

# Chichester District Council

Cabinet

4 May 2021

## Review of the Allocation Scheme for Social and Affordable Housing

### 1. Contacts

#### Report Author

Ivan Western – Housing Delivery Manager

Telephone: 01243 534582 E-mail: [iwestern@chichester.gov.uk](mailto:iwestern@chichester.gov.uk)

### 2. Recommendations

- 2.1 That the Cabinet approves the Allocation Scheme for Social and Affordable Housing as set out in Appendix 2.
- 2.2 That the Cabinet authorises the Director for Housing and Communities, following consultation with the Cabinet Member for Housing, to make minor changes to the scheme in response to statutory requirements or as otherwise required to maintain operational effectiveness.
- 2.3 That Officers undertake a further review of the Rural Parish Connection and bring forward proposals for further changes if considered necessary.

### 3. Background

- 3.1 The Council administers a *Housing Register* which is used as the basis for the allocation of social housing in the District. Key elements of the Housing Register, including the definition of groups to whom *'reasonable preference'* in the allocation of housing must be given, are prescribed by law, but within this framework the Council has a considerable degree of latitude to frame policies which meet its local priorities. We are required to keep our scheme under regular review.
- 3.2 At its meeting in September 2020 Overview and Scrutiny Committee established a Task & Finish Group to oversee a review of the Housing Register with the intention of making recommendations on ways in which the process could be improved.
- 3.3 The T&F Group met twice in November 2020 and January 2021 and its recommendations were subsequently considered at Overview and Scrutiny Committee on 26<sup>th</sup> January.
- 3.4 The scheme has now been revised and rewritten and is set out in full in Appendix 2, with a summary of changes at Appendix 1.

### 4. Outcomes to be Achieved

- 4.1 The overriding purpose of the review is to make sure that the Council makes optimal use of the limited supply of social and affordable rented homes which are available.

4.2 Underpinning this, the Review highlighted several key principles which our scheme needs to satisfy, namely the need to:

- Meet the Council's statutory requirements
- Operate fairly and transparently
- Make it easy for service users to access and use the system
- Allow for efficient administration
- Enable Registered Providers to let empty homes quickly
- Allocate homes in ways which support the maintenance of sustainable communities.

4.3 The Review also recognises the specific role of Registered Providers whose homes are let through the Housing Register; the need to take on board their views, as well as the views of other stakeholders in the implementation of change.

## 5. Proposals

- 5.1 Proposals for change involve a number of different areas. The first of these is **eligibility** for the Housing Register, specific changes are recommended to the income and savings thresholds for applicants and the criteria used to exclude applicants who have been convicted of criminal behaviour or serious breaches of tenancy conditions. The need for a **Local Connection** to Chichester District is a key element of our scheme as is, in some cases, a connection to a rural parish. The recommendations involve some minor changes to the way this operates which includes removing the need for a rural parish connection for new housing built as part of 'strategic housing developments'.
- 5.2 The system of **priority bands** lies at the heart of the allocation scheme, the key change proposed in this part of the policy involves a more targeted approach to assisting certain categories of applicant who require specific assistance. This would be based on awarding additional priority, to specific applicants as part of a managed 'move on' pathway from supported housing. This will make it easier to rehouse applicants such as rough sleepers, care leavers and victims of domestic abuse who typically may be resident in supported housing prior to seeking a settled home through the Housing Register.
- 5.3 A number of **operational changes** to the way the application and bidding process is managed are suggested. This includes the abolition of set time limits for bidding for some categories of applicant, a facility to suspend applicants bidding in appropriate circumstances and to let properties directly, without advertising in specified circumstances. The recommendations also provide for greater use of **discretion** to be delegated to the Divisional Manager in exceptional circumstances.
- 5.4 Clearly any changes to the way homes are allocated results in some applicants being prioritised at the expense of others. The aggregate effect of these changes is very difficult to determine. At a 'micro' level the effect should be that the pathway from supported housing to long term social housing should become easier. At a 'macro' level this should mean that the number of people moving through supported housing services increases, benefitting more people.

## 6. Alternatives Considered

- 6.1 A limited review of other Councils' housing allocations schemes has taken place and specialist advice sought from a former Government adviser on housing allocations. Particular consideration has been given to two key issues; namely the prevention and reduction of homelessness and the approach to allocation of housing in rural parishes.
- 6.2 With a finite number of properties available councils need to strike the right balance between allocating homes to homeless households in temporary accommodation, as opposed to others who are inadequately accommodated in the private rented sector or with friends or family. Whilst there is a financial incentive to reduce use of temporary accommodation, thus prioritising allocations to homeless households, there is a risk of creating a 'perverse incentive', by establishing temporary accommodation as the quickest route into affordable housing. Whilst some authorities give greater priority to statutorily homeless households, the recommendation is for CDC's approach to manage the majority of homelessness applications within Band C. This approach maintains a degree of parity between those in temporary accommodation and others who are overcrowded or living in unsatisfactory accommodation in the private sector. Notwithstanding this, additional provision is suggested within the policy which allows us to accelerate the priority for households in temporary accommodation where there are compelling reasons to do so.
- 6.3 A more particular issue for Chichester as a large rural district, is the approach to letting homes within rural parishes. Our existing policy gives a considerable degree of priority to local people with housing needs when properties in rural parishes are advertised. There are sound reasons for this but the application of these rules is complicated to administer and in practice only comes into play relatively infrequently. In some cases the policy may also have unintended consequences since it may discourage applicants for bidding for properties for rural properties for which demand is relatively low (e.g. in comparison with a property within the City of Chichester for example). Some consideration has been given to revising the current system by:
- Limiting the application of the policy only to those more rural parishes further from Chichester or the coastal plain
  - Extending the application of rural preference to include Band D applicants, thus increasing the potential for local lettings
  - Exercising rural preference only within Bands, so that a local applicant in Band C would only have preference over other applicants in the same Band, as opposed to over all non-local applicants as at present.
- 6.4 Whilst there are good arguments for considering such changes in the future, it is suggested that a more detailed review drawing on analysis of the scheme in practice and involving appropriate consultation, should be carried out. For the time being it is recommended that this element of the scheme remains largely as it is; with the exception of a modest redefinition to exclude lettings within larger 'strategic' developments which are currently subject to the rural allocation policy. As such, lettings of new affordable homes on sites such as Shopwhyke Lakes would be equally available to applicants from all parts of the District.

## 7. Resource and Legal Implications

- 7.1 There are no direct budgetary implications from these changes, nor any specific implications for IT or staffing.
- 7.2 The thrust of changes proposed should facilitate housing applicants placed in private temporary accommodation more quickly. This in turn should help to reduce the cost of temporary accommodation.

## 8. Consultation

- 8.1 Consultation has taken place with various parties in relation to specific aspects of the scheme.
- 8.2 West Sussex County Council has provided specific feedback in relation to proposals for young people and in relation to the allocation of tenancies in Extra Care Housing schemes within the District.
- 8.3 Hyde Housing and other Registered Providers have welcomed proposals to encourage applicants to bid carefully and to reduce the number of refusals and 'no responses' when applicants bid successfully.

## 9. Community Impact and Corporate Risks

- 9.1 One of the key risks involves the need to manage the number of homeless households being placed in temporary accommodation. The ability to provide move on options for homeless households into long term housing through the Housing Register is the principal means of managing this demand and thus controlling the cost of temporary accommodation.

## 10. Other Implications

Are there any implications for the following?		
	Yes	No
<b>Crime and Disorder</b>		x
<b>Biodiversity and Climate Change Mitigation</b>		x
<b>Human Rights and Equality Impact</b>	x	
<b>Safeguarding and Early Help</b>	x	
<b>General Data Protection Regulations (GDPR)</b>	x	
<b>Health and Wellbeing</b>	x	
<b>Other</b> (please specify)		

## 11. Appendices

Appendix 1: Summary of principal recommendations, including those recommended by the Task and Finish Group and Overview and Scrutiny Committee or made as a result of consultation with Stakeholders

## Appendix 2: Proposed Chichester District Council Allocation Scheme for Social and Affordable Housing

### 12. Background Papers

12.1 The following sources of statutory guidance are relevant:

- [Improving access to social housing for members of the Armed Forces](#)
- [Improving access to social housing for victims of domestic abuse](#)
- [Allocation of housing: statutory guidance for local authorities \(MCHLG, January 2021\)](#)