

# Revised Housing Allocations Scheme

Cabinet Member for Housing, Ecology & Climate Change

Date:	14 February 2023
Agenda Item:	6
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Key Decision?	YES
Local Ward Members	All as applies to the whole of Lichfield District.



**CABINET**

## 1. Executive Summary

- 1.1 This report sets out the proposals for revisions to the Allocation Scheme for social rented housing, which has been in place since 1 April 2021. After a full review of the scheme, it was identified that there are certain elements that need amending and clarifying.
- 1.2 The proposed changes will be beneficial to customers applying to the register, improving their experience, and promoting a better use of the social housing stock within the district.

## 2. Recommendations

- 2.1 To approve the revised Allocations Scheme at **Appendix A**. A version of the proposed Allocations Scheme showing tracked change is included at **Appendix B**.
- 2.2 To delegate authority to the Cabinet Member for Housing, Ecology and Climate Change to approve future minor amendments of the Allocations Scheme.

## 3. Background

- 3.1 On the 10 November 2020 Cabinet approved a revised Housing Allocations Scheme<sup>1</sup> and new arrangements for the administration of the Housing Register.
- 3.2 The new scheme was developed in response to the introduction of the Homelessness Reduction Act (HRA)<sup>2</sup> which placed a greater emphasis on the local authority to prevent and relieve homelessness and included changes to the priority bands to make them more reflective of customers' circumstances across the district.
- 3.3 The Housing Act 1996 requires local housing authorities (regardless of owning housing stock) to have an Allocations Scheme in place that determines who is eligible and qualifies for social housing in its area, and how priority is determined between applicants. The allocation scheme must allow priority for those applicants classed as having reasonable preference<sup>3</sup> for accommodation, however the local authority can decide what level of priority to award within their own scheme, based on local knowledge and priorities<sup>4</sup>.

<sup>1</sup> The first version of the Allocations Scheme was approved by Cabinet on 9 October 2018.

<sup>2</sup> The 2017 Homelessness Reduction Act (HRA) was introduced in April 2018.

<sup>3</sup> Reasonable preference or priority must be given to the following categories of people – those that are homeless, including those not classed as priority need and those found to be intentionally homeless, people occupying unsanitary or overcrowded housing, those who need to move on medical and welfare grounds, people who need to move to a particular locality in the district, where failure to do so would cause hardship.

<sup>4</sup> The Localism Act 2011 then gave local authorities freedom to allow councils to better manage their waiting lists and tailor their allocation priorities to meet local needs and circumstances to decide what classes of person are and are not 'qualifying persons' for the purpose of their allocation scheme.

- 3.4 The new Housing Register and Choice-Based Lettings System 'Lichfield District Homes' that accompanies the revised Allocations Scheme was launched on 18 March 2021. Social rented properties were first advertised through the new system from 1 April 2021.
- 3.5 In the first year 329 lettings were completed, which is 6% of the social rented stock in the district and higher than the national average of 243 lets<sup>5</sup>. The largest percentage of allocations (48%) were to applicants within the Band 1 category. In terms of property size, two-bedroom properties were allocated the most (41%), followed by one-bedroom properties (37%).
- 3.6 Following the first year of operation, a review of the Allocations Scheme and Housing Register has been completed. As part of this the council examined the operational issues experienced by staff using the system and assessing applications, which highlighted some changes were needed to the scheme. These changes will be beneficial to customers applying to the register, improving their experience, and promoting a better use of the social housing stock within the district.
- 3.7 Although the Cabinet report on 10 November 2020 recommended that delegated authority was given to the Cabinet Member to agree future minor amendments to the scheme, some of the proposed changes identified are not considered minor, and so Cabinet approval is therefore sought.
- 3.8 Full details of the proposed changes to the scheme are contained in **Appendix C** which covers details on:
- Current policy.
  - Proposed changes.
  - Reasons for the changes.
  - The impact on applicants.
  - The impact on the work of the Housing Register and Housing Options teams.
- 3.9 A summary of the reasons for the proposed changes are:
- Changes in banding criteria that will increase flexibility to reduce homelessness.
  - Expectant households are currently only considered as overcrowded once the baby is born - the change will mean that families will have a chance to secure a larger property in advance of the birth.
  - Terminology and definition changes, particularly in relation to the income threshold, false information and housing related debt sections will provide greater clarification.
  - There is a need for flexibility within the hardship category for those considered for a move within the district.
  - The removal of a band for domestic abuse and harassment - customers will be assessed under the homeless legislation instead which will be more efficient.
  - The changes are influenced by the working experience of officers in the Housing Options Team and should improve customer satisfaction as the policy will be made clearer for applicants.
  - All references to 'the council' will be changed to 'Lichfield District Council' to prevent confusion for those who may have also been assessed by another local authority.
- 3.10 Some of the changes will mean that some people may no longer qualify to join the Housing Register, including applicants with income above certain thresholds and applicants with housing related debts, however as the scheme will be more transparent it should result in fewer ineligible people applying. Applicants that were assessed as ineligible for the current scheme will be contacted to advise them of the changes and be advised that they can re-apply.

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<sup>5</sup> Source: Local Authority Housing Statistics 2020-21.

Alternative Options	<ol style="list-style-type: none"> <li>To not update the allocations scheme. <ul style="list-style-type: none"> <li>This is not recommended, as the operation of the scheme in the first year has shown that changes are needed for it to continue to operate effectively.</li> <li>It is a legal requirement for the local authority to have an allocation scheme in place as a way of prioritising applicants to vacancies in social housing. We recognise that the existing allocation scheme needs revising.</li> <li>Retaining the existing scheme unchanged could lead to continued customer dissatisfaction and financial costs associated with officer time. The revised scheme is fairer and more transparent for applicants.</li> </ul> </li> </ol>
Consultation	<ol style="list-style-type: none"> <li>Registered Providers that use Lichfield District Homes were consulted on the changes in November 2022 and out of 10 providers consulted 7 responded to advise they felt it was a good policy and were either satisfied or suggested very minor changes. Following updated advice from the legal team, the Registered Providers were reconsulted in December 2022 and all those that responded agreed with the amendments.</li> <li>A 70% response rate is considered positive. Those providers that did not comment across the two consultations were either those that had commended in depth before, those with low numbers of housing stock in the district, or those without dedicated teams to support Lichfield District specifically.</li> <li>A meeting has taken place with Bromford, the largest social landlord that allocates most homes through the scheme, and all the changes have been agreed with them.</li> <li>The changes have also been made in line with customer feedback and the learning points taken from the outcomes when reviews have been requested.</li> </ol>
Financial Implications	<ol style="list-style-type: none"> <li>The changes will require chargeable updates to be carried out with the software developer. The expected costs will be approximately £3,000 which will be met from existing budgets.</li> <li>Some of the changes may result in an increase in requests for reviews which will require resourcing, however the number of these is not expected to increase greatly if these changes are implemented.</li> <li>There will be efficiencies for the Housing Allocations and System Officers due to a reduction in time spent setting actions to monitor an application where suspension times have been put on an application. The efficiencies gained will be balanced out by the changes that may require more officer involvement.</li> </ol>
Approved by Section 151 Officer	Yes
Legal Implications	<ol style="list-style-type: none"> <li>A barrister reviewed the proposed amendments to the scheme in November 2022 and suggested some further changes which have subsequently been reflected in the proposed revised scheme.</li> <li>All changes to the scheme are lawful and comply with current legislation.</li> </ol>
Approved by Monitoring Officer	Yes
Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> <li>The Strategic Plan 2020-2024 has four priorities; the one that the Allocations Scheme mostly contributes to is 'Enable people' to help themselves and others, and 'Be a good council' that is transparent and accountable and responsive, plus being customer focussed.</li> </ol>

Crime & Safety Issues	1. Our Choice-Based Lettings System called Lichfield District Homes creates choice about where people live and contributes to sustainable communities.																							
Equality, Diversity and Human Rights Implications	1. An Equalities Impact Assessment (EIA) and wider impact assessment have been completed on the proposed revised Allocations Scheme to ensure the council meets its legal obligations under the Equality Act. Actions have been identified to reduce any negative impact where possible. The EIA has assessed how the changes are likely to affect applicants and no negative effects have been identified because of the changes.																							
Environmental Impact (including Climate Change and Biodiversity).	1. None identified.																							
GDPR / Privacy Impact Assessment	1. A GDPR/Privacy Impact Assessment has been completed and was approved by the Compliance and Data Protection Officer on 29 November 2022. 2. It is noted that the consent page to the online housing application form will require updating and this will be carried out as part of the changes requested with the software company.																							
	<table border="1"> <thead> <tr> <th data-bbox="114 900 114 1003"></th> <th data-bbox="114 1003 507 1003">Risk Description &amp; Risk Owner</th> <th data-bbox="507 900 791 1003">Original Score (RYG)</th> <th data-bbox="791 900 1209 1003">How We Manage It</th> <th data-bbox="1209 900 1525 1003">New Score (RYG)</th> </tr> </thead> <tbody> <tr> <td data-bbox="114 1003 114 1182">A</td> <td data-bbox="114 1003 507 1182">Potential reputational risk to the Council if the changes are not made, particularly where applicants choice within the district is limited.</td> <td data-bbox="507 1003 791 1182">Likelihood: <b>Amber</b> Impact: <b>Amber</b> Severity of risk: <b>Amber</b></td> <td data-bbox="791 1003 1209 1182">This will only apply if the changes to the scheme are not agreed.</td> <td data-bbox="1209 1003 1525 1182">Likelihood: <b>Green</b> Impact: <b>Amber</b> Severity of risk: <b>Green</b></td> </tr> <tr> <td data-bbox="114 1182 114 1469">B</td> <td data-bbox="114 1182 507 1469">Increase in staff time taken to monitor and review applications. If there is an increase in applications this could not be sustained.</td> <td data-bbox="507 1182 791 1469">Likelihood: <b>Amber</b> Impact: <b>Amber</b> Severity of risk: <b>Red</b></td> <td data-bbox="791 1182 1209 1469">This applies at present, however with some of the suggested changes means officer time spent can be focussed on higher priority applications that need in depth reviews, rather than the time being spent monitoring applications.</td> <td data-bbox="1209 1182 1525 1469">Likelihood: <b>Amber</b> Impact: <b>Green</b> Severity of risk: <b>Amber</b></td> </tr> <tr> <td data-bbox="114 1469 114 1617">C</td> <td data-bbox="114 1469 507 1617">Risk of not utilising the best use of stock within the district.</td> <td data-bbox="507 1469 791 1617">Likelihood: <b>Amber</b> Impact: <b>Amber</b> Severity of risk: <b>Amber</b></td> <td data-bbox="791 1469 1209 1617">This will only apply if the changes to the scheme are not agreed.</td> <td data-bbox="1209 1469 1525 1617">Likelihood: <b>Green</b> Impact: <b>Green</b> Severity of risk: <b>Green</b></td> </tr> </tbody> </table>		Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	New Score (RYG)	A	Potential reputational risk to the Council if the changes are not made, particularly where applicants choice within the district is limited.	Likelihood: <b>Amber</b> Impact: <b>Amber</b> Severity of risk: <b>Amber</b>	This will only apply if the changes to the scheme are not agreed.	Likelihood: <b>Green</b> Impact: <b>Amber</b> Severity of risk: <b>Green</b>	B	Increase in staff time taken to monitor and review applications. If there is an increase in applications this could not be sustained.	Likelihood: <b>Amber</b> Impact: <b>Amber</b> Severity of risk: <b>Red</b>	This applies at present, however with some of the suggested changes means officer time spent can be focussed on higher priority applications that need in depth reviews, rather than the time being spent monitoring applications.	Likelihood: <b>Amber</b> Impact: <b>Green</b> Severity of risk: <b>Amber</b>	C	Risk of not utilising the best use of stock within the district.	Likelihood: <b>Amber</b> Impact: <b>Amber</b> Severity of risk: <b>Amber</b>	This will only apply if the changes to the scheme are not agreed.	Likelihood: <b>Green</b> Impact: <b>Green</b> Severity of risk: <b>Green</b>			
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Background documents	<b>Appendix A:</b> Proposed revised Allocations Scheme - February 2023 <b>Appendix B:</b> Proposed revised Allocations Scheme (showing track changes) <b>Appendix C:</b> Table of proposed revisions.																							

Relevant web links

**Lichfield District Housing, Homelessness and Rough Sleeping Strategy 2019-2024:**

<https://www.lichfielddc.gov.uk/housing-strategy/download-housing-strategies?documentId=211&categoryId=20015>

**Report to Cabinet on Changes to the Housing Options Service November 2020:**

[Decision - Changes to the Housing Options Service \(lichfielddc.gov.uk\)](https://www.lichfielddc.gov.uk/decision-changes-to-the-housing-options-service)

**Homelessness Reduction Act:**

<http://www.legislation.gov.uk/ukpga/2017/13/contents/enacted>

**Local Authority Housing Statistics 2020-2021:**

[Local authority housing statistics 2011-12 to 2020-21 open data - GOV.UK \(publishing.service.gov.uk\)](https://www.gov.uk/publishing-service/local-authority-housing-statistics-2011-12-to-2020-21-open-data)