

BOROUGH OF KETTERING

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Report Originator	John Conway – Head of Housing	<i>Fwd Plan Ref No:</i> A13/030	
Wards Affected	All	15 th January 2014	
Title	HOUSING ALLOCATION SCHEME		

Portfolio Holder: Cllr Steve Bellamy

1. PURPOSE OF REPORT

To seek Executive Committee approval of the revised Housing Allocations Scheme, which underpins the allocation of social rented homes to households in housing need in the Borough.

2. BACKGROUND INFORMATION

- 2.1 In November 2012, the Executive Committee agreed to adopt a new Housing Allocation Scheme for the allocation of social rented homes in our Borough. This was developed so that the Council could make best use of the social housing stock using new freedoms and flexibilities introduced by the Localism Act 2011.
- 2.2 While it was agreed that some provisions within the new Scheme would be implemented from 9 November 2012, the majority of amendments would not take effect until IT software was in place to facilitate the process. This was delivered on 27 June 2013, and the new Housing Allocation Scheme was implemented in full from this date.
- 2.3. All applicants previously registered for housing were asked to reapply so that their circumstances could be considered against the new Housing Allocation Scheme and prioritised accordingly. Approximately 1,700 applicants were asked to reapply for housing in order that their circumstances be considered under the new Housing Allocation Scheme. To date, just over 1,300 new applications have been received.
- 2.4 This report updates the Executive Committee on the impact of the new Housing Allocation Scheme having now been in place for a full six months. It also makes recommendations for further amendments in the light of our experiences since implementation and the changing environment in which we are now working.

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3. **POLICY IMPLICATIONS**

3.1 The last review of the Housing Allocation Scheme resulted in a radical shift in policy when allocating social housing. Its impact has been largely positive, as outlined below:

Positives:

- A full verification of each housing application is now carried out prior to acceptance onto the housing register. This ensures that each applicant meets the qualifying criteria before acceptance onto the register and helps combat tenancy fraud.
- The scheme promotes far greater social mobility for existing social housing tenants, particularly those who need to downsize or transfer due to ill health. Around 40% of all allocations are now made to existing social housing tenants compared to 31% previously.
- New local connection criteria ensure that applicants with a connection to Kettering Borough receive priority over applicants with a connection to the rest of the Keyways partnership area.
- Giving priority to those who make a community contribution, for example, through employment, volunteering, etc for new build schemes is helping to create sustainable communities, by avoiding high concentrations of vulnerable households on new developments.
- Additional income is being generated for the Council by applicants paying-off housing related debts in order to qualify for the register.
- The private rented sector is being utilised to discharge our statutory homelessness duty, by providing a wider property pool from which to source accommodation and helping to reduce the length of time homeless households spend in temporary accommodation.

Negatives:

- A much higher proportion of applicants do not qualify for the housing register, mainly as a result of having housing debt.
- There is a complete mismatch between the supply of affordable homes in our Borough and demand. Welfare reforms have meant that a far higher proportion of applicants are seeking smaller properties to ensure that Housing Benefit will cover their rent in full. Around sixty percent of applicants require one bedroom accommodation, while only thirty percent of the Council's own housing stock provides accommodation of this size. This has led to difficulties letting certain types of property locally, particularly 3 bedroom houses. This is in common with national trends.

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3.2 Therefore, revisions to the Housing Allocation Scheme are proposed which will improve the lettability of some property types which are proving more difficult to let, by allowing certain households to access larger accommodation subject to affordability checks, and by widening the scope of how can apply for housing. All proposed amendments are included in the revised Housing Allocation Scheme document attached to this report. However, the main changes are summarised as follows:

- **Section 5.1: People who can afford market housing** – It is proposed that this be limited to those who can afford to purchase a property on the open market, with the exception of those applying for sheltered housing. Elderly people will no longer be subject to any income, savings or equity caps. Where savings/equity caps do apply, this is reduced from £35,000 to £32,000.
- **Section 5.4: People who behave in an unacceptable way** – Council Tax debts and those who have committed benefit fraud are added to the list of non-qualifying criterion, in addition to those subject to possession proceedings as a result of mortgage arrears, unless it can be shown that it is through no fault of the applicant.
- **Section 6.4: Band B Overcrowding** – New guidance has been produced to clarify when an application will be awarded Band B (Higher Need), C (Medium Need) or D (Lower Need) for overcrowding.
- **Section 6.4: Band B Financial Hardship** – Definition of this criterion has been expanded for greater clarity.
- **Section 6.4: Band B Supported Move-On** – Clarification provided that this criterion does not include those who lack the mental capacity to be able to manage and sustain a tenancy. In addition, applicants living in supported housing outside of the Keyways partnership area will not qualify unless they have a local connection to Kettering Borough and the placement was the only suitable specialist residential care placement available to meet their needs at the time.
- **Section 6.7: Band D Sharing with Others (without dependents)** – New criterion to enable single people and couples who reside with family or friends and who want their own accommodation, or those living with former partners, to access the housing register.
- **Section 6.8: New Band E Awaiting a Homeless Decision** – New criterion to allow those living in temporary accommodation who qualify for the register to bid for properties while investigations into their homelessness claim are ongoing. Applicants placed in Band E must still qualify to join the housing register.
- **Section 11.9: Village properties** – Applicants with a local connection to a village will be given priority over applicants with a connection to the wider Borough for general needs accommodation in our villages, although the allocation of bungalows, sheltered and adapted accommodation will remain unchanged.

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- **Appendix A: Property Eligibility Matrix** – Amended to reflect the wider choice of properties each household type can be considered for subject to an affordability check.
- 3.3 The two other Keyways local authority partners (Corby and Wellingborough) are reviewing their Housing Allocation Schemes at the same time. The three policies will remain largely the same, although Corby and Wellingborough will continue to accept applicants who are adequately housed for general needs accommodation.

4. RESOURCE IMPLICATIONS

- 4.2 IT systems, information guides and application forms have already been amended to reflect the change in approach earlier in 2013. There are no additional resource implications as a result of introducing these latest amendments.

5. CONSULTATION AND CUSTOMER IMPACT

- 5.1 A consultation process has been undertaken with partners including housing association and local authority partners, as well as other agencies who support housing applicants through the Keyways process. Feedback received from this consultation process has informed the revisions to the Scheme.
- 5.2 The revisions have been assessed to ensure compliance with the latest legislation and case law governing social housing allocations and the Equalities Act.

6. RECOMMENDATION

- 6.1 It is recommended that the Executive Committee agrees to adopt the revised Housing Allocation Scheme attached to this report with immediate effect.

Background Papers:

Keyways Housing Allocation Scheme
(revised December 2013)

Date: 13 December 2013

Contact Officer: Sue Hottinger/
Housing Strategy & Options Manager

Previous Reports/Minutes:

Ref:

Date: 7 November 2012