

Joint Scrutiny Committee Report



Report of Head of Housing and Environment

Author: Phil Ealey

Telephone: 01235 422456

E-mail: phil.ealey@southandvale.gov.uk

Wards affected: All

South Cabinet member responsible: Caroline Newton

Tel: 07951 477144

E-mail: caroline.newton@southoxon.gov.uk

To: Joint Scrutiny Committee

DATE: 30 October 2018

Vale Cabinet member responsible: Elaine Ware

Tel: 01793 783026

E-mail: elaine.ware@whitehorsedc.gov.uk

To: Joint Scrutiny Committee

DATE: 30 October 2018

Draft Housing Allocations Policy

Recommendation

That scrutiny committee considers the draft joint housing allocations policy (HAP) and provides any comments to be taken into consideration as part of the consultation process.

Purpose of Report

1. To ask joint scrutiny for its views on the draft joint housing allocations policy.

Strategic Objectives

2. The HAP helps meet Vale's strategic objective of developing sustainable communities and South's strategic objective of homes and jobs for everyone.

Background

3. The current HAP is a joint South and Vale policy that came into effect from December 2013.
4. The HAP describes the mechanisms by which the councils assess applications to join their separate housing registers and make allocations of affordable housing within the districts.

5. The councils do not own affordable housing stock. The affordable housing properties in the districts are owned and managed by Registered Providers.
6. The councils have nomination agreements with Registered Providers to let their properties to households from the housing register and in accordance with the HAP.
7. Section 106 agreements for new affordable housing requires that the Registered Provider enter a nominations agreement with the councils.
8. The councils use Choice Based Lettings (CBL) to advertise and let affordable housing.
9. The councils are currently reviewing their joint HAP that includes holding stakeholder events and a public consultation.

The legislative framework

10. The 1996 Housing Act requires councils to allocate social housing in accordance with a published HAP. The Act states that the HAP should aim to meet housing need in the districts and give reasonable preference to four distinct groups:
 - people who are homeless, including those owed a statutory duty to be accommodated by the councils under homelessness legislation
 - people occupying insanitary or overcrowded housing, or otherwise living in unsatisfactory housing conditions
 - people who need to move on medical or welfare grounds
 - people who need to move to a specific locality in the districts, where failure to meet that need would cause hardship
11. The Localism Act 2011 introduced greater flexibilities for councils to determine local priorities. These include giving priority to working households and to applicants with a “strong local connection”.

The current allocations policy

12. You must be 16 or over to join the housing register and over 18 to bid for properties on Choice Based Lettings. Persons subject to immigration control are not eligible to join the register.
13. There are four main exclusion categories from the housing register:
 - applicants guilty of “unacceptable behaviour” or defined as not fit to be a social housing tenant
 - owner occupiers
 - applicants who have sufficient financial resources – income and/or savings above £60,000
 - applicants without a local connection to the district. A local connection is established through residence, employment, close family in the district or a special reason. e.g. care/support.

14. Priority on the housing register is mainly determined by a banding scheme. The scheme takes account of the reasonable preference categories and the additional flexibility from the Localism Act 2011. There are four bands that broadly reflect an applicant's level of housing need:

- Band 1 – exceptional housing need
- Band 2 – urgent housing need
- Band 3 – significant housing need
- Band 4 – no housing need / adequately housed

15. Priority of applicants within bands is normally determined by waiting time on the housing register.

16. Working households receive priority for 20 percent of lets and applicants with a strong local connection¹ receive priority for 20 percent of new-build first lets.

Reasons for developing a new housing allocations policy

17. The current HAP is approaching 5 years old, which is the normal lifespan of an allocations policy.

18. The current policy does not reflect changes introduced by Welfare Reform, particularly in relation to affordability.

19. The current policy does not reflect the preventative approach taken by the councils to tackle homelessness or changes to homelessness legislation.

20. The current policy does not take account of any requirements to meet Oxford City's future, unmet housing need.

21. A new HAP will allow the councils to review who will be able to bid for social housing and the priority awarded to applicants.

Areas reviewed

22. The review of the HAP considered amendments in key policy areas including:

- changes to local connection criteria
- the grounds for excluding applicants from the register
- awarding higher or lower priority to categories of housing need
- increasing or decreasing the number of priority bands
- introducing new categories of applicant, e.g. keyworkers
- increasing or decreasing the percentage of properties reserved for working households or households with a strong local connection
- any requirement to meet Oxford City's future, unmet housing needs
- the relationship between applying the HAP and Registered Provider's own allocation policies.

¹ Strong local connection is defined as a) where the applicant has lived in the parish for five years out of the last eight are currently resident there or b) where the applicant had previously lived in the parish for at least five years and their parents or children still live there and have done so for at least ten years.

The consultation process

23. A wide range of stakeholders, including councillors, were invited to a series of engagement and discussion workshops. These workshops included participation from Officers, Members, Registered Providers; statutory agencies; non-statutory agencies and the voluntary sector.
24. Officers have used the findings from these stakeholder engagement exercises to help inform the new draft HAP. A public consultation on the draft policy commenced from 15 October 2018.
25. Following public consultation, a report on the consultation outcomes and a final draft HAP will be submitted to Cabinet for approval.

Summary of proposed main changes

26. Keep the principle of Choice Based Lettings. Choice Based Lettings allows housing register applicants to choose which eligible properties they bid for. The alternative is the councils nominate successful applicants to a particular property.
27. Retain the current four priority need bands. The current four priority need bands received broad support in stakeholder engagement exercises and is considered a fair approach to reflecting housing need.
28. If Oxford City residents become eligible to join either housing register they will be subject to this allocations policy. Any future proposal to address Oxford's unmet housing need will apply the same eligibility and qualification rules to Oxford City applicants for joining the register. (except the local connection criteria). Any decision to allow residents of Oxford City to join either Vale of White Horse or South Oxfordshire District Councils' housing registers will be subject to the adoption of proposals in the Local Plans for each district.
29. Properties located on Great Western Park, Didcot may be available to both South and Vale housing register applicants. This will allow greater flexibility across the district borders for applicants in housing need. Properties in Great Western Park will first be advertised to housing register applicants in the district where the property is located.
30. An applicant's ability to pay any rent arrears will be considered before any decision to exclude them from the register. This will allow greater flexibility to consider an individual's financial circumstances.
31. Applicants on zero-hours contracts can qualify as working households. This reflects the increasing number of employees on zero-hours contracts who are resident in the districts.
32. Keep the main objectives of the housing allocation policy. The key aim of the policy is to promote the fair and transparent allocation of affordable housing. In addition, where possible the councils will meet priorities aimed at giving priority to working households to encourage people into work and to improve the opportunities for local people to access new build developments in their parish/ village.

Financial Implications

33. The consultation and implementation costs for the new HAP will be met within existing resources.

Legal Implications

34. The draft policy in its entirety and the significant changes which have been incorporated has been reviewed by a specialist housing barrister who has concluded that the proposals follow what have already become fairly well-established practices in other authorities and represent a moderated approach to both the legislative amendments made and other developments in housing allocation policy nationally.

Risk

35. The 1996 Housing Act requires that councils allocate social housing in accordance with a published HAP. The current HAP is approaching 5 years old and the risk of not producing a new HAP is that the current policy no longer reflects local housing need, welfare reforms or changes in legislation.

Other Implications

36. An Equalities Impact Check has been completed for the draft housing allocations policy. This will be made available as part of the public consultation and is also a background paper to this report. Arrangements are in place to enable persons without digital access to participate in the consultation.

Conclusion

37. The current HAP is approaching the end of its natural lifespan. It no longer reflects current legislation or the wider housing environment, including welfare reform.

38. A new HAP provides an opportunity for the councils to decide upon their priorities for the allocation of affordable housing going forward and to ensure they remain compliant with legislation.

Report Papers

- Draft Housing Allocations Policy
- Equalities Impact Check