
Meeting: Executive

Date: 27 May 2014

Subject: Housing Allocations Policy

Report of: Cllr Carole Hegley, Executive Member for Social Care, Health and Housing

Summary: The report proposes that Executive approve and adopt the proposed Housing Allocations Policy to ensure that social housing in Central Bedfordshire is allocated on a fair and transparent basis, so as to meet local housing need, incentivise employment and promote social mobility.

Advising Officer: Julie Ogle, Director of Social Care, Health and Housing

Contact Officer: Tony Keaveney – Assistant Director Housing Services

Public/Exempt: Public

Wards Affected: All

Function of: Executive

Key Decision Yes

CORPORATE IMPLICATIONS

Council Priorities:

The Housing Allocations Policy supports the following Council priorities :

- Enhancing Central Bedfordshire – creating jobs, managing growth, protecting our countryside and enabling businesses to grow.
- Promote health and wellbeing and protecting the vulnerable.
- Value for money – freezing council tax.

Financial:

1. The cost of implementing the changes proposed by the Housing Allocations Policy are incorporated within the approved revenue budget.
2. It is anticipated that a restricted register and an online application process will provide greater value for money, enabling resources to be moved from processing applications to assisting people into successful and sustainable tenancies. There are General Fund efficiency savings which have been identified within the Council's efficiency programme.

Legal:

3. The Council has a statutory duty to have a Housing Allocations Policy and to ensure that social housing is allocated in accordance with this policy.

4. Historically, the allocation of social housing is an area of service provision which is contested, where there is a significant body of case law to which officers and policy makers must have regard. The Localism Act has essentially created new freedoms for local authorities, enabling local authorities to determine the basis on which to allocate social housing in a way that is much less prescribed in legal terms, than has been previously. Currently, the new freedoms are untested in law.
5. There is a statutory Code of Guidance, to which officers have had close regard in developing the Housing Allocations Policy. Also, legal advice has been obtained, to consider the Policy from the perspective of changes introduced by the Localism Act 2011, the Housing Act 1996 and under the Equality Act 2010. The Allocations Policy has been drafted to comply with relevant legislation. The main legal implications relate to the equalities implications and these are considered within this report, including the mitigations and actions necessary to ensure the Council is fulfilling its duty to promote equality.
6. There is risk of legal challenge in all areas of service provision and in particular in those areas where the resource is scarce and priority is being determined between competing needs, to achieve a social purpose. The Housing Allocations Policy has been developed with mitigations to reduce the risk of legal challenge, whilst also using to the fullest extent, the new freedoms afforded by the Localism Act..

Risk Management:

7. The Housing Allocations Policy helps to mitigate the following corporate risks:
 - Failure to deliver the Council's priorities, Medium Term Plan, the Housing Strategy 2011-15.
 - Failure to make adequate provision to meet the accommodation needs of older people in Central Bedfordshire.

Staffing (including Trades Unions):

8. Not applicable.

Equalities/Human Rights:

9. Public authorities have a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. National and local research indicates that there is a shortage of appropriate and affordable housing for older people.

The approval of the Housing Allocations Policy will play an important role in helping to improve outcomes for tenants and members of the community in housing need in Central Bedfordshire. The policy includes a number of positive provisions for vulnerable groups.

10. A full Equalities Impact Assessment (EIA) has been completed and is provided at Appendix 3. The assessment has highlighted some potential adverse impacts relating to the employment and residency criteria. These issues are considered in further detail in the main body of the report along with some proposed mitigating actions.
11. The policy will be closely monitored during the early stages of implementation to ensure that the process is operating as fairly as possible, and that no individuals are being indirectly discriminated against. This is a particular recommendation of the Social Care, Health and Housing Overview and Scrutiny Committee. Consideration has been given to the legal implications of the key issues identified through the EIA.

Public Health:

12. Good housing has a positive impact on public health and education.

Community Safety:

13. The Housing Allocations Policy proposes that individuals who would make unsuitable tenants based on former behaviour are not eligible to join the Housing Register. This will enhance the safety, security and wellbeing of the community.

Sustainability:

14. The Housing Allocations Policy more clearly defines the social purpose of the social housing system, locally thereby supporting the sustainability of local communities. The Policy aims to incentivise employment and promotes the best use of stock, to ensure that local housing need is being met. The Policy provides a safety net to vulnerable people, whilst introducing new local connection criteria, which should result in more accommodation being available to people currently living in or connected with Central Bedfordshire. A significant break with the previous Allocations Scheme is that the Policy does not include cross border mobility as a main feature. The proposed changes, taken together, contribute significantly towards the sustainability of local communities by making best use of the available housing resource.

Procurement:

15. Not applicable.

Overview and Scrutiny:

16. The Social Care, Health and Housing Overview and Scrutiny Committee considered the Housing Allocations Policy on the 12 May 2014. A separate note of the Committee's recommendations to Executive will be provided.

RECOMMENDATIONS:

Executive is asked to

1. **adopt the Central Bedfordshire Housing Allocations Policy at Appendix 1 as the Allocation Scheme for social housing in Central Bedfordshire; and**

<p>2. delegate authority to the Director of Social Care, Health and Housing, in consultation with the Executive Member for Social Care, Health and Housing to:</p> <p>2.1 allocate social housing in accordance with the Housing Allocations Policy, at such time as the Policy can be implemented successfully;</p> <p>2.2 amend or vary the detailed wording of the Housing Allocation Policy, where to do so does not change the strategic intent or overarching aims of the Policy, so as to ensure the Policy is and remains effective in operational terms, to achieve the Policy objectives;</p> <p>2.3 consult for four weeks on the specific proposal that Older People should have priority for a home in close proximity to where they live, to then decide either to retain, modify or remove this specific policy, having taken into account the views of stakeholders and the public;</p> <p>2.4 develop and implement on an annual basis, a Lettings Plan that is aligned to the aims and intent of the Housing Allocations Policy; and</p> <p>2.5 develop and implement monitoring arrangements to ensure that the aims of the Policy are achieved and to support the Council's duty to promote Equality, in line with the mitigations set out in the Equalities Impact Assessment.</p>	
<p><i>Reason for Recommendations:</i></p>	<p><i>To ensure the Council has in place and maintains an up to date Housing Allocations Policy that is in line with legal requirements, having taken into consideration the views of stakeholders.</i></p>

Executive Summary

17. The Council has a statutory duty to ensure that social housing is allocated in accordance with the Council's Housing Allocations Policy. The Localism Act 2011 allows local authorities greater freedom and flexibility to fulfil this duty. In response to the Act, a detailed evidence based review of the Housing Allocations Policy was undertaken. This report sets out significant changes to the Allocations Scheme, as part of an ambitious programme of housing reform that includes the Council's Tenancy Strategy, adopted in 2013.
18. The draft Allocations Policy aims to be simple, transparent and fair in its application, and to make the best use of social housing provision. The key objectives of the draft Allocations Policy are to:
- Help applicants in housing need to find suitable housing.
 - Provide housing applicants in Central Bedfordshire with a fair and transparent system.
 - Provide an incentive for applicants to seek employment.
 - Create a simpler system that uses resources more efficiently.
 - Make efficient and best use of social housing stock in the area.
 - Encourage applicants to take a measured and long-term view on housing options and to take responsibility for planning their own housing provision.
 - Help veterans and their families to resolve their housing need, in line with the Central Bedfordshire Armed Forces Community Covenant.

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| 19. | Extensive consultation was undertaken throughout the process of developing the proposed Housing Allocations Policy. Account has been taken of feedback received. The Policy uses, to the fullest extent, the freedoms of the Localism Act, so as to achieve local priorities, specifically to incentivise employment to promote social mobility. |
| 20. | Member seminars held in August 2012 and June 2013, followed by a Task and Finish Group, set the strategic direction for the local Housing Green Paper, the Council's Tenancy Strategy and the Housing Allocations Policy. The Social Care, Health and Housing Overview and Scrutiny Committee considered the Policy on the 12 May 2014. The recommendations of the Committee will be provided to Executive as a separate note. |

Background

21. The Council has embarked upon an ambitious programme of housing reform, driven largely by a range of opportunities presented by the Localism Act 2011. Following the Member's seminars held in August 2012, June 2013 and subsequently, the work of a member Task and Finish group, a local Housing Green paper was developed, setting out the direction of travel and broad aims. The local Green paper's vision for Housing in Central Bedfordshire includes:
- Social mobility will be supported with a range of products which will open up home ownership and 'affordable' renting to a greater number of households, helping people onto the 'housing ladder'.
 - The local housing market will offer a good choice of locations, property and tenure types to older people.
 - Well-managed, good quality social housing will be used to provide a strong safety net to those who are vulnerable.
 - Social housing will be allocated fairly, and used to support people's working lives.
 - Social landlords will support their tenants to make the most of their tenancy as a springboard into work and financial stability.
22. The Localism Act 2011 introduced changes in legislation which gives Local Housing Authorities greater freedom and flexibility in determining who can apply for social housing. The Housing Allocations Policy governs who can apply to join the housing register, the size of the property for which a person can apply and the priority given to housing applications. The Council has a statutory duty to ensure that social housing is allocated in accordance with the Council's Allocations Policy. The allocation of social housing is administered through a Choice Based Lettings (CBL) Scheme, which is being retained. However, the local Allocations Scheme will evolve to become a hybrid of CBL and a direct lettings approach, described at paragraph 27 below.
23. The development of a new fit for purpose Allocations Policy is a key step within the scope of the local Housing Green paper. The proposals that have emerged make full use of the new freedoms associated with the Localism Act. The Housing Allocations Policy prescribes how a resource (a supply of circa 1000 social lettings per annum) should be used.

The policy determines who should benefit from those lettings. Therefore, the Housing Allocations Policy is defining of the “social purpose” of the local social housing resource. The Housing Service undertook an evidence based review of the current Policy, which resulted in a number of significant proposals. The following data influenced the development of the new policy:

- During the years 2011-14, there were circa 2,956 social lettings in Central Bedfordshire, consistently around 1,000 lettings per annum. This is a relatively good supply of accommodation and the average waiting time, for those households who are re-housed is typically 35 – 40 weeks.
- In early 2013, at least 20% of the Council’s general needs housing stock was under occupied by one bedroom or more. This has been reducing due mainly to the moves/transfers that the Council has enabled in response to welfare reform. However, the indication is a resource that is not being fully utilised.
- There are circa 3,300 households on the housing register, but a relatively small proportion are actively bidding for properties. Inevitably, ‘bidding activity’ is related to what properties are available locally.
- 70% of new social housing tenants in the Central Bedfordshire area are not in work or economically active. The figure is noticeably higher in the south of Central Bedfordshire, than the north.
- On average 49 new applications to be re-housed are received each week, but only a relatively small proportion of these applications are in ‘housing need’ (where the Council is required by law to give reasonable preference). Only a relatively small proportion are likely to be re-housed.
- Across Central Bedfordshire, it is estimated that at least 1,500 older persons living in social housing are under occupying their home

24. The Localism Act gives Councils the freedom to not register applications from households who have no housing need. The new policy proposes that applicants who do not fall into one of the reasonable preference groups (that essentially define what constitutes “housing need”) are not registered for rehousing. The reasons for this approach are:

- Registering applicants with no housing need raises expectations.
- Applicants on the housing register continue to make contact with the council, even though they are told to explore other housing options. This increases the workload of the service.
- There is an on-going cost to managing the housing register in terms of customer contact and re-registration. By removing those households who are not in housing need, the cost of managing the Register will be reduced. This has been factored into planned efficiency savings.

In recent years, approximately 1,000 households register each year for housing but do not re-register at their annual review, mainly because they recognise that they are unlikely to be re-housed.

In making this change, the Council is able to focus on using the supply of social housing to meet the needs of people to whom the Council has a statutory responsibility and is required to give reasonable preference within the Allocation Scheme.

The Council is then able to focus on improving the Housing Supply across all tenures and can target resources to open up home ownership and 'affordable' renting to a greater number of households, helping people onto the 'housing ladder'.

25. Cross border mobility was a main feature of the Allocations Scheme introduced in 2009, in an approach developed jointly with Luton Borough and Bedford Borough Councils. In developing the new Policy, consideration was given to whether that feature of the existing scheme had benefited Central Bedfordshire residents and achieved its aim, which was to promote geographic mobility.

The review of the Policy demonstrated there was no discernible benefit and for this reason, it is not proposed to include cross border mobility as a main feature of the Allocations Policy. Instead, specific criteria have been introduced to strengthen the requirement for a local connection to Central Bedfordshire, so as to make best use of the social housing resource, to benefit residents of Central Bedfordshire who are in housing need.

There is a stronger emphasis on social mobility within the Policy and a new approach is being taken to promote social mobility by incentivising employment within the Allocations Scheme. The Housing Service will also change, to establish expertise to provide employment advice, during the same conversation with a resident about their housing options.

Whole System Change

26. Central Bedfordshire is an area of significant housing need. There are circa 3,300 households on the register. Of these, approximately 45% of households registered have no housing need (because they are currently living in suitable accommodation), although clearly they have a wish to move. Those registered as being in high/urgent housing need is typically around 6% of the Housing Register, currently 198 households. The remaining 49% of registered households are in housing need, to varying extent, including low, medium and relatively high need to move to more suitable accommodation. While those in the higher bands have a reasonable chance of being housed, many of those in the lowest band will never be re-housed.
27. The effective operation of the social housing system locally is a key consideration, for the Council and Housing Association partners. The proposed changes will introduce essentially a hybrid system that plays to the strengths of a Choice Based Lettings (CBL) system and also the benefits of direct intervention (i.e. Transfers and direct lets). Currently, the local system is strongly weighted to being solely a CBL scheme, which has advantages around transparency and customer access. But CBL is disadvantaged in that "only one need is met" (by a let), whereas transfers can create "chains of moves", thereby meeting needs of several households. The evolution of the Allocations Scheme will take time, to be guided by an Annual Lettings Plan (ALP). This is described at page 7 and 49 of the Housing Allocations Policy.

28. The Annual Lettings Plan will be used to determine how the predictable resource of lettings (approximately 1,000 per annum) will be used. The purpose of the ALP is to “make the best use of stock”. It is envisaged that approximately 2/3rds of lets will continue to be let through CBL, whilst about 1/3 of lets will be used on the basis of direct lets, transfers and quota.

During 2013/14, the use of direct lettings have been an important approach that has enabled the Housing Service to respond effectively to welfare reform, by enabling households to move to accommodation they are able to afford. The ALP will stipulate quota to be used to meet specified needs, for example children leaving care, or mental health needs, or to support Foster Carers and parents wishing to adopt looked after children.

Aims of the Housing Allocations Policy

29. The Housing Allocations Policy aims to be simple, transparent and fair in its application, and to make the best use of social housing provision. The key objectives of the Allocations Policy are to:
- Help applicants in housing need to find suitable housing.
 - Provide housing applicants in Central Bedfordshire with a fair and transparent system.
 - Provide an incentive for applicants to seek employment.
 - Create a simpler system that uses resources more efficiently..
 - Make efficient and best use of social housing stock in the area.
 - Encourage applicants to take a measured and long-term view on housing options and to take responsibility for planning their own housing provision.
 - Help veterans and their families to resolve their housing need, in line with the Central Bedfordshire Armed Forces Community Covenant.
30. More specifically the policy seeks to achieve the following outcomes:
- Encourage applicants who are out of work to seek employment.
 - Balance reasonable preference with local priorities.
 - Provide support for low paid workers in the private sector.
 - Practical help for those threatened with homelessness.
 - Supporting households who work locally.
 - Offering choice.
31. In strategic terms, the rationale for change is to ensure that the available resource (circa 100 lets per annum) does have a social purpose, within a social housing system and that best use is made of that resource. More fundamentally (as far as can be achieved), that customers do benefit from the provision of a home at relatively low cost to improve their life chances, mainly through help to access employment.

32. The Housing Service is creating an Employment pathway, within the mainstream of customer service, to make every contact count. This is closely aligned to the Tenancy Sustainment approach, which has emerged as the primary response to managing the impacts of welfare reform. The pathway also applies to the provision of housing advice, where it is envisaged that customers will be advised about their housing options and, during the same conversation, consideration will be given to ways in which the Council can assist non working households to access employment.

This is a fundamental change for the Housing Service that will take time to develop. It is a much clearer definition of social purpose, to use every customer contact as an opportunity to add value and to enable customers to improve their life chances. The employment pathway is an important development, to support the aims of both the Tenancy Strategy and the Allocations Policy.

33. The Localism Act 2011 introduced new freedoms and flexibilities in a number of areas including the allocation of social housing. A new statutory code of guidance has also been issued. Councils can now choose to restrict the waiting list for social housing if they so wish and can define local priorities for social housing as long as 'reasonable preference' is given to those set out in the new section 166A of the Housing Act 1996 as inserted by the Localism Act 2011. These are:

- Applicants who are homeless including those who are intentionally homeless and not in priority need.
- Applicants occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions.
- Applicants who need to move on medical or welfare grounds, including grounds relating to disability.
- Applicants 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 others).

34. The Localism Act gives the freedom to not register applications from households who have no housing need. The new policy proposes that applicants who do not fall into one of the reasonable preference groups are not registered for rehousing. Currently this would be circa 1500 households. The reasons for this approach are:

- Applicants with no housing need are unlikely to be re-housed and to register them on the list creates a false expectation of social housing being available to them.
- Social housing is a scarce resource and should be targeted to those in housing need.
- Restricting access to the Housing Register (waiting list) provides clarity of the role of social housing within Central Bedfordshire. It changes the expectation that social housing is available to those without a housing need and at the same time protects the most vulnerable in Central Bedfordshire.

- There is a significant workload in administering a waiting list; reducing the size of the list to include only those most in need of housing, would reduce costs and enable resources to be targeted to provide assistance to those not in housing need to secure an alternative housing solution.

35. The provision of affordable housing in Central Bedfordshire through Rural Exception sites is highly valued source of new properties to help meet the growing demand for affordable housing and to promote rural sustainability. The Council gives such properties special treatment under its planning policy and the Housing Allocation Policy.

Special criteria are applied when allocating such properties and separate allocation arrangements are made. These are detailed in a Policy adopted by Executive in February 2013, provided as an appendix to the main Policy. It should be noted that the criteria established by the Housing Allocations Policy do not apply to lettings within rural exception schemes, which shall continue to be let in line with the approved Local Lettings Policy.

36. The Housing Allocations Policy gives additional preference to certain categories of persons from the forces, in line with the Council's legal responsibility and long standing commitment to helping veterans and their families to resolve their housing need, in the context of the Central Bedfordshire Armed Forces Community Covenant.
37. In taking the approach outlined above, the Council is able to focus on using the supply of social housing in meeting the needs of people to whom the Council is required to give reasonable preference, alongside meeting local priorities.

Operational Changes

38. The Housing Service will introduce online housing applications (to the Housing Register) and will no longer process paper based application forms. This will be enabled by a self-assessment tool that will assess a home seekers eligibility for inclusion on the register based on information submitted by the customer.
39. In accordance with recent indirect discrimination case law relating to on-line submissions, vulnerable applicants will be assisted to complete this assessment. If a home seeker does not attract reasonable preference, s/he will be diverted via the self assessment tool to an interactive housing options calculator which will identify the most realistic and suitable housing option for that household based on real time information provided by the customer.
40. In developing an approach to on line self assessment and on line registration package, the Housing Service will introduce a means to capture information about where households prefer to live and what type of properties they want to live in. This information will be used to plan for the development of new affordable housing in locations where people want to and can afford to live. In this way, the Council can ensure that affordable housing is provided in locations where people want to live and can afford to live and work.

41. It is intended that the changes introduced by this Policy will use Council resources more effectively and efficiently, by moving staff resources from processing to meaningfully helping customers into successful and sustainable tenancies. This efficiency saving is established within the Council's efficiency programme, now being reflected in a comprehensive restructure of the Housing Service, that has created a Housing Solutions team.

Consultation

42. Extensive consultation was undertaken in the development of the proposed Allocations Policy, with applicants, tenants, stakeholders and staff. A number of workshops were held, which included a stakeholder workshop; a series of staff focus groups; and face-to-face consultation with service users living in temporary accommodation, and attendees of job clubs. Alongside this a detailed written consultation exercise was undertaken for 12 weeks.
43. The formal consultation was managed via a formal consultation document. This document was available in paper format: downloadable from the Council's website, and obtainable by telephoning or writing to the Council. This process was managed by the Customer Engagement and Partnerships team.
44. Households currently in bands C and D on the existing Housing Register; who are likely to be impacted by the proposed changes; were written to as part of the consultation. They were notified of the proposed changes and invited to respond to the consultation.
45. Alongside applicants, Stakeholders, Partners, Central Bedfordshire Council employees and Elected Members were informed of the consultation. Awareness of the consultation was raised through the use of social media and the issuing of press releases.
46. In response to the written consultation 102 individuals responded. Of these respondents; 25% were housing register applicants; 16% were Housing Association tenants; 6% were from Town or Parish Councils; 10% were professionals; 16% were recorded as other and 17% did not include this information. 29% of respondents were male and 67% female, 45% were aged over 55 years and 19% stated that they had a disability.
47. The key findings from the written consultation are summarised below. The full response to the Consultation can be found in appendix 2. There is one specific policy proposal, relating to older people that emerged during the formal consultation process. The idea is essentially that older people should benefit from the support of established networks within their community by having priority for a home where it is in close proximity to where they currently live. The idea is included within the Housing Allocation Policy, however it is proposed that further consultation is undertaken, for a period of 4 weeks, on this specific proposal.

The approach being proposed to conclude whether this idea shall be included within the Policy, modified or withdrawn is outlined at paragraphs 53 to 58 below. There is a specific recommendation at 2.3, to delegate authority for this decision, once the consultation is concluded, to the Director of Social Care, Health and Housing, in consultation with the Executive member with responsibility for Social Care, Health and Housing.

48. I. Housing Needs

57% of respondents agreed that people with no housing need should be stopped from joining the housing register. Those that did not agree (39%) cited issues in relation to affordability and that the draft policy fails to consider all circumstances.

II. Local Connection

67% of respondents agreed with the proposal that only people who had lived continuously in Central Bedfordshire for three years should be allowed to join the register, whilst 30% were opposed to the proposal. Feedback included that three years was too long a period and that individual circumstances should be considered including reasons such as fleeing domestic abuse and moving closer to an elderly relative.

60% of respondents who agreed with the local connection proposal felt that three years was the right period of time in which to establish a local connection. Of the respondents who did not agree with the three-year proposal, half of them felt that five years was a more appropriate length of time.

67% of respondents agreed with the proposal that a Local Connection could be established by having been employed in Central Bedfordshire for six months.

III. Affordability

70% of respondents agreed with the proposal that people with sufficient income to buy their own home or to rent privately should not be able to join the register. Of those 75% considered the income thresholds to be fair.

59% of respondents agreed with the proposal that households with savings or assets over £23,250 should not be able to join the register.

IV. Banding

61% of respondents agreed with the proposal to move to two bands: one for very urgent housing need cases; and one for all other applicants. For those that did not agree concern was expressed that this system may be too restrictive, and that the second band would be a very large group with varying levels of housing need.

V. Employment Priority

66% of respondents agreed with the proposal that working households will have priority over non-working households. Concern from individuals who did not support this proposal included the difficulty in accessing employment in the current economic climate.

VI. Unsuitable Tenants

80% of respondents agreed with the proposal to exclude unsuitable tenants from the housing register. Of those that did not agree with this proposal concerns were raised about where excluded people would go.

VII. Low Paid Workers

85% of respondents agreed with the proposal that low paid workers living in privately rented accommodation should be allowed to join the register.

VIII. Older Persons Accommodation

12% of respondents agreed that older people with no demonstrable housing need should be able to bid for vacant older people's accommodation where these properties attract no interest/bids. 85% of respondents did not answer this question.

49. Consultation feedback from the workshops and focus groups included:

- Support for restricting the Housing Register to those households in housing need.
- Overall support for a simplified banding system.
- Overall support for the quota system.
- Concern about the ability to allocate social housing stock if the register is restricted.
- Concern that debt that has arisen due to the impact of welfare reform would be held against applicants.
- Concern regarding the lack of employment opportunities and support to access work.
- Concern about the ability to access an online only system for vulnerable households.

50. The views of each specific group are detailed below:

- Stakeholder Workshop, including Registered Providers. Support for the Policy was expressed especially in relation to the aims around employment and a simpler more transparent system. Concern was raised in relation to online access.
- Child Poverty Group held on 10th September 2013. Support for the principles of the policy were expressed, with some concern articulated in relation to barriers in accessing employment and addressing debt.
- STAG Tenant Engagement Group held on 28th August 2013, attended by 24 residents. Support for the exclusion section and income section was given, but some concern expressed in relation to employment opportunities.
- Way Forward Panel attended by 5 members and Council Employees. Suggested including voluntary work within the employment section and expressed support for excluding bad behaviour and the priority given to ex-service personnel.

- Focus group with residents of Bedford Court (temporary accommodation hostel), attended by 8 residents. A range of views were expressed, with overall support for the new Policy.
 - Face to face consultation with attendees at job clubs.
 - Series of workshops with Housing Service staff.
51. In light of the consultation responses, the Council has drafted a proposed Housing Allocations policy which makes full use of the new freedoms of the Localism Act, yet also responds to the feedback received from consultation. Whilst there are no fundamental changes as a result of consultation, the contribution from local residents and stakeholders has been valuable.
52. There are many comments that will directly inform the implementation plan and be incorporated within Operating Procedures. In addition, many of the comments have helped to resolve potential problems, or have influenced the Policy in many, many small ways, all of them helpful to ensure that the Policy, when implemented in the autumn of 2014, achieves its key aims.

In particular, the comments received will inform the Communications Plan being developed and should ensure that the changes to customer pathway, as well the significant changes that are likely in terms of customer expectation, can be managed effectively. The Policy does introduce significant changes, which should not be under-estimated in terms of –

- The Policy itself, prioritising people in work over those who are not working, to improve life chances and promote social mobility.
- On line assessment/registration, with support in place for vulnerable people.
- Moving to a hybrid system that combines both Choice Based Lettings approach and a significant proportion of direct lettings, through an Annual Lettings Plan to make the ‘best use of stock’.
- Significant changes to the customer pathway and changes also, in terms of customer expectations.

Proposal to Enable Older People to Live Close to Established Networks

53. During the consultation process, a comment was received as follows:

“...It is felt that the formulation of this Policy should give consideration to older / retired people who live in rural areas, the opportunity to downsize from their current council property which may now be too large for them, to move to a smaller property but in the same locality.

It is here where they will have a group of friends and possibly family who can assist them in their needs on a day to day basis if required. This will take some of the burden off the Social Care requirements for the council in the early years of retirement...”

54. Having considered this view, a statement has been included within the Housing Allocations Policy (page 5), as intent to enable older people to live close to established networks. The response to consultation is set out as follows –

The Council recognises that whilst older people may need to move to alternative and more suitable accommodation as their housing needs change; established community and support networks are very important to this particular age group. Many of our older residents will have lived within the same community for a long time, and have very strong ties. As such, where possible, we wish to support our older residents to remain within their communities by giving them enhanced priority for vacancies that arise within sheltered and older person's designated accommodation in close proximity to their current address.

55. The specific Policy proposal is that applicants on the "Accommodation for Older People" Housing Register, who live within 2 miles of the advertised vacancy will be shortlisted above applicants who do not live within this proximity (within each band). This means that where more than one applicant in the same band bids for a property, priority for the property will be given to applicants who currently live within 2 miles of the vacancy.

Where there is more than one applicant living within 2 miles of the property for which they are bidding, priority will be given to the applicant who has been in the band the longest. Further detail on this specific policy objective is set out within the Housing Allocations Policy, page 24.

56. This proposal was not included within the original Policy document that was subject to 12 weeks formal consultation, as the idea emerged during the consultation process. This is a material change to the original proposals and therefore, it is appropriate that the Council consult with relevant stakeholders and the public on this specific idea for a period of 4 weeks. It is anticipated that the idea will be widely supported, as it so clearly benefits local communities and also benefits older people, who will have greater priority to secure suitable accommodation, thereby to remain living in close proximity to established support networks. This idea was proposed by a parish councillor.
57. A recommendation is set out as 2.3 above, which will delegate authority to the Director of Social Care, Health and Housing, in consultation with the Executive member with responsibility for Social Care, Health and Housing to consult for four weeks on the specific proposal that older people should have priority for a home in close proximity to where they live. The scope of this delegation shall include authority to then decide to retain, modify or remove this specific policy criteria, having taken into account the views of stakeholders and the public.
58. Consultation with stakeholders during the four week period shall include consultative groups, where membership includes older people. For example, STAG (Sheltered Tenants Action Group) and OPRG (Older Persons Reference Group) as well as Parish Councils and the public.

Equalities Implications

59. A full Equality Analysis has been carried out for this policy, and can be found in appendix 3. The draft policy includes a number of positive provisions for vulnerable groups for example in relation to disability, domestic violence, carers, looked after children, foster carers, helping people who are affected by the implications of welfare reform, helping low paid workers who may have families and be living in poverty.
- 60 The Council will make a percentage of annual lets available to certain groups of applicants, via quota schemes. These quota will be set out in an Annual Lettings Plan. Groups likely to be subject to a quota include:

- Foster carers and adopters, as well as looked after children
- Clients with mental health issues, but ready to move on from supported housing schemes
- Clients with learning disabilities, but ready to move on from supported housing schemes
- Others to be identified as part of consultation with partner agencies

The Annual Lettings Plan will be produced, having regard to an evidence base derived from rigorous monitoring of lettings and having due regard to the outcomes being achieved, in terms of both the Council's Tenancy Strategy and the Allocations Scheme. Specifically, the ALP will be used to ensure that the council provides a safety net to vulnerable people.

61 Employment

The EIA has highlighted a number of issues in relation to employment. Encouraging housing applicants that are out of work, to seek work is a key aim of the Allocations Scheme.

- 62 To facilitate this, applicants who are working will be given priority for vacancies above applicants who are not working. Applicants who are not in work, will be given advice and practical assistance in finding work from the housing options team and by other key agencies, in order to give them better prospects of re-housing via the Housing Register. The Housing Service is developing an employment pathway that is complimentary to its housing advice function.
- 63 The findings of the Hills Review have highlighted that the employment rates of those living in social housing with particular disadvantages or with multiple disadvantages are substantially lower than those of people with similar disadvantages but living in other tenures. The Hills Review also highlighted evidence that current allocations policies can create concentrations of poverty, which can have a detrimental impact on both community cohesion and sustainability. As such, it is a legitimate aim of the Council to provide an incentive for applicants to seek employment.

64. Recognising the barriers that people, such as disabled people, single parents and families with young children, and some people from black and minority ethnic (BME) communities can experience in finding work, the Council's Economic Growth, Skills and Regeneration Team has oversight of a variety of initiatives designed to help people find employment. These initiatives are set out in the All Age Skills Strategy. The Child Poverty Strategy also includes initiatives designed to help people access employment. Housing officers will have a key role to play in helping residents access these opportunities.

The role of the Housing Service is changing and will continue to evolve, to more clearly define the social purpose of the affordable housing system locally, in terms that are not just to do with the provision of accommodation. That purpose will be defined in terms of helping people into work to improve social mobility.

65. Having considered the legal implications of the Allocations Policy, it is prudent to also record successes of the various access to employment schemes, with regard to person's with protected characteristics. By so doing, the Housing Service will be able to monitor any potential for indirect discrimination.
66. The introduction of the employment incentive does not mean that non working people will be unable to access housing. It is estimated that the impact will be that average wait times (for those people in housing need, likely to be re-housed) might increase from 40 weeks, for non working people – to a maximum of 60 weeks, whilst employed people are likely to average a wait of 20-25 weeks. However, this is difficult to predict because no one really knows how people will behave in relation to the new Policy – i.e. how they will bid for available properties.

It is foreseeable that working people will, in the main, choose to pick the better properties, in preferred locations. However, it is also possible that people will choose to be pragmatic about their choice of home, or that people will be discerning and wait longer for a property of a type and in a location that they prefer. The Allocation Scheme is weighted towards choice and therefore, the behaviours of applicants are driven by factors which include the Policy itself, supply of accommodation and personal preference.

67. The EIA recommends that further consideration is given to the provisions which may have an adverse impact on groups of people that find it much harder to access employment, as this could potentially amount to indirect discrimination. As a result of the EIA the policy extends the employment priority to people who are undertaking training or volunteering. Disabled applicants under retirement age who are assessed as eligible for Support Element of the Employment Support Allowance due to their permanent disability which prevents them from participating in work related activities, will receive the employment priority.

68. **Residency Criteria**

Consideration has also been given to the impact of residency criteria and whether residency requirements have the potential to indirectly discriminate against Black and Minority Ethnic (BME) Groups. The Council's proposed policy defines a person as meeting the residency criteria if they must have lived continuously in the Central Bedfordshire area for 3 years at the time of registration and need to remain resident in the area to preserve that registration, or be in contracted employment in the area and have been for a period of at least 6 months. The policy lists exceptions to this.

The Code of Guidance recommends that a local connection is established after a **minimum** period of two years residency. It is important that the Housing Service puts in place appropriate monitoring systems and reviews the Policy periodically. The first review will take place after six months of operation.

69. 77% of existing applicants for social housing are White British compared to 89.7 % of the Central Bedfordshire population. This indicates that BME groups currently have good access to the housing register. It is not currently known how this ratio may change under the revised policy but respondents have not indicated a concern that BME groups will be unfairly excluded.

70. The qualifying criteria that is being proposed relates to three years residency or six months employment. There are also a number of exceptions to the residency criteria, detailed at page 20 of the Policy. In addition, lettings to homes provided within Rural Exception Schemes are excluded from the scope of the Allocations Scheme and shall be let in line with the Local Lettings Policy approved in 2012 (at appendix 2).

The Council has been advised to include a further exception to cover and extend to persons able to demonstrate strong connection to the Central Bedfordshire area by reference to strong family association – whether by residence or employment and to also include a special circumstances exception which could be referred to the Housing Needs panel for consideration and decision.

71. The policy will be closely monitored during the early stages of implementation/operation to ensure that the process is operating as fairly as possible, and that no individuals are being indirectly discriminated against. Full legal advice in relation to the equalities issues identified above is available on request. This advice has informed the development of the EIA (appendix 3).

Implementation

72. The new policy is anticipated to be operational during Autumn 2014 and there are several issues that are to be resolved, to ensure a successful implementation. A detailed implementation plan will be agreed by partners following adoption of the Policy. A Communications Plan and also the Annual Lettings Plan will be developed. An Allocations Policy Implementation group has been established, consisting of representatives from Aragon Housing Association and Housing Service staff. Throughout the development of this Policy this group has worked to identify implementation issues and mitigations.
73. This report recommends specific delegations of authority to the Director of Social Care, Health and Housing, in consultation with the Executive member with responsibility for Social Care, Health and Housing to ensure that the Policy is successfully implemented. The Housing Allocations Policy defines strategic intent and is precise in policy terms. However, the success of this Policy will be determined as much by work to develop the Annual Lettings Plan and associated monitoring systems.

As important as the Policy itself will be communication with customers to ensure the Policy is understood. Early in 2015, it is envisaged that the system will be on line, within the council's Customer First programme. All of this change will fall within the scope of the implementation plan. For this reason, the scope of the recommendations to Executive within this report, include a wide scope of delegated authority to ensure that the Policy is implemented successfully.

74. The consultation process has identified many potential issues, which are being resolved. The challenge will be to implement significant change in Policy, concurrent with technological change and changes to the customer pathway and expectations. It is likely that the implementation of change will be a phased, incremental approach.

Success will depend on good quality communication. As part of the implementation plan, an approach is being developed to produce and utilize Youtube style videos, as a means to communicate with customers on points of Policy as well as how to use the system, to ensure the system is easy to use and provides a positive experience.

75. A workshop is being organised, the purpose being to enable relevant stakeholders to evaluate properly all options, risk and critical path, so as to produce an implementation plan aligned to the Customer First programme timeline. There will also be an internal Procedure Guide, to be agreed by all the partners, which will guide officers in the operation of the Policy. The Policy is likely to be implemented in two phases:

- Phase 1 – autumn 2014, operational with the existing paper based systems, with customers using the Homefinder website to bid for properties.
- Phase 2 – late 2014, early 2015 – migration within the Customer First programme to an online registration, ceasing to use paper application forms, and moving to self assessment.

76. The next steps in implementing the Allocations Policy will be developed in line with the following indicative timeline:

Activity	Date
Develop implementation timetable and action plan (including Communication Plan), following the workshop referred to at para 75.	May 2014
Develop operational procedure guide and Annual Lettings Plan	Summer 2014
Publicity campaign notifying public, applicants and stakeholders of the new changes, in line with the Communications Plan.	Autumn 2014
Train staff and key partners on new policy and online application process	Summer 2014
Amend ICT and re-band applicants, probably through an automatic process.	Autumn 2014
New Allocations Policy goes live	Autumn 2014

77. It is proposed that an initial review of the impact of the new Policy should take place 6 months after it becomes fully operational and the Social Care, Health and Housing Scrutiny and Overview Committee will be informed of the outcome of this review.

Financial considerations

78. The new Allocations scheme will be implemented within the approved budget.
79. There will be a financial cost associated with implementing the changes to the Allocations Policy in relation to updating the ICT to reflect the new Policy. There will also be staff resource requirement in relation to amending the banding of applicants and notifying applicants of changes. It is also anticipated that when the policy goes live it will generate a huge increase in queries for a short period of time.
80. It is anticipated that a restricted register and an online application process will provide greater value for money, enabling resources to be moved from processing applications to assisting people into successful and sustainable tenancies. There are also General Fund efficiency savings which have been identified within the Council's efficiency programme.

Conclusion

81. A fit for purpose Housing Allocations Policy is a key element in achieving the vision set out in the Council's local Housing Green paper. The adoption of the Allocations Policy is a key milestone in realizing this vision, as important as the Tenancy Strategy adopted in 2013 and now implemented.

However, the scope and extent of change should not be under-estimated. The changes are fundamental and far reaching, but like any “whole system change” there is more to do, to create a local “Housing Offer” that really does achieve:

- Customer (personal) benefit – e.g. a hand up, improved life chances
- Wider social benefit for Central Bedfordshire, meaning that social mobility is improved and area based deprivation is reduced.

Appendices:

Appendix 1 – Housing Allocations Policy

Appendix 2 – Full response to the consultation

Appendix 3 – Equalities Impact assessment (EIA)