

# CHESHIRE EAST COUNCIL

## Cabinet Member for Prosperity

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<b>Date of Meeting:</b>	12 <sup>th</sup> March 2012
<b>Report of:</b>	Housing Options Manager
<b>Subject/Title:</b>	Cheshire Homechoice Common Allocations Policy Review
<b>Portfolio Holder:</b>	Councillor J Macrae

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### **1.0 Report Summary**

- 1.1 This report provides an update on the proposed changes to the Cheshire Homechoice Common Allocations Policy.

### **2.0 Recommendation**

- 2.1 To grant permission to proceed with the formal consultation on the draft reviewed Common Housing Allocation Policy.

### **3.0 Reasons for Recommendations**

- 3.1 In order to allow stakeholders and members of the public to comment on the proposed changes to the policy, a twelve week period of consultation needs to take place.

### **4.0 Wards Affected**

- 4.1 All wards

### **5.0 Local Ward Members**

- 5.1 All Local Ward Members

### **6.0 Policy Implications**

- 6.1 Carbon reduction - none
- 6.2 Health

Housing is fundamental to the well being and prosperity of the Borough. There are direct connections between access to affordable, sustainable housing and health, educational attainment, carbon reduction and care for older people. The policy review aims to ensure that access to limited social housing stock is fair and transparent.

## **7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

- 7.1 There are no financial implications. No changes are proposed to the current financial arrangements for the Cheshire Homechoice Partnership that delivers the Choice based lettings service.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 The Borough Solicitor will be included in the consultation to confirm that the proposed changes will be authorised.
- 8.2 Under Part VI of the Housing Act 1996 (as amended by the Localism Act 2011) local authorities are required to have an allocations policy and procedure in place in order to allocate social housing and under Part VII of the Housing Act 1996 (as amended by Homelessness Act 2002) to make provision for homeless households.

## **9.0 Risk Management**

- 9.1 The review of the common allocations policy will ensure that improvements are made in line with lessons learnt and updates in legislation to the allocation of social housing across the partnership.
- 9.2 The continuous improvement of the allocations policy is a fundamental part of ensuring the efficient implementation of choice based lettings.

## **10.0 Background and Options**

- 10.1 A report was presented to the Environment and Prosperity Scrutiny Committee in June 2011 setting out the scope of the policy review. Cheshire Homechoice had been operating effectively for 12 months. However there were some areas of the allocation policy that needed improving or reviewing in the light of lessons learnt and proposed changes in the Localism Bill.
- 10.2 The review has been conducted alongside the passage of the Localism Bill through the House of Lords through to enactment . Three representatives from the Homechoice Partnership attended a day-long Seminar in London organised by the Housing Quality Network where eminent barristers who specialise in Housing Law gave their recommendations for reviewing allocations policy in line with changes in the Localism Act.
- 10.3 The Homechoice Board have given strategic direction to the review. A working group made up of operational officers from each of the partners was set up and have worked through the policy suggesting amendments for approval by the Board and then drafting the changes to the policy in response to the Boards requirements.

- 10.4 A Housing event was held on 8 November 2011 for Members and Registered Provider Board members. Proposed amendments to the allocations policy were presented in interactive workshops. The feedback report from the workshops can be obtained from the report writer.
- 10.5 The following proposals on what to change and what not to change in the reviewed policy were made either in response to the feedback from Members at the Housing Event or to decisions of the Homechoice Board.
- 10.5.1 In relation to priority It is proposed to change from a star awarded system ranging from 1\* lowest priority to 5\* highest priority to a banding assessment based on housing need ranging from Band E: lowest need to Band A: highest need. The change in terminology will emphasise a change in approach. Housing need will be the determining factor. Those with multiple issues will no longer be assessed on a cumulative basis but on their single most important need in relation to a need for re-housing. All current housing register applications will be reassessed under the new “need” assessment.

The bands are as follows:

## **The Priority Band Assessment System**

### **Bands**

#### **A**

- Households assessed as statutorily homeless by Cheshire East Council, to whom a full housing duty is owed under the Homeless Legislation.
- Households who are unable to occupy their current accommodation.
- Households who meet the downsizing criteria (determination of the criteria has been set by the Cheshire and Warrington Housing Alliance).

#### **B**

- Households who have been assessed as potentially homeless
- Households who do not have access to a toilet or cooking facilities (“access” can be classed as access to shared or communal facilities)
- Households who are required to leave their home within 28 days as a result of a Prohibition Order served in relation to the premises under the Housing Act 2004 prohibiting use of all or part of the property, a Demolition Order served in relation to the premises under the Housing Act 2004, or a declaration of a

Clearance Area affecting the premises served under the Housing Act 1985.

- Households who are leaving supported accommodation and are ready to move on (confirmed by accommodation provider).
- Households assessed with an urgent housing need
- Care Leavers with additional housing need
- Ex-armed forces personnel with additional housing need

## C

- Households assessed as non statutorily homeless
- Those living in temporary accommodation awaiting a homeless decision.
- Households in supported accommodation (excluding sheltered accommodation), but not confirmed as ready to move on
- Households who are overcrowded – In alignment with Housing Benefit regulation
- Households who under occupy a property – In alignment with Housing Benefit regulations but do not meet downsizing requirements
- Households with a lack of security of tenure
- Households whose housing is impacting on a medical condition
- Households whose housing is impacting on their welfare

## D

- Households who do not meet any of the reasonable preference criteria and/or are otherwise adequately housed

## E

- Households who have no local connection to the sub region of Cheshire East
- Households who have had preference reduced

10.5.2 The policy has been amended throughout to place more of an emphasis on applicants being monitored to ensure they are engaging with support services in order to retain their priority assessment.

### 10.5.3 **Accessibility of the housing register**

The Localism Act 2011 gives Local Authorities a new and wide discretion to decide who may qualify to apply for social housing in their area. This was explained at the housing event with Members on the 8<sup>th</sup> November. It was explained that the housing register could be used as a central hub for anyone with a housing related issue to register their details and be given advice and information on all options which would be available in Cheshire East to assist in addressing their issue. This hub would include information for rehousing options as well as options for staying in their

current accommodation for example information on access to private rented properties, affordable housing options, supported housing options and other available support services such as handymen services. Generally, Members felt that if the housing register were to be used in this way, then the register could be accessible to all as it would be a gateway to all housing solutions. However, if this service could not be offered, then they would be in favour of restricting certain categories of applicants from registering. There were mixed opinions on who would be restricted from the housing register as a variety of exceptions categories were suggested which demonstrated the difficulty in trying to reach a consensus.

It was also acknowledged that by having an open register with the ability to provide the information on the range of options available would lead to people making informed decisions about their housing situation and responding in a timely and proactive way to address their housing issue. It was felt that closing the register to only a select few households could lead to households only approaching for advice and assistance when they reached crisis point which could be more complex and costly for the Housing service to respond to.

Following these conversations and a commitment from the Cheshire Homechoice project board to introduce a gateway model into Cheshire Homechoice, it is proposed to allow all households with a housing related issue to access the register so that they can access the hub of information. The only exceptions to this would be households who are ineligible to register due to immigration status and those who have had serious rent arrears or have committed serious acts of anti social behaviour.

#### **10.5.4 Access to housing in rural parishes**

At the Housing event there was no majority decision on whether to retain the Community Connection criteria or remove this priority whereby those who can demonstrate a connection to a rural area are given priority over someone who may be in greater housing need. All attendees agreed that if the criteria remained then the detail needed to be clearer, and should include connection via current or previous residence; immediate family or permanent employment.

The proposed reviewed section on Community Connection now reads: "The partners of Cheshire Homechoice are mindful of the concerns of residents for stability and sustainability within their communities, but also of the need to foster diversity within those communities and facilitate geographical mobility within the Cheshire East Borough. In some rural areas we may require applicants to demonstrate a community connection to that particular settlement. In these instances, any applicant currently registered with Cheshire Homechoice may bid, however, the property may be offered to the household in the greatest housing need with a community connection. In the absence of a bid from

any applicant with a community connection, the property will be let to an applicant with no community connection.

In these cases a person will be deemed to have a community connection if they fulfil one or more of the criteria below. If there is more than one applicant with a connection, then they will be considered in the order of priority banding and effective date.

Currently live or have lived or have lived within the boundaries of the Parish or adjoining parish and have done for at least 6 out of the last 12 months or 3 out of the last 5 years.

Have immediate family (sibling, daughter, son, parent, step-parent or adoptive parent) who are currently residing in the parish or adjoining parish and have done for at least 5 years.

Have a permanent contract of employment within the Parish or adjoining parish.

### **Making best use of a scarce resource**

- 10.5.5 Statistics and evidence gathered since the inception of Cheshire Homechoice demonstrates that family housing is in extremely short supply but is in high demand. The ability to make best use of social housing stock has been highlighted as a key priority for the Cheshire and Warrington Housing Alliance.
- 10.5.6 In order to make the best use of housing stock for families; it is proposed that households who are under occupying and willing to downsize are to be placed in Band A as long as they meet the criteria established as part of the Cheshire and Warrington Housing Alliance Downsizing scheme. The scheme supports vulnerable people both financially and with practical assistance to move into smaller properties which are more suitable for their needs.
- 10.5.7 Households that are overcrowded are given additional priority to assist them in moving to larger accommodation. It is proposed that this is assessed in line with current Housing Benefit parameters that allow an additional bedroom for persons aged 16 or over. More recently the Department of Communities and Local Government has released a guidance document on housing allocation for consultation. In the document, overcrowding is assessed in a bedroom standard that sets the age limit at 21 for sharing a bedroom. Therefore, it is proposed that this be looked at again during the consultation on the review of the Cheshire Homechoice policy. Such an assessment would have the effect of making best use of social housing stock as households with over 16's sharing a bedroom would be encouraged to look for larger accommodation in the private housing sector.

## **Additional Priority groups**

10.5.8 Consideration has been given to the following groups to determine whether the reviewed policy should award them additional priority over the average household in housing need.

- Careleavers. Currently Careleavers are not given a specific priority within the Cheshire homechoice policy. The Leaving Care Act 2000 provides for specific duties to children leaving the care of local authorities. It is the duty of local authorities to give care leavers "assistance of any kind to the extent that his welfare require it". It is clear in law that this includes accommodation and therefore, as corporate parents, the authority's responsibilities for the welfare of care leavers is high. It is therefore proposed to give them additional priority and place them in Band B where they are in housing need.
- Armed forces personnel. There is currently no additional priority awarded to army personnel in the policy which is being reviewed. However, there is a clear message from central Government to give priority to those leaving the armed forces or having left in the previous five years. In the review it is proposed that they would be given additional priority by placing them in Band B. In recognition of the mobile nature of service life it is also proposed that this group be exempt from the criteria on local connection.
- People in work: Examples of other local authorities giving priority to those in work were examined to determine whether this is a category of household who should be awarded additional priority on the housing register. The Royal Borough of Kensington and Chelsea gives priority only to those in work who are moving from temporary or supported accommodation to support their ability to continue to work. Westminster Council have a similar approach. Both award a small amount of priority through additional points, an option not available under the proposed banding system at Cheshire East. Manchester City Council does have a banding system and awards a priority by raising those in work up a band. Upon further discussion with Manchester City Council, it has been discovered that this does not provide value for money for the service due to the work required by staff to gather the evidence needed to be able to award the priority. A lean systems review of the homechoice service has recently been carried out and getting staff to gather this evidence would not be a lean process for the customer or the Local Authority.

Furthermore, due to the current economic climate and high risk of job cuts in all sectors, it was felt that this would be unfair on households struggling to find employment at the current time. The project board have also considered the impact of the welfare reform and the fact that more households will struggle to afford to access the private rented sector and if access to social housing

were to be restricted as well to people who are dependent on welfare benefits then they could potentially be left with no accessible housing options in the area and create homelessness in Cheshire East.

Under the Localism Bill, Registered Providers will have the ability to offer fixed term tenancies to new tenants. At the end of the fixed term, a review of the households circumstances will be carried out to determine whether to continue to offer a social housing tenancy to the household. If a household could afford another type of housing the registered provider could potentially end their tenancy agreement. Households could then have a claim under Section 8 of Human Rights Act if our Allocations Policy gave favourable preference to people in employment but the basis for non-renewal of flexible tenancies by RPs is due a households income level.

Priority to this group has therefore not been included in the reviewed policy.

10.5.8 All the proposals in the policy review will be subject to the outcome of the consultation.

10.6 The draft reviewed Housing Allocation Policy is now ready to progress to the public consultation stage. During this period the Policy will be submitted to to scrutiny Committee for comments and at the conclusion of the consultation the final reviewed Policy will be ready for Cabinet approval.

## **11.0 Access to Information**

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

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