
**Decision Session - Cabinet Member for
Health, Housing and Adult Social Services**

18 July 2013

Report of Assistant Director – Housing & Community Safety

Report on amendments to North Yorkshire Home Choice Common Allocations Policy.

Summary

1. This report asks the Cabinet Member to agree the proposed changes to the North Yorkshire Home Choice (NYHC) common allocations policy.
2. The final policy must be agreed by all NYHC partner organisations: Craven District Council (DC), Selby DC, Hambleton DC, Richmondshire DC, Scarborough Borough Council, Yorkshire Coast Homes, Broadacres Housing Association, and Yorkshire Housing via relevant Board or Cabinet processes.
3. The final draft policy has been discussed by the Choice Based Letting (CBL) Board on 9th May 2013 and subject to minor amendments is being put to all Members and Boards.

Background

4. The North Yorkshire Home Choice Common Allocations policy was introduced in July 2011 as a sub regional venture to:

‘provide increased choice in housing to residents in York and North Yorkshire and help to create sustainable, mixed communities where people choose to live.’

5. This is achieved by working together to provide a comprehensive housing advice service, covering a whole range of housing options across North Yorkshire. Local authorities and housing providers work in partnership to widen the housing choice that they are able to offer and to support all applicants, including those who are vulnerable, to choose where they want to live.

6. The shared aims and objectives of this policy are:
 - to meet the legal requirements for the allocation of social housing as set out in the Housing Act (1996) and Homelessness Act (2002) ensuring that those with the greatest housing needs have those needs met more quickly;
 - to empower applicants to make their own choices about where they want to live;
 - to encourage and support, balanced and sustainable communities;
 - to make the process simple, transparent, fair and easy to use;
 - to provide information about the availability of homes to enable applicants to make realistic choices about their housing options;
 - to prevent homelessness and reduce placement in temporary accommodation;
 - to ensure accessibility for all those in housing need, particularly the more vulnerable; and
 - to make effective use of the affordable housing stock, extending choice and mobility across local authority boundaries.
7. The North Yorkshire Home Choice (NYHC) Partnership Board agreed to carry out a full review the policy after 12 months operation (July 2012). Consultation has taken place and has been evaluated by Joseph Rowntree Foundation in conjunction with Birmingham University and Herriot-Watt University
8. The policy must be compatible with legislative obligations in respect of race, disability, equalities as well as Housing Act 1996 and allocation guidance¹.
9. It is a requirement under s167(2) of the Housing Act 1996 and the Homelessness Act 2002 that reasonable preference is given to certain categories of applicants
 - People who are homeless including people who are intentionally homeless and those who are not in priority need.
 - People occupying unsanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions.
 - People who need to move on medical or welfare grounds, including grounds relating to disability.

¹ Part 6 of the Housing Act 1996 , The Race Relations (Amendment) Act 2000, The Disability Discrimination Act 1995 (as amended 2006), The Human Rights Act 1998, The Freedom of Information Act 2000, Children Act 1989, Data Protection Act 1998, Crime & Disorder Act 1998, Homelessness Act 2002, The Equality Act 2010

- People who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or to others)
10. The Localism Bill received Royal Assent in November 2011 and gives Local Authorities powers to make decisions locally. Councils will get the flexibility to better manage their housing stock by adapting to meet local needs. Giving councils more discretion will create better long term outcomes for social tenants and the wider community
 11. The Localism Act 2011 gives councils the powers to decide:
 - how best to help homeless people
 - how to manage their housing waiting lists
 - the length of tenancy that best fits a household's needs.
 12. The Localism Act 2011 sets out eligibility criteria and states that housing authorities may only allocate accommodation to people who are defined a 'qualifying person' and can adopt criteria to disqualify individuals on grounds of anti-social behaviour and other local factors
 13. The Communities and Local Government published a new 'Allocation Code of Guidance' June 2012. Local Authorities must have due regard to exercising their functions under Part 6 Housing Act 1996. The guidance replaces all previous guidance on social housing allocation.
 14. The new Code of Guidance enables Housing Authorities to allocate particular accommodation to people whether or not they fall into reasonable preference category, provided the authority is able to demonstrate compliance with duty of reasonable preference. The following groups of people can now be considered for additional preference under a local lettings policy.
 - Households affected by under occupation
 - Members of armed forces
 - Households in work or seeking work
 - Carers
 - Prospective adopters and fosters

15. Alterations to the process within the NYHC common allocations policy is required to ensure best use of stock, equality of allocations and a consistent approach by all partner agencies
16. In light of Localism Act 2011, it is proposed additional preference is also given to:
 - Armed Forces as defined in Appendix 15 who have urgent housing needs. Additional preference is deemed to be that priority band date will be backdated by 6 months.
 - Approved foster carers who need a larger home to accommodate a looked after child or a child who was previously looked after by a local authority

Consultation

17. The North Yorkshire Home Choice Partnership consulted on line with customers and stakeholders on proposed changes to the allocations policy from 10 September 2012 to 2 November 2012. The survey considered a number of areas that may need to be revised or potentially introduced following the initial 12 months of the NYHC choice based lettings partnership, the Localism Act 2011, new allocations guidance and the Welfare Reform Act 2012.
18. The survey was completed by 326 people and analysis of the data is contained in annex1
19. Informal discussions also took place with residents in Arc Light, Howe Hill for Young People and Peasholme as part of homeless consultation who mirrored many of the findings above (October 2012). Other hostels were invited to attend.
20. Elements of the proposed changes were discussed at the Supporting People user group as part of homeless strategy consultation (5 December 2012) and at Homeless Strategy consultation event (July 2012).
21. Operational teams and professionals were consulted regarding the draft policy. Main issues are ensuring stock is used effectively (bidding up), sanctions are meaningful when 'deliberately worsening circumstances', refusing properties, streamlining bedroom standards with HB and ensuring policy is robust enough to incorporate changes to welfare benefit system.

22. The Joseph Rowntree Foundation (JRF) funded an evaluation of North Yorkshire Home Choice by the University of Birmingham and Herriot-Watt University. The evaluation and analysis of the choice based lettings system, used statistical information, customer surveys, focus groups and depth interviews. Five evidence papers have been produced with a final report being published by JRF in 2013.
23. Recommendations are not specific to York but the wider partnership area.
24. The research shows that there was a favourable perception to home choice and many applicants welcomed the increase choice offered by the scheme, in particular those in higher housing need.
25. Applicants felt the option to move across local authority boundaries was advantageous. Applicants surveyed, whether successful at bidding or not, valued the opportunity to browse and select from a list of available properties. Applicants who were successfully housed found the new allocations system easy to understand and fair. Customer comments included “the old system worked behind closed doors Home Choice has opened things up a bit” and “being able to see all the choices was an advantage over the old system” Overall it was recognised that applicants of whatever age or location had generally managed to register and to bid on Home Choice. The IT had not been an obvious barrier to potentially disadvantaged groups. The system allowed more transparent information about properties and lettings and applicants found this either useful or helpful in the bidding process.
26. The five evidence papers gave an insight into different aspects of the scheme:

Paper 1 - Analysis of CBL data no specific recommendations but include important contextual information.

Paper 2 - Customer Perspectives recommendations aimed at improving feedback for customers in addition to improving transparency including improving information on the website, developing an automatic response to text / mobile phone bids.

Paper 3 - Customer Facing Materials summarises the issues identified in the following potentially vulnerable groups. People with visual and or hearing impairment, with mobility difficulties, poor or no

command of English, learning and literacy difficulties and mobile travellers.

Paper 4 - Focus Groups and Depth Interviews highlighted need for consideration to be given to developing service in conjunction with advice services (primarily for those with no housing need), speeding up registrations processes and on a wider issue how can NYHC support social services in development of specialist accommodation (say for people with learning difficulties), improve links with support providers and take account of possible reduction in these services in future years.

Paper 5 - Lettings in North Yorkshire before and after Home Choice. No specific recommendations but include important contextual information.

27. The draft policy was available from NYHC website for public consultation from 3rd March 2013 to the 2nd May 2013. Consultation about draft policy also took place with stakeholders. CYC organised two events in March 2013.
28. Comments and response from CYC legal team indicated need to give further additional preference to service personnel.
29. Consultation responses were discussed at CBL Board on 9th May 2013 and influenced final draft policy.

Report on existing NYHC policy and statistics

30. The following information has informed the recommendations:
 - Level of demand for social housing. When NYHC was introduced there were approximately 11,000 applicants on the register across the sub region (2800 of these were registered with CYC). As of 4/2/13, there are 14,097 applicants on the register (4695 of these are registered with CYC).
 - Numbers on waiting list and in bronze band (deemed adequately housed) is considerable 57.5%. Many are registered on the waiting list as they want to move, may want to live in social housing or (in the future) in sheltered accommodation.

	Emergency	Gold	Silver	Bronze	Total of Band
Craven	0	103	332	704	1139
Hambleton	2	133	553	901	1589
Richmondshire	0	58	262	479	799
Ryedale	0	82	451	567	1100
Scarborough	4	309	906	2503	3722
Selby	1	69	440	543	1053
York	0	345	1939	2411	4695
Total of Local Authority	7	1099	4883	8108	14097

- Numbers of lettings to various bands, in particular to those in bronze (tenancies started in the local authorities for the quarter Jan to Mar 2013). The majority are let to those in housing need (emergency, gold or silver) 85%.

	Emergency	Gold	Silver	Bronze	Totals
Craven	0	12	5	8	25
Hambleton	0	14	3	3	20
Richmondshire	0	2	3	2	7
Ryedale	1	17	10	6	34
Scarborough	0	33	7	0	40
Selby	0	30	13	5	48
York	0	45	13	10	68
Totals	1	153	54	34	242

- The migration report indicates that there is inequitable movement across the sub region and this has caused concern from some Local Authorities (figures as of January 2013).

Local Authority	Total housed	In	Out
Craven	213	13	6
Hambleton	220	27	28
Richmondshire	173	18	23
Ryedale	181	41	79
Scarborough	452	14	23
Selby	281	55	19
York	623	80	70

Options

Option 1

31. To agree final policy (subject to minor amendments from NYHC Board and other partner agencies and / or detailed wording).

Option 2

32. CBL Board suggested that as consultation and views of members has already been taken into consideration, option B is to withdraw from sub-regional partnership.

Analysis

Option 1

33. There was agreement at NYHC Board to:

- Introduce a qualification criteria based on the existing exclusion criteria in respect of tenancy related anti-social behaviour or rent arrears. This proposal means some applicants would be disqualified for applying to the register.
- That people with no local connection should not be able to register on the waiting list with the exception of Military personnel (legal requirement², ³) people fleeing violence under National Witness protections Scheme and statutory homeless.

² The allocation of accommodation: Guidance for Local Housing Authorities in England 2012 states: Members of the Armed Forces and the Reserve Forces (3.27) subject to parliamentary scrutiny, we will regulate to provide that authorities must not disqualify the following on grounds that they do not have a local connection with the authorities district. A) members of the Armed Forces or former service personnel, when the application is made within 5 years of discharge, b) bereaved spouses and civil partners of members of Armed Forces leaving services family accommodation following death of their spouse or partner and c) serving or former member of Reserve Forces who need to move because of serious injury, medical condition or disability sustained as a result of their service

³ The Armed Forces Covenant (Housing section) states that the MOD seeks to provide choice, recognising the benefits of home ownership where practicable. Where service personnel are eligible for public-provided accommodation it should be of good quality, affordable and suitably located. The covenant states that service personnel should have same access to social housing and other housing schemes as any other citizen and not be disadvantaged in the respect of the requirements of mobility whilst in Service.

- That Military personnel are given additional preference – this is a legal duty under Statutory Instrument 2989⁴. NYHC proposes additional preference should be backdating military applications 6 months from priority band date.
- That home owners should not be able to register on the waiting list, unless there are unable to resolve their own housing need. The preferred approach is to offer housing advice and assessment to home owners and if there is a housing need that cannot be resolved independently would they qualify to register with NYHC – e.g. A household with a £200K property with only £20K equity is different from a household with full £200K equity that would be able to resolve their own housing problem.
- That an income level / savings criteria be adopted. The income level proposed is £60,000k in line with national ‘Help to Buy’ scheme. For those people with significant assets advice will be given to help them address their own housing issue.
- People who qualify to register but have no housing need will still be able to apply to NYHC providing not home owners or above income criteria.
- That there should be a disqualification (exclusion) from the waiting list of 12 months for those who deliberately worsen their circumstances. At present an applicant just remains ‘in limbo’ on previous banding with no conclusion.
- That where an applicant has significantly falsified their application they should be disqualified from the register for 12 months. At present they are removed from the register but can re-apply immediately which does not discourage blatant deception

⁴ Statutory Instrument 2989: The Housing Act 1996 (Additional preference for Armed Forces)(England) Regulation 2012 states the scheme must be framed to give additional so as to give additional preference to a person with urgent housing needs who falls within one or more of paragraphs (a) to (e) and who –
 (i)is serving in the regular forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person’s service,
 (ii)formerly served in the regular forces,
 (iii)has recently ceased, or will cease to be entitled, to reside in accommodation provided by the Ministry of Defence following the death of that person’s spouse or civil partner who has served in the regular forces and whose death was attributable (wholly or partly) to that service, or
 (iv)is serving or has served in the reserve forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person’s service.

- Adopters and fosterers⁵ should be given additional preference (assessment based on housing need if they had adopted or fostered a child) but may be subject to individual organisations tenancy types (e.g. flexible tenancies). This will ensure that those people wishing to foster or adopt children are not prevented from doing so because of inadequate accommodation. There is no change to the current adoption / fostering process but if housing were an issue then Local Authorities would, through this change in policy be able to co-operate with Social Services Departments in a planned way.
- That 'Good Neighbour' should be re-branded 'Good tenant'. Tenants will not automatically be awarded gold band but 1 band above their actual need (maximum gold band). Partners had differing views on this issue, while all felt it was good practice to assist 'good tenants' to move there were some concerns that some of those that did so had no housing need, were leaving a less desirable area, leaving landlords with significant voids (Yorkshire Housing).
- That additional preference should not be given to those applicants who are working. It was felt allocation of property should be based on housing need.
- That the numbers of refusals (at match approved stage) is reduced to 3 with a penalty of a 12 month disqualification. Currently people are able to refuse 5 properties. It was felt that the principle of choice based lettings is to give people detailed information to enable them to make informed choices about the properties they bid for. The option to reduce the numbers of allowed refusals without penalty was taken by the board was to reduce potential void loss and raise awareness of the lack of vacancies, the numbers of applicants who have refused 5 offers or more is currently minimal.

⁵ 1. Adopters approved by Local Authority and who are accommodating, or likely to accommodate a looked after child or a child who was previously looked after by a local authority
 2. Foster carers approved by Local Authority, or prospective foster carers where initial assessment of their suitability is positive, and who are accommodating, or likely to accommodate a looked after child or a child who was previously looked after by a local authority

3. Extended family who are approved as foster carers for their relative under the Fostering Regulations, 2011.
 4. Residence order granted by court under (1989 Children ACT) and supported by Children's Social Care
 5. Special Guardianship cases (2002 Adoption and children Act) and supported by Children's Social care

But not private foster carers or non-agency adoption arrangements

- Bedroom eligibility based on need⁶. This was agreed in principle that the size criteria should be based on need but that local lettings agreements could be put in place in areas of low demand, subject to affordability criteria. During 2011/12 there have been 246,102 bids on vacant properties (NB applicants can make 3 bids per week), 95,731 of these bids were made on properties larger than the applicants assessed need, this equates to 39% of all bids being made on properties greater than assessed need – and in light of new welfare reforms (that is a 14% cost to anyone on housing benefits of working age in a property of 1 bedroom above need) it is imperative to protect customers welfare, that the property is affordable for the customer and to protect landlords rental income offering property above bedroom need should be in specific cases only. It was intended to retain this criteria but size must also be taken into account.
- Restrict bidding for rural settlements in line with section 106 planning criteria. For properties not subject to an ongoing section 106 agreement, the process of advertising will be to a 'parish' in first instance. This will ensure that where there is demand, local people can remain in rural communities. Rural communities are defined as settlements under 3000 and are listed by name in The Housing (Right to Enfranchise) (Designated Protected Areas) (England) Order 2009. Local connection is consistent to sub-regional local connection criteria but specific to the parish (e.g. Lived 6 out of 12 months in the parish, 3 out of 5 years).
- Finally, there are minor amendments required to the operation of the policy and an expansion of some staff guidance (in particular around MAPPA criteria⁷ and health and wellbeing, applicants in emergency band only be offered accommodation in their locality, those with proven hardship only being offered in close proximity to family member / employment)

⁶ The current policy states The North Yorkshire Common Allocation Policy (appendix 4) states that: 'Each bedroom is assumed to be able to accommodate 2 people, Couples, married couples and civil partners will be expected to share a bedroom. Single adults aged 21 or over will require their own bedroom. A person aged 9 - 20 years will require a separate bedroom if they would otherwise have to share with the opposite sex. A room intended as a bedroom but used for another purpose will still be classified as a bedroom'

⁷ MAPPA (Multi-agency public protection agreement) Local Education Authorities, Local Housing Authorities and Social Services have a legal duty set out in the Criminal Justice Act 2003) to work with Police, Probation and others to protect the public. Part of a risk management plan will include suitable accommodation. Some MAPPA cases will not qualify for the NYHC register due to tenancy related offence but otherwise an individual will apply for and be allocated accommodation through the NYHC system. In certain circumstances it is necessary, to manage the risk to the public by accommodating the offender through a direct let. This will be with agreement of Police / Probation.

Option 2

34. This option would present practical issues as the proposed policy takes account of new legislation and welfare benefit changes which need addressing in near future and to withdraw from the partnership would leave no policy fit for purpose and result in the council having to design a stand alone allocations policy for the city, resulting in the loss of the benefits, both for customers and the organisation of having a partnership approach to allocation of social housing.

Council Plan

35. The effective allocation of homes plays a significant role in supporting the Build strong communities, Protect vulnerable people & Protect the environment priorities as set out in Council Plan.

Implications

36. **Financial** – There will be costs associated with amend the North Yorkshire Home Choice IT programme, this can be achieved with current budgets.
37. Amending number of refusals will have a positive impact on reduce void times thus reducing the level of rent loss to the authority.
38. Amending bedroom criteria will reduce the possible rent loss as a result of the new welfare benefit reforms (bedroom tax).
39. **Human Resources (HR):** None
40. **Equalities:** Downsizing can potentially improve quality of life and improve the financial position of customers. As EIA assessment has been completed.
41. **Legal:** The policy must be written taking account of the relevant legislation and guidance. Reasonable preference must be given to certain groups and the policy must not be discriminatory. The draft policy document was been reviewed by CYC Legal Department and recommendations incorporated into the final policy. The department is constantly being challenged about decisions under NYHC policy and must ensure it is transparent but with clear criteria to ensure consistency across the sub region.
42. **Crime and Disorder:** None

43. **Information Technology (IT):** North Yorkshire Home Choice is an external programme managed by Abris. Any changes will require amendments to the system

44. **Property:** No implications

Risk Management

45. Reasonable preference for housing retains status quo and as such no customer in high housing need will be disadvantaged by a change in policy except in eligibility in property size. In light of welfare benefit changes this is seen as a necessary change.

46. There is a risk that due to the considerable migration into a small number of Local Authorities that some partners may withdraw from the sub regional system and consideration and compromise needs to be taken into account when reviewing this policy.

47. When considering the mitigation presented as part of the changes to the proposed policy, it is felt that there is minimum risk to the authority as a result of approving the changes to the policy.

Recommendations

48. Cabinet Member is recommended to:

- a. adopt the policy as outlined in Option 1, to agree the proposed policy: &
- b. That the Cabinet Member continues to give NYHC Board delegated authority to make minor amendments to the policy.

Reason: To ensure the current NYHC policy adheres to new legal requirements, influence final policy and facilitate implementation.

Contact Details

Author:

Becky Ward
Service Manager Housing
Options and Homelessness

Tel No.554040

Chief Officer Responsible for the report:

Steve Waddington
AD Housing and Community Safety

**Report
Approved**

Date 19.6.13

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Annexes

- Annex 1 – detailed information about impact of changes
- Annex 2 – Draft proposed allocation policy

Background Papers:

- Customer Consultation report
- Communities & Local Government Guidance - Allocation of accommodation: guidance for local housing authorities in England
- Analysis of migration between LA's
- National Housing Federation - Welfare Reform Act 2012: Size Criteria – Briefing.