

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
ECONOMY, ENVIRONMENT AND PLACE COMMITTEE**

Date 14TH March 2019

1. **REPORT TITLE** **Review of the Housing Allocations Policy**
- Submitted by:** **Head of Housing, Regeneration and Assets – Joanne Halliday**
- Portfolio:** **Well Being and Community Safety**
- Ward(s) affected:** **All**

Purpose of the Report

For Scrutiny to consider the consultation on the Housing Allocations Policy.

Recommendations

For Scrutiny to endorse the approach set out to the consultation.

For Scrutiny to give any feedback on the draft amendments to the Allocations Policy.

Reasons

The Council is now expected to provide accommodation and support to a wider range of individuals for longer periods in line with the Homelessness Reduction Act 2017 (HRA). The Allocations Policy needs to underpin the HRA and support the authority's new duties in order to give adequate priority to those cases at risk of becoming homeless.

1. **Background**

- 1.1 As a Strategic Housing Authority the Council has a duty to comply with all relevant Homelessness legislation. In line with this the Council has a range of strategies and policies.
- 1.2 The delivery of the Council's responsibilities for the Housing Advice, Homelessness and Housing Allocations are fulfilled through the Newcastle Housing Advice (NHA) contract

2. **Issues**

- 1.1 The Homelessness Reduction Act 2017 (HRA) became law in April 2017 and all local authorities in England have been subject to the duties brought about by the HRA from April 2018. The Council is now expected to provide accommodation and support to a wider range of individuals for longer periods. This is mainly to households who would previously been non-priority homeless and/or intentionally homeless. The Allocations Policy needs to underpin the HRA and support the authority's new duties in order to give adequate priority to those cases at risk of becoming homeless
- 1.2 Minor changes were made to the policy prior to HRA to make it compliant with legislation. Housing and NHA have been continuing to consult with partners in relation to the policy and areas of improvement. We also continue to reflect on comments, compliments and complaints through internal systems as well as information received through professional networks. Therefore there has been a need to review the policy and associated procedures and working practices in place that support the policy. These include the nomination service agreements with our Private Registered Providers.

3. **Options**

- 3.1 The Council should not proceed to implement changes to our policy without consultation, therefore the only proposal is to consider feedback from partner organisations and the proposed consultation.

4. **Proposal**

- 4.1 The review to date has identified areas within the existing policy, which require changes to be made to adjust the policy with learning from changes to recent legislation and local requirements. The allocations review was slightly amended prior to HRA to make it compliant with the homeless legislation amendments. Since April, we have learned that there was a need to review these changes and the wider implications of welfare reform.
- 4.2 The review has allowed for our Private Register Providers and wider stakeholders including specialist supported accommodation providers to also reflect on the recent legislative changes and changes to welfare reform to which have impacted on their services.
- 4.3 The review has built in a period of wider public engagement for our customers to allow them to comment on how we can make any further service improvements. For example most of our RP partners now insist on four weeks rent up front when starting a new tenancy. We need to make it very clear to our customers how these changes will affect them and how we may be able to support and better prepare them. The public consultation is planned for 6 weeks and subject to Scrutiny comments will commence Monday March 18th. The consultation will inform an on line survey on the Council's website and on the Choice Based Letting system Homesdirect. This will allow existing customers and the wider public an opportunity to comment on the proposed changes
- 4.4 A final draft document of the allocation policy amendments will be placed on the forward plan for approval by full cabinet scheduled for June 2019. Amendments to the policy will then be made by Abritas, the housing register software provider. Further information for when the policy will become live will be known following negotiations between Midland Heart (the operator of NHA) and the Council.
- 4.5 Following formal consultation with our Private Registered Providers the proposed amendments are intended to be made;
- a. Reduced the Banding currently 1-7 to 1-6 to align with the Homelessness Reduction Act and the pathway for which customers can have fair access to social housing. The banding will have priority for 1-5 and reduced preference would then be Band 6.
 - b. Investigating types of tenancies offered to young people and clarity to those who may be housed
 - c. Review the End of fixed term tenancies to determine whether this will be required to support Registered Providers to make better use of their housing stock – eg is downsizing a better option.
 - d. Remove Preference System as this is no longer required due to housing providers providing direct lets to customers when it is a requirement to find a property quickly for a customer.
 - e. Review move on protocol, to include all provider referral from non SP funded providers and to have reciprocal requirements for referrals from NHA.

- f, Review policy relating to families in flats with young children under the age of 5 years in 2nd Floor flats and consider how good practice with social providers and the allocations policy allows families to move to more appropriate housing (proposal to remove this banding and for Registered Providers to support tenants into more appropriate homes within their existing stock)
- g, Review of the equity protocol, currently the amount an applicant can have in assets equals £60,000 before they are considered to be able to rent or buy privately.
- h, To review the information on the request for appeals from customers on the register and examine if there is a need to clarify information or support further information.
- i, To look at all good practice which has been learned from the policy including the local connection requirement for households moving on from supported accommodation eg Domestic Violence.
- j, Review exclusion and eligibility criteria for those customers who may have former tenancy arrears or have had notice served upon them for inappropriate tenancy conduct.

These will be considered further in line with the responses from the wider consultation.

5. Reasons for Preferred Solution

- 5.1 It is recommended that Scrutiny support the draft proposed amendments to the allocations policy as failure to update the policy to comply with learning from recent changes to legislation will leave the council liable to challenge.
- 5.2 It is a statutory requirement that Local Authorities have an Allocations Policy in place under Part VI of the Housing Act 1996. The Policy needs to reflect changes in legislation and Government Guidance as well as local requirements.
- 5.3 It is also 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. .

6. Outcomes Linked to Corporate Priorities

- 6.1 Providing good housing advice and access to appropriate housing supports the Council's corporate priorities of:
 - Local services that work for local people.
 - Growing our people and places.

7. Legal and Statutory Implications

- 7.1 Under Part VI of the Housing Act 1996 it is a statutory requirement that a Local Authority has an allocation scheme for determining priorities, and for defining the procedures to be followed in allocating housing accommodation; and allocations must be made in accordance with that scheme.
- 7.2 The Act requires authorities, before adopting an allocation scheme, or altering a scheme to reflect a major change of policy, to: send a copy of the draft scheme, or proposed alteration, to every Private Registered Provider with which they have nomination arrangements, and ensure they have a reasonable opportunity to comment on the proposals. The time line for the review has incorporated a reasonable consultation period of six weeks, along with workshops to engage with all stakeholders and customers who are fundamental to the process.

8. Equality Impact Assessment

- 8.1 The Allocations Policy is intended to support vulnerable households to access appropriate housing.

9. **Financial and Resource Implications**

- 9.1 Changes to the banding system and the priorities awarded would require amendments to the ICT system. Local Authorities have been allocated grant funding for ICT provision in relation to the implementation of the Homelessness Reduction Act (£9,000). The review and associated costs will be met from this funding.

10. **Major Risks**

- 10.1 The policy review is considering alterations to an existing policy therefore the risks are minimised. Following the policy review discussions will take place with the IT provider to ensure that the correct changes can be made to the system and that households are effectively prioritised in line with the revised policy.

11. **Sustainability and Climate Change Implications**

- 11.1 The Housing Allocation Policy has no direct impact on sustainability or climate change. Clearly accommodating households in the appropriately sized house makes good use of the housing stock and supports vulnerable households to live in homes that they can afford.

12. **Key Decision Information**

- 12.1 The policy affects all wards in the Borough and when considered by Cabinet this will be a key decision item.

13. **Earlier Cabinet/Committee Resolutions**

- 13.1 The current Allocations Policy was approved by Cabinet March 2015. There were minor amendments made in March 2018 that were approved by delegated authority.

14. **List of Appendices**

- 14.1 None.

15. **Background Papers**

- 15.1 The current Allocations Policy is available from the Council's website.
<https://www.newcastle-staffs.gov.uk/sites/default/files/IMCE/Housing/Housing%20Allocations%20Policy%202018%20Final.pdf>