

Title of Report:	Consultation on the Housing Allocations Review
Report to be considered by:	Management Board
Date of Meeting:	
Forward Plan Ref:	

Purpose of Report: To seek approval from Management Board to proceed with a consultation on amendments to the Allocations Policy.

Recommended Action: Management Board approve the proposed consultation on the Housing Allocations Policy review.

Reason for decision to be taken: The Allocations Policy has not been reviewed since it was introduced in 2007. There have been a number of policy and benefit reforms at national level, along with greater freedoms on allocations in the Localism Act, which mean it is timely to review the existing Allocation Policy.

Other options considered: N/A

Key background documentation: "Local decisions: a fairer future for social housing", CLG, November 2010
 Communities and Local Government (CLG) 'Fair and Flexible' statutory guidelines 2009
 Code of guidance on Allocation of Accommodation: Choice Based Lettings, Communities and Local Government 2008.
 Comprehensive Spending Review
 'Universal Credit: welfare that works', DWP, February 2011
 Emergency Budget 2010

The proposals contained in this report will help to achieve the following Council Plan Priority(ies):

- CPP1 – Support our communities through the economic downturn** – to alleviate the impact on different communities and individuals who find themselves out of work and/or disadvantaged
- CPP2 – Raise levels of educational achievement** – improving school performance levels
- CPP3 – Reduce crime and the fear of crime**

The proposals will also help achieve the following Council Plan Theme(s):

- CPT1 - Better Roads and Transport**
- CPT2 - Thriving Town Centres**
- CPT3 - Affordable Housing**
- CPT4 - High Quality Planning**
- CPT5 - Cleaner and Greener**
- CPT6 - Vibrant Villages**
- CPT7 - Safer and Stronger Communities**

<input type="checkbox"/>	CPT8 - A Healthier Life
<input type="checkbox"/>	CPT9 - Successful Schools and Learning
<input checked="" type="checkbox"/>	CPT10 - Promoting Independence
<input checked="" type="checkbox"/>	CPT11 - Protecting Vulnerable People
<input checked="" type="checkbox"/>	CPT12 - Including Everyone
<input checked="" type="checkbox"/>	CPT13 - Value for Money
<input type="checkbox"/>	CPT14 - Effective People
<input type="checkbox"/>	CPT15 - Putting Customers First
<input type="checkbox"/>	CPT16 - Excellent Performance Management

The proposals contained in this report will help to achieve the above Council Plan Priorities and Themes by:
 reviewing the Allocation Policy to ensure that affordable homes are allocated to those households in the greatest need and to ensure that best use is made of available stock.

Portfolio Member Details	
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Date Portfolio Member agreed report:	12 December 2011

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Implications

Policy:	The paper explains proposed changes to the West Berkshire Housing Allocations Policy.
Financial:	Printing costs and Officer resource - to be accommodated within existing resources.
Personnel:	N/A
Legal/Procurement:	The Council is required to publish an Allocation Policy under the Housing Act 1996 (as amended). Within that Allocations Policy, the Council is required to give reasonable preference to certain groups of people, and has a power to give some people additional preference within those reasonable preference groups. The Localism Act 2011 introduces new flexibilities for local authorities, who can apply additional factors when determining the priority of those within the reasonable preference groups, including the financial resources available to a person to meet his housing costs; any behaviour of a person (or of a member of his household) which affects his suitability to be a tenant; and any local connection which exists between a person and the authority's district
Property:	N/A

- Risk Management:** The paper highlights some areas that the Council will need to give consideration to. In particular, it highlights the increased approaches to the Council for social housing and the need to review the Policy and procedures utilised in the allocation of available social housing in the District, in order to improve the efficiency and effectiveness of this service.
- Equalities Impact Assessment:** An EIA will be completed as the full draft policy is formulated, taking into account responses received to this consultation
- Corporate Board's Recommendation:** Suggested that a recommendation be added that a small Member Task Group should be setup to oversee the work of developing and approving the new allocations policy.

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval	<input type="checkbox"/>	
Delays in implementation could have serious financial implications for the Council	<input type="checkbox"/>	
Delays in implementation could compromise the Council's position	<input type="checkbox"/>	
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months	<input type="checkbox"/>	
Item is Urgent Key Decision	<input type="checkbox"/>	
Report is to note only	<input type="checkbox"/>	

Executive Summary

1. Introduction

- 1.1 Since the Coalition Government formed in May 2010, there has been a series of reforms and changes to housing policy.
- 1.2 Some of these reforms are related to the reform of social housing tenure, reform of social housing allocations and changes to the regulation of social housing. These reforms were brought forward in the Localism Act which received Royal Assent in November 2011.
- 1.3 This paper seeks the approval of Management Board to publish, for consultation, proposed changes to the Housing Allocation Policy.

2. Proposals

- 2.1 West Berkshire Council's current Allocation Policy was published in July 2007. The Policy has not undergone a comprehensive review since its implementation. The national policy changes and reforms, along with the increasing pressure on the demand for, and availability of, affordable housing, makes it timely for review.
- 2.2 Section 167(7) of the Housing Act 1996 states that before adopting a new allocations scheme, or altering an existing scheme in a way which reflects a major change of policy, a local authority must send a copy of the draft scheme to every

Registered Social Landlord with which it has nomination rights and must also ensure that recipients have a reasonable opportunity to comment.

- 2.3 This consultation is proposing to consult on the principle amendments that are being suggested, and will be followed by a further consultation on the full draft policy.

3. Conclusion

- 3.1 This report sets out the West Berkshire Council Housing Allocations Policy Review process and potential changes and gives consideration to the impacts, opportunities and risks that they may bring, from the perspective of the West Berkshire Council Housing Service

Executive Report

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2. Background

- 2.1 The current Allocations Policy was adopted in 2007 and has not been subject to a full review since. There have been a number of housing and benefit reforms nationally, as well as the Localism Act, which introduces new flexibilities for local authorities in setting their Allocations Policies. It is therefore considered timely for a review.
- 2.2 In accordance with section 167 Housing Act 1996 (as amended), the Allocations Policy determines the West Berkshire Council's priorities and procedure to be followed in allocating housing accommodation. It is framed to ensure that reasonable preference is given to a number of defined categories, as set out in the Housing Act 1996 (as amended). In addition, there is a statutory Code of Guidance published in November 2009.
- 2.3 The review of the Allocation Policy aims to continue to address key issues of local context, as well as specific local issues. In determining the appropriate level of points for each individual circumstance, the scheme as a whole targets resources to those in greatest need and gives a clear, realistic message to applicants about their chances of being re-housed.

3. Housing Reforms

- 3.1 In November 2010, the Government published a consultation paper, "Local decisions: a fairer future for social housing", setting out their intended reforms to social housing.
- 3.2 The most significant of these reforms related to reform of social housing tenure, reform of social housing allocations, changes to the way in which local authorities are able to discharge homelessness duties and changes to the regulation of social housing. In addition, local authorities will be required to publish a Tenancy Strategy. These reforms were brought forward in the Localism Act which received Royal Assent in November 2011.
- 3.3 The purpose of the housing reforms is to make best use of social housing by increasing flexibility in the system, increase mobility for tenants and to change the way in which social housing is financed.

4. The Common Housing Register

- 4.1 The Common Housing Register Team provides a vital front line service for applicants, in line with the Housing Act 1996 (as amended), managing West Berkshire's Common Housing Register (CHR) (waiting list) and administering the Choice Based Lettings (CBL) scheme for the district.
- 4.2 The CHR is experiencing increasing numbers of applicants. As at 1st April 2010, there were 3346 applicants registered on the CHR. On 1st April 2011, there were 4849 applicants, an increase of 44%. Around half of the applicants on the CHR would fall within one of the defined reasonable preference groups.
- 4.3 The average wait time for applicants on the CHR ranges from 15 months for sheltered accommodation to 32 months for 3-bed accommodation, although some applicants wait for much longer periods of time.
- 4.4 The Allocations Policy explained how homes are allocated through the Common Housing Register (CHR). The 2010 audit of the service concluded that the service was satisfactory. It is hoped that the review of the Policy will identify how the service can be further developed and improved.

5. Proposed Changes to the Housing Allocations Policy

- 5.1 Under current legislation, the Council is required to hold an 'open' housing waiting list, meaning that anyone can apply, whether they are in need of housing or not. As social housing is in great demand and priority is rightly given to those most in need, many applicants have no realistic prospect of ever receiving a social home. The current arrangements encourage false expectations and large waiting lists.
- 5.2 The Localism Act 2011 gives local authorities greater freedom to set their own policies about who should qualify to go on the waiting list for social housing in their area. This means that they will be able, if they wish, to prevent people who have no need of social housing from joining the waiting list. In framing their Allocation Policy, local authorities will be able to have regard to the applicant's level of vulnerability, medical needs, financial ability to secure their own housing, their suitability to be a tenant and their local connection to the district. The 'reasonable preference groups' will still be prescribed nationally, to ensure that social homes go to the most vulnerable in society and those who need it most.
- 5.3 In addition, transfer applicants will be removed from the main Allocation provisions, unless the applicant who wishes to transfer has a housing need that falls within the reasonable preference groups. This opens up the opportunity to deal with transfers in a different way and free up larger properties for local families in the District.
- 5.4 The high level changes that are being proposed to amend the Allocation Policy, and on which we wish to consult, are as follows:

Appendix A

Policy criteria:	Proposed Change:
Eligibility	<p>To extend the locally tested eligibility criteria for people who do not qualify, to include:</p> <ul style="list-style-type: none"> ~ Those who owe money from the Threshold Loan Scheme and Rent Arrears Repayment Plan schedules ~ People who have been excluded for bad behaviour ~ People who have supplied false or misleading information on their application for housing. <p>Households falling into these categories may not be accepted onto the Common Housing Register, or may be suspended for a period of time or may not be given preference for allocation of housing.</p>
Open/Close Register	<p>The Council currently operates an open housing register which allows anyone, from anywhere in the country, to apply, subject to meeting the eligibility criteria.</p> <p>The Council is proposing moving to a closed housing register. In future, only people who have a defined local connection to West Berkshire, and who do not have adequate financial resources to secure accommodation in the private sector (whether rented, owned or part-owned), will be able to join the housing register.</p>
Applicants owed a full Homelessness Duty	<p>Limit or remove the period during which applicants can exercise choice and refuse offers without bringing Homelessness Duty to an end.</p> <p>Make provision for the Council to bid on suitable properties on behalf of the applicant as soon as a homelessness duty is accepted, in order to discharge that duty.</p>
Social Needs	<p>Make provision for Social Needs points to be awarded on a time limited basis or to have conditions attached. If conditions are not met, points may be removed.</p>
Financial Resources	<p>When local rents for a suitable property equates to 35% or less of household income, applicants may not be eligible for Social Housing.</p>
Bedroom Assessment	<p>Amend the Allocations Policy so that applicants are entitled to one bedroom for: Every adult couple (married or unmarried), any other adult aged 16+, any two children of the same sex aged 16 or under, any two children aged less than 10 years, any other child. This brings the policy in line with Housing Benefit regulations for private rented accommodation and addresses the proposed changes in Housing Benefit entitlement for social housing tenants who are 'underoccupying'.</p>
Health and Disability Assessment (Medical)	<p>Review the points assessment to allow one award of a set number of points instead of having a scale of points. This will still be applicable to each person in the household with a medical need.</p>

Policy criteria:	Proposed Change:
Transfers	To bring the transfer scheme for existing social housing tenants into the Common Housing Register and to advertise homes for transfer applicants through Choice Based Lettings
Under-occupancy	To amend the housing needs assessment to give preference to households who are current social housing tenants in West Berkshire and who wish to move to smaller accommodation, freeing up family accommodation.
Condition of Property	Review the points assessment to allow one or two awards of a set number of points instead of having a scale of points. One award per application. Evidence of disrepair required.
Bidding Cycle	Offer a daily rather than weekly bidding cycle.

6. Consultation Process

- 6.1 It is proposed that the Council publishes these high level proposals for consultation, to inform the development of the detailed Allocations Policy. A newsletter, explaining the proposed changes has been developed to facilitate the consultation.
- 6.2 It is proposed that every CHR applicant will be sent a copy of the newsletter, as will all relevant stakeholders, for example, Registered Providers, statutory agencies and relevant voluntary organisations. Respondents will be encouraged to complete a survey on-line, but hard copies will be sent to people upon request. In addition, the newsletter will be accessible via the webpages and in West Berkshire offices and other suitable locations.
- 6.3 It is anticipated that consultation will start in February 2012 and will run for a period of 12 weeks. It is estimated that a draft version of the full Allocation Policy will be produced for June 2012 and made available for consultation in July/August 2012, with the adoption of the Policy in the Autumn and implementation from January 2013 (subject to amendments required to the Locata system). A full EIA will be developed alongside the draft policy, using the outcomes from this consultation exercise.

7. Legal Implications

- 7.1 The Council is under a statutory obligation to have an Allocation Scheme for determining priorities between qualifying persons and for defining the procedures to be followed in allocating housing accommodation. Procedures include all aspects of the allocation process, including the people or descriptions of people by whom decisions are taken. The Policy must be framed so as to secure that 'reasonable preference' is given to the statutory categories, within section 167(2) Housing Act 1996. The Council must allocate all housing in accordance with its Allocation Scheme.
- 7.2 Before making an alteration to its Policy effecting a major change in policy, the Council must consult with every registered social landlord with whom it has a nomination arrangement and consider the comments received. Further, anyone likely to be affected by an alteration to the Policy which reflects a major change of

policy must be notified of it. Statutory guidance also recommends that in addition to notification, the Council should consider its wider duty to involve and should consult with those who are affected by or interested in the way social housing is allocated. When making changes to its Allocation Policy the Council must also have regard to the statutory guidance on the allocation of accommodation and choice based lettings, and give applicants the opportunity to express preferences about the accommodation they are allocated.

7.3 As set out in the body of this Report, officers consider that the proposed consultation approach complies with the legal requirements set above.

8. Conclusion

8.1 A full review of the Allocation Policy is a significant piece of work and requires full consultation with residents and stakeholders to ensure that the Council meets its legal duties. However, the Allocation Policy is overdue a review, and the recent reforms and flexibilities that are being introduced make a review timely.

8.2 It is recommended that Management Board approve the publication of the attached newsletter, asking for views on the principle proposals for amendment of the Allocation Policy, with the commencement of the consultation in February 2012.

Appendices

Appendix A – Draft Housing Allocations Policy Consultation Newsletter

Consultees

Local Stakeholders: All Registered providers were invited to attend a workshop day and a steering group was established to conduct the review. This was attended by Sovereign Housing Association and One Housing group. This report sets out proposals to consult with residents.

Officers Consulted: June Graves, Head of Social Care Commissioning & Housing
Cathy Dodson, Housing Options Team Leader
Elizabeth Wallington, Housing Register Officer
Roz Haines, Finance Manager, Community Services

Trade Union: N/A