

CHESHIRE EAST COUNCIL

Portfolio Holder for Housing and Jobs

Date of Meeting:	6 November 2014
Report of:	Homechoice and Homelessness Manager
Subject/Title:	Cheshire Homechoice Allocations Policy Review
Portfolio Holder:	Councillor Don Stockton

1 Report Summary

- 1.1 The Cheshire Homechoice Allocations Policy was launched in April 2010 and is a partnership approach to allocating social housing in the Borough alongside the three largest social housing providers: Wulvern Housing, Plus Dane and Cheshire Peaks and Plains Housing Trust. The Allocations Policy was reviewed during 2012 in response to the lessons learnt from the first 18 months, as well as to take into account some changes that had been introduced in legislation. The partners and Members of Cheshire East Council have identified that there are further adaptations which need to be made to the policy following economic changes both nationally and locally and we would like the policy to be reviewed again with input from a wide spectrum of organisations, providers and the public. This will be to ensure that the policy is robust and reflects the current and future local and national environment for social housing.
- 1.2 We are proposing to review 5 key areas of the Policy which will impact on the residents of Cheshire East and therefore will need to consult on the proposed changes to the scale and significance of the impact.

2 Recommendations

- 2.1 It is recommended that:

The risk and benefit analysis of the proposed changes is noted.

Officers are approved to publically consult on the proposed changes before incorporating into the new Allocations Policy.

3 Reasons for Recommendations

3.1 It is a statutory requirement that Local Authorities have an Allocations Policy place under Part VI of the Housing Act 1996.

3.2 The Policy needs to reflect changes in legislation.

1.1.1 It is important that the Policy is regularly reviewed to ensure that it remains fit for purpose and continues to ensure that the limited resource of social housing is allocated fairly, in line with legislation and with local and national priorities.

3.4 Reviewing the Allocations Policy will be the catalyst enabling the Council to:

Realise Outcomes 3 and 5 of the Council's Three Year Plan:
People have the life skills and education they need to thrive
People Live Well and For Longer.

Realise Priority 5 of the Council's Three Year Plan: *Securing housing that is locally-led, community-based, and meets local needs.*

3.5 Public consultation is required to:

Ensure that the findings and priorities identified within the Strategy are representative of the views of affected constituents and wider stakeholders.

Ensure that the Council is transparent and participatory in the formation of its strategic direction.

4 Wards Affected

4.1 All

5 Local Ward Members

5.1 All

6 Policy Implications

6.1 The Allocations Policy is a key deliverable to achieving priority 5 within the Council's Three Year Plan framework:

- Outcome 5: *People Live Well and for Longer*
 - Priority 5: *Securing housing that is locally-led, community-based, and meets local needs.*

- 6.2 Social housing in the borough is a very limited resource in comparison to owner occupation and privately rented properties and demand significantly outstrips supply with approximately 1,100 social rented properties becoming available each financial year compared to around 5,500-6000 households registering with Cheshire homechoice in order to access social housing. It is therefore imperative that the Policy is able to adequately balance the availability of the resource with the needs that people have for rehousing into social housing. The Policy will drive customer expectations and also reflect the Local Authority and Housing Association priorities.

7.0 Implications for Rural Communities

- 7.1 For most of the suggested policy changes that are outlined in the Analysis report there is limited or no impact on Rural Communities, however the introduction of the Local Connection on new build properties would have a detrimental affect on rural communities as it would limit their choice for moving into properties outside of the rural areas. Affordable properties in rural areas are already in short supply for people who wish to stay in their village / locality. By introducing the local connection on new build properties we could potentially be further restricting people in rural communities from accessing some accommodation. They would not be excluded entirely from accessing other options but would have a further restriction placed on their choice and opportunity for rehousing in affordable properties.

8 Financial Implications

- 8.1 There are some potential financial implications associated with introducing the proposed changes to the Policy as there will be extra demand on the Cheshire homechoice staffing to verify and evidence the needs and backgrounds of the applicants.

There would be an initial 'one off' cost for all applicants who are currently on the register to ensure that they are then aligned with the new policy. This cost is estimated to be £13,738.50 for staff time, printing and postage and would be shared equally between the Council and the Housing Providers. The Council's share of the cost (£6,869.25) can be contained within the 2014/2015 Service budget.

Depending on the level of changes made to the policy and if capacity cannot be found from within existing resources, there may be a need for an additional post in the staffing structure; this will be considered in future base budget planning for the Service.

9 Legal Implications

- 9.1 Under Part VII of the Housing Act 1996 it is a statutory requirement that the Local Authority has an Allocations Policy in place which will prescribe who is eligible for an allocation of social housing as well as identifying and prioritising different needs.

There may be legal considerations in relation to ensuring that proposed changes do not override the legal responsibilities of the Local Authority in terms of an applicants eligibility for social housing nor the reasonable preference criteria.

10 Risk Management

- 10.1 There are risks associated with each proposed change to the Policy which have been highlighted in the analysis report. The Housing Department will manage those risks in the manner highlighted on the document but will need assistance and support from other agencies and internal departments for example the Legal Department.
- 10.2 Determination of the allocation of social housing is complex in nature and impacts on a wide range of services including social services, health authorities, statutory agencies as well as third and voluntary sector partners involves a large number of agencies, and is a deeply emotive and fundamental issue that has wide implications across individuals, families, and communities. As such, it is vital that affected individuals and agencies have the opportunity to comment on any relevant strategic direction, to ensure that the full range of opinions, experiences, and knowledge are incorporated. By publically consulting on the draft Strategy, the Council negates the risk of implementing a strategic direction that does not properly reflect the range of needs and views within the Borough, ensuring it is representative.
- 10.3 In terms of the risks associated with developing and implementing a new strategy, there are a number of associated and inherent risks:
- *Timescale slippage*: depending on the extent of comments received during the public consultation, there is the potential for time pressure in making any alterations. However, this has been mitigated by a well-monitored approval timescale, factoring in potential risks and charting all approval gateways.

11 Background and Options

- 11.1 We are required to regularly review our policy and due to recent legislation changes plus local and economic impacts that have and will affect people's eligibility for social housing as well as ensuring our housing market remains vibrant and creates sustainable communities, it is now felt to be an appropriate time to review the policy.
- 11.2 A policy review at this stage aligns with the timescales of the production of a Housing Strategy and Homelessness Strategy.
- 11.3 The Homelessness Strategy is now ready to progress to the consultation stage. Following this 6 week stage any required amendments will be made and then the strategy will be ready for Cabinet approval.

- 11.4 The options for progressing forward will depend on the feedback from the consultation period and which sections of the proposals are felt to be appropriate for residents and housing providers.

12 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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