



DERBY CITY COUNCIL

**ADULTS, HEALTH AND HOUSING  
COMMISSION**  
Monday 14 March 2011

# ITEM XX

Report of the Strategic Director of Adults,  
Health and Housing

## HOUSING ALLOCATIONS POLICY

### SUMMARY

- 1.1 Following new guidance issued by Communities and Local Government – CLG – a review of Derby's current Housing Allocations Policy has been undertaken.
- 1.2 This paper makes recommendations for changes to the policy to comply with the new guidance and to take account of responses to consultation.

### RECOMMENDATION

- 2.1 To approve the new proposed Housing Allocations Policy – attached at Appendix 3.
- 2.2 To agree to implement the new policy following upgrades to the IT and software system, expected by 1 July 2011.
- 2.3 To inform all partner providers, tenants and housing applicants on the Housing Register of the new policy.

### REASONS FOR RECOMMENDATION

- 3.1 To make sure the Council is compliant with the statutory guidance on social housing allocations for local authorities in England and to make best use of limited social housing.
- 3.2 Once agreed, we will instruct our IT provider to develop software to align with the new policy.
- 3.3 To comply with statutory guidance on informing partners and clients.

## SUPPORTING INFORMATION

- 4.1 The current Housing Allocations Policy was approved by Cabinet on 1 August 2006.
- 4.2 In drafting the Housing Allocations Policy, the Council must have regard to guidance issued by CLG. In December 2009, CLG issued new guidance, following a House of Lords ruling earlier in that year. This has required a review of Derby's current policy.
- 4.3 A fundamental review of the current policy has been undertaken by the Housing Options Centre and the review included consultation with stakeholders, customers, members and statutory and voluntary agencies. Consultation was undertaken through a series of ten Focus Groups, from March 2010 to July 2010, and with all Derby Homefinder landlords via a questionnaire. Appendix 2 details who was involved in the consultation and the key outcomes. The review also included best practice examples from other local authorities and CBL North, our benchmarking group.
- 4.4 The consultation led to a number of proposed changes to the policy, namely:

**a) Reducing the length of time homeless households have before a "Final Offer" is made from three months to one month**

Some statutorily homeless applicants are currently bidding for properties and then refusing them, others are refusing offers for properties they have bid for. This creates silt up in temporary accommodation with budget implications. This proposal will give us increased ability to manage our temporary accommodation budget and temporary accommodation. This policy is in line with other local authorities and was a common theme raised through consultation.

**b) Advertising adapted properties to allow applicants with a disability choice over where they live**

Our current procedures of direct matching applicants to adapted properties causes void delays with associated costs and does not give disabled applicants choice. By advertising properties we anticipate that re let times will reduce and disabled applicants will have more choice over where they want to live. The allocation of an adapted property will take account of making the best match of facilities/adaptations in the property.

Applicants who need adaptations may also bid for non adapted properties if they are more suitable than their current accommodation and can be adapted. This was fully supported by the Disability Focus Group.

**c) Reducing the number of bids from six to three.**

There are high refusals on properties even though applicants have bid for properties. This is accentuated because applicants can bid for up to six bids per week and they bid for properties even though they are not interested in them when offered. This will focus applicants on making realistic bids and aims to minimise refusals and associated void costs. The number of bids was highlighted as an issue through our consultation and is fully supported by the Derby Homefinder landlords.

**d) Introducing penalties for refusals of offers of accommodation**

This will put a greater onus on applicants to bid more carefully and reduce refusal rates. Applicants who refuse three properties that they have bid for will be placed in Derby Homefinder Band C for six months, thereby reducing their priority on the system. We will take account of vulnerable applicants and this will not apply to auto bids. There will be a right of appeal for applicants who are placed in Band C for this reason. This was raised through our consultation process and is fully supported by our partner landlords.

**e) Introducing penalties for anti-social behaviour and tenancy related debt**

Under the current policy applicants with anti social behaviour and housing related debt are often bypassed for offers of accommodation they have bid for. Under the proposed policy the Housing Options Centre has the provision to exclude applicants from the housing register for unacceptable behaviour. We would only exclude the worse cases. Applicants with less serious anti social behaviour will be placed in Derby Homefinder Band C.

Applicants with current and former related housing debt will be placed in Derby Homefinder Band C until they can evidence that they are making reasonable payments off the arrears.

A former policy did apply sanctions for applicants with former and or current housing debt and resulted in applicants addressing their arrears and behaviour.

This will give a clear message to an applicant that anti social behaviour and tenancy related debt is not acceptable. Will also prevent bypassing on shortlists. This is fully supported by our Derby Homefinder partners.

**f) Changes to the eligibility table to maximise use of the stock and create more estate sustainability**

The demand for two bedroom family housing is higher than the demand three bed roomed family housing; families with one child have to wait longer to be housed than larger families and often have to consider housing in flats. Under the proposed policy families with one child will be able to bid for small 3 bed roomed properties which will create greater estate sustainability and is supported by the Derby Homefinder landlords

A single person with the care of children (access) of 4 days per week will only be considered for a two bedroom flat if there are no other applicants on the shortlist who would make better use of the property.

**g) Changes to the category of applicants placed in Derby Homefinder Band C**

The bandings will remain broadly the same. The main changes are to Band C. Currently Band C has applicants who are adequately housed or can afford their own housing.

Under the proposed policy Band C will include applicants who:

- do not meet criteria of other bands
- have no local connection
- can afford own housing
- are unsuitable to be a tenant due to current or past behaviour
- have refused 3 offers of housing
- have worsened their own housing circumstances.

**h) The introduction of a Deferred Band**

One of the things that came out very clearly at the focus groups was that applicants felt that they had to bid to stop on the housing register. By introducing a deferred band applicants can apply on the housing register but ask for their application to be put on hold for future need. Applicants would still accrue waiting time whilst on the deferred list.

Introducing a deferred list would mean that applicants on the active housing register are those actively seeking housing. This will also minimise refusals as applicants won't need to bid to stop on the register.

- i) **Allocating properties to applicants not appearing on shortlists where the property has been previously advertised on Derby Homefinder but has been either refused or no bids have been placed**

This is proposed because the majority of Derby Homefinder landlords currently re advertise properties to secure a letting. Some properties that are advertised several times still do not secure a letting. Because of this some Derby Homefinder landlords are now securing lettings outside Derby Homefinder. This will give partners flexibility and enable them to let their properties as quickly as possible without having to keep advertising on Derby Homefinder, therefore reducing void loss.

- j) **Amending the age criteria from 16 to 18 years for eligibility to register for housing**

Currently the Housing Options Centre spends time registering and processing applications from applicants aged under 18 years. Generally applicants aged under 18 are not ready to live independently and do not have the skills to sustain a tenancy and they do not secure housing through Derby Homefinder. Legally they cannot hold a tenancy until 18 years of age.

This amendment was recommended by our legal team and will reduce the unnecessary registering of applications from people who are not housed.

- k) **It is also our intention to advertise properties on a daily basis for a week rather than on weekly basis**

Currently properties are advertised for a week from a Wednesday to a Tuesday evening. Advertising in this way creates peaks and troughs in workloads for partner landlords and the Housing Options Centre. It also can result in errors on advertisements as properties are often not inspected prior to advert. Introducing a daily advertising cycle will create a more structured work flow and lift restrictions on staff involved in the advertisement of properties as well as reducing void periods.

- 4.5 The proposed new Housing Allocations Policy, which is attached as Appendix 3, has been assessed by the Council's Legal Services as compliant with the latest CLG guidance.
- 4.6 The practical implementation of the new Housing Allocations Policy will require changes to the Housing Options Centre IT software and, as such, it is likely that the effective date for implementing the policy will be 1 July 2011.
- 4.7 The Government's proposed Localism Bill includes for changes in the way social housing will be allocated in the future. Therefore, it will be necessary to review the policy again, in light of these changes, when and if they happen.

## OTHER OPTIONS CONSIDERED

- 5.1 Retaining the existing policy leaves the Council open to challenge, as it no longer complies with all statutory guidance.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Mark Menzies – Director of Housing and Advice Services
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<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Kim Morgan, 01332 256485, e-mail kim.morgan@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Consultation and Outcomes Appendix 3 – Proposed Housing Allocations Policy
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<b>IMPLICATIONS</b>
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**Financial**

- 1.1 There may be some costs associated with updating the IT system to reflect the changes outlined in the policy. These costs will be contained within existing budgets.
- 1.2 The proposed changes in relation to “Final Offer” will result in more effective management of Bed and Breakfast and other temporary accommodation.

**Legal**

- 2.1 There is a statutory requirement imposed on the Council under the Housing Act 1996, where there is an alteration to the scheme reflecting a major change of policy to:
  - send a copy of the draft scheme, or proposed alteration, to every private registered provider of social housing and registered social landlord with which they have nomination arrangements, and
  - afford those persons a reasonable opportunity to comment on the proposals.
- 2.2 There is also a requirement to, within a reasonable period of time, take such steps as the Council considers reasonable to bring the effect of the alteration to the attention of those likely to be affected by it – that is all actual and prospective applicants on the Joint Housing Register. This will be achieved through written notification to each applicant on the Joint Housing Register, together with an advert in the local press.
- 2.3 These changes ensure the Council meets the requirements under the Housing Act 1996 – as amended by the Homelessness Act 2002 – and the new guidance “Fair and Flexible, issued by CLG.

**Personnel**

- 3.1 None directly arising.

**Equalities Impact**

- 4.1 The principles of the proposed Housing Allocations Policy are to operate in a fair and transparent manner, taking account of both the Council’s duty to take account of housing need and its wish to offer as much choice as possible.
- 4.2 An Equalities Impact Assessment – EIA – has been completed and approved by the Equalities Task Group. An EIA Action Plan has been drawn up, which will be implemented within 12 months of the introduction of the policy, including relevant training and IT improvements.

## **Health and Safety**

- 5.1 None directly arising.

## **Carbon commitment**

- 6.1 None directly arising.

## **Value for money**

- 7.1 The review of the Housing Allocations Policy includes a reduction in the number of bids an applicant can make, which will lead to improved efficiency in short listing.
- 7.2 Better management of temporary accommodation should lead to a reduction in the use of Bed and Breakfast accommodation.

## **Corporate objectives and priorities for change**

- 8.1 The proposed policy contributes to the corporate objective of making us proud of our neighbourhoods, giving excellent services and value for money.



### Consultation

Consultation was undertaken through a series of ten focus groups from March to July 2010. Some of the focus groups had a specific theme. A total of 132 people from a range of stakeholders attended the meetings, these included:

- members
- Derby Homefinder landlords
- statutory and non statutory agencies
- customers.

### Focus Group One, Two, Three, Four and Seven Theme: General

#### Attendees:

Councillor Troup  
Councillor Richards  
Councillor Frank Harwood  
Councillor Michael Carr  
Director of Housing (DCC)  
Chief Executive of Derby Homes  
Legal department (DCC)  
Community Safety Partnership  
Housing Options staff (DCC)  
Empty Properties Officer (DCC)  
Police  
Derby Homes representatives  
Derby Homes Board members  
Housing Association Representatives  
Hostel managers and representatives.  
Support workers  
Supporting People Manager (DCC)  
Housing Strategy and Performance Manager (DCC)  
Derby Homes tenant representatives  
South Derbyshire District Council  
Community Health Services  
Disabled Customers  
Derbyshire Housing Aid  
Private sector Housing (DCC)  
Adaptations Active  
Derbyshire Friend

## **Key outcomes:**

- Sanctions for reckless bidding and refusals
- De-designation of over 40's properties, the majority of people were in agreement with this
- Clearer information in the policy regarding owner occupiers, equity needs to be taken into account
- Clearer guidance for applicants with rent arrears
- Change of eligibility/guidance/incentives to assist with under occupation.
- More guidance on the allocation of adapted properties and out of turn offers
- More information on eligibility for properties
- More support for housing ex offenders, issue raised about the difficulties they face to secure housing
- Sex and age of children needs to be more specific when assessing overcrowding
- Definition and criteria of access to children needs to be more defined (misuse of the system)
- Six bids are too high, reduce to three
- Clarification on bidding, the current review system encourages reckless bidding
- Daily advertising to be introduced
- Better information at the start about the reality of actually getting housed
- Improved feedback to applicants
- Improved communication about the review of applicants on the housing register
- Other housing options should be promoted
- Shortage of two bed roomed properties to be addressed
- Not enough properties for single people
- Tenants in flats should receive medium to high priority/children living in flats not appropriate
- Lacking bed spaces needs to be consistent and simplified and take account of the ages and sex of children
- Stakeholders do not have an understanding of the allocations policy/procedures, more work needs to be done to resolve this
- Improved information and verification of applicants circumstances, 2 reasons for this, one to stop needs chasing and also to provide more information for landlords

## **Focus Group Five**

### **Theme: Disability**

#### **Attendees:**

Housing Options staff  
Adaptations Active  
Derby Homes representatives  
Private Sector Housing (DCC)  
Disabled Facilities Manager (DCC)  
Occupational Therapist (DCC)  
Disabled customers  
Customers  
SHOUT representatives

#### **Key outcomes:**

- Agreed that adapted properties should be advertised
- Current system is wrong for disabled applicants
- Disabled applicants get bypassed for un adapted properties because some landlords don't want to adapt properties for disabled applicants
- Current review system doesn't work for disabled applicants as they feel they need to bid for unsuitable properties to stay on the register
- Lack of information for disabled applicants
- Introduce penalties for refusals
- Definition of an extra bedroom for a carer (needs to be evidenced)
- Automated bidding would be beneficial for vulnerable applicants
- Tenants living in adapted properties who no longer need the adaptations should be given high priority for moving
- If there is not a suitable applicant for an adapted property under occupation should be considered as an alternative to removing the adaptation
- Generally disabled applicants have to wait approx 18 months for a suitable property even when in high housing needs
- Additional needs like bed blocking should be taken into account when allocating adapted properties

## **Focus Group Six**

### **Theme: Older people**

#### **Attendees:**

Councillor Skelton  
Older Customers  
50 Plus Forum member  
Housing association representative  
Support worker

#### **Key outcomes:**

- Some older people do not know how Homefinder works
- Work needs to be done to increase awareness and access to Derby Homefinder for older people (one suggestion was to hold a surgery at Derby 50 Plus Centre)
- Tailored information for older people should be provided (Black type on yellow background). Large print should be available
- The housing register is still seen as a waiting list by some older people, applications are made as an insurance policy for the future
- Current older persons social housing provision is not suitable, people want two bed roomed properties, housing where they can take their pets, scooter storage and parking
- Older people were aware where to find information out about housing, libraries would be their first reference point.
- Properties have high refusal rates, the top reasons for refusals are because the properties are too small, no pets allowed, car parking issues, not enough information given on the advert, not enough information on the area
- Extra bedroom for a carer needs to be evidenced
- More marketing of telecare
- Regarding the over supply of older persons accommodation it was suggested that some schemes should be de commissioned and some of the criteria should be: the location (not on a steep hill), closer to local amenities

## **Focus Group Eight**

### **Theme: Customers**

#### **Attendees:**

Housing Options staff  
Customers

#### **Key outcomes:**

- Customers had some understanding but the policy and procedures need to be more self explanatory (website)
- Better access to the system, surgeries should be available
- Some supporting stakeholders do not know how the system works and sometimes give mis information
- More information on the property and location needs to be available to minimise refusal
- Some customers still think the more you bid the better chance you have of getting housed
- Web site needs revamping
- There needs to be realistic advice on the chances of getting housed
- More marketing of other housing options
- Six bids is too much, two or three bids are enough
- There is confusion about the roles of Derby Homes and the Housing Options Centre
- Would like to see an interview service
- Specific information should be available to different age groups and household types. For example, younger and older people

## **Focus Group Nine**

### **Theme: Younger People**

#### **Attendees:**

Housing Options Centre staff  
Customers  
YMCA residents  
Adult services (DCC)  
Support workers

#### **Key outcomes:**

- Younger people know how Derby Homefinder works but there is still confusion about bidding, some people think you had to bid as soon as the advertising cycle opened and doing this would move them up the list
- Derby Homefinder was easy to access but the web site needs improving, should be more like face book
- There is an issue over passwords, people forget their password details
- Not enough single persons accommodation in the city
- Not enough help with claiming benefits and younger people had problems sustaining a tenancy if they were in employment
- Processing applications takes too long
- 16 and 17 year olds know about the services in Derby and how to access them and understand that they cannot legally hold a tenancy
- Bond Bank scheme needs expanding
- Transition from hostel to tenancy is difficult, trying to maintain a tenancy in the private rented sector is difficult, the benefits agency and other partnerships need to work closer> Younger people who want to stay in education or employment cannot afford to maintain a tenancy.
- More information about housing stock and the realities of getting housed needed

## **Focus Group Ten**

### **Theme: General**

#### **Attendees:**

Councillor Whitby  
Councillor Shanker  
Councillor Davis  
Councillor Turner  
Councillor Rawson  
Councillor Naitta  
Councillor Tuplin  
Councillor Roberts  
Councillor Redfern  
Director of Derby Homes  
Derby Homes representatives  
Private sector housing (DCC)  
Derbyshire Housing Aid  
SDDC

The aim of this Focus Group was to raise awareness of the difficulties housing certain groups of people and discuss the proposed changes to the allocations policy.

#### **Key outcomes:**

- Early intervention is key to prevent homelessness
- Applicants with tenancy related debt need to accept responsibility for payment prior to being made an offer
- There should be a stringent right to review on applicants that are bypassed for offers
- Permanent carers and the need for an extra bed room needs to be taken account of
- Financial hardship needs to be addressed
- Reduction of bids from 6 to 3
- Choice of 1 month instead of 3 months for statutorily homeless applicants
- More effective rolling review system