

CABINET

Housing Allocation Policy 7 October 2014

Report of the Chief Officer (Health and Housing)

PURPOSE OF REPORT				
To seek approval to adopt a new Housing Allocation Policy.				
Key Decision	X	Non-Key Decision		Referral from Cabinet Member
Date of notice of forthcoming key decision	5 September 2014			
This report is public.				

RECOMMENDATIONS OF COUNCILLOR KAREN LEYTHAM

- (1) That Cabinet approves the new Housing Allocation Policy to reflect local priorities and meet statutory guidance.
- (2) That delegated authority be given to the Chief Officer (Resources) to update the Housing Revenue Account budgets

1.0 Introduction

1.1 Local Authority Allocations Policies are being reviewed nationally to take advantage of the changes to the legal framework, which have given more discretion to local authorities to set up allocation policies that reflect local priorities.

1.2 The Localism Act 2011 enables local authorities to shape an allocations scheme to give greater priority to locally identified needs and removes the requirement to have an "open" housing register. The main policy objectives of the Localism Act 2011 in relation to the allocation of accommodation are to:

- Enable local authorities to better manage their housing waiting lists by giving them the power to determine which applicants do or do not qualify for an allocation of social housing
- Reflect local circumstances and priorities
- Enable local authorities to manage unrealistic expectations by excluding people who have little or no prospect of being allocated accommodation
- Maintain the protection provided by the statutory reasonable preference criteria. This ensures that social housing goes to those most in need.

1.3 Following enactment of the Localism Act, Central Government has released guidance as to how councils' should administer their housing registers. These are as

follows:

- Allocation of accommodation: Guidance for local housing authorities in England (June 2012)
- Providing social housing for local people (December 2013)

1.4 The council's existing policy has been in place for over three years. It now requires updating to reflect statutory guidance and the needs of local priorities identified by consultation with relevant persons/organisations in our district.

2.0 Proposal Details

2.1 This report outlines the proposed changes to the council's Housing Allocation Policy. The suggested amendments look to:

- Address the limited housing options available to residents
- Encourage people to participate in the local community
- Provide safe and sustainable communities for residents in the district
- Encourage people to make a home for themselves and stay in the district

2.2 The specific changes proposed to the policy include the introduction of a qualification criteria. This is broadly split into three categories

- **Local connection.** Up until the Localism Act, councils were required by law to operate an open housing register which was open to anyone who had resided in the district for more than six months. This meant that people with a high level of housing need but who had little or inadequate connection to the Lancaster district could join the register and be housed ahead of those with a lower level of need but who did have a stronger connection to the Lancaster district. By way of example, persons with higher level of housing need, who had only been in the district for 6 months, could be housed ahead of person with a lesser housing need who had been in the district for many years.

To ensure that local residents with housing needs are given adequate priority, it is proposed that the current policy be amended so as to increase the time period by which a 'local connection' is deemed to apply. It is proposed that the period of six months residence should be increased to three years residence unless other local connection criteria applies.

Research undertaken has shown that our neighbouring councils are taking advantage of this change and closing their registers. If we do not follow this trend, this could leave us exposed to an increase in applicants from across the North West. We have a lower than national average supply of social housing in the district and this could have resource implications should we have an increase in applicants from outside the district.

- **Owner-occupiers.** The new Code of Guidance recommends that owner-occupiers should be excluded from housing registers. Due to the high level of demand for general needs properties, there is little justification for owner-occupiers to look to the council for assistance with housing. Applicants who

own, have an interest in a property or have signed over a property to someone else or sold a property in the previous five years, will not qualify to join the housing register. The draft policy provides exceptions to this. For example: persons placed in sheltered accommodation following domestic violence, persons with high medical needs for rehousing and some repossession cases.

- **Unsuitable behaviour.** The Localism Act allows councils the flexibility to specify groups of applicants that will be excluded from the housing register, albeit on a case by case basis. The Code of Guidance does not specify all behaviours classed as unacceptable and officers will consider each application on its own merits. If an applicant, or member of their household has behaved in a way that would make them unsuitable to become a social housing tenant, then they will not qualify to join the housing register. Examples of unsuitable behaviour may include, but not be limited to:
 - a. Applicants whose own actions, or actions of a member of their household, have led a previous landlord taking action against their tenancy.
 - b. Applicants or members of their household, who have unspent convictions that would make them unsuitable tenants.
 - c. Applicants or members of their household, who have damaged or neglected a current or previous property.
 - d. Applicants or members of their household, who have committed domestic abuse.
 - e. Applicants or members of their household, who have used a former or current homes for immoral or illegal purposes.
 - f. Applicants or members of their household, who have caused nuisance, alarm, distress or annoyance to their neighbours or local community.

Applicants who do not qualify will be advised what they need to do to enable them to qualify to join the housing register in the future.

Applicants will have the right to request a review if a decision is taken that they do not qualify to join the housing register. To request a review the applicant will need to put this in writing within 21 days of receiving their written decision. The review will be undertaken by a senior officer who was not involved in making the original decision. They will notify the applicant of the decision within 56 days of receiving the request.

2.3 Further specific amendments proposed are:

- Applicants who have been allocated a social housing tenancy in the previous 12 months will not qualify to join, unless there are exceptional circumstances.
- Applicants who contribute to their local community will be awarded the same priority as applicants who are employed in the Lancaster district.
- The qualifying age for Lancaster City Council's sheltered housing will be reduced from 60 to 55. This is in line with other sheltered housing providers within the Lancaster district. Applicants will still need to have an assessed need to qualify for sheltered housing.

3.0 Details of Consultation

3.1 A consultation event was undertaken with stakeholders, Private Registered Providers of Social Housing, tenants and members of the public in February 2013. This provided the opportunity to discuss the Housing Allocation Policy, including qualification criteria, local connection and local priorities, whilst at the same time considering the guidance published by the Department for Communities and Local Government. A number of suggestions made during the consultation period have been incorporated into the draft policy such as:

- Reducing the qualifying age for sheltered housing from 60 to 55
- Preventing applicants who have been allocated a social housing tenants in the previous 12 months from being able to move.
- Increasing the length of time an applicant is resident in the district before they are considered to have a local connection.
- Increased tenancy checks on applicants prior to an offer being made.

3.2 The draft Housing Allocation Policy has been subject to formal consultation with our partner Private Registered Providers of Social Housing and local stakeholders in July/August 2014 and two responses were received.

Two Castles Housing Association stated that the proposed changes do not give them any real concerns.

Impact Housing Association advised that they have no concerns or comments over the proposed changes. The only question they had was in relation to local connection for their development in Carnforth due to the changes proposed to the market town of Carnforth and length of residency. We advised that as this development is subject to Section 106, only applicants who meet the requirement of the Section 106 would be nominated for these properties.

4.0 Options and Options Analysis (including risk assessment)

	Option 1: Adopt New Allocation Policy	Option 2: Keep Current Allocation Policy
Advantages	Will ensure that we are meeting locally identified needs and be compliant with the latest guidance from the Department for Communities and Local Government.	No changes will be required to the IT system.
Disadvantages	Will require changes to the IT system.	We will not be compliant with the latest guidance from the Department for Communities and Local Government.
Risks	May result in low demand general needs properties being empty for longer.	We will be open to legal challenges for having a non-compliant allocation policy and will be open to an increase from applicants across the North West with no local connection. This could have resource implications.

5.0 Officer Preferred Option (and comments)

Option 1 as described above is the officer preferred option. The disadvantages associated with option 1 and the advantages for option 2 are minimal.

6.0 Conclusion

- 6.1 By adopting the new Housing Allocation Policy the council can ensure that social housing in the district is allocated in accordance with the latest guidance from the Department for Communities and Local Government.
- 6.2 There are currently 797 applicants who are currently placed in Band E. Of these applicants 28% have no local connection to the Lancaster district, 35% are owner-occupiers without a high medical and/or support need, 36% are social housing tenants who are adequately housed (who can look for a move via our mutual exchange scheme) and 1% have sufficient financial resources to be able to rent or buy a home in the private sector.
- 6.3 The majority of our low demand properties are sheltered housing flats and owner-occupiers and applicants with no local connection and/or sufficient financial resources will still be able to join the housing register and bid on these properties. Of the 797 applicants currently in Band E, 43% of them would be eligible to bid for sheltered housing flats.

RELATIONSHIP TO POLICY FRAMEWORK

The revised policy fits with the ensuring council ethos, particularly with regard to social justice and stewardship.

The policy also supports the 'improving access to housing' as part of the health & wellbeing priority.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

The policy is aimed to meet the housing needs of the most vulnerable.

LEGAL IMPLICATIONS

Legal Services advise that the amendments are in accordance with statutory requirements and guidance.

FINANCIAL IMPLICATIONS

If members approve the Officers recommendation it is estimated costs will be in the region of £5,000 for implementing the changes to the existing Choice Based Letting System. There is no specific annual budget to cover this, however it can be met from the HRA IT Replacement Reserve, which currently has an available balance of £591K

If approved, delegated authority will need to be given to the Chief Officer (Resources) to update the HRA Budgets.

If option 2 is approved then there are no immediate additional financial implication arising from this report. As set out in section 4 however, it is likely that there will be staff resource implications arising from an increase in applicants from outside the district. At worst case there is a potential risk that the council could be open to legal challenges, which could result in additional unbudgeted costs.

OTHER RESOURCE IMPLICATIONS**Human Resources:**

None arising out of this report.

ICT:

As set out in the report.

Property:

As set out in the report.

Open Spaces:

None arising out of this report.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

none

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