

# WEST NORTHAMPTONSHIRE COUNCIL CABINET

Tuesday 14 November 2023

**Cabinet Member for Housing, Culture and Leisure - Councillor Adam Brown**

Report Title	West Northamptonshire Housing Allocation Scheme
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## List of Approvers

Monitoring Officer	Catherine Whitehead	26/10/2023
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## List of Appendices

**Appendix A: West Northants Housing Allocation Scheme**

**Appendix B: How the Housing Allocation Scheme was developed**

### 1. Purpose of Report

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- 1.1. To seek Cabinet approval of the final West Northamptonshire Housing Allocation Scheme to provide a framework for the allocation of social rented homes across West Northamptonshire from April 2024.

## **2. Executive Summary**

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- 2.1 It is a legal requirement under Part 6 of the Housing Act 1996 (as amended) that Local Authorities have a housing allocation scheme, that sets out who is eligible to apply for social rented housing, how the local authority will prioritise applicants and the basis on which a Local Authority will allocate accommodation.
- 2.2 Under the Local Government (Structural Changes) Transitional Arrangements) (No.2) Regulation 2008, (regulation 12) (as amended coronavirus amendment regulation) West Northamptonshire Council (WNC) was given an exemption of the requirement to have a single allocation scheme and that exemption will expire on 31<sup>st</sup> March 2024 and WNC therefore must have a new Council Housing Allocations Scheme in place by 1 April 2024.
- 2.3 The West Northamptonshire Housing Allocation Scheme has been developed to provide an aligned and harmonised approach across West Northants. This will help in meeting the housing needs of West Northamptonshire's most vulnerable residents whilst ensuring that the area's valuable housing resources go to those in most in need.
- 2.4 This report sets out the final draft West Northants Housing Allocation Scheme following the conclusion of a 10-week consultation with service users and stakeholders. It provides a summary of the feedback received from the consultation and explains how this this has influenced the final draft Scheme.
- 2.5 The proposed Scheme will be through a choice-based lettings operating system, which enables residents to make choices about which properties they are interested in.

## **3. Recommendations**

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- 3.1 It is recommended that Cabinet:
- a) Approves the final West Northants Housing Allocation Scheme for West Northamptonshire contained in Appendix A to this report
  - b) Approve delegated authority to Portfolio Holder for any minor amendments to the Scheme prior to operational commencement on the 1 April 2024

## **4. Reason for Recommendations**

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- 4.1 To accord with legislation and which requires a harmonised Housing Allocations Scheme to be published by 1 April 2024.

- 4.2 Aligning three existing housing allocation schemes into one Scheme, which will create equality of opportunity to access social rented housing across West Northamptonshire.

## **5. Report Background**

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- 5.1 West Northamptonshire Council is required to produce a new Housing Allocation Scheme. It is a legal requirement under Part 6 of the Housing Act 1996 (as amended) that Local Authorities have a Housing Allocation Scheme, that sets out who is eligible to apply for social rented housing, how the local authority will prioritise applicant and the basis on which a Local Authority will allocate accommodation.
- 5.2 The Council currently operates three different housing allocation schemes across West Northamptonshire, these were inherited from legacy authorities and operate in the same local areas as prior to 1 April 2021. The Daventry and Northampton areas operate choice-based lettings, whereas the South Northants area operates a direct lettings scheme.
- 5.3 The current schemes have different qualification criteria and how applicants housing needs are assessed and then prioritised, although they all broadly follow the principle of prioritising households in greatest housing need.
- 5.4 The new Scheme has been developed which aligns and harmonises a consistent approach for West Northamptonshire. The Scheme also provides the opportunity for applicants to consider housing solutions across the wider geographical areas in order to meet their needs.
- 5.6 In developing the new scheme, national evidence and examples of best practice in housing allocations were considered. In addition, the Scheme reflects updates in new legislation and guidance, including, to improve access to social housing for members of the Armed Forces, Veterans and their families, and the Scheme is fully compliant with the housing requirements of the Domestic Abuse Bill 2020.
- 5.7 The Scheme has been developed with regards to the Council's Corporate Plan 2021-2025 priorities and associated actions within improved life chances and thriving villages and towns. In addition, it is mindful of the Integrated Care Strategy and the 10 'live your best life' ambitions.
- 5.8 The proposed Scheme seeks to provide access to social rented housing for our most vulnerable residents, including those experiencing homelessness, those with complex health and welfare needs, victims of domestic abuse and those subject to exploitation. The final draft Scheme also recognises the Local Authority's corporate parenting role, through the allocation of housing for young people leaving care and are ready for independent living.

5.9 Details of the housing allocations scheme proposed for approval

5.10 The final draft West Northants Housing Allocation Scheme sets out the proposed rules regarding:

- a) Who is eligible for social rented housing
- b) Who would not qualify for social rented housing in West Northamptonshire
- c) How applications will be assessed and the priority that will be accorded depending on the level of housing need
- d) How West Northants Council will allocate social rented housing.

5.11 The draft final Scheme at Appendix A contains full details of these rules.

**5.12 Eligibility and Qualification**

5.13 To join the West Northants Housing Allocation Scheme, an applicant will need to be both eligible and qualify.

5.14 Social rented housing can only be allocated to people who have a permanent right to reside in the UK. Eligible applicants are defined by immigration legislation. If an Applicant is not eligible, then their application to join the West Northants Housing Allocation Scheme, does not progress any further.

5.15 The Scheme has set out that Local Authorities are able to set their own local non-discriminatory qualification criteria. The draft scheme sets out persons who are non-qualifying and will not be allowed to join the Scheme.

5.16 It is proposed that the following circumstances of applicants will **not** qualify for the Housing Allocation Scheme:

- Persons under 18 years of age
- Persons incapable of holding a tenancy
- Persons that do not meet the West Northants local connection criteria
- Persons found guilty of unacceptable or unreasonable behaviour
- Persons who have housing related debt
- Persons who have breached tenancy conditions
- Persons who are homeowners in the UK or abroad
- Persons who have an income and savings above the financial resource limit
- Persons who do not have a recognised housing need

5.17 Changes to qualification criteria following formal consultation

5.18 The consultation on the draft Scheme has not resulted in changes to the qualification criteria. Although some further detail and points of clarity have been added to the criteria. These updates relate to:

- Local Connection criteria – the connection for employment and family as criteria for qualifying has been defined much more tightly.
- Housing related debt – the Scheme now sets out an approach depending on the level of debt and the decisions that will be made. This will be clearer for Applicants but will also be easier for assessing officers to apply the criteria. The emphasis on housing related debt is the evidence that the applicant is maintaining regular / consecutive affordable payments to reduce the debt.
- No housing need – More clarity added and sets out that if none of the circumstances as defined in the priority bands are relevant to the applicant then they will be regarded as having no housing need.

### **5.19 Prioritisation**

5.20 The Council is required by law to determine the relative priority that housing Applicants are awarded.

5.21 The proposed banding criteria reflects the statutory reasonable preference categories and additional preference. Four priority bands A-D are proposed which contain a list of criteria that satisfies each priority band.

5.22 Applicants will be prioritised for an allocation of social rented housing according to the following criteria:

- Bands, in the order of A to D. Band A has the highest priority and Band D the lowest.
- Where two or more applicants might have the same priority in the same Band, then the effective date will be used to prioritise between Applicants.
- The effective date will be the date that the Local Authority receives the last piece of supporting information to enable the completion of housing assessment and accepted onto the Scheme.

### **5.23 Band A**

5.24 This band relates to housing need that is exceptional and an immediate need to move. This will include households that are owed the main statutory homelessness duty and those who are accommodated in interim temporary accommodation. This band is also for applicant's who are suffering sudden or severe progressive life-threatening medical conditions or disability because their current home is unsuitable and poses an immediate and serious danger to the individual, and those with exceptional welfare and social hardship. Care leavers who have had a duty of care accepted under the Children's Act are also prioritised within this band.

5.25 Band A priority will also be awarded to those applicants who are over-occupying their homes by one or more bedroom, and those releasing adapted properties that are no longer required by the applicant or a member of their household.

5.26 Changes to Band A priority following formal consultation

- **Homeless households** - Households that are owed a main statutory homeless duty and those in interim temporary accommodation, were originally in Band B, but are now within Band A. There was a concern that the consultation draft Scheme placed all of the homelessness duties into Band B. This could have restricted our ability to move households on from temporary accommodation and would have impacted on our ability to re-house those in greatest housing need. In addition applicants, with a prevention duty and not in temporary accommodation would have had the same level of priority of an applicant in temporary accommodation.
- **Care leavers** were originally in Band B, but are now within Band A
- **Private sector properties with Cat 1 hazards** – properties with Cat 1 hazards were originally in Band B, alongside properties that were lacking basic facilities. Cat 1 hazards are now in Band A, and the category for lacking basic facilities remaining in Band B
- **Armed Forces** – were originally in Band B, but are now within Band A
- **Supported move-on** – originally in Band B within medical category, however to ensure timely move-on from short-term supported housing and hostels it was considered that move-on required a category of its own, and a higher priority.

5.27 Band B

Band B priority includes applicants that are owed a homeless prevention or relief duty. This priority also includes applicants who are severely overcrowded by 2 or more bedrooms, and those with severe medical or disability needs.

5.28 Changes to Band B priority following formal consultation

- **Private sector properties** with Cat 1 hazards were moved into Band A.
- **Older people approved for sheltered accommodation** – a new category has been included within Band B to reflect those applicants who have been assessed as requiring from sheltered / supported or other specialist older people’s accommodation
- **Applicant with at least one dependent child sharing with others** – this category has been moved to Band C within the new category ‘Insecurity that risks homelessness’

5.29 Band C

Band C priority includes applicants with lower-level housing needs. This includes applicants that are threatened with homelessness and have insecure living arrangements, those with medium medical / disability and right to move applicants.

#### 5.30 Changes to Band C priority following formal consultation

- **Insecurity that risks homelessness** - this a new category which encompasses those that are threatened with homelessness and have insecure living arrangements that are not sustainable in the longer term. The aims to is give sufficient priority on the Scheme to ensure that they stay in the family home and wait for an offer of social rented housing rather than become homeless.

#### 5.31 Band D

This band includes two specific groups of applicants with no housing need, but are permitted to qualify for the scheme, namely those with a local connection to a rural exception site or section 106, where allocation requirements are contained within legal planning agreements and those seeking sheltered accommodation. including households who have been deemed to have deliberately worsened their circumstances.

#### 5.32 Changes to Band D priority following formal consultation

- **Seeking older person's accommodation** – this additional category of need has been included, although the household have no housing need, but are eligible to be considered for older persons accommodation.

#### 5.33 **Other matters**

#### 5.34 Offers of suitable accommodation

5.35 It is proposed that most Applicants will be entitled to two reasonable offers of accommodation. However, the following exceptions are proposed:

- a) Applicants owed a statutory homeless duties (Band A) will be made one suitable offer of accommodation determined by a system generated 'autobid' function;
- b) Applicants in Band B with a homelessness duty will be entitled on **one** offer of accommodation via the Scheme's bidding system.
- c) Applicants who are subject to MAPPA will be made one reasonable offer to accommodation, this will be through a direct matching.
- d) Most Applicant in Band A (bar the exceptions above) will be allowed two suitable offers of accommodation and will be allowed to bid, however a direct offer may be made at any time due to the immediacy of their need to be rehoused.

- 5.36 This will enable emergency housing needs to be resolved at the earliest opportunity, and timely move-on from temporary accommodation into permanent accommodation. Safeguards will be in place to ensure that any offers of accommodation are suitable in line with statutory suitability regulations.
- 5.37 Changes to offers following formal consultation
- 5.38 Number of offers to statutory homeless – the consultation draft Scheme was suggesting that all applicants would receive 2 reasonable offers of accommodation. Consultation feedback identified the impact on managing households in temporary accommodation would be considerable, and that households would remain in temporary accommodation longer than they would if the Scheme was amended to 1 offer policy approach.
- 5.39 The final draft Scheme has proposed that Applicant owed a statutory homelessness duty will be made one suitable offer (via autobid) and a refusal will mean that their banding priority for being owed a statutory homeless duty will be removed.
- 5.40 However the Scheme has included some additional safeguards for Applicants owed a statutory homeless duty who refuse an offer of accommodation. It is proposed that the application is reviewed following the refusal of one offer and if the offer was reasonable, the Council would deem that its legal duty had been discharged, and the Applicant would be placed in a lower appropriate Band that reflects their housing need.
- 5.41 Direct offers
- 5.42 The consultation draft Scheme included provision for when the Council may choose to make a direct offer outside of the choice based lettings scheme. There may be circumstances where for operational or financial reasons there is a need to make a direct offer. The section on direct offers has been amended to ensure that it allows us to make direct offers outside of the CBL system.
- 5.43 Medical / Disability needs
- 5.44 The Scheme is still proposing to offer three priority bands based on medical / disability housing needs:  
**Band A:** Emergency medical or disability – Applicants who are suffering sudden or severe progressive life-threatening medical condition and an immediate need to move because their current home is unsuitable and poses an immediate and serious danger to the individual.



**Band B:** Severe medical / disability need – Applicant living in accommodation with a severe long term medical condition or severe disability that means they urgently need to move because their home is assessed as being highly unsuitable.

**Band C:** High medical /disability – Applicants who need to move on medical grounds because their medical condition or disability is adversely affected by their current accommodation.

The Scheme provides additional guidance and provides example of circumstances for each of the medical/disability priorities. This will help Applicants when applying, but it is also intended to guide the assessing officers to determine the different thresholds set for each Band award.

#### 5.45 **Wider strategic priorities**

5.46 The priority banding also considers the wider strategic objectives of West Northamptonshire and its partners considering the role of housing in meeting health and social care outcomes. Examples of this are to those requiring suitable accommodation to facilitate hospital discharge (Band A), those ready to move on from supported housing or Local Authority care (Band A), and those applicants who are victims of domestic abuse, racial abuse and hate crimes (Band A and B).

#### 5.47 **Choice based lettings**

5.48 The final Scheme is proposing to operate a choice-based lettings (CBL) scheme. Operating an CBL Housing Allocation Scheme is regarded as best practice, as it promotes greater customer choice as it enables applicants to bid for a property to be re-housed. This approach can support people to move to locations they may not have previously considered, once they can access information about property types and demand in different areas.

5.49 The final Scheme is proposing that properties to be re-let will be advertised on a weekly basis. Adverts will be created for each of the properties which will give details of the available properties and any specific criteria or restriction on who can bid. An Applicant will be able to make 3 bids during each bidding cycle.

#### 5.50 **Impacts of the new draft Scheme**

5.51 The new draft Scheme has been developed to ensure that it is legally compliant and where required will align and harmonise the operation of the Scheme across West Northants. Criteria within the draft Scheme has been set against national sets of formula, for example savings thresholds linked to DWP Benefit and Pension rates, this makes the Scheme more robust and at less risk of challenge.

- 5.52 There are currently over 4000 applicants registered to and active on the existing three housing allocations scheme across West Northamptonshire. The draft proposed scheme has the potential to have a positive impact on existing and future applicants prospects of securing accommodation as applicants will have access to a greater number of properties across West Northamptonshire under the new scheme.
- 5.53 The most noticeable changes will be experienced by applicants on the housing register in the South Northants area. The legacy scheme operates a direct lettings scheme, whereas the proposed new scheme will be on a choice-based lettings basis.
- 5.54 All existing applicants will also experience more disruption in relation to the reapplication process associated with the proposed new scheme and IT system. However, this is not an unusual requirement with the delivery of a new allocation scheme and bespoke IT system and also acts to replace the annual renewal process whereby applicants are required to check and confirm the details on their application. It will be important that we ensure the sufficient opportunities for accessing help and support with the reapplication process are available and communicated to applicants.
- 5.55 The existing schemes apply different thresholds for their qualification criteria, and the new Scheme will provide a consistent approach across West Northants, especially in the following areas:

**Table 1: Summary of qualification criteria changes**

Aspects of scheme	Existing Allocation Schemes			New scheme
	Daventry area	Northampton area	South Northants area	Final draft WNC Scheme
<b>Local connection</b>	Residency last 12 months	Residency last 3 years	Residency 6 out of the last 12 months	2 years immediately prior to application
<b>Housing related debt</b>	Will not qualify with housing debt over £1000	Reduced priority for rent arrears	Will not qualify with over 8 weeks' worth of housing related debt	Debt under £100 will be disregarded.  Debt over £1000 and at least consecutive payments and have repaid at least 25% of their original debt will

				<p>be permitted to join the register and bid for properties</p> <p>Debt over £1000 and no arrangements to repay will not qualify to join the Scheme</p> <p>Debt of £500-£999 will qualify to join the Scheme but unable to bid unless evidence of consecutive payments</p> <p>Debt under £500 will qualify to join and bid on the Scheme, but will need to demonstrate consecutive payments.</p>
<b>Property ownership</b>	Do not qualify however exceptions in place	Combines assets and savings to for exclusion where there is no reasonable preference	Do not qualify – however exemptions in place	Do not qualify, however exemptions in place
<b>Income threshold</b>	Capped at £60k	Capped at: £30k single £40k joint	Capped at £60k	Capped at £60k
<b>Savings threshold</b>	No threshold	Capped at £16k for single	Capped at £16k	Capped at £16k

		applicant and £32k for joint		
<b>No housing need</b>	Band D	Do not qualify	Do not qualify – exemption for rural schemes	Do not qualify – exemption for rural schemes and older persons accommodation

- 5.56 The local connection qualification has changed, it is now proposed that the local connection for residency, employment and close family connection is a minimum of two years continuous connection to the West Northants area. This is more likely to negatively impact those applicants registered on Daventry and South Northants legacy scheme as the current legacy local connection is lower (12 months or less).
- 5.57 The qualification criteria for housing related debt now sets out an approach depending on the level of debt and the repayment arrangements in place. This will be clearer for Applicants but will also be easier for assessing officers to apply the criteria. The emphasis on housing related debt is the evidence that the applicant is maintaining regular / consecutive affordable payments to reduce the debt.
- 5.58 A potential impact of applicants on the Daventry legacy scheme is those with no housing need seeking general needs housing. Under the new scheme, applicants will not qualify if they do not have a housing need, unless they meet one of the exemptions (local connection for a rural exception site / seeking older persons accommodation). In practice, this is likely to have a limited impact, as the demand on the current legacy scheme is approximately 135 applicants.
- 5.59 The proposed prioritisation banding system (A-D) is much simpler than some of the existing schemes, without the inclusion of points or stars etc.
- 5.60 A comparison exercise of the various aspects of the existing allocation schemes banding criteria shows that the new proposed scheme is broadly similar, and it is unlikely to be a significant impact on any one group of applicants in relation to losing or gaining relative priority for an allocation of housing. This is largely because the draft Scheme is framed on reasonable preference categories which existing schemes also reflect.
- 5.61 The new proposed Scheme is much clearer on how medical needs will be considered and prioritised with the Scheme, and the information that will need to be provided by recognised medical professionals.

## 6. Issues and Choices

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- 6.1 It is a legal requirement under Part 6 of the Housing Act 1996 (as amended) that Local Authorities have a Housing Allocation Scheme
- 6.2 West Northamptonshire Council is required to have a harmonised housing allocation scheme by 1 April 2024 as set in the Local Government (Structural Changes) Transitional Arrangements (No.2) Regulation 2008, (regulation 12) (as amended coronavirus amendment regulation).
- 6.3 It is recommended that the final draft West Northants Housing Allocation Scheme is approved and adopted for publication.
- 6.4 The Council may be at risk of legal challenge if we do not have an adopted Housing Allocation Scheme within the timescales set out.

## **7. Implications (including financial implications)**

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### **7.1 Resources and Financial**

7.1.1 The draft Housing Allocation Scheme proposed does have costs associated with the accompanying ICT system. Following an options appraisal on the two incumbent ICT solution providers, it was recommended that Capita Open Housing is chosen as the preferred provider to develop the ICT solution based on timescales, costs and complexities. The costs associated with this are within the service budget envelope.

### **7.2 Legal**

7.2 It is legal requirement under Part 6 of the Housing Act 1996 (as amended) that Local Authorities have a Housing Allocation Scheme, that sets out who is eligible to apply for social rented housing, how the local authority will prioritise Applicants and the basis on which a Local Authority will allocate accommodation.

7.2.1 Under the Local Government (Structural Changes) Transitional Arrangements (No.2) Regulation 2008, (regulation 12) (as amended coronavirus amendment regulation) West Northamptonshire Council the exemption from the requirement set out in 7.2 above expires and therefore a new Council Housing Allocations Scheme must be in place by 1 April 2024.

7.2.2 Section 166A (13) states that:

*Before adopting an allocation scheme, or making an alteration to their scheme reflecting a major change of policy, a local housing authority in England must:*

- a) *send a copy of the draft scheme, or proposed alteration, to every private registered provider of social housing and registered social landlord with which they have nomination arrangements and;*

*b) afford those persons a reasonable opportunity to comment on the proposals.*

7.2.3 The consultation carried out has satisfied this requirement.

7.2.4 Section 168(3) of the Housing Act 1996 as amended states: When the authority make an alteration to their scheme reflecting a major change of policy, they shall within a reasonable period of time take such steps as they consider reasonable to bring the effect of the alteration to the attention of those likely to be affected by it.

7.2.5 The Scheme has been developed to be compatible with other relevant legislation, regulations and guidance.

### 7.3 Risk

7.3.1 There is a legal requirement to have in place an allocations scheme for determining priorities and the procedure to be followed in allocating social rented housing.

7.3.2 In accordance with the Local Government (Structural Changes) Transitional Arrangements) (No.2) Regulation 2008, (regulation 12) (as amended coronavirus amendment regulation) West Northamptonshire Council requires a new Council Housing Allocations Scheme by 1 April 2024.

7.3.3 The impact of non-compliance to the structural change order could result in reputational damage, risk of challenge and potential consequences from central government. Furthermore, interruption to the Housing Allocation service would not be acceptable as this is a front line service, with many customers in a priority groups who may be at risk and vulnerable.

### 7.4 Consultation and Communications

7.4.1 Prior to the formal consultation period, the scheme was developed jointly through validation workshop and involved elected members, officers, NPH, local partners and stakeholders.

7.4.2 A ten-week consultation in respect of the draft West Northamptonshire Housing Allocation Scheme was launched on the 19 July and closed on 26 September 2023. An online survey was made available on the Council website. Consultation survey responses were received online, telephone and email.

7.4.3 The consultation was promoted via press releases, website articles, staff /member briefings. All existing applicants of the three legacy schemes were contacted directly via email to notify them of the consultation opportunity and the relevance of the proposed changes to the allocation of social rented housing across West Northamptonshire in the future.

7.4.4 The consultation presented key proposals and invited respondent to say whether or not they strongly agreed, agreed, neither agreed nor disagreed, disagree, strongly disagree and unsure

with the draft proposals. It also provided sufficient scope for respondents to provide free text feedback on each proposal and on the wider draft scheme.

7.4.5 The key proposal areas on which feedback was specifically sought were:

- The proposed qualifying criteria to join the Scheme
- The proposed other matters around offers of accommodation and deliberately worsening circumstances
- The proposed priority banding criteria.

7.5.6 The consultation received a total of 732 responses analysed, consisting of 445 fully completed responses. 624 (85%) of respondents were from local residents of West Northamptonshire and 363 (57%) of respondents were already registered with a current housing allocation scheme within West Northants.

7.5.7 There was positive support for the draft housing allocation scheme as 69% of respondents strongly agreed and/or agreed with the proposals within the consultation. 15% neither agreed nor disagreed, whilst only 12% disagreed and/or strongly disagreed with the proposals.

7.5.8 Appendix B – ‘How the Housing Allocation Scheme was developed’ shows the breakdown of respondents by demographic factors and illustrates a representative sample and a large proportion of existing service users engaged in the consultation. Table 2 of this document identifies the key comments / responses and how these have influenced the final draft scheme.

## **7.6 Consideration by Overview and Scrutiny**

7.6.1 A presentation to Children’s, Education and Housing Overview and Scrutiny took place on the 19<sup>th</sup> June 2023, with recommendation presented to Cabinet in July 2023.

## **7.7 Climate Impact**

None

## **7.8 Community Impact**

7.8.1 An Equality Screening Assessment in respect of the final Housing Allocations Scheme has been completed, and reflects the changes made to Scheme following consultation. Their assessment concludes that there are no negative impacts.

## **8 Background Papers**

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