

Report to: Executive
Date: 27 November 2007
Report of: Executive Member for Housing
Subject: Review of Housing Allocation Policy
Ward: All

1.0 Purpose of Report

1.1 The report seeks Members approval on proposals to amend the Council's existing Housing Allocation Policy, to facilitate the introduction of a Choice Based Lettings scheme in April 2008.

2.0 Consultation

2.1 In preparing the report I have consulted with East Durham Homes (EDH), existing EDH tenants and all current applicants on the Housing List who might be affected by the proposed change. Applicants were invited to attend a surgery to discuss their concerns. Overall feedback was very positive from those who attended and indicated a preference for this type of consultation.

2.2 Further consultations have included the Monitoring Officer, Registered Social Landlords operating in the area, the East Durham LSP Housing Group and the Housing Strategy Group.

3.0 Background

3.1 In June 2006 the Council agreed to move towards the introduction of a Choice Based Lettings scheme, as part of a county wide approach in line with Government's target for all authorities to introduce Choice Based Lettings by 2010. The aim of a CBL scheme is to empower people living in the social rented sector to exercise more choice when making decisions about where they live, which in turn will help to create more sustainable local communities

3.2 Some minor changes to the Council's Housing Allocation Policy were approved in July 2006 with the agreement to carry out a more comprehensive review in advance of the introduction of CBL in April 2008. This report is the result of the comprehensive review.

4.0 Review of the Housing Allocation Policy: Housing Need & Allocation Groups

4.1 All aspects of the current Housing Allocation Policy have been reviewed to ensure we have the most effective policy in place to operate Choice Based Lettings. Compliance with the Government's 'Choice Based Lettings Code of Guidance' has been taken into account, along with the recommendations relating to the Allocations and Lettings Service from the July 2007 Audit Commission ALMO inspection report for East Durham Homes.

Item no.

Assessment of Housing Need

4.2 The Housing Act 1996 as amended by The Homelessness Act 2002 states that “Housing allocation policies must be framed to give reasonable and additional preference to certain groups of people”. These ‘statutory preference groups’ are set out in the code of guidance and include:

- Homelessness
- Unsatisfactory Housing/Overcrowding
- Medical or Welfare grounds
- Hardship – e.g. financial
- Others – including Domestic Violence & Urgent Medical Cases

4.3 There are no changes proposed to the priority given to applicants in these groups.

Use of Allocation Groups

4.4 The existing policy uses three main Allocation Groups (sometimes referred to as ‘Bands’) and a quota-based allocation system to ensure that priority is given to the statutory groups outlined in para 4.2 above. It also gives some priority to other groups of people to help with local circumstances, such as young people living with parents or people leaving areas under going physical renewal such as ‘Regeneration Areas’. The use of additional ‘local priority’ circumstances ‘ is in line with the Government’s Code of Guidance.

4.5 Appendix 1 illustrates the existing allocation groups, the number of applicants currently registered in each group and brief details of how the quota system operates.

4.6 The ‘Code of Guidance for Choice Based Lettings’ recommends that authorities operate a policy that distinguishes between four broad bands linked to the statutory preference groups. Applicants awarded the ‘local priority’ status though cannot be placed in the same allocation group as those applicants who meet the criteria of the statutory preference groups.

4.7 From the review of the current policy it is evident that the existing allocation groups do not fully comply with the Code of Guidance. Further, the Audit Commission ALMO inspection report of July 2007 highlights, that the policy needs to be more transparent in relation to the operation of allocations from the B group. Customer feedback has also indicated that the current system can be confusing.

4.8 It is therefore proposed to restructure the allocation groups and to amend the allocation quotas across the groups to ensure transparency and fair and equitable practice. Appendix 2 illustrates the existing groups and the proposed groups and outlines the changes. Appendix 3 outlines the proposed allocation groups, includes examples of people in the groups and the attached quotas in terms of percentages. These percentage quotas will be monitored and reviewed regularly and amended accordingly.

Homelessness

4.9 Households accepted by the Council, as statutory homeless will be offered the opportunity to register with the choice based lettings scheme and will qualify for entry into Group B. This status will apply for a three-month period, during which time EDH will attempt to allocate them a property to enable the Council to discharge the duty under the homelessness legislation. In the event that the homeless applicant

Item no.

refuses a reasonable 'offer' at the end of this period, they will effectively be transferred into Group C.

- 4.10 Where statutory homeless applicants have a previous history of significant rent arrears or anti-social behaviour, their application will be deemed as not eligible for the choice based lettings scheme. Accommodation will then be provided on a temporary basis and the situation monitored.

Older Persons' Accommodation

- 4.11 The existing policy includes an entitlement chart that sets out the type of accommodation applicants qualify for in line with their housing needs. The existing chart does not cover all older persons accommodation, an issue highlighted as a weakness in the Audit Commission ALMO inspection report. Appendix 4 sets out the revised detail for household entitlement for Older Persons Accommodation under the new policy framework.

The Provision of Support Services

- 4.12 There are a number of support schemes available for different client groups: young people, people with a learning disability, teenage parents, offenders, people involved with substance misuse, people with mental health problems and people suffering domestic violence. It is proposed under choice based lettings that where an applicant is successful in securing a property and requires support, the Council's Coordinator of the support schemes will identify a suitable support provider.

5. Review of the Housing Allocation Policy: Operation of Choice Based Lettings

- 5.1 While the Allocations Policy sets the framework for housing allocations, Choice Based Lettings is the mechanism through which vacant properties will be allocated within the framework.
- 5.2 Under Choice Based Lettings, it is proposed that available properties will be 'advertised' through a number of channels including local press, the East Durham Homes website, 'Property Shops' within the EDH Customer Outlets in Murton and Peterlee, and a number of community outlets such as shops, community centres, health centres, etc. People who have already been accepted onto the housing register will be able to 'apply' for these advertised properties.
- 5.3 Each property will be 'labelled' as to which allocation groups will be given preference, as per the revised allocation policy set out in section 4 above. In the event of a number of qualifying households from the same Allocation Group bidding for the same property, the allocation will be made by the earliest date of registration.
- 5.4 Information will be published on a regular basis with details of properties let through CBL and will identify the allocation group, date of application and household make up of the applicant awarded that property. This will provide a more transparent system and give applicant's an indication as to how long they might wait for a property in different areas across the District.

Exceptions to CBL: Direct Lets

- 5.5 In certain exceptional circumstances a property may be allocated directly to an applicant without it being 'advertised' through the CBL process. Such cases will be agreed via a Senior Officer Panel and subject to authorisation by the Director of Operations from East Durham Homes.

Nominations to Registered Social Landlords

- 5.6 Nomination arrangements are in place with four Registered Social Landlords (RSL) operating in the District. Under this arrangement, between 50% - 100% of their lettings currently go to households on the Council's housing register.
- 5.7 Under Choice Based Lettings it is proposed for this arrangement to continue and for available RSL properties to be advertised along with Council properties and allocated in line with the proposed revised allocations policy.

6.0 Implications

6.1 Financial

The financial implications of introducing the new policy and choice based lettings scheme will be met from existing budgets.

6.2 Legal

The proposed changes to the allocations policy are required in order to comply with existing legislation and the code of guidance.

6.3 Policy

If the policy is approved this will be adopted as the new policy for housing allocations and choice based lettings from April 2008.

The overall aims of the policy are to maximise opportunities for mobility among tenants of social housing, increase choice and to work with other providers to make best use of affordable housing from all sources to meet need.

6.4 Risk

A risk assessment has been carried out and actions implemented to minimise the risk.

6.5 Communications

A communication strategy has been produced for the implementation of choice based lettings to ensure customers and all partnering agencies and Council members are kept informed.

7.0 Corporate Plan and Priorities

- 7.1 The introduction of a choice based lettings scheme will help deliver one of the aims included in the Council's emerging housing strategy, 'to ensure the type and mix of existing housing provides choice and meets housing needs and demands'. The introduction of a Choice Based Lettings Scheme links to the Council's corporate objectives: Decent Homes for All and Quality Services for our People.

7.2 Equality and Diversity

A sub group of people meet regularly to ensure there are mechanisms in place to provide support for vulnerable groups engaging with the choice based lettings scheme. Equality and diversity issues are addressed as part of the work of this group.

7.3 E- Government
Two IT systems will be used to operate the CBL scheme.

7.4 Procurement
There are no procurement implications

8.0 Recommendations

8.1 Members are requested to agree the recommended changes to the housing allocation policy and the introduction of a Choice Based Lettings process for allocating available properties as outlined in the report.

8.2 Members to receive a further report setting out any operational issues after six months of implementation of these policy changes.

Background Papers

The following papers and documents have been referred to:

1. Report to Executive 24 February 2004: *Choice Based Lettings*
2. District of Easington Housing Allocation Policy version 3 October 2006
3. Communities and Local Government Allocation of Accommodation: Choice Based Lettings (Consultation Document)
4. Audit Commission inspection report of East Durham Homes July 2007
5. Housing Allocation Policies from Your Homes Newcastle, Blyth Valley Housing, Three Rivers Housing and Cambridge City Council.

Item no.

Appendix 1: Existing Allocation Groups and Numbers of Applicants in Each Group as at September 2007.

Group A
(Special Applicants)
Includes Urgent Medical,
Regeneration areas and
Supply and Demand
46 Applicants

Group B
(Urgent Need)
Homeless
Applicants
7 Applicants

Group B
(General Housing
Need)
2642 Applicants

Group B
(Community)
56 applicants

Group C
(No Housing Need)
1128 Applicants

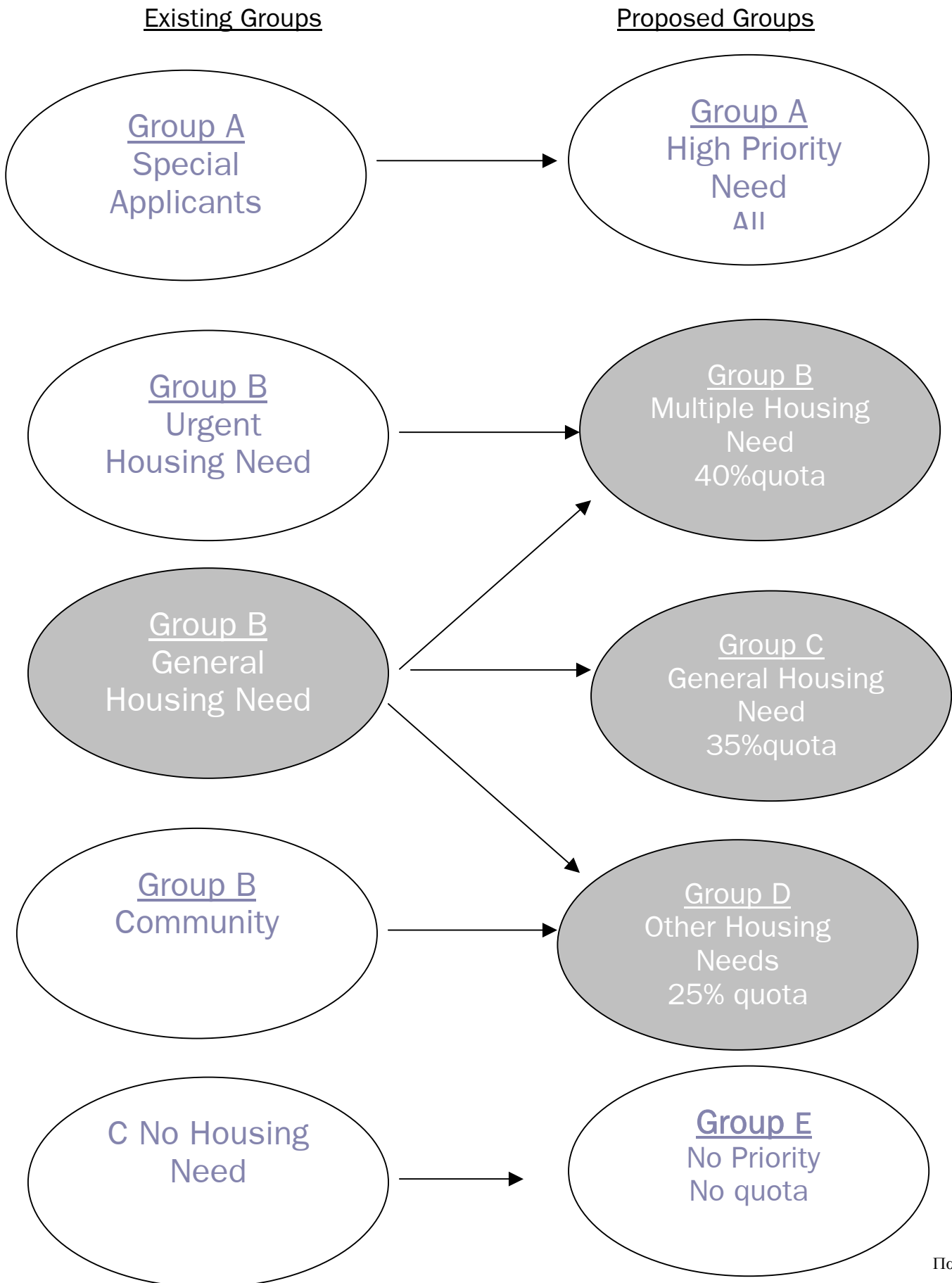
How properties are allocated

All properties are allocated to Group A in the first instance and then a quota system is operated across the three B groups via the computer system.

This means that the system is set up so that 33% of allocations are automatically assigned to each B allocation group. However, monitoring of actual lettings shows that over 70% of lettings since the policy was introduced have gone to the B Housing Need group, as this is the largest group and the other two are unable to fulfil the 33% quota requirement.

Properties are only allocated to applicants within Group C if there are no applicants in A or B who wish to accept the property.

Appendix 2: Existing and Proposed Allocation Groups (Shaded area shows those applicants who will be affected.)



Appendix 3: Proposed Changes to the Allocation Groups – Examples of households

Allocation Group	Qualifying Criteria
<p>A High Priority Need</p> <p>Applicants within this group are eligible for all properties in the first instance.</p>	<ul style="list-style-type: none"> • Urgent Medical Cases (assessed by an occupational therapist and awarded 10 points or more). • Regeneration Schemes – applicants losing their home due to demolition schemes. • Supply and Demand – where a property is released and can be allocated easily • Two for one - where two properties are released and only one is required.
<p>B Multiple Housing Need</p> <p>Proposing that within the quota system 40% of allocations to this group</p>	<p>People who have <u>multiple</u> housing needs as defined by the following statutory reasonable preference groups.</p> <p>Other than statutory homeless people, applicants qualifying for this priority group must fall into <u>more than one</u> of the reasonable preference groups.</p> <ol style="list-style-type: none"> 1. Homeless people 2. People occupying unsanitary, overcrowded or other wise unsatisfactory housing. 3. People who need to move on medical (assessed as less than 10 points) or welfare grounds. 4. People who need to move to a particular locality to avoid hardship. 5. Applicants owed a homeless duty as a result of violence or threats of violence. These applicants will be given a 6 month backdating to ensure compliance with the law by awarding additional preference
<p>C General Housing Need</p> <p>Proposing that within the quota system 35% of allocations to this group</p>	<p>People who have a single housing need and fall into <u>one</u> of the statutory reasonable preference groups.</p> <p>The following circumstances will also apply to qualify for this group:</p> <ul style="list-style-type: none"> • Non statutory homeless applicants who do not have multiple housing needs • People leaving the armed forces who do not fall within the criteria of the homelessness legislation and have served 5 years or longer or who have been invalidated out. • Families currently living in a 2 bedroomed house with children of the opposite sex over 10 years of age
<p>D Other Housing Needs</p> <p>Proposing that within the quota system 25% of allocations to this group</p>	<p>People who have a housing need but not in line with the statutory preference groups and therefore do not meet the criteria for Group A, B or C.</p> <p>These people will receive priority within the allocation framework to take account of local circumstances and assist the aim of creating sustainable communities. As defined by the code of guidance these people must be shown separately within an allocation framework, examples</p>

Item no.

	<p>include:</p> <ul style="list-style-type: none">• Needing larger accommodation with no other housing need• Wishing to live independently with no other housing need• Relationship breakdown with no other housing need• Positive tenancy – existing council tenants who meet the agreed criteria• People who create local employment or provide local services and need to live in the District
E No Priority	People who are adequately housed and have no housing need

Appendix 4: Proposed Entitlement for Older Persons' Accommodation

Type	Qualifying Criteria
One Bedroom Bungalow	<p>Single applicants with a medical condition subject to assessment</p> <p>Applicants age 60+.</p> <p>(Age limit lowered where demand is low)</p>
One Bedroom Flat	As above
Two Bedroom Bungalow	<p>Applicants who are wheelchair users</p> <p>Couples where there is a medical condition subject to assessment</p> <p>Couples with one or both persons over 60+ (Age limit lowered where demand is low.)</p> <p>Single applicants with a dependant with a medical condition</p> <p>Single applicants with a live in carer (certain number of nights per week)</p>
Two Bedroomed Flats	<p>Couples where there is a medical condition</p> <p>Couples with one or both persons age 60+ (Age limit lowered where demand is low)</p>
Three Bedroomed Bungalow	<p>All applicants with a medical condition with children of the opposite sex age 10 or above.</p> <p>All applicants with the need for a carer (certain number of nights per week) and 1 or more children</p>
<p>Six Sheltered Housing Units</p> <p>Donnini House Easington Primrose Court Blackhall Dormand Villa Station Town Robinson House Horden Jubilee Centre Seaham Jubilee House South Hetton</p>	<p>Applicants with a support need subject to assessment and support plan. (Discretion will be applied if demand is low.)</p>

Item no.