

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S  
REPORT TO CABINET**

**18 March 2020**

**Report Title:** Joint Housing Allocations Policy

**Submitted by:** Head of Housing, Regeneration and Assets

**Portfolios:** Community Safety and Wellbeing

**Ward(s) affected:** All wards

**Purpose of the Report**

To present proposed changes to the current Housing Allocations Policy which will introduce a joint policy with Aspire Housing so that there is a single policy and application process for our customers.

**Recommendation**

**That Cabinet**

- 1) approve the Joint Housing Allocations Policy
- 2) delegate to the Executive Director - Commercial Development and Economic Growth, in consultation with the Portfolio Holder for Community Safety and Wellbeing authority to amend the Joint Housing Allocations Policy as required to ensure that it accurately reflects the processes that will apply once a digital housing register is developed.

**Reasons**

To update the policy in light of consultation responses, operational experience, undated national legislation and guidance. To take advantage of the opportunity to integrate and make IT systems more efficient.

1. **Background**

- 1.1 The Council has a duty to provide housing advice and assist vulnerable people looking for housing. To do this the Council has a housing register and housing allocations policy which sets out how households are prioritised for housing. The Council has nomination rights to affordable housing in the Borough, when a housing provider request a nomination the Council puts forward the household in the highest banding.
- 1.2 The Council's current Housing Allocations Policy was approved on 25th March 2015 following a full review in 2014 and sets out how social housing will be allocated across the authority in accordance with Part VI of the Housing Act 1996.
- 1.3 In February 2019, permission was granted to consult on proposed changes to the current Allocations Policy. This was due to a number of factors including:
  - New duties brought about by the Homeless Reduction Act 2017.
  - Case law updates and Central Government guidance.
  - Reflective review of comments, complaints and compliments

1.4 Following the consultation on the proposed changes, there was a further discussion with Aspire Housing, our major provider of social housing within the Borough. Aspire expressed a desire to have a joint allocation policy with the Council and to have a partnership arrangement to procure a Choice Based Lettings platform which is in effect the housing register. This report includes the advantages to this approach, a summary of the changes to the current policy and seeks approval of the new Joint Allocations Policy.

## 2. Issues

2.1 At present, Aspire Housing and the Council have separate allocations policies and two separate IT platforms. Aspire contribute 75% of their properties to the Council's housing allocations policy which are advertised through the Choice Based Lettings (CBL) platform Homesdirect, part of the commissioned Newcastle Housing Advice service administered by Midland Heart. The remaining 25% of Aspire's properties are advertised through Aspire's CBL platform Homehunt, through their own allocations policy.

2.2 It would be beneficial to have one platform to register a single application and one policy to understand how to access social housing within the Borough. By working with our partner housing providers there will be greater interest in the management and development of the IT system based on our local needs and ongoing intelligence.

2.3 The other fundamental advantage of the approach also meant that the Council could procure a CBL platform that could interface with the current commissioned homelessness prevention casework system Locata HP2 that has been in place since April 2018, Locata have expressed an interest to work the Council and Aspire Housing to deliver on the CBL system. The system will deliver many advantages to our customers and stakeholders allowing them to manage their housing application from one platform and to use the system in an efficient digital way and in line with the majority of smart phones that are currently used.

2.4 The joint policy does not propose to alter the overriding objective that the assessment and prioritisation is based on housing need. As such it is proposed to retain a banding system, with 1-5 being the higher priority banding assessment based on housing need, and band 6, being the lowest banding assessment (reduced preference) or no housing need. There is no longer a need for a band 7 as changes to homeless legislation have meant that customers are supported at an early opportunity now and very few will be found to be intentionally homeless who would of previously been placed in this band.

2.6 The policy does however propose some changes that have not been previously included and minor changes to criteria within the bands which will widen the priority given to households threatened with homelessness or are homeless. These changes allow for a more balanced community within the wider populated social housing estates within the Borough and those that will be developed in the future. A summary of the changes are as follows:

### 2.6 The Priority Band Assessment

2.6.1 **Band 1:** Priority for customers who are owed the "Main Housing Duty" only. The Local Authority has a legal duty under Part V11 of the Housing Act 1996 to ensure that homeless applicants owed a full housing duty are provided with suitable accommodation.

2.6.2 **Band 2:** Priority for customers owed a Homeless Relief duty. Applicants who have been assessed as qualifying for the Relief Duty who would be owed or likely to be owed the main duty when the relief duty comes to an end. This is because they are or likely to be in a Priority need and unintentionally homeless in accordance with the Homelessness Reduction Act 2017

2.6.3 **Band 3:** Priority applicants who have been assessed as qualifying for the Relief Duty who would be owed or likely to be owed the main duty when the Relief Duty comes to an end. This is because they are or likely to be in a Non-Priority need and homeless in accordance with the Homelessness Reduction Act 2017. Other applicants placed in this band are those assessed as having a major medical need.

2.6.4 **Band 4** Applicants who are threatened with homelessness and owed the Prevention Duty and are likely to be assessed as unintentionally homeless if both the Prevention duty and any subsequent Relief Duty comes to an end. Other applicants placed in this band include those assessed as having a serious health or welfare need, applicants being overcrowded by two or more bedroom, applicants ready to move on from supported accommodation and social housing tenants who have been notified of a fixed term tenancy coming to an end due to inappropriate size of property. Applicants who have two or more bedrooms that are not in use and wish to downsize are also placed in this band.

2.6.5 **Band 5:** Applicants placed in this band include criteria except those applicants threatened by homelessness. A majority of applicants will be assessed in this band including applicants who are under occupying by one bedroom and applicants having a minor medical or welfare need.

2.6.6 **Band 6:** Applicants who have reasonable preference but have been assessed as a reduced priority under the Policy because of unacceptable behaviour and non co-operation including homelessness applicants owed a homeless prevention and/or relief duty. Other applicants placed in this band include those applicants assessed as having financial means to secure alternative accommodation.

2.6.7 The policy will also introduce a Community Contribution criteria. This will allow applicants who have an existing local connection to provide evidence that they are either in employment or in a voluntary or training activity and that it is making a difference to their community. Applicants who meet this criteria will be prioritised in Band 5 and 6. Consideration of this criteria will also be given in Band 4, however, the urgency of the housing need of applicants in this band will always be met first, regardless of the Community Contribution criteria.

2.6.8 There will also be a priority based on the above criteria for the first let for new build houses and for the first two years for flats. This will allow for a more balanced community and a more manageable integration of social housing occupiers amongst other tenures within new build developments.

2.6.9 Officers also considered the approach to the Equity Policy and if the equity thresholds should be amended. Consideration was given to 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. With this in mind, it is not intended to amend the current threshold of £60k.

### 3. **Proposal**

3.1 It is proposed to adopt the new Joint Allocations Policy to improve our services to our customers seeking housing and our housing providers. Once the policy has been adopted then officers will commence work to develop the IT platform together with Aspire Housing, our other Strategic Housing Partners and our present service provider Midland Heart. The indicative timetable for the new policy and CBL platform to be made live will likely to be November 2020.

#### 4. **Reasons for Proposed Solution**

- 4.1 The approval of the Joint Housing 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. The advantages of having the joint allocations policy will support a smarter, efficient and streamlined housing register service to our customers and stakeholders.

#### 5. **Options Considered**

- 5.1 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.

#### 6. **Legal and Statutory Implications**

- 6.1 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.

- 6.2 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 a workshop to engage with members and formal consultation exercise with customers who are fundamental to the process.

#### 7. **Equality Impact Assessment**

- 7.1 The Joint Housing Allocations Policy is intended to support vulnerable households to access appropriate housing and create sustainable communities, an Equality Impact Assessment has been completed.

#### 8. **Financial and Resource Implications**

- 8.1 Changes to the banding system and the priorities awarded would require IT development. Local Authorities have been allocated grant funding for ICT provision in relation to the implementation of the Homelessness Reduction Act. The associated costs will be met from this funding in partnership with Aspire Housing who will contribute to 50% of the development and ongoing support costs. These costs have been quoted as £40k for the development /implementation and £16k for the ongoing support. As part of the consultation with our Strategic Housing Partners, they have agreed to make a financial contribution to the advertising of their properties on the Locata CBL platform. These contributions will support the ongoing development of the CBL platform and allow for legislative and mutually agreed variations to policy as and when required.

#### 9. **Major Risks**

- 9.1 The Joint Allocations Policy is considering alterations to an existing policy working with our existing provider, therefore following the approval of the policy discussions will continue with Locata and the current provider that households are effectively prioritised. An effective and well planned communications plan will be worked through to ensure a seamless service will continue for our customers and wider stakeholders.

10. **Sustainability and Climate Change Implications**

10.1 The Joint Housing Allocation Policy has no direct impact on sustainability or climate change.

11. **Key Decision Information**

11.1 The policy changes do not have a financial implication of over £100,000 however the policy affects all wards in the Borough and is considered a key decision due to the importance of the decision over who is nominated for an available home and the potential number of people applying for a home.

12. **Earlier Cabinet/Committee Resolutions**

12.1 The current Allocations Policy was approved by Cabinet on 25<sup>th</sup> March 2015.

12.2 Cabinet approved on 10<sup>th</sup> July 2019 to authorise the procurement options linked to the delivery of the Locata module for Homelessness Prevention case work together with the Locata CBL module.

13. **List of Appendices**

13.1 Draft new Joint Housing Allocations Policy.

14. **Background Papers**

14.1 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>