
**Decision Session - Executive Leader
(incorporating Housing & Safer Neighbourhoods)**

17 October 2016

Report of the Assistant Director – Housing & Community Safety

Review of Housing Registrations Service

Summary

1. The City of York Council is a stock holding Local Authority and is required to maintain a housing register to allocate council properties.
2. A recent service review has highlighted the need for 3 significant changes to the current system and this report makes recommendations for changes to service delivery. The changes include the withdrawal from the sub regional partnership North Yorkshire Home Choice (NYHC), the reversion to allocating properties rather than using the Choice Based Lettings (CBL) system. Finally the amendment to the allocations and lettings policy which would be the subject of a further report.

Recommendations

3. The Executive Leader (incorporating Housing & Safer Neighbourhoods) is asked to:
 - a. Note the contents of the report;
 - b. Approve Option 1 to give delegated authority to officers to negotiate changes within the North Yorkshire Home Choice (NYHC) partnership to amend the system and return to allocating properties. To delegate to officers to withdraw from NYHC if negotiations are unsuccessful.

Reason – To offer a more efficient, targeted service to those in housing need.

Background and overview of service

4. In 2011 in line with Government policy, Local Authorities were encouraged and supported financially to develop ‘Choice Based Lettings’ policies / systems, whereby vacant properties were advertised (via web

based system) and individuals bid on the properties they wanted to live in. This led to the introduction of a North Yorkshire Home Choice Policy (NYHC) & Choice Based Lettings system. NYHC is a sub regional partnership¹ which enables movement between Local Authorities across North Yorkshire (apart from Harrogate).

City of York Council hosts the scheme and employs (joint funding) the NYHC Coordinator (0.6 FTE). NYHC operates a Board and an operations group. This partnership utilises the same IT system (Abritas), operates the same lettings and allocation policy (with exceptions for charitable status) and enables registered applicants to move freely across the partnership area (some restrictions of cross boundary movement for some applicants e.g. statutory homeless).

5. The department carried out review of the processing of housing application and current method of allocating social housing.
6. The review used a systems thinking approach it identified significant blockages in processes leading to duplication, waste and inefficiencies. It also identified that the existing raises unrealistic expectations with customers
7. In March 2016 the Communities & Environment Policy & Scrutiny Committee reviewed the housing registrations service to understand the Council's policy, process, systems and application criteria and considered national good practice, visits and findings of the Allocations Review work to date and finally considered the proposed changes to the Housing Registrations service, systems and policy and the implications associated with any change (Appendix A).

Consultation

8. Detailed consultation and service development has taken place as part of the Allocations Service Development Officer Review involving staff from Housing Registrations, Housing Options and Landlord Services. Staff representatives visited Bradford Metropolitan District Council and Portsmouth City Council who are championing alternative working practices. Conclusion to research, visits and discussions was that staff felt withdrawal from NYHC would be preferable, reducing administration, increasing responsiveness to change (legal and national), flexibility to adopt an alternative IT system with less 'back office' restrictions and felt that allocating properties is a better use of resources, reducing void times and meeting needs of applicant and the local community.

9. Customer's consultation. In May/June 2015 there was a customer survey carried out, through survey monkey and via direct phone calls from an independent member of staff to ask for their thoughts on the current system and the way things worked. The consultation was advertised in Streets Ahead (circulation 7500+), of which circa 500 new tenants in last 12 months, plus 6 week period of informing current NYHC customers of the consultation. Target was 100 responses, actual was 41. One of the questions posed to customers was "Do you think NYHC/CBL is the best way to allocate homes" In summary 39% of those asked stated that they thought CBL was the best way to allocate homes, 39% didn't know and 22% disagreed that CBL was the best way to allocate homes.
10. Recent consultation with customers about the current CBL system has been fairly inconclusive when it comes to satisfaction with the current system 389 customers were contacted to ask for their opinions with only a 5.6% response rate (22 people). Customers were asked if they preferred the current CBL system or would prefer an alternative system where properties were allocated by a team of staff,
 - 55% (12 people) of those who responded said they preferred CBL
 - 45% (10 people) stated they would prefer properties to be allocated through an officer allocation system based on customer information / preference
 - 94.6% did not respond and we can only conclude that they had no opinion either way
11. Given the limited number of customer responses this consultation has limited validity
12. The Communities & Environment Policy & Scrutiny Committee discussed the housing registrations service at 4 task group meetings and at committee on 18 July 2016 and made the following recommendations.
 - Regardless of changes to the council's Housing Registrations Policy, the Scrutiny Task Group recognised that a new IT system was required and acknowledged there would be a cost associated with replacing the IT system. However they recognised it would also help generate savings elsewhere in the process which would mitigate that cost.
 - The Scrutiny Task Group could see the benefit of having a mixed approach allocation system i.e. choice based lettings for some customer groups initially, with the option for officers to allocate if customers are not placing sufficient bids to resolve their housing need. However, they also recognised it had the potential to result in a

duplication of officer time, an increase in costs associated with running dual IT systems, and create confusion amongst customers.

- Customers should be offered personal appointments to assist them in their application for housing, in order to reduce the time it takes to successfully apply and to allow staff to provide realistic advice on their chances of being offered a home. An online waiting list 'account' should be made available to view so that customers can check it at their convenience and reduce the number of inquiries made.
- Proposed changes to allocation policy. It was agreed by Scrutiny Task Group that the changes to the allocation policy be considered in a comprehensive allocations review
- Scrutiny Task Group agreed that CYC should initially try to re-negotiate with their regional partners to revise the current Housing Registrations System and Policy but if unsuccessful should approach neighbouring authorities with a view of forming a mini partnership with Selby and/or Ryedale. Failing that the Scrutiny Task Group agreed CYC should initiate its own policy.

13. North Yorkshire Home Choice partnership Board have seen the reports from the review and the report of the scrutiny committee, acknowledging the failings of the current system. They wish to be involved in further discussions to see if changes can be made to the current partnership arrangement / NYHC system to address the inefficiencies.

Service Development

14. The proposed changes to service that require Executive Member agreement are

- a) Approval to negotiate changes within the North Yorkshire Home Choice partnership and delegated authority to withdraw from the partnership if negotiation is unsuccessful
- b) Approval to change from a 'Choice Based Lettings' (advertising and bidding) system to an officer allocation system based on customer preference.
- c) Amend and update the allocations and letting policy. A report will be brought to Executive Member following detailed consultation and production of new allocations and lettings policy in the future

The proposed changes to service that are operational decisions and are for information only are;

- d) The cessation of an on-line housing application system to be replaced by a personal (face to face or telephone) interview. An electronic register (managed by officers) will remain. This system is currently in place as a pilot scheme. Applicant would still be able to view their application on line
- e) To change ICT system currently used to manage the housing register. This is part of a housing wide review of IT.

Options

- 15. Option 1. Note the contents of the report and agreed the proposal noted in 14 (a) and (b)
- 16. Option 2. to note the contents of the report but to reject any changes

Analysis

Option 1 to withdrawal from North Yorkshire Home Choice partnership and to cease using 'Choice Based Lettings' (advertising and bidding system)

- 17. **Advantages of remaining in NYHC:** wide choice of accommodation types and locations for customers. Opportunity for those in less need to bid on "hard to let" properties out of area which enables applicants to access social housing (Data for the calendar year 2015 shows York exported 98 applicants and imported 57, leaving a net export of 41. York currently allocates around 6% (approx 40 homes) of its available properties each year to Bronze Band applicants (though a proportion of these will be imports). The only district York imported more households from than it exported to during 2015 was Ryedale. Sixteen of the 98 households leaving York during 2015 were in Bronze Band, 52 within Silver and the remaining 30 in Gold Band. Analysis of property type suggests Bronze Band applicants from York are likely to be moving to "harder to let" properties in other districts. Moving from a sub-regional approach is unlikely to impact greatly on York's ability to prevent homelessness, only 19 of the 98 exported applicants were potentially homeless (19%). The impact on partners would also be minimal only 4 of the 57 imported applicants being potentially homeless.
- 18. If the authority moved to officer allocation scheme the customer would not see what is vacant (perceived less transparency), applicants would not have actual physical choice of what properties to bid on but would be offered a property based on the detailed information provided to officers at point of application

19. **Advantages of leaving NYHC:** Necessary to compromise on some points in a sub regional allocation policy in order to reach agreement across entire partnership, it is difficult / time consuming to change policy (it has to be agreed by all 10 partner boards / executive members), difficult to maintain consistency across the partnership regarding assessment and verification of applications, imported applicants are predominantly older people moving for care and support which puts some additional pressure on Adult Social Care, York as host agency acts as a referral point / training provider even when the Co-ordinator is not at work. Given that CYC hosts the coordinator post and chairs the board, if CYC withdrew it would impact on the partnership and may put entire scheme into jeopardy. The reaction to the council leaving the scheme may strain relations with other partners at a time when there are negotiations over devolution.

Currently in York there are 1600+ applicants on the register but we only have around 500 voids per year. Many applicants are never offered a property, many applicants are disappointed as there is only limited "choice" as housing providers may not own properties in an applicants preferred area, they may prefer a house but only flats are available. Under the policy a number of customer groups will not have this facility and offered a 'direct let' .

20. Whilst the CBL systems are perceived as being transparent the information that the current system is configured to provide to customers about lettings and their chances of accessing social housing in their chosen area of the NYHC partnership area is minimal, it advises who properties are allocated to by band, however this does not give an insight into time on the register or reason for priority banding award, nor does it summarise the number of vacancies per year by property type and size compared the number of available properties to give customers a realistic picture of social housing availability in the York and North Yorkshire Home Choice area.
21. Whilst there is perceived choice it is limited choice because the number of availability of properties is low, many people are unrealistic and do not use the bidding system effectively (often bidding for properties they are not eligible for), those with high housing need (emergency and gold band) continue to live in inappropriate accommodation in the hope that their „perfect“ house will come available.
22. The advantages of officer allocation means that more attention can be given to the individual needs and issues, that allocations can be made in real time (ie allocation at point of notice / not on a weekly cycle), possibly reduce void times allocation based on personal / detailed information

from customers, that those in most housing need will be offered a property as soon as possible rather than waiting to bid on the „ideal property“. To ensure transparency we would want to continue to produce regular and enhanced information which would be available for customers to view informing them of lets by area, property type and priority banding allocation. We would also like to ensure that customers can view their application on line to see if they are being skipped for offers and why so any issues they can make contact and address, such as outstanding current or former rent arrears. Officer allocations would ensure that the applicant is only offered properties that they are eligible for which would improve the turn around time and reduce void loss.

23. **Advantages of choice based lettings** - The applicant can see available properties and choose where they may want to live, applicants are aware of limited supply, their position on the shortlist, the likelihood of being offered the property they bid on. Whilst the CBL systems are perceived as been transparent the information that the current system is configured to provide to customers about lettings and their chances of accessing social housing in their chosen area of the NYHC partnership area is minimal, it advises who properties are allocated to by band, however this does not give an insight into time on the register or reason for priority banding award, nor does it summarise the number of vacancies per year by property type and size compared the number of available properties to give customers a realistic picture of social housing availability in the York and North Yorkshire Home Choice area.
24. There is the possibility of CBL for some customer groups – removing it for statutory homeless as this is a process and not a choice and removing it for those in higher bands (need) if they are not bidding on all suitable properties in order to resolve someone’s housing need as soon as possible.
25. **Disadvantages of choice based lettings** - Whilst there is perceived choice it is limited choice because the number of availability of properties is low, many people are unrealistic and do not use the bidding system effectively (often bidding for properties they are not eligible for), those with high housing need (emergency and gold band) continue to live in inappropriate accommodation in the hope that their „perfect“ house will come available.
26. **Advantage of allocating properties** -More attention can be given to the individual needs and issues, that allocations can be made in real time (ie allocation at point of notice / not on a weekly cycle), possibly reduce void times allocation based on personal / detailed information from customers, that those in most housing need will be offered a property as

soon as possible rather than waiting to bid on the „ideal property“. To ensure transparency we would want to continue to produce regular and enhanced information which would be available for customers to view informing them of lets by area, property type and priority banding allocation. We would also like to ensure that customers can view their application on line to see if they are being skipped for offers and why so any issues they can make contact and address, such as outstanding current or former rent arrears. Officer allocations would ensure that the applicant is only offered properties that they are eligible for which would improve the turn around time and reduce void loss.

27. **Disadvantage of allocating properties** - The customer would not see what is vacant (perceived less transparency), applicants would not have actual physical choice of what properties to bid on but would be offered a property based on the detailed information provided to officers at point of application 38. When we began the Service Development Review in May/June 2015 we did survey customers through survey monkey and via direct phone calls from an independent member of staff to ask for their thoughts on the current system and the way things worked.

Council Objectives

28. The Housing Registrations Service contributes to the priorities within the Council Plan 2015-19:
- A prosperous city for all where local businesses can thrive and residents have good quality jobs, housing and opportunities
 - A focus on frontline services to ensure all residents, particularly the least advantaged can access services and community facilities

Implications

Human Resources

29. City of York Council hosts the scheme and employs (joint funding) the NYHC Coordinator (0.6 FTE). If CYC withdraw from NYHC then the post may be at risk unless NYHC continue this post but it is hosted elsewhere.
30. The staff member is aware of these changes and has substantive post to return to.

Financial Implications

31. Cost savings (NYHC Coordinator) to CYC (proportion of post) is £2500, from HRA
32. There are additional costs implications in respect of change of IT systems but Housing is in process of reviewing / amalgamation / purchasing a new system regardless of this decision.

Equalities Implications

A community impact assessment (CIA) has been completed for the changes to the Housing Registration / NYHC system.

Legal Implications

33. A Local Authority is required under the Housing Act (1996) and Homelessness Act (2002) and Localism Act (2011) to have an allocations and / or lettings policy which sets out the criteria to allocate social housing.
34. There are risks via judicial challenge if the service does not meet its statutory duty and as a result of Ombudsmen complaints if CYC fails to act within its statutory duties regarding housing allocation.
35. That an agreement is in place to ensure CYC receive the appropriate level of nominations for RSL properties within CYC boundaries

Risk Management

36. The main risk is that in withdrawing from NYHC is that customers only have access to social / RSL properties within CYC boundaries and that local RSL's may adopt a more stringent allocations policy
37. There is the potential that relationships between partner RSL's and neighbouring Local Authorities may be stained due to the withdrawal from NYHC partnership
38. That a new ICT system meets the needs of the service.

Contact Details

Author:

Becky Ward

Service Manager, Housing
Options and Homelessness
01904 554040

Chief Officer Responsible for the report:

Tom Brittain

Assistant Director, Housing and Community
Safety

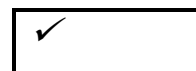
Report
Approved



Date 6/9/16

Wards Affected:

All



For further information please contact the author of the report

Appendices

Appendix A - Communities & Environment Policy & Scrutiny Committee
Report

Background Papers: (provided upon request):

Phase I of the Allocations Service Development Officer Review
2013-18 Homelessness Strategy

Glossary

CBL - Choice Based Lettings (bidding process for vacant properties)

NYHC - North Yorkshire Home Choice (sub regional allocations and lettings
policy / system)

HRA – Housing Revenue Account

RSL – Registered Social Landlord