

# REPORT TO CABINET

**REPORT OF: HEAD OF HOUSING AND NEIGHBOURHOOD SERVICES**

**REPORT NO: HNS02/13**

**DATE: 4 MARCH 2013**

<b>TITLE:</b>	Allocations Policy	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key Decision – potential to affect residents of all wards	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION :</b>	<i>Cllr Terl Bryant, Portfolio holder for Good Housing</i>	
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<b>INITIAL IMPACT ANALYSIS:</b>	Carried out and Referred to in paragraph (7) below	Full impact assessment Required:
<b>Equality and Diversity</b>	<i>Completed 12.02.13</i>	<i>No.</i>
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Your Council and Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	Stage 1 Equality Assessment: <a href="http://moderngovsvr/ieListDocuments.aspx?CId=164&amp;MId=2803&amp;Ve r=4">http://moderngovsvr/ieListDocuments.aspx?CId=164&amp;MId=2803&amp;Ve r=4</a>	

## **1. RECOMMENDATIONS**

It is recommended that Cabinet:

- a) Note the outcomes to date of the consultation process;
- b) Approve the the revised allocations policy

## **2. PURPOSE OF THE REPORT**

To present the draft Allocations Policy for approval.

## **3. DETAILS OF REPORT**

### Consultation

The draft policy has been prepared following consultation with councillors, customers and partners. At the Housing Consultation event on 5 December 2012 we consulted representatives of partner agencies, including Registered Providers, support providers, police, tenants and others. Communities PDG have had the opportunity to influence content of the policy at their meeting in January 2013 and consultation has also taken place with the Community Focus Forum. A random sample of tenants and prospective tenants has been consulted through a postal survey. The questions we asked all parties were around the key principles of :

1. Local connection- How do we want to define 'local connection'? Should priority be given to local people?
2. Should we aim to meet housing aspirations or only urgent need?
3. Do we want to reward economic or community contribution?
4. How do we want the scheme to operate? Should we move away from a 'points' based scheme to a banding scheme?

Feedback received from the events and groups are attached at appendices 1 to 3.

Broadly there was support for giving some priority to local households, but not totally excluding those without a local connection. The recommended policy outcome is as follows:

- A requirement that an applicant has lived here for 6 of last 12 months or 3 of last 5 years, to be given priority based on housing need
- Applicants without a local connection will be accepted but placed in the proposed 'band 4' of a system revised to use banding rather than points
- Those with a connection through family may be given priority based on housing need

Generally, consultees thought we should focus on meeting priority need, but that applications from those with no identified housing need should continue to be accepted. As a result, such applications will be registered, but placed in the lowest band.

Consultees considered that rewarding economic contribution with greater priority on the housing register may have advantages, but there were concerns about negative impacts on those not in work, or unable to make a 'community contribution' through no fault of their own.

Communities PDG were not in favour of rewarding community contribution, their views being based on the difficulty of defining the type and level of contribution to reward.

The recommended policy outcome is as follows:

- Include 'employment' as a ground for having a local connection, with a requirement, where this is the basis for establishing local connection, of 12 months employment in the district prior to granting the 'local connection'
- Include hardship as a result of costs of getting to work within the 'welfare' categories

The Communities PDG were supportive of moving away from a points based scheme, to a banding scheme, on the grounds that it can offer us a more transparent way of explaining the policy and priority for housing.

We have shared the draft policy document with Registered Providers to allow them the opportunity to review and make comment, as required by legislation. Feedback received and our response is included at appendix 4.

The draft policy has been discussed by the Housing Steering Board and approved for recommendation to Cabinet.

The key differences between the current and draft policies are:

- Households with no local connection to the district will not have their housing needs assessed and will be placed in the lowest band. Currently such households can be awarded priority based on their housing circumstances.
- Priority for 'keyworkers' does not feature in the draft policy as it does in the current policy. The current definition of 'keyworker' includes public sector workers. It was agreed during consultation with Communities PDG that such households do not require greater help accessing affordable housing than other households.
- The draft policy reduces the variation in grades of priority and focuses on housing needs; the draft policy does not award priority for matters unrelated to housing need, such as low level medical problems, or old age.
- The draft policy proposes a banding scheme, rather than a points based one. The policy sets out in each 'band' descriptions of the housing circumstances which would warrant a household being placed in that category. It is the hope that this will help applicants to recognise more clearly how their housing circumstances have been assessed, and also the relative priority they have. For example, an applicant placed in band 4, would understand that they have low priority, compared to higher bands.

The table below illustrates some of the differences between the current and draft policies in how applications are assessed.

<b>Case example</b>	<b>Draft 'banding' policy</b>	<b>current points based policy</b>
Applicant with local connection awaiting accessible or supported accommodation before they can be discharged from hospital	Emergency band	50 local connection 300 severe medical points 150 discretionary points Total= 500. very high priority
Homeless household to whom the council has accepted a legal duty to accommodate	Emergency band	550 points awarded: 500- homelessness 50- 10 years + residency Total= 550 points, very high priority
RSL tenant with local connection wishing to move to a smaller property	Band 3	50 local connection points Very low chance of an offer
Family with local connection living in overcrowded situation lacking one bedroom	Band 2	400 points awarded: 50 local connection points 350 overcrowded Total= 400 points, realistic chance of an offer
Family overcrowded, and sharing with friends having given up a tenancy which was suitable for them	Band 4	350 overcrowded 50 local connection Total= 400 points, realistic chance of an offer

The similarities between the current and draft policies include:

- A commitment to meeting housing needs, and prioritising reasonable preference groups
- Acceptance of applications from people with no identified housing needs

Policy testing

We have compared the assessment of samples of applications using the current and draft policy. Observations are that:

- The draft policy more transparently gives highest priority to homeless households which we have a duty to accommodate
- The draft policy more clearly links priority to housing need. The discretionary award of points for circumstances not linked to housing will end, which may mean that a few households may see priority reduced significantly

- In the draft policy the effective date of applications within bands becomes more critical as there are fewer variations in priority.

### Implementation

It is envisaged that a project group will be established to assist implementation of the revised policy, once approved by Cabinet. Matters to consider are IT/database requirements, review of application forms and advice material, and timescale. Initial discussions have been held with ICT Support to identify key implementation activities and timescale. An implementation timetable of three months would seem appropriate at this stage.

#### **4. OTHER OPTIONS CONSIDERED**

None: it is a legal requirement that the Council has a policy for the allocation of its housing. Retaining the points scheme or moving, as recommended, to a banding scheme are the only options to have been considered.

#### **5. RESOURCE IMPLICATIONS**

There are no direct resource implications resulting from this recommendation. If approved, the implementation project may identify resources requirements which will be managed in accordance with the project management framework.

#### **6. RISK AND MITIGATION**

Risk has been considered as part of this report and any specific high risks are included in the table below:

<b>Category Risk</b>	<b>Action / Controls</b>
None	None

#### **7. ISSUES ARISING FROM IMPACT ANALYSIS**

An equality assessment was carried out on 12.02.13 and there are no issues arising from that assessment. A stage 3 assessment will be completed six months following implementation to establish whether there have been any unforeseen outcomes of the policy for equalities groups.

#### **8. CRIME AND DISORDER IMPLICATIONS**

There are no direct implications resulting from this recommendation.

#### **9. COMMENTS OF FINANCIAL SERVICES**

There may be some financial implications linked to the ICT implementation of this policy. Although funding has not yet been quantified it is anticipated that the implementation costs will be modest and managed within existing resources.

## 10. COMMENTS OF LEGAL AND DEMOCRATIC SERVICES

Subject to the provisions of the Housing Act 1996 (the Act), a housing authority may make such provision for the allocation of housing in such a manner as it considers appropriate. The Act requires that every authority shall have a scheme for determining priorities and the procedure to be followed in allocating housing accommodation.

## 11. COMMENTS OF OTHER RELEVANT SERVICES

None.

## 12. APPENDICES:

APPENDIX NO.	TITLE
1	Communities PDG 10.01.13 Feedback
2	Stakeholder consultation feedback 5 December 2012
3	Housing Strategy Survey Results 31 January 2013
4	Feedback from Registered providers and our response
5	South Kesteven District Council Allocations Policy DRAFT

## **Appendix 1**

### **Communities PDG 10.01.13**

#### **Feedback**

#### **Allocations Policy**

##### **1 Local Connection**

Consultees were keen that something like the status quo should continue- that applicants with family resident in the area, or those who have lived here previously, might have the opportunity to return. The particular value of family connection in rural areas was referred to. Continued acceptance and registration of applications from those with no assessed housing need for a particular locality was supported, reflecting the fact that we might sometimes have low demand properties to let.

##### **2 Housing need v housing aspirations**

Consultees were of the view that, whilst the primary aim is to address housing needs, there should be continued acceptance and registration of applications from those with no assessed housing need; reflecting the fact that we might sometimes have low demand properties to let.

##### **3 Rewarding economic or community contribution**

Consultees did not want to include 'voluntary contribution' as a basis for granting additional priority as this is considered too difficult to evaluate and manage.

Consultees were uncertain about rewarding 'work', mindful of the practical difficulties of achieving a fair scheme and concerned about the message it might give to those who have recently lost jobs or are struggling to find work.

##### **4 Change to scheme type**

Consultees supported moving to a 'banding scheme', rather than retaining a 'points scheme'; largely based on extensive discussion they have had on this in recent years.

## **Appendix 2**

### **Stakeholder consultation event**

**5 December 2012**

#### **Summary of feedback**

Stakeholder representation from wide range of agencies provided us with the following feedback:

#### **Allocations Policy**

Stakeholders were asked to consider the following questions:

#### **Should applicants with no local connection be accepted onto the register, and if so, should they have any priority?**

Stakeholders considered that applicants with no local connection should be accepted on to the register, but that consideration should be given to other factors, including their housing history, support needs and previous tenancy conduct when assessing applications. Stakeholders recognised that there is a need to manage expectation and avoid excessive burden in managing the housing register.

#### **Should we aim to meet housing aspirations or only housing need?**

Stakeholders thought that those in greatest housing need should be prioritised. It was also considered that previous unacceptable behaviour should be taken into account when assessing applications and that greater use should be made of mutual exchange for existing tenants who are not in housing need.

Stakeholders further considered that, where possible, the wider impact on sustainable communities should be taken into account; recognising the contribution made to the achievement of mixed, sustainable and thriving communities by the economically active. No prescriptive mechanisms for achieving this were suggested for inclusion in the policy framework.

#### **Question- should we try to reward economic and community contribution in some way? How might we do this?**

Stakeholders considered that the policy should have some regard for economic contribution, but qualified this support with concerns that those not working through no fault of their own should not be disadvantaged.

There were concerns that transport to work should be taken into account (referring to poor transport links in rural areas); helping people to move to towns where there is more likely to be employment.

Stakeholders recognised the challenge of taking such an approach- almost a moral or means tested approach to allocations – and no prescriptive mechanisms for achieving this were suggested.

### Appendix 3

#### Housing Strategy Survey Results 31 January 2013

The Housing Strategy survey, including questions relating to the Allocations Policy, was sent to a random selection of 1450 current tenants and 1000 randomly chosen housing register applicants. 11.9% (292) surveys have been returned.

<b>Question</b>	<b>No who answered question</b>	<b>Yes</b>	<b>No</b>
Do you think someone should be living, working or have family in the area to be accepted onto the housing register?	284	81.7%	18.3%
Do you think we should only accept housing applications from people who have a priority need to move home?	276	60.5%	39.5%
Do you think we should give additional priority to people who are working or have an offer of employment in SK?	267	67.4%	32.6%

## Appendix 4

### Feedback from Registered Providers.

Providers of social housing in the district were given the opportunity to comment on the draft policy document.

Comment	Response
<p>you may want to clarify in the four bedroom house eligibility that if a person has four children they may not necessarily qualify for a 4 bed house as the children can share two to a room so it depends on the sexes and ages of the children.</p>	<p>Suggestion accepted. Guidance on who 3 bedroom houses may be offered to (section 10 of policy) amended.</p>
<p>band 3 seems a little low for under-occupying social housing tenants as if they are affected by bedroom tax they may well be in such financial difficulty as to be in serious need of a move (although I appreciate the statement that there is a lack of properties).</p>	<p>The suitable banding for such households in all social housing has been carefully considered. At present the Council is developing plans for how it will support council tenants affected by reductions in housing benefit as a result of under occupation. Plans will include support to enable mutual exchanges. Priority for downsizing has been extended to include all social housing tenants, not simply council tenants. At present we do not know what the demand is likely to be; should every affected tenant make an application to move, we could not meet the demand. There are many households in private rented accommodation also managing situations where they have to 'top up' the rent if housing benefit does not meet the total costs. The situation will be monitored, and upon policy review after 12 months the impact of the policy decision will be assessed.</p>
<p>Would we consider offering 3 bedroom homes to households with 2 children of same sex where one is over 16</p>	<p>Yes- policy states <i>Where there is low demand for a particular property the Council will use its' discretion in identifying potential suitable tenants.</i></p>
<p>Nominations- where SKDC policy differs from the receiving Registered Provider, what would happen?</p>	<p>Sentence included in nominations section stating that in making nominations we will have regard to that provider's allocations policy.</p>
<p>Will we consider reviewing nominations arrangements/agreements for making nominations within specified time periods etc</p>	<p>Yes- we can include in the implementation project brief, as it will link in to our internal processes</p>