

Economy and Enterprise Overview and Scrutiny Committee

14 January 2013



Durham Key Options (DKO) Lettings Policy Changes

Report of Ian Thompson, Corporate Director, Regeneration and Economic Development

Purpose of the Report

- 1 This report is to update the Committee on the changes that have been agreed to the Durham Key Options (DKO) Lettings Policy.

Background

- 2 Durham Key Options (DKO) is a choice based lettings scheme. Choice Based Lettings is a way of enabling people looking for a home to bid for available properties that are advertised in their chosen areas.
- 3 Previous presentations outlining the proposed changes to the DKO Lettings Policy, which are in line with the Localism Act 2011 and the Welfare Reform Act 2012 have been given to the Economy and Enterprise Overview and Scrutiny Committee on 29 March and 6 July 2012.
- 4 At the Economy and Enterprise Overview and Scrutiny Committee meeting on the 6 July 2012 Members commented upon the proposed changes to the DKO Lettings Policy, these comments formed the Overview and Scrutiny response and were fed into the ongoing consultation exercise (25 June 2012 – 31 August 2012). In summary the Overview and Scrutiny response was as follows:
 - The Committee agreed that the number of bands be reduced from 9 (A-F) to 5 (A-E).
 - The Committee supported the proposal to establish or make variations in relation to the stated Preference Groups (Priority Transfers, Armed Forces and Positive Contribution) and particularly welcomed the Armed Forces Preference Group as it reflects work undertaken on a regional basis by Overview and Scrutiny examining the health needs of the ex-service community.
 - In relation to the discharge of the homelessness duty, the Committee agreed with the proposal to amend the homelessness duty, reducing the time given to bid for a property within the scheme from 12 to 4 weeks.

- The Committee supported the proposal in relation to vulnerable applicants and the criteria to be used to identify vulnerable groups contained within the report.
 - In relation to the consultation process, the Committee agreed the questions to be asked by Partners, the proposed consultation methods of the housing providers and the work to be undertaken by the Core Team.
- 5 The DKO Policy Subgroup met to work out the details of the changes to be agreed by the DKO board before going out to consultation. Following the consultation the final changes were then reported to Cabinet on 14 November 2012

Agreed changes

- 6 Banding - Currently there are nine Bands into which applicants are placed. These are bands A to F. Band F is reduced priority. Bands A+, B+ and C+ were originally designed to give further priority to some applicants with multiple needs. This was seen by applicants as too complicated and the proposal is to have five Bands only in the future – A to E. Appendix 2 sets out the new banding system.
- 7 Under-occupation - This is a new proposal to give priority to applicants who are under occupying their property in the light of welfare reform which may mean people having to pay top up rent. This will enable partners to make better use of their stock. Band B will be for those under-occupying by two rooms and Band C for those under-occupying by one room.
- 8 Domestic violence - It is proposed to give applicants fleeing domestic violence the same band as other statutory homeless applicants. This would be in Band B. This will not disadvantage these applicants. If there is an emergency or serious incident then, as happens now, there are other measures that can be put in place such as making the house safe, refuge places etc.
- 9 Refusals and No responses - Currently there are no penalties for refusing offers of accommodation or not responding to offers. The new Policy will mean applicants can be removed from the register for a period of six months if they have refused three properties or not responded to three offers within a six month period. It will be up to the applicant to reapply.
- 10 Removals from register - People in Band E (who have 'no housing need') who have made no bids in the previous six months will be removed from the register for a period of six months. It will be up to applicants to reapply to join the list. If an applicant's circumstances change within the six month period they will be able to submit a new application.

- 11 Positive contribution - It was suggested that people who make a positive contribution to the community should be put into Band D. Positive contribution would be linked to skill shortages or voluntary work in County Durham. This was seen as being unfair by consultees and this change will not be made.
- 12 Band F - Band F (the reduced preference band), will be removed. Applicants are put in Band F because of rent arrears, mortgage arrears, rechargeable repairs or unacceptable behaviour. Arrears relate to a wilful refusal to make payments rather than misfortune. Those currently in Band F will be disqualified from the register until signs of change of behaviour are shown over an extended period. Future applicants whose arrears record or behaviour would have led them to be included in Band F will not be considered eligible for inclusion in a band until their record has improved.
- 13 Priority transfer - Previously the Supply and Demand category allowed for the move of tenants who under-occupied their homes. There is now a separate category for under-occupation. Priority transfer will be awarded to tenants of full partners of DKO when they move from a high demand property and the stock in that area is of limited supply to an area of lesser or equal demand. The criteria for determining demand will be decided by each partner landlord and will be published on their websites. The criteria will be reviewed every 6 months. Moves will only be allowed under this band to each partners own stock.
- 14 Armed forces - Additional preference (Band A), will be given to members of the Armed Forces with an urgent medical need and Band B for those members overcrowded. In both cases the additional preference will be given by backdating their date of application by six months. This will also mean members of the Armed Forces will not be identifiable by appearing to have jumped to the top of the list despite having a later date of application. Band C will continue to be awarded for those who are leaving the Armed forces or have left in the preceding five years and who do not fall within the criteria of the homelessness legislation. This is being done in light of new government guidance stating there should be increased awareness for this category of person. It recognises the contribution Durham County Council can make towards rebuilding the Armed Forces Covenant and acknowledges the obligation owed to members of the armed forces and their families.
- 15 Discharge of Homelessness Duty - The homeless duty will be amended so that the time given to bid for a property within the scheme will be reduced from 12 to 6 weeks. The time given to bid for a property within the scheme has been extended as a result of the consultation process from 4 weeks to 6 weeks. The duty will be brought to an end if the applicant secures a DKO offer, a registered provider makes a direct let or a suitable offer of private accommodation is made.

- 16 Applicants who are vulnerable would be able to refuse an offer of private rented accommodation and retain their main housing duty priority. Vulnerable groups would include:
- Those with dependent children subject to care proceedings;
 - Applicants subject to Multi-Agency Public Protection Arrangements;
 - Those with long term disabilities;
 - Those who are elderly or assessed as vulnerable for other special reason;
 - Those with enduring mental health problems;
 - Care leavers
 - Those fleeing domestic violence.
- 17 In allocating accommodation it will be taken into account if the applicant is ill and has the need for an extra bedroom for a carer. Similarly the DKO lettings policy will allow for the needs of foster carers or prospective foster carers and adopting parents to have extra bedrooms. DKO acknowledges that this is not the view taken by DWP so foster carers may find themselves being in the situation of, at times, under-occupying a property and suffering financially for that reason. The CLG Allocations Guidance advises that Discretionary Housing Payment may be available for these applicants.

Further details and next steps

- 18 Cabinet agreed the changes and also agreed that minor changes to the policy could be made under delegated powers by the Corporate Director of Regeneration and Economic Development in consultation with the Portfolio Holder for Housing.
- 19 Officers are working on a rewrite of the Policy document in the light of the changes, together with the procedure manual that sits behind the Policy.

Recommendations

- 20 That Members of the Economy and Enterprise Overview and Scrutiny Committee note the agreed changes to the DKO Lettings Policy.

Background papers:

DKO – Changes to Lettings Policy – 6 July 2012.

DKO – Consultation – 25 June – 31 August 2012.

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Appendix 1: Implications

Finance – There are no financial implications.

Staffing – There are no staffing implications.

Risk - Risks should be minimal as these are minor changes to an existing policy.

Equality and Diversity – An EIA of the CBL scheme has recently been undertaken.

Accommodation - None.

Crime and Disorder - None.

Human Rights - None.

Consultation - Consultation is to be undertaken with key stakeholders.

Procurement - None.

Disability Issues – None.

Legal Implications - Legal implications of the proposed changes have been taken on board in the development of the proposals.

Appendix 2

Band A

Applicants within this band will receive priority for all eligible properties in the first instance as follows:

- Regeneration schemes within County Durham
- Urgent medical reasons
- Priority transfers (full DKO partner only)

In the event of competing bids within this band, regeneration cases will take priority over urgent medical cases and urgent medical cases will take priority over Priority Transfers. If an Urgent Medical applicant also meets the Armed Forces additional preference criteria they will receive a six month priority backdate to give additional preference.

Band B

- Applicants Overcrowded by at least two bedrooms
- Applicants who are under occupying by two or more bedrooms (full DKO partner only)
- Applicants who need to move due to high medical need as outlined in Appendix 2 of this policy
- Homeless applicants – accepted as statutorily homeless with a full duty to be housed
- Applicants living in intensive supported housing where their support plan identifies that they are ready to move on into an independent tenancy
- Care Leavers

If an applicant who is severely overcrowded (by two bedrooms) also meets the Armed Forces additional preference criteria, they will receive a six month priority backdate to give additional preference.

Band C

- Applicants occupying unsanitary, overcrowded (one bedroom short of requirements) or otherwise unsatisfactory housing
- Applicants who are under occupying by one bedroom (full DKO partner only)
- Applicants who need to move due to medical or welfare grounds in accordance with the medical framework for medical priority found in Appendix 2 of this policy
- Applicants discharged from the armed forces within the preceding five years who do not fall within the criteria of the homelessness legislation and have served three years or longer or who have been medically discharged (excluding those dishonourably discharged).
- Applicants who need to move to a particular locality to avoid hardship
- Non-statutory homeless

Band D

- Applicants wishing to live independently with no other housing need
- Applicants needing larger accommodation (outside of the overcrowding criteria) with no other housing need
- Relationship breakdown with no other housing need
- Applicants threatened with homelessness within three months, in order to prevent actual homelessness

Band E

- Applicants who are adequately housed and have no housing need.