

JOINT HOUSING ALLOCATIONS POLICY REVIEW

Submitted by: Sarah Moore

Portfolio: Regeneration and Development

Ward(s) affected: All

Purpose of the Report

To highlight that the current Joint Housing Allocations Policy with Aspire Housing has been reviewed and to enable Cabinet Members to consider the proposed final draft policy changes for adoption.

Recommendation

To adopt the revised Joint Housing Allocations Policy.

Reasons

In line with the existing policy, which was adopted in 2010 there was a commitment made to review the Joint Housing Allocations Policy after it had been in operation for 12 months. This Review was to be undertaken by Council Officers and Aspire Housing Officers and it is best practice for the Council to ensure that consultation is undertaken on the document before changes to the Policy are decided and prior to formal adoption.

1. Background

1.1 The existing Joint Housing Allocations Policy was developed in partnership with Aspire Housing as a mechanism to determine priorities for housing need in the Borough and for defining the procedures to be followed in allocating accommodation to local residents approaching the Council through the Newcastle Housing Advice (NHA) service for assistance. The current Policy was approved by Cabinet in 2010 and a commitment was made to review the document after 12 months in operation.

2. Issues

2.1 It is recognised as best practice, that Policies and Strategies are reviewed on a regular basis so that any relevant changes in circumstances, guidance and legislation can be incorporated.

2.2 A Review Group consisting of Council Officers and Aspire Housing Officers was established and convened in Spring 2011 to co-ordinate the Review of the current Joint Housing Allocations Policy and in particular to:

- determine the success of the Policy to date
- identify areas for improvement
- identify blockages for service users
- consider changes in case law/legislation
- consider recommendations from government policy and guidance

2.3 Issues that were highlighted for consideration included:

- effects of the Sub Regional scheme being ended
- Eligibility – new powers from Localism Bill
- Local Connection
- Low Demand and Hard to Let properties
- Under occupancy and the impact of the Welfare Reform Bill
- Eligibility and Housing need
- Bandings – whether working efficiently
- Exclusions and Reduced Preference
- Unlimited Bids, Time Limits and Refusals
- Medical Assessments
- Equity
- Move on
- Adapted Properties

2.4 Following consultation with Stakeholders and Customers, a number of amendments have been proposed by the Review Group and can be summarised as follows:

- (a) Accept applications only from applicants with a local connection to the Borough, with the exception of applicants aged 55 or over who are eligible for bungalows and/or sheltered accommodation. Such applicants would be placed in Band 7 regardless of circumstances and be considered after all applicants who have a local connection.
- (b) Remove the education link for local connection from the Policy to align with the local connection for homelessness criteria;
- (c) Continue to permit applicants with no housing need to bid for properties advertised under the NHA Options Choice Based Lettings (CBL) scheme;
- (d) Permit applicants over the age of 55 years without a local connection to make a Housing Register applications and bid for properties advertised under the NHA Options CBL scheme.
- (e) Align the bedroom criteria and property eligibility for the scheme to the principles of the Welfare Reform Act (2012) to prevent future financial hardship for households *NB. This may be subject to change depending on the outcome of the consultation for the Welfare Reform Act proposals;*
- (f) Incentivise under occupancy of Aspire owned family sized accommodation to encourage down sizing and better use of property stock;
- (g) Revision of position relating to allocation of flats – align to Welfare Reform principles i.e. restrictions to the size of properties applicants are eligible for because of changes to benefits and effects of affordability to applicants *NB. this may be subject to change depending on the outcome of the consultation for the Welfare Reform Act proposals;*
- (h) Bandings amendments including:
 - Band 1 remove clauses relating to overcrowding, tenants requiring urgent repairs;
 - Band 2 remove cumulative need and move up Preference System Cases from the current Band 3 position and introduce applicants requiring a disabled facilities grant;
 - Band 3 – move applicants threatened with homelessness from Band 4, incentivise tenants who are under occupying by 2 or more bedrooms and introduce award for tenants whose fixed term tenancy is due to end in readiness for the proposed changes from the Localism Act;
 - Band 4 clarify position regarding applicants requiring additional bedrooms, incentivise tenants under occupying by 1 bedroom and remove clause relating to care leavers;
 - Band 5 amend clause relating to families in flats with young children from the current 12 years to 5 years in 2nd floor flats and above and to remove the

- clause relating to move on cases who are not considered ready to move on to general needs accommodation by their support providers;
- Band 6 introduce lower threshold of proof for reduced preference in line with guidance of Localism Act 2011 and reduced the equity threshold from £125,000 to £60,000
- Band 7 continue to place applicants with a local connection but no housing need and prioritise over applicants without a local connection who are over 55 years;
- (i) To permit NHA to make bids on the applicants behalf and make 1 offer for applicants in Band 1 to relieve urgent or acute housing need and to remove the reasonable time period and if the bids result in an offer and the offer is refused for NHA to reassess the applicant as threatened with homelessness in Band 3;
 - (j) For Band 2 applicants to be given 1 month to place bids and if there is no bidding in this time for NHA to place assisted bids on the applicants' behalf, in consultation with them and if the offer is refused for NHA to reassess the applicant to 2 bands lower, therefore Band 4
 - (k) For Band 3 applicants to be given 3 months to place bids and if there are no bids in this time for NHA to place assisted bids on the applicants' behalf, in consultation with them and if the offer is refused for NHA to reassess the applicant to 2 bands lower, therefore Band 5.
 - (l) To clarify the wording in the Banding clauses for awards for medical assessments as per recommendations is Allocations Review Report;
 - (m) To exclude means tested benefits (with the exception of working families tax credits and child tax credits) for the purposes of determining income thresholds for equity and reduced preference under the terms of the Policy;
 - (n) To retain the local connection requirement for households moving on from supported accommodation with the exception of using discretion for domestic violence cases, where it can be evidenced that it would be unsafe to return to the district of their previous origin;
 - (o) To ensure that adapted properties are advertised and allocated appropriately to ensure best use of property stock.

2.5 The above amendments have been incorporated into a revised version of the Policy, following consultation with partners, stakeholders and Elected Members and approval is now sought to adopt the Policy.

3. **Options Considered**

3.1 Officers considered the following options after the review of the Policy:

- (a) to keep the Joint Housing Allocations Policy as it is;
- (b) to consult on the changes proposed by the Review group and to seek to enhance the existing Policy;
- (c) to completely rewrite the Policy and make major changes.

4. **Proposal and Reasons for this Preferred Solution**

4.1 It is proposed that the content of the Joint Housing Allocations Policy Review Report is considered and that the amendments suggested by the Review group following consultation are accepted for adoption, as these changes have been deemed to be necessary to ensure that the Policy is able to continue to prioritise housing needs of local residents effectively in response to changes in government policy and legislation and challenges that faced in light of the current economic climate.

- 4.2 Through the Newcastle Housing Advice (NHA) service the Council has been operating the Joint Housing Allocations Policy with Aspire Housing since the launch of the NHA Options Choice Based Lettings (CBL) scheme in June 2010. It was therefore appropriate that the Council worked with Aspire Housing Officers to complete consultation on the Review of the current Policy and assess how the Policy operated over the last 12 months; to effectively determine the success of the Policy to date; identify areas for improvement; identify and address blockages for service users; consider changes in case law/legislation; consider recommendations from government policy and guidance. This enabled Officers to define Review recommendations to enhance and update the current Policy as appropriate.
- 4.3 The Policy Review and recommendations has been considered by the Economic Development and Enterprise Overview and Scrutiny, their comments have been considered and minor amendments made as part of the consultation and overall they are supportive of the content and recommendations made. Amendments were requested by Scrutiny to provide clarity to the Policy position e.g. in relation to Local Connection and Domestic Violence (DV), where DV cases would override the Local Connection requirement where it can be evidenced that it would be unsafe for an applicant to return to the district of their previous origin. These amendments have been incorporated into the revised final draft of the Policy.
- 4.4 Other feedback from the consultation has been incorporated into the final draft Policy from partners and local stakeholders, much of which has sought to clarify the Policy position to the reader e.g. bullet points and references to previous sections in the document.

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

- 5.1 The Joint Housing Allocations Policy enables the Council to prioritise meeting the housing needs of local residents; this contributes to the delivery of the corporate priority of creating safe and sustainable communities.

6. **Legal and Statutory Implications**

- 6.1 Housing Authorities are required by s.167 of the Housing Act (1996), as amended by the Homelessness Act (2002), to have an allocation scheme for determining priorities and for defining the procedures to be followed in allocating housing accommodation. In framing the allocation scheme the Council need to ensure that reasonable preference is given to certain categories of people as set out in s.167(2) of the 1996 Act. Applicants who are not entitled to a reasonable preference cannot compete on equal terms with those who are.
- 6.2 The current Policy complies with the Housing Act (1996) (Part VI), as amended by the Homelessness Act (2002) and the Localism Act (2011) and the Homelessness Code of Guidance for Local Authorities.

7. **Equality Impact Assessment**

- 7.1 The Council has an EIA for the current Joint Housing Allocations Policy and this will be updated in line with the adopted revised policy.

8. **Financial and Resource Implications**

- 8.1 There are no direct implications of the amendment and approval process for the Joint Housing Allocations Policy as it is planned to be met within the current budgets using existing resources.

8.2 Future cost implications of altering the ICT systems to deliver the amended Allocations Policy will be considered in line with the recommendations on the changes to the Policy at a future Cabinet. It is important to note however, that amendments to the Policy will have to be constrained to ensure that the ICT amendments can be delivered within the remaining Choice Based Lettings budget. Following payment of the Locata ICT licence costs there will remain approximately £17,000 to invest in ICT developments.

9. **Major Risks**

9.1 The proposed changes are made as a result of the initial recommendations for the Welfare Reform Act, which is currently under consultation and due to come into force in 2013 and also the Localism Act (2011), which may be subject to change depending on the outcome of the consultations. The Policy Review was prepared using the most up to date recommendations of the Welfare Reform Act and guidance but at the time of writing some opposition has been raised to the stance regarding benefit payments for households under occupying their homes which may conclude in the Bill repealing some of sections and would in turn enable the Council to adapt and respond accordingly if necessary.

10. **Key Decision Information**

10.1 The adoption and the implementation of this Policy will affect all wards within the Borough.

11. **Earlier Cabinet/Committee Resolutions**

11.1 Choice Based Lettings Update – Feb 2010

11.2 Joint Housing Allocations Policy Review – July 2011

12. **List of Appendices**

None.

14. **Background Papers**

Draft Joint Housing Allocations Policy Review Report 2011 – available on request from the Housing Strategy Team.