

# Lettings Policy

## 2017 - 2020

### 1.0 Introduction

1.1 Coastline's vision is Great Homes, Great Services, Great People and our intention is to lead in the creation and maintenance of sustainable homes and communities across Cornwall. Supporting successful delivery of this vision is the letting of good quality, sustainable homes at reasonable and affordable costs for applicants.

1.2 As a Registered Provider, it is important that we understand and address the housing needs of our residents and applicants, ensuring that all tenancies let are sustainable, enabling new customers the opportunity to flourish in achieving their ambitions, and to positively contribute to their community.

1.3 This policy sets out Coastline's approach to the efficient letting of the social and affordable rented homes owned and managed by us, including those within our Extra Care schemes.

### 2.0 Aims

2.1 The principal aim of this policy is to ensure that our homes are let in a fair and transparent manner to applicants who can demonstrate a housing need in line with our charitable objectives. This policy also sets out how Coastline will assist Cornwall Council in meeting its homeless prevention agenda and housing need, by working in partnership with them and other agencies.

2.2 It is also critical that applicants demonstrate that they can not only afford to pay their rent and service charges, including rent in advance, but have disposable income (when their bills are paid) to positively contribute to their community.

### 3.0 Objectives

3.1 The objectives of this policy are to:

- Let homes to applicants who demonstrate the ability to sustain their tenancy, ensuring their rent and service charges, including rent in advance is maintained;
- Assist Cornwall Council meet their statutory duties and assist in its homeless prevention agenda;
- Offer choice, giving reasonable preference to priority need, where possible;
- Meet legal, regulatory and contractual requirements;

- Let newly developed homes in accordance with Section 106 Agreement requirements;
- Create safe and sustainable communities;
- Enable transfers by Coastline customers, where their existing circumstances are unsustainable;
- Ensure all lets undertaken are open and transparent, within the prescription of legislation and in the spirit of regulatory framework;
- Promote mobility;
- Promote equality;
- Let new and existing homes efficiently, making best use of the stock;
- Facilitate necessary conversions of social rents to affordable rents at relet, to support the development of new homes in compliance with the National Affordable Housing Programme (NAHP);
- Facilitate the disposal of homes, in accordance with the Disposals Policy;
- Work with Cornwall Council and other partners in meeting the adaptation needs of applicants, where required and where possible.

#### 4.0 Modernising the service

4.1 This policy modernises the service and introduces a number of new initiatives which assist in the efficient letting of Coastline homes, better enables new customers sustain their tenancies and protects Coastline from the financial risks presented by changes in Government policy, particularly in relation to Welfare Reform.

#### 4.2 ***Fixed term tenancies – general needs, older persons and ‘sheltered’***

4.2.1 The default tenancy for general needs tenants is an assured shorthold fixed term tenancy, for a period of five years, with an additional probationary period for new tenants to Coastline.

4.2.2 Because welfare reform hasn’t affected older people of pensionable age, the default tenancy agreement for these customers has remained an assured periodic tenancy, sometimes referred to as a ‘lifetime’ tenancy.

4.2.3 To rationalise tenancy agreements across all tenures and to pre-empt potential regulatory changes, this policy introduces assured shorthold fixed term tenancies for ‘sheltered’ and ‘older persons’ accommodation as the default tenancy term, with exceptions highlighted at 4.2.4 below.

4.2.4 Fixed term tenancy agreements will be issued to all new tenants, and to transferring tenants except where Coastline is promoting a transfer for a customer already with a lifetime tenancy; either to assist in downsizing or

freeing a property for other business needs, such as disposal for example, in which case we may offer an assured periodic tenancy, or 'lifetime' tenancy.

#### 4.3 ***Credit checks***

4.3.1 Coastline will perform a Credit Check on all new applicants during the verification stage of the lettings process.

4.3.2 The Credit Check will inform Coastline whether a potential applicant is withholding information about a debt that may affect their ability to afford and sustain a Coastline tenancy. It will enable us to offer advice to potential customers about managing their debts prior to offering them a tenancy, and will provide an indicator of potential arrears risk that the applicant may pose if offered a tenancy.

4.3.3 No applicant with a "High" or "Very High" risk credit score will be offered a tenancy unless they are able to demonstrate that they have a repayment plan in place to manage their debts, and that they are still financially able to afford to pay the rent for the tenancy.

#### 4.4 ***HomeHunt***

4.4.1 Since September 2016, Coastline works in partnership with Housing Partners, whose product HomeHunt is used by Registered Providers across the UK to advertise and let social and affordable rented homes. The way in which HomeHunt is used by Coastline is examined at 5.9 below.

#### 4.5 ***Rent in advance***

4.5.1 To complement the Income Management Policy, all customers are required to pay a minimum of two weeks' rent in advance before the start of their tenancy. Thereafter, rent and service charges will be paid in advance, with rent accounts remaining at least two weeks in credit.

4.5.2 New customers will be encouraged to increase the credit in their rent accounts to assist them manage their finances, and rent payments particularly, where it is likely they may transfer to Universal Credit in the future.

#### 4.6 ***Keys to Coastline***

4.6.1 'Keys to Coastline' is a customer commitment initiative which enables Coastline customers and prospective customers agree and commit to training and qualifications to help them sustain their tenancy and realise their ambitions.

4.6.2 Customers may be asked to join 'Keys to Coastline' for example, where:

- They have unsuccessfully bid for a Coastline property on affordability criteria, and where a referral in to the ***inspiring futures*** programme, and signposting to our partners to help them become more economically active and better ready to afford and sustain a tenancy in the future, is deemed necessary; or
- They have made a successful bid for a Coastline property, but their circumstances are borderline and a referral to the ***inspiring futures*** programme and signposting to our partners to help them become more economically active and better able to afford and sustain a tenancy is deemed necessary.

4.6.3 In the second example above, customers will be asked to sign up to 'Keys to Coastline' as part of their tenancy with Coastline, and progress will be monitored in line with the Homes and Communities Strategic direction.

#### 4.7 ***Digital shift***

4.7.1 Accessing a Coastline home is easier online. Our vacant homes are advertised on HomeHunt or Cornwall Homechoice, both of which are web-based platforms. We also upload details to our Facebook page and our website, and we sometimes tweet links to promote homes to applicants and prospective customers.

4.7.2 However, we understand that some prospective customers, particularly the older and more vulnerable home seekers, are not digitally enabled and are less likely to be able to bid online.

4.7.3 Because of this, Coastline will promote and assist bidding online, as explained at 5.12 below.

4.7.4 With the shift towards digital administration, we will augment our 'sign up on a stick'<sup>1</sup>, initiative, to enable new customers to receive their paperwork and important documentation in PDF form, through their customer portal.

4.7.5 As our new Customer Relationship Manager (CRM) system is introduced and embedded, we will trial 'digital tenancies' for new customers who demonstrate the ability to operate effectively in the digital arena, whereby the sign up process will be undertaken entirely within the customer portal.

#### 4.8 ***Marketing and promotion***

4.8.1 In order to let homes efficiently and effectively, it is important that empty homes are advertised and marketed to as wide an audience as possible.

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<sup>1</sup> 'Sign up on a stick' is a Coastline initiative designed to save paper and streamline the sign up process. Customers with access to a computer receive a USB flash drive, upon which important documents are saved in PDF format

4.8.2 We will advertise our homes on HomeHunt, Cornwall Homechoice (where appropriate to comply with our contractual and legal obligation, until otherwise required), and via social media. We will also advertise certain vacancies through local and regional letting agents, and through local Coastline offices, such as the window fronts at Camborne Public Rooms and at Coastline House.

4.8.3 We will also advertise our lettings brand on Coastline Services vans and in other locations as deemed appropriate.

#### 4.9 ***Conversions to affordable rents and disposals***

4.9.1 When a property becomes vacant, it will be subject to a series of tests to establish whether:

- It should be disposed of, in accordance with the Investment and Viability Policy to support the Corporate Plan targets related to:
  - The annual costs to heat the home; and
  - The sale and reinvestment of proceeds to reinvest in building new affordable homes; or
- Whether the social rent should be ‘converted’ to an affordable rent, to generate additional rental income to support Coastline’s development programme, in compliance with the requirements of the Homes and Communities funded programmes.

4.9.2 The assessments will follow the process maps contained within the Investment and viability Policy, or for conversions, the process map at Appendix A.

4.9.3 On occasions we will actively contact customers living in properties identified for disposal in the Investment and Viability Strategy, to enquire whether they would like to transfer, and move to a local identified vacancy or new build property. In these cases, we will ‘direct match’ these customers to the appropriate vacancy, outside the HomeHunt and Cornwall Homechoice systems, with authorisation from the local authority through the Local Lettings Plan, where appropriate.

#### 4.10 ***Heartlands Rent to Buy<sup>2</sup>***

4.10.1 Coastline will own 20 homes on Heartlands under the Government’s original *Rent to Buy* scheme. These homes will be let for a minimum of seven years on an 80% market rent, with the expectation that the tenant will save the additional 20% towards their deposit to purchase the home.

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<sup>2</sup> Further Rent to Buy properties introduced by Coastline will be subject to different tenancy terms and conditions to the Heartlands model.

- 4.10.2 The customer living in the home at the end of the seventh year will have the option to purchase the freehold, or leasehold in respect of apartments from Coastline, and will use their deposit to assist in their mortgage application.
- 4.10.3 The tenancies in respect of *Heartlands Rent to Buy* will be monthly assured shorthold tenancies, and will be offered for a fixed-term period of 21 months.
- 4.10.4 **Marketing and advertising** - *Heartlands Rent to Buy* properties will be advertised through letting agents and social media for the initial tenancies, and marketed through letting agents and social media as required, for any subsequent lets.
- 4.10.5 **Allocating** – *Heartlands Rent to Buy* properties will be let on a ‘first come, first served’ basis, provided the applicant has passed the affordability criteria test.
- 4.10.6 **Affordability** – It is important that applicants for the *Heartlands Rent to Buy* properties can demonstrate the ability to afford the affordable rent, and the ability to save 20% for a mortgage deposit. The affordability requirements for the *Heartlands Rent to Buy* properties are highlighted within the affordability procedures.
- 4.11 **Pay to Stay**
- 4.11.1 The Government proposed to introduce Pay to Stay, which would have resulted in tenants of local authorities with an income of greater than £31,000 (£40,000 in London), being expected to pay increased rent up to market rent, and those living in homes provided by Registered Providers.
- 4.11.2 The scheme suggested that tenants would pay an additional 15p rent in every pound earned over £31,000, until the full market rent amount was reached.
- 4.11.3 However, the government scrapped the proposal, although confirmed that the scheme remains operational within the Housing and Planning Act 2016, for any Registered Provider wishing to impose it.
- 4.11.4 Coastline looked to introduce a Pay to Stay scheme linked to the Government’s proposals, but modified to make implementation easier. However, after careful consideration, Coastline will not introduce Pay to Stay within this policy, but will keep the matter under review.
- 5.0 **Accessing a Coastline home**
- 5.1 Homes advertised and let through Cornwall Homechoice, via nominations or bids, and homes let through HomeHunt are controlled by this Lettings Policy. The Policy also provides guidance and direction in respect of ‘direct matches’

and 'management transfers', which are managed through the HomeHunt platform.

5.2 There are a number of ways of accessing a Coastline home:

- Nominations and bids from Cornwall Council through Cornwall Homechoice;
- Bids for advertised homes through HomeHunt, which is a national web based platform for advertising a broad range of social and affordable housing options;
- Decants, where existing customers are temporarily rehoused whilst major work is being completed on their current home; or
- Mutual exchange, where a customer may assign their tenancy to another qualifying social tenant – often advertised through Homeswapper. Mutual exchanges are administered in accordance with the Mutual Exchange Policy.

5.3 Potential applicants are advised to register at [www.HomeHunt.co.uk](http://www.HomeHunt.co.uk) and with Cornwall Homechoice, and are encouraged to bid on advertised homes through both systems.

5.4 Support will be offered by Coastline to register with HomeHunt, and where the applicant lacks digital capability, Coastline will assist the applicant in bidding for advertised homes.

5.5 Customer requiring support in accessing Cornwall Homechoice will be signposted to the Council's Housing Options Team to help them complete their application.

5.6 Extra Care accommodation, supported accommodation and flats at Garlidna are not governed by this section of policy, and may be advertised and let through other methods, as indicated below.

## 5.7 **Advertising**

5.7.1 Coastline properties are advertised at [www.HomeHunt.co.uk](http://www.HomeHunt.co.uk); a national website offering social and affordable housing solutions.

5.7.2 In accordance with our contractual and legal obligations, through the Large Scale Voluntary Transfer Agreement and Section 106 Agreements, 50% of our available homes will be offered for the local authority to provide a nomination; either by direct match or via an advert through Cornwall Homechoice.

5.7.3 These homes will often be advertised through HomeHunt also, to promote an efficient service should the local authority fail to provide a suitable nomination.

- 5.7.4 Where properties are advertised through Cornwall Homechoice, labelling attached to the advert will ensure the local authority nomination is treated as a priority. In the event that no suitable nomination has been received within 5 days of the original nomination, Coastline will switch to the HomeHunt shortlist.
- 5.7.5 For newly developed homes, or where a property has been previously difficult to let, additional advertising methods will be utilised, which may include, but not limited to:
- Google AdWords;
  - Facebook;
  - Twitter;
  - Local Newspapers;
  - To-Let Boards;
  - Electronic Notice Boards;
  - Local Doctor's Surgery; or
  - Local Community Rooms, Shops or other facilities.

## 5.8 ***Local Lettings Plans***

- 5.8.1 Letting homes efficiently and effectively is a key strategic priority, not only to ensure excellent services are delivered to customers in housing need, but also to maximise the income to the business.
- 5.8.2 On occasions it is necessary to implement Local Lettings Plans to ensure homes are let to best suit the local community and the environment (such as a 'sensitive let' to manage potential Anti-Social Behaviour), or to satisfy legislative or regulatory requirements.
- 5.8.3 Local Lettings Plans will dictate further requirements and criteria to consider when letting a home in a particular location or community, and will be usually imposed through labels<sup>3</sup> set out in specific advertisements.
- 5.8.4 Local Lettings Plans will usually be used to ensure planning requirements under Section 106 Agreements are adhered to, and will sometimes be used for older persons accommodation, stipulating age restrictions and criteria detailing when age restrictions may be cascaded, in the event of 'hard to let' properties.

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<sup>3</sup> Labels are added to advertised homes to restrict or promote bids from certain applicants. For example, a label may state that 'bidders must be over 55 years of age', or state 'no children under 12 years of age allowed'

5.8.5 Local Lettings Plans will also be used to restrict the numbers of young children in one location; particularly if there have been incidents of related anti-social behaviour, for example.

## 5.9 **HomeHunt**

5.9.1 HomeHunt is an easy to use national website for affordable housing. Thousands of homes are advertised on HomeHunt each year from landlords across the UK.

## 5.10 **Advertising on HomeHunt**

5.10.1 Unless identified for disposal, properties will be advertised on HomeHunt within two working days of receiving a Notice to Quit from the current customer, unless the property has been selected for conversion to an affordable rent, and an independent rent valuation is required. In these cases the property will be advertised once the valuation has been received.

5.10.2 All HomeHunt adverts will include at least two photographs of the property, a full description of the property and the proposed rent and tenancy type.

5.10.3 Preference labels will be used within the advert to restrict bidding by households not meeting essential criteria or to prioritise bids from households meeting high or low priority preferences.

5.10.4 An advert on HomeHunt will usually run for a week to include a weekend, but this will depend on a number of factors which may result in the property advertised for a longer or shorter period. For example where the property:

- Is newly developed;
- Has previously been unsuccessfully advertised;
- Is being advertised simultaneously on Homechoice;
- Is currently void or imminently due to become void; or
- Where any other reason may affect the advertising time of the property.

5.10.5 An advertisement on HomeHunt will be set to close on a day which enables the shortlisting process to occur on the following day. This means that advertisements will not close during the weekend or on a Friday.

## 5.11 **Digital Application**

5.11.1 HomeHunt represents a digital shift away from traditional paper-based housing application forms and moves the process of accessing a Coastline home online.

- 5.11.2 Potential applicants can access HomeHunt online using their phone, tablet or PC, and once registered they will receive an email as soon as a property is added that matches their search requirements and needs.
- 5.11.3 Registering is easy and requires only the customer's name and email address. A full application is then completed online before the applicant can place a bid on a property.
- 5.11.4 The full application questionnaire is completed by the applicant online. This provides the necessary information required for HomeHunt to successfully match the applicant to suitable properties, and shortlist them against Coastlines specified criteria and preference labels.

## 5.12 ***Assisted Bidding***

- 5.12.1 Applicants who are not digitally enabled can ask to be considered for assisted bidding. They will be supported to complete the registration and questionnaire on HomeHunt by the Customer Access Team.
- 5.12.2 The email address they register can be directed to their support worker or the Customer Access Team. In the event a suitable property becomes available, the support worker or Customer Access Team can place a bid on behalf of the applicant.

## 5.13 ***Shortlisting***

- 5.13.1 HomeHunt will automatically shortlist applicants by 4 sets of criteria:
- ***Affordability*** – this is the over-riding criterion which tests whether the applicant is able to afford the rent and sustain the tenancy.
  - ***Housing priority need*** – this determines the applicant's housing need. Within this band, priority will be given to those in employment and economically active. To differentiate:
    - Economically active applicants, applicants with a disability which prevents them from working or applicants of pensionable age will have an '**A**' sub-band; and
    - Working age applicants who are not economically active will have a '**B**' sub-band;
  - ***Preference Labels*** – these will highlight specific requirement connected to the vacancy, such as age restrictions or local connection; and
  - ***Time in current need*** - i.e. the time that an applicant has been registered in their band.
- 5.13.2 Banding based on need will be ordered from 1 to 3, according to housing priority need; 1 being the highest housing priority need, providing a final

banding of applicants shortlisted from 1A at the top of the shortlist to 3B at the bottom:

- |  |   |              |
|--|---|--------------|
| • 1A – highest priority need – economically active   | } | Highest band |
| • 1B – highest priority need – economically inactive |   |              |
| • 2A - medium priority need – economically active    | } | Medium band  |
| • 2B - medium priority need – economically inactive  |   |              |
| • 3A - lowest priority need – economically active    | } | Lowest band  |
| • 3B – lowest priority need – economically inactive  |   |              |

5.13.3 All applicants will have a housing priority need of 3 (lowest band) unless criteria at 5.13.5 or 5.13.6 applies.

5.13.4 Applicants will be awarded housing priority need 2 (medium band - irrespective of employment status) if they:

- Are Homeless, or at immediate risk of homelessness;
- Are under or over occupying their current home by one or more bedrooms;
- Require to move for evidenced medical or welfare reasons;
- Require to move to access or provide care and/or support from, or to a close friend or relative;
- Need to move to be closer to a place of education, employment or training; or
- Are a serving or former member of the armed forces.

5.13.5 Applicants will be awarded housing priority need 1 (highest band - irrespective of employment status) if they need to move because they:

- Are a victim of, at risk of, or under threat of violence, abuse, hate crime, racial harassment, domestic abuse;
- They are under or over occupying a Coastline property by one or more bedrooms; or
- They are living in a property identified for disposal by Coastline, and they would like to transfer. Applicants subject to this factor will have their banding enhanced during the shortlisting process.

5.13.6 If a property has the requirement for a local connection within the Section 106 agreement or other preference label, the shortlist will display those applicants that meet that preference, to enable Coastline to quickly identify the most suitable applicants on the shortlist.

- 5.13.7 If two applicants share the same band and housing priority, they will be ordered by the length of time they have been registered at that band with HomeHunt, with the earliest registration within their current Band being given greater priority.
- 5.13.8 The Lettings Team will check the shortlist for existing Coastline customers living in a property that has been marked for disposal, or an adapted property that could be made available to be relet. These applicants will be given greatest priority, to promote their bid to the top of the shortlist. This will be carried out manually.
- 5.13.9 The Head of Housing Services or the Income Theme Lead may at their discretion authorise the lettings team to adjust the banding, housing priority or time registered within band with HomeHunt, where they can demonstrate urgent or exceptional circumstances that are not otherwise covered by this policy.
- 5.13.10 **Management transfers** – In exceptional circumstances, a management transfer may be deemed appropriate to provide a housing solution for a customer, outside this policy, or to provide a housing management solution for Coastline.
- 5.13.11 In these cases, the explicit reason for the management transfer request will be provided by the Lettings Manager, and must be signed off by at least two from the Income Theme Lead and Head of Housing Services and the Director of Housing, Assets and Communities
- 5.14 **Cornwall Homechoice**
- 5.14.1 Coastline left the Cornwall Homechoice partnership in April 2017. However, there remains a contractual requirement to make available a proportion of homes to the local authority ‘through nomination’. The interim arrangements for this were agreed by Coastline and Cornwall Council in April 2017.
- 5.14.2 Through the large scale voluntary transfer (LSVT) agreement, the Council has a 50% nomination right to homes which transferred to Coastline Housing in 1998. Furthermore, there is a range of agreements in place that cover new build homes, where the Council has 100% nominations rights of the first let, sliding to 75% for five years, and then 50% in perpetuity.
- 5.14.3 The longer term agreement in respect of letting homes subject to the restrictions highlighted above will involve these homes being advertised in parallel on Cornwall Homechoice and HomeHunt, or other system used by Coastline, with preference being given to a bid which meets the housing needs criteria set out in the Common Assessment Framework, the

assessment of need framework agreed by the Cornwall Homechoice Partnership.

5.14.4 However, in the shorter term:

- Coastline will 'spot purchase' advertising space on Cornwall Homechoice for 50% of its lettings;
  - The cost of each advert will be in line with partnership charges for the financial year 17/18; i.e. £22.46 per advert;
- Coastline will have access to the Council's shortlists within their Capita system, to provide greater control and more efficient access to bidders to minimise void times; and
- Coastline will submit details of all lettings each quarter, setting out the location and size of the homes and the letting method used.

5.14.5 Although using the Common Assessment Framework for the 50% of properties highlighted above, Coastline's affordability assessments and credit checks will still be undertaken and where a bidder fails these tests, the applicant may be refused the tenancy.

5.14.6 In cases where the bid through Cornwall Homechoice is unsuitable, a second bid will be immediately requested<sup>4</sup>. Where that second bid is unsuitable, (or if the time taken to provide a second bid exceeds one working day)<sup>5</sup>, or there are insufficient bids through Cornwall Homechoice, Coastline will let the property through its alternative methods. In these situations, the lettings will be counted as one of the 50 % made available to the Council.

## 5.15 ***Tarn West***

5.15.1 Flats at Tarn West are let outside the lettings process highlighted previously in this policy. Flats at Tarn West are for pregnant mothers or young families, whom the Council has either accepted duty to rehouse or is investigating a presented case of homelessness.

5.15.2 The rent and service charges at Tarn West are high and could be regarded as a disincentive for residents at Tarn West finding gainful employment; moving away from benefit dependence.

5.15.3 In order to assist a transfer from Tarn West into more permanent general needs accommodation, additional priority may be awarded at the discretion of the Head of Housing Services and/or the Income Theme Lead.

5.15.4 All residents in Tarn West are advised to register with Cornwall Homechoice and to actively bid for appropriate properties advertised.

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<sup>4</sup> It is acknowledged that when access to the shortlist is provided, this requirement will be redundant.

<sup>5</sup> As above, it is acknowledged that when access to the shortlist is provided, this will be redundant.

## 6.0 Pre Tenancy Assessment

6.1 Once an application has been received from Cornwall Homechoice or selected from the HomeHunt shortlist, the application is then assessed for both affordability and suitability. This process is called the Pre-Tenancy Assessment.

6.2 The applicant is invited to attend a pre-tenancy interview, the purpose of which is to:

- Verify that the information provided by the applicant in the Homechoice or Homehunt application forms is correct and up-to-date;
- Identify any additional support needs or risks presented by the applicant;
- Carry out an assessment of the applicant's income and expenditure to ensure that the tenancy will be affordable; and
- Ensure that the applicant is able to afford to pay 2 weeks' rent in advance of starting the tenancy;

6.3 At the pre tenancy interview the applicant must provide:

- Evidence of their income;
  - Three months of payslips;
  - Benefit letters;
  - Three months of bank statements for all their bank accounts.
- Proof of National Insurance (NI) number (if not on payslips, benefit letters);
- Evidence that they meet the requirements of any applicable Section 106 Agreement;
- Photographic identification or Birth Certificate for all members of the household; and
- Evidence that they are eligible to take up a tenancy and are not subject to immigration control.

6.4 The Lettings Team will take copies of all original documentation to be held on the applicants file.

6.5 In all cases Coastline will require a valid Photo identification (ID) or a copy of their birth certificate as proof of ID. Non UK nationals may be required to provide additional documentation to verify their Right to Rent in the UK.

## 6.6 Affordability

- 6.6.1 The Government's policies have adversely affected many customers, with their financial situations squeezed by the introduction of benefit caps and reduction of benefit entitlement, the introduction of the removal of the Spare Room Subsidy, Housing Benefit (HB) entitlement restricted to Local Housing Allowance (LHA) levels and the roll out of Universal Credit (UC). Furthermore, the amount of rent some new customers have to pay has increased with the introduction of affordable rents, so it is essential that we ensure that applicants are able to afford their new tenancy before an offer is made.
- 6.6.2 Under the proposals for the LHA cap on housing benefit and the Housing Cost Element of UC, applicants under the age of 35 with a tenancy granted after 1<sup>st</sup> April 2016 will have their payments capped to the LHA Shared Accommodation Rate (SAR) from the 1<sup>st</sup> April 2019.
- 6.6.3 Furthermore, from the 1 April 2017, young people aged 18 to 21 are no longer able to claim the Housing Cost Element of Universal Credit if they are in a UC 'Full/Digital' service area. (Existing HB claimants or UC claimants originally in a 'live/Gateway' area will be protected unless there is a break in their claim.)
- 6.6.4 Although there are exceptions to these rulings, which will be taken into consideration, in order to ensure tenancies remain affordable and sustainable for these younger age groups, the affordability check will take into account the fact that benefits will be capped. This will affect the applicant's ability to afford their tenancy in the future.
- 6.6.5 Every applicant is required to complete a full assessment of their income and expenditure which takes into account all income and expenses, including benefits, pensions, maintenance etc.
- 6.6.6 Where there is less than £20 disposable income after taking into account the new rent, or there is a deficit in income and expenditure, the tenancy will be deemed unaffordable and the application be refused.
- 6.6.7 Coastline will obtain written permission from all applicants to seek a credit check.
- 6.6.8 Coastline will carry out a credit check on all new applicants to check their credit risk score, and to ensure that they are managing any debts they may have. We will also establish that repayment plans are affordable and that the tenancy remains affordable.
- 6.6.9 If the applicant returns a "High" Risk or "Very High" risk credit score, they must engage with the lettings team and contact their creditors to put payment plans in place. It is essential that any payment plans are affordable and sustainable, and that the applicant must still be able to afford the tenancy.

6.6.10 If the applicant is eligible for benefits, the lettings team will complete a “entitled to” benefit check, to establish which benefits the applicant is entitled to claim, should they be offered the tenancy. These figures will be used in the affordability check to ensure the rent is affordable.

## 6.7 Refusals

6.7.1 It is important that tenancies are offered to applicants who can demonstrate the ability to sustain them. As such, we may refuse to offer a tenancy where:

- There is an ongoing anti-social behaviour case outstanding at their current address;
- There is good evidence that anti-social behaviour has been present at their current tenancy, even where formal action has not commenced;
- They have been an alleged or proven perpetrator of anti-social behaviour during a previous tenancy with Coastline, and where there is no evidence to support an improvement in their behaviour;
- They have been an alleged or proven perpetrator of anti-social behaviour whilst living at a Coastline property, and where there is no evidence to support an improvement in their behaviour;
- Where there is an outstanding debt with Coastline totalling more than £200;
- Where there is an outstanding debt with Coastline less than £200 and there is not a maintained agreement to repay the debt; and
- Any other situation which presents significant doubt around suitability and sustainability.

6.7.2 If following the affordability check, the applicant is unable to demonstrate that they can afford the rent or the applicant returns a ‘High Risk’ or ‘Very High Risk’ score on the credit check and they are unable to demonstrate that they are effectively managing their debts then Coastline will refuse the application.

6.7.3 Coastline will refuse to let the property to the applicant under the following circumstances:

- If they are found to have intentionally included misinformation, false information or withheld information in their application that would have resulted in them not being nominated or shortlisted for the property;
- If they are unable to provide evidence that they meet the local connection requirements of the section 106 agreement is applicable;
- If they have support needs which are not adequately met in order to enable them to sustain the tenancy;
- If they present an unmanageable risk to themselves, Coastline staff or to the local community;

- If the applicant's income or capital assets exceed the limits set out for social rents only, in Appendix B;
- If the applicants previous landlord returns a negative reference indicating arrears where no repayment plan is in place or incidences of tenancy breach; or
- If the applicant has been a Coastline tenant and they have current or former rent arrears or recharges.

6.7.4 Where an applicant is refused, all factors will be taken into consideration including the results of the Pre-tenancy interview, the risk assessment, any supporting evidence from support workers and agencies as well as the suitability of the property and the neighbourhood.

6.7.5 Tenancies will not be offered to minors, including 16 and 17 years olds in any circumstances, even where a guarantor is available.

## 6.8 **Authorisation**

6.8.1 The pre-tenancy application is authorised by the Income Theme Lead or the Head of Housing Services and passed to the Lettings Manager.

6.8.2 All lettings outcomes will be recorded, to include:

- The number of lettings per quarter;
- The percentage of properties made available to Cornwall Homechoice;
- The percentage of properties let through HomeHunt.
- The number and type of properties let, and the system used;
- The numbers of refusals; and
- Reasons for refusals.

## 6.9 **Offer of a Tenancy**

6.9.1 Once the application has been authorised, the Lettings Team will contact the customer and make a formal offer to the applicant. This is confirmed by post or email, along with a copy of their tenancy agreement.

## 6.10 **Viewing**

6.10.1 Once the formal offer is accepted the applicant is invited to attend a viewing of the property. Viewings can take place anytime once the keys have been returned by the outgoing tenant and where it is appropriate and safe to do so. For example it may not be appropriate if the property is undergoing asbestos removal or major works as part of the void process. In these cases viewings can be booked as soon as the property is safe to visit.

## 6.11 Rent In advance

6.11.1 Before the applicant can sign up for the tenancy they must pay their required rent in advance. They can do this by phone, at the Coastline office or online but they must complete this transaction prior to signing the tenancy agreement.

## 7.0 Hard to let

7.1 A property will be deemed 'hard to let' where it has been advertised through

- Homechoice once; and
- HomeHunt twice, and
- Advertised through social media; and
- No suitable applicant has been identified.

7.2 Where a property is 'hard to let', it may be advertised in any way which enables its letting. It may also be referred for disposal, even where outside the list of properties identified for disposal, within the Disposals Policy.

7.3 In certain circumstances, the 'hard to let' property may be placed in 'voids in development' whilst additional work is carried out to make the property more attractive to applicants and prospective tenants.

## 8.0 Sign up

8.1 At the sign up the tenant is provided with the Coastline Welcome Pack which includes a boundary map of their property. The pack will also include Gas, Heating, Electricity and Water Safety certificates and the property EPC document. This pack can be provided in electronic form on a USB stick if the new tenant has a USB enabled device or in PDF via the customer portal.

8.2 Sign-ups can take place at the office, local community building or at the property.

8.3 Sign-ups can take place on any day of the week and will usually occur at or just prior to the tenancy start date.

8.4 However, on occasions it will not be possible at this time, for example where an applicant is away on holiday when the tenancy is ready to start, or where the property is a new development and final handover is awaited. In these situations the sign up may be done in advance of the tenancy start date.

## 9.0 Extra Care

9.1 Vacancies within our Extra Care homes will be let through a range of options, including agencies such as the Health Authority, Adult Social Care and

Support, the housing options team and self-referral depending on the applicant's circumstances. Assessments are made by the Extra Care Monitoring Group to assess suitability. Homes at the Extra Care schemes will be let in accordance with funding arrangements and the numbers of customers with high, medium and low support and care needs will be dictated by that arrangement.

- 9.2 Applicants moving into Extra Care may have capital from owning their own home. It is reasonable to expect the applicant to dispose of their existing property in order to fund their care and support charges. These applicants will not be subject to the same capital and income levels at Appendix B.

## **10.0 Contractual Right to Buy**

- 10.1 Customers who transferred to Coastline (Kerrier Homes Trust, as it was then) from Kerrier Voluntary District Council were offered a contractual Right to Buy, as part of the Large Scale Transfer consultation document.

- 10.2 These customers will have had the contractual Right to Buy added to their first tenancy agreement with Coastline (Kerrier Homes Trust) and may exercise their Right to Buy in the same way as a secure tenant of a local authority.

- 10.3 The contractual Right to Buy remains with the customer as long as they have continued to live in Coastline properties. If they have moved away from Coastline and subsequently returned to Coastline, their contractual Right to Buy will have been withdrawn.

- 10.4 Customers with a contractual Right to Buy will retain this right if they transfer or mutually exchange to another Coastline property, unless the property into which they move has been constructed after 1 January 2009, the beginning of Coastline's development programme.

- 10.5 If a customer who had a contractual Right to Buy, but has had it withdrawn because they have moved into a home constructed after 1 January 2009, transfers into a Coastline property constructed before 1 January 2009, their contractual Right to Buy may be reinstated.

## **11.0 Fraud**

- 11.1 If an applicant attempts to gain advantage by providing fraudulent or false information, or by withholding vital information, Coastline will remove the applicant name from HomeHunt and will not consider a future bid from them. If a tenancy has been attained through fraudulent or false information, Coastline may seek to recover possession of the property through due legal process.

## **12.0 Complaints and appeals**

12.1 Customers have the right to make a complaint or appeal if they are dissatisfied with any decisions taken in respect of this policy, and this should be done within 28 days of the date of the decision.

12.2 Complaints and appeals will initially be dealt with by the Lettings Manager, within ten working days of receipt. If the applicant remains dissatisfied, the matter will be processed through the Company's Official Complaints Procedure.

### **13.0 Equality and diversity**

13.1 The themes within this policy provide the opportunity not only to deliver equality of access to a Coastline home but also to identify where there are gaps in our approach which may be addressed.

13.2 We will use the Lettings Policy to help us engage and support customers and prospective customers who are excluded. We will specifically identify and actively seek to engage with under-represented groups through the continuous monitoring of the policy.

### **14.0 Value and efficiency**

14.1 In operating this policy and letting Coastline homes, we will be mindful of ensuring our services are cost effective and a good use of our resources. We will endeavour to let homes efficiently and minimise rent loss at all times. Where a property is highlighted for disposal, it will be referred to the appropriate team as soon as practicable and in line with policy.

### **15.0 Data protection and confidentiality**

15.1 Coastline will treat all information provided by applicants in total confidence, in accordance with Data Protection legislation. This means that;

- Applications for housing are confidential, and only staff processing them will have access to information;
- Where individual applications fall outside the existing policy, for example Witness Protection Scheme, staff will treat information in confidence;
- All applicants have the right to access their personal information held in their applicant file. This is in addition to the rights provided under the Data Protection Act 1984; and
- All applicants have the right to see and obtain copies of their HomeZone application and any other information supplied by them about themselves and their family. Request for such information must be made in writing, and will be responded to within 28 days, in accordance with the relevant policy.

**16.0 Reporting (and NROSH)**

16.1 The Lettings Manager will maintain the records and will generate the performance reports on lettings performance.

- Internal KPIs are uploaded to Corvu monthly;
- Housemark Performance is collected quarterly;
- Lettings data is reported to Cornwall Homechoice Quarterly; and
- NROSH data is collected and reported annually.

## Appendix A - The process map for converting social rents to affordable rents **AFFORDABLE RENT PROCESS**

When a notification of a new void property log (NFV) is received the following process will be considered to assess whether the property is 'suitable/eligible' to become an Affordable Rent tenancy.

All activities identified within the flow chart will be carried out by the Lettings Team within 24 hours of receiving the information of the property becoming void. Where Development and Technical Services are requested to provide a decision in relation to conversion to Shared Ownership or Disposal, this information will be returned within 24 hours of the request.

1. Have we already reached our quota
2. Ruled out criteria
  - a. Sheltered
  - b. Older Persons Units
  - c. Mortgage Rescue units
  - d. Garlidna
  - e. S106
3. Financial marker
  - a. Instruct Independent Valuer for appraisal of property
4. Suitable for Disposal
  - a. Inspection to be carried out for remedial works
  - b. Costing of for remedial works assessed
  - c. Refer to Disposals Policy & Ridge assessment
5. Has property got high service charges
  - a. UHM check and verify with TM if required
6. Are there other AR or New Builds in neighbourhood
  - a. Check with Lettings or Development
7. Potential Affordable Rent property – AR or Probationary

Dependant on the outcome, the property is to be clearly identified on UHM as an Affordable Rent Tenancy as if the property becomes available in the future it is to remain an Affordable Rent tenancy and the rent will be need to be rebased with an independent valuer assessment.

### Affordable Rent Tracking Checklist

Address	
Property Type	
Void Date	

New Valuation	Yes		No	
Cloned with				
80% Affordable Rent	£			
Current Rent	£			
Non Protected Model Rent	£			
Current S/Charge	£			
LHA Amount	£			

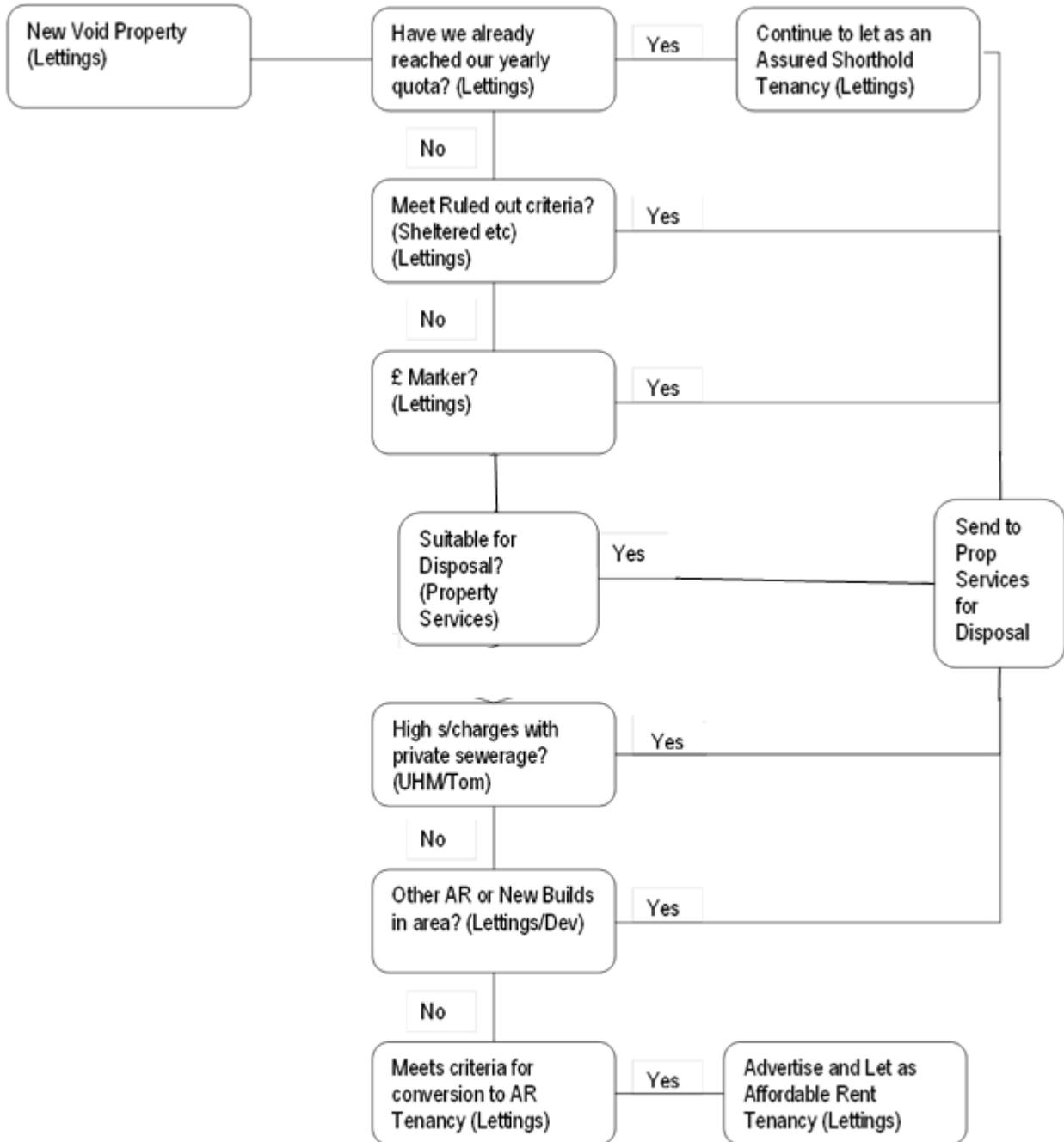
CRITERIA	TICK WHICH APPLICABLE				COMMENTS
	Yes		No		
Quota reached	Yes		No		
Ruled Out Criteria	Yes		No		
£15 Marker	Yes		No		
Disposal	Yes		No		
Let as Affordable Rent	Yes		No		
Let as AST / Fixed Term	Yes		No		
HCA Package	2		3		

Rent applied £

Service Charge £

Date

Signed



## Lettings Policy - Income Limits - Appendix B

The income limits below are relating to the Local Housing Allowance and applied for social rents only. Income limits relate to income **net** of Income Tax and National Insurance Contributions.

Income which is disregarded for Housing Benefit purposes will also be disregarded in our calculations.

Number of Rooms	Local Housing Allowance	Weekly Net Income Limit for Social Rent	Annual Net Income Limit for Social Rent
1	£104.89	£472.00	<b>£24,544</b>
2	£132.32	£595.44	<b>£30,963</b>
3	£151.50	£681.75	<b>£35,451</b>
4	£185.29	£833.80	<b>£43,357</b>

## Lettings Policy - Capital Limits

Capital includes any holdings that have a clear monetary value such as savings, investments, land and property. In calculating the total of assets of the applicant and spouse will be added together and any loan or mortgage will be deducted.

- Net capital limits for applicants of working age = **£40,000**.
- Net capital limits for applicants requiring sheltered accommodation = **£160,000**.