

CABINET

3rd September 2014

Home Choice Plus Allocations Policy Review

Relevant Portfolio Holder	Cllr Kit Taylor
Portfolio Holder Consulted	Yes
Relevant Head of Service	Sue Hanley
Wards Affected	All
Ward Councillor Consulted	N/A

1. SUMMARY OF PROPOSALS

- 1.1 Following amendments to the legislation governing housing allocations in the Localism Act 2011, the Home Choice Plus Partnership proposed changes to the allocations policy and has subsequently held a consultation exercise.
- 1.2 This report summarises the outcome of the Home Choice Plus Housing Allocations Policy consultation with partner authority portfolio holders, members of the public and stakeholders.
- 1.3 Members are asked to approve the updated Home Choice Plus allocations policy (Appendix 1) and complete further work to ensure the Council is effectively meeting the strategic purpose of 'Help me to find somewhere to live in my locality'.

2. RECOMMENDATIONS

That Cabinet is asked to recommend that

- 1) The Home Choice Plus Allocations Policy (Appendix 1) is approved and;**
- 2) Officers undertake a review of the policy to commence after 12 months from the implementation date to establish whether it is the most effective way of meeting the Council's strategic purpose 'Help me to find somewhere to live in my locality'.**
- 3) The Council works closely with Bromsgrove District Housing Trust during the next year to establish whether, from a "system – thinking" perspective, choice-based lettings is the most effective way of meeting the strategic purpose: 'Help me to find somewhere to live in my locality'.**
- 4) The remaining funds of 26k available from the 2014-15 DCLG homelessness grant be utilised in supporting Bromsgrove District Housing Trust in implementing the approved policy**

and its impact and to support Fry Housing to continue its housing scheme for ex-offenders in Bromsgrove..

3. KEY ISSUES

Financial Implications

- 3.1 The cost to undertake the necessary alterations to the Home Choice Plus software will be covered by monies held by the Partnership.
- 3.2 The DCLG provides an annual homelessness grant of 112k to Bromsgrove Council, and it is proposed to use the remaining £26k from this grant to fund:
- Additional work required of BDHT to implement the changes to the allocations Policy, review the existing housing waiting list and deal with customer enquiries resulting from these changes. Up to £21K
 - A one-off contribution of £5K to support Fry Housing continue their housing scheme for ex-offenders in Bromsgrove.

Legal Implications

- 3.3 Housing authorities are required by s.166A of the Housing Act 1996 to have an allocation scheme for determining priorities and for defining the procedures to be followed in allocating social housing accommodation and they must then allocate in accordance with that scheme.
- 3.4 The provisions of the Localism Act 2011 relating to housing allocation came into force in England on 18th June 2012 amending Part 6 s169 of the Housing Act 1996. The objectives behind these amendments are to:
- Enable housing authorities to better manage their housing waiting list by giving them the power to determine which applicants qualify for an allocation of social housing. Authorities are now able to operate a more focused list which better reflects local circumstances. These changes can help to manage unrealistic expectations by excluding people who have little or no prospect of being allocated accommodation.
 - Make it easier for existing social tenants to move.
 - Maintain the protection provided by the Statutory Reasonable Preference Criteria – ensuring that priority for social housing is given to those in greatest need.

- 3.5 Part VI Housing Act 1996 specifies five categories of applicant who must be awarded 'reasonable preference' and this remains unchanged by the Localism Act 2011 and these are:
- people who are homeless
 - those owed homeless duties
 - people occupying insanitary or overcrowded housing or other unsatisfactory housing conditions
 - People who need to move on medical or welfare grounds
 - People who need to move to a particular locality within the local authority district, where failure to meet that need would cause hardship to themselves or others.
- 3.6 Housing Authorities may only allocate accommodation to people who are defined as 'qualifying persons' (s.160ZA (6)(a)) with the exception for members of the Armed and Reserve Forces. Whatever classes of persons who do not qualify for social housing, it is important to consider exceptional circumstances where it may be necessary not to apply these criteria in the case of individual applicants.
- 3.7 The Allocation of Housing (Qualification Criteria for armed forces) (England) Regulations 2012 and the Housing Act 1996 (Additional Preference for Armed Forces) (England) Regulations 2012 sets out how local authorities should respond to the housing needs of ex-servicemen.
- 3.8 A new code of guidance has been written replacing all previous guidance on social housing allocations: "Allocation of accommodation: guidance for local housing authorities in England."
- 3.9 The Localism Act and subsequent consultation paper on Providing Social Housing for Local People focuses on the need to provide housing for local people and to categories of household that the local stakeholders, members and residents think are important, as well as housing the "reasonable preference groups", as listed at 3.5. The new allocations policy seeks to encompass these points.

Service / Operational Implications

- 3.10 Members will be aware that on the 8 January 2014, Cabinet considered the proposed amendments to the Home Choice Plus housing allocation scheme prior to giving approval to go out to consultation. Cabinet approved the consultation and requested updating on the outcome of discussions with the Home Choice Plus Partnership regarding the "local connection" statutory provisions.

- 3.11 Members have been keen to explore local connection, ensuring local homes go to local people, and to look into whether choice-based lettings is the best way of allocating housing in the community. Members had some concerns about local connection and how best to prioritise the housing needs of Bromsgrove residents when allocating properties in the District.
- 3.12 The Strategic Housing Manager agreed to contact the relevant Portfolio Holders at partner authorities outlining the Council's position in this regard. Responses were subsequently received from all partner Portfolio Holders – whilst they sympathised with and understood the Council's wish to ensure local homes go to local people, respondents also expressed a strong wish that the Council remain within the existing arrangements, pointing out that the number of families coming into Bromsgrove without a local connection is small, certainly when coupled with the number of households moving out of the area and into another part of Worcestershire.
- 3.14 Analysis of the Home Choice Plus register was undertaken to analyse the data available about moves in and out of Bromsgrove District according to local connection. Although perception can often be that homes are going to people with no local connection to the area, this perception is not borne out by analysis of the data, which shows that the number of applicants with a local connection to Bromsgrove being allocated properties in other partner areas is higher than the number of applicants without a local connection to Bromsgrove District being allocated properties in the District. In the last two years as below the data shows that more customers move out of Bromsgrove District than move in in terms of local connection.

	2012/13	2013/14	Total
No local connection moving in	27	47	74
Local connection moving out	17	62	89

- 3.15 Overall, the new Home Choice Plus allocations policy will reduce the number of people able to register from outside of the Partnership area, so Bromsgrove's position should remain unaffected as a result, and it may be likely that fewer allocations are made to applicants without a connection to Bromsgrove District.

- 3.16 As a result of the relatively small-scale nature of the issue in real terms, the Council may consider that staying in the existing arrangements is an acceptable position in the short term, especially if it monitors allocations for twelve months and reviews the impact of the new policy a year after it has been implemented.
- 3.17 Another aspect that Members have wished to examine is the value of using a choice based lettings system for housing allocations in Bromsgrove. As a result, some early high-level scoping work has been done to begin to understand the value of the choice-based lettings model in Bromsgrove, and BDHT have offered to work with the Council to better understand how well the existing model supports the strategic purpose “help me to find somewhere to live in my locality.”
- 3.18 Internal Auditors undertook an audit of strategic housing/choice based lettings during April 2014 and their report concluded that there is value in considering whether the current system provides value for money in Bromsgrove.
- 3.19 This work will need resourcing by both organisations but it could well prove fruitful in terms of looking at whether choice-based lettings is the best way of allocating homes in Bromsgrove District. The outcomes of this analysis could feed into a review of the new Home Choice Plus allocations policy one year after implementation, enabling the Council to draw meaningful conclusions about the best way forwards at that point in time.
- 3.20 Whichever direction the Council ultimately decides to pursue, there will be costs associated with these choices, together with risks and challenges for service continuity for both the Council and Bromsgrove District Housing Trust. The cost of staying within the existing arrangements are known, and would increase temporarily to support BDHT in applying the changes to the system, reducing the size of the waiting list and dealing with enquiries coming out of this activity.
- 3.21 Costs are less easy to predict in detail should the Council choose to give notice to the Partnership and withdraw from the existing arrangements - to do so would require a brand new approach to allocating housing and could well therefore mean ‘starting from scratch.’
- 3.22 The Recommendation 3) above is to enable the analysis to be undertaken that should provide a sound basis for evaluating and deciding, in the future, whether the Council should continue to participate in the Partnership.

Customer / Equalities and Diversity Implications

- 3.22 In framing the qualification criteria, the council has had regard to its duties under equalities legislation.
- 3.23 Consultation was carried out throughout March and April 2014 with members of the public through the Home Choice Plus and Council websites. A special stakeholder meeting was also held for all Registered Provider partners who use the allocations policy and HC+ system. In total we received 650 survey responses in addition to the stakeholder's responses on the day of the meeting.
- 3.24 The consultation responses received were supportive of the changes particularly around local connection and housing need. It was identified that in order to meet the requirements of Rural Exception Site Allocations Policies there was a need to extend the local connection criteria for accessing the Housing Register for households who have lived for 3 out of the last 5 years in the area. It is now proposed that this is incorporated into the policy.
- 3.25 The comments from both the stakeholder event and survey have been considered and a new allocations policy developed. The key changes from the existing allocations policy and the new allocations policy are shown in the table Appendix 2 to this report.
- 3.26 The Home Choice Plus website links to an Enhanced Housing Options system which allows a self-service option to obtain basic housing options advice which can be followed up by interview and case work if required.
- 3.27 The Home Choice Plus Timeline for implementation of the new policy is as follows:

Aug 14 - Abritas system changes.

Sept/Oct 14 - Mail out to applicants requesting new information

Oct/Nov 14 - Test System

Dec/Jan 14 – Review every application where a form is returned.

Feb 2015 - Go Live.

4. RISK MANAGEMENT

- 4.1 The risks associated with remaining in the partnership in the short term are minimal and finances are available to implement the changes required by the new policy.

CABINET

3rd September 2014

- 4.2 Should the Council decide to come out of the existing arrangements without a suitable replacement the risks are considerably higher if financial terms and from a service continuity perspective.

5. APPENDICES

Appendix 1: Allocations Policy

Appendix 2: Allocations Policy current and proposed changes

6. BACKGROUND PAPERS

N/A.

7. AUTHOR OF REPORT:

Name: Derek Allen

Title: Housing Strategy Manager

Contact Number: 01527 881278

Email address: derek.allen@bromsgroveandredditch.gov.uk