

Wiltshire Council

Environment Select Committee

19 September 2017

Subject: Proposed changes to the Councils Allocation Policy

Cabinet Member: Councillor Cllr Chuck Berry

Key Decision: Y

Executive Summary

An identified priority last year was to both upgrade our existing IT system and review our social housing allocation policy and make recommended changes for improvement. This report provides an update on the IT upgrade as well as recommendations following a consultation to make amendments to our existing policy.

Proposal(s)

To consider the recommendations to amend the council allocation policy and make a recommendation to Council to update the policy

Reason for Proposal(s)

To make improvements to the allocation policy in line with recent recommendations following recent consultation as well as welfare reform and legislative changes to help make the system more effective and efficient.

Associate Director Mr James Cawley

Wiltshire Council

Environment Select Committee

19 September 2017

Subject: Proposed changes to the Councils Allocation Policy

Cabinet Member: Councillor Cllr Chuck Berry

Key Decision: Y

Purpose of Report

1. To consider the recommended changes to the allocation policy and make a formal recommendation to cabinet for adoption, noting the progress in regard to the IT upgrade

Relevance to the Council's Business Plan

2. The council's allocation policy helps to deliver on the council's vision to create stronger and more resilient communities by ensuring we make best use of our social stock and allocate to local people. This will also help bring communities together to enable and support them to do more for themselves which is a key priority within the plan.

Background

3. The Homes4Wiltshire policy was developed in partnership with Wiltshire Council and 32 other housing providers who have social housing stock in Wiltshire. The policy is used for letting and selling affordable housing and allows applicants to make informed choices about the type of accommodation that best meets their housing needs and aspirations. The policy meets the statutory requirements for the allocation of social housing and the recommendations include suggested amendments following consultation, legislative changes, welfare reform and customer feedback and learning from complaints received.
4. The recommended changes in this document have been discussed and agreed with providers in meetings throughout 2016 and the start of 2017 as well as a 9 week external formal consultation period from January 17 to April 17, which generated 157 snap responses and 12 responses after the consultation closed.

Main Considerations for the Council

5. When the new allocation system went live on 3rd February 2015 we had a total of 1184 on our housing register who were identified as having a housing need and at the end of Qtr 1 (30th June 2017) we had 2340 which is an increase of 97.6%.

Below is a breakdown of the register taken on 1st April 2015 as well as a more recent breakdown from 1st July 2017. It shows the number of applicant's on the register by band; Band 1 and 2 are the highest need while the open market register is those applicants with no identified housing need.

1 st April 2015		1 st July 2017	
Band 1	129	Band 1	172
Band 2	7	Band 2	8
Band 3	564	Band 3	812
Band 4	484	Band 4	721
	1184		1713
OMR	141	OMR	627

Applicants on the open market register make up just over 27% of the register. This is an area that we have recently prioritised to increase numbers by working with local housing providers, developers and parish councils on a marketing campaign to try and increase demand in areas where new developments are taking place. We have now introduced a much simpler process to register on the open market register which requires less documentation to be provided by the applicant and significantly reduces the administration burden on the H4W staff.

Recommended Changes

In producing the recommended policy changes we have carried out a 9 week external consultation as well as consulting with housing managers and staff, the housing providers through the Homes4wiltshire partnership, other internal departments as well as considering the learning from a number of complaints and reviews we have dealt with since the revised policy was implemented

Below is a list of the 13 recommended changes

Recommendation One

An additional section has been included (Section 4.7) to clarify the situation for singles aged under 21 who due to the changes in Welfare Reform have no entitlement to housing costs, and although they can still join the register they will need to satisfy the landlord that they can pay the rent and meet their living costs as well as for those single and aged under 35 who are subjected to single room rent.

From the 1st April 2017 the government introduced that most singles aged 18 – 21 years old who claim universal credit are no longer entitled to assistance with rent costs. The government has however introduced some exclusions which include, those who are claiming PIP or the care component of medium or high rate DLA, the applicant was a care leaver before the age of 18 and for those in temporary accommodation.

This recommendation has been supported by all Housing providers across Wiltshire and is something that they currently consider when doing shortlists for this age group.

Recommendation Two

Due to issues associated with the current definition and interpretation of what unacceptable behaviour is we have strengthened the wording in section 4.8 to make it easier for officers to apply and applicants to understand.

This recommendation has been supported by the Housing Providers, however one identified some minor issues with the wording and a response was provided as detailed in Appendix 2 p3.

Recommendation Three

We have also suggested a number of amendments in section 4.9 to strengthen the wording in regard to rent arrears and housing related debt to explain that even if they can join the register some providers may still refuse them due to having outstanding arrears even when a 6 month repayment programme has been maintained.

The amount of clients likely to be in some form of rent arrears is likely to increase from this year due to the delay in universal credit payments which means applicants will receive no money for the first week and then a delay in payment of around 5 – 6 weeks which is inevitable that arrears will accrue.

A recommendation from the Pause Pilot operational and strategic group has been included in section 4.9.4 which confirms a reduction in the exclusion period from 6 months to 3 months for those who are successfully engaging with the Pause Pilot.

These amendments have been supported by our housing providers with some minor amendments to the wording of this section.

Recommendation Four

We have suggested some changes in regards to the references to fraud in section 4.11 to explain that the council takes it very seriously and appropriate action will be taken

This recommendation has again been fully supported

Recommendation Five

To assist further with the understanding of this section 4.13.3 we have further defined within our exclusion group the definition of someone who is homeless, those fleeing abuse and a person from the transient community.

An amended has been recommended by the Armed Forces task and finish group for armed forces personal to remove the requirement too have left the army within 5 years and to apply the exclusion to anyone who has served in the armed

forces and to also include separated or divorced spouse who are being asked to leave services family accommodation. This helps to further enhance our support for those who have served in the armed forces

However as part of the recommendation from the Armed Forces task and finish group we have suggested that a minimum service time of at least three years should be included within this recommendation as well as an exclusion from this if the officer had been dishonourably discharged. We would also like to see that for those being considered after the 5 years they should be able to confirm a connection to Wiltshire as this is an additional benefit above the statutory requirement and should benefit those with a connection to this area.

The suggested re wording would be:

A person who has left the Armed Forces within the last 5 years or who has left the Armed Forces and has a connection to Wiltshire as well as serving a minimum of three years' service and who has not been dishonourably discharged,

Recommendation Six

We have amended the wording in Section 4c, 4.14 to help clarify the financial resource limit for all applicants to ensure that if they have the financial resources available to meet their housing need in the market place they will not be considered as having an identified housing need.

This recommendation has again been fully supported with some minor amendments being made to the wording

Recommendation Seven

To clarify in more detail and update the examples in regard to the definitions in S4.17 for deliberately worsening circumstances.

This was included as part of the consultation feedback

Recommendation Eight

We have clarified in S5.1 on how we will assess who a dependent child resides with as her/his main or principal home.

No issues or concerns were raised throughout the consultation on the revised wording

Recommendation Nine

Due to increasing number of applicants wanting to share a home to provide mutual support/minimise living costs we have expanded S6.1 of the policy to provide greater clarity for customers and staff

No issues or concerns were raised throughout the consultation on the revised wording

Recommendation Ten

In section 9.4 and 9.5 we have worked with housing providers to provide improved wording in regard to the development of local lettings and sensitive letting plans.

We have also included an additional section s10.1 for when direct let's can be used on occasions where it is unreasonable for an existing tenant to remain in her/his home because of harassment or violence and it would be considered a risk if they were to remain

This recommendation has again been fully supported with some minor amendments being made to the wording

Recommendation Eleven – Banding changes

To reinforce our commitment to Armed Forces personnel and to strengthen the use of Band 2 we would like to remove section 8.4 and 8.5 from the policy and insert an additional section in Band 2 to re confirm our priority to injured, sick or disabled serving or former armed forces personnel. The suggested wording for Band 2 is:-

In accordance with the legislation (section 166A(3) of the 1996 Act)

- a) a person serving in the regular forces who is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service, or
- b) a person formerly serving in the regular forces, who is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service, or
- c) a person who has recently ceased, or will cease to be entitled, to reside in accommodation provided by the Ministry of Defence following the death of the person's spouse or civil partner who was serving in the regular forces and whose death was attributable (wholly or partly) to that service, or
- d) a person serving or formerly serving in the reserve forces who is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service.

This amendment has been strongly supported with 68% of those responding either strongly agree or agree with this amendment and only 9% in disagreement. This amendment again helps to further enhance our support for those who have served in the armed forces

Due to our corporate parenting responsibilities it has been recommended that we introduce care leavers into Band 1 to provide them priority for re housing once ready to leave the care system into independent accommodation. Band 1 for care leavers will read:-

Applicants leaving care in a planned way where planned housing options have not been successful. The applicant must have been assessed as ready to move

into independent living accommodation by both Children's Services and the Housing Department

This amendment has been strongly supported internally with 76% of those responding to the consultation either strongly agreeing or agree with this amendment and only 6% in disagreement.

Due to recent corporate pressures on residential placements it was suggested that we included a corporate duty section within Band 1. These are for exceptional cases and the suggested wording is:-

Referrals from both Adult Care and Children's Services will be considered under this band where it is identified that a corporate duty exists and it is demonstrated that an allocation will prevent a residential placement or a placement outside the council's area.

Recommendation Twelve

Options for a proposal to make the system more efficient

A proposal is being considered to remove from the definition of what is defined as having a local connection to Wiltshire in S 4.13.2 reference to having close family who have continuously lived in the Council area for 5 years or longer as well as removing this from S 9.1.1 in the definition for a local connection to a parish or town as this has significant administration burdens and has caused a number of complications.

Although this wording received significant support during the last consultation we have experienced a number of issues since it was implemented. To be able to evidence if an applicant has a family member who has lived in a particular area for five years, the applicant will first need to evidence the relationship normally with both long and short birth certificates which when requested have caused a number of issues and complaints from applicants who don't have this evidence ready to hand.

Option One – Continue with current wording and operational procedure

The current process is extremely resource intensive and would require an additional member of staff in the Homes4wiltshire team to be able to manage the daily requirements to meet this recommendation. As well as confirming these connections at the point of application they need to be re-checked annually as family members move and family circumstances change. This is a significant administration burden that causes a number of complaints from customers.

Option Two – Retain current wording but discontinue with the authorisation process and just conduct random checks

The family local connection criteria is well liked by parish councils and rural provider's as it helps to build stronger communities with better support for families. To retain the wording but discontinue with the required checks would make the process very streamlined but would totally rely on the honesty of the applicant. We could audit this by doing some random checks which would require no additional resource but could lead to allocations being made to those

who have confirmed they have a connection but in fact they do not and this could create different complaints and potential unfair allocations as additional priority would have been awarded.

Option Three – Remove the family connection criteria from the policy

By removing the family connection criteria altogether we would remove both the risk of incorrect allocations if no checks were being made and would remove the administration burden that this criteria has created.

The consultation feedback we received was very 50/50. We had 41% of responders confirming that this should remain in the policy and 40% agreeing it should be removed with 19% neither agree or disagree with this recommendation.

Our preferred recommendation would be Option 2 or 3.

Recommendation Thirteen **Rural Allocations of new build developments**

During the consultation we had a number of concerns raised in regard to the allocations of new developments in rural villages. The current process for allocating any home is as follows -

Step 1 – Property is advertised to those in housing need from Bands 1 to 4, and bids from applicants with a connection to the parish / town are considered first

Step 2 – If we are not able to find someone with a local connection in Bands 1- 4 we then look at those applicants with a local connection to the surrounding parishes

Step 3 – We then open the criteria to those with a local connection to Wiltshire Council's area as a whole

Step 4 – Once all three steps above have been completed we will advertise to those in the Open Market Register (OMR) who have no identified housing need in the following cycle

The reason some providers have raised concerns about this is that in rural villages some families will have moved out of the area and found a private let in a nearby town or village due to no stock being available at the time they needed a home. When the new development comes forward the families who have moved out the village will have a local connection but will be unlikely to have a housing need and will be awarded OMR as the current accommodation they are in is likely to be suitable.

Example:- a woman and her family may have left a village to live in the town due to no suitable housing in the village where her parents still live. She is living in a private let that is affordable and suitable but would like to move back to the village. Under our policy she would be in OMR as she has no housing need but she would have a connection to the village and couldn't be considered until bids

from Housing Register applicants had been exhausted which would include those from outside the area

Suggested amendments to this process are as follows:-

Option One – Retain the current allocation process as explained in Steps 1 -4 above

Option Two – On new build rural developments where the development is not to meet the need at the edge of a larger adjoining settlement (Local Services Centre's, Small and Large Villages as described in the core strategy) allocate 25% of the allocations to go to those in Band 1-4 and from the OMR who have a local connection to the village at stage 1 only. This will allow for those in the OMR to have a chance to bid at the first stage when we are looking at those with a local connection to the parish, but also allowing for a higher % to go to those in housing need.

Options Three – For all rural new developments where the development is not to meet the need at the edge of a larger adjoining settlement (Local Service Centre's, Small and Large Villages as described in the core strategy) allow for bids from Band 1-4 and OMR at stage 1 on all allocations. This would mean that we would consider those with a local connection to the village but who have no housing need in OMR on all new rural developments but does not disadvantage those from Bands 1-2 who fall into the local connection exclusion group e.g. armed forces, statutorily homeless and those fleeing domestic abuse

Option Four – As above but to include the allocations of all rural properties in (Local Service Centres, Small and Large Villages as described in the core strategy)

Due to some of the concerns raised we would recommend Option 4 to make the administration of this process much simpler and easy to understand and manage.

IT Upgrade

We have been running on version 6.4 of our IT system since 2010 and have not made any annual upgrades. We had none of the latest features and the system was becoming very inefficient and was no longer being supported by Abritas so caused a number of issues for providers and our staff. For the past 6 months we have been working on a revised specification and programme to upgrade to 8.5 which also comes with annual free upgrades. Version 8.5 is now in place and running effectively.

As part of the new upgrade which went live on 1st June it introduced the ability to bid on mobile phones. This was in place of the telephone bidding line which was no longer being used by applicants. In the 4 bidding cycles since we went live with the new system we received a total of 3391 bids and 1689 of these were made from a mobile phone device rather than the main Homes4Wiltshire site. This is 49.8 % of bids in that period and is enabling a more accessible and digital service.

Overview and Scrutiny Engagement

6. Information to be added to this section following a report to be taken to ESC in Sept 17.

Safeguarding Implications

7. As a corporate parent it has been recognised that the local authority has a duty to ensure that care leavers are able to access and secure suitable accommodation once they are ready to live independently and therefore the policy has been amended to reflect this.

Public Health Implications

8. This report has no known health implications

Procurement Implications

9. The amendments contained within this report have no procurement implications

Equalities Impact of the Proposal (detailing conclusions identified from Equality Analysis, sections 4 and 5)

10. Information to be added to this section following completion of EIA

Environmental and Climate Change Considerations

Question 1

Will the proposal result in energy consumption associated with the service area increasing, decreasing or remaining roughly at current levels?

The changes recommended within this report will not result in an increase in energy consumption

Question 2

What measures have been introduced, or are planned to be introduced, to reduce the carbon emissions associated with the proposal.

None

Question 3

From the perspective of day to day environmental management, what risks associated with the proposal have been identified and how are they going to be mitigated?

No risks have been identified

Question 4

If the service or contract is planned to last longer than 20 years, how have issues related to the unavoidable consequences of climate change been integrated and mitigated? For example, increases in the mean summer temperature and increased vulnerability to adverse weather events like heavy snow or rain leading to flooding.

The amendment to the Councils Allocation policy does not require consideration to the consequences of climate change.

Financial Implications

12. The only direct financial impact of the changes discussed in this report would be if Cabinet recommend, Option 1 in Recommendation Twelve. This option however is not recommended by Housing Officers for reasons set out in the report. If the policy were to remain as it is and option one agreed then additional staffing is likely and there is no proposals as to how the circa £28k (including on-costs) for this post would be funded and as such it is not supported as a viable option.

Legal Implications

13. The Homes4wiltshire policy is considered to be a lawful policy and in line with the governments allocation framework. The recommended changes contained within this report are still within the government framework and would continue to be a lawful policy.

Risks

14. The risks associated with amending or not the allocations policy is minimal. If the policy is not amended the following risks are likely to apply
- Continued complaints in regard to the complex and difficult administration of the family local connection criteria, which will need appointment of an additional staff member to manage effectively
 - We would not be able to amend the criteria associated with the armed forces which has been agreed at a task and finish group which was set up to review and improve the offer to armed forces personnel
 - Clarity would not be provided in the policy for under 35s following the changes to Welfare Reform which could cause some confusion.
 - The definition of unacceptable behaviour would continue to be interpreted in different ways along with clarity in regard to the wording around rent arrears, fraud, financial resource limit and deliberately worsening circumstances.
 - We would not be able to improve our responsibilities in housing in relation to being a corporate parent and providing care leavers with additional priority within the policy.
 - Continued complaints in regard to the allocation of homes in rural locations to those who have a local connection to the area but due to the current policy they are not able to bid for these homes

Options Considered

15. The options considered have been detailed in the report

Conclusions

16. To consider the recommendations to amend the council allocation policy and make a recommendation to Council to update the policy

James Cawley (Associate Director, Adult Care Commissioning and Housing)

Report Author: Nicole Smith, Head of Strategic Housing,
nicole.smith@wiltshire.gov.uk, Tel: 01249 706567

15th August 2017

Appendices

Appendix One – Recommended draft Allocation Policy 2017

Appendix Two – Proposed changes to the Allocations policy – consultation responses

Appendix Three – SNAP survey consultation results

Background Papers

The following documents have been relied on in the preparation of this report:

None