

**Select Committee on the Environment 6<sup>th</sup> March 2008**

**Report of the Director of Adult, Community & Housing Services**

**Review of Housing Allocations Scheme**

**Purpose of Report**

1. The purpose of this report is to consider two alternative proposals for the future of the Council's housing allocations policy, and the recommendations of the Working Group. The two options presented are
  - Option 1 – to retain a simplified version of the existing points based scheme
  - Option 2 – to introduce a bandings scheme

**Background**

2. The Council's Cabinet, in resolving to implement a Choice Based Lettings approach in the borough, also directed that the existing points scheme should either be simplified or replaced. The process has been overseen by Select Committee on the Environment, and monitored by a cross party working group established for the purpose. It is emphasised that the main objective was not to change the priorities afforded to different needs, but to make the priority system easier for the public to understand.
3. The review of the allocations scheme has taken into account the Housing Needs Survey 2006; key corporate issues including crime & disorder, sustainable neighbourhoods, corporate parenting and health implications/ inequalities; external factors such as government proposals on overcrowding standards; and feedback from consultation with service users.

**Issues requiring attention**

4. There are a number of issues that need to be included in the review irrespective of which option is chosen. These are listed below.
5. Communities and Local Government (CLG) has recently issued Tackling overcrowding in England: We will need to consider whether to align our scheme to the CLG standard:
6. The greatest area of pressure on council housing is from families with children. Eligibility rules were changed two years ago so that families with one child could not be allocated three bedroomed houses. Eligibility will have to be revisited to ensure that the Council is making best use of its stock.

7. It is timely to consider how homeless applicants are assessed, to ensure that our scheme supports the prevention agenda without creating perverse incentives to homelessness claims.
8. The existing exclusions policy was last reviewed in 2003. This policy has meant that applicants with previous poor tenancy records are only considered for housing once they have demonstrated suitability. Currently applicants continue to have less preference until arrears have been cleared in full.
9. The conditions that are applied to owner-occupiers and former owners need to be reviewed. Particular concern has been expressed over the Capital cap that is applied as the only assessment measure currently in place for acceptance on the waiting list.

### **The current points scheme**

10. The existing scheme was last subject to major review around 1996, but is amended from time to time in response to legislative change and other factors. A wide range of points may be awarded under seventeen headings, three of which are waiting time related, twelve are need related, and two contain both need and waiting elements. It is very complicated, Appendix 'A' summarises the current system and shows how it could possibly be simplified.
11. There are some circumstances where additional priority is applied or eligibility rules do not apply for example, rehousing of people with disabilities to adapted properties where specialist officers match the properties according to family need. This would remain our aim in any lettings system. Special cases (Delegations) also exists to consider cases where there are exceptional circumstances. Any system would need such a process to cater for exceptional circumstances.

### **A Bandings Scheme**

12. After looking at a range of banding schemes that are operational in other Authorities Appendix 'B' illustrates a seven band system that it is felt would be suitable for operation in Dudley.

### **Conclusions**

13. Criticism of the current points scheme led Cabinet to request a review and that this Select Committee should express a preference either to simplify the current points system or change to a banding system. It has to be acknowledged that arguments can be put for and against each system and what needs to be determined is what is best for the customer. We do know that the transparency of CBLs is leading to more enquiries about points, and could increase the culture of point chasing. The banding option will add further transparency and enable decisions to be explained more easily.
14. A Banding Scheme will also assist in managing supply and demand and will more clearly identify those in priority need and the modelling will ensure that those deemed to be in priority need will not be overlooked or overtaken.

15. The Working Group have considered the two options in detail and their preference is for a banding scheme. If this Select Committee supports this recommendation it will be recommended to Cabinet. It should be noted that such a significant change to our procedures will be subject to full public consultation and will need the approval of Cabinet as a full operational scheme before formal introduction.

### **Finance**

16. There are no financial implications arising directly from this report. Budget provision has already been made for IT adjustment/implementation.

### **Law**

17. The powers and duties of housing authorities in relation to the allocation and management of council housing are set out in the Housing Acts 1985 and 1996 and the Homelessness Act 2002.

### **Equality Impact**

18. The preferred scheme will be fully tested prior to implementation to ensure that it has no adverse effects.

### **Recommendation**

19. Select Committee endorse the recommendation of the Working Group that the banding model should be taken forward with the intention of it replacing the points scheme. This will be subject to full testing and public consultation.
20. The recommendation of this Select Committee is taken to Cabinet with a further recommendation that the Select Committee on the Environment continues in its role of overseeing the work.



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### **List of Background Papers**

Lettings Policy  
Select Committee & Working Group reports  
Project files

Category	How calculated under existing scheme	How calculated under simplified scheme
Date of registration	108 in 1980, reducing by 2 per year to 50 in 2009	108 in 1980, reducing by 2 per year to 50 in 2009
Time on list	10 points after ten years	10 points after ten years
Overcrowding	10 first person 5 each other person Maximum 35 Plus 10 per year (maximum 30)	No change but adopt CLG standard <ul style="list-style-type: none"> <li>• Single adult needs own room at 21 instead of 18</li> <li>• Children opposite sex need own room when one is 10 (currently when one is 10 , or when one is 8 and the other 5)</li> </ul>
Underoccupation	8 two spare rooms 15 three spare rooms	Single award of 50 points and include other beneficial moves
Lodging	10 points	Combine into single category
No living room	5 points	
Children in flats	20 ground floor 25 above Plus 10 if high rise Plus 2 per year (maximum 14)	Base award 35 Plus 10 after two years (Non family flat/maisonette only)
Adults in flats over 10 years	10 if single 15 if single over 60 15 if couple	Single award 15 points
Lacking facilities (WC, bath, hot or cold water, cooking)	5 per facility Maximum 15	Combine into single award of 25 points if <ul style="list-style-type: none"> <li>• Facilities lacking &amp; enforcement action not possible</li> <li>• Families sharing facilities</li> </ul>
Sharing any of above	3 if sharing one, 5 if sharing two, 8 if sharing three 10 if sharing all	
Medical	0, 5, 15, 25, 40, 50	No change at this time
Pre Tenancy Savings Scheme	5 points	No change at this time
Out of borough with need to move in	Date of registration plus 25 points	No change
Temporary accommodation, (hostel, B & B, prison, hospital, refuge)	Matrix points (flat/maisonette) If in refuge, add 3 per child and 10 if previously had own home (also eligible for houses)	Combine into single category, 60 points for three months Retain eligibility rules
Insecure accommodation (Mortgage or tenancy repossession, family & friends exclusions)	Owner occupier/secure tenant: Matrix (similar accom) AST/licence/tied tenant:Matrix (flat/maisonette) Plus 10 for court order Plus 5 per non dependent adult Plus 3 per child	
Armed forces	Matrix (flat/maisonette) Plus 10 Plus 5 per non dependent adult Plus 3 per child	As temporary/insecure but for six months
Less preference homeless	Minimum matrix	As temporary/insecure but restricted on area, property type and number of offers

Band	Includes	Priority within band
People we need to move	<p>People in clearance programmes/statutory rehousing</p> <p>People releasing family accommodation or two properties for one</p> <p>People releasing supported housing spaces/hospital beds</p> <p>People whose homes cannot be adapted to meet their disability needs</p>	<p>Best match for adapted/adaptable property</p> <p>Band date order</p>
People with urgent needs (time limited priority)	<p>People who are homeless</p> <p>People who are severely overcrowded</p> <p>People with Special Case decision for next available property</p> <p>People with urgent medical or disability need (40/50 point equivalent)</p> <p>People with a severe learning disability or mental health need</p> <p>People with approval for like to like move</p> <p>Referrals (witness protection programme, child protection, vulnerable adults, domestic abuse, corporate parenting, young parents etc)</p>	<p>Appropriateness of area and property type then band date order</p>
People with more than one need	<p>People with more than one of the needs described in the next row</p>	<p>Number of needs and then band date order</p>
People with one need	<p>People who are overcrowded including</p> <ul style="list-style-type: none"> <li>• lodgers aged over 21 sharing a room and</li> <li>• lodgers aged under 21 sharing a room with more than one person</li> </ul> <p>People with children in non family flats/maisonettes</p> <p>People with low/moderate medical or disability need</p> <p>People with a need to move into the borough (employment or support)</p> <p>People with Special Case decision to recognise a need</p> <p>Families with children who are unable to live together</p> <p>Family releasing family house</p> <p>Tenants of flats moving to more appropriate designation within the borough</p>	<p>Band date order</p>
People with need but who have less priority	<p>People in any of the above rows whose current/last address is outside the borough</p> <p>People in any of the above rows with sufficient equity to cover 12 months private rental</p> <p>People in any of the above rows who are required to demonstrate suitability</p>	<p>Band date order</p>
People with no recognised need	<p>Families in family flats/maisonettes</p> <p>Lodgers aged under 21 sharing a room</p> <p>Lodgers aged over 21 with their own room</p> <p>Anyone who is adequately housed</p>	<p>Band date order</p>
People with no recognised need and less priority	<p>People in the above row whose current/last settled address is outside the borough</p> <p>People in the above row with sufficient equity to cover 12 months private rental</p> <p>People in the above row who are required to demonstrate suitability</p>	<p>Band date order</p>