

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S**

**Report to Cabinet**

**18 April 2023**

**Report Title:**           Housing Allocations Policy

**Submitted by:**       Service Director - Regulatory Services

**Portfolios:**           Community Safety and Wellbeing

**Ward(s) affected:**   All Wards

**Purpose of the Report**

To explain proposed changes following a review of the 2020 Housing Allocation Policy and seek approval to consult on and adopt a revised Joint Housing Allocations Policy from 2023.

**Recommendation**

That Cabinet:-

1. Approve the Draft Joint Housing Allocations Policy 2023 for an eight week public consultation.
2. Delegate authority to the Service Director - Regulatory Services, in consultation with the Cabinet Member for Community Safety and Wellbeing, to
  - a) finalise the and adopt the Joint Housing Allocations Policy 2023 following the consultation process
  - b) agree policy changes relating to the Choice Based Lettings (CBL) System in light of available resources and annual funding allocations.

**Reasons**

The current Housing Allocation Policy which was developed in conjunction with Aspire Housing was adopted in 2020. There was a commitment to review it after 24 months.

The policy has been in operation for 24 months and this has provided a sufficient time period for its impacts to be assessed and for reasonable conclusions to be made about its effectiveness. Changes are being proposed to the current policy, which will update this and transform this into the Housing Allocations Policy 2023.

It is best practice for the Council to ensure that consultation is undertaken on the document before changes to the Policy are formally adopted.

1. **Background**

- 1.1 Part 6 of the Housing Act 1996 requires local authorities to have an Allocations Policy that set out how social homes will be allocated in the authority's area and to give "reasonable preference" to certain groups of applicants.

- 1.2 It is via the current Housing Allocations Policy, which was adopted in 2020, that this requirement is being met. In conjunction with this policy, a housing register is maintained where applicants are assessed, their eligibility and prioritisation determined. This leads to the allocation of social housing via the Choice Based Lettings scheme.
- 1.3 The current Housing Allocation Policy has a requirement that it would be reviewed after 24 months. It is recognised as best practice, to review policies and strategies on a regular basis so as to incorporate any relevant changes in circumstances, guidance and legislation. 24 months, has provided a sufficient time period for its impacts to be assessed and for reasonable conclusions to be made about its effectiveness.

## 2. **Issues**

- 2.1 The Newcastle Housing Advice Team (NHA) is responsible for implementing the policy by
  - a) placing and prioritising applicants on the Housing Register; and,
  - b) by operating of the Choice Based Lettings scheme.
- 2.2 This is done by primarily working with in partnership with Aspire Housing, who are co-authors of the current policy and an equal partner with the Choice Based Lettings Scheme. There is also a working relationship with a number of Registered Social Landlords who nominate properties to the Housing Register.
- 2.3 Throughout the past 24 months, NHA and Aspire Housing have been able to assess the effectiveness of the policy and identified areas for change which are likely to improve and better the policy.

## 3. **Proposal**

- 3.1 On the whole, the policy is considered to be effective and fit for purpose. However, changes are being proposed to the bandings and several sections of the policy.
- 3.2 The current policy prioritises applicants via a banding system; where those in greatest need are awarded a Band 1 and those in lowest need are placed in Band 6. The new policy will retain the Banding System from 1 to 6, but will be seeking to make some changes as to who is to be placed in each respective bands. For ease of reference, a comparative table, (setting out the current banding reasons with the new banding reasons) accompanies this report as Appendix 1.
- 3.3 There are also some amendments being proposed to certain sections of the policy. Again for ease of reference, an itinerary has been attached, to set out these proposed changes within their respective numbering, as Appendix 2.
- 3.4 Although, the changes to the policy are detailed in the Appendices, a brief summary of the key changes are set out in this report.
- 3.5 **Several changes are being proposed to the section of local connection. The following is proposed:-**
  - a) Students who currently acquire a local connection (usually by being within the Borough for 6 months in the last 12months) via simply studying at local colleges and universities will no longer be able to do so
  - b) explicit references will be made to persons who, by law, are not required to have a local connection to be placed on the housing register

- c) Applicants with no local connection who are 55 years and over are eligible for sheltered accommodation only will need to satisfy an additional condition; they do not have the financial means to secure their own accommodation, either by outright purchase, shared ownership or rental within the private sector as set out the Equity Policy.

**3.6 A change is proposed to the number of bids that can be placed by applicants on the Choice Based Lettings system, this is to be restricted to three.**

3.7 Choice based lettings operates by allowing applicants to express an interest in a social home that has become available and is being advertised on the online system; this expression of interest is a 'bid'.

3.8 Currently, the policy allows applicants to place an unlimited number of bids, and in practice, applicants are bidding for multiple properties. When an offer of a property is made to the applicants by the Lettings Team, this is being refused. Applicants feel that they should receive multiple offers from the range of properties that they have bid on.

3.9 The allowance of unlimited bids in practice is becoming counterintuitive; the scheme rules dictate that applicants will only be offered one property at any one time, and unreasonable refusals could be sanctioned. Furthermore, it is perversely encouraging applicants in need to refuse properties which could have adequately met this need. This is also causing additional abortive work for the lettings teams.

**3.10 Changes are proposed to allow discretionary judgements to be made in certain and exceptional cases.**

3.11 Band 3, which will become vacant, (as, currently, the applicants owed a relief duty are to be moved to Band 2) will be used as a NHA Preference Band. This is to allow discretionary judgements to be made and for justified cases to be awarded a higher band, which ordinarily would not have given.

3.12 Similarly, a change is proposed, to allow discretion to be applied with regards to the bedroom standards, in exceptional circumstances.

**3.13 A proposal to add clarification text to the medical assessment section.**

3.14 The current policy, has major medical and minor medical need banding reasons. However, there is a perception the award is given based solely on medical conditions. This is not correct; but it's the assessment of whether and to what degree medical conditions are adversely impacting the applicant's ability to live in their current home, or similarly whether and to what degree the current home is having an adverse impact on their medical conditions. It is proposed that clarification text is to be added into the section of Medical and Welfare Assessments.

**4. Reasons for Proposed Solution**

4.1 The Joint Housing Allocation Policy developed in partnership with Aspire Housing was adopted in 2020 with a commitment to review it after 24 months.

4.2 Throughout the 24 months, NHA and Aspire Housing have been able to assess the effectiveness of the policy and identified areas for change which are likely to improve and better the policy.

4.3 On the whole, the policy is considered to be effective and fit for purpose. However, changes are being proposed to the bandings and several sections of the policy.

## 5. **Options Considered**

- 5.1 Officers have considered the following options after the review of the Policy;
- a) to keep the Housing Allocations Policy as it is; and to make no changes
  - b) to consult on the changes proposed and to amend and to improve the existing Policy;
  - c) to completely rewrite the Policy and start afresh.
- 5.2 Option A, would contravene the commitment within the currently policy, to review it after 24 months. It would also run counter to the established best practice, which is to review policies and strategies on a regular basis so as to incorporate any relevant changes in circumstances, guidance and legislation.
- 5.3 Option C, of a complete overhaul of the policy is deemed not to be necessary; as on the whole, the policy is considered to be effective and fit for purpose. Some changes are being proposed to the bandings and several sections of the policy.
- 5.4 Therefore, Option B is considered to be the best and most appropriate.

## 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 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. The changes proposed will not affect the bands and the band reasons. The changes will have positive impact on residents, particularly those with protected characteristics under the Equalities Act 2010 with no adverse impacts.

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

- 8.1 The Council uses a Choice Based Lettings System to manage the housing register, which was commissioned in April 2021 in partnership with Aspire Housing. To implement the proposed amendments changes will need to be made to the CBL system. The system is used by both Aspire Housing and the Council and the costs are shared. There will be costs associated with making the IT changes, the precise amount is yet to be determined. The total costs will be shared with Aspire Housing and the Council's apportionment will be met through the existing budget.

## 9. **Major Risks**

- 9.1 The following risks have been identified:-

- If the proposed changes are not implemented, there is a risk that the prioritisation of persons on the housing register will not be correct and open to legal reviews.
- The policy changes are dependent on amending the current CBL scheme, so that it aligns with the changes. Officers have been meeting with LOCATA the company who provides the IT service, to develop a project plan and costings for implementing these associated changes.

9.2 To ensure that the risks are controlled or mitigated, the following measures exist; project planning, public consultation, and a continuous review and feedback process.

## **10. UN Sustainable Development Goals (UNSDG)**

10.1 The policy will contribute to the delivery of the following sustainable development goals:



## **11. Key Decision Information**

11.1 This is a key decision as it affects all wards of the borough.

## **12. Earlier Cabinet/Committee Resolutions**

12.1 Cabinet - Wednesday, 18th March, 2020

## **13. List of Appendices**

- Proposed Joint Housing Allocations Policy 2023-2025
- Appendix 1- Comparative Banding Changes
- Appendix 2 – Itinerary of Changes to text of the policy

## **14. Background Papers**

- Joint Housing Allocations Policy December 2020