

**EXECUTIVE COMMITTEE**

**23<sup>rd</sup> October 2018**

**HOUSING ALLOCATIONS POLICY 2019**

Relevant Portfolio Holder	Councillor Craig Warhurst
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis
Wards Affected	All
Ward Councillor Consulted	Not Applicable
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

- 1.1 The Council's Allocations Policy has been extensively reviewed in order to consider the freedoms and flexibilities of the Localism Act 2011 and to consider how to better prioritise those in housing need and make best use of the limited supply of social housing in the Borough.
- 1.2 This report seeks approval from members to consult residents, housing applicants, partners and other stakeholders on this draft policy for a period of six weeks.

**2. RECOMMENDATIONS**

**The Committee is asked to RESOLVE that**

- 2.1 the draft Housing Allocations Policy 2019 (appendix 1) be consulted upon for a six week period and;**
- 2.2 approve the consultation questions (appendix 2)**

**3. KEY ISSUES**

**Financial Implications**

- 3.1 The current allocations computer system (Civica/Abritas) is old and outdated and the software provider is unable to make any alterations to the system due to its age. The revised policy will require a new computer system and a budget and resourcing this was approved by the Executive Committee on the 17<sup>th</sup> September 2018.

**Legal Implications**

- 3.2 Housing Act 1996 Part 6 (as amended by the Homelessness Act 2002 and the Localism Act 2011) governs the allocation of social housing stock in England. In addition the Homelessness Reduction Act 2017 places a new Prevention and Relief Duty upon local authorities and

**EXECUTIVE COMMITTEE**                      **23<sup>rd</sup> October 2018**

these households are now included in the Reasonable Preference categories for the purposes of allocating social housing.

- 3.3 The Council also had regard to the Allocation of accommodation: guidance for local housing authorities in England produced by the Ministry of Housing Communities and Local Government.
- 3.4 The Council has sought advice from Anthony Collins Solicitors and an independent housing consultant to ensure that this policy is legally compliant.

**Service / Operational Implications**

- 3.5 **Qualification Criteria** - Redditch is an area of high levels of housing need and demand for social housing. It is proposed that a Qualification Criteria is adopted that prioritises households with a local connection to the Borough where the applicant does not fall into a reasonable preference category as defined by the Housing Act 1996 as amended. In determining whether the household has a local connection the Council will agree a connection exists in the following circumstances;
- Where the local connection arises due to residency - applicant(s) must have lived in Redditch Borough for a minimum period of two years or has resided in the Borough for three out of the last five years at the point of application.
  - Where the local connection arises due to employment and the applicant(s) has been in permanent, paid employment for a minimum period in the Borough immediately prior to the application or the applicant(s) has a certified offer of employment in the Borough.
  - Where the applicant(s) has a close family member living in the Borough for a minimum period of three years, immediately prior to the application.
  - Has a local connection as a result of special circumstances.
- 3.6 Local connection for homeless applicants will be assessed having regard to the definition of local connection contained in s.199 Housing Act 1996 as amended and the code of guidance.
- 3.7 In determining permanent employment the Council will give consideration to the Local Government Association guidelines which state that this is employment other than that of a casual nature and will include zero hours contracts.
- 3.8 **Housing Need** - All applicants wishing join the housing register must have a housing need. This will include those applicant(s) with

## **EXECUTIVE COMMITTEE**

**23<sup>rd</sup> October 2018**

Reasonable Preference, those who are under occupying social housing and those covered by the categories outlined under the section relating to the Banding Structure. Applicant(s) not satisfying at least one of these criteria will not be registered and will be offered alternative housing options. Applicant(s) will also be offered the right to request a review of this decision.

Households considered to be in some housing need are:

- In social housing and seeking a transfer.
- Households with low level medical or welfare issues.
- Households who are suffering financial hardship.
- Households in privately rented accommodation that do not have a reasonable preference
- Households who are sharing facilities with other non-related households.
- Households residing in an institution or supported housing scheme e.g. hospital with no access to settled accommodation.
- Households who have insecurity of tenure (those in tied accommodation or lodging).
- Households that are living with family but want to live independently.
- Two separate households wanting to live as one household.
- Households eligible and interested in older peoples accommodation will not need to demonstrate a local connection or a housing need.
- Households eligible and interested in shared ownership properties only.

3.9 **Removing Points within Bands** - The current policy has three bands (Gold, Silver and Bronze) and then points within these bands. It is difficult for applicants and our partners to understand the prospects of applicants being housed. When points are applied it has the effect of producing 22 bands. For example a snap shot of the list in April showed that 1,482 applicants occupied the Silver band of which there were 606 households with only 30 residency points but no identified housing need effectively in band 18.

- 3.10 The Allocations Policy removes the points in bands and applies six bandings numbering 1 to 6. Band 1 for those in the most urgent housing need who will be directly matched to a property and those in Bands 2 – 6 will be able to express an interest in a property by placing a bid on those that are advertised through the Choice Based Lettings property shop.

**Band 1 - Applicant will be Direct Matched to a suitable property–  
(Bidding blocked)**

- Applicants whom this Council has accepted are statutorily homeless and have accepted a duty to re-house under s.193 of Housing Act 1996 (eligible, homeless, priority need, not intentional and with a local connection and the relief duty has come to an end).
- A verified high medical need / disability where the current property has a direct adverse effect on the health of the applicant or a member of their household and when it is unreasonable or uneconomical to adapt the current property to improve the housing situation.
- Accepted on to the supported accommodation 'Move on Scheme'.
- Living in exceptional circumstances.
- Applicants whom are homeless and the Council has a Relief Duty to assist them, have a priority need and would be unintentionally homeless.

**Band 2 - High Housing Need – Applicants will be able to bid on properties that they are eligible for**

- Homeless cases where no statutory duty to re-house (excluding those deemed intentionally homeless).
- Applicants who are likely to be homeless within 56 days and the Council owes them a 'Prevention Duty' or have become homeless and the Council owes them a 'Relief Duty', but will not be eligible for the full re-housing duty.
- Occupying private rented property in a serious state of disrepair; where a Category 1 hazard exists and enforcement action is being carried out (but not for overcrowding and space).
- Social Housing tenants who are under-occupying social rent or affordable rent housing in the Borough.

**EXECUTIVE COMMITTEE**

**23<sup>rd</sup> October 2018**

- Social Housing tenants who are occupying a social housing property in the Borough with major adaptations that they do not need.
- Households suffering with serious overcrowding (2 or more bedrooms lacking) unless deemed to be deliberately overcrowded.
- Households meeting two or more criteria from band 3.

**Band 3 - Medium Housing Need**

- Overcrowding or lacking one bedroom, unless deemed to have deliberately overcrowded.
- Households suffering with some minor disrepair in their privately rented property where an improvement notice has been served for a Category 2 hazard.

**Band 4 - Reduced Banding (with Reasonable Preference)(12 month review)**

- Applicants with a Reasonable Preference as defined by legislation but no Local Connection with the exception of those who are exempt due to their armed forces or care leaver status.
- Households with financial resources above defined limits.
- Households who have deliberately worsened their circumstances to qualify for a higher banding – eg. deliberate overcrowding.
- Households with housing-related debts and debts owed to Redditch Borough Council.
- Households who have committed acts of anti-social or abusive behaviour (including towards Council staff) and other tenancy breaches but not severe enough to have obtained outright possession.
- Households where the Prevention or Relief Duty has ended due to the unreasonable failure to co-operate.
- Households who are deemed to have become homeless intentionally.
- Households who are not bidding for properties that are available and suitable for their needs or successfully bid but then refuse a property that is suitable for their needs.

**Band 5 - Households who do not meet any of the above Reasonable Preference criteria, have a Local Connection under the qualification**

## EXECUTIVE COMMITTEE

23<sup>rd</sup> October 2018

### **criteria or are an exempt group, and have a low housing need including;**

- Households with low level medical or welfare issues.
- Households that are newly forming.
- Households in privately rented accommodation that do not have a reasonable preference
- Households who are suffering financial hardship.
- Households who are sharing facilities with other non-related households.
- Households residing in an institution or supported housing scheme.
- Households who have insecurity of tenure (those in tied accommodation or lodging with family members).
- In social housing and seeking a transfer.
- Eligible and interested in older peoples accommodation will be eligible to apply even where they do not have a local connection.
- Households eligible and interested in shared ownership

### **Band 6 – Reduced Preference for those not in a Reasonable Preference category**

- Households with financial resources above defined limits.
- Households with housing-related debts and debts owed to Redditch Borough Council.
- Households who have committed acts of anti-social or abusive behaviour (including towards Council staff) and other tenancy breaches but not severe enough to have obtained outright possession.

#### **3.11 Reduced Priority**

Households with a reasonable preference will have their banding reduced because of their behaviour or circumstances, at any time. For example tenants who have not paid their rent, or have breached other tenancy conditions, applicants who have sufficient equity or income to resolve their own housing situation or those who have a reasonable preference for housing (as defined in legislation) but do not meet the local connection requirements.

3.12 Households without a reasonable preference will have their banding reduced if they have breached their tenancy conditions by committing acts of anti-social behaviour, not paying their rent or are deemed to have sufficient financial resources to resolve their own housing need.

3.13 Sufficient financial resources are defined as having a household income above £45,000 (excluding those in receipt of means tested benefits), or those households with equity of more than £95,000.

- 3.14 **Bedroom Standard** - Currently applicants are assessed as every child should have their own bedroom and given overcrowding status if two children share a room. We propose that household members are not considered to be overcrowded until the oldest child turns 10 where two children are of the opposite sex. Children of the same sex will be expected to share a bedroom until one of them reaches their 16<sup>th</sup> birthday. This will ensure that the Council is prioritising families in greatest need for larger accommodation, which is in very short supply, and will also bring the policy in line with housing benefit rules which will also prevent applicants being affected by the spare room subsidy.
- 3.15 A senior officer within the Council may exercise discretion in deviating from the Bedroom Standard to increase the number of rooms an applicant requires in exceptional circumstances, for example a disabled child that requires their own room.
- 3.16 **Community Contribution for Key Workers and Volunteers** - The Council wants to recognise the many people who provide key worker services and volunteer in the Borough, for example nurses, social workers and police officers and will award an additional waiting time of six months for those deemed as key workers and volunteers.
- This award will be extended to those who are prevented from taking up key worker or volunteering positions due to disability or those with caring responsibilities.
- 3.17 **Minimum age of applicant raised to 18 years** - Currently anyone aged 16 years or over can apply to register subject to them meeting other eligibility criteria.
- 3.18 The Council proposes to raise the age of registration to 18 years and over with an exception for those leaving care or where there are very exceptional circumstances. Care leavers are given special consideration in order that properties can be identified in time for their 18<sup>th</sup> birthday when they would ordinarily be expected to leave accommodation provided for them by children's services.

**Customer / Equalities and Diversity Implications**

- 3.19 The proposed policy will, within legislative constraints, give priority to households with a local connection to the Borough. It will also be a closed list in that not everyone will qualify to join.
- 3.20 The proposed policy will be more transparent and easier to understand and aligns with welfare reforms so that households are not accommodated in properties where they would be affected by the housing benefit rules and deemed to have a spare room thereby

**EXECUTIVE COMMITTEE**                      **23<sup>rd</sup> October 2018**

having their housing benefit reduced. Some households will no longer qualify for a reasonable preference as they will no longer be deemed to be overcrowded and they may be placed in a lower band than they currently occupy.

- 3.21 The policy will make better use of social housing stock and will result in more families being housed in appropriately sized accommodation.
- 3.22 Applicants will have a better understanding of their position on the register and their prospects of resolving their housing needs through the social rented sector.
- 3.23 Applicants who are key workers and volunteers will be recognised through the award of additional waiting time within their band. Those applicants who are not key workers or volunteers may be unhappy that key workers and volunteers are receiving additional waiting time within their bands and in effect are being accelerated six months in advance of them.
- 3.24 Applicants will have a clear understanding of the consequences of any tenancy breaches through being placed into a demoted band and will be clear about how this situation might be resolved.
- 3.25 Many older people who are not in a reasonable preference housing need are currently occupying a low band within Silver as they only have residency points. Under the new policy these applicants are likely to be placed into Band 5. They may consider this to be a demotion despite having been occupying a much lower position within the silver band.
- 3.26 The Council's housing stock consists of a significant number of two bedroom flats and therefore this accommodation is considered suitable for households with children. Under the new policy it is proposed that the additional preference for children in flats will be removed. This means that households with children in flats will no longer occupy a reasonable preference band should they apply for a transfer. However, the Council will advertise some properties for existing tenants who are not in reasonable preference so that households with children who occupy flats may have an opportunity to move on into houses when they become available. Case law suggests that it would be reasonable to allocate around 5% of properties in this way.
- 3.27 A plan for communications has been developed covering a wide variety of methods including press releases, social media and external and internal communications, relating to an on line consultation survey and an opportunity to take part in a focus group. An invitation to take part will be sent directly to members of Redditch Community Panel and



**EXECUTIVE COMMITTEE**                      **23<sup>rd</sup> October 2018**

Redditch Community Forum. The responses from the survey and focus group will be presented with the final report to members.

- 3.28 The Council has considered equalities legislation in relation to this policy. It is in the process of conducting an Equalities Impact Assessment. The consultation responses will also inform this assessment.
- 3.29 It is envisaged that this policy will be adopted alongside a new system which will encourage on line applications, self-certification and self-service, wherever possible. Checks will occur at application stage and again prior to offer. Whilst it is the applicant's responsibility to notify the authority of any changes in their circumstances, there may be occasions when an applicant has received a priority that they are not entitled to and will not be offered the property. This may lead to some frustration and consequently lead to more complaints.

**4. RISK MANAGEMENT**

- 4.1 There are risks to not implementing the updated Allocations Policy 2019 which are in the table below:

Risk	Consequence	Mitigation
Not utilising limited social housing stock in an effective manner	More households in temporary accommodation	Implement the policy and introducing a qualification criteria and making changes to the overcrowding criteria
Increased demand	Resourcing administration of the system and work arounds.	Introduce a closed register that not everyone can access.

**5. APPENDICES**

- Appendix 1 – Draft Housing Allocations policy 2019  
Appendix 2 – Consultation Questions

**6. BACKGROUND PAPERS**

- Current Housing Allocations Policy 2018  
Housing Act 1996  
Localism Act 2011  
Allocation of accommodation: guidance for local housing authorities in England 2012  
Homelessness Reduction Act 2017

**7. AUTHOR OF REPORT**

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