

<b>CABINET</b>	<b>AGENDA ITEM No. 5</b>
<b>24 SEPTEMBER 2012</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Peter Hiller Cabinet member for Housing, Neighbourhoods and Planning	
Contact Officer(s):	Adrian Chapman/Paul Phillipson	Tel. 863887/453455

**THE COMMON HOUSING REGISTER ALLOCATIONS POLICY**

<b>R E C O M M E N D A T I O N S</b>	
<b>FROM :</b> Executive Director Operations	<b>Deadline date :</b> 4th February 2013
Cabinet is requested to note and agree the proposed Allocations Policy so public consultation can take place.	

**1. ORIGIN OF REPORT**

1.1 This report is submitted to Cabinet following a referral from CMT on 24th July 2012.

**2. PURPOSE AND REASON FOR REPORT**

- 2.1 The purpose of this report is to obtain views on the proposed review of the Common Housing Allocations Policy
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.1, to take a leading role in promoting the economic, environmental and social well-being of the area'.

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>YES</b>	If Yes, date for relevant Cabinet Meeting	4 <sup>th</sup> February 2013
Date for relevant Council meeting	20 <sup>th</sup> February 2013	Date for submission to Government Dept <i>(please specify which Government Dept)</i>	

**4. THE PROPOSED COMMON HOUSING REGISTER ALLOCATION POLICY**

Peterborough City Council currently operates the Peterborough common housing register in partnership with 10 Registered Social Landlords (RSL) that have accommodation in Peterborough.

**4.1 Eligibility to join the Housing Register**

4.2 Currently Peterborough operates an open Housing Register, which is open to all who may wish to apply as long as they are 16 or over, except where:

4.3 They do not have a right to reside in the UK, or

- 4.4 They have previously been guilty of unacceptable behaviour, which would make them unsuitable to be a tenant.
- 4.5 Having such an open register has meant that over the last few years we have seen a large increase in the number of live applications. As of the 23 July 2012 there were 9328 live applications, these are prioritised into 5 bands determined by the applicants housing need and are broken down as follows:
- 311 Applicants in band 1
  - 3137 Applicants in band 2
  - 1280 Applicants in band 3
  - 3338 Applicants in band 4
  - 1258 Applicants in band 5
- 4.6 Unfortunately such is the demand for general needs accommodation most of the applicants in band 4 & 5 will never be successful for an allocation of accommodation.
- 4.7 Last year April 11- April 12 we allocated 1258 properties through our choice based lettings scheme. In the same time we accepted 2678 new applications.
- 4.8 The Localism Act 2011 made an amendment to the Housing Act 1996, which gave local authorities the power to set their own qualifying criteria for people who are allowed to join the housing register. This allows councils to restrict entry to the housing register to those who are in the most housing need as well allowing exclusions for other reasons based on local criteria.
- 4.9 The proposed amended allocations policy makes full use of these powers by setting the entry criteria to the housing register to those who are in the most urgent housing need, this includes:
- Homeless households
  - Those who are threatened with homelessness
  - Those living in insanitary or unsatisfactory housing conditions
  - Those who need to move for social/welfare reasons, or
  - Failure to assist in moving will cause particular hardship
- 4.10 In addition it is proposed that we will only accept applications from those who have a connection with Peterborough. A connection will be established by:
- having lived in the area for 6 of the last 12 months or 3 of the last 5 years
  - having immediate family members who live in the area and have done for the last 5 years
  - those who are working in the city
  - those who need to move to the area for special reasons e.g. in order to receive specialist medical care
- 4.11 Also we propose to exclude applicants who own suitable accommodation or those who have sufficient financial resources from joining the housing register. However this will not apply to those who are over 55 and eligible for sheltered accommodation.
- 4.12 Those who have previously behaved in an unacceptable manner will continue to be excluded from applying. This will be more rigidly defined to the following categories:
- 4.13 The Council (or in the case of transfers, the relevant Housing Association) is satisfied that the applicant or a member of their household has previously been guilty of unacceptable behaviour, which would make them unsuitable to be a tenant, or
- 4.14 The applicant or a member of their household has been served with an injunction by a council or their landlord to stop them behaving in a way which causes nuisance or annoyance to others, or

- 4.15 The applicant or a member of their household has current tenancy arrears in excess of 8 weeks rent, or
- 4.16 The applicant or a member of their household has any outstanding former tenant arrears
- 4.17 This will mean that a number of applicants who are not considered to be in housing need will be removed from the Housing Register. Further details can be found in section 9 page 15 of the draft policy.
- 4.18 We are due to undertake a review of the housing register in the next month, which we expect to see a reduction in the number of live applications. This will be prior to the proposed changes included in the allocations policy. We expect the changes to reduce the numbers further still. To give an indication of the impact we expect the policy make on the number if we were to apply the proposed changes today the number on the Housing Register would be reduced from 9328 to 5974.
- 4.19 **Welfare Reform & the Bedroom Standards Policy**
- 4.20 Current benefit rules mean that tenants who are currently living in social housing are not subject to having their property assessed against the size criteria housing benefit use when assessing eligibility in the private sector. This means that applicants renting a property from a local authority or housing association and rely wholly on benefits income will receive the housing benefit to cover their full rent irrespective of the size of the property they occupy.
- 4.21 Changes brought about by the Welfare Benefit reform means that from April 2013 households in receipt of housing benefit who are living in social housing will be assessed to determine what size property they require based on the same criteria as if they were renting in the private sector: The criteria is as follows:
- 1 Bedroom for:            every adult/couple  
    any other adult aged 16 or over  
    any two children of the same sex  
    any two children regardless of sex under age 10  
    any other child
- 4.22 Any household assessed under these criteria who is deemed to be occupying a property larger than they require will have their housing benefit reduced by:
- 14% if they are under occupying by 1 bedroom, or  
 25% if they are under occupying by 2 or more bedrooms
- 4.23 The current allocations policy does not mirror this criteria and is more generous in terms of the number of bedrooms we allow applicants to apply for. Our current bedroom standards policy is as follows:
- 1 Bedroom for:            every adult/couple  
    Any member of the household over 10 years of age  
    Any two children of the same sex under the age of 10  
    (where there is less than 5 years difference between them)  
    Any other child
- 4.24 We propose to bring the bedrooms standards policy in line with the criteria to be applied from April 2013 as continuing to do so would put families at greater risk of being placed into poverty as a reduction of housing benefit would mean they would have to find the rent shortfall from other benefit income.
- 4.25 In addition this places an additional burden on our Housing Association partners as they are likely to see an increase in families in rent arrears as they are unable to meet the shortfall in benefit. This could ultimately lead to households being subject to eviction action

and becoming homeless as a result. Further details can be found in section 19, page 39 of the draft policy.

#### 4.26 **Additional Preference**

4.27 Recent statutory guidance highlighted that local authorities have the power to frame their allocations policies to give additional preference to particular groups of people. The guidance recommends that Local authorities consider how they can use their allocation policies to support those households who want to work, as well as those who – while unable to engage in paid employment - are contributing to their community in other ways, for example, through voluntary work.

4.28 In addition local authorities have to frame their allocations policy to give additional preference to serving and former members of the armed forces. With this in mind it is proposed that additional preference is awarded to applicants who:

4.29 **Have strong local connections with Peterborough** - Additional preference will be given to applicants who can demonstrate a substantive and long-standing local connection through 5 years continuous settled residence in the city.

**Are working or are in training for work** - Peterborough's economic growth is a key priority for the authority. We want to encourage people, who can, to work and seek to raise levels of aspiration and ambition. We will give additional preference to applicants who are working and who are therefore making a contribution to Peterborough's economy. Working households are defined as households where at least one adult member is in employment within Peterborough unitary authority boundary. For the purposes of this Allocations Scheme employment is described as having a permanent contract, working as a temporary member of staff or being self-employed. Applicants would normally only qualify for the additional preference if the worker has been employed for 9 out of the last 12 months and has been working for a minimum of 16 hours per week. Peterborough City Council does however recognise the important role part-time workers play within the local economy and want to reward those who are making a concerted effort to get back into work. Such activities may include participating in partner RSL's back to work schemes.

**Are making a community contribution** - People who play a part in making their neighbourhood strong, stable and healthy, those who help make it a good place to live, work and play are valuable people. They are the backbone of their community, and they need to be recognised for those efforts. Applicants will receive additional preference if they are able to demonstrate that they, or anyone moving with them undertakes voluntary work for at least ten hours per month and has done so for at least six months continuously.

**Are members of the armed forces – This applies to:**

- (a) Former members of the Armed Forces
- (b) serving members of the Armed Forces who need to move because of a serious injury, medical condition or disability sustained as a result of their service
- (c) bereaved spouses and civil partners of members of the Armed Forces leaving Services Family Accommodation following the death of their spouse or partner
- (d) serving or former members of the Reserve Forces who need to move because of a serious injury, medical condition or disability sustained as a result of their service

This includes people who have served in the Royal Navy, Royal Air Force and British Army, with the exception of those who have been dishonourably discharged.

4.30 Applicants who are awarded additional preference would receive priority over an applicant in the same priority band, who does not have additional preference, irrespective of the length of time they have been in the band. Further details can be found in section 13, page 29 of the draft policy.

#### 4.31 **Summary of proposed changes**

Description of change	Current Policy	Proposed policy
Admission to the Housing Register	<p>All applicants, aged 16 or over, are eligible to apply to join the Housing Register except where:</p> <ul style="list-style-type: none"> <li>i. The are not eligible to make an application, because they do not have a right to reside in the UK</li> <li>ii. The applicant or a member of their household has been guilty of unacceptable behaviour, which would make them unsuitable to be a tenant</li> </ul>	<p>It is proposed that entry to the housing register be restricted to those who need accommodation most. Therefore we will not consider an applicant to be a 'qualified person' and will not accept an application to join the housing register where:</p> <ul style="list-style-type: none"> <li>i. The applicant is not eligible for an allocation of accommodation because they do not have a right to reside in the UK, or</li> <li>ii. The Council (or in the case of transfers, the relevant Housing Association) is satisfied that the applicant or a member of their household has previously been guilty of unacceptable behaviour, or</li> <li>iii. The applicant or a member of their household has been served with an injunction by a council or their landlord to stop them behaving in a way which causes nuisance or annoyance to others, or</li> <li>iv. The applicant or a member of their household has current tenancy arrears in excess of 8 weeks rent, or</li> <li>v. The applicant or a member of their household has former tenant arrears with a local authority or Registered Social Landlord (RSL), or</li> <li>vi. The applicant or a member of their household own a property or have sufficient financial resources to secure a suitable property by way of purchase or rental in the private sector, or</li> <li>vii. The applicant does not have a local connection with Peterborough, or</li> <li>viii. The applicant does <u>not</u> fall into at least one of the reasonable preference categories as set out in s.166A(3) of the Housing Act 1996 <ul style="list-style-type: none"> <li>a) people who are accepted as homeless (within the meaning of Part 7 of the Housing Act 1996) <i>this includes people who are intentionally homeless, and those who are not in priority need</i></li> <li>b) people who are owed a duty by any housing authority under section 190(2), 193(2) or 195(2) of the 1996 Act (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any housing authority under s.192(3)</li> <li>c) people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions (see section 9.6 for further information)</li> <li>d) people who need to move on medical or welfare grounds, including grounds relating to a disability, and</li> <li>e) people who need to move to a particular locality in the district of the housing authority, where failure to meet that need would cause hardship (to themselves or others).</li> </ul> </li> </ul>

Additional Preference	There is no provision to give additional preference under the current allocations policy	<p>it is proposed that in Peterborough additional preference will be awarded where applicants can demonstrate:</p> <ol style="list-style-type: none"> <li>i. a strong local connection with Peterborough, or</li> <li>ii. a commitment to and contribute towards the economic growth of the Peterborough City Council district as working households, or</li> <li>iii. that they make a significant impact by their contribution to their local community, or</li> <li>iv. that they are a former member of the armed forces (where the application is made within 5 years of discharge)</li> </ol>
Bedroom Standards Policy	<p>The current bedroom standards policy is quite generous and calculates the number of bedrooms required as follows:</p> <ul style="list-style-type: none"> <li>• one bedroom for the applicant and partner (over 16 - including same sex couples)</li> <li>• one bedroom for any other person aged 10 or over</li> <li>• one bedroom for any two children of the same sex aged under 10, except where there are more than 5 years age difference between them</li> <li>• one bedroom for any other child</li> </ul> <p>We will also allocate an extra bedroom when a disabled member of the household, or someone with a long term health condition, has a proven need for overnight care and this is provided by a non-resident carer and where medical advice has established that a larger property is required on medical grounds.</p>	<p>In light of the recent welfare benefits reforms and the in particular the reduction in housing benefit, which will be applied to working age tenants where they are under occupying social housing it is proposed that the future bedrooms standards policy mirrors the eligibility criteria applied when assessing Local Housing Allowance (LHA).</p> <p>LHA is calculated on the number of rooms the applicant's household needs not the number of rooms in the property or the amount of rent charged. The number of bedrooms needed is based on the number, age and gender of people who form their household. It is proposed that the bedroom requirement is calculated as follows:</p> <ul style="list-style-type: none"> <li>• one bedroom for the claimant and partner (over 16 - including same sex couples)</li> <li>• one bedroom for any other person aged 16 or over</li> <li>• one bedroom for any two children of the same sex aged under 16</li> <li>• one bedroom for any two children regardless of sex who are less than ten years old</li> <li>• one bedroom for any other child</li> </ul> <p>We will also allocate an extra bedroom when a disabled member of the household, or someone with a long term health condition, has a proven need for overnight care and this is provided by a non-resident carer and where medical advice has established that a larger property is required on medical grounds.</p>

## 5. CONSULTATION

- 5.1 This proposed policy has been developed in partnership with 10 Registered Social Landlords and has been presented to the Peterborough Homes Board. Councillor Hiller and Councillor Holdich have been briefed on the proposed changes.
- 5.2 The next steps are for the policy to be taken to Cabinet Policy Forum, All Party Policy Forum, a ten week public consultation before going through Scrutiny, Cabinet and Full Council for approval.

## **6. ANTICIPATED OUTCOMES**

- 6.1 That the proposed policy changes are noted, discussed and amended if necessary before the policy goes out to public consultation.

## **7. REASONS FOR RECOMMENDATIONS**

- 7.1 The proposed Allocation Policy has been written to meet the duties of Part VI of the Housing Act 1996, as amended by the Homelessness Act 2002 and with regard to the Communities and Local Government Allocation of Accommodation: guidance for Local Authorities in England June 2012
- 7.2 The Localism Act 2011 made an amendment to the Housing Act 1996, which gave local authorities the power to set their own qualifying criteria for people who are allowed to join the housing register. This allows councils to restrict entry to the housing register to those who are in the most housing need as well allowing exclusions for other reasons based on local criteria.
- 7.3 The proposed amended allocations policy makes full use of these powers by setting the entry criteria to the housing register to those who are in the most urgent housing need. Therefore reducing the number of households on the Housing Register and providing realistic options and expectations for households in housing need in the City.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- To not review the Policy and continue implementing the existing Policy- this would mean the Housing Register would continue to grow in number and households would be housed into properties which they would under-occupy (due to the bedroom standard) their housing benefit would not cover and they would fall into rent arrears.
- Review the bedroom standard only – This would mean the Housing Register would continue to grow in number and the households on it would continue to have unrealistic expectations of being re-housed
- Review the Policy but not include the awarding of additional preference – this would not promote full discussion and debate of the policy
- Review the Policy and adopt everything in the Communities and Local Government Allocation of Accommodation: guidance for local authorities in England – this would not take into account Peterborough’s housing needs and issues

## **9. IMPLICATIONS**

- 9.1 These are contained in section 4

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

- 10.1 Communities and Local Government Allocation of Accommodation: guidance for local authorities in England June 2012
- 10.2 Part VI of the Housing Act 1996, as amended by the Homelessness Act 2002
- 10.3 The Localism Act 2011

This page is intentionally left blank