

7. REVIEW OF THE HOUSING ALLOCATION SCHEME

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Wards Affected: All
Key Decision: No
Report to: Scrutiny Committee for Leisure and Community
26 November 2014

Purpose of Report

1. To seek the Committee's endorsement of a number of revisions to the Housing Allocation Scheme.

Summary

2. Following the implementation from May 2014 of a revised Housing Allocation Scheme that was agreed by Council on 9 April 2014, the need for a number of further revisions has come to light.
3. This report sets out amendments that cover the following aspects of the current housing allocation scheme:
 - First lettings of larger new housing developments
 - Lettings of Rural Exception sites
 - Lettings of sites in AONB or the National Park brought forward through Neighbourhood Plans
 - Local Connection requirement to qualify to join the housing register
 - Exceptions to disqualification for some Affinity Sutton tenants
 - Exceptions to disqualification because of financial resources
 - Additional priority for Armed Forces personnel
 - Selection of applicants for supported housing
 - Move-on from supported housing
 - Applicants who have applied as homeless to another council

Recommendation

Members are recommended to endorse to full Council the revised Housing Allocation Scheme at Appendix 1 to take effect from January 2015.

Background

4. Local authorities may allocate affordable homes only in accordance with their adopted housing allocation scheme.
5. In April 2014 Members approved significant amendments to the Council's Housing Allocation Scheme to reflect new statutory guidance from the Government which encouraged local authorities to introduce local connection criteria when deciding which households qualify for social housing, to ensure that scarce social housing is better targeted to meet the needs of local residents.

6. Other amendments approved in April 2014 aimed to produce a housing register that is manageable, affordable to administer, encourages responsible behaviour, and more accurately reflects housing need in the district, so that allocations are more fairly targeted at those in the greatest need.
7. The implementation of the revised Scheme has been a significant piece of work which has been phased over a period of months as it involved reviewing large numbers of existing applicants. The removal of around 400 Affinity Sutton tenants, which marks the final stage of implementation, is expected to be undertaken in January 2015 when they are moved on to Affinity Sutton's own national housing register called Home Choice. Once these applicants are removed, we expect the number on the housing register to have reduced from the 5,200 that were registered at 1st April 2014 to around 1600. It is important to remember that Affinity Sutton tenants will continue to be in need and to be housed, but through the direct allocation rights that their landlord will in future exercise.
8. During the implementation of the Scheme approved by Members in April 2014, the need for a number of further revisions has arisen.
9. The draft revised Allocation Scheme can be found at Appendix 1. Proposed changes to the Scheme are highlighted on that document and are explained in the remainder of this report.
10. Should the Scheme be approved by Council in December, the changes will take effect for both new and existing applicants from January 2015.

First lettings of larger new housing developments

11. Since the changes to the allocation scheme introduced in April 2014 applicants cannot join the housing register or be considered for affordable housing unless they have a local connection with the District, as set out in paragraph 19 of this report.
12. The current allocation scheme accords additional priority to first lettings of new developments to those with a local connection specifically with the town or village in which the development is situated. Where schemes are of a modest size this helps to maintain local communities and to give them a stake in new development. However, larger schemes are intended to meet the housing needs of the whole District, and this is not properly reflected in the allocation scheme as it stands. If priority for first lettings on these schemes were to be reserved for those with a local connection only with the nearest town or village this would result in those in less housing need taking priority over those in much greater housing need for a significant proportion of new homes.
13. It is therefore proposed that where schemes have 250 or more homes in total, including private market and affordable housing, and whether or not the scheme comes forward in phases, priority for the affordable housing on those schemes should simply be based on the housing need of those who have the required local connection to the District.

Lettings of Rural Exception sites

14. Because Affinity Sutton tenants no longer generally qualify to join the Council's housing register, they will not be able to access housing in sites owned by other housing providers. As Affinity Sutton has a lot of stock in the District this should still enable them to have a reasonable choice of housing should they need to move.

However, the exception may be where they live in a small settlement where development opportunities are rare.

15. Rural Exception sites are designed to meet the needs of those with a strong connection to the parish concerned, and this will include existing social housing tenants. It is therefore proposed that Affinity Sutton tenants who have the required local connection to such sites should continue to be able to access both new build and re-let units in order to meet their housing needs within that community, in the same way as other applicants within those communities.
16. In order to facilitate this, it is proposed that the Council amends its Housing Allocation Scheme to allow Affinity Sutton to advertise vacancies in Rural Exception sites that are owned by other housing providers on its own Home Choice system so that their tenants are able to access these vacancies as well as applicants who are on the Council's register. Applicants who bid under the two systems will then have to be prioritised according to the Council's Allocation rules including the agreed local connection criteria for that site. Such lettings will be included in the 25% of direct lettings to which Affinity Sutton is entitled.

Lettings of sites in AONB or the National Park brought forward through Neighbourhood Plans

17. On 11 September 2013 this Committee resolved that the Cabinet Member for Health and Community be recommended to approve an amendment to the Council's Housing Allocation Scheme, so that where a parish has brought forward within its Neighbourhood Plan a site or sites that are within the South Downs National Park or Area of Outstanding Natural Beauty, applicants with a local connection with that parish should be given priority for 100% of first lettings and to subsequent lettings of 50% of the affordable homes.
18. This measure has been included in the allocation scheme but a question has arisen as to when a site can be said to have been brought forward through a Neighbourhood Plan. It is recommended that this should be when the Neighbourhood Plan has been submitted to Mid Sussex District Council in accordance with Regulation 16. For the avoidance of doubt, the policy would also apply where a site has been brought forward in this way but planning permission for that site has been granted in advance of the adoption of the Neighbourhood Plan.

Local Connection requirement to qualify to join the housing register

19. Members will be aware that applicants must now have a local connection to join the Council's housing register, amounting to 2 years residence/employment in the District or a connection through close relatives who have been resident in the District for 5 years (or 3 years if the applicant is 65 or over).
20. When this change was introduced from May 2014 an exemption from this requirement was made for those who have been accepted as homeless under the homelessness legislation. As a result, it is currently possible for someone who has no or little connection with the District to join the Council's housing register, simply because they have applied to the Council as homeless.
21. Without altering the Council's statutory duty to those people who make a homeless application to the Council, which is limited to arranging suitable temporary accommodation for them, it is proposed that this exemption should be removed, so that such applicants should in future have to meet the same local connection requirements as everyone else has to in order to join the Council's housing register.

This might affect those who have recently moved to the area, including victims of domestic violence, or people from abroad.

22. The purpose of the homelessness legislation is to provide a safety net rather than a fast track into social housing. The Council would continue to provide that safety net, as required in law and, where appropriate, would continue to provide temporary accommodation for such households, and to help them to access privately rented housing.
23. In order to address exceptional cases, the Scheme already allows the Council's Housing Needs Manager or their deputy to use their discretion to allow any applicant who cannot meet the Council's local connection criteria to join the register. This discretion would in future be extended to those who apply to the Council as homeless, so that those who have a justifiable reason to access social housing in Mid Sussex will be allowed to join the housing register. This could, for example, include a vulnerable applicant fleeing domestic violence whose only support was from a friend or close relative living in Mid Sussex and whose prospects of renting in the private sector were particularly limited because of their vulnerability or some other exceptional reason.

Exceptions to disqualification for some Affinity Sutton tenants

24. Members will be aware that Affinity Sutton tenants are to be removed from the Council's housing register when they are moved on to Affinity Sutton's own system called Home Choice in the new year.
25. It is proposed that Affinity Sutton tenants who are in need of Extra Care housing, and those who require housing that is wheelchair accessible or fully wheelchair adapted, should be allowed to join the Council's housing register in order that they continue to have access to such properties that are owned by other housing providers, and to make best use of this important resource.
26. This would currently affect 8 applicants requiring Extra Care housing and 13 applicants who require wheelchair accessible or fully wheelchair adapted homes and who are currently on the Council's housing register. Such lettings will be included in the 25% of direct lettings to which Affinity Sutton is entitled.

Exceptions to disqualification because of financial resources

27. Members will be aware that, with certain stated exceptions, applicants who own their own homes or have a legal interest in homeownership or have the financial resources to own accommodation do not qualify to join the housing register.
28. It is proposed to amend the Scheme to allow further exceptions to be considered, on a case-by-case basis, by the Housing Needs Manager where exceptional circumstances exist.
29. There have been rare occasions where officers have felt that an applicant should be able to join the register due to exceptional circumstances, but have been unable to allow this because there has been no mechanism in place to do this. This has included British citizens living here who own a property abroad but where it is not possible to bring the sale proceeds out of the country.

Additional priority for Armed Forces personnel

30. Armed Forces personnel who are in urgent housing need are given additional priority under the current Housing Allocation Scheme by prioritising bids from such applicants above bids from other applicants who are in the same band.
31. It is necessary to amend a minor drafting error in the text within the Scheme to bring this in line with the wording of the relevant statutory instrument.
32. In addition, it is proposed to extend the additional priority that is currently given to Armed Forces personnel who are in Bands A and B to include those who are in Band C. There is no legal requirement to do this, but it is felt to be in the spirit of the Council's commitment to ensure armed forces personnel get a fair deal.

Selection of applicants for supported housing

33. Vacancies in supported housing are not advertised in the way that other social housing is, but are allocated by a multi-agency panel who select the appropriate applicant using criteria that have been agreed with the Council. Applicants are prioritised on the basis of a combination of housing need and need for the specific support provided by the particular supported scheme.
34. It has never been the intention that the selection of appropriate applicants who need supported housing should be affected by any housing related debt they may have. However, this intention is not explicit in the Housing Allocation Scheme.
35. Because it is relatively common for particularly vulnerable applicants to have a housing related debt, it is proposed that the Scheme needs to make it clear that such debts should not affect their selection for the support that such applicants may need.

Move-on from supported housing

36. Applicants in supported housing are placed in Band D (Low Priority) until they are considered to be ready to live independently.
37. When such applicants are considered to be ready to live independently and move-on into un-supported housing, they are moved up into Band C (Medium Priority).
38. Currently, such applicants receive a new Priority Date when they move into the higher band, which results in them having a lower priority than any other applicant in that band and putting them at a corresponding disadvantage when they bid for another home.
39. It is therefore proposed to amend the Housing Allocation Scheme to allow such applicants to retain their earlier Priority Date so as to give them a fairer priority relative to other applicants when they are ready to live independently.

Applicants who have applied as homeless to another council

40. Applicants who are homeless and are owed a full duty under the homelessness legislation by Mid Sussex District Council are placed into Band C (Medium Priority).
41. Currently, the Housing Allocation Scheme is silent on how an applicant's housing need is assessed when they have been accepted as homeless by another local authority, but are also on this authority's housing register.

42. Because such applicants may be residing in unsuitable or overcrowded temporary accommodation provided to them by their own local authority, an assessment of their current housing need might well lead to them qualifying for a higher band than those applicants to whom Mid Sussex District Council has accepted a duty.
43. In order to fairly resolve this disparity, it is proposed that applicants who have been accepted as homeless by another authority, and so are already being considered for further social housing by their own authority, should be placed in Band D (Low Priority) regardless of their current housing circumstances.

Policy Context

44. A sound housing allocation scheme contributes to meeting the Council's aim to deliver opportunity and quality of life for all. Having a fair and transparent scheme that helps prevent homelessness and promote choice is also an integral part of our Housing and Homelessness Strategies and Tenancy Strategy.

Other Options Considered

45. Some of the main options considered are set out in the report.

Financial Implications

46. None.

Risk Management Implications

47. There is always a risk that when changes are made to allocation schemes some unintended consequences arise. Any such impacts will be identified through the regular quarterly review of the Allocation Scheme, and options to address any such issues would be brought before this Committee.

Equality and Customer Service Implications

48. Changes to the Housing Allocation Scheme have been the subject of an equality impact assessment. The proposal to exclude from the housing register homeless applicants who do not have a local connection to Mid Sussex could potentially affect those from abroad and women fleeing domestic violence. However, it is considered that the measures set out in paragraphs 22 and 23 of this report will mitigate the impact and ensure that appropriate safeguards are in place.
49. The implementation of the allocation scheme is regularly monitored, and this will enable us to keep the impact of all of these changes under review.

Other Material Implications

50. None

Background Papers

51. None.