

## REPORT TO CABINET

Title: **REVIEW OF THE COUNCIL'S HOUSING ALLOCATION POLICY**

Date: 27 November 2008

Member Reporting: Councillor Dudley

Contact Officer(s): Chris Thomas, Head of Housing and Residential Development  
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Wards affected: All

### SUMMARY

- 1.1.1 The Council no longer owns or manages properties, but it does have nomination arrangements with Housing Associations in order to discharge its statutory duties towards the homeless and other vulnerable groups of people, including those with other housing needs such as overcrowding.
- 1.1.2 The mechanism used for selecting applicants for nomination is the Council's Allocation Policy and Points Scheme, which are applied to the Local Housing Register.
- 1.1.3 Members have been concerned that the Points Scheme should ensure that the needs of local households are given the highest priority, and it was decided at the Cabinet meeting on the 13<sup>th</sup> December 2007 that Officers should review this matter and bring back a report to Cabinet. Whilst applicants currently residing or in permanent full time employment within the Royal Borough are given 30 points more than anyone else, it is felt that an additional 10 points may increase the priority to a more appropriate level.
- 1.1.4 Officers were also tasked with looking at the benefits of introducing a Choice Based Lettings System within the Authority. Officers have had discussions with local Housing Associations who are keen to move towards such a scheme in partnership with the Royal Borough. Whilst there is no statutory requirement to implement such a scheme, it is a Government target for all authorities to introduce a choice based scheme by 2010. It would in fact appear that a large majority of local authorities in the country are now operating some form of Choice Based Scheme, including those in the rest of Berkshire.
- 1.1.5 The Department for Communities and Local Government has only just issued a Code of Guidance for implementing Choice Based Lettings in August 2008. The Code provides information about those factors which housing authorities should take into account in framing their allocation scheme to offer choice of accommodation to applicants.
- 1.1.6 On the 5<sup>th</sup> December 2007 the Planning and Environment Overview and Scrutiny

Panel considered the issue and were keen that Members should have an input into the implementation of such a scheme. If Cabinet now wishes to implement such a scheme, then it may be appropriate for a cross party Member Working Group to be set up to consider the possible benefits of a local Choice Based Scheme, and to work on the details for implementing such a scheme.

## **2. RECOMMENDATION**

**2.1.1 That the Allocations Policy is amended and an additional 10 points be awarded for a local connection.**

**2.1.2 That a cross party working group of Members is set up to consider the detail of implementing a Choice Based Lettings Scheme.**

What will be different for residents as a result of this decision?
Local residents will be given a greater priority for housing from the Housing Register by increasing the current level of points, and a Choice Based Lettings Scheme will radically alter the way households access social housing through a greater level of personal choice.

## **3. SUPPORTING INFORMATION**

### **3.1 Background**

3.1.1 The Secretary of State believes that allocation policies for social housing should provide for applicants to be given a greater say and a greater choice over the accommodation which they are allocated, whilst continuing to ensure that the primary purpose of social housing is to meet housing need.

3.1.2 In January 2005, the Office of the Deputy Prime Minister (ODPM), published *Sustainable Communities: Homes for All*. That document set out the Government's choice based lettings policy objectives, which included making it easier to move between local authority areas, developing regional or sub regional lettings schemes, and greater information about options. ODPM also put in place a Government target to have Choice Based Lettings schemes operating in all local authority areas by 2010, although it should be noted that it is not a statutory requirement.

3.1.3 The Royal Borough has opted to wait for best practice to be developed in respect of Choice Based Schemes, and to await the Government guidance which has just been issued. It is therefore appropriate that Members give consideration to the benefits of such a scheme, and are actively involved in something that will fundamentally affect local residents through a radical change to the manner in which they access social housing locally. This change would basically mean that instead of the local authority selecting applicants on the basis of a points scheme, and nominating them for vacant social housing, the vacancies would be advertised locally and applicants would have to make applications directly to the landlord. The Council has an agreed level of nomination rights to Housing Association vacancies which enables it to discharge its' duties to homeless households and other local households in housing need. These

rights are linked to the Stock Transfer agreement from 1995, and also to Section 106 agreements and grant funding from the Housing Corporation.

- 3.1.4 Contact with other local authorities seems to indicate that choice based schemes are operating successfully. The major concern however is to ensure that vulnerable people are not disadvantaged by having to seek accommodation for themselves and not having the ability to understand the system. It is also important to make sure that the system prioritises homeless households. Consequently all choice based systems have to include a method of prioritising the needs of applicants at the point of application for specific properties, which is of course what a points system does at the point of registration. It is very likely that the same households will be rehoused under either system, but choice based schemes are seen as being more transparent and gives applicants greater choice with their housing options.
- 3.1.5 Implementing a new scheme would require a new IT system, and a different type of administration for advertising vacancies and giving advice. The cost of this could however be shared with partner Housing Associations, which is already the case at present

#### 4. OPTIONS AVAILABLE AND RISK ASSESSMENT

##### 4.1 Options

	Option	Comments	Financial Implications
1.	Award applicants an extra 10 points on the Housing Register.	This will increase the priority for local people on the Register.	Revenue: None. Capital: None.
2.	Do not award an extra 10 points on the Housing Register.	There will be no change to the current points scheme.	Revenue: None. Capital: None.
3.	Consider implementing a Choice Based Lettings System by setting up a Member Working Group.	This will allow the issues outlined in the new Code of Guidance to be fully explored, and to consider the benefits to local people.	Revenue: None at present.  Capital: None at present, but a new IT system will require capital investment.
4.	Do not consider implementing Choice Based Lettings locally.	The Council should at least consider the issue in detail before deciding not to implement a new Choice Based system, as it will not achieve the Government's 2010 target.	Revenue: None at present.  Capital: None at present.

##### 4.2 Risk assessment

- 4.2.1 There are no risks attached to giving an additional 10 points for a local connection.
- 4.2.2 The risk of not implementing a Choice Based Lettings System is that this would not achieve the Governments target, and lead to some form of sanction.
- 4.2.3 The risk of implementing a Choice Based Lettings System is that it may impact detrimentally on vulnerable households if not considered properly, and could impact on the use of B&B and temporary accommodation for homeless households if satisfactory arrangements are not put in place to prioritise their needs.

**5. CONSULTATIONS CARRIED OUT**

- 5.1.1 The local Housing Associations have been consulted.

**6. COMMENTS FROM THE OVERVIEW AND SCRUTINY PANEL**

- 6.1.1 That the report be recommended to Cabinet subject to the Members Working Group addressing the issue of extra 10 point for local people.

**7. IMPLICATIONS**

- 7.1.1 The following implications have been addressed where indicated below.

Financial	Legal	Human Rights Act	Planning	Sustainable Development	Diversity & Equality
✓	✓	✓	N/A	N/A	✓

Background Papers:

Allocation of Accommodation: Choice Based Lettings, Code of Guidance for Local Housing Authorities

Homes for the future: more affordable more sustainable