of significant changes to the landscape in housing terms. The key changes are:

- Councils are able to place homeless households in suitable private rented sector housing under new powers in the Localism Act (“discharge of homelessness duty into the private sector”).
- More flexibility for councils to set their own Lettings policies to meet local needs and circumstances.
- Landlords allowed to offer “flexible” or fixed term tenancies of (usually in practice) a minimum of five years.
- Landlords are required to adopt and publish a tenancy policy.

- New social development on the ‘Affordable Rent’ model – landlords financing more of the cost through rents of up to 80 per cent of market on new units and when some existing properties are re-let (‘conversions’).
- Councils to consult on and adopt tenancy strategies.
- Introduction of the Self Financing regime for Council landlords, including Central Bedfordshire Council.

The Council intends to embrace these opportunities in Central Bedfordshire, to make Central Bedfordshire a great place to live and work.

Welfare reform
The Welfare Reform Act 2012 brings in the greatest changes to welfare benefits in some sixty years. These changes have far reaching impacts for benefit claimants, particularly for vulnerable people and the services which support them.

The issue in housing terms is that of affordability. Benefit claimants will have their benefits capped at £26,000 (for families) and this will include the allowance for rent.

Tenants who are under occupying their accommodation and who are under pensionable age, will have their benefit reduced in proportion to the number of excess bedrooms they have – a 14% reduction for one bedroom in excess of requirements, and a 25% reduction for two bedrooms in excess of requirements. Tenants who choose to remain in properties that are under-occupied will need to pay the difference themselves. For example, a household under-occupying a four bedroom house by two bedrooms would need to pay an average of around £26.00 per week.

Central Bedfordshire Development Strategy
The growth agenda will bring significant new housing development to Central Bedfordshire over the coming 30 years, and a key aim of the Council is to ensure that growth is sustainable and contributes to the prosperity, health and wellbeing of Central Bedfordshire. The way that the council influences and interacts with the local housing market is crucial to achieving this aim. During 2014, the Council will adopt a new Development Strategy with which the changes being outlined in the Housing Green Paper must align.
The forthcoming consultation and debate around this Green Paper will in turn influence the Development Strategy.

**Stitching all this together**

There are a number of tasks for the Council to undertake in order to respond to the changes introduced by central government. The key actions over the next three to five years are –

- Adopt a Development Strategy by March 2014.
- Adopt a **Tenancy Strategy** by April 2013, including an Equality Assessment, to mitigate adverse impacts on potentially disadvantaged groups of people.
- Mitigate and manage the impacts of the Welfare Reform Act – ongoing.
- Conduct a homelessness review and produce a new Homelessness Strategy – during 2013.
- Develop a Supported Housing Strategy for Central Bedfordshire – during 2013.
- Develop the Council’s Vision for the Landlord Service, which manages the stock of 5200 homes, to support the change agenda – ongoing.

The purpose of this Housing Green Paper is to stitch together the various, complex things that need to happen, if we are to achieve a new Housing Offer for Central Bedfordshire, and present them for wide and in-depth consultation. This paper presents the various proposals as a single complete view, linked to the strategic vision on page 2, and shows how the changes fit together.
Main Themes and Council Priorities

We propose four main cross cutting themes, under which we have grouped ten priorities for change, each requiring a major programme of work. The four main themes (or over-arching principles) are –

• A social home for those in need, whilst they remain in social need,
• Making best use of stock,
• A fairer system, that promotes social mobility and aspiration,
• Helping people to move up the ‘Housing ladder’.

These are underpinned by ten priority work programmes which will be reviewed regularly to ensure that they remain the right work programmes to deliver the required change.

In terms of the timeframe for delivery – there will be a phased implementation approach, over a period of three to five years. The approach is set out in the Action Plan at Appendix One.

The ten priority work programmes set out below are not intended to be comprehensive, and other actions and initiatives may be proposed at a later stage. However, these will be complimentary to the thrust and direction of the change programme described below.

The ten priority work programmes are summarised as –

• Discharging the Homelessness Duty to the Private Rented Sector.
• Move to a simplified assessment of need.
• Make best use of stock and tackle under-occupation.
• Customer First, self assessment and on-line Registration.
• Local feel to a Central Bedfordshire Lettings scheme.
• Employment priority as the basis for cross-border permeability.
• Introductory Tenancies.
• Offering Incentives – a hand up – e.g. a mortgage guarantee scheme.

• Re-define the social housing sector, to distinguish the affordable from the social sector.
• Creating choice in the Housing market for older people.

Each of the proposed changes will be subject to an Equality Impact Assessment.

Progress in recent years

The Council is in a strong position in terms of housing supply with a reasonable amount of new units developed each year as affordable housing. The yearly target for new affordable homes is 300, based on the findings of the 2009 Strategic Housing Needs Assessment.

During 2011/12 there were 230 rented units supplied by partner Housing Associations, all of which were let to Council nominees from the housing register.

In addition, there were 198 completions of intermediate tenure affordable homes during 2011/12. This includes low cost home ownership options such as Shared Ownership, and new homes at up to 80% of market rent.

In 2009, Central Bedfordshire Council introduced an innovative common housing register with its Bedfordshire partners – Luton and Bedford Councils and the stock holding Housing Associations – Aragon and BPHA. This is a Choice Based Lettings system known as Bedfordshire Home-finder. The focus of this partnership was to simplify access to social housing in Bedfordshire by producing one, county-wide common allocations policy. In addition, the scheme has been operating to facilitate cross border mobility of home-seekers, although this is not integral to its operation.

Home seekers bid for properties they are interested in rather than being matched by an officer of the council. This helps to increase choice for applicants over where they live, aids the creation of sustainable communities and the efficient letting of Council and Housing Association stock (CBC’s average void time currently is just 38 days). It is the Council’s intention to retain Choice Based Lettings as the vehicle for letting social homes in the future.
A negative feature of the Choice Based Lettings scheme is the tension between customers doing all that they can to demonstrate a relatively high level of need (so as to secure high priority), and the extent to which staff are then doing as much again, in terms of industry and effort, to ensure that the system remains fair and consistent. Considerable staff time is spent processing applications according to what can be a hair-splitting differentiation of need. Some applicants, once awarded high priority, choose not to capitalise on their high currency in the system to select a property and resolve their housing need quickly, and instead sit out a longer wait for a preferred property.

A major proposal for this Green Paper is that the majority of households who are in need of social housing should be considered as one group, and simply wait in date order of application, removing the incentives to seek out additional priority.

Overall, the Home Finder system of advertising vacancies works well as a customer interface and will be retained. The Council also wishes to continue working in partnership on allocations, to share expertise and to be efficient in how the scheme is operated.

**Success – How will we know if we have achieved success?**
The Council will recognise that the Housing Green Paper has been successful, if the following is evident –

- Supply of affordable housing (re-lets and new build combined) remains strong.
- Levels of under-occupation have reduced significantly and are still reducing.
- There are more attractive choices and alternatives for older people.
- Social need is not increasing, and households in social need are being re-housed, or can access suitable accommodation within a reasonable timeframe.
- Private landlords are working with us to house households threatened with homelessness.
- Homelessness is being prevented and private tenancies are being sustained.
- Levels of anti-social behaviour are reducing due to the introduction of Introductory Tenancies.
- Households who have bought shared ownership or are renting affordable rent homes are reporting high levels of satisfaction and feel their homes to be good value for money.
PRIORITY 1: DISCHARGING THE HOMELESSNESS DUTY TO THE PRIVATE RENTED SECTOR

Why it’s important?
The Council provides a statutory housing advice and homelessness service to those who are threatened with homelessness. Officers work in the first instance to prevent homelessness, by negotiating to keep people in their existing homes; then to relieve homelessness by finding alternative accommodation; then if necessary to take homelessness applications and reach decisions on the Council’s legal duty to re-house. This is a busy service, with high footfall. In 2011/12 the Council assisted with –

• 500 homelessness prevention cases,
• 226 homelessness decisions made, of which we had a duty to accept and provide housing for 169 households.

The main cause of homelessness in Central Bedfordshire is eviction by parents who are no longer willing to accommodate.

The Localism Act enables Councils to discharge the homelessness duty into the private sector. There are a number of reasons why the Council wishes to do this:

• It absolutely reinforces the housing register as the main route into social housing, with no perceived or real queue jumping by those who approach as homeless.
• It removes any perverse incentive for Home-seekers to make homelessness claims in order to gain high priority for social housing.
• This approach gives teeth to the work of the Council’s housing options team as they seek to prevent homelessness by securing alternative accommodation in the private rented sector.

Discharge of duty into the private sector does not mean the Council washes its hands of the applicant once placed. The duty towards them continues for a period of two years should homelessness re-occur. The new private rented sector offer must be:

• An assured short-hold tenancy of accommodation which is available for occupation and suitable for the applicant’s household.
• Made with the approval of the Council.

• A fixed tenancy for at least 12 months.

A good supply of private sector lets is critical and work is underway to develop and improve the Council’s offer to landlords and letting agents, through our Lets Rent scheme.

What we will do
We will discharge the homelessness duty wherever possible into the private rented sector with effect from Spring/Summer 2013.

We will work with landlords and letting agents to achieve a strong and steady supply of private sector lets across the borough. This will include work to strengthen our Private Landlords Forum. The supply of suitable, good quality private sector rented accommodation will be kept under review.

The critical point, is that from the perspective of the homeless household (for whom the Council accepts it owes a statutory duty), the household will always be made an offer of suitable accommodation. The significant point is that the offer will rarely be an offer of a home that is within the social housing stock.

Further work is being done to explore the financial implications of using the Private Rented Sector in this way, and this will inform the debate to come.

This approach to discharge of duty will operate alongside strengthened housing advice and homeless prevention work with such households. Many households that approach the Council are threatened with homelessness because they have an Assured Shorthold Tenancy in the private sector which is due to end. Homelessness can be prevented by supporting a household to keep or find an alternative suitable private tenancy.

Another common scenario is for households to apply as homeless or threatened with homelessness because relatives with whom they are living will no longer keep them. In situations such as these, homelessness can be averted by remaining with family and friends for the time being, (where this is safe and appropriate), and making a planned move, via the housing register, into a social tenancy.

In every case, officers will help families to avoid an experience of ‘crisis’ homelessness and temporary accommodation, because research shows that a planned move to a new home is less stressful and disruptive to family life.
We anticipate setting aside a quota of lettings each year which will be allocated directly to the most vulnerable home-seekers. The aim of this is to ensure that where a home seeker is extremely vulnerable, they can have a planned move into a suitable social rented home, avoiding the need either to apply as a homeless person, or to join the waiting list.

**PRIORITY 2: MOVE TO A SIMPLIFIED ASSESSMENT OF NEED**

**Why it’s important**

The current allocations policy was designed to take into account cumulative (multiple) need, as required by the Housing Act 1996. However, since this time case-law has established that allocations schemes need not take cumulative need into account.

We are therefore looking to redesign the allocations scheme to be simpler to understand and less costly to administer. We will be working through the Bedfordshire Home-finder Partnership to achieve this, but broadly we anticipate establishing three categories of applicant:

- Those in reasonable preference groups with additional needs – this will be for extreme cases only and will result in direct offers being made.
- Those in reasonable preference – prioritised in date order only.
- Those who do not attract reasonable preference – these applicants will not be registered and will be encouraged to use the online housing advice facility to seek other options, including private rented accommodation or low demand social rent properties.

The reasonable preference groups set out in the Housing Act 1996 remain unchanged by the Localism Act, and are as follows:

- Those who are homeless.
- People occupying unsanitary or overcrowded housing.
- Those living in unsatisfactory housing.
- People who need to move on medical or welfare grounds.
- People who need to move to a particular locality to avoid hardship to themselves or others.

The advantages of the proposed new system are its simplicity, and the fact that it eliminates ‘band chasing’ and value judgements about the relative urgency of different needs.

The proposed approach takes advantage of the new Localism Act freedoms by eliminating households which do not fall into ‘reasonable preference’ from the register. This avoids falsely raising the expectations of these applicants, reduces the employee workload involved in ongoing contact with such applicants, and reduces the administrative cost of customer contact and re-registration.

In doing this, the Council is able to focus on using the supply of social housing in meeting the needs of people to whom the Council is required to give reasonable preference.

Where there is low demand for rented accommodation, and there are no bids for vacant accommodation from those in social need, it is proposed to adopt an approach which makes [relatively] low demand properties more openly available to any person who is in need of affordable housing. This could include for example households that fall outside ‘reasonable preference’, or households that are owed the homelessness duty as an alternative to a private sector tenancy. In very colloquial terms, this approach is seen as the “available now” window.

These homes will be advertised separately to all other social homes, and will only be made available to households without social housing need if the landlord can demonstrate that there is low demand from homeless households and households with reasonable preference.

**What we will do**

We will develop an allocations policy that is easier to understand and reflects housing need. We will consult widely during Summer 2013 and aim to implement April 2014.
PRIORITY 3:  
MAKE BEST USE OF STOCK AND TACKLE UNDER-OCCUPATION

Why it’s important
The Council has a limited supply of social housing stock in Central Bedfordshire and there is a responsibility to ensure that we make best use of it. This includes ensuring that lettings are made fairly, into appropriate sized accommodation, and that stock that is in short supply is targeted at those households that particularly need it most. This applies particularly to stock that is adapted, and family sized stock that is being under-occupied.

Data available to us shows that in the Council’s stock of 5200 homes, there are 1311 under-occupied units. This represents 25% of stock; and we anticipate a similar figure for the Housing Associations in Central Bedfordshire. The total estimate for all landlords in Central Bedfordshire is likely to be in the order of 2,500 households under-occupying.

What we will do
The Council will produce a Tenancy Strategy that sets out the position on issuing fixed term tenancies, both in its own stock and in Housing Association properties in the area.

The Council will introduce fixed term tenancies from April 2013.

The circumstances under which we will not renew tenancies will include the following:

• Where the tenant is under-occupying.
• Where the property has been adapted, and these adaptations are no longer required by the tenant or his family.
• Where the tenant has come into money and has savings.
• Where the tenant is earning a certain amount, and could afford to secure alternative housing in the market place.
• Where there has been poor tenancy conduct, or criminal misuse of council property.

Existing Council and Housing Association tenancies are not affected by the introduction of flexible tenancies. However, the removal of benefit for working-age tenants who are under-occupying their home will act as an incentive for some existing tenants to move to smaller accommodation. Work is underway in the Council’s Landlord Service to identify these tenants, and offer assistance to those who feel they need to move as a result of these reforms.

In order to support tenants in the good conduct of their tenancy, new tenants will participate in a Tenancy Training Programme. This will equip them with the skills and knowledge they need to look after their new home, manage their tenancy, and make a positive contribution to their neighbourhood.

PRIORITY 4:
CUSTOMER FIRST; SELF-ASSESSMENT AND ON-LINE REGISTRATION

Why it’s important
The Council’s Customer First programme is focussed on ease of access to services, with the customer at the heart, and delivering a shift towards 24/7 availability of on-line services. The approach being set out here is incremental and builds on the success of the CBL scheme. Already, 98% of those who bid for properties do so online.

These changes are strongly linked to the Council’s efficiency agenda. These are based both on the desire to improve on-line information and assistance to home seekers and on the need to increase the efficiency of the service so that resources can be correctly targeted at helping people in need.

What we will do
The Council intends to introduce online housing applications, as part of the existing CBL website, and will no longer process paper based application forms. An on-line self assessment tool will assess a home seeker’s eligibility for inclusion on the register, based on information submitted by the customer. If a home seeker does not attract reasonable preference, he or she will be diverted via the self assessment tool to an interactive housing options tool. This will identify the most realistic and suitable housing option for that household, based on real time information provided by the customer.

If the customer is invited to make a housing application, this will be done on-line, allowing the customer to see an instant assessment of their banding.

Customers will be helped to use the new on-line system. Vulnerable people and older people will receive home visits during which the on-line application will be completed by the visiting officer if necessary. We anticipate providing significant levels of telephone support in the first instance.
PRIORITY 5: LOCAL FEEL TO A CENTRAL BEDFORDSHIRE LETTINGS SCHEME

Why it’s important
The new freedoms available to the Council open up the possibility to define what a “local” allocation scheme means for Central Bedfordshire.

The Council is able, with the new freedoms introduced by the Localism Act, to set its own eligibility criteria for access to the housing register, and to develop this to suit the characteristics of the local area. With this in mind, there is an intention to tailor the housing register to suit local needs. This means reviewing the categories of applicants that are given access to the housing register, and providing good quality and realistic prospects advice for those who are not deemed to be eligible.

We intend to retain Homefinder, but both Luton and Bedford councils are also keen to develop their own local feel and local policies within its framework to enable this to happen.

What we will do
We will review the eligibility criteria for the Housing Register and develop an evidence based set of criteria for consideration at consultation. This will include setting a local connection requirement, excluding high earners and those with enough savings or assets to resolve their own housing situations as well as excluding households who we think will make unsuitable tenants, such of those guilty of serious ASB.

PRIORITY 6: EMPLOYMENT PRIORITY AS THE BASIS FOR CROSS BORDER PERMEABILITY

Why it’s important
Cross border mobility has been a feature of the current Bedfordshire Home-finder scheme since 2009. It was introduced to give mobility to home-seekers across authority boundaries, to ensure that need was met across a wider area, and to let lower demand stock.

Cross border mobility in the current policy achieved all these things. However, there are a number of issues which this review is now able to address. The evidence does not support a view of social mobility, but simply shows that the scheme met high housing needs, in particular homelessness pressures originating in neighbouring authorities, in Central Bedfordshire.

The proposed changes seek to refocus the scheme, away from simply meeting high housing need, and towards supporting mobility for applicants who need to move across border to work – or seek work – in the local area. In addition, the Council would like to see the opportunity for mobility, linked to employment, open to residents of all neighbouring authorities and not just Bedford and Luton.

What we will do
Cross border mobility in its current form will end. However, we are keen to assist those who work in the area and contribute to our economic vibrancy, by allowing employment to confer a local connection on an applicant. We will also develop plans to set aside a % of lets to provide housing to workers where new business is starting in the area, where these workers would otherwise have difficulty finding affordable accommodation. This will be done on a scheme by scheme basis; clear criteria will be developed as part of the allocations policy review.
PRIORITY 7:
INTRODUCTORY TENANCIES

Why it’s important
Introductory tenancies were introduced by the Housing Act 1996 to give local authorities more effective powers to deal with nuisance and anti-social behaviour.

The new tenancy has an automatic 12 month probationary period, during which a streamlined possession and eviction process applies in the event of a breach of tenancy. Alternatively, the landlord can apply to court for the introductory period to be extended if there are breaches of tenancy during the first 12 months.

Following the 12 month period, in the absence of any court application for a breach of tenancy, the introductory tenancy will automatically become a secure tenancy.

This is regarded as an effective tool in preventing anti-social behaviour. Any new tenant who is found to cause anti-social behaviour will be advised in the strongest terms, that should this behaviour continue, then their tenancy is at risk, as the Council is able to gain possession of their property more easily than if it was a secure tenancy.

What we will do
The Council intends to use introductory tenancies for all new tenants and these will be introduced alongside fixed term tenancies, from April 1st 2013.
PRIORITY 8: OFFERING INCENTIVES, A HAND UP

Why it’s important

The “Housing ladder” is important, and the Council intends to offer a hand up the housing ladder, so as to promote social mobility and to respond to aspiration. In particular, a start on the housing ladder is essentially about the Council’s offer to people who can’t afford accommodation in the open market, and helping them to take that first step.

The “Housing ladder” is also important to older people, who have bought their home, perhaps a larger family sized home and now struggle financially to maintain the property or keep it warm; or simply their home is too large for their needs. Whilst mainly it is for the local housing market to respond to meet the aspirations of older people to downsize, the Council will also consider how best to use its enabling role to deliver retirement housing options in partnership with Housing Associations.

The Council’s Tenancy Strategy will emphasize the belief that the social housing resource should be more tightly directed towards meeting social housing need; and that if people are able to afford an alternative option, whether in the PRS, or shared ownership, purchasing under the Right To Buy or on the open market, they should do so.

However, successfully translating these principles into reality requires the Council to exert an influence across the whole housing market, in order to improve the range of intermediate and market housing for rent and purchase which are available to local households at realistic thresholds of affordability.

It is therefore imperative that the offer to social tenants does not end, when the Tenancy ends. The Council’s offer is being developed and will be a range of positive initiatives that together will constitute a hand up onto the Housing ladder.

At a strategic level, the Council will achieve success if it creates ways for people, in particular social housing tenants, to get on the Housing ladder. That will require an element of “push” (when a tenancy ends) and also an element of “pull”, to encourage people and to respond to their aspiration.

What we will do

The Council will explore the option to join the Local Authority Mortgage Guarantee Scheme (LAMGS), under which Local Authorities would underwrite up to four fifths of the 25% deposit typically required to buy a home.

Essentially the lender would, on the back of the top-up guarantee, offer a 95% mortgage on the same terms as a 75% mortgage, reducing the customer’s interest repayments and allowing them to obtain a cheaper mortgage than they otherwise could with a deposit of less than 25%.

We will also explore the possibility that the Council could act as a mortgage lender, which was a common practice in the 1980’s.

The Council also anticipates making use of the proposals set out in the Pay To Stay Consultation Paper, published in June 2012, whereby high earning social housing tenants who have fallen out of social need can remain in their home by paying a higher rent.

A more affordable shared ownership product

The shared ownership market has grown and matured in recent years. Indeed, over 500 new build shared ownership homes were delivered in Central Bedfordshire between 2007 and 2012. However, significant criticism has been levelled at this market in the national media, drawing attention to the constraints of shared ownership, (including affordability) and whether the concept represents good value for the new home-owner. There is concern that the households are not sufficiently able to move, for example, for work and that the onward sales market is not beneficial to the householder.

The next step is for the Council to engage with people who have bought shared ownership products in Central Bedfordshire and understand whether the products were right for them and represented value for money. Once this research is undertaken and depending on the findings, the Council will examine options to re-define the shared ownership market in Central Bedfordshire, so that it functions in a way that is complimentary to other changes being introduced through the Housing Green Paper.
PRIORITY 9: AFFORDABILITY

Why it’s important

“Housing Need” can be defined in two ways:

- Narrow definition, related to statutory obligations for the Council to prevent and relieve homelessness and to prioritise households that fall into ‘reasonable preference’ for housing allocations.
- Wider, more general definition that is related to affordability. Reflects the Planning Policy definition of being unable to afford housing provided by the market.

The terms “social housing” and “affordable housing” have, in recent years, been used interchangeably and often in a way that is misunderstood. This is mainly because there has never really been a distinction between these two terms. But looking to the future, in Central Bedfordshire, it seems right to begin to make that distinction, to reflect the growing expectation that ‘social housing’ will be increasingly reserved for people in social need.

There is clear segmentation in the Housing market between the private rented sector, the owner occupied sector (which itself is multi-faceted and varied); and the social/affordable sector, which itself contains the following distinct sectors:

- Social rented Council and Housing Association homes, let at formula rents which are linked to capital value, local earnings and bedroom size.
- Affordable rent homes, which are homes provided by Housing Associations at rents of up to 80% of the equivalent local market rent.
- Shared ownership and shared equity homes, available to people in affordable housing need with sufficient income to obtain a mortgage and make the necessary mortgage and rent payments.

The Council wants to do more to enable households who are not in “social Need” (but who can’t afford housing in the open market) – to get a start on the housing ladder. It is proposed that one element of achieving this should be the provision of affordable rented housing on new developments, as well as (and alongside) social need.

There is an opportunity, mainly because of growth development, to re-define the “Affordable- Social” sector and to ensure that new developments include ‘affordable rented’ homes. This is a strategic intervention to deliver new development in a balanced way, in response to the fact that the existing supply of social rented re-lets is relatively strong; the supply of social re-lets will gradually increase as ‘flexible’ tenancies are introduced; and that a growing number of households which are not in social need will be diverted from the social rented sector, and require affordable rent and other intermediate market options in order to get onto the housing ladder.

Looking forward in terms of growth development in Central Bedfordshire, it’s also important to balance the requirement for affordable housing with the imperative to secure and deliver local infrastructure requirements and to meet the needs of the whole population.

Strategic Housing Market Assessment

The purpose of the 2009 Strategic Housing Market Assessment is to undertake a comprehensive and integrated Market Assessment (SHMA) for the whole of the Bedfordshire and Luton sub-region, including the Housing Market Areas of Bedford and Luton.

The study was undertaken to inform local policies, in particular relating to the housing strategy and investment programme and planning policies surrounding affordable housing provision and housing provision more.

The SMHA concludes that for Central Bedfordshire Council, between 2009 and 2031 there is a need for 27,000 more housing units, broken down as follows:

- Market housing 18,000 (67%)
- Intermediate housing 2,500 (9%)
- Social rented housing 6,500 (24%)
What we will do

Change can be achieved in the following ways –

• Planning policy and the Development Strategy can be used to influence development.
• Clearer segmentation of the affordable housing sector from the social sector; in particular to ring-fence access to the social sector for those who are in social need, and whilst they remain in social need.
• New housing developments expand the choices available to older people in the housing market.
• Taking more control over who products are offered to (within the affordable sector), and capturing and coordinating data to secure a borough wide picture of who is moving into units and their satisfaction levels with the range of products on offer.
• Establish the affordable housing sector as a discrete intermediate market, and as a mid point on the “Housing ladder”, to be accessed by people who are moving up from the social housing sector, as well as typically first time buyers. It is important, if the Council’s ‘housing offer’ is to meet its aims, that social renters aspire to move up the housing ladder.
• Give some preference to a percentage of applicants who, whilst legally determined to be “adequately housed”, are experiencing poverty as a result of low pay.

PRIORITY 10:
CREATING CHOICE IN THE HOUSING MARKET FOR OLDER PEOPLE

Why it’s important

According to research published by the Joseph Rowntree Foundation (JRF), there are 7.3 million older households in England (defined as households which do not contain anyone aged under 55), and 3% of these households move each year. JRF’s research suggests that there is extensive evidence on what people are looking for when they move, and that the available housing – mainstream and specialist provision – does not reflect well the choices that people wish to make.

In respect of tenure, three quarters of older households are owner occupiers. In respect of size, two bedrooms is the minimum that most older people will consider, to have enough space. JRF’s analysis of private sector moves of older households in the last 5 years showed that 87% of households moved into a dwelling with 2 or more bedrooms.

In contrast, 75% of specialist housing for older people is for rent and has only one bedroom. Of the sheltered housing for rent in Central Bedfordshire, 83% has only one bedroom.

There are further constraints on choice in respect of location, affordability and type of care and support on offer. The number of extra-care housing properties within Central Bedfordshire is small and found within a limited number of locations. A number of the traditional sheltered schemes within Central Bedfordshire fail to meet modern standards of space and layout, and do not lend themselves to residents ‘ageing in place’, either in respect of their physical layout or the type of support available to their residents.

Within mainstream housing, the number of new and existing homes which are ‘Lifetime homes’, built to mobility standard and readily adaptable to changing needs and mobility, is small. Housing providers tend to focus on retirement villages and housing with care when thinking about housing that is ‘suitable’ for older people, when in fact suitable mainstream housing, or specialist housing which is integrated within mainstream housing, would be the preferred option for many older people.

This lack of choice for older people within the Housing Market is a key issue in respect of wellbeing. Tackling this also has a crucial role in reducing under-occupation in the social rented sector, and also bringing more family sized homes to the market for potential homebuyers.

What we will do

Increased choice for older people will be influenced mainly through the Planning process and explicitly through the Council’s Development Strategy. By engaging in Planning for Real type activity, the Council will seek to influence developers and house-builders to build choice for older people into new developments.

This means the creation of a better choice of specialist accommodation for Older People, but also a better choice of ordinary housing which is attractive to and suitable for Older People, in respect of its adaptability, proximity to shops and services, connectivity to the wider community; and possibility ‘clustered’ in order to promote neighbourliness and mutual support between neighbours. The Council will consider producing Design Guidance which addresses these requirements.
CONCLUSIONS – MOVING FORWARD WITH THE PLAN

Phased Implementation

The process of implementing the Housing Plan for Central Bedfordshire will be phased over a number of years. Positive initiatives will be introduced throughout this time period, as set out in the Action Plan Appendix 1. Staggering these significant and complex changes over a number of years allows for unintended or unforeseen consequences to be identified and managed.

How we will report on progress and delivery

There will be three tiers of monitoring and progress checking, in order that we know whether we have achieved our objectives, and so that we understand the outcomes of the policies – ie how have things changed as a result and what else needs to be done. These three tiers are as follows:

- Reports to the Council’s Social Care, Health and Housing Overview and Scrutiny Committee and also to the Council’s Executive Committee. Initially, the scope and strategic intent of the Housing Green Paper will be directed by a Member Task and Finish group.
- Monitoring of specific targets, objectives and Project Milestones will take place at the established Social Care, Health and Housing Directorate Performance Board.
- Ongoing programme management will take place, once each of the work streams that are described within the Green Paper is approved and established within the Housing Service plan for delivery. Some aspects of the overall change programme will require separate Executive Committee approval, for example, the Council’s Tenancy strategy and also changes to the Allocations scheme.
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