

WEST NORTHAMPTONSHIRE COUNCIL CABINET

10 OCTOBER 2023

CABINET MEMBER FOR HOUSING, CULTURE & LEISURE: COUNCILLOR ADAM BROWN

Report Title	West Northants Housing Allocations Function
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List of Approvers

Deputy Monitoring Officer	Sarah Hall	02/10/2023
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Other Director	Stuart Timmiss	02/10/2023
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List of Appendices

None

1. Purpose of Report

- 1.1. To seek a Cabinet decision on the preferred option for delivering the Housing Allocations function that will implement the Council's single housing allocations scheme for West Northamptonshire and administer the Council's consolidated Housing Register.

2. Executive Summary

- 2.1 The Local Government (Structural Changes) Transitional Arrangements) (No.2) Regulation 2008, (regulation 12) (as amended by coronavirus amendment regulation) West Northamptonshire Council requires the council to have a single Housing Allocations Scheme by 1 April 2024.
- 2.2 Currently the service operates three legacy schemes from the previous legacy authorities. Each scheme is managed and implemented in a very different way. The draft single West Northamptonshire Council (WNC) Housing Allocations Scheme has been out for public consultation and the final scheme will be considered by Cabinet in November. The preferred approach for the implementation of the scheme is choice-based lettings. A decision is required now by Cabinet as to where and how the housing allocations service is managed and delivered going forward in order to implement the new scheme.

3. Recommendations

- 3.1 It is recommended that Cabinet:
- a) Approve the development of the in-house team to manage the Council's Housing Allocations Service and deliver the single housing allocations scheme for West Northamptonshire.

4. Reason for Recommendations

- 4.1 The reasons for the recommendation are as follows:
- The Local Government (Structural Changes) Transitional Arrangements) (No.2) Regulation 2008, (regulation 12) (as amended by coronavirus amendment regulation) West Northamptonshire Council requires the council to have a single Housing Allocations Scheme by 1 April 2024.
 - The development of the in-house allocations team will result in a single, comprehensive triage and assessment process within the council for customers / residents in housing need.
 - Having a single allocations function will deliver a clear customer journey regardless of which part of West Northamptonshire customers / residents live in / have a local connection to.
 - The development of the in-house allocations team working alongside the in-house homelessness service will create an improved, more cohesive customer journey for customers requiring support from both services.
 - WNC will have increased control in the management, oversight and delivery of the in-house allocations team.
 - The in-house allocations team would be co-located with related functions (homelessness; disabled adaptations; community safety particularly Domestic Abuse and Sexual Violence work; Adult Social Care and the Children's Trust) to ensure increased accessibility and support to customers / residents in housing need.

5. Report Background

- 5.1 Currently the allocation of social housing across West Northants is administered under three different housing allocations schemes from the previous legacy authorities. Each scheme is managed and implemented in a different way, summarised as follows:

Locality	Methodology	Who administers scheme	ICT solution
Former Northampton Borough Council	Choice Based Lettings	Northamptonshire Partnership Homes	Capita Housing
Former Daventry District Council	Choice Based Lettings	Managed in-house	MRI Jigsaw
Former South Northants Council	Traditional Lettings	Managed in-house	MRI Jigsaw

- 5.2 The Local Government (Structural Changes) Transitional Arrangements) (No.2) Regulation 2008, (regulation 12) (as amended by coronavirus amendment regulation) West Northamptonshire Council requires the council to have a single Housing Allocations Scheme by 1 April 2024. A draft West Northants Housing Allocation Policy was approved for public consultation by Cabinet in July 2023. The Council has completed a public consultation on the draft policy and the final West Northants Housing Allocation Policy will be considered by Cabinet in November. The preferred methodology/approach for managing the new single housing allocations scheme is via Choice Based Lettings.
- 5.3 Ideally the single housing allocations scheme will use a single ICT system. Officers from the council and Northamptonshire Partnership Homes are working together to assess which of the current ICT systems used for housing allocations across West Northants is the best option to implement the new single housing allocations scheme for a transitional period until a wider review of housing and associated corporate ICT systems is completed. The final decision regarding the preferred ICT system will be made by the Council's ICT Strategy Board.
- 5.4 A decision is now required as to where and how the Housing Allocations service that will implement the Council's single housing allocations scheme for West Northamptonshire will be managed and delivered.

6. Issues and Choices

- 6.1 There are three options the Cabinet can consider for where and how the Housing Allocations service that will implement the Council's single housing allocations scheme for West Northamptonshire can be managed and delivered.

Option 1: Continue existing arrangements

- 6.2 Under this option NPH would continue to provide the housing allocations service in the Northampton locality and WNC provide the service in rural West Northants.
- 6.3 The advantages and disadvantages of this approach are outlined below:

Advantages	Disadvantages
Potentially less disruption and reconfiguration of NPH processes.	Inefficient with new systems and processes being set up in NPH and WNC.
Retain local teams with local knowledge within their current organisations/employers.	Mixed service provision confusing for customers.
Part of the Allocations function is closely aligned and integrated with the council's landlord function in NPH	Geography of legacy service provision is no longer relevant.
	Less resilience with dedicated staff resources split over 2 different organisations

- 6.4 Cost: The cost of this option would be the same as the current service delivery apart from the costs of reconfiguring one of the current ICT systems used for allocations to reflect the new single allocations scheme, some temporary staff to support re-registration of customers under the new policy and potentially some level of data transfer from old systems to new systems. The costs of the different ICT solutions will be considered by ICT Strategy Board as part of their decision-making process.

Option 2: NPH manage housing allocations for the whole of West Northants

- 6.5 Under this option NPH would manage the housing allocations for the whole of West Northants administrative area.
- 6.6 The advantages and disadvantages of this approach are outlined below:

Advantages	Disadvantages
Potentially less disruption and reconfiguration of NPH processes.	Knowledge & understanding of rural areas may be lost as service embedded within a Northampton focused organisation.
Good knowledge of Northampton locality as function based within NPH (although WNC allocations staff with knowledge of rural areas may be subject to TUPE).	Potentially confusing for customers of legacy South Northants and Daventry areas.

Reduced duplication compared to a 'split' service.	Housing allocations function separate from the homelessness function preventing a single triage and holistic assessment of housing need.
	Customers may 'fall between gaps' with separate housing allocations and homelessness functions.

6.7 *Cost:* Same cost as Option 1, with the cost of service delivery remaining the same apart from the costs of reconfiguring one of the current ICT systems used for allocations to reflect the new single allocations scheme, some temporary staff to support re-registration of customers under the new policy and potentially some level of data transfer from old systems to new systems. The costs of the different ICT solutions will be considered by ICT Strategy Board as part of their decision-making process.

6.8 *Staff:* This option is likely to involve transferring some staff under TUPE from the WNC to NPH.

Option 3: Bring the housing allocations function in-house within West Northamptonshire Council

6.9 Under this option WNC would manage the housing allocations for the whole of West Northants administrative area.

6.10 The advantages and disadvantages of this approach are outlined below:

Advantages	Disadvantages
Single, comprehensive triage and assessment process for all households in housing need (Part 6 & Part 7 of the Housing Act).	Knowledge of Northampton locality & Northampton service 'memory' may be lost (although NPH allocations staff with knowledge of Northampton may be subject to TUPE).
Improved customer journey and experience and reduced duplication.	There may be some cost & work involved to amend ICT software used by NPH (especially if Capita Housing not used for allocations)
Less opportunities for customers to 'fall between the gaps' of allocations and homelessness service.	
Increased transparency and control.	
Retain housing allocations skills, expertise and knowledge within the council.	
Housing allocations co-located with related functions: homelessness; disabled adaptations; community safety especially	

Domestic Abuse & Sexual Violence work; Adult Social Care; Children's Trust for greater accessibility to support.	
Single point of contact for housing providers and other statutory organisations.	

6.11 Since being established in 2015, Northamptonshire Partnership Homes (NPH) have been delivering the Housing Allocations Function for the Northampton area. Initially this service was provided on behalf of Northampton Borough Council (NBC), however since becoming a Unitary Authority in 2021, three separate services have been discharging the Council's housing allocations duties (under Part 6 of the Housing act 1996) based on their legacy authorities. NPH are therefore continuing to provide this service for West Northamptonshire Council (WNC), but only for the Northampton geographical area, with two other internal services providing the service for Daventry and South Northants localities.

6.12 The housing allocations service is predominantly a General Fund function with some limited tasks forming part of landlord duties relating to the management of the council's housing stock. However, the provision of the housing allocations service by NPH to NBC was included in the overarching Management Agreement that covered all of the landlord duties provided by NPH on behalf of NBC.

6.13 Should WNC wish to bring the housing allocations function for the Northampton area back into the council it will be required to formally notify NPH of their decision according to the provisions within the Management Agreement.

6.14 Currently, the service provided by NPH to WNC is financed through a mixture of General Fund and Housing Revenue Account contribution included in NPH's annual management fee. If the housing allocations function for the Northampton area was brought back into the council, it is proposed that:

- the £80,000 per annum provided from the General Fund to NPH to run the service would be deducted from the management fee from 2024/25 onwards;
- a charge would be made to the Housing Revenue Account for the consolidated function to assess applications from and shortlist tenants seeking a transfer; and
- a charge is made to the Housing Revenue Account for each property advertised through the allocations function. This is consistent with the process used to charge other Registered Providers for the advertisement of their properties.

6.15 As with the other options, Option 3 also has the costs of reconfiguring one of the current ICT systems used for allocations to reflect the new single allocations scheme, some temporary staff to support re-registration of customers under the new policy and potentially some level of data transfer from old systems to new systems. The costs of the different ICT solutions will be considered by ICT Strategy Board as part of their decision-making process.

6.16 Staff: As this may constitute a transfer of services, this option could mean the Transfer of Undertakings (Protection of Employment) (TUPE) legislation applies, resulting potentially in the transfer of employees from NPH to WNC.

6 Implications (including financial implications)

7.1 Resources and Financial

7.1.1 As outlined above, if option 3 is chosen then the £80,000 per annum provided from the General Fund to NPH to run the service would be deducted from the management fee from 2024/25 onwards and retained to provide some funding for the service.

7.1.2 Based on lettings last year the charge to the Housing Revenue Account for property adverts would be approximately £55,000. However, as part of the Fees and Charges work for budget setting for 2024/25 and the new nominations agreement that will accompany the new West Northamptonshire Housing Allocations Scheme the charging mechanism to Registered Providers and the Housing Revenue Account is going to be reviewed.

7.1.3 Some monies have been built into the budget for 2023/24 for costs relating to a reconfigured single ICT system and data transfer. In addition, the service is identifying budget in-year and within reserves to cover the costs of temporary staff to support re-registration.

7.2 Legal

7.2.1 The Management Agreement required the approval of the Regulator of Social Housing further to the provisions of section 27 Housing Act 1985 (as amended). That approval was granted by the Regulator of Social Housing on 16 December 2014.

7.2.2 The Management Agreement specifies how variations to the Agreement should be considered and whether approval / consultation is required.

7.2.3 The Management Agreement states that there is a requirement to consult tenants about a proposed change to the delivery of the Housing Allocations Service where the changes are significant or where WNC consider tenants should be consulted. Given that the exercising of the allocations function would not affect existing tenants (tenants having already been allocated properties), meaning any consultation to be undertaken should be of that group or body likely to be impacted by the proposal, and given that the proposed change is operational in nature rather than a change to the Housing Allocations scheme itself, it is not considered that Regulator approval or Tenant Consultation is required.

7.2.4 In addition Section 166A(13)(b) Housing Act 1996 provides that a Local Authority must consult with persons affected by an alteration to their allocation scheme when it reflects a major change of policy. In this case there is no change proposed to the scheme itself.

7.3 Risk

7.3.1 The main risk with all options is the ability to implement the single housing allocations scheme by 1 April 2024, in particular a single ICT solution configured to the new scheme. Mitigations will be put in place to ensure the project is robustly managed.

7.4 Human resources

7.4.1 As outlined in section 6 above, should option 3 be chosen there are potentially TUPE implications where employees from NPH would transfer to WNC. The HR team within WNC will work with NPH to ensure compliance with the legislation as required.

7.5 Consultation and Communications

7.5.1 The Council will work with NPH to undertake a range of communication activities to ensure all stakeholders are kept informed and engaged on the development and changes to the Housing Allocations Function.

A 10-week public and stakeholder consultation recently took place to seek views on the draft proposed Housing Allocations Scheme. The results of this consultation will be analysed and used to shape and inform the final scheme.

7.6 Consideration by Overview and Scrutiny

7.6.1 The Children, Education and Housing Overview and Scrutiny Committee has considered the draft housing allocations policy and will be part of reviewing the consultation comments prior to adoption of the final single housing allocations scheme. Overview and Scrutiny have not been involved in considering where and how the Housing Allocations service that will implement the Council's single housing allocations scheme for West Northamptonshire will be managed and delivered.

7.7 Climate Impact

7.7.1 There are no climate or environmental impacts of decision-making around where and how the Housing Allocations service that will implement the Council's single housing allocations scheme for West Northamptonshire will be managed and delivered.

7.8 Community Impact

7.8.1 Under Option 2, knowledge and understanding of the rural areas of West Northants may be lost in a service embedded within a Northampton focused organisation. Under option 3, knowledge of Northampton locality and Northampton service 'memory' may be lost (although NPH allocations staff with knowledge of Northampton may be subject to TUPE).

8 Background Papers

8.1 None