

## **Housing Allocation Scheme Review**

<b>Final Decision-Maker</b>	Communities, Housing and Environment Committee
<b>Lead Head of Service</b>	John Littlemore – Head of Housing and Community Services
<b>Lead Officer and Report Author</b>	Tony Stewart – Homechoice and Strategy Team Leader
<b>Classification</b>	Public
<b>Wards affected</b>	All

### **Executive Summary**

The Housing Allocation Scheme was amended in April 2020 to support the Council's strategic objective of supporting early homelessness prevention, encouraging households to remain in their current accommodation and avoid the use of temporary accommodation whenever possible. The amendments were agreed for an initial trial period so that the effectiveness of the changes could be assessed.

This report summarises the results of the changes that were implemented and recommends that the temporary amendments are made permanent. Other sections of the scheme have also been revised so that it remains compliant with current legislation.

Significant policy changes to the Allocation Scheme must be approved by the relevant Committee.

### **Purpose of Report**

Decision.

### **This report makes the following recommendations to this Committee:**

1. That the Communities, Housing & Environment Committee agrees the proposed changes to the Council's Allocations Scheme set out in Appendix A to this report and incorporated into Version 2.2 of the Allocation Scheme attached as Appendix B to the report.

### **Timetable**

<b>Meeting</b>	<b>Date</b>
Communities, Housing and Environment Committee	2 November 2021

# Housing Allocation Scheme Review

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
<b>Impact on Corporate Priorities</b>	The Housing Allocation Scheme assists in the delivery of the council's corporate priorities. We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aims as set out in section 4 (preferred alternative).	Head of Housing and Community Services
<b>Cross Cutting Objectives</b>	The report recommendations support the achievements of both the 'Health Inequalities are addressed and reduced' and 'Deprivation and Social Mobility is improved' cross cutting objectives by ensuring that the Council has an Allocation Scheme that treats all applicants fairly and that access to social housing supports the needs of residents.	Head of Housing and Community Services
<b>Risk Management</b>	The risks associated with this proposal have been set out in the body of the report	Head of Housing and Community Services
<b>Financial</b>	The amendments made to the Allocation Scheme from April 2020 have contributed to the reduction in spend on temporary accommodation.	Section 151 Officer & Finance Team
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Head of Housing and Community Services
<b>Legal</b>	The amendments to the scheme ensure that it is consistent with current Government Guidance and complies with the Housing Act 1996.	Legal Team
<b>Privacy and Data Protection</b>	Accepting the recommendations will ensure that the Allocation Scheme is compliant with current regulations.	Policy and Information Team

<b>Equalities</b>	An Equalities Impact Assessment was undertaken as part of the amendments being implemented in April 2020.	Policy & Information Manager
<b>Public Health</b>	The aim of the proposed changes is to reduce the need for temporary accommodation, which in turn will provide for better health and well-being for residents who find themselves threatened with homelessness.	Public Health Officer
<b>Crime and Disorder</b>	The recommendations will have a no impact on Crime and Disorder.	Head of Housing and Community Services
<b>Procurement</b>	N/A	Head of Housing and Community Services

## 2. INTRODUCTION AND BACKGROUND

- 2.1 Nominations made by the Council to housing association vacancies are governed by Part 6 Housing Act 1996 (as amended). The Act requires that nominations may only come from the Council's Housing Register and the Act provides the framework that sets out who can join the Housing Register and how priority is determined between applicants. The Council's interpretation of the framework legislation must be set out in a document adopted by the Council and called an Allocation Scheme. The adopted Allocation Scheme must be published and available upon request.
- 2.2 The Council's Housing Allocation Scheme is designed to ensure that access to subsidised housing supports the needs of residents, the corporate aims of the Council and reflects current legislation.
- 2.3 The previous version of the Allocation Scheme was introduced in 2013. The policy was designed to make best use of the limited stock available and awarded additional priority to applicants in work or who assist the local community in other ways, such as serving in the Armed Forces or undertaking voluntary work.
- 2.4 Minor amendments to the Allocation Scheme can be made with the agreement of the Director of Regeneration and Place in consultation with the Chair and Vice-Chair of the Communities, Housing & Environment Committee. Several minor amendments have been made since the policy was introduced in 2013.
- 2.5 The Homelessness Reduction Act, which was introduced in 2018 and the enhanced homelessness prevention service within the Housing and Inclusion Team meant that more significant changes to the scheme were required, which needed to be agreed by the Communities, Housing and Environment Committee.
- 2.6 The proposed amendments to the scheme were agreed by the Committee in February 2020 to be implemented from 1 April 2020 for an initial trial period to gain an understanding of the effect of the changes. However, due to the onset of the Covid-19 pandemic and the introduction of the 'Everyone In' initiative, the effectiveness of the changes could not begin to be measured until August 2020.
- 2.7 The main aims of the changes to the Allocation Scheme were to, *'encourage households to remain in their current accommodation and avoid the use of temporary accommodation whenever possible.'* To enable this objective to be achieved several amendments were introduced.
- 2.8 Eligible households who are owed a Homelessness Prevention Duty are placed in 'Band C – Community Contribution and Homelessness Prevention,' whilst households to whom either a Relief Duty or Main Housing Duty is owed are placed in 'Band H – Homeless.' A greater number of properties per applicants are advertised within Band C.

- 2.9 When comparing the period from August 2020 to July 2021 against the period August 2019 to July 2020, there has been a 92% increase in the number of successfully prevented homelessness cases and a 195% increase in the number of these households that secured a Social Housing Tenancy.
- 2.10 The number of households that were placed into temporary accommodation and vacated within the same 12 month period dropped by 27% when comparing the period from August 2020 to July 2021 against the period August 2019 to July 2020. However, there was a slight increase in the average length of stay from 75 days to 80 days.
- 2.11 There has been a decrease of 16% in temporary accommodation costs when comparing the two reporting periods.
- 2.12 There are also some further changes being proposed to other parts of the scheme to clarify and amend some points. These are intended to provide clarity for applicants and officers in applying the scheme based on feedback received from stakeholders and service users.
- 2.13 A table detailing the changes and the reasons for them is attached at **Appendix A**. This includes amending the financial cap for existing social housing tenants in the Borough and raising the cap from £40,000 to £50,000. The cap was originally introduced to discourage applications from households who could otherwise resolve their housing in the open market. The cap was in line with government policy at the time, which was part of the 'Pay to Stay' agenda.
- 2.14 As government policy has shifted, the retention of the cap for existing tenants is no longer felt necessary. Allowing social housing tenants in the Borough to transfer between housing stock will not result in a net loss of social housing accommodation, as they will free up a property that can then be relet. For these reasons the suggestion is to remove the requirement for the small number of existing social tenants that this currently impacts on.
- 2.15 For new applicants it is proposed to raise the gross household income level from £40,000 to £50,000. This reflects that the £40,000 threshold has been in place for a significant period and should be uplifted to reflect that housing costs have increased since the Allocation Scheme was originally adopted in 2013.
- 2.16 A copy of the amended Housing Allocation Scheme version 2.2 is attached at **Appendix B**.

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### 3. AVAILABLE OPTIONS

- 3.1 To adopt the changes set out in Appendix A, as this will encourage households to remain in their current accommodation and avoid the use of temporary accommodation whenever possible, it is proposed that the changes that were introduced in April 2020 for an initial trial period are now made permanent. And to approve the other amendments in order to ensure

that the Allocation Scheme is compliant with recent regulatory changes and remains a relevant and understood document for officers and applicants alike.

- 3.2 **Option B** – Do not accept all or some of the proposed changes to the scheme as stated Appendix A. This is not recommended as monitoring of the amendments introduced in 2020 has shown them to be effective in achieving the desired aims and the Allocation Scheme will not be up to date with the amendments required to ensure that it remains relevant and compliant with current legislation.

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#### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 It is recommended to accept the proposed amendments to the Housing Allocation Scheme as detailed in Appendix A of this report.
- 4.2 Accepting the preferred recommendations will assist homeless prevention and will ensure that the scheme continues to remain relevant and up to date with current housing policy.

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#### **5. RISK**

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.
- 5.2 The change in adding prevention cases to the new Band C and reducing the number of direct lets to applicants in temporary accommodation has not led to a significant increase in the length of stay in temporary accommodation for households and has not resulted in additional costs to the Council because of the need for more nightly paid temporary accommodation.
- 5.3 Regular monitoring of the key indices of success of the temporary amendments made in 2020 have been undertaken and added to the dashboard on homelessness activity.

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#### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 The current Housing Allocation scheme was introduced in 2020. The scheme was devised after an extensive consultation process with both internal and external stakeholders.
- 6.2 If the recommended proposals are accepted by the Communities, Housing and Environment committee, the Council is under a statutory duty to

provide a copy of the proposed amendments to every housing association with whom the Council has a nomination agreement and to afford them a reasonable period in which to comment on the amendments.

- 6.3 Previously, the changes made to enable the 12 month pilot to progress were universally welcomed by our housing association partners. However, if negative responses are received from our housing association partners, these will be reported to the next available meeting of the CHE Committee.

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## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 Upon agreement of the proposed recommendations and after consultation with our main housing providers, all relevant stakeholders will be issued with the updated scheme. The updated Housing Allocation scheme will also be published on the Councils website.

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## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix A: Housing Allocation Scheme – Table of Amendments
- Appendix B: Housing Allocation Scheme version 2.2

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## **9. BACKGROUND PAPERS**

Homelessness Reduction Act 2017

Housing Act 1996

Housing Allocation Scheme Review – Communities, Housing and Environment Committee Report - February 2020