

TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

20 May 2013

**Joint Report of the Director of Planning, Housing and Environmental Health and
Cabinet Member for Housing**

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 REVIEW OF HOUSING ALLOCATION SCHEME

Summary

In accordance with Part VI Housing Act 1996 (as amended by the Homelessness Act 2002 and the Localism Act 2011), the Council has a legal duty to determine housing need in the borough, and to produce a housing allocation scheme which explains how affordable housing is allocated to those in housing need. The Localism Act 2011 allows local housing authorities in England to consider major revisions to existing housing allocation schemes to reflect local needs.

1.1 Introduction

- 1.1.1 The Council's housing allocation scheme was last reviewed in 2009 (when a choice based letting scheme was introduced), and provides an 'open' housing register, where applicants do not have to be in need of housing, nor have any connection to the borough, to be included. Such features were in accordance with previous guidance now rescinded. Members will be aware from previous reports to this Board, that we propose to simplify the way we prioritise applicants by removing housing need points and cumulative preference, and using a simpler four band hierarchical scheme, broadly equating to Band A (urgent priority), Band B (high priority), Band C (to the allocation scheme medium priority) and Band D (low priority).
- 1.1.2 The primary effect of the proposed shift in the Housing Allocation Scheme will be to give greater priority to local people and families in housing need and to enable the Council to properly target its resources on assessing and meeting those needs. The emphasis is on local housing for those with local connections rather than an open approach which has tended to dilute the housing allocations effort. The following changes have already been approved by Members at the February 2013 meeting of this Board:

- applicants must have both a local connection and a housing need to be included on the housing register;
- applicants with a local connection will include members of the Armed Forces or former Service personnel within five years of discharge (or bereaved spouses or civil partners of such members), or serving or former members of the Reserve Forces who need to move because of a serious injury, medical condition or disability sustained as a result of their service;
- applicants with a housing need will include:
 - private sector assured shorthold tenants who are threatened with homelessness because they have been served with a valid notice to quit their tenancy (usually at least two months);
 - tenants occupying HM Forces service family accommodation who are threatened with homelessness because they have been served with a valid notice to vacate their tenancy (usually at least 3 months);
- the revised scheme will be based on priority bands (rather than a combination of bands and points). Households will be placed in the appropriate band according to their highest need (not the accumulation of their needs);
- the range of priority on medical and welfare grounds will be reduced from the current four to three categories;
- the priority bands will take account of under-occupation as well as housing need;
- mandatory additional preference will be awarded by placing applicants in the band that is one band higher than their assessed need. This applies only to serving or former members of the armed forces or reserve forces, or their bereaved spouses or civil partners;
- discretionary additional preference based on 'community contribution' will not be awarded, because of the practical difficulties in making an assessment;
- children of the opposite sex will be expected to share a bedroom until the oldest is 10 years of age; and
- the Housing Needs Panel will replace the Medical and Welfare Panel and its range of decision making will be extended to include:
 - whether an extra bedroom is needed to accommodate a carer

- whether an extra bedroom is needed to accommodate shared access to children
- whether or not to apply down-banding to an application
- awarding exceptional priority.

1.2 Consultation responses

1.2.1 Since the last report to this Board in February 2013, a six week consultation programme has taken place between 1 March and 12 April 2013. Members will recall that we were only required to consult with the thirteen Private Registered Providers with whom we have nomination arrangements. With the advice of our internal Improvement and Development Unit (IDU), a questionnaire was developed based on the specific proposed changes that were reported to the February Board, and sent to each of the consultees.

1.2.2 We received responses from ten of the thirteen Private Registered Providers. An anonymised summary of their responses, and our interpretation is included at **[Annex 1]**. This report also contains details of the changes that have been made to the draft housing allocation scheme as a result of the consultation, which are:

- the age of two same sex children expected to share a bedroom will be reduced to age 16 rather than age 18.
- children of the same sex where there is an age gap of more than 10 years will no longer be considered for separate bedrooms.
- the room size criteria will be removed in line with the Housing Benefit regulations when assessing both overcrowding and under-occupancy. As a result, the following criterion will be removed from band D, "Households with children sharing a bedroom of inadequate size"
- when considering whether down banding will apply:
 - the time limit for transferring an owned property or disposing of capital assets has been increased from 5 years to 7 years; and
 - the thresholds for those eligible for sheltered housing have been increase to £100,000 for savings and/or income and £250,000 for equity.

1.2.3 In addition, further clarification has been added in respect of:

- the definition of full time education for the purposes of conferring a local connection, will be in line with the HMRC definition, and applied to people age under 19 who are undertaking a course of non advanced education; and

- the definition of employment will be amended to state that part or full time employment will give rise to a local connection. Any restrictions such as stating a minimum numbers of hours worked could act as a disincentive to taking up employment, so will not be included.

1.2.4 Separate to the changes as a result of the consultation process, there have been several other minor amendments, which are largely to provide clarity and align definitions used with those used in the Housing Benefit regulations. In particular, victims of any type of hate crime (as defined by the Crown Prosecution Service) and not just racial or homophobic attacks and domestic violence, will now be considered as a high priority for housing. Applicants who are awarded a high priority in these circumstances will be reviewed if they have not been rehoused after six months, and the priority may be removed if no longer relevant.

1.3 Implementation

1.3.1 The revised housing allocation scheme, incorporating the comments made, is included at **[Annex 2]**. A summary of the scheme will be given to all current and new applicants, who can request a copy of the full document if required. The full scheme will also be available on the Council's website and at the Council's offices.

1.3.2 Subject to Members approval of the recommendations at 1.8, it is expected that the changeover to the new housing allocation scheme will be completed by early October. This will involve:

- some technical amendments to the Locata system which hosts the allocation scheme. These amendments will enable us to assess housing applications in line with the new scheme. It is expected that they will take approximately six weeks to complete and thereafter the system will be rigorously tested prior to the reassessment of existing applicants;
- the housing register will close-down to enable existing applicants to be reassessed. During this period, new housing applications will be held pending; however they will be checked on a daily basis during close-down so that urgent cases can be dealt with immediately. Temporary staff will assist with this exercise, which we estimate will take four weeks;
- existing applications will be suspended during the reassessment period; hence they will be unable to bid during the first bidding cycle of the month, and for the lower priority applicants, potentially the second as well; and
- existing applicants will be reassessed in priority order (i.e. Bands A & B first) and they will be notified of their new banding by letter/information leaflet.

1.3.3 For those households who no longer qualify to remain on the housing register (i.e. those with no local connection/no housing need):

- applications will remain suspended without cancellation; and
- all households will be advised by letter that they are currently suspended due to non-qualification; but that if their circumstances have changed and they think they may qualify, to contact the office as soon as possible. A leaflet explaining the new qualification rules will be included with the letter to applicants. Applicants will retain their original registration date, so will not therefore be disadvantaged by their suspension should they subsequently qualify for inclusion. Applications will be cancelled in the event of no contact within six months, although applicants will still be able to apply at any point in the future, if they wish to be reconsidered.

1.3.4 On 1 April 2013, the number of households on the housing register assessed as having no local connection was 144, with a further 488 households having no housing need. However, the annual review process is likely to remove around 250 applications from the housing register, so the actual numbers of households who do not qualify will be reduced.

1.4 Legal Implications

1.4.1 The Council has a legal duty under Part VI Housing Act 1996 (as amended by the Homelessness Act 2002 and the Localism Act 2011) to determine housing need in the borough, and to produce a housing allocation scheme which explains how affordable housing is allocated to those in housing need. The Council needs to respond to the changes introduced by recent legislation and statutory guidance by reviewing the housing allocations scheme accordingly.

1.5 Financial and Value for Money Considerations

1.5.1 The costs of implementing the necessary changes to the housing allocation scheme will be in the region of £12,000. This will include employing extra staff on a temporary basis to complete the reassessment of existing applicants, and the costs of changes to the Locata system which hosts the allocation scheme. These costs will be met from earmarked reserves.

1.5.2 Staff from Russet Homes Housing Options Team will be working alongside the Homechoice team during the reassessment process, which will allow them to become familiar with the changes.

1.5.3 The revisions to the housing allocation scheme will result in a re-focussing on local housing need. Adjusting our housing priorities will allow staff and housing resources to be better targeted on meeting high priority local needs.

1.6 Risk Assessment

- 1.6.1 Failure to properly assess housing need and homelessness would leave vulnerable households at risk of homelessness and the Council open to legal challenge.

1.7 Equality Impact Assessment

- 1.7.1 A detailed equalities impact assessment has been carried out on the proposed changes to the housing allocation scheme, taking into account the findings of an earlier equalities impact assessment on the existing scheme which was reported to the February meeting of this Board. A further assessment was made relating to the changes introduced following the consultation.
- 1.7.2 Whilst a limited number of potentially adverse impacts were identified in respect of the removal from the register of some households and the down-banding of others this was not considered to be significant. We will attempt to mitigate these impacts by offering the affected households appropriate advice on alternative housing options. In addition, there is nothing to prevent ineligible households from applying again in the future if they consider that their circumstances have changed sufficiently to make them eligible for inclusion on the housing register.
- 1.7.3 There were also some positive impacts. Most notably the increased potential to allocate larger vacant homes to local families, and the opportunity for older tenants and tenants with disabilities to downsize to smaller accommodation.
- 1.7.4 Further details on these impacts are included in the 'Screening for equality impacts' table at the end of this report.

1.8 Recommendations

- 1.8.1 **CABINET** is **RECOMMENDED** to:
- 1.8.2 **ENDORSE** the revised Housing Allocations Scheme, and agree to its implementation with effect from September 2013.
- 1.8.3 **APPROVE** the implementation programme for the review and update of applicants for housing in accordance with the housing allocation scheme, as set out in section 1.3, including the suspension of existing applicants who do not meet the additional qualification criteria.

Background papers:

contact: Lynn Wilders

Nil

Steve Humphrey
Director of Planning, Housing and
Environmental Health

Councillor Jill Anderson
Cabinet Member for Housing

Screening for equality impacts:		
Question	Answer	Explanation of impacts
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	Yes	<p>The main impacts arise from:</p> <ul style="list-style-type: none"> a) Removal from the register due to having no local connection or housing need: whilst those who would potentially be removed from the register would include a higher proportion of younger age groups and a small proportion of people with disabilities, it is not expected to result in any adverse impacts as local connection criteria receive a relatively small advantage under the existing scheme and those with a low priority housing need are unlikely to be housed under the existing scheme. b) Down banding: whilst those who would potentially be down banded includes a higher proportion of households aged over 60 and a small proportion of people with disabilities, this would have a minimal impact on their chances of being rehoused as they would still retain a significant high priority due to there being lower proportions of live applicants in band A and band B overall. <p>We will attempt to mitigate these impacts by offering appropriate advice regarding suitable alternative accommodation to affected households. In addition, all households to be removed from the Register in due course will firstly be held in suspension to give those applicants up to six months to supply any new information to be taken into account in the further assessment of their application. In any event, those households retain the right to reapply at any future point in time and any change in circumstances will then be considered.</p>

Screening for equality impacts:		
Question	Answer	Explanation of impacts
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?	Yes	<p>One of the effects of removing applicants with no local connection would be the potential to allocate a number of larger properties with three or four bedrooms to local residents, who were displaced by overcrowded families from other areas.</p> <p>Taking account of under-occupation in priority bands may have a positive impact on older tenants or tenants with disabilities who are more likely to downsize.</p> <p>Not including a 'community contribution' criterion in the scheme may have positive impact on some people who are unable to work due to their protected characteristics e.g. disability, carers etc. The new scheme has been amended to state that full or part time employment will give rise to a qualifying local connection. This will not give rise to any adverse impact on people with disabilities as other criteria take their needs into account.</p> <p>The new scheme has been amended to allow high priority to be awarded to victims of any type of hate crime (as defined by the Crown Prosecution Service) and not just racial or homophobic attacks and domestic violence, as under the old scheme.</p> <p>The new scheme will continue to identify where applicants with learning disabilities may need assistance with bidding.</p> <p>The new scheme includes provisions for those escaping domestic violence.</p>
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		<p>The implementation programme has been informed by an equality impact assessment and includes provisions to ensure the new scheme is accessible to eligible applicants, such as:</p> <ul style="list-style-type: none"> • Liaising with KCC regarding the provision of support to people with mental health needs • Finalising a protocol for adaptations, with RSLs. • Resolving issues around development of online application process.

Screening for equality impacts:		
Question	Answer	Explanation of impacts
		<ul style="list-style-type: none"> • Reviewing and simplifying guidance for applicants. • Providing clear procedures for the Housing Needs Panel. <p>The introduction of the new allocations scheme will be monitored closely to establish whether any unidentified impacts arise which require may require further mitigation.</p>

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.