

Review of the Allocation Scheme 2022

For Cabinet on 27th October 2022.

Summary

Lead Member: Cllr Hugo Pound – Cabinet Member for Housing and Planning

Lead Director: Paul Taylor- Director of Change and Communities

Head of Service: Gary Stevenson – Head of Housing, Health and Environment

Report Author: Stuart Clifton – Housing Services Manager

Classification: Public document (non-exempt)

Wards Affected: All

Approval Timetable	Date
Housing Advisory Panel	14 th July and 16 th August 2022
Management Board	26 th September 2022
Portfolio Holder	13 th September 2022
Communities & Economic Development CAB	12 th October 2022
Cabinet	27 th October 2022

Recommendations

Officer recommendations as supported by the Cabinet Member that:

1. Cabinet approves the Draft Allocation Scheme set out in Appendix A for consultation.
2. Authority is delegated to the Head of Housing, Health and Environment, in consultation with the Cabinet Member for Housing and Planning, to consider any comments received through the public consultation and make any appropriate minor changes to the Draft Allocation Scheme before then publishing the Scheme for implementation.

1. Introduction and Background

- 1.1 Part 6 of the Housing Act 1996 (the Act) requires the Council to operate a scheme for the purpose of the allocation of social housing within the borough to both new and existing tenants. The Act requires that nominations may only come from the Council's Housing Register and the Act provides the framework that sets out who is eligible to join the Housing Register and how priority is determined between applicants, with certain categories of applicant who must be given a reasonable preference for an allocation of social housing.
- 1.2 The Council's interpretation of the framework legislation must be set out in a document adopted by the Council, called an Allocation Scheme. The adopted Allocation Scheme must be published and available upon request.
- 1.3 The Council's Housing Allocation Scheme is designed to ensure that access to subsidised housing supports the needs of residents, the corporate aims of the Council and reflects current legislation.
- 1.4 The current Allocation Scheme was introduced in 2013 and was most recently reviewed in 2017. The policy is designed to make best use of the limited stock available and awards additional priority to applicants who provide a local community contribution, as well as additional priority to certain serving members of the Armed Forces, as required by statute.
- 1.5 Minor amendments to the Allocation Scheme can be made under delegated authority given to The Head of Housing, Health and Environment (or equivalent officer). Several minor amendments have been made since the policy was introduced in 2013. A full revision of the Allocation Scheme is also required every four years in accordance with the Council's constitution, which require Cabinet approval via the Cabinet Advisory Board.
- 1.6 The Housing, Homelessness and Rough Sleeper Strategy review identified an action to review the Council's Allocation Scheme following the implementation of the Homelessness Reduction Act 2017 and to align more closely to the additional duties to prevent and relieve homeless, imposed by the Act.
- 1.7 A copy of the amended Housing Allocation Scheme (revision 5) is attached at Appendix A.
- 1.8 The proposed changes to the Allocation Scheme have been considered and supported by the Housing Advisory Panel.

2. Homelessness Reduction Act 2017

- 2.1 The Homelessness Reduction Act 2017, which was introduced in April 2018, amended the current legislation to increase the period in which a person is deemed to be threatened with homelessness from 28 days to 56 days. This provides a longer period in which to work with households who are threatened with homelessness.

- 2.2 The Act introduced two new duties to prevent and relieve homelessness, and the requirement for each applicant to have a bespoke Personalised Housing Plan which detailed the reasonable steps the local authority would take to help prevent or relieve homelessness.
- 2.3 These duties exist for at least 56 days, but the duty to prevent homelessness continues for any applicant threatened with homelessness due to the service of a valid Section 21 notice, all whilst action to evict the tenant is being undertaken. There is also the discretion to extend the duty to prevent and relieve homelessness beyond 56 days, for applicants who are not owed the main housing duty.
- 2.4 There are two causes of homelessness that are most prevalent. These are homelessness from the private rented sector and families no longer accommodating their relative/friends. If the landlord is determined to regain possession, it is difficult to prevent the homelessness from the private rented sector.
- 2.5 Greater scope exists to persuade households within family arrangements to enable the applicant to remain if they understand that there is a better opportunity for the household to be housed in a reasonable period. The proposed changes to the Allocation Scheme will give the Housing Options Advisors the ability to negotiate a position with the family to keep hold of the applicant without the need for them to go into temporary accommodation.
- 2.6 Table 1 below shows the number and percentage of homeless applicants where their accommodation at the time of applying was living with friends or family, compared to those who were living in privately rented housing.

Table 1 – Accommodation at time of application and provision of TA, 1st April 2021 to 31st March 2022.

	Private Rented	Living with friends or family
Not placed in temporary accommodation	122 (91.8%)	163 (75.19%)
Placed in temporary accommodation	13 (9.2%)	34 (24.1%)
TOTAL	135 (28.3%)	163 (34.1%)

- 2.7 This indicates that at the time of the application there was a higher percentage of applicants living with either friends or family (34.1%) than were in private rented accommodation (28.3%); but that a much higher percentage of those living with friends or family (24.1%) end up being provided with temporary accommodation, than those who were privately renting (9.2%). Of the 34 homeless applicants living with either friends or family at their time of application and who were placed into temporary accommodation, 53% were young people aged 16-25 years old.
- 2.8 Giving applicants who are threatened with homelessness additional opportunity to secure housing through the housing register would support the Housing Options Team to achieve a greater success of preventing homelessness,

particularly when encouraging applicants to remain with friends and family. This will give applicants a greater prospect of securing social housing than if they were to become homeless and placed in temporary accommodation.

3. Domestic Abuse

- 3.1 Domestic Abuse is a significant cause of homelessness and in 2021-22 was the main reason for loss of accommodation in 10% of homelessness cases. The Domestic Abuse Act was enacted in 2021 to raise the awareness and understanding about the devastating impact of domestic abuse on victims and their families. The Act created a new statutory definition of domestic abuse, emphasising that domestic abuse is not just physical violence, but can also be emotional, controlling or coercive, and economic abuse.
- 3.2 Among the many measures introduced by the Act, it placed a duty on local authorities in England (tier one authorities) to plan for and provide accommodation-based support to victims of domestic abuse and their children in refuges and other safe accommodation, and a duty on tier two authorities to cooperate with tier one authorities. It also extended the categories of homeless applicants who must be accepted in priority need to include a person who was homeless as a result of domestic abuse.
- 3.3 Statutory guidance for local authorities to improve access to social housing for victims of domestic abuse in refuges or other types of temporary accommodation first published in 2018 was updated in January 2022. This guidance encourages local authorities to review and revise their Allocation Scheme to ensure that victims of domestic abuse are able to move into social housing from a refuge or other form of temporary accommodation by ensuring that:
- they have appropriate priority under the local authority's allocation scheme, and
 - those who have fled to a refuge in another local authority area are not disadvantaged by any residency or local connection requirement.
- 3.4 The Secretary of State strongly encourages all local authorities to exempt from their residency requirements those who are living in a refuge or other form of safe temporary accommodation in their district, having escaped domestic abuse from another local authority area.
- 3.5 In February 2022 the Department for Levelling Up, Housing and Communities launched a consultation in relation to social allocation for victims of domestic abuse, seeking views on:
- proposals to introduce regulations to enable victims of domestic abuse who need to move to another local authority district to escape domestic abuse to qualify for an allocation of social housing in the new area, and;
 - how local authorities are making use of the existing legislation and guidance to support victims who wish to move within and across local authority boundaries.

- 3.6 The proposed changes to the Allocation Scheme would give victims of domestic abuse, occupying refuge or other safe accommodation, additional opportunity to secure housing through the housing register. This would assist victims of domestic abuse so that they are able to rebuild their lives away from abuse and harm and give domestic abuse victims a greater prospect of securing social housing

4. Priority Bands and Allocation Quotas

- 4.1 The Allocation Scheme is framed so that qualifying applicants are placed into one of four priority bands A to D. Applicants are placed into a priority band dependent on their housing need. Applicants in each band are prioritised by the date they were assessed as qualifying for the priority band. Applicants are also split into the category of a Home Seeker (new applicants) and Transfer Tenants (existing social housing tenants).
- 4.2 The priority bands do not operate in a descending or ascending order of priority, but the Allocation Scheme operates the provision of targeted allocation, meaning there is a quota of properties allocated to applicants in each priority date. Under the target allocation plan, 60% of properties are advertised to Home Seekers and 40% to Transfer Tenants. Table 2 below details the existing targeted allocation plan.

Table 2 – Targeted Allocation Plan

Targeted allocation plan for home-seekers (60% of properties)		Targeted allocation plan for transfer tenants (40% of properties)	
Band	Percentage	Band	Percentage
Band A	85 %	Band A	40 %
Band B	10 %	Band B	30 %
Band C	3 %	Band C	20 %
Band D	2 %	Band D	2 %

N.B – the targeted allocation plan percentages for transfer applicants as stated in the existing Allocation Scheme do not equal 100%. This is an error in the existing scheme and will be resolved by the revised Allocation Scheme.

- 4.3 In addition, to the assessment of housing need, a ‘community contribution’ is provides additional priority to applicants who are:
- Working households
 - Actively looking for work
 - Volunteering
 - Approved fosters or adoption
 - Single parent households with child under 5
 - Disabled applicants

- 4.4 The award of community contribution is only applicable to an applicant who is priority band A or D, and means that of all allocation to applicants in these priority bands, 25% of allocation should go to an applicant who meets the community contribution criteria.
- 4.5 The present application of community contribution awards little value to applicants, as it provides additional priority to almost all applicants, as most would fall into one of the above categories. To recognise true community contribution, it is proposed to amend the applicants who can qualify for additional preference, through the applicable of ‘community contribution’ to the following applicants:
- Persons in employment
 - Persons undertaking voluntary work
 - Persons who are foster carers or adopters
 - Persons providing care
- 4.6 The composition of the housing register is heavily weighted with most applicants in priority band A, as shown in Table 3. This is due to the current framework of the current Allocation Scheme and how housing need is assessed.

Table 3 – Composition of the Housing Register

Priority Band	Number of applicants	Percentage
Band A	665	72.60%
Band B	102	11.14%
Band C	31	3.38%
Band D	118	12.88%

- 4.7 The current Allocation Scheme framework and targeted allocation plan means that most applicants are in one priority band (Band A) and most properties are allocated to applicants in this band, especially for Home Seeking applicants, where 85% of properties are allocated to Band A applicants. The impact of this is that whilst applicants are assessed by their housing need into one of the four priority bands, with most applicants being in one band, for Home Seekers in particular, social housing is being allocated largely based on waiting time on the housing register, as opposed to being allocated to those most in need.
- 4.8 The proposed changes to the Allocation Scheme will see Band A amended to applicants in most housing need and Band B amended to applicants with a reasonable preference for an allocation of housing. An example of this is differentiating between applicants who have a housing need due to overcrowding between applicants, those applicants with moderate overcrowding and those who are severely overcrowded.
- 4.9 Priority Band C is proposed to be for applicants who require a specific type of accommodation, such as an adapted property or extra care accommodation, with Band D being for homeless applicants owed a housing duty by the Council.

- 4.10 It is also proposed that there is not a separate quota of properties and band reasons, depending on whether the applicant is a Home Seeker or Transfer Tenant. This will end the dealignment between two types of applicants. For example, under the current Allocation Scheme applicants with the same medical need for rehousing are placed into a different priority band dependent on whether they are a Home Seeker or Transfer Tenant.
- 4.11 The proposed changes, in addition to creating a better distribution of applicants in differing housing need across the four priority bands, it will also make it much easier for customers and officers to understand the assessment of housing need, by reducing the number of band reasons from 33 to 21. The targeted allocation plan will ensure that applicants across each of the four-priority bands will continue to have an opportunity to be successful with an allocation of social housing, but the quota amended to ensure those in greatest housing need have a greater opportunity of securing an allocation of social housing. The quota will be reviewed annually to ensure it remains consistent with the aims of the Allocation Scheme.
- 4.12 The proposed new banding structure and target allocation plan quota is detailed in Appendix B.
- 4.13 Two of the existing factors for housing need are proposed to be removed these are:
- Urgent management transfers
 - Applicants who have been living in the private rented sector for over five years and have had to move a number of times due to no fault of their own
- 4.14 It can be extremely difficult to assess applicants against these categories of housing need, with there being no definition of what constitutes as a management transfer and hard to evidence why an applicant living in long term private rented accommodation may have needed to move several times. There are only 9 applicants on the housing register (as of August 2022) with either of these two band reasons (0-management transfers, and 8-long term private renters who have had to move several times).
- 4.15 Under the nominations arrangements with housing associations, 75% of re-let stock is provided to the Council for allocation through Kent Homechoice, the choice-based lettings system. The remaining 25% is retained by the Housing Association for internal transfers or use when tenants require short term decanting, for example to carry out major repairs. Many housing associations operate their own internal policies for management transfers or exception social need transfers.
- 4.16 It is therefore deemed unnecessary to continue with these two factors as a band reason for housing need and is proposed to remove these two categories. It is also quite likely that these applicants may also qualify for a housing need under a different reason, such as a hardship or welfare need.

- 4.17 Appendix C demonstrates how existing applicants on the housing register would align against the new priority bands and band reasons.

5. Local Connection

5.1 Local Authorities are encouraged to apply a local connection qualifying criterion for applicants seeking to join the housing register. The existing Allocation Scheme provides a local connection qualifying criterion in relation to current and former residence, family associations and employment. Applicants must meet one of the following local connection criteria:

- be living in settled accommodation in the borough continuously for the last three years; or
- have previously lived in the borough for a total of five years out of the last ten years; or
- have immediate family (parents, siblings, children over 18 years) who currently live in the borough and have continuously done so for the last five years; or
- be employed in the borough, with a permanent contract of paid employment that has been continuous for the last six months prior to their application or self-employed for the last six months where it can be demonstrated that their main area of work is in the borough.

5.2 It is proposed that there is some tightening of the local connection criteria in relation to former residence and employment, decreasing the former residence to a period three out of the past five years and increasing the period of employment to give rise to a local connection from 6 to 12 months, at a minimum of 16 hours per week.

5.3 There are some exemptions to the local connection criteria, for example to specific serving or former members of the armed forces, certain transfer tenants and some homeless applicants. It is proposed that these exemptions are extended to certain categories of care leavers, in recognition that local connection criteria can make it difficult for care leavers to establish a local connection to areas in which they wish to stay or feel most at home. Exempting some care leavers from the local connection criteria will also align with the changes introduced by the Homelessness Reduction Act 2017 for local connection for care leavers seeking homelessness assistance.

5.4 The proposal to exempt some care leavers from meeting the local connection criteria and aligning with the HRA, would apply to:

- A young person owed leaving care duties by Kent County Council, or
- A care leaver aged under 21 who is resident in the Tunbridge Wells borough and has done so for at least 2 years, including some time before they turned 16, and is owed leaving care duties by another local authority.

- 5.5 The tightening of the local connection criteria will help to ensure that the limited amount of social housing within the borough is allocated to applicants with a stronger local connection to the Tunbridge Wells borough. Whilst exempting some care leavers from needing to meet the local connection criteria, will assist some vulnerable young people to settle in an area they feel most at home in.

6. Financial

- 6.1 To ensure that the limited supply of subsidised low-cost social housing is allocated to those in greatest need, the Allocation Scheme has provisions that applicants with a household income, **or** savings/capital, exceeding specified limits will not qualify for an allocation of social housing.
- 6.2 The financial assessment criteria within the existing Allocation Scheme is set out in Table 4 below:

Table 4 – Existing Financial Assessment Criteria

Household	Income	Capital/Savings
Single /couple	£30,000	£20,000
Family with one child	£40,000	£20,000
Family with two or more children	£50,000	£20,000

- 6.3 Applicants who have received lump sums or compensation received by former or serving armed forces personnel, or by anyone else as compensation for an injury/disability, are exempt from the capital and savings limits. There are also currently exceptions to the capital/savings level criteria for older households seeking sheltered accommodation within the borough, where this limit is increased to £150,000.
- 6.4 It is proposed that the financial limits are amended following any comments and feedback from the public and stakeholder consultation.

7. Options Considered

- 7.1 **Option A** – The proposed changes to the Allocation Scheme are detailed in Sections 2 to 6 are accepted.
- 7.2 Households who are owed the homelessness prevention duty as threatened with homelessness, and victims of domestic abuse resident in refuge or safe accommodation are given additional preference under the Allocation Scheme.
- 7.3 The four priority bands are updated to:
- Band A: Additional Preference
 - Band B: Reasonable Preference
 - Band C: Specific Accommodation Need

- Band D: Homelessness

The housing need criteria for applicants to be placed into one of these four priority bands and targeted allocation plan quota, are amended as detailed in Appendix B.

- 7.4 The award of community contribution is amended as a qualifying additional preference to the following categories of applicant:
- Persons in employment
 - Persons undertaking voluntary work
 - Persons who are foster carers or adopters
 - Persons providing care
- 7.5 Changes to the local connection qualifying criteria to tighten the local connection of former residents of the borough from residence of 5 out of the past 10 years, to 3 out of the last 5 years; and for persons employed within the borough, increasing the requirement for employment in the borough to be from 6 to 12 months, and introducing a minimum number of hours to 16 per week to qualify as a local connection through employment.
- 7.6 To exempt the following care leavers from the qualifying local connection requirement:
- A young person owed leaving care duties by Kent County Council, or
 - A care leaver aged under 21 who is resident in the Tunbridge Wells borough and has done so for at least 2 years, including some time before they turned 16, and is owed leaving care duties by another local authority.
- 7.7 Following comments and feedback received from the public and stakeholder consultation, to review and amend the financial criteria limits for both income and savings/capital and make any further minor amendments as required. The amendments to these limits and any minor amendments to the Allocation Scheme to be agreed by the Head of Housing, Health and Environment, in consultation with the Cabinet Member for Housing and Planning.
- 7.8 **Option B** – To accept the proposed changes as detailed in Option A, with the exception of the proposal in 7.6 for changes in the financial criteria limits both income and savings/capital to be made by the Head of Housing, Health and Environment in consultation with the Cabinet Member for Housing and Planning, and instead return to Cabinet for a decision. This is not recommended as this will delay the implementation of the Allocation Scheme and the scheme will not be up to date with the amendments required to ensure that it remains relevant and compliant with current legislation.
- 7.9 **Option C** – Do not accept any of the proposed changes to the Allocation Scheme. This is not recommended as the Allocation Scheme will not be up to date with the amendments required to ensure that it remains relevant and compliant with current legislation.

8. Preferred Option and Reason

- 8.1 It is recommended to accept the proposed amendments to the Housing Allocation Scheme as detailed under 'Option A' in Sections 2 to 6 above.
- 8.2 Accepting the preferred recommendations will assist homeless prevention, support victims of domestic abuse to secure access to social housing and increase the opportunities of households in greatest need and with a stronger local connection to the Tunbridge Wells borough, to access an allocation of social housing. It will ensure that the Allocation Scheme continues to remain relevant and up to date with current housing policy.

9. Consultation on Options

- 9.1 The current Housing Allocation Scheme was introduced in 2013. The scheme was devised after an extensive consultation process with both internal and external stakeholders.
- 9.2 Consultation has taken place with the Cabinet Member for Housing and Planning, as well as consulting with the Housing Advisory Panel on the proposed changes to the Allocation Scheme on 14 July and 16 August 2022.
- 9.3 If the recommended proposals are accepted by Cabinet, the Council is under a statutory duty to provide a copy of the proposed amendments to every housing association with whom the Council has a nomination agreement and to afford them a reasonable period in which to comment on the amendments.
- 9.4 The report recommends that authority is delegated to the Head of Housing, Health and Environment, in consultation with the Cabinet Member for Housing and Planning, to consider any consultation comments and make appropriate minor changes in response before then implementing the new scheme. Should the consultation raise significant issues these will be considered by the Housing Advisory Panel before being reported back to Cabinet.

Recommendation from Cabinet Advisory Board

- 9.5 The [committee name] Cabinet Advisory Board were consulted on [date of meeting] and agreed the following:

Insert text from Cabinet Advisory Board minute, or request text from Democratic Services Officer.

10. Implementation

- 10.1 Upon agreement of the proposed recommendations and after consultation with our main housing providers, all relevant stakeholders will be issued with the updated scheme. The updated Housing Allocation scheme will also be published on the Council's website. It is proposed that the consultation process will take 8 weeks.
- 10.2 Once the consultation process has been completed and the feedback and comments from the consultation considered, any minor amendments and amendments to the financial assessment criteria limits to be made by the Head of Housing, Health and Environment, in consultation with the Cabinet Member for Housing and Planning. This would enable an implementation date of 1st June 2023 and will align with the implementation of a new back-office housing system.
- 10.3 A communication strategy will be agreed with the Council's Communication Team in order to make applicants aware of the changes and how they will be affected, in time for the changes to be implemented in June 2023. Applicants will be required to re-apply to join the Housing Register and will be assessed against the amended Allocation Scheme.

11. Appendices and Background Documents

Appendices:

- Appendix A: Housing Allocation Scheme (revision 5)
- Appendix B: Proposed new banding structure and target allocation plan quota
- Appendix C: Comparison of existing priority band reasons against new band reasons
- Appendix D: Equalities Impact Assessment
- Appendix E: Climate Emergency Impact Assessment

Background Papers:

- Homelessness Reduction Act 2017
- Housing Act 1996
- Domestic Abuse Act 2021

12. Cross Cutting Issues

A. Legal (including the Human Rights Act)

The legal implications are detailed within the report and accepting the recommendations will fulfil the Council's duties under the homelessness legislation. The amendments to the scheme ensure that it is consistent with current Government Guidance and complies with the Housing Act 1996.

Claudette Valmond, Interim Head of Legal Services – 15 September 2022.

B. Finance and Other Resources

The increased priority to applicants threatened with homelessness could have a positive impact on reducing the need for temporary accommodation, as more households are placed into social housing before becoming homeless. There may be some savings in the Bed & Breakfast accommodation budget, but it is difficult to determine at this stage. The implementation of the updated Allocation Scheme should not adversely affect the revenue budget.

Jane Fineman, Head of Finance, 4 October 2022

C. Staffing

The function of housing allocations with the Housing Options Team is under resourced, with no resilience. This is seeking to be addressed through the creation of new posts as part of the review of the Housing Options Team. These additional resources will be required to enable the assessment of applications to the housing register, as all existing applicants will need to re-apply to join the Housing Register and be assessed against the amended Allocation Scheme.

Anita Lynch, HR Manager, 23 September 2022

D. Risk Management

The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's strategic risk register. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per Policy.

E. Environment (inc. Biodiversity) and Sustainability

A Climate Emergency Impact Assessment has been undertaken which has not identified any negative impact on carbon emissions or the environment. A positive impact has been identified as detailed in the Climate Emergency Impact Assessment, which can be found at Appendix E.

Stuart Clifton, Housing Services Manager, 9 September 2022

F. Community Safety

The recommendations will have a no impact on Crime and Disorder.

Stuart Clifton, Housing Services Manager, 9 September 2022

G. Equalities

An Equalities Impact Assessment has been undertaken. A copy is attached at Appendix D.

The changes to the Allocation Scheme will have a positive impact on applicants who may have a protected character of disability, by awarding additional preference to those applicants with a life-threatening illness, ensuring that adapted accommodation is allocated to those persons most in need of adaptations and ensuring that applicants with the same medical need for housing as treated equally and is no dependant on whether the applicants is an existing social housing tenant or not.

Certain members and former members of the Armed Forces continue to have additional preference and are not subject to local connection requirements and therefore have a positive impact on their ability to access social housing.

There are positive impacts on older person applicants, who will be given the opportunity for an allocation of sheltered accommodation, even where they have no identified housing need, and persons who are victims of domestic abuse, which disproportionately effects women, by providing a better opportunity of an allocation of social housing for some victims of domestic abuse.

Stuart Clifton, Housing Services Manager, 9 September 2022

H. Data Protection

Accepting the recommendations will ensure that the Allocation Scheme is compliant with current regulations.

Stuart Clifton, Housing Services Manager, 9 September 2022

I. Health and Safety

There are no health and safety implications.

Stuart Clifton, Housing Services Manager, 9 September 2022

J. Health and Wellbeing

The report recommendations support the achievements of reducing health inequalities and deprivation and social mobility is improved, by ensuring that the Council has an Allocation Scheme that treats all applicants fairly and that access to social housing supports the needs of residents.

The aims of the proposed changes are to help prevent homelessness, support victims of domestic abuse and give better prospects for accessing social housing for care leavers, which will assist these cohorts in achieving better health outcomes but having greater access to affordable housing.

Stuart Clifton, Housing Services Manager, 9 September 2022