

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**  
**EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET**

**Date: 25<sup>th</sup> March 2015**

1. **REPORT TITLE**                      **HOUSING ALLOCATIONS POLICY REVIEW**
- Submitted by:**                      **Amanda Boffey**
- Portfolio:**                              **Planning and Assets**
- Ward(s) affected:**                      **All**

**Purpose of the Report**

This report presents proposed changes to the Joint Housing Allocations policy

**Recommendations**

**Cabinet members are requested to approve the revised Housing Allocations Policy**

**Reasons**

The Review of the Joint Allocations Policy has been completed, having gone through a further 4 week period of consultation which ended on the 2<sup>nd</sup> March 2015. This report outlines the proposed changes to the policy and seeks the approval of the revised Housing Allocations Policy.

1. **Background**

- 1.1 The Joint Allocations Policy was launched in 2010 and has been a partnership approach to allocating social housing in the Borough together with Aspire Housing, the largest social housing provider. The Allocations Policy was reviewed during 2012 in response to the lessons learnt from the first 18 months, as well as to take into account some changes that had been introduced in legislation.
- 1.2 In 2014 Housing Officers together with Aspire Housing (the review group) identified that further amendments need to be made to the policy. These changes were required following the introduction of Aspire Housing's Allocation policy for their 25% of vacancies that are not subject to Council nominations and the transfer the Council's housing register to Midland Heart who operate the homesdirect system. The review also considered national and local issues that could affect the operation of the Housing Allocations Policy.
- 1.3 The review group were given strategic direction to conduct the allocations review following a report presented to Scrutiny Committee on the 3<sup>rd</sup> September 2014. A further report was presented to Scrutiny on 8<sup>th</sup> December 2014 to provide an update on the proposed changes to the policy, following the initial consultation, which ended December 15<sup>th</sup>. The proposed amendments to the policy were endorsed by the Committee.
- 1.4 The revised draft Housing Allocations Policy has now gone through a further 4 week period of consultation which ended on the 2<sup>nd</sup> March 2015.

- 1.5 Proposals on what to change in the reviewed policy were made in response to feedback from Members; from residents and stakeholders who responded to the consultation questions; the views of local housing and support providers plus the review group.

2. **Options Considered**

- 2.1 Under Part VI of the Housing Act 1996 (as amended by the Localism Act 2011 on the 18<sup>th</sup> June 2012) local authorities are required to have an allocations policy and procedure in place in order to allocate social housing and under Part VII of the Housing Act 1996 (as amended by Homelessness Act 2002) to make provision for homeless households.

It is important that the Policy is regularly reviewed to ensure that it remains fit for purpose and continues to ensure that the limited resource of social housing is allocated fairly, in line with legislation and with local and national priorities.

3. **Proposal**

- 3.1 The review did not propose to alter the overriding objective that the assessment and therefore prioritisation is based on housing need. As such it is proposed to retain the current 7 band system, with 1 being the highest priority banding assessment based on housing need, ranging to band 7, being the lowest banding assessment based on no housing need. The review does however propose minor changes to criteria within the bands which will widen priority to certain groups. These changes are as follows:

3.2 **The Priority Band Assessment System**

- 3.2.1 Proposed revisions within the Joint Allocations Policy included a fair assessment of Aspire tenants and other Registered Provider tenants. Changes have been requested that the policy would still enable an existing Aspire Housing tenant in housing need to apply to the revised policy and be given reasonable preference; however they would not be given any additional priority and would be banded like any other Registered Provider tenant. Subject to approval this will result in the policy stating that:

Band 3 – Registered Provider tenants who are under-occupying their accommodation by two or more bedrooms or who have an adapted property that they no longer need. Preference System customers with enhanced banding (all Registered Provider tenants will be assessed equally). Registered Provider tenants who have been assessed and notified at the end of their fixed term tenancy due to inappropriate size of accommodation

Band 4 – Registered Provider tenants who are under-occupying their home by one bedroom. All tenants (Social or Private) of households with children under 5 occupying a 2<sup>nd</sup> floor flat (or above) without a lift

- 3.2.2 Aspire Housing requested the removal of their tenants who had no housing need from band 7. This aligns to the Aspire preferred approach to managing their stock effectively and prioritising those in need. Whilst this is supported by Aspire Housing, Housing officers conducted a review of the current housing register of customers who are placed in this banding together with a review of customers who were housed. Officers also considered recent Government guidance including the Right to Move. The review concluded that Registered Provider tenants should be included in Band 7 if they wish to move for employment. Subject to approval this will result in the policy stating that:

Band 7 - Registered Provider tenants wishing to move for employment. Evidence of employment or offer of employment will be required and travelling from current address is unreasonable. Unreasonable would be no means of travel by either car or public transport

that would require multiple changes and any working commute that would be excessive in time (over 1 hour each way)

### **3.3 Proposed changes to administering the Housing Register**

3.3.1 The move to the "Homesdirect" system in August 2014 enabled officers to review some of the administration processes of the Housing Register. One of the key issues for the consultation is the extent of choice of accommodation, i.e. the number of properties an applicant can express interest in per week. The present Joint Allocation Policy gives applicants the freedom to make unlimited bids, which allows applicants the ability to express interest in all properties. The new system does however have the ability to make three bids per weekly cycle; this may allow better management of customers applications and monitoring of nominations.

3.3.2 Officers have investigated the issues surrounding this and the new system has one main advantage in that once someone has been offered a property they are then unable to see further vacant properties. This means that it is clear to the staff which properties are ready to offer to the applicants and correct advice can be given to applicants. This will reduce the likelihood of complaints or dissatisfied applicants pursuing their case with the ombudsman as previously occurred on occasions.

**3.33 Officers therefore believe that offering unlimited bids should continue within the revised policy and this is supported through the initial consultation responses.**

### **3.4 Local Connection**

3.4.1 The Joint Allocation Policy is fully compliant with current legislation however there has been recent guidance to suggest that Local Authorities review their Local Connection criteria. The current policy has local connection criteria, with only applicants requiring sheltered accommodation and may need to move closer to the Borough to receive support being allowed onto the register in band 7. This issue has been included in the consultation survey, whilst some may see that there are advantages in the Council accepting applicants without a local connection and that they should be allowed to access housing which local people don't want, there is an important resource issue.

3.4.2 The current policy focuses on applicants with a local connection so that staff resources at Midland Heart can be targeted. If the policy was to be extended then these resources would need to be shared across the range of applicants resulting in local people receiving less of a service, it may also result in Midland Heart requiring additional contract fees to cover the costs of assisting a new group of non-local customers. At present those without a local connection are advised to apply to Registered Providers directly, this is in line with most local authority policies and this approach can continue.

**3.4.3 Officers therefore recommend that the current local connection criteria is maintained and this is supported through the initial consultation responses.**

### **3.5 Ex-Service Personnel**

3.5.1 The Council supports the Armed Forces Community Covenant which seeks to support Ex-Service Personnel settle back into the community following active service. The covenant seeks to aid rehousing including those repatriating back to the area. Officers have reviewed the current allocations policy; this covers service personnel and enables the appropriate banding to meet their housing needs.

3.5.2 **The continuation of this is recommended for the revised policy.**

**3.6 Equity**

3.6.1 At the Scrutiny meeting Members requested that the review consider the Equity approach and to assess if the equity thresholds should be amended. As part of the review officers have considered complaints and operation of the thresholds, where there are greater housing needs such as health and safety risks due to tenants living in a home with serious disrepair then individual cases can be assessed. Officers believe that the number of people affected is minimal and that often they can be housed from a lower band, therefore it is appropriate that those with financial assets are a lower priority than those without.

3.6.2 **The continuation of the Equity Protocol is recommended to remain without change for the revised policy. This is supported through the initial consultation responses.**

**4. Reasons for Preferred Solution**

4.1 The approval of the reviewed Allocations Policy will ensure that improvements are made in line with lessons learnt; updates in legislation and the latest government guidance to the allocation of social housing.

**5. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

5.1 Having an effective housing register contributes to the Council's corporate priority of a Borough of opportunity and will have a positive impact on the Newcastle Partnership priority to tackle vulnerability.

**6. Legal and Statutory Implications**

6.1 It is a statutory requirement that Local Authorities have an Allocations Policy place under Part VI of the Housing Act 1996.

**7. Financial and Resource Implications**

7.1 The implementation of recommended changes for the policy will require changes the Homesdirect ICT software. There is an existing capital allocation to fund the required changes identified. The estimated cost of the changes is £2,500.

7.2 Once the software has been updated officers at Midland Heart will have to ensure that applicants are correctly assessed against the revised policy.

**8. Major Risks**

8.1 Midland Heart are contracted to provide the housing register service, they have completed many changes to other housing registers therefore their experience of managing changes will minimise any risks of errors occurring. It is normal practice for Midland Heart to test any revised software prior to the system going live. The risk register has been completed and is available on request.

**9. Key Decision Information**

9.1 Yes – affects more than two wards.

**10. Earlier Cabinet/Committee Resolutions**

10.1 The review was considered by the Economic Development and Enterprise Overview and Scrutiny Committee in September and December 2014.

11. **List of Appendices**

11.1 The revised Housing Allocations Policy is available in the Members Room or from the Housing Strategy Team on request.