

TRAFFORD COUNCIL

Report to: Executive
Date: 23rd September 2013
Report for: Decision
Report of: Executive Member for Economic Growth & Prosperity

Report Title

Allocations Policy 2013

Summary

The council has reviewed its Allocation Policy to ensure it is up-to-date, legal and incorporates best practice in meeting housing need.

The Allocations Policy has been developed through informal consultation with Registered Providers and formal consultation with partners and customers.

Recommendation(s)

That the Allocations Policy 2013 be approved.

Contact person for access to background papers and further information:

Name: Richard Roe
Extension: 4265

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	This report relates to the Corporate priority improving health and wellbeing of residents
Financial	Any costs associated with the implementation of the new policy can be met within existing budget. These are estimated to be circa £15,000, predominately relating to changes required to the Choice Based Lettings system.
Legal Implications:	These are set out in the report and the amended draft policy has been checked for compliance with the relevant legislation.
Equality/Diversity Implications	An Equalities Impact Assessment has been completed for this policy, and it has been assessed as a low impact.
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	None
Risk Management Implications	There are strategic risks associated with this report. Adopting the policy will contribute to ensuring the best use is made of social housing in the Borough to meet local housing need.
Health and Safety Implications	None

1.0 Background

- 1.1 The 1996 Housing Act (as amended) by the 2002 Homelessness Act (The Act) requires local authorities to make all allocations and nominations in accordance with a published Allocation Scheme.
- 1.2 The Act 1996 requires local authorities to give “reasonable preference” in their allocations policies to people with high levels of assessed housing need. This includes homeless people, those who need to move on welfare or medical grounds, people living in unsatisfactory housing and those who would face hardship unless they moved to a particular locality within the local authority’s area.
- 1.3 The Act also requires local authorities to state within the policy what its position is on offering applicants a choice of housing accommodation, or the opportunity to express preference about the housing accommodation to be allocated to them.
- 1.4 Whilst the Council no longer owns any housing stock, the Allocations Policy is used to determine nominations to partner housing associations with properties in the Borough. At present, the Council has nomination rights for 75% of Trafford Housing Trust new lets, and 50% for most other providers. In general, the Council also has 100% nomination rights for the first let on new affordable housing developments. All allocations are managed through our Choice Based Lettings scheme, which is administered by Salford City Council as part of the housing options contract.
- 1.5 The Executive approved the current Allocations Policy on the 28th November 2011, and the policy was implemented in May 2012 alongside the implementation of the new Choice Based Lettings System. The report to Executive advised that the policy

would be reviewed within 12 months of the enactment of the Localism Bill to ensure it remained up to date and legally compliant.

2.0 Legislative Changes

2.1 The legislative framework within which the Allocations Policy sits has changed in the period since the adoption of the current policy. The Localism Act 2011 has made amendments to the Housing Act 1996, including:

- Housing accommodation can only be allocated to eligible and qualifying persons. A person subject to immigration control is not eligible for an allocation of accommodation unless they are of a class prescribed by the Secretary of State;
- The Council has greater freedom to determine who qualifies to go on the housing waiting list;
- The Council can now discharge its duty to homeless households by offering accommodation in the private rented sector rather than only in the social rented sector as at present.

2.2 Two new Statutory Instruments have been issued relating to allocations to armed forces personnel.

- The Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations 2012 specifies that a person serving in the armed forces or who has served in the forces in the last five years, the spouse or civil partner of someone who has died during active service or someone injured whilst on duty with the reserve forces cannot be excluded from the housing waiting list on the grounds of local connection;
- The Housing Act 1996 (Additional Preference for Armed Forces) (England) Regulations 2012 specifies that allocations policy must give additional preference to a person with urgent housing needs who falls broadly into the categories specified above.

2.3 There was a code of guidance issued by Central Government's Communities and Local Government Department:

Allocation of Accommodation: guidance for local housing authorities in England (June 2012).

3.0 Consultation

3.1 A draft Allocations Policy was developed through informal consultation with Registered Providers and other partners. The draft policy was then put out for formal consultation for a period of twelve weeks. The draft policy was made available on the Council's website and Trafford Home Search, with an online consultation response form.

3.2 A total of 26 consultation responses were received, though some of these individual numbers represented the views of a wider group of people (for example Trafford Housing Trust held two staff/resident meetings and a youth forum on the policy and submitted a single collective response).

- 3.3 A summary of the consultation responses is attached to this report. In brief the responses were generally very supportive with the most debate related to three policy areas:
- The relative priority given to current social housing tenants under-occupying their current property;
 - The proportion of properties to be ring-fenced to band 4 applicants;
 - The income cap to be imposed for applicants who do not meet the reasonable preference criteria.
- 3.4 **Under-occupation:** The Council proposed that tenants under-occupying by two or more bedrooms be placed in Band 1 and those under-occupying by one bedroom be placed in Band 2. This was on the basis of the under-occupancy charge which imposed a higher reduction in Housing Benefit for those under-occupying by two bedrooms. One respondent requested that under-occupiers be given equal priority as prioritising those with two or more spare bedrooms would release the wrong type of properties and so would not lead to the most efficient use of the housing stock.
- 3.5 This proposal has been rejected and the policy remains unchanged on the basis that:
- Giving equal banding could potentially imbalance the waiting list given the number of tenants under-occupying;
 - Whilst one aim of the policy is to make best use of affordable housing stock, this does not over-ride the requirement to meet housing need and therefore the additional financial cost for under-occupiers of larger properties should be recognised in the policy;
 - Most landlords are giving additional priority to under-occupiers through their own transfer policies and therefore re-housing through the Council's Housing Register is not the only route available to tenants.
- 3.6 **Ring-fencing properties for Band 4 applicants:** The Council proposed that 20% of properties (excluding sheltered housing) should be ring-fenced for applicants in Band 4 who were in work or actively seeking work. The principle of this proposal was strongly supported but a number of respondents requested that the percentage be increased as this would aid the creation of sustainable and balanced communities.
- 3.7 This proposal has been approved and the proportion of properties ring-fenced has been increased to 25%. This is on the basis that the Council does wish to ensure that the Allocations Policy supports economic growth and sustainable communities as well as helping those in the greatest housing need.
- 3.8 **Income cap:** The Council proposed that households earning over £50,000 per annum or with over 40% equity in their property or savings over £16,000 should be placed in Band 5 (excluding statutory homeless households, applicants for sheltered housing and some other groups). In general there was support for the principle of introducing an income cap, but less agreement on whether the cap should be set at £50,000, with respondents suggesting both lower and higher figures.
- 3.9 The policy has not been changed and it is proposed that the income figure be kept at £50,000 household income, but that this be reviewed annually from the 1st April 2015. This is on the basis that the figures proposed were in line with national figures used for the mortgage rescue service, and an annual review will enable the effect of the proposal to be assessed.

4.0 Policy Summary

4.1 The development of this proposed policy included an assessment of the current policy against the legislative changes set out above and the principle changes from the existing policy are set out below:

- Armed Forces personnel to be moved up a band from that allocated based on their housing need;
- Foster carers/adopters to be placed in band 1;
- The level of over-crowding required to be awarded additional preference to be reduced from three bedrooms to two bedrooms;
- 25% of properties to be allocated to working households who meet the Council's Positive Community Criteria;
- Households earning over £50,000 or with over 40% of equity/savings in their property to be placed in band 5 (excluding applicants for sheltered housing);
- Applicants (or a member of their household) who have a history of anti-social behaviour will be suspended until evidence is provided to demonstrate good behaviour;
- Additional priority to be given to social housing tenants under-occupying their property who apply for a smaller property;
- Applicants from outside the Borough with no local connection will be placed in Band 5 (excludes applicants for sheltered housing);
- Using the private rented sector in addition to the social rented sector to discharge the Council's duty to homeless applicants.

4.2 Collectively, this package of changes will enable the Council to meet its statutory responsibilities, make best use of the limited supply of social housing, and support residents who contribute to their local community to access affordable housing.

5.0 Implementation

5.1 It is anticipated that the policy will be formally implemented from January 2014. Applicants on the Housing Register will be required to submit additional information to enable their application to be assessed in line with the new criteria.

Other Options

A number of options were considered in developing this policy. A full options appraisal was previously published alongside the draft policy, and the appendix to this report sets out proposals put forward through the consultation.

Consultation

The draft policy has been subject to informal and formal consultation with registered providers, other partners and residents. A summary of the consultation responses is attached.

Reasons for Recommendation

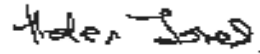
To enable the Allocations Policy to be implemented.

Key Decision

This is a key decision currently on the Forward Plan: Yes

Finance Officer Clearance JW

Legal Officer Clearance DG



CORPORATE DIRECTOR'S SIGNATURE *(electronic)*.....

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.