

TUESDAY, 19TH NOVEMBER 2019

**REPORT OF THE PORTFOLIO HOLDER FOR HOUSING SERVICES AND
NEIGHBOURHOODS****ALLOCATIONS POLICY 2020****PURPOSE**

Cabinet approved the draft Allocations Policy on 24th January 2019¹ subject to consultation and subsequent council approval.

Allocation of housing is covered in Part 6 of the Housing Act 1996. It has been substantially amended by the Homelessness Act 2002, Localism Act 2011 and more recently Homelessness Reduction Act 2017. There is also a series of statutory guidance notes which Local Authorities have to consider when designing and implementing their Allocation schemes.

Within this comprehensive legislative and regulatory context the purpose of the report is to:-

- Provide details of the full Allocations Policy 2020, shown at annex one
- Summarise feedback from the detailed consultation exercise that ran from 7th May 2019 – Friday 30th August 2019
- Reflect scrutiny committee observations (both IS&G and Health & Wellbeing)
- Set out the implementation arrangements should Council approve the final scheme

RECOMMENDATIONS

Council are recommended to:-

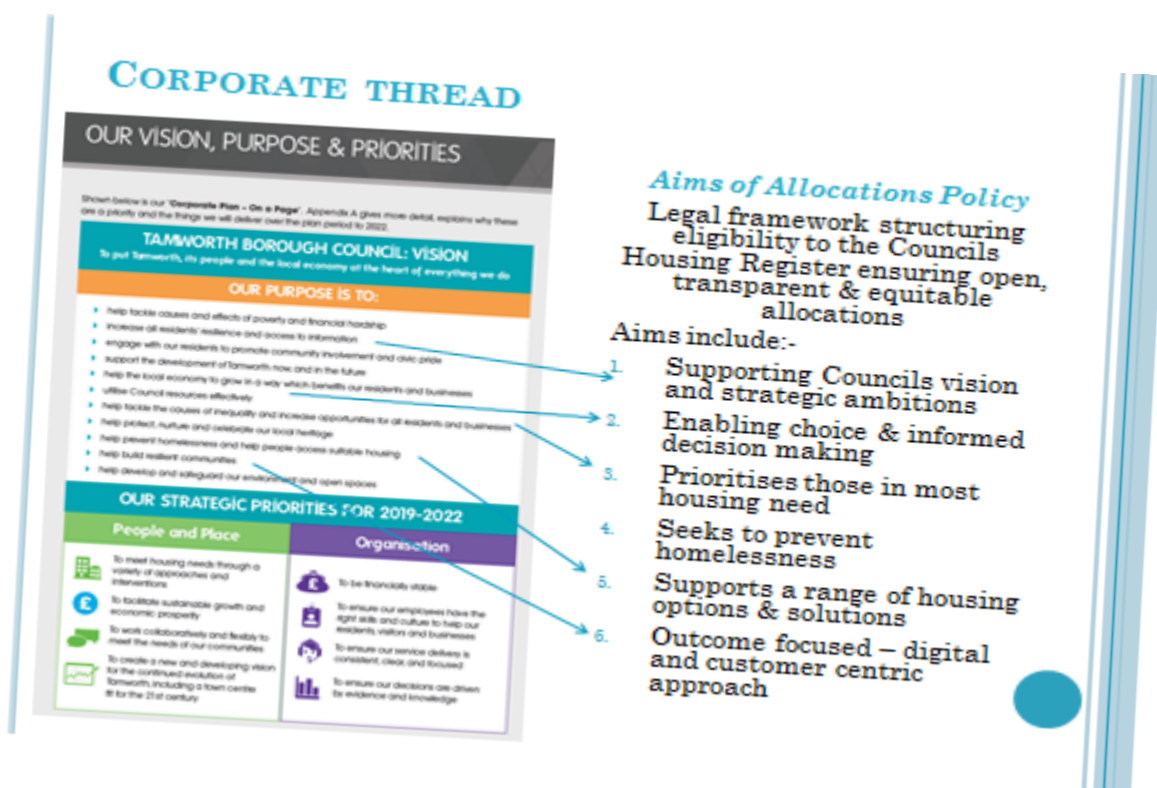
- 1. Approve the Council's Allocations Policy 2020, shown at annex one**
- 2. Support Health & Well-being scrutiny committee observations shown at annex three which have been incorporated into the revised policy**
- 3. Endorse the Equality Impact Assessment set out at annex six**
- 4. Acknowledge feedback from the detailed consultation exercise that ran from 7th May 2019 – Friday 30th August 2019, full details set out in annex seven**
- 5. Approve the implementation action plan, should Council approve the final scheme, highlighted in the report and shown at annex eight**

¹ [http://tammodgov.tamworth.gov.uk/documents/s24881/Allocations%20Policy.pdf?\\$LO\\$=1](http://tammodgov.tamworth.gov.uk/documents/s24881/Allocations%20Policy.pdf?LO=1)

EXECUTIVE SUMMARY

The review of, and the proposed Allocations Policy 2020, has taken place against a national context of emerging policy, legislation and regulatory requirements. The Government's paper on a **“New deal for social housing”** (2018/9) alongside requirements for refreshed Homelessness and Rough Sleeping strategies demands an allocations policy that is both ‘fit for the future’ and capable of balancing the rights and flexibilities of its service users with meeting housing need and challenging shortages in supply.

An extract from the presentation to Health & Wellbeing Scrutiny Committee on the 15th October 2019 shows how the aims of the allocations align with Tamworth's Corporate Plan in relation to meeting housing needs through a variety of innovative approaches and interventions. Tamworth continues to be supported by HAST² who recommended Tamworth to the MHCLGs task force on reviewing the Homelessness Reduction Act 2017 and therefore continues to be at the forefront of learning and able to apply best practice to our own policy development; including Allocations.



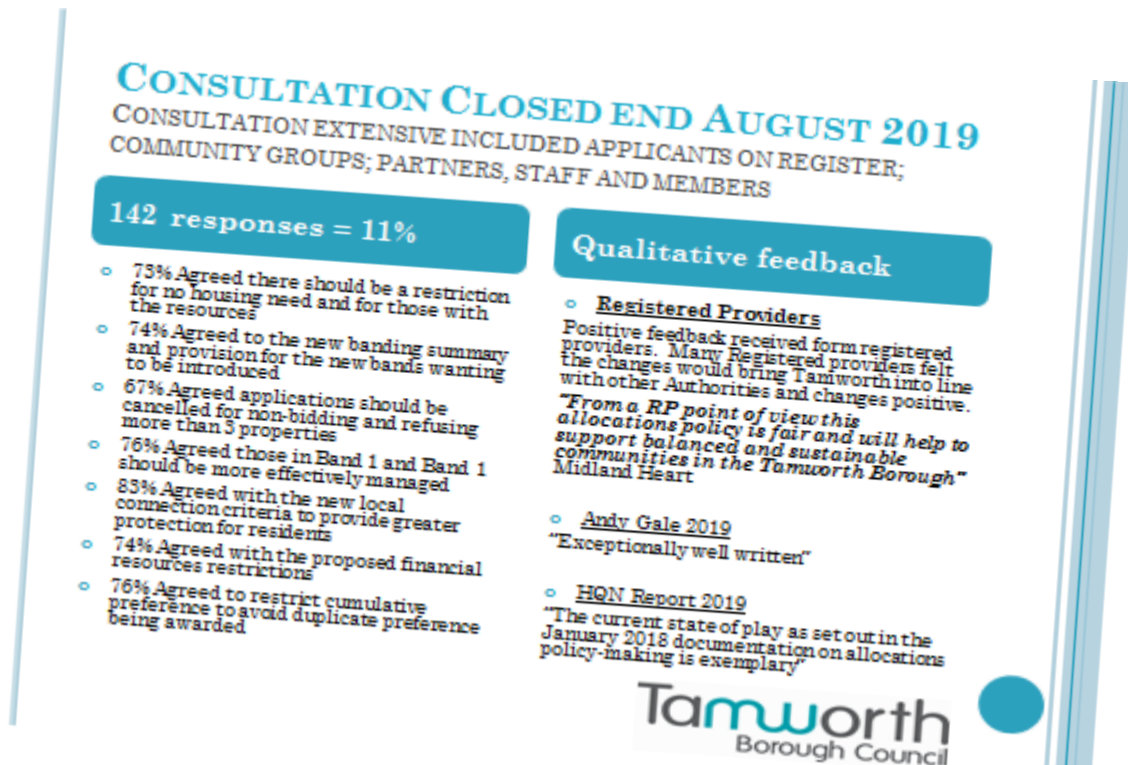
The legislative and regulatory guidance is comprehensive and detailed in the proposed Allocations policy. It is recommended to Council following a detailed consultation and assessment process including :-

- A legal and sector (Housing Quality Network) review
- Full stakeholder consultation from 7th May 2019 – 30th August 2019 including applicants on the register; new applicants; registered providers', statutory partners including social and health care practitioners', third sector partners, voluntary sector organisations and TBC's own staff
- Ongoing member scrutiny via Health Wellbeing Committee in October 2018 and 15th October 2019 as well as a full member seminar August 2019

² Homelessness Advisory Services Team (MHCLG)

- Externally facilitated Equality Impact Assessment engaging stakeholders' and members

The report details the consultation and evidences 142 responses from the key stakeholder groups listed. A full summary is shown at annex seven and illustrates the support for the key policy changes; the background data has been omitted as it does include personal details but has been shared with the Portfolio Holder. From the extract presented to Health & Wellbeing Scrutiny on the 15th October 2019 there was majority support for all the key changes.



The key changes are detailed in full at annex two and the impact of each detailed later in the report. The headlines are summarised below and reflect the recommendations made by Health & Wellbeing Scrutiny committee members:-

1. Disqualification of those with no housing need
2. Cancelling applications where there have been no bids placed in the last 12 months (noting this will only be applied if there were suitable bids to place)
3. Cancelling applications where applicants have refused 3 suitable properties (noting this will only be applied where it is evidenced the offers were suitable)
4. Focused management of band 1 and band 1+ cases to ensure they have a priority card facilitating active management
5. Amendment to cumulative preference to ensure priority reflects differing needs
6. Inclusion of a financial threshold of £60k per family household or £30k for single person households. This has resulted in the greatest discussion and whilst 74% of those responding are in agreement; this has been modified in view of feedback; particularly from Health & Wellbeing Scrutiny Committee. Put simply, going forward under the proposed policy a full income and expenditure assessment will be completed and even where households do

exceed permitted limits; if there is evidence of financial hardship &/or there is a management gain to the Council by letting a more difficult to let property; then applicants will be permitted access. Further the £60k household income will disregard income of non-dependants and specialist benefits such as disability benefits and those received by armed forces veterans. Further this will be kept under review for 12 months so a full financial impact of these thresholds can be fully tested; as currently income details are not captured and this area is therefore assumed under the impact assessment using wider income intelligence.

7. Strengthening of local connection

If Council approve the report then it is intended to launch the new policy in June 2020. Preparation for the policy launch will begin immediately. The implementation plan is shown in full at Annex five. Prior to June 2020 the following steps will include:-

- Individual tailored letters to all applicants setting out their banding priority including
- Frequently asked Questions booklet (also on the web)
- Web details and links to Finding a Home with range of housing options
- Freephone help line to capture feedback
- Monthly housing surgeries from February until May 2020 promoting all housing options
- Market Place event in March 2020 to support public; private and home ownership opportunities engaging a range of partners
- Full launch of the new policy in June 2020

RESOURCE IMPLICATIONS

Costs arising from the implementation from the revised Allocations scheme can be met from existing budgets. There will be an inevitable increase in customer demand as applicants are contacted to advise on the impact of the revised policy. It is intended to resource this from within existing arrangements but this will be kept under review; and should additional resources become necessary then this will be reported separately.

LEGAL/RISK IMPLICATIONS BACKGROUND

A range of external partners have reviewed the proposed allocations policy and their comments and observations incorporated. Trowers Solicitors have confirmed that the allocations policy and associated equality impact assessment is legally compliant. In addition the Housing Quality Network reviewed the draft policy and this was reported to Cabinet on 24th January 2019, which evidenced HQN endorsed the proposals. An external adviser has also facilitated the production of the Equality Impact Assessment (shown at annex 6) and this has been the subject of stakeholder feedback; in particular Health & Wellbeing scrutiny who considered it on 15th October 2019, adding further and invaluable input.

All best endeavours have been made to ensure the Allocations Policy is fit for purpose; however this area is subject to considerable scrutiny and often litigation and therefore avoiding challenge cannot be guaranteed. A risk assessment has been

kept under review throughout the project and headline risks summarised below:-

Risks	Mitigation
<p>Service User dissatisfaction as those with no housing need are not able to access the housing register</p> <p>High</p>	<p>This is likely to affect around 55% on the housing register. Although they currently have no identified need are likely to contact the Council for advice. The implementation plan allows for housing option surgeries as well as a market place initiative to provide information on a range of housing based opportunities including within the owner occupied and private sector.</p> <p>Most Local Authorities have now implemented similar policies, some choosing to close the register. By better assessing housing need this will allow targeted and tailored support for those facing particular challenges.</p> <p>The impact assessment shows that previously band 4 applicants were most likely to be let sheltered accommodation and this will be unaffected as properties will continue to be advertised through the Councils Finding a home service.</p> <p>Additionally officers are currently working on the Housing Strategy and Homelessness Strategy – the evidence base for both will inform future lettings planning and assessment of how best to meet wider housing needs.</p>
<p>Rationalisation of the Housing Register may lead to demand issues elsewhere within the Council's stock</p> <p>Low</p>	<p>Properties will continue to be advertised via the Finding a Home service and are let based on need and then waiting time – this will remain unchanged.</p> <p>The Council is reviewing its Asset Management Strategy, and making best use of its stock is key to this and will feed into other strategic documents which remains under review including the HRA Business Plan, Housing Strategy and Homelessness Strategy.</p>
<p>Higher level of complaints as people want to remain on the register 'just in case'.</p> <p>Medium</p>	<p>The housing register is not designed to be a 'waiting list just in case'. Effective management of the register will allow true housing need to be mapped and assessed; so appropriate strategies can be put in place to target earliest help and support vulnerable households.</p> <p>The implementation plans are designed to offer tailored individual advice as well as housing based surgeries to manage applicants' expectations.</p>
<p>Insufficient properties (supply) to meet demand</p>	<p>This is a national challenge and well documented. It is complex as often applicant expectations are</p>

<p>High</p>	<p>for property type and location. In Tamworth Housing need in the local plan is assessed as requiring 183 units of which 40 should be affordable; in 2018/19 144 affordable units were granted with 77 completed.</p>
<p>Confusion during implementation of the new policy</p> <p>Medium</p>	<p>Project implementation will involve individual letters; advice line; housing option surgeries and ongoing monitoring.</p>
<p>Further changes to the Homelessness Reduction Act 2017 may require further change to the allocations policy</p> <p>High</p>	<p>Tamworth are well supported by Homelessness Advisory Support Team (HAST) and are part of the Governments task force on reviewing the HRA 2017 and therefore are best places to assess the impact of changes.</p>
<p>Inadequate resources for implementation</p> <p>High</p>	<p>This will be kept under review.</p>

SUSTAINABILITY IMPLICATIONS

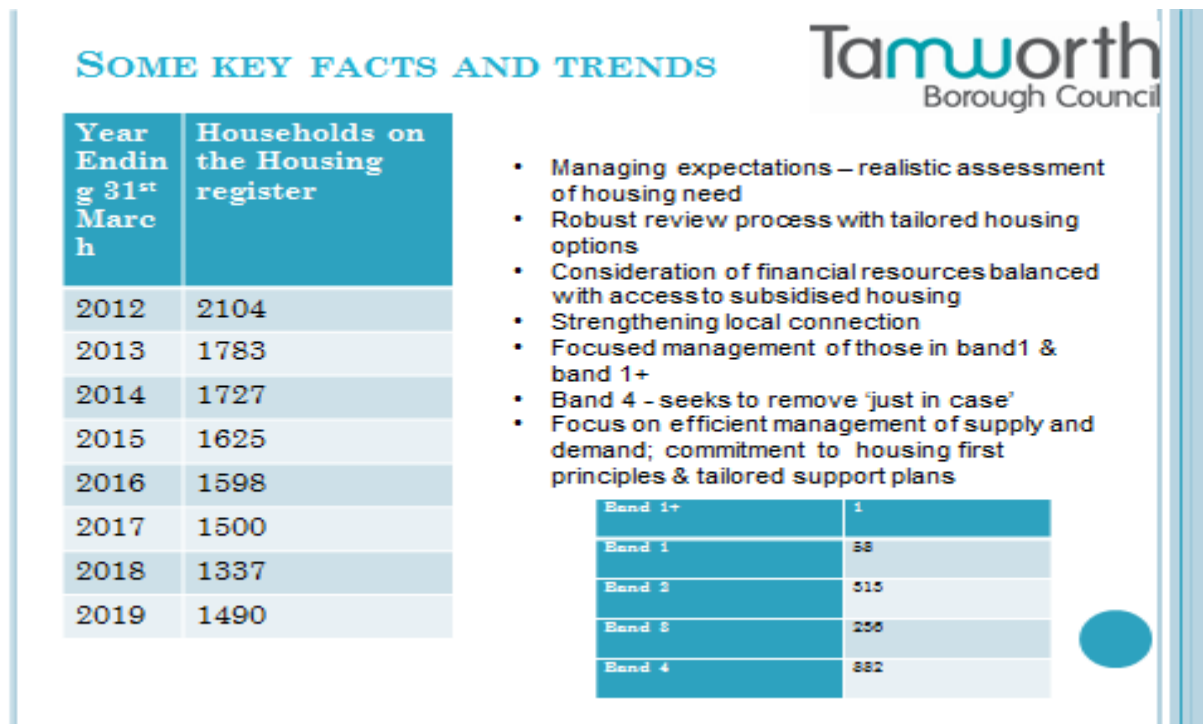
Sustainability of balanced and vibrant communities is part of the Councils strategic DNA around achieving its vision “***to put Tamworth, its people and the local economy at the heart of everything we do***”. Allocation of accommodation is fundamental to this to ensure aspiration and housing needs are managed recognising the overall shortage of affordable housing.

MATTERS FOR CONSIDERATION

For Member reference the following attachments are referenced:-

	Annex	Details
1	Full Allocations Policy 2020	Full policy amended to incorporate all agreed feedback
2	Summary Policy Changes	Description of key changes
3	Health & Wellbeing Scrutiny Feedback October 2019	Scrutiny member observations and recommendations with the management recommendations
4	Cabinet Report 24 th January 2019	Background
5	Health & Wellbeing Presentation October 2019	
6	Equality Impact Assessment November 2019	Externally facilitated impact assessment covering all protected characteristics under the Equality Act 2010. Health & Wellbeing Scrutiny contributed to this in October 2019
7	Full Consultation Summary on Proposed Changes (May-Aug 2019)	Comments and feedback listed in relation to each proposed change
8	Implementation Action Plan 2019/2020	Next steps to give effect to the new Allocations Policy

Numbers on the housing register invariably fluctuate but the latest details shared with Health & Wellbeing Scrutiny on 15th October 2019 are illustrated below.



The summary of detail shows that there is around 1490 currently on the register and this has been fairly static over the year. It is likely this will fall to around 600 when the changes have been applied.

- o <https://www.findingahometamworth.co.uk/index.aspx>



- Stock c4200
- c250 lettings of council accommodation per year
- c160 RP nominations per year
- c60 mutual exchanges per year
- Average void cost c£2500
- Highest churn 1 & 2 beds across Sheltered and high rise accommodation
- Highest demand is for 1 & 2 bed general needs stock
- 3 and 4 bed houses lower demand & more limited supply (often let on band 3)
- Average bids c30 for 1 beds; c 60 for 2 beds and c15 for 3 and 4 beds
- Impact new & affordable housing – over 200 additional units in 2019/2020

Of the c600 likely to remain on the list – officers expect this to increase as applicants challenge their ‘no housing need’ status - so a more realistic assessment is around c1000. Based on the c400 lettings per year (council and RP lettings/nominations) this should serve to manage expectations; noting the complexities’ around what households want/desire as opposed to need.

As the Housing Strategy; Asset Management Strategy and Homelessness Strategy are reviewed the approach to managing demand will be monitored in the context of making best use of stock; homeless prevention and promoting wider housing choices and solutions.

Summary changes of the Allocations Policy

For consistency the key proposals and impact assessment conclusions are shown below; and have been updated following on from the Health & Wellbeing Scrutiny meeting on 15th October 2019:-

Proposed change	Summary Information
1 Disqualification of those with no housing need	Likely to affect 802 of 841 in band 4. Band 4 will not be removed
2 Cancel housing applications where no bids received in preceding 12 months	706 applicants have not bid in 12 months, this is aimed at changing the culture to one of management of the register rather than allowing households to sit on a “waiting list – just in case”
3 Cancel applications where 3 offers have been refused	This would have only affected 12 in the last 12 months, but if implemented would ensure a more targeted and effective use of housing resources

4 More focused support of those in band1 and band 1+	73 households are currently in these bands and this is an increasing figure. Tailored housing based support plans is a principle already used for homelessness and used across the register, it will ensure expectations are managed and the widest possible housing solutions explored including the private sector
5. Added categories of the bandings	to better equip the Council to meet the new duties & responsibilities of the Homeless Reduction Act
6. Amendments to cumulative preference	Review with partners (particularly GPs) around how combined needs impact on priority to ensure housing need is not escalated for non-related issues, such as incentive to move schemes
7. Introduction of a financial threshold allowing access to the register only if they are unable to fund an alternative solution	This is based on the based on savings &/or income levels of the main applicant(s) against local income levels & house prices. Exemptions have been built in to take account of debts.
8. Strengthening of local connection	This is already robust in Tamworth but will be extended to ensure living or caring within Tamworth for 2 consecutive years and employment is having a contract for at least 12 months

The full Equality Impact Assessment is shown at annex six , and sets out the impact on protected groups.

Scrutiny Observations

Health & Wellbeing scrutiny were involved in the development of the Equality Impact Assessment and the officer responses are attached for Council approval and have been incorporated into the Policy. Further details are shown at annex three.

Comments	Officer Response
<p>Pleased to see took on board member earlier views, namely</p> <ul style="list-style-type: none"> • Applications cancelled based on 3 offers will read suitable offers • Financial thresholds will include a discretion and levels will be reviewed in 2021/2022 • Really pleased members have been involved throughout (member seminar, pervious scrutiny) and now opportunity to scrutinise EqIA and listened to 	<p>Response and feedback noted. For applications to be cancelled it will need to be suitable. All applications in band 1 will have a suitability assessment completed upon banding award as part of the process. There also remains the right to a review which would be undertaken by someone not involved in initial decision.</p> <p>EqIA has been independently reviewed to ensure it is legally compliant</p> <p>Financial resources thresholds were based on proportions of average house and rent prices will be reconsidered annually once baseline information has</p>

	been captured.
EqIA – support vulnerable people; discussion around portal / digital by default so that resources can be diverted to prevention and service then tailored to those with diverse needs	Those in band 1 will have officers assigned to monitor and support their bidding. Vulnerable persons already supported through bidding and this is recorded on the housing register. Those who are unable to access ICT will be supported to do so as part of the wider ICT inclusion policies. The Assistant Director for People will keep the committee informed on the development of the portal.
EqIA – can we update profiling information; discussion around census data and that shift to e-form will improve customer profiling	Most of the data currently held is in relation to historic application where the data was not required to be captured. All new applications ask for information on the equality strands and this will be considered through the development of the portal.
Support local connection	Response and support noted. Local connection has been further strengthened within the policy to protect residents as far as possible.
EqIA – disability concerns around providing information in different languages and 'browse aloud' ; confirmed this was captured and already part of equality planning	Concerns noted and acknowledged they have been addressed as part of the EIA. The Council will provide the application form in different languages as required and there is accessibility functionality in built within the bidding site.
Like financial thresholds and pleased to see market place initiative as part of the implementation	Financial thresholds were calculated based on a proportion of average house process and market rents. There is a commitment to review this in 2021/2022 once baseline information has been captured.
Will support be put in for those off the list; yes implementation allows for range of things including housing options surgeries; Freephone etc etc	The Council retains an advice and assistance duty for all, comprehensive housing options information is available for all, there is a housing assessment tool within the bidding site, and factsheets and details on housing options also displayed within the website.

Implementation Arrangements and Next Steps

Members at the Seminar in August 2019 and at Scrutiny on 15th October 2019 supported the arrangements for implementation shown below.

PUTTING ‘CUSTOMERS AT HEART OF WHAT WE DO’

o Implementation by June 2020, if approved,

1. Band review letters (January – February 2020)
2. Communications and customer support planning throughout including freephone number, email, customer services triage and scripting
3. Housing options surgeries
4. Market place event(s) – HTB; mortgage advice; shared ownership; RPs and private landlords
5. Ongoing review vis Homeless Strategy & Rough Sleeping Strategy update

<https://findahometamworth.co.uk/content/HousingOptions/Index.aspx>



Stakeholders particularly reflected back that they supported housing options surgeries; and particularly popular was a proposed market place event which would attempt to bring together a range of partners to look at private, public and home ownership possibilities. The action plan below therefore allows for these events to be organised:-

Event	Timescale
Preparation of orchard testing and banding letters	Up to December 31 st 2019
Preparation of procedures and training for Staff (inc. customer service scripts)	By February 2020
Banding review letters giving 28-day notice of change	Jan-February 2020
Housing Options Surgeries	1 event per month (Feb/March/April/May)
Market Place Event with Partners	March 2020
Launch of new Policy	End of June 2020
Review New Policy	2021/2022 (or sooner should legislation dictate)

REPORT AUTHOR

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