

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**REPORT COVER SHEET**

<b>Title of Report:</b>	Refreshed Housing Allocations, and Housing Register Overview.	To be marked with an 'X' by Democratic Services after report has been presented
<b>Meeting of:</b>	Corporate Management Team - 16 November 2021	X
	Leader and Deputy Leaders - 22 November 2021	X
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group - 1 & 2 December 2021	x
	Cabinet - 20 December 2021/ Council [DATE]	
	Scrutiny Audit and Value for Money Council Services Committee [DATE] / Scrutiny Community Regeneration, Environment and Health and Well Being Committee [DATE]	

<b>Is this an Executive Decision:</b>	YES	<b>Is this a Key Decision:</b>	NO
<b>Is this in the Forward Plan:</b>	NO	<b>Is the Report Confidential:</b>  <b>If so, please state relevant paragraph from Schedule 12A LGA 1972:</b>	NO

**Essential Signatories:**

**ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE**

Interim Monitoring Officer: **Chris Ebberley**

Date 5 Nov 2021..... Signature C. Ebberley.....

Chief Finance Officer: **Sal Khan**

Date 5 Nov 2021..... Signature S. Khan.....

**EAST STAFFORDSHIRE BOROUGH COUNCIL**

**Report to Cabinet**

**Date: 20 December 2021**

**REPORT TITLE:** Refreshed Housing Allocations, and Housing Register Overview.

**PORTFOLIO:** Environment and Housing

**HEAD OF SERVICE:** Sal Khan

**CONTACT OFFICER:** Brett Atkinson Ext. No. x1123

**WARD(S) AFFECTED:** Multiple

**1. Purpose of the Report**

- 1.1. To seek adoption of a revised Housing Allocations Policy at Appendix 1 for implementation from 1st January 2022, and to provide an update on the performance of the East Staffordshire Housing Register.

**2. Executive Summary**

- 2.1. The current Allocations Policy has been reviewed, and a small number of revisions are proposed. The primary revision is one which will require that the allocation of larger properties is to be determined in the same way as other sizes of property; this should not disadvantage larger families in unsuitable accommodation as their housing need will be reflected through their priority banding. There was only one response to the consultation, which was positive about the proposed changes.
- 2.2. The number of applications has also increased substantially since the online application system was introduced in 2020, this has necessitated some changes to the way applications are processed. These reforms to processes and procedures are being implemented in a staggered way, and are likely to improve the efficiency with which the service is delivered.
- 2.3. The recommendation is that the revised Housing Allocations Policy at Appendix 4 be adopted.

### **3. Background**

- 3.1. The Allocations Policy is the Council's allocation scheme and must therefore comply with Part VI of the Housing Act 1996<sup>1</sup> and amending legislation, case law, and statutory guidance.
- 3.2. The current Allocations Policy was adopted in November 2018 and was implemented from the 1st December 2019. The policy is implemented on behalf of the Council by Trent & Dove Housing under a partnership agreement which continues until 2023.
- 3.3. The policy is shared with Trent & Dove Housing and other housing associations providing housing in the Borough, and the review has therefore been carried out in partnership. Draft revisions were published for consultation on 17th September 2021, with responses requested by 8<sup>th</sup> October 2021.
- 3.4. In order to secure an offer of social housing eligible households must first have applied to join the Housing Register which categorises applicants according to the criteria set out in the Allocations Policy, e.g. bedroom entitlement. Once registered, applicants are then eligible to express an interest in the properties which are advertised on a weekly basis. Applicants expressing an interest in a specific property are then ranked to determine who will be offered the property.

### **4. Contribution to Corporate Priorities**

- 4.1. Corporate Plan Target EHB11. Housing Strategy Initiatives: Refresh the Housing Allocations Policy, December 2021

### **5. Allocations Policy Refresh**

- 5.1. The Allocations Policy is functioning well overall, and crucially it is providing appropriate recognition of relative housing need in the allocation of social rented homes. A handful of simplifications & updates are proposed, plus removal of Alternative Ranking Criteria in relation to larger homes (full details of these changes can be found at Appendices 1, 2 & 5).
- 5.2. The only change of any material significance to applicants will be the removal of the Alternative Ranking Criteria in relation to larger homes. The Alternative Ranking Criteria (ARC) supersedes the ordinary ranking criteria in specific sets of circumstances; for example extra care schemes and specially adapted properties.<sup>2</sup> The ordinary ranking criteria is determined as follows:
  - 5.2.1. by Priority Band (which is a measure of housing need),
  - 5.2.2. within Priority Bands in Effective Date order (oldest first).
- 5.3. The ARC for large properties applies when a social rented property with 4 or more bedrooms (including rooms that can be utilised as bedrooms, e.g. parlour rooms) become available for allocation. The top ranking applicant is determined

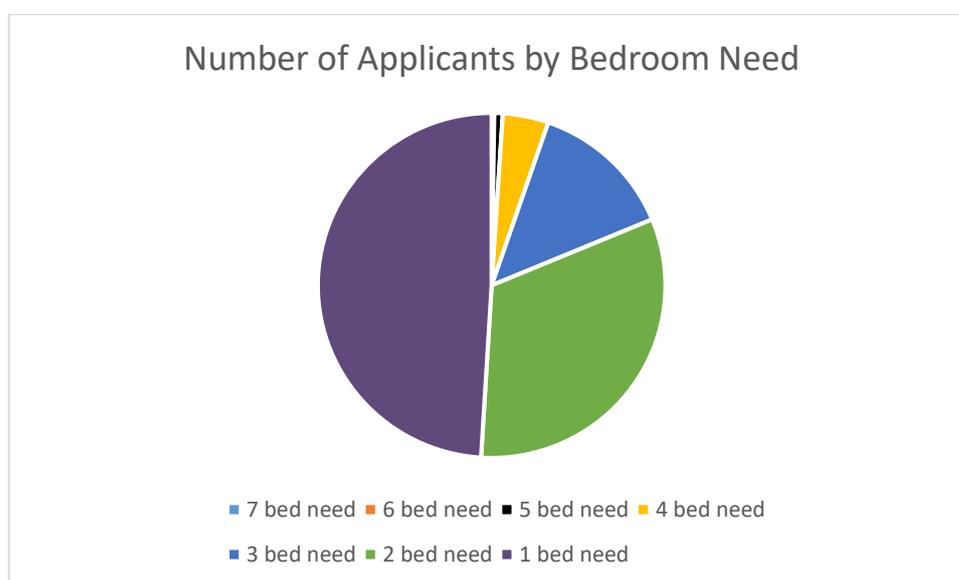
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<sup>1</sup> <https://www.legislation.gov.uk/ukpga/1996/52/part/VI>

<sup>2</sup> A full list of the Alternative Ranking Criteria can be found at section of 5.4 of Appendix 1.

from eligible applicants expressing their interest in the property from Bands 1 to 3 as follows:

- 5.3.1. by size of household (counting resident children)
  - 5.3.2. then by band
  - 5.3.3. then by effective date.
- 5.4. This means that the size of the household is the dominant consideration in determining who receives the allocation
- 5.5. This is particularly relevant because of the 289 applicant households eligible for 4+ bedroom accommodation. The overall split of bedroom need on the Housing Register is shown below.
- 5.6. Figure 1.



5.7. The applicable priority for the 289 applicants eligible for 4+ bedroom is as follows: 16 in Band 1, 53 in Band 2, 112 in Band 3 and the remaining 108 in Band 4. Due to the scarcity of larger accommodation, applicant households requiring larger accommodation face significantly longer waits than the average.

5.8. Figure 2. Average wait for allocation in the past 12 months<sup>3</sup>

Average Time on Register	Bedroom Entitlement	Average Time on Waiting (days)	Average Time on Waiting (Weeks)
Last 12 Months	1	303	43
	2	384	56
	3	567	81
	4+	729	104
	Average for All	394	56

<sup>3</sup> Date of information 12 October 2021, there were 815 allocations of social housing over the 12 month period.

- 5.9. The objective of the ARC for larger properties was best use of stock; specifically that the largest properties go to the largest households. This ARC mechanism will have been necessary when more generous bedroom entitlement criteria applied, during the period from 2007 until being removed in 2018. During this period applicants were considered eligible for a range of sizes of accommodation above the standard eligibility criteria contained in the applicable Housing Benefit Regulations, thus it was necessary to introduce alternative constraints with the largest accommodation due to the scarcity.
- 5.10. Of the applicant households eligible for 4+ bedroom accommodation, at least 50% of the banding priority has been awarded due to bedroom deficiency. These priority bands are designed to recognise the size of a household and the shortage of bedrooms to provide appropriate recognition of their housing need relative to other households. For this reason it is not necessary to include other household size criteria in ranking applicant households for larger accommodation under the current bedroom eligibility criteria.
- 5.11. The availability of larger properties is approx. 10 per year, with 15 in last 2 years. Of the 15 larger properties allocated in the last 2 years, 9 have been allocated to an applicant with a lower banding than would otherwise have matched if ARC did not apply. The successful applicants had on average 4.4 children and Banding of 2.1, whilst the applicants who otherwise would have matched had on average 3.2 children and Banding of 1.6. Thus no. of children is supplanting housing need, when both households require a larger property and that is the reason for the proposal to remove the larger property ARC.

## 6. **Overview of the Housing Register**

- 6.1. Applications to join the East Staffs Housing Register have taken place online since 22 September 2020, this change has dramatically improved access resulting in an almost 2 fold increase in the no. of applications on the Housing Register in the past 13 months.
- 6.2. Figure 3: Comparison of no's on the Housing Register in 2020 and 2021.

Priority Band	No. of Applicants 1 Sep 2020	% of Register 1 Sep 2020	No. of Applicants 12 Oct 2021	% of Register 12 Oct 2021
1	119	6%	172	3%
2	255	14%	278	5%
3	595	32%	1,613	30%
4	829	46%	3,225	60%
Pending <sup>4</sup>	40	2%	56	1%
<b>Total:</b>	<b>1,838</b>	<b>100%</b>	<b>5,344</b>	<b>100%</b>

- 6.3. The increase appears to be driven in large part by an increase in applications from households who are either adequately housed (Band 4) or have a low level

<sup>4</sup> Awaiting assessment / verification by an officer at Trent & Dove.

of housing need (Band 3<sup>5</sup>). Thus it can be posited that the ease of application has led households to apply who previously would have found the process too time consuming, probably because they know they are unlikely to be offered social rented housing in the short or medium term. It is also noticeable that there are high levels of activity in the housing market,<sup>6</sup> and reports of buoyancy across all tenures which appears to be an effect of Covid-19 on people's lives and living arrangements.

6.4. Although the no. of applicants in the lower bands has driven the overall large increase, it is noticeable that there is also evidence of increased housing need based on this snapshot.

6.5. Figure 4. Evidence of increased Housing Need

Priority Band	No. of Applicants 1 Sep 2020	No. of Applicants 12 Oct 2021	% Increase
1	119	172	45%
2	255	278	9%
Total:	374	450	NA

6.6. The rate of applications received continues to be high, although it has slowed to just over 300 applications per month in the past 3 months. The surge in October 2020 is likely to have been due to difficulties submitting applications during the preceding 6 months.

6.7. Figure 5. Volume of Applications by Month

Month	Number of Applicants
October 20	770
November 20	584
December 20	321
January 21	509
February 21	527
March 21	420
April 21	396
May 21	376
June 21	316
July 21	321
August 21	307
September 21	286
Total:	5133

<sup>5</sup> A Band 3 would include for example a household who are short of 1 bedroom, and people who are residing with family or friends (described as 'no home or tenancy').

<sup>6</sup> Reports from: [Property Mark](#), [BBC](#), [ARLA](#),

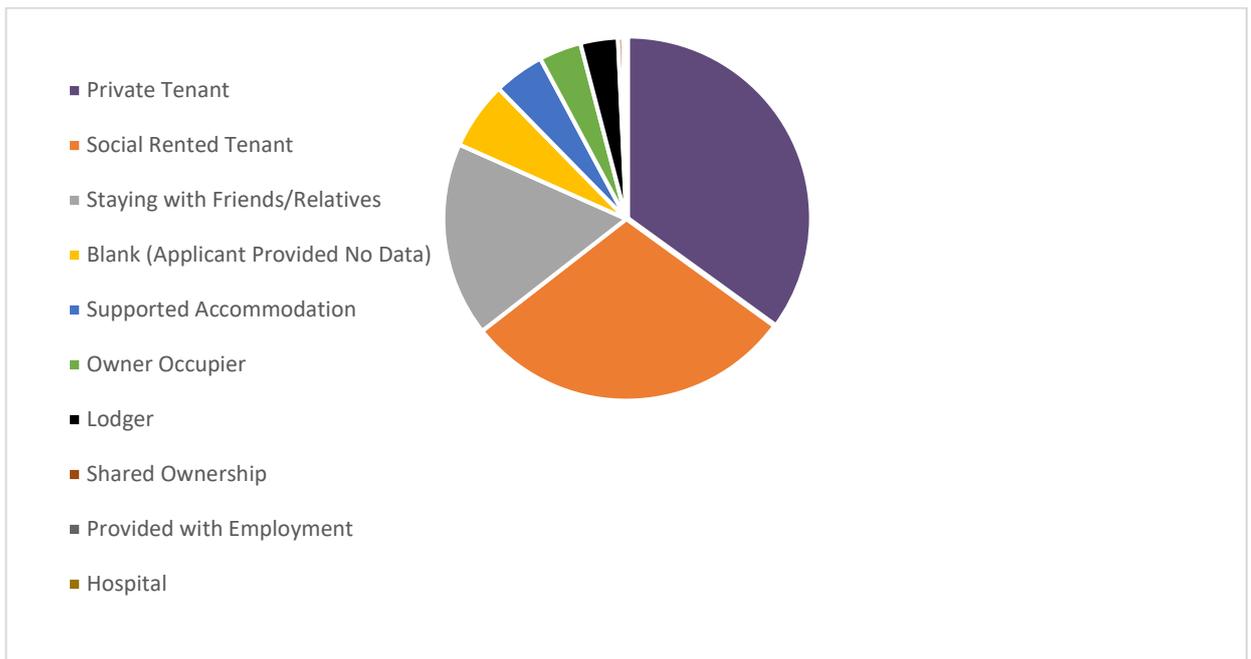
- 6.8. The average rate of applications during 2019 is estimated at 147 per month, however due to the way the system operated direct comparison is problematic.<sup>7</sup> Even allowing for weaknesses in the comparison, there is substantial and sustained increase in the volume of applications to Housing Register. The current level of approx. 300 applications per month should be contrasted with an average of 500 social rented properties available for let in any given year. Therefore the following outcomes are possible:
- 6.8.1. The number of applicants on the Housing Register continues to grow, as more applications are received than depart through accepting an offer of social housing.
  - 6.8.2. Everyone who wants to be on the Housing Register has now successfully applied, and the no. of new applicants reduces month on month.
  - 6.8.3. Numbers of the Housing Register reduce as those lower down the priority list close their application, possibly at the point of annual review.<sup>8</sup>
- 6.9. As the volume of application remains a concern it is proposed to provide an update on this matter in 2022, in particular following the anniversary and therefore annual review of many of the digitally submitted applications.
- 6.10. Looking at the tenure of applicants, the volume of applicants from the social rented sector seeking a transfer is noticeable. This is an area of particular concern for Trent & Dove Housing, so we are in the early stages of jointly looking at potential solutions for this group. The majority of such applicants would be seeking a move for one of the following reasons: upsizing, downsizing or medical need to move.

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<sup>7</sup> In particular, this is because there was a continual backlog of applications waiting to be put on the system which operated at an average 6 week delay. Thus 4.5 applications per day were placed onto the system by staff, rather than 4.5 applications were submitted per day for consideration.

<sup>8</sup> Section 3.5 of the Allocations Policy states: Each year, applicants who have been on the register for over 12 months will be contacted to ask if they wish to stay on the housing register and if there has been any change in their circumstances. Applicants in Band 1 and 2 may be reviewed more frequently. If no reply is received within 28 days the application will be cancelled. If an applicant is known to be vulnerable every effort will be made to contact them, either by telephone, visiting them at home or contacting a relevant support agency to confirm whether they wish to remain on the register.

6.11. Figure 6: Tenure of Applicants to the Housing Register



## 7. **Reforms to Operational Practices**

7.1. In order to facilitate rapid online assessment and access to the Housing Register, it is necessary to reform some of the operational practices around managing the Housing Register. It should be noted that this does not alter the fundamentals of how we allocate social housing, as evidenced by the modest changes to the policy, but it alters the timing of particular activities and facilitates increased automation.

7.2. The reforms have been developed in consultation with other Local Authorities who have long standing digital application systems and with a view to providing an effective service to an increased volume of applicants. The reformed operational practices can briefly be described as follows:

7.2.1. Trust – Priority banding to be based almost entirely on applicant supplied information, with evidence required up front in only a small minority of selected instances. The applicant is then active and appears on match lists on the basis of auto banding, even at the higher bands such as Band 1.

7.2.2. Verification – Documents will only be collected at the point of being allocated a property,<sup>9</sup> the applicant will be made aware at the point of application so that they know what info will be required to verify the details they have submitted. Thus allocation of the property to an

<sup>9</sup> This means the applicant has appeared at the top of the rank list and is eligible for the property, sometimes referred to as 'matching.'

applicant documents that support the details submitted online are provided,<sup>10</sup> with a short timescale for turnaround (normally 48 hours).<sup>11</sup>

- 7.2.3. Reduce - the amount of information collected overall, in particular do away entirely with some information that is currently required e.g. Risk Assessments<sup>12</sup> and Private Rented Sector Landlord references.<sup>13</sup>
  - 7.2.4. Medical / Welfare Priority - Improving the specificity of the banding criteria such that it lends itself to the applicant awarding their own band with a reasonable degree of clarity.
- 7.3. The above changes have been gradually phased in over the past 6 months without issue. Alongside improving the applicant journey, it reduces the officer time spent collecting information which subsequently goes out of date. Enhancements to the online system which will facilitate an increased volume of applicants being banded on trust are scheduled to launch by the end of the year; it is anticipated that this will improve the customer interface and the speed of assessment. An update on the implementation of these changes will be provided alongside a review of the volume of applications in 2022.

## **8. Financial Considerations**

*This section has been approved by the following member of the Financial Management Unit: Anya Murray*

- 8.1. There are no financial issues arising from this Report.

## **9. Risk Assessment and Management**

- 9.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 9.2. **Positive** (Opportunities/Benefits):
  - 9.2.1. The allocation of larger social rented properties will be brought in line with that of medium and smaller properties.
  - 9.2.2. The reforms to operational practices enable applicants to become active on the Register quickly, facilitating access to a potential allocation of social housing.
  - 9.2.3. Improved decision making due to collecting current personal data immediately prior to allocation.

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<sup>10</sup> Documents to include identification in order to meet the [right to rent document checks](#), and proof of the housing need that resulted in the awarding of any priority banding.

<sup>11</sup> The proposed timescale recognises the potential for rent loss if there is delay in securing a new tenant. Furthermore this timescale is believed to be achievable based on evidence from Derby City Council.

<sup>12</sup> Verbal risk assessments may still be requested in select cases, and written risk assessment only in the most severe cases.

<sup>13</sup> Where private rented sector tenancies have failed or at risk of failing the Housing Options Team will often have undertaken all the relevant enquiries, this information and the resulting decisions can facilitate any necessary restrictions to the applicants Housing Register Application.

### 9.3. **Negative** (Threats):

9.3.1. If the volume of applications does not reduce the Housing Register could become unwieldy, and potentially less representative of housing need.

9.3.2. Risk of technical failure in applying the correct priority banding to applicants.

9.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

## 10. **Legal Considerations**

*This section has been approved by the following member of the Legal Team: Caroline Elwood.*

10.1. The main legal issues arising from this Report are as follows:

10.1.1. Article 22 of the General Data Protection Regulations applies to the automated banding decision-making process contained in the online Housing Register application system, and the Council is the data controller.

10.1.2. Trent & Dove's processing of this data is necessary for the purposes of fulfilling the Housing Register contract.

10.1.3. The data subject has the right to ask for human intervention, and there is an appeal process that will fulfil this requirement.

10.1.4. A satisfactory risk assessment was provided when this matter was first considered in 2020.

## 11. **Equalities and Health**

11.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is attached at Appendix 3.

11.2. **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

## 12. **Human Rights**

12.1. There are no Human Rights issues arising from this Report.

## 13. **Sustainability** (including climate change and change adaptation measures)

13.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) N/A

## 14. **Recommendations**

14.1. That the revised Housing Allocations Policy at Appendix 4 be adopted.

15. **Background Papers**

15.1. East Staffordshire Allocations Policy 2018

15.2. The Housing Strategy 2021-2025

15.3. The Homelessness Strategy 2018-2023

16. **Appendices**

16.1. Appendix 1: Allocations Policy 2021 with Amendments Tracked

16.2. Appendix 2: Summary of Changes

16.3. Appendix 3: Equality and Health Impact Assessment

16.4. Appendix 4: Allocations Policy 2021 proposed version