

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 20th August 2012
Report of: Strategic Director of Places and Organisational Capacity
Subject/Title: Cheshire Homechoice Common Allocations
Policy Review
Portfolio Holder: Councillor Jamie Macrae

1.0 Report Summary

- 1.1 This report presents proposed changes to the Cheshire Homechoice Common Allocations Policy.

2.0 Decision Requested

- 2.1 To approve the revised Cheshire Homechoice Common Allocations Policy.

3.0 Reasons for Recommendations

- 3.1 The Review of the Cheshire Homechoice Allocations Policy has been completed, having gone through a 12 week period of consultation which ended on the 22nd June 2012. This report outlines the proposed changes to the policy and seeks the approval of Cabinet.

4.0 Wards Affected

- 4.1 All wards

5.0 Local Ward Members

- 5.1 All Local Ward Members

6.0 Policy Implications including -

- 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 in relation to the implementation of the policy. No changes are proposed to the current financial arrangements for the Cheshire Homechoice Partnership that delivers the Choice based lettings service.
- 7.2 The implementation of Enhanced Housing Options will require additional ICT. There is an existing capital allocation to fund the required module to which partners have contributed.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 Under Part VI of the Housing Act 1996 (as amended by the Localism Act 2011 on the 18th June 2012) 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 approval of the reviewed Cheshire Homechoice Common Allocations Policy will ensure that improvements are made in line with lessons learnt; updates in legislation and the latest government guidance 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

- 10.1 Cheshire Homechoice had been operating effectively for 2 years. 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 Board's 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 A report was presented to the Environment and Prosperity Scrutiny Committee on 24th April 2012 to provide an update on the proposed changes to the policy and seek the views of members. The amendments to the policy were endorsed by the Committee (copy of the minutes attached).
- 10.6 The revised Cheshire Homechoice Common Allocations Policy has now been through a 12 week period of consultation that ended on 22 June 2012.
- 10.7 The Department for Communities and Local government released updated guidance for local housing authorities in England in June 2012.
- 10.8 Proposals on what to change and what not to change in the reviewed policy were made either in response to feedback from Members; from residents and stakeholders who responded to the consultation; or to decisions of the Homechoice Board.

11.0 Proposed Changes

- 11.1 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.

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

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 the Bedroom Standard
- 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

11.2 Encouraging Engagement

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.

11.3 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 to Members at the housing event on the 8th November and at Environment and Prosperity Scrutiny Committee on 24 April 2012. 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 it 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.

The majority of those who responded to the consultation agreed with an open register. Those who disagreed had mixed opinions on who would be restricted. The main opinion amongst this minority was that those who could afford to rent or buy in the private sector should be excluded. The Homechoice Board considered this again. The practicalities and staffing costs of assessing income and affordability for all applicants across Cheshire East was considered to be unmanageable. Accommodation costs and income levels are so variable across the Borough that determining a standard level across the region would be impossible.

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.

11.4 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 which went out to consultation read:

“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.

Respondents to the consultation were in agreement with this proposal. However, there was a concern raised by Cheshire East Planning that 6 months was too short a time to have established a community connection and it was suggested that this be increased to 12 months or 24 months

After further consideration the Homechoice Board are recommending that this part of the criteria be changed to 12 months out of the last 2 years.

11.5 Making best use of a scarce resource

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.

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. Households that are overcrowded are given additional priority to assist them in moving to larger accommodation. It was 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 issued guidance on housing allocation. In the document, overcrowding is assessed in line with the bedroom standard that sets the age limit at 21 for sharing a bedroom. Therefore, it is proposed that this is adopted as the standard for Cheshire East. 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. It is felt that this decision reflects the experience and circumstances of private homeowners.

11.6 Additional Priority groups

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.

- Care leavers. Currently Care leavers 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.

- Ex-Armed forces personnel. The government has issued regulations which come into force on 24th August 2012 stating that authorities can't use local connection in deciding whether any of the following is a qualifying person:

- (a) persons who are serving in the regular forces or have done so in the five years preceding their application for an allocation of housing accommodation;
- (b) bereaved spouses or civil partners of those serving in the regular forces where their spouse or partner's death is attributable (wholly or partly) to their service and the bereaved spouse or civil partner's entitlement to reside in Ministry of Defence accommodation then ceases;
- (c) seriously injured, ill or disabled reservists (or former reservists) whose injury, illness or disability is attributable wholly or partly to their service.

In the review it was proposed that this group be exempt from the criteria on local connection. It is proposed that the wording should mirror the government regulation. This had no specific priority under the old policy. The revised policy will result in increased priority as these applicants will not be restricted by 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 Act, 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 household's 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. It was suggested at the seminar referred to above that 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 Registered Providers is on a household's income level.

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

11.7 Reduced Preference

It is proposed that those applicants whose behaviour is unreasonable but is not serious enough for them to be deemed not qualified to be on the register, should have their priority reduced. They will be placed in Band E regardless of their housing need. After 6 months they can ask to be reassessed if they can provide evidence that the behaviour has improved. This will usually be for Anti Social Behaviour and rent arrears

- 12.0** The reviewed Cheshire Homechoice Common Allocation Policy is now ready to progress to approval stage.

13.0 Access to Information

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

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