

# **Community Regeneration Commission**



## **Housing Allocations Policy *And* Homelessness Topic Review**

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The Evidence Bundle is available in Rm 137 of the Council. To see the whole or part of this just e-mail [rob.davison@derby.gov.uk](mailto:rob.davison@derby.gov.uk) or phone 01332 255596.

**Please note.** The evidence gathering for this review was undertaken through day time meetings. Cllrs Smalley and Samra were agreeable to that arrangement but on the understanding that they could not be present and their apologies for absence be registered. Consequently they feel it inappropriate to express an opinion on the conclusions and recommendations.

## Package of Recommendations

The Community Regeneration Commission is pleased to recommend Council Cabinet to approve the proposed Allocations Policy *provided* that the following points are taken into account. [\*Asterix means verbal broad agreement has previously been indicated by relevant officers to the Commission]

1. To ensure the key policy goal of increasing moves between current tenants is delivered, there should be “indicative allocations” within the blue and yellow bands between current tenants seeking re-housing and prospective new tenants.

2: One specific aspiration arising from the Allocation Policy should be to eliminate the housing of children in flats except where this is and for as long as it remains the family choice.

3. To encourage under-occupying tenants to move to smaller properties there needs to be:

- a) a substantial increase in the cash incentives for tenants willing to down-size and
- b) practical help offered to make a move as straightforward as possible: a start to finish service to help tenants pack, arrange transport, deal with the utilities, and produce new address cards for friends and relatives

4. A dedicated officer should be employed to review, improve and promote exchanges – and minimise the obstacles to moves between and within different Homefinder landlords.

5. As well as encouraging mutual exchanges there should, subject to legal opinion on the *vires*, also be the facility for a tenant to exchange with an empty property so long as this does not allow trading up.

6. The new soft-ware needs to be able to flag where a client has particular social or housing support needs and/or that liaison with another agency is needed in the allocation of suitable accommodation\*.

7. Liaison work with other agencies needs to be undertaken to change the widely held perception that clients have to make regular bids to remain on the system\*

8. a) Focussed attention should be given by Cabinet until the need for the use of B&B placements for 16 and 17 year olds is swiftly and permanently obviated by alternative provision\* and b) Cabinet should monitor the use of B&B placements for families with children.

9. Local Government Act 2000 “well-being” powers need to be invoked to assist discrete client groups needing support but who fall between the stools of specific powers, including adults not diagnosed with mental health problems but who require medication to maintain stable behaviour.

10. There needs to be induction and then advanced training for Members about the new allocations scheme *and* associated ODPM guidance and procedures on housing\*.
11. One copy of the new Derby policy and ODPM housing guidance and procedures should be placed in the three party group rooms and that of independent members\*.
12. In order to help promote the Government's wider public policy agenda, the Council Cabinet should lobby for the Home Office to produce national guidance to promote reciprocal agreements between local authorities to accept each others' individuals needing to 'start afresh' after drug dependency or life-term imprisonment.
13. The Council should use less strict criteria regarding:
- 16 and 17 year olds generally and
  - care leavers into their early to mid twenties
- when considering intentional homelessness, as someone making a youthful error should not be treated as an older adult who might be expected to have 'known better' – and ex-care leavers have no parents to fall back on.
14. The benefit of settled accommodation in facilitating successful drugs treatment does not seem to be adequately recognised in Derby, either as regards 'vulnerability' or the awarding of medical points: the Commission were convinced of the link between housing and treatment outcomes and recommend this be reviewed by the HOC
15. The Guide to Temporary Accommodation in Derby needs to be brought up-to-date and then maintained as a live document.\*
16. A specific policy aspiration should be to increase the number of hostel dwellers securing homes through Homefinder, so as to decongest the hostel system\*.
17. The HOC staffing review should be used to enhance:
- a) the capacity for face-to-face contact with those who have difficulty using the Homefinder system eg care leavers, patients, individuals with mental health problems *or* literacy/linguistic difficulties or leading chaotic lives and
  - b) the close working between the HOC and the professionals dealing with sensitive/vulnerable cases eg through outreach surgeries at the hospitals, in the hostels, with the care leavers and mental health teams.
18. Council Cabinet are strongly encouraged to sufficiently fund the new system to:
- overcome the several current limitations and problems,
  - ensure the new Allocations Policy can be fully delivered *and*
  - future-proof it against Council or Whitehall-imposed revisions over the next decade\*.

19. To raise standards in the affordable private rented sector and of bed and breakfast businesses a voluntary quality scheme should be explored by the City Council.

20. Focussed attention be given to achieving a reduction in the (approximate) average 30 day void period for Derby Homes properties.

## **The Journey to this Report**

The 5 July 2005 meeting of the Community Regeneration Commission had produced unanimous agreement that Housing Allocations and Homelessness should be the Commission's next topic review. Later in July there was a change in control of the Council, in turn leading to a changed leadership of the Commission with a new Chair and Vice Chair as well as other changes in membership. The reconstituted Commission was content to leave the earlier choice of topic undisturbed and this enabled a prompt start to be made on the review.

The Commission's own review was to be paralleled by a separate review organised by the Housing Options Centre, HOC, arm of the Housing and Advice Services Division. A major part of the HOC review was a series of focus groups involving a comprehensive range of stakeholders. During August 2005, 9 out of 10 Commission members attended one or more of those focus groups.

The Commission's own review commenced, on 22 September, with a series of scene-setting presentations given by HOC managers. After that, the autumn saw an intense series of evidence gathering interviews with a board range of witnesses. What might normally have taken until March to undertake was concentrated to enable the evidence-gathering to be completed before Christmas. That was to align with the timetable of the parallel review, as had been requested by the HOC managers.

On 19 December the Commission met to reflect on the evidence accumulated during its review and to form draft conclusions and recommendations. As a result, the Commission agreed a Policy Objective and, as a vehicle to give effect to it, was minded to recommend to Cabinet the adaptation of the Northern Counties Housing Association model for use in Derby. That model comprises three bands or "streams" and no points.

The draft conclusions and recommendations were then shared with HOC managers and subsequently discussed with them at a short meeting held on 19 January. It is important to note that the tight timescale had not allowed the drafting of evidence-related narrative to lead up and justify the Commission's various conclusions and recommendations. HOC managers made a variety of points and limited time prevented others from being aired at that stage.

The Commission then decided to meet to consider the points raised by the HOC managers. The Assistant Director also provided to the Commission the newly drafted proposed Allocation Policy produced by his Division. Therefore when the CRC met on 24 March 2006 it was able to compare the HOC draft Allocation Policy with the policy objective arrived at through the Commission's evidence gathering. That policy objective was:

The need is to modify the choice based letting scheme so as to deliver a substantial increase in moves between properties for current tenants without any disadvantage to prospective tenants needing a home.

The HOC-proposed Allocation Policy includes four bands and no points so in essence was similar to the Northern Counties model that the Commission had viewed approvingly. At the end of the two and a half hour meeting on 24 March it was agreed that:

The Commission would be content not to pursue the “three streams” in favour of the HOC-proposed band system provided: i) it is amended to meet a number of specific issues set out below and ii) satisfactory clarification/answers are provided to the [various] queries posed

These were set out in writing and provided to the HOC managers ahead of the 4 April meeting.

The documentation for the 4 April meeting, at which Cllr Nath was also present, included the Commission’s draft conclusions and recommendations with the addition of i) the HOC managers comments from the 19 January meeting *plus* ii) extracts from the Commission’s evidence which helped explain why the individual conclusions and recommendations had been made.

The 4 April meeting was successful in that the explanations, clarifications and – in some cases – assurances given by HOC managers during the dialogue meant the Commission feel able to endorse the proposed Allocations Policy that will be submitted to Council Cabinet by the Housing and Social Inclusion portfolio holder.

## **Part A Housing Allocation Policy and Processes**

### **A.1 What the Evidence told us, our initial proposals and the outcome of dialogue with the service managers**

#### **The Proven Strengths of Choice Based Lettings**

A single system and access point to social housing avoids previous customer frustration making separate applications	Customers choosing which properties they would like to live in....
One allocation policy for the Council and 14 social landlords helps remove customer confusion .....	..... reducing the refusal rate and ‘void’ time
..... And has built closer relationships between providers	Improved estate sustainability as new residents want to be there
Customer choice helps inform future planning	‘Difficult to let’ areas have almost disappeared

### **A.1.1 The Messages from the Evidence**

1. No witness had disputed the virtues of choice-based lettings or the points and band systems; although it was seen as producing practical disadvantages for some potential tenants. The Commission believe most of these disadvantages will be solved by the adoption of the proposed new banding system. Specific recommendations are made in this report where other actions are needed to improve its accessibility for disadvantaged applicants.
2. The foremost problem with the present system is that with insufficient properties becoming vacant and - as all of those that do are advertised on Homefinder - existing tenants almost never come top. Ordinary life cycle events: babies becoming toddlers, primary age children becoming teenagers, young adults leaving the nest – means this slow down in movement leads to increasing numbers of existing tenants finding themselves in the wrong size property.
3. The HOC managers had agreed on 19 Jan that change was needed to deal with under occupancy, overcrowding, to help growing families move out of flats – promoting tenancy exchanges being one method to achieve this – and to have better IT available. Indeed, these were among the goals that the Division's own review was seeking to achieve.
4. A representative of all 3 political groups on the Council had been separately interviewed as part of the Commission's evidence-gathering. All had favoured the restoration of local managers' discretion, but the Commission were not given solutions as to how that discretion would operate openly and transparently. Instead, CRC members were persuaded that the almost complete absence of discretion presently is a virtue, protecting officers and members. A change back would be a retrograde step making those operating the system prone to pressure and vulnerable to allegations.

### **A.1.2 The Commission's initial proposals**

5. This sentence was the essence of the Commission's initial view as to how the current problems in paragraph 2 could be addressed: That the Northern Counties Housing Association streaming system be taken as a starting point for adaptation, honing and adoption in Derby. Although that is not now being pursued, the Northern Counties scheme remains relevant because it provided a check list of tests and issues that the HOC draft scheme had to satisfy to gain the endorsement of the Commission.
6. What had appealed to the Commission about the Northern Counties Housing Association scheme was that it was comparatively simple whilst at the same time promoting estate sustainability and social



mixing with the three bands streams:

- general stream
- community stream and
- economic stream

A fuller explanation of the scheme and how the Commission envisaged it applying in Derby is included at Appendix 1

### **A.1.3 The Housing Options Centre Managers' Proposals**

7. The HOC-proposed Allocation Policy includes four bands and no points. Within a band, waiting time would be the sole prioritising factor. This simple system has the virtue of reducing the scope for 'band chasing' – applicants worsening their circumstances to get a higher priority - which the Commission and HOC managers had identified as a weakness of the present policy. The new bands are defined in paragraphs 14.7 to 14.10 of the draft. Paragraph 14.3 shows the proposed initial allocation, taking account of ODPM guidance, to each of the four bands:

Green Band	Blue Band	Yellow Band	Red Band
15%	55%	25%	5%

The draft policy allows the responsible Cabinet Member to revise these percentage allocations in the light of experience and changing circumstances. It should be noted that although these proportions total 100%, in fact this represents 80% of properties as the 20% for allocation by participating landlords to existing tenants have been deducted and are not to be advertised. While the Commission raised concerns that this would not sit easily with transparency, the explanation was that it would falsely raise expectations to advertise a property across the range of Homefinder landlords when the property was not really available to be allocated.

On 4 April two key questions were asked of the Assistant Director and his staff:

- Can it be confirmed that the 4 bands cover all the circumstances in the Northern Counties 3 streams model?
- Will existing tenants find it simpler to be moved to equal accommodation and not find themselves competing with 'priority applicants' (summary of the Cllr Blanksby scenario)

The answer to both was yes.

9. The HOC-produced draft Allocations Policy does build in discretion but the detailed explanation, also given on 4 April, reassured the Commission that it would not have the effect of re-introducing old style local discretion. By requiring the permission of a senior HOC manager

it will be auditable and protect staff from undue pressure from tenants and – equally – ward councillors.

10. Under the HOC Allocation Policy the proposed yellow and blue bands cover a mix of existing and prospective tenants. Therefore there is a risk that the percentage allocations between the bands in HOC 14.3 could be achieved **but** this still be mainly to new tenants rather than moves of existing tenants. Because of the key need to promote movement between existing tenants the Commission wish to see an “indicative allocation” between current tenants and new tenants applying to the bands. On 4 April the HOC managers were reluctant to adopt indicative allocations, believing that targets can have the consequence of distorting decision making. The Commission remain of the view that such indicative allocations are essential to delivering a better deal for existing tenants. It is also hoped that the successor Community Commission will develop and monitor related targets for Performance Eye. A key one might be around ‘the number of existing tenants wishing to move who are allocated a property’. This should probably cover those moving via Homefinder and through exchanges/swaps.

<p><b>Recommendation 1.</b> To ensure the key policy goal of increasing moves between current tenants is delivered, there should be “indicative allocations” within the blue and yellow bands between current tenants seeking re-housing and prospective new tenants.</p>
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11. The economic stream envisaged under the Northern Counties scheme would be for prospective tenants with sufficient regular income or sufficient bank of savings to pay rent and council tax without assistance from income-related benefits. On this wider issue of promoting the social mix in neighbourhoods, it was confirmed to the Commission on 4 April that these kinds of modestly affluent prospective tenants would be covered by:

- Red Band Bullet Point, PP, 3 “you can afford to get your own housing, or improve your current accommodation to be more suitable to your needs” and
- Yellow Band BP7 “you have a minor housing need.”

Crucially, allocating 5% of advertised properties to the Red Band means that some prospective tenants will actually be housed under the new scheme. As a fail safe the Commission shall also monitor this through Performance Eye.

12. The economic stream had also been seen by the Commission as offering a means of re-activating vacant sheltered accommodation, as previously recommended in the earlier review *Crime and Disorder and Young People*. No action on that has ever been reported and significant housing capacity remains unused – there are 350 excess

sheltered units. On 4 April the HOC managers said that the problem was a lack of fitness for purpose of the properties: not only for frail older people but, given current expectations, any client group. The Commission therefore ‘parks’ its thoughts until the review of sheltered accommodation is completed.

13. The Commission recommend that one specific aspiration arising from the Allocation Policy should be to eliminate the housing of children in flats except where this is and for as long as it remains the family choice.

**Recommendation 2.** One specific aspiration arising from the Allocation Policy should be to eliminate the housing of children in flats except where this is and for as long as it remains the family choice.

14. The new software system is key to the success of the Allocations Policy as it will:
- help make the new system workable for applicants and Homefinder landlords alike,
  - ensure the percentage allocations to the bands can be monitored and the use of discretion audited,
  - enable the differentiated treatment of people with multiple needs, as required by the Hillingdon judgement, to be factored in, *and*
  - not least, gain the confidence of those Homefinder landlords disenchanted with the current system and, given time, increase the proportion of RSLs vacancies advertised.

## **A.2 Issues requiring supplementary attention**

### **A.2.1 Enabling existing tenants to move and promoting efficient use of Homefinder landlords’ stock**

15. The Commission had concluded that the twin problems of overcrowding and under-occupancy would be largely solved by the adoption of a Northern Counties-style allocations policy. The HOC-proposed policy can potentially achieve the same through three routes:
- the Blue Band criteria includes “you are currently living in a house owned by a Derby Homefinder Landlord that is too big for your needs, and are willing to move to a smaller property” (at 14.8.1 BP 8). This is welcomed by the Commission
  - the 20% ring-fencing for existing tenants *and*
  - if indicative allocations between new and existing tenants are used for the blue and yellow bands (see para 10) .

16. However, further incentives are needed to encourage tenants to downsize. There needs to be a substantial increase in the cash incentives. Equally, practical help is needed to make a move as straightforward as possible. There should be a start to finish service to help tenants pack, arrange transport, deal with the utilities, and produce new address cards for friends and relatives.

**Recommendation 3.** To encourage under-occupying tenants to move to smaller properties there needs to be:

- a) a substantial increase in the cash incentives for tenants willing to down-size and
- b) practical help offered to make a move as straightforward as possible: a start to finish service to help tenants pack, arrange transport, deal with the utilities, and produce new address cards for friends and relatives

17. There are some over-occupying residents who will not want to move even with cash and kind incentives – perhaps because of memories attached to the present home. Those who stay put beneficially contribute to the cohesion of the locality and the under-occupation helps the so called “child density” in proportion, again promoting sustainability.
18. A dedicated officer should be employed to review, improve and promote the systems by which existing tenants can exchange properties – and minimise the obstacles between and within different local housing providers.

**Recommendation 4.** A dedicated officer should be employed to review, improve and promote exchanges – and minimise the obstacles to moves between and within different Homefinder landlords

19. As well as encouraging mutual exchanges there should also – the law permitting - be the facility for a tenant to exchange with an empty property so long as this does not allow trading up – the exchange officer can act as the regulator. On 4 April the Assistant Director said he envisaged empty exchanges being delivered through the new scheme’s discretionary mechanisms.

**Recommendation 5.** As well as encouraging mutual exchanges there should, subject to legal opinion on the *vires*, also be the facility for a tenant to exchange with an empty property so long as this does not allow trading up

20. The Commission also believe the exclusion from exchanging for ‘probationary’ tenants should be lifted - the circumstances applying

when the initial tenancy was accepted might have made that Hobson's choice. Such tenants with a good record to date should be able to seek exchanges and, if successful serve the balance of the probationary period at the second address.

21. The important point about both the above policy changes is that neither would have the effect of disadvantaging prospective tenants - there will always be the same number of properties available at the end of a chain.

### **A.2.2 Setting people up to succeed**

22. The Commission had been minded to recommend that a new category of active-but-pending should be introduced. This was to end the current problem that there are some individuals who do not feel quite ready for independent living but do feel obliged to make expressions of interest (=bid) to maintain their priority. Occasionally they are offered a tenancy, and, as they feel obliged to accept, are set up to fail.
23. HOC managers had explained at the 19 January meeting that the premise is inaccurate. There is no penalty for not submitting bids and that HOC would not downgrade an applicant who declined an offer because they did not feel ready. As regards 16/17 year olds a panel decides whether the young person is ready for independent/supported accommodation.
24. Although the premise may be incorrect it can be seen from the following extracts of evidence that it is a widely held perception:

Care leavers feel pushed to make selections they don't want, just to stay on the list [Sue Lomas/Rod Jones 10 November 2005 ]

"...currently if you don't make regular bids you are taken off the system" [DHA 28 September 2005]

"Currently, people on the register have to keep bidding ..... This can result in someone being set up to fail" [DHA 24 October 2005]
25. At the 4 April meeting the HOC managers readily agreed that there needs to be more liaison and other work undertaken to correct those perceptions. The concept of an "active-but-pending" status was felt to equal suspension and therefore pose a problem. However, there was agreement that there does need to be recognition of special circumstances which could be achieved through a flag on the new software.

**Recommendation 6.** The new soft-ware needs to be able to flag where a client has particular social or housing support needs and/or that liaison with another agency is needed in the allocation of suitable accommodation

**Recommendation 7.** Liaison work with other agencies needs to be undertaken to change the widely held perception that clients have to make regular bids to remain on the system

### **A.2.3 The use of bed-and-breakfast**

26. The Commission were concerned about the use of bed and breakfast accommodation to meet the Council's duty to homeless people. To deal with two client groups in turn. Firstly, families with children. In the twelve month period May 2005 to April 2006 there were 100 instances of families with children or pregnant women being placed in bed and breakfast accommodation. And B&B means just that. It's no place to nurture children or to forge or maintain community links. Hopefully the new Allocations Policy and associated refocusing on the prevention of homelessness will beneficially impact on this. But it needs to be monitored and backed by the political leadership of the Council. However the Commission cannot simply recommend ending the use of B&B in these circumstances – firstly, unlike Leicester or Nottingham our Council has no hostel of its own and secondly such a policy priority would undermine other policy goals.
27. All those interviewed by the Commission with knowledge of 16 and 17 year olds needing accommodation expressed concern about the use of inappropriate bed and breakfast placements. In some they have to mix with more worldly-wise adults, who might influence them in undesirable ways:
- Some young people get B&B temporary accommodation but can be subject to negative influences from other residents. [DHA 24 October 2005]
- Young people are 'often out in the most inappropriate accommodation like B&B, shared with older drug users' [DAAT 26 September 2005]
- Young asylum seekers can be placed in B&B for a considerable time, often isolated from their community in Derby [Rod Jones/Sue Lomas 10 November 2005]
- A number of young people with chaotic lives, with high needs who cannot live with parents get put into 'not good' bed and breakfast [Mary Gordon 10 November 2005] Emergency accommodation e.g. B&B can sometimes result in vulnerable young people sharing premises with inappropriate adults. [ibid] The quality of the B&Bs is often poor. [ibid]
28. Applying a risk management approach, the present situation leaves individual young adults and, in turn the Council, very vulnerable – if an individual comes to physical or moral harm the Council might be found to be in breach of its duty of care.

29. The view of the HOC managers was that it was inappropriate to respond to this by contracting for bespoke bed and breakfast for 16 and 17 year olds. The reasons were that:
- it was felt to be going against the direction of central government policy – which seeks to eliminate the use of bed and breakfast *and* to reduce the use of temporary accommodation by 50% by 2010,
  - the likely cost of a bespoke contract would be very high and, anyway, the Council would be unlikely to find a local provider willing to contract,
  - B&B was not appropriate for 16 and 17 year olds,
  - the need to respond with a much more holistic service *and*
  - that some of the negative influences in B&B come from other 16 and 17 year olds.
30. The main initiative the Division had recently been pursuing in order to provide the desired holistic service had been with the YMCA; it had not been able to conclude that but other options were being addressed.
31. The Commission therefore does not recommend Cabinet to contract for bespoke B&B for 16 and 17 year olds but urges that focussed attention be given to the issue by Cabinet until the need for B&B is swiftly and permanently obviated by alternative provision. The Commission shall itself monitor this on a quarterly basis.

<p><b>Recommendation 8:</b> a) Focussed attention should be given by Cabinet until the need for the use of B&amp;B placements for 16 and 17 year olds is swiftly and permanently obviated by alternative provision and b) Cabinet should monitor the use of B&amp;B placements for families with children.</p>
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#### **A.2.5 Miscellaneous issues**

32. There are a small group of adults who are not diagnosed with mental health problems but have a personality disorder and do require medication to remain stable in behaviour; if lacking routine, accommodation and someone to remind them to take medication, they will find themselves back in the City Hospital. Modest levels of inter-agency planning might prevent repeated hospitalisation but these individuals fall 'between the stools' of both health and local authority responsibilities – they are not recognised for the Council's housing responsibilities and not eligible for Supporting People initiatives. It was suggested that all that is required is a diligent and caring private sector landlord to keep a watching brief and act as a memory jog. A small number of landlords of houses in multiple occupation could be recruited to offer this service in return for a small weekly sum. Local Government Act 2000 "well-being" powers need to be invoked to assist discrete client groups needing support but who fall between the stools of specific powers - including adults not diagnosed with mental health problems but who require medication to maintain stable.

**Recommendation 9.** Local Government Act 2000 “well-being” powers need to be invoked to assist discrete client groups needing support but who fall between the stools of specific powers, including adults not diagnosed with mental health problems but who require medication to maintain stable behaviour

33. Cases were cited where because social housing wasn't immediately available; to take a job in Derby someone had taken a private sector tenancy in the interim. Later they were then told that taking the private tenancy meant they were considered adequately housed and therefore wouldn't be considered a priority. The greatest need is for better information to be given so that people understand that doing what they might see as the “right thing” may actually exclude them from being allocated social housing. However, the Commission hope the new Allocation Policy will help in cases like this, principally through the red band. The introduction of MOVE UK during 2006 should also be a positive means to assist mobility. Given the shortage of social housing in Derby it would make sense to move the section entitled ‘Other housing options’ from the back to a much earlier place in the document.
34. There were many examples of praise for HOC staff from stakeholder witnesses. To augment the best quality working, the general wish is to have more of the specialist officers *plus* the enhancement of outreach work. The proposed bands and additional measures suggested by the Commission would also be enhanced by even better links between HOC and the hospitals, the leaving care and mental health teams and, in turn, will lead to better support to vulnerable clients.
35. HOC managers had recognised the scale of awareness-raising and training that would be required for all stakeholders were a new Allocation Policy to be adopted. The Commission believe this will need to include elected members. There was also a sense that even experienced members had not had the knowledge and kit to properly represent clients under the current system, but that fairly simple steps could overcome that information deficit.
36. Therefore there needs to be induction and then advanced training for Members about the new allocations scheme *and* associated ODPM guidance and procedures on housing. One copy of the new Derby policy and ODPM housing guidance and procedures should be placed in the three party group rooms and that of independent members.

**Recommendation 10.** There needs to be induction and then advanced training for Members about the new allocations scheme *and* associated ODPM guidance and procedures on housing.



**Recommendation 11.** One copy of the new Derby policy and ODPM housing guidance and procedures should be placed in the three party group rooms and that of independent members

## **Part B Homelessness and the hostels**

### **B.1 Housing law determinations**

#### **B.1.1 Local connection rule**

37. Two housing law determinations repeatedly arose during the review as proving impediments to wider public policy interests. The first was the 'local connection' rule. Drug users seeking to start afresh away from their previous life was one aspect. Released long-term offenders with little residual links to their former town but with new connections developing locally through work release was a second aspect. Strict application of the local connection rule deprives reformed people of the chance of social housing in their new area and can force people back to where they don't want to be – and may not be wanted. And it makes it more likely that drug users are drawn back into old ways.

Comments included:

- Sometimes people change town to get away from peer pressure regarding drugs but can't permanently relocate because they lack 'local connection' [Major Cushing 11 October 2005]
- The "*local connection*" rule is a "*real flaw*" because it prevents people from starting a new life.
- [Colleen Pratt 28 September 2005]
- People leaving prison and other homeless people often get temporary housing in Hartington Street – the heart of the drugs market. [DAAT 26 September 2005]
- Day release gives Sudbury lifers contact with the Derby community while long term incarceration has cut links to their home town. The 'local connection' rule means the NPS cannot resettle them here while they may have no wish 'to go back' [Nat Probation Service 30 November 2005]

38. The Commission believe the local connection rule should be used less rigorously where it is at odds with rehabilitation and other national policy goals. Drug users seeking a fresh start and paroled Sudbury lifers with employment/other developing contacts with Derby should be considered as having a local connection. The Commission learned from HOC managers about the difficulties in establishing effective reciprocal arrangements – in Derbyshire Chesterfield was the only honourable exception. The Commission consider that the Home

Office needs to produce national guidance to promote the development of reciprocal agreements between local authorities to accept the “other” authority’s individuals on a mutual basis, in order to help promote the Government’s wider public policy agenda - the Cabinet should lobby for this.

**Recommendation 12.** In order to help promote the Government’s wider public policy agenda, the Council Cabinet should lobby for the Home Office to produce national guidance to promote reciprocal agreements between local authorities to accept each others’ individuals needing to ‘start afresh’ after drug dependency or life-term imprisonment.

### **B.1.2 Intentional homelessness rule**

39. The second legal determination that was repeatedly raised as a source of concern was intentional homelessness when applied to:
- 16 and 17 year olds generally and
  - care leavers into their early to mid twenties.

With the latter, the point was made that many young adults make mistakes – but most have parents to go back to in their 20’s, or even 30’s, so never need seek social housing. Ex-care leavers have no such fall back. The Commission recommend readdressing the spirit of the legislation so someone making a youthful error isn’t treated as an older adult who might be expected to have ‘known better’.

**Recommendation 13.** The Council should use less strict criteria regarding:

- 16 and 17 year olds generally and
- care leavers into their early to mid twenties

when considering intentional homelessness, as someone making a youthful error should not be treated as an older adult who might be expected to have ‘known better’ – and ex-care leavers have no parents to fall back on.

## **B.2 Local policy thoughts**

### **B.2.1 Helping Improve Drug Treatment Outcomes**

40. The evidence suggested that the benefit of settled accommodation in facilitating successful drugs treatment did not seem to be currently recognised, either as regards ‘vulnerability’ or the awarding of medical points: the Commission were convinced of the link between housing and outcomes and recommend this be reviewed by the HOC.

**Recommendation 14.** The benefit of settled accommodation in facilitating successful drugs treatment does not seem to be adequately recognised in Derby, either as regards ‘vulnerability’ or the awarding of medical points: the Commission were convinced of the link between housing and treatment outcomes and recommend this be reviewed by the HOC

### **B.2.2 One final offer policy endorsed**

41. The Commission were persuaded that the one final offer policy is right in the circumstances facing the city. If an applicant feels the home offered to them is inappropriate, he or she has the right to a review. Should that happen but the review is unsuccessful, he or she might benefit from the Commission’s recommendation that probationary tenants be allowed to seek exchanges may give a new opportunity to re-locate

### **B.2.3 Prevention initiatives**

42. The Commission welcomed the approaches being taken to prevent homelessness, such as the mediation facilities between young adults and their parents, and the pro-active work of the domestic violence worker.

### **B.2.4 Night shelter re-provision**

43. For the alcohol dependent homeless, the Green Lane development is welcomed by the Commission. The Commission submitted direct comments and recommendations on this issue to the Council Cabinet on 20 December (shown at Appendix Y). The decision by the Planning Control Committee on 23 March 2006 to grant planning permission for the scheme was therefore good news.

### **B.2.5 Temporary accommodation guide**

44. The Guide to Temporary Accommodation in Derby is given to none priority homeless individuals in discharge of the Council’s obligations – but this was reportedly out-of-date. It is essential that it is brought up-to-date and thereafter maintained as a live document. On 4 April the HOC representatives agreed that the Guide needs improving.

**Recommendation 15.** The Guide to Temporary Accommodation in Derby needs to be brought up-to-date and then maintained as a live document

## B.2.6 A better deal for hostel dwellers

45. In Part A.2.2 the problem of people not (quite) ready for independent living was focussed on. The flip side of the same coin is where people are, or become, ready for independent living but are repeatedly unsuccessful when submitting bids through Homefinder. The Commission was told that this can be very demoralising. This was not news to three of the Commission's longest standing members – identical points had been made during the review *Crime and Disorder and Young People*. Hostel managers had said in 2003 that their clients' interests were harmed by the (then) newly adopted Allocations Policy - resulting in a long-term silt up of the hostel populations. The better news in 2006 was that a partnership had created a PASSPORT scheme for hostel dwellers. This offers an evidenced home skills programme and gives greater priority to those provenly ready for independent living. This increases the number of hostel dwellers to be offered a tenancy and should, in turn, decongest the hostels.

**Recommendation 16.** A specific policy aspiration should be to increase the number of hostel dwellers securing homes through Homefinder, so as to decongest the hostel system.

## Part C Resources: People, Equipment and Process Issues

### C1 People

#### C.1.1 Staffing numbers and retention

46. It is known from comparisons undertaken with Leicester and Nottingham that Derby's HOC is relatively understaffed. Vacancies here have been routinely covered by agency staff, which is inherently undesirable when para-legal decisions are being made about individual citizens. A depth of knowledge is needed to ask the right questions leading to the making of the right decisions on homelessness, priority need, intentional homelessness etc. The Commission welcomes the move toward providing a more pro-active service to build on what has already been achieved in domestic violence, young people and mediation. However, no details have been provided yet, so it is not possible to know whether the promotion of some aspects of working is at the price of relegating others. There will be the benefit of the new software which will provide substantial time savings for the staff.

#### C.1.2 Using colleagues' recent experience

47. The Commission recommends to Cabinet that the staffing review also adopts the approach in the Housing Benefits section, 2002-03, when that service also had high turnover, vacancies and made use of agency staff in a similar hard pressed front-line service. The recent

Council reorganisation has resulted in housing and housing benefits being two parts of the same department, which should make the sharing of experiences even easier. To keep focussed attention on this, the Commission intend to regularly monitor progress over staffing levels, turnover and use of agency staff.

48. Linked to Part A.2.4 above, the outcome of the staffing review should, the Commission recommend, allow closer working between the HOC and the professionals dealing with sensitive/vulnerable cases, perhaps by outreach surgeries at the hospitals, in the hostels, with the care leavers and mental health teams. Overlapping with this, it should also provide more capacity for face-to-face contact with those who have difficulty using the Homefinder system: again, care leavers, patients, individuals with mental health problems *or* literacy/linguistic difficulties or leading chaotic lives. A specific aspiration should be to increase the number of hostel dwellers securing homes through Homefinder, to ensure the PASSPORT scheme is successful and thus help decongest the hostel system.

**Recommendation 17.** The HOC staffing review should be used to enhance:

- a) the capacity for face-to-face contact with those who have difficulty using the Homefinder system eg care leavers, patients, individuals with mental health problems *or* literacy/linguistic difficulties or leading chaotic lives and
- b) the close working between the HOC and the professionals dealing with sensitive/vulnerable cases eg through outreach surgeries at the hospitals, in the hostels, with the care leavers and mental health teams.

## **C2 Equipment**

### **C.2.1 New computer software – the benefits**

49. The current software system was in its time at the cutting edge – but that was when choice-based lettings were just starting.
50. Presently there is nothing to prevent a single young adult from bidding for a three-bed semi detached house. The Commission heard that particular concept of eligibility is not well understood – hostel dwellers can put in six applications per week and be ineligible for some or all of them. It creates work for the HOC staff because the applications still have to be processed – and disillusionment for the young applicant who feels alienated from Homefinder. New software could prevent the bid, offer a time dividend to hard-pressed HOC staff and allow young applicants to bid for places they may be successfully allocated.

51. Not knowing if an applicant had been unsuccessful, or why, was a major issue raised at the focus groups. Some clients – along with Derbyshire Housing Aid caseworkers – feel left in the dark. Improved software would have the essential role of enabling feedback to be provided to clients throughout the Homefinder process and especially about final allocation. .
52. The software would also provide the means to track future allocations by stream across the city and in local offices – allowing monitoring and an audit trail to enhance the probity of the allocations system

### **C.2.2 Making the solution last**

53. HOC managers looked at possible software replacement during the currency of the parallel reviews. The Commission strongly encourage Council Cabinet to sufficiently fund the new system to:
  - overcome the several current limitations and problems,
  - ensure the new Allocations Policy can be fully delivered *and*
  - future-proof it against Council or Whitehall-imposed revisions over the next decade.

**Recommendation 18.** Council Cabinet are strongly encouraged to sufficiently fund the new computer software system to:

- overcome the several current limitations and problems,
- ensure the new Allocations Policy can be fully delivered *and*
- future-proof it against Council or Whitehall-imposed revisions over the next decade.

## **C3 Processes**

54. Many of the nearly 12,000 people on the waiting list may never get offered a social housing tenancy in Derby because both the present and the proposed allocations system operate in an era of inadequate supply. The Commission recommend HOC to consider adopting the Northern Counties practice of minimal time being expended on front end application processing until there is a real prospect of an offer being made. Clearly sufficient information is needed to know which band an application should fall in but evidence gathering and verification could be left until the point when an expression of interest looks successful. On 4 April the Assistant Director had agreed that many applicants have little hope of receiving an offer and application processing was an aspect requiring further attention. The Commission wish to be informed about when and how that is pursued. Linking this with the new enhanced software, there will be a new opportunity to be more transparent in our dealings with applicants: if an assessed applicant has a low chance of being allocated a tenancy, they should be told so. This should be accompanied with full information about the

range of realistic options so that applicants can make informed decisions about their future housing.

55. One small but distinct client group are single, family men who end up homeless as a result of 'relationship breakdown' and face inevitable difficulty securing adequate accommodation. They can face practical problems using the Homefinder system if in full time work and not available during housing office opening hours.... and their previous inter-net access is likely to be in the old family home. It would be useful to produce a short leaflet making clear the various ways bids can be made.

## **Part D Affordable Housing: Supply and Standards**

56. The Commission wish to record its appreciation of and support for the wide range of initiatives being pursued to expand all tenures of affordable housing in the City. The approval of the PFI bid for a mix of 175 new and refurbished affordable housing units is welcome news.

### **Derby: creative and cutting edge**

- Private Finance Initiative approved to provide a minimum of 95 new homes and to fully refurbish 80 existing empty houses
- Older Persons' Housing Strategy being developed to provide 21<sup>st</sup> century services and tackle the lack of Extra Care and oversupply of sheltered accommodation
- Black and minority ethnic housing strategy developed in May 2005
- Rosehill Market Renewal approved to inject £11m into regenerating housing and infrastructure within the area
- The possibility of building new Derby Homes is being explored – potentially the first new build ALMO houses in the country
- Capital bid to ODPM to create Green Lane Centre to tackle homelessness
- Working with the Housing Corporation and provider partners to deliver 595 new affordable homes during 2006-2008
- Seeking to deliver, through work with planners and developers, further affordable homes through planning gain
- Working with partners to develop a 30 bed Assessment Centre to provide supported accommodation for homeless people.

57. The review heard several references to the poor quality of much of the affordable private rented sector and bed and breakfast businesses. Raising standards nationally would require primary legislation. In the absence of a stick, the Commission would propose that a voluntary

quality scheme be explored by the City Council.

**Recommendation 19.** To raise standards in the affordable private rented sector and of bed and breakfast businesses a voluntary quality scheme should be explored by the City Council.

58. The Commission heard that the average time a Derby Homes property remains on the void list is approximately 30 days. The Chief Executive explained that this performance compares favourably with other local authority housing departments/management organisations. Yet every marginal day a property remains empty it means lost rent revenue, a rising risk it may be vandalised and undermines public confidence in Derby Homes as steward of public assets. The Commission recommend that in future focussed attention be given to reducing this period.

**Recommendation 20.** Focussed attention be given to achieving a reduction in the (approximate) average 30 day void period for Derby Homes properties.

### Abbreviations

B&B	Bed & Breakfast
BP	Bullet Points [in the draft Allocation Policy]
Commission	Community Regeneration Commission
CRC	ibid
DAAT	Drug and Alcohol Action Team
DHA	Derbyshire Housing Aid
Division	Housing and Advice Services Division in the Corporate Resources Department
HOC	Housing Options Centre
NCHA	Northern Counties Housing Association
ODPM	Office of the Deputy Prime Minister
RSL	Registered Social Landlord
YMCA	Young People's Christian Association [as a hostel provider in Derby]



## Appendix 1 - Description of the Northern Counties Housing Association 'Three Streams' Allocation System linked to Derby's circumstances

The **community** stream was envisaged as the key vehicle to promote moves between all current tenants having a wish to move. Additionally it would also include non-tenants who would bring benefit to the social fabric of the area, to provide care and/ or support to relations already living there e.g.

- I. grandparents babysitting whilst a parent is shopping or working
- II. an adult son/daughter ( and nuclear family) providing regular informal support to a frail relative to maintain their independence.

The **economic** stream envisaged under the Northern Counties scheme would be for prospective tenants with sufficient regular income or sufficient bank of savings to pay rent and council tax without assistance from income-related benefits. The purpose would be to broaden the socio-economic mix in many neighbourhoods. The economic stream was also partly seen by the Commission as a means of re-activating vacant sheltered accommodation, as previously recommended in the earlier review *Crime and Disorder and Young People*. No action on that has ever been reported and significant housing capacity remains unused – there are 350 excess sheltered units. On 4 April the HOC managers said that the problem was a lack of fitness for purpose of the properties: not only for frail older people but, given current expectations, any client group. The Commission therefore 'parks' its thoughts until the review of sheltered accommodation is completed.

The **general** stream would, essentially, comprise all housing applicants who do not fall under the other two streams. As there will still be a shortage of housing, the points and bands system might still be needed in Derby to fairly ration the allocation of accommodation and ensure that "priority need" clients are served well.

## Appendix 2 - Earlier report of the Commission on night shelter re-provision



**COUNCIL CABINET**  
**20 DECEMBER 2005**

Report of the Community Regeneration Commission

### **The Green Lane Centre**

#### **RECOMMENDATIONS**

- 1 The Community Regeneration Commission welcomes the proposal and accordingly *recommend* Council Cabinet to confirm and implement the “in principle” decision made on 29 November 2005.
- 2 The omission of a key decision from the Forward Plan must not be repeated in future; the need to factor in scrutiny consideration must be recognised in future projects.
- 3 The Commission be provided with details of the revenue budget and funding streams when the picture has become clearer.
- 4 Cabinet arrange for public information exercises to be undertaken in the locality, as soon as any planning law obstacle(s) are lifted.

#### **SUPPORTING INFORMATION**

- 2.1 The reason for recommendation 1 is that there exists a window of opportunity to access capital funding to transform services for some of the most vulnerable members of society – the opportunity may never be repeated and so must not be lost.
- 2.2 Best Value Performance Indicator 202 – the number of people sleeping rough on a single night – is a challenging BVPI that directly impacts on the Council's Comprehensive Performance Assessment. Evidence to the Commission's current topic review on *Housing Allocations Policy and Homelessness* by both the Housing Options Centre management and Derbyshire Housing Aid's representatives have shown this to be a high risk issue for the City Council.

- 2.3 The Commission registered the concerns raised by Cllr Khan, ward member for Arboretum, that a significant proportion of the City's hostel style accommodation was in the one ward. However, Ms Callow's responses made it clear that the current night shelter has hardly ever created problems and she provided clear answers concerning the operational management of the proposed facility.
- 2.4 The reason for recommendation 2 is that the matter had only been referred to the Commission because the Chair, both in that role and in her capacity as a party group leader had raised the rights of the scrutiny function at Cabinet. The Commission readily accepted that the scheme has been a fast moving work-in-progress, with incomplete details. However, it has been worked on since September and sufficient was known for it to be included in the Forward Plan.
- 2.5 It is important to distinguish between public consultation, over which there can be legal issues and sensitivity over timing, and the statutory entitlements of the overview and scrutiny function which rely on completion of the Forward Plan.
- 2.6 With regard to recommendation 3, the report to Council Cabinet on 29 November made clear that the final details of the revenue budget are still being developed.
- 2.7 With regard to recommendation 4, Ms Callow said those leading the project were wishing to engage with the local community but had been advised not to because of the planning application process. As soon as that impediment is lifted, the Commission believe public engagement could then be used to address the concerns raised by Cllr Khan.
- 2.8 At the same Commission meeting, a different agenda item caused the distinction between communication and consultation to be discussed. In the case of the Green Lane Centre the Commission are clear that the public engagement is communication about how the scheme will work, rather than consultation over whether it should proceed.

### Appendix 3 - List of documents contained in the Evidence Bundle

Format key: BP = Bullet Points, PP = PowerPoint, MW = main write-up  
If no main write-up is shown a full CD recording of proceedings is available

Meeting Date	Participants	Format
<b>22 Sept</b>	Housing and Advice Services, including Housing Options staff, led by Mark Menzies and Lisa Callow. The DCC perspective on the review issues.	BP, PP, MW
<b>26 Sept</b>	Cllr Gerrard, previous Labour Cabinet Member for Housing.	BP
	Michael Murray - Strategy Manager DAAT, Dr Richard Martin - Service Improvement Manager, Drugs & Alcohol, DAAT, and Colleen Pratt - Services Manager, Addaction, on substance misuse and the impact of housing on successful treatment	BP
<b>28 Sept</b>	Derbyshire Housing Aid – Its role and services <i>and</i> the DHA's perspective on review issues	PP, MW,BP
	Colleen Pratt - Services Manager, Addaction	MW,BP
	Cllr Hickson previous Conservative Cabinet Member for Housing.	BP
<b>11 Oct</b>	Dennis Rees and Maria Murphy, Derby Homes – the ALMO perspective.	BP
	Major Richard Cushing, Salvation Army - on <i>A Home For All?</i>	BP
<b>24 Oct</b>	Derbyshire Housing Aid – site visit to premises and discussion with various service managers and caseworkers	BP
<b>10 Nov</b>	Sue Lomas and Rod Jones, Social Services - Children & Families – on the care leavers perspective	BP, MW
	Mary Gordon, Connexions Derbyshire	BP
	Danny Moore, Social Services - Derby City General Hospital, on the patient discharge perspective	BP
	David Enticott, Head of Technical Finance – controls on LA house building	BP, PP
<b>30 Nov</b>	Mark Ince – Mental Health	BP, MW
	Tony Glover – National Probation Service and Paul Yates – NPS & Sup People Board	BP, MW
<b>1 Dec</b>	Cllr Bob Troup – the Liberal Democrat perspective	BP
	Ian Fullagar - Housing Strategy & Performance Manager	PP, BP
	Cllr Hussain (in place of Cllr Nath) – Cabinet Member for Housing & Social Inclusion	BP
<b>6 Dec</b>	John Ray – Northern Counties HA	PP,BP

<b>Document</b>
Shelter – ‘Building Hope’
Shelter – ‘Safe and Secure’
Shelter – ‘Mediation for Young Homeless People’
Shelter – ‘More Priority Needed’
Shelter – ‘A Question of Choice’
Salvation Army – ‘A Home for All’ executive summary
Salvation Army – ‘A Home for All’ full document
DCC – Preliminary Analysis of Allocations Policy Questionnaire
DCC – Record of a meeting between the Commission and Housing Strategy Managers held 19 January 2006
DCC – Summary Report of the draft New Allocations Policy with Commission annotations
DCC – Draft Housing Allocations Policy versions 4
DCC – Draft Housing Allocations Policy versions 6