SCRUTINY COMMITTEE

Report Title: **Housing Allocation Policy and Scheme Update**

Report to: **Scrutiny Committee**

Date of meeting: **27 February 2024**

Responsible Director/Officer: **Melanie Holland, Head of Strategic Housing**
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EXECUTIVE SUMMARY

The Council's revised Housing Allocation Policy and Scheme was introduced in March 2023. It sets out the policy for social housing applications to the housing register, the allocation of the housing stock owned by the Council, and nominations to social housing owned by housing associations. This report provides Members with a summary of and update on the Allocations Policy and Scheme, including numbers of households on the housing register and the impact of the new IT system.

RECOMMENDATION

a. **Scrutiny Committee notes the performance of the Housing Allocations Scheme to date.**

b. **Makes recommendations in line with the content of this report in relation to proposed modifications to further improve the application process and to ensure that social housing is allocated to those applicants in the greatest housing need.**

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1.   INTRODUCTION

1.1.   On 16 December 2019 the Housing and Neighbourhoods Committee agreed a revised Housing Allocations Policy and Scheme, which was subsequently adopted by Council on 19 December 2019. A key element of the revised Scheme is an on-line social housing application portal, this was launched in December 2022. Subsequently, the revised Allocations Policy and Scheme was introduced in March 2023.

1.2.   This report summarises the Allocations Policy and Scheme, provides an update in relation to social housing demand as shown by the Council's housing register and discusses the impact of the online application portal.

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2. CURRENT SOCIAL HOUSING ALLOCATION POLICY AND SCHEME

2.1. Members may recall that the main changes to the previous Allocations Policy introduced in 2018 were:

- allocations and nominations to be made to all forms of social and affordable housing – both rented (dwellings with either social or affordable rents) and low-cost home ownership (for example, shared ownership);

- the introduction of a 'tenant quota', whereby up to 20% lettings are made to existing social housing tenants in the Borough; and

- the 'local connection' residency qualification to be three out of the last five years.

2.2. The current Policy and Scheme is summarised below:

- In addition to the eligibility criteria as set by Government regulations (which relates to immigration status), for persons to be able to qualify as applicants and be placed on the housing register, they must meet local connection, financial and behaviour criteria:

    o Subject to certain statutory and local exceptions, in order to have a local connection persons must have lived in the borough of Great Yarmouth for three out of the last five years **or** currently work in and have worked in the borough of Great Yarmouth for a continuous period of twelve months **or** have a family member (parent, adult child or adult sibling) who lives in and has lived in the borough of Great Yarmouth for a continuous period of at least five years.

    o Only persons who do **not** have sufficient financial resources to meet their housing need in the open market will qualify for the housing register; equity from current or previous home ownership will be considered, along with income and savings. The Council will disregard any lump sum paid as a result of injury or disability to a current or former member of the regular or reserve services.

    o Persons deemed to be unsuitable as potential tenants on the grounds of unacceptable behaviour (this includes housing related debt) will not qualify to be accepted into the housing register.

2.3 The Policy and Scheme has five Bands of social housing priority, the qualifying criteria for each band is summarised below:

    o **Priority Band**: applicants must have an immediate, emergency or critical housing need and require to be moved within 8 weeks.

    o **Band A**: statutory homeless; threatened with homelessness and deemed likely to be owed the main homeless duty; serious disrepair; serious overcrowding; urgent medical or welfare need; urgent need to move to prevent hardship; Right to Move; and urgent management move.

    o **Band B** – homeless prevention; homeless or threatened with homelessness without a priority need or intentionally homeless, but with a local connection; disrepair; overcrowding; medium medical or welfare need; need to move to prevent hardship; tied tenants under notice; and social housing tenants where a flexible or fixed term tenancy is not renewed, the landlord's lease has expired, regeneration or major works are to take place, or are under-occupying by two or more bedrooms.

- o **Band C** – low medical or welfare need; social housing tenants under-occupying by one bedroom; sharing facilities with friends or family; financial hardship; and other homeless persons.

- o **Band D** – All other persons who qualify for the housing register but are not in a reasonable preference category or meet any other criteria in Bands A, B or C, this includes existing tenants who are considered adequately housed and applicants for low-cost home ownership.

2.3. When a dwelling is available to let, those applicants who meet the criteria for the size and type of dwelling are shortlisted. The dwelling is offered to the housing applicant in the highest band who has the earliest relevant dated housing application. When shortlisting for a 'transfer quota' dwelling, this being whereby up to 20% lettings are made to existing social housing tenants in the Borough, applicants are prioritised in terms of housing need.

2.4. The Allocations Policy and Scheme allows for the introduction of local lettings schemes for exception sites (this is where planning permission has been given to an affordable housing scheme outside of the development boundary in order to meet local housing need) and to ensure sustainable communities on other schemes.

2.5. The Allocation Policy and Scheme also allows for the circumstance where there is a need for direct let of a dwelling.

2.6. Although an on-line application portal is used to make an application to the housing register, it is recognised that not all applicants may not access to the internet or be digitally able to do so. Therefore, the Council offers help and assistance to persons who are unable to access the internet or would prefer to come into the Council offices to complete an application with a member of staff.

3. DEMAND FOR SOCIAL HOUSING

3.1. Since the introduction of the on-line application portal in December 2022, until the end of January 2024 the Council has received almost 3,800 applications from people wishing to join the housing register, this equates to an average of 270 housing applications per month. However, this far exceeds the demand in previous years of circa. 60 applications per month. The main reasons for the high level of applications to the housing register are homelessness (often due to no fault evictions or relationship breakdown) and the unaffordability of much of the private rented sector, with many applicants wishing to have the affordable / social rents and security of tenure offered by social housing.

3.2. Given the rules surrounding eligibility and the Policy's qualifying criteria this means that applicants are required to submit supporting documentation to enable applications to be assessed. Of the almost 3,800 applications received over the period December 2022 to January 2024, almost 1,800 applications were assessed as not eligible or did not qualify to join the housing register. This equates to 46% of all applications.

Number of Housing applications received per month since December 2022
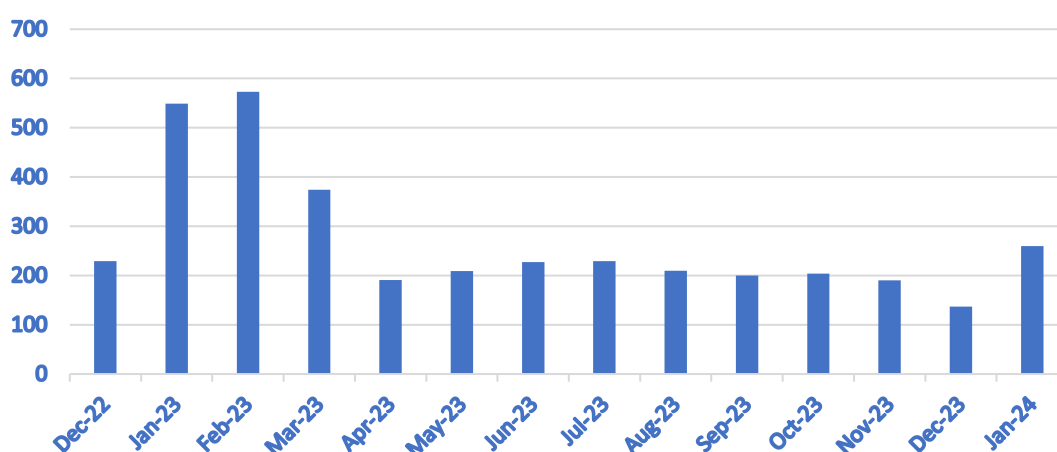
3.3.   As stated above, in addition to persons needing to be eligible to join the housing register, the Council's Allocation Policy and Scheme is not an open register, but contains qualification criteria relating to local connection, finance, and unacceptable behaviour. Therefore, persons wishing to join the housing register, must not only evidence eligibility, but also provide documentation in relation to evidencing local connection, income, savings and assets, and previous addresses. In addition, depending on the circumstance, there will be a need for applicants to provide medical and other evidence.

3.4.   Given the need to fully assess and evidence eligibility and qualification for the housing register, the assessment of applications can take a great deal of officer time to vigorously verify identification, financial and medical information. Moreover, many applicants fail to provide all the evidence requested, and the time taken for persons to provide and submit their evidence (following formal requests) can substantially delay the assessment process.

3.5.   The Allocation Policy and Scheme does not refer to a specific level of income and/or savings and other assets which would usually disqualify a person from joining the housing register. The rationale for this is to ensure all applications to the housing register are considered on their own merits. However, inadvertently this means that persons with adequate financial resources to meet their needs in the open market still continue to apply to join the housing register on the basis that social housing is let on affordable and social rents and offers security of tenure.

3.6.   The combination of persons submitting applications who either do not qualify to join the housing register and/or fail to supply supporting documentation, despite being sent formal reminders, means that the Council continues to deal with a backlog of applications. At 1 February 2024 just over 900 applications were subject to the assessment process, of these nearly 340 applications were either pending or suspended due to the Council being unable to determine whether these applications were eligible and qualified to join the housing register due to outstanding supporting evidence; with almost 580 applications to join the housing register still to be considered.

3.7.   As of 1 February 2024, there were 804 eligible and qualified applicants on Great Yarmouth Borough Council's housing register. As shown below only two applicants were in the 'Priority' band, 135 applicants were in Band A, with over 300 applicants in Band B and over 100 in Band C, reflecting the high number of homeless applicants. 230 applicants were in Band D; these applicants do not have a reasonable preference, therefore, they are not considered to be in

housing need under the Housing Act 1996. However, although these applicants are currently considered to be adequately housed, it has been assessed that they cannot afford to meet their housing need in the open market.

Applicants on the housing register by band at 1 February 2024
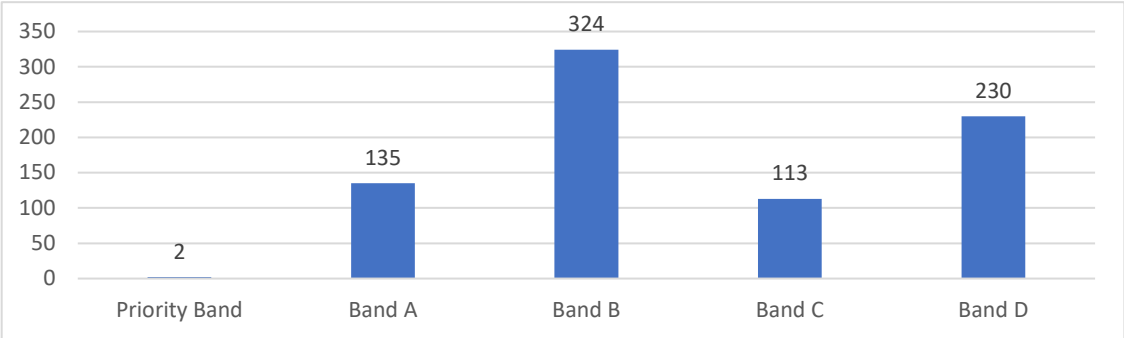
3.8. When considering the size of dwellings needed by applicants on the housing register, 340 applicants (42%) needed one-bedroom dwellings and 64 applicants needed dwellings with four or more bedrooms.

Size of dwellings needed by applicants at 1 February 2024
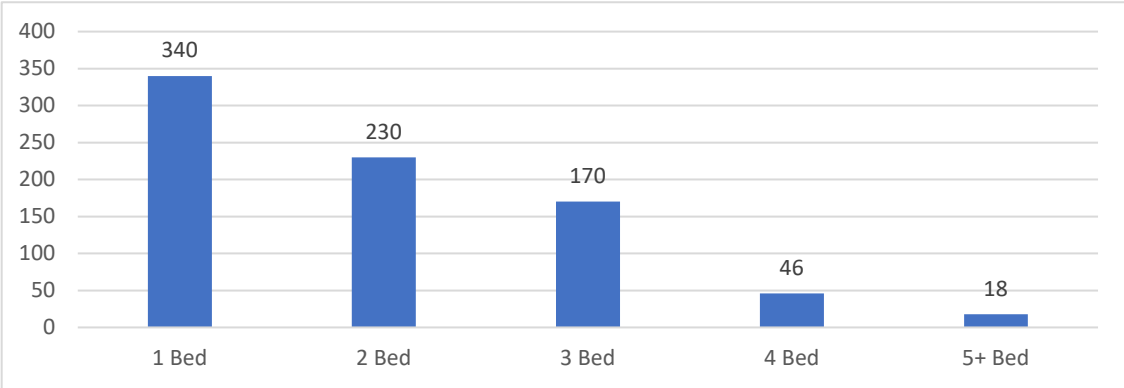
3.9. Turnover of social housing has reduced in recent years; this is a pattern found elsewhere in the UK and is recognised to relate to the Covid pandemic and the cost-of-living crisis. Over the period December 2022 to end of January 2024, there were 315 lettings to social housing in the Borough, the vast majority of which being to council housing.

4. IMPACT OF NEW IT SYSTEM

4.1. The new on-line system has brought about significant improvements for the applicant and the Council. Not only has it reduced the amount of paper, printing, and postage, it now prevents lost paper applications. The ability for the applicant to complete an on-line application form, which includes uploading their supporting documents, then to be able to check if their application has been assessed and what banding they have been awarded provides greater transparency for the applicant. The on-line system also enables the applicant to view a history of all the offers they have been made. Furthermore, a review module in the online system allows officers to review applications every 6-12 months to ensure that the Council has up to date information relating to any change of circumstance (which may change the applicant's banding or qualifying status).

4.2. As per previously explained, the Council does recognise there are applicants who will need assistance to digitally engage with the on-line process and hence officers do provide support over the telephone and in person by appointment.

4.3. Prior to the launch of the on-line system, there were three systems in use. The introduction of one system, with the added benefit of being on-line, has resulted in an efficient shortlisting and allocation / nomination process, with it taking less than three days to allocate void properties / provide nominations to housing associations. The system provides transparency as shortlists show a clear audit trail, which allows for queries and complaints to be dealt with quickly. Moreover, the allocations system is fully integrated with the homeless management information system, thus resulting in a more cost-effective and efficient approach to meet housing need.

4.4. The system also provides up to date, robust social housing needs and demand data which is essential to the Council's strategic housing function. This data not only supplements housing need data, it provides detailed information to inform: negotiations relating to the provision of affordable housing on open market developments; discussions with housing association partners developing affordable housing schemes; the Council's own in-house social housing development programme.

5. NEXT STEPS

5.1. As the Allocation Policy and Scheme is not only subject to eligibility regulations, but also local qualifying criteria, which all requires verification, it is critical that persons applying to the housing register recognise the importance of supplying all the requested supporting documents. This will result in officers being able to assess applications at a much faster rate as they are not having to request missing documentation.

5.2. Going forward to provide applicants with the best service possible and ensure officers have sufficient time to assess housing applications, access times will be communicated ensuring officers continue to meet with applicants in a timely manner during certain mid-week times and by an appointment.

5.3. Additionally, in order to assist applicants in understanding the likelihood of being rehoused in their area(s) of choice, the Council intends to produce on-line information on the geographical turnover of social housing stock.

5.4. Twelve months on from the introduction of the on-line housing application system, internal processes and reflections on the customers' experience are being considered. Four years since the adoption of the Housing Allocations Policy and Scheme, and whilst due to issues outside of the Council's control, recognising that implementation of the Policy and Scheme did not take place until March 2023, it is timely to reflect on any modifications that may need to be undertaken to the Policy and Scheme to ensure it continues to be fit for purpose and able to manage applicants' expectation.

6. CONCLUSION

6.1. The Council has an Allocations Policy and Scheme which seeks to ensure that social housing is allocated to those residents in the greatest housing need, with a quota of lettings to existing

social housing tenants. The new IT system both manages the housing register and provides affordable housing need and demand data.

Consultations	Comment
Monitoring Officer Consultation:	As part of ELT
Section 151 Officer Consultation:	As part of ELT
Existing Council Policies:	Housing Allocations Scheme 2021
Equality Issues/EQIA assessment:	N/A