

## Report to Cabinet

**Subject:** Gedling's Housing Allocation Policy

**Date:** 9 October 2019

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### Wards Affected:

Borough wide

### Purpose

To seek approval to undertake a full public consultation on the proposed revision to the Council's housing allocations policy. The allocations policy determines how applicants are prioritised for the joint Choice Based Lettings scheme in partnership with both Broxtowe & Rushcliffe Borough Councils.

### Key Decision

This is not a key decision.

### Recommendation(s)

#### THAT Cabinet:

- 1) Approves full public consultation for a 12 week period to be undertaken on the proposed revision to the Council's housing allocations policy

## 1 Background

### Context

- 1.1 Whilst Gedling Borough Council transferred its housing stock to Gedling Homes in 2008, and so is no longer stock holding. The statutory duty to manage the allocation of social housing was retained by the Council. These obligations include the need to have an allocations policy.
- 1.2 The current allocation policy was approved in 2013 and describes the mechanisms by which the Council assesses applications to join the housing register. This will enable the relevant housing provider to allocate

the properties from a shortlist of potential applicants.

- 1.3 The Council's Housing Register is divided into three priority bands, as follows

**Band 1** - Accepted homeless case, serious medical need, is delaying hospital discharge, management move etc., or someone who is downsizing by two bedrooms.

**Band 2** – High level of medical need, fleeing harassment, in the process of being assessed as homeless, a care leaver, someone who is ready to move on from supported accommodation, overcrowding or downsizing by one bedroom, and freeing up adapted properties.

**Band 3** - Moderate level of need, i.e. medical or, harassment grounds, accepted as homeless but without a local connection or priority need, general overcrowding or someone who wants to move to sheltered housing.

- 1.4 Currently, there are at approx. 631 people on the housing waiting list. Of those applicants,, their waiting time is listed below

- 440 up to 1 year
- 113 up to 2 years
- 29 up to 3 years
- 49 over 3 years

Around 100 have not bid for a property before, and there are proposals further on in the report on how this can be addressed.

- 1.5 The actual number on the waiting list changes on a daily basis due to:
- New applications being accepted;
  - Decisions which change applicants banding- both increasing and decreasing;
  - People being rehoused; and
  - Applicants being removed from the register e.g. not responding to the annual review.

A list of registered providers with stock in the borough is contained at Appendix E.

#### Previous changes to the register

- 1.6 Since the introduction of the current policy in 2013, the general direction of travel for the housing register, and one of the drivers for the current review, is to further reduce the numbers to better match supply to

demand. The main change in 2013 was the removal of the band 4 applicants, as it was considered these applicants had minimal housing need, or who simply wanted to be on the housing register as a back stop, or for a specific property.

- 1.7 These changes were made in order to deliver various objectives:
- Lean Processes – the elimination of waste in the system;
  - The Principles of Demand Management – reduction in abortive calls (e.g. when applicants phone for an update because the council has either not responded within the customers predicted timescale, or to ask when they will be rehoused etc.);
  - Not raise applicants' unrealistic expectations;
  - Provision of accurate and reliable information – as the Councils charges a fee to the Registered Providers to use the Choice Based Lettings scheme, there is an inherent need to ensure that quality information is provided; and
  - To ensure that we support our registered providers in their business need to reduce void times.

#### Legislation changes

- 1.9 The current allocations policy has been in operation since 2013. However, in light of new legislation, recent guidance and operational issues, a review of the policy is required. This includes:
- The Homelessness Reduction Act 2017;
  - The new Code of Guidance 2018;
  - The 'Allocation of Accommodation: Guidance for Local Authorities in England' 2012;
  - The Housing Act 1996 –Part VI;
  - Additional guidance 'Providing Social Housing for Local People.' issued in 2013;
  - MCHLG correspondence from the Minister for Housing & Homelessness relating to out of area placements July 2019; and
  - Rehabilitation of Offenders Act 1974
- 1.10 There is a legal obligation to have an allocations policy as per the 1996 Housing Act Part VI. This states that all Councils must have and publish an allocations policy and ensure that properties are let according to that policy, as well as setting out specific matters for consideration, including:
- Allocations only made to eligible and qualifying persons;
  - Allocations must be made in accordance with the allocations scheme;
  - Reasonable preference is given to defined groups i.e. people who are homeless etc.; and

- Defines when an allocation has been made

### Other factors

- 1.11 In addition to the recent amendments to legislation and guidance, there are a number of other key drivers for amendments to be made the housing allocation policy. These include:
- 1.12 **Homeless applicants:** Currently homeless applicants are placed in band 2 for 6 weeks and can place bids on properties they are interested in. If they are not matched to a property within 6 weeks, they are moved, up to band 1 auto bids. This is presenting significant difficulties as officers cannot assign them the highest priority (Band 1) once they are accepted as homeless, and this is resulting in an increase in the use of temporary accommodation. The current process is also difficult for applicants, as they are unlikely to be matched to a property in the 6 week period, due to the number of people in the higher priority band 1 category. In the last year, we received 556 applications from homeless people, therefore the allocations policy needs to award the correct priority to ensure those applicants who are accepted as homeless are matched to a suitable property as soon as possible, to resolve their homelessness.
- 1.13 Anyone has the right to make a homeless application to a local authority. That local authority then has to determine 5 key tests
1. Is the applicant(s) homeless or threatened with becoming homeless within the next 56 days;
  2. Is the applicant(s) eligible to public resources – immigration status etc;
  3. Is the applicant(s) in priority need – vulnerable in some way – Pregnant, responsible for children, physical or mental health issues or fleeing violence / harassment etc.;
  4. Does the applicant(s) have a local connection or exclusion – e.g. have lived in the borough for 6 out of the last 12 months or 3 out of the last 5 years. Exclusions relate to those applicants who are fleeing or on witness protection etc.; and
  5. Is the applicant(s) intentionally homeless – have they either done or failed to do something which has resulted in them becoming homelessness.
- 1.14 If the applicant passes the above tests then the local authority owes a full duty rehouse. This is usually discharged by the offer of one suitable property anywhere within the borough, and could be either within the social or private rented sector. For those applicants who are fleeing or have other location specific needs, then offers would only be made in areas considered to be suitable by the senior officer. If an applicant does not feel

that the property they have been offered is suitable for their need, then they have the right of appeal.

- 1.15 Currently due to a range of pressures including the impact of the implementation of the Homeless Reduction Act, the Council is seeing an increase in the usage of B&B and temporary accommodation. The Government has clearly stated that it wants to avoid the use of B&B's, and that no family should be accommodated in a B&B for more than 6 weeks. It is also an expensive housing option. Therefore, the proposed revised allocations policy looks to bring about changes to reduce the Councils use of B&B accommodation.
- 1.16 **Demand for properties for local people:** currently applicants need to be able to demonstrate that they have lived or worked in the borough for minimum period of 1 year, to be eligible to join the Council's housing register. This creates a large number of potential applicants. Neighbouring local authorities have used the flexibilities granted to Councils under the Localism Act 2011 to consider increasing their local connection criteria to 3, 5 or even 10 years. If Gedling Borough Council increased their local connection criteria, this would reduce the number of eligible applicants as shown below<sup>1</sup>:
- 3 years – 56 fewer applicants
  - 5 years – 83 fewer applicants
  - 7 years – 153 fewer applicants
  - 10 years – 231 fewer applicants
- 1.17 This approach follows the principles of demand management and also does not raise residents' hopes that they will be offered a social tenancy.
- 1.18 **Stagnant waiting list:** there have been various cases where people on the waiting list have either refused a property (when homeless), have intentionally provided incorrect information on their application form or behaved inappropriately. E.g. anti-social behaviour, which could be classed as grounds for exclusion from the waiting. The draft allocation policy includes the option for such applicants to be removed from the waiting list. It is worth noting that all applicants have the statutory right to appeal any decision to remove them from the Councils Housing Register.
- 1.19 It is important to note that the changes to the allocation scheme do nothing to increase the supply of affordable housing, so the intention here is simply to ensure that officers are making the best possible use of the limited social housing available, by rightly prioritising those in the greatest need,

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<sup>1</sup> These figures are accurate at the time of writing and do not include sheltered accommodation and some of the homeless applicants and these are exempt from the proposed local connection amendment.

whilst also removing from the register those with a minimal prospect of ever being offered a social tenancy.

- 1.20 In a usual year, there are only around 200 general needs houses available for allocation from the waiting list compared to the 650 applicants requiring those properties (annually the Council receives approx. 330 properties) – see the below table of properties per year.

<b>Number of properties/annum</b>	
<b>2016/2017</b>	
General needs properties	201
Sheltered properties	132
<b>2017/2018</b>	
General needs properties	255
Sheltered properties	126
<b>2018/2019</b>	
General needs properties	175
Sheltered properties	132
<b>April 2019 – August 2019</b>	
General needs properties	58
Sheltered properties	53

- 1.21 The table above shows that often more than half of the available properties are sheltered accommodation and therefore only suitable for singles/couples aged over 55<sup>2</sup>. But the majority of applicants in band 1 & 2 require general needs (family housing – 2-3 bed flats, houses and maisonettes).

## **2 Proposal**

### Proposed amendments

- 2.1 Officers are proposing to amend to the current housing policy (as shown in Appendix A) to reflect the national legislation changes, as well as ensuring the Council has a policy in place that meets the needs of the people of Gedling Borough.
- 2.2 The overall objectives of the Housing Allocation policy are to:
- Continue to house those in the greatest need within Gedling
  - Support stable and vibrant communities
  - Reflect local priorities
  - Make the best use of limited housing stock available

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<sup>2</sup> This is at the discretion of the housing provider and the age restriction may alter in certain cases.

- Have a clear system in place setting out a framework of eligibility, qualification and priority to social housing
- Fulfil the Councils' obligations under the legislation
- Deliver the principles of demand management
- Not raising unrealistic expectations
- Reduce the Councils use of temporary accommodation, including B&B.
- Comply with good practice for B&B use

2.3 A full list of the amendments are shown in Appendix B, but a summary of the key changes are detailed below:

**Homeless applicants:** In order to meet the requirements of the Homeless Reduction Act 2017, Officers are proposing changes to amend the policy so that accepted homeless applicants are placed in band 1 straight away (once main duty is accepted), and on auto bids, ensuring they have the highest priority for rehousing and are accommodated as quickly as possible. Those applicants who make a homeless application, and are found to not have a priority need but have a local connection (as per the Housing Act 1996) will be awarded an additional 6 months waiting time, as per the obligations of the Homelessness Reduction Act 2017.

2.4 **Band 1 auto bids:** band 1 is awarded to those applicants in the greatest need, for example, accepted main duty homeless cases or those hospitalised cases who are bed blocking. The proposal here is to place such applicants on auto bids. The reason for this is that auto bids are determined by property size, e.g. 2 bed as opposed to property type, house or flat etc. This means that applicants needing a two bed property should be matched to 2 bed flats, houses and maisonettes. Whilst it is understandable that applicants may want to hold out for a house, as the priority status has been awarded in view of their urgent need for housing, they should also be matched to flats and maisonettes. This will speed up the allocation process, prevent applicants holding out for specific properties and re-focus this band to rapid rehousing and not about having access to the first pick of the best properties. This approach removes the element of choice for applicants and instead the focus is on providing suitable accommodation swiftly.

2.5 It should be noted that those current social tenants who are downsizing by two bedroomed will also be awarded band 1, but in view of the need to free up general needs family homes, those applicants will be allowed to place bids on properties of their choice.

2.6 **Increasing the local connection:** in order to ensure that local people have access to the limited supply of social housing available and to ensure there are more realistic expectations of people on the waiting list. Officers are proposing to increase the local connection criteria from one year to

three years (details of what constitutes a local connection is provided in Appendix C).

2.7 Additional grounds for exclusion: the draft policy identifies certain situations where applicants could be removed from the Housing Register, for example:

- Not actively bidding
- Have deliberately providing misleading / inaccurate information on their application form
- Post application have behaved in a way which would make them ineligible to be on the Councils Housing Register, e.g. anti-social behaviour.

2.8 **Additional updates included within the draft policy** - the proposed draft policy will also be updated with specific reference to:

- a) Transgender applicants / households
- b) Human trafficking and those exiting modern slavery
- c) Asylum seekers
- d) GDPR
- e) The new complaints procedure
- f) The Council's Corporate Offer for Care Leavers

2.9 There are other small amendments and these are shown in Appendix B.

### Consultation

2.10 As the proposed changes to the policy are wide ranging, it is considered to be a 'major change' and as such there is a legal requirement to undertake consultation with key partners and applicants to the Councils Housing Register for a 12 week period between October and running until December / January 2020.

2.11 Officers will seek to engage with a wide range of partners including:

- Registered Providers with stock in the borough;
- Ward and County Councillors;
- Key statutory and voluntary agencies - NHS, Shelter, CAB, Probation, Adult Services and Children's Services; and
- Current applicants on the waiting list (paper copies of the information to be sent, if specific requested).

2.12 A variety of methods will be used to engage with the identified stakeholders, including social media, Council website, letters/emails out to known contacts etc.

### **3. Next Steps**



- 3.1 Following the consultation, Officers will then review the comments received and prepare a final Allocation Policy which will be subject to a subsequent Cabinet approval before finalised and adopted.

#### **4. Alternative Options**

- 4.1 Alternative options would include not reviewing the allocations policy in light of the Homelessness Reduction Act 2017, but this is not recommended as it would make it challenging for the Council to comply with the legislation.
- 4.2 Equally as the current document is 6 years old it is timely to review it to improve working practices and to ensure that the housing register prioritises those applicants in the greatest need and with a substantial local connection to the borough. There is also the need to manage applicants' expectations and support the principles of demand management.
- 4.3 The proposed changes to the allocations policy will also bring GBC in line with the allocations policies of neighbouring local authorities.

#### **5 Financial Implications**

- 5.1 The cost of undertaking the consultation on the proposed Housing Allocation Policy will be contained within existing Housing Needs budgets.
- 5.2 If the proposed changes are agreed, there will be some initial costs to make the amendments to the online application form. These costs will be covered by existing funding/budgets.
- 5.3 The proposed changes are being put in place to ensure that the people in the most housing need will be accommodated and therefore not relying on using temporary accommodation/B&Bs.

#### **6 Legal Implications**

- 6.1 In order to comply with the recent legislation changes, the Council needs to update the Housing Allocation policy to ensure that there is a robust structure in place for the allocation of social housing. An Equality Impact Assessment has been completed and is shown in Appendix D.

#### **7 Reasons for Recommendations**

- 7.1 To undergo the necessary consultation on the proposed changes on the Housing Allocation policy to meet the legislative requirements.

#### **8. Appendices**

- 8.1 Appendix A – Consultation Draft Allocations policy
- 8.2 Appendix B – Summary of changes
- 8.3 Appendix C – Local Connection Criteria
- 8.4 Appendix D – Equality Impact Assessment
- 8.5 Appendix E – List of Registered Providers with stock in the Borough

## **9. Background Papers**

- 9.1 None