Committee: COMMUNITY & HOUSING Agenda Item

Date: June 10, 2010

Title: ALLOCATIONS POLICY

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# **Summary**

1. This report details progress on the review of the Council's Allocation Policy and development of a new policy following the publication of the Government's Fair and Flexible consultation document and subsequent statutory guidance.

#### Recommendations

2. That members agree the adoption, as recommended by the Housing Initiative Working Group (HIWG), of the new Allocation Policy as identified in appendix I.

# **Background Papers**

- 3. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.
  - Fair and Fair and flexible: statutory guidance on social housing allocations for local authorities in England (December 2009)
  - The Allocation Policy (Revised 2008)
  - The Homelessness Act 2002.
  - Housing Act 1996, Parts VI and VII
  - The Code of Guidance in Allocation [CLG 2007]
  - The Homelessness Code of Guidance
  - HIWG minutes

#### **Impact**

4.

Communication/Consultation	Members, Tenant Panel, Housing Register Applicants, Parish Councils, Housing Associations, General Public	
Community Safety	Document has been referred to the Anti- Social Behaviour Co-ordinator	
Equalities	Document has been equality impact	

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	assessed	
Finance	n/a	
Health and Safety	n/a	
Human Rights/Legal Implications	Document has been assessed by the legal team for compliance with legislation and human rights	
Sustainability	n/a	
Ward-specific impacts	All wards	
Workforce/Workplace	If new policy is adopted all applications will need to be re-assessed	

#### Situation

- 5. In June 2009 the HIWG recommended that officers review the current policy. Objectives of the review were to develop a new policy that:
  - is simpler to administer and clearer for applicants to understand
  - is less open to interpretation
  - takes account of people's needs but does not encourage potential homelessness as a route into social housing
  - is equality impact assessed to ensure that it meets the equality and diversity needs of all applicants and potential applicants and the wider community
  - meets the criteria of the CLG's code of guidance document

When the Council's strategic housing services were inspected in 2008 the Audit Commission criticised the Council's current allocations policy for its complexity and lack of transparency for applicants.

#### 6. Current Situation

At present the Council allocates properties via HomeOption, the choice based lettings scheme (CBL) and applicants are prioritised using a points based system. The current points system is complex and can be open to interpretation. Consequently it can lack transparency making it difficult for applicants to understand.

- The current points scheme can also, by the way it is structured, give a perverse incentive to applicants to become homeless as a way of being rehoused more quickly. There is currently little incentive for potentially homeless people to consider alternative housing options and consequently applicants who have genuine housing need and have been on the register for some time can regularly lose out to people who have only just joined the register.
- The current demand for social rented housing is high which translates to pressures on the housing register. There has been an increase in

Author: Roz Millership Version date: 1 June 2010 households in urgent housing need who are affected financially by the economic downturn.

#### 7. Alternative System

The alternative to a points based system is a banding system, where applicants are placed in bands according to housing need by specific criteria. Applicants are then prioritised within the band by date of application. Banding systems are generally speaking simpler for applicants to understand and simpler for housing authorities to operate.

### 8. Statutory Guidance

On 31 July 2009, Communities and Local Government issued a consultation paper regarding the Allocation of Social housing. The consultation paper was called "Fair and flexible - Draft statutory guidance on social housing allocations for local authorities in England" – Subsequent Statutory Guidance was published on the 4 December 2009.

This guidance strengthens councils' freedom to prioritise specific local needs alongside those households who are in 'reasonable preference'. In some areas this will mean giving more priority to people who have been on waiting lists for a long time or more priority for people with strong local connections to rural areas.

#### 9. Consultation

Consultation was carried out to ensure that local residents were involved in the debate on a new allocations policy and that their views were captured. The results are reflected in proposed changes to the policy.

Consultation was launched on the Council's website, local radio station and local press. Everyone on the housing waiting list was invited to drop in sessions. Parish Councils, Housing Associations and the Tenants' Forum were also invited to participate in formulating a new policy.

The feedback from the consultation was that generally people felt that the current Allocation Policy was not fair, this is because customers commented that they want more priority to be given to waiting time, and more priority to be given to those customers with a local connection.

### 10. Summary

Any change to the Allocation Policy must ensure that the needs of vulnerable and hard to reach groups are addressed, and the Council's statutory obligations are met. The Allocation Policy must be delivered in a transparent way to ensure it is fair, and seen to be fair.

A summary of the main proposed amendments to the Allocation Policy are:

- To change to a banding system
- Give more priority to the length of time that people have been on the housing register.

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- Strengthen the qualifications for local connections
- Amend occupancy levels so that couples and single people with 2 children of the opposite sex are eligible for a 3 bedroom property regardless of the ages of the children
- Allow pregnant applicants to express interest in 2 bedroom accommodation when their pregnancy is over 24 weeks
- Introduce a sensitive lettings approach to new developments

The proposed scheme follows 5 months of consultation and has been approved by the HIWG and Tenants' Forum and Council's legal team. It has been equality impact assessed to ensure that it meets the needs of vulnerable and hard to reach groups.

The proposed changes will meet the needs, demands and aspirations of local people, whilst also giving priority to those in the greatest housing need.

# **Risk Analysis**

11.

Risk	Likelihood	Impact	Mitigating actions
Council does not have a legal allocations policy	1	3	Document has been checked by legal team
The allocations policy does not comply with the current statutory guidance and legislation	1	3	Introduce new allocations policy that has been fully consulted on and complies with current statutory guidance and legislation

- 1 = Little or no risk or impact
- 2 = Some risk or impact action may be necessary.
- 3 = Significant risk or impact action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.

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