

READING BOROUGH COUNCIL

REPORT BY ECONOMIC GROWTH AND NEIGHBOURHOODS

TO:	HOUSING, NEIGHBOURHOODS AND LEISURE COMMITTEE		
DATE:	10 NOVEMBER 2021		
TITLE:	HOUSING ALLOCATION SCHEME REVIEW		
LEAD COUNCILLOR:	COUNCILLOR EMBERSON	PORTFOLIO:	HOUSING
SERVICE:	HOUSING NEEDS	WARDS:	ALL
LEAD OFFICER:	BRYONY HALL	TEL:	01189 372631
JOB TITLE:	HOUSING NEEDS SERVICE MANAGER	E-MAIL:	Bryony.hall@reading.gov.uk

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 The Councils Housing Allocations Scheme sets out the rules used to determine how priority is awarded for social housing and how properties are allocated.
- 1.2 This report details Reading Borough Council's requirement to review its Allocations Scheme, including national and local drivers for change, the outcome of consultation on the proposed changes, the subsequent recommended amendments made to the scheme and the timetable for their proposed implementation.
- 1.3 Appendices
 - Appendix 1 Summary of consultation findings
 - Appendix 2 Allocations Scheme
 - Appendix 3 Equality Impact assessment

2. RECOMMENDED ACTION

- 2.1 That Housing Neighbourhoods and Leisure Committee note the findings from the Allocations Scheme Consultation.
- 2.2 That Housing Neighbourhoods and Leisure Committee approve the proposed changes to the Council's Housing Allocations Scheme as informed by the consultation and adopts the revised Allocation Scheme including the relevant changes.
- 2.3 That Housing Neighbourhoods and Leisure Committee note the influencing factors relating to implementation and agrees the timetable for delivery of the new scheme.

3. POLICY CONTEXT

- 3.1 It is a long-standing legal requirement for Local Authorities to have a Housing Allocations Scheme setting out the rules used to determine who gets priority for social housing within their area of governance, in addition there is supporting guidance, which requires that the scheme must be kept under regular review.
- 3.2 There are certain legal requirements that the Council must follow in developing or reviewing an Allocations Scheme, set out by Part 6 of the Housing Act 1996. Fundamentally Local Authorities are required to give priority to households who attract 'reasonable preference'. The definition for 'reasonable preference' is set out in legislation, the categories include:
- homeless households
 - overcrowded households
 - those living in unsanitary housing conditions
 - those who require a move based on medical or welfare grounds.
- 3.3 Beyond the legal requirement, it is important that Local Authorities keep their Allocations Scheme under regular review in order to ensure that it aligns with local and national strategic priorities whilst meeting the needs of residents and their communities. The last significant change to Reading's Allocations scheme was carried out in 2016, when the Scheme was revised to include changes brought about by the Localism Act, including the application of Qualification Criteria for certain groups, for example a 3-year residency requirement in Reading for access to the Housing Register.
- 3.4 Local Authorities are encouraged to develop their Allocations Schemes to support broader public policy outcomes, such as:
- Encouraging greater social and economic mobility of social housing tenants
 - Ensuring the most efficient use of the housing stock
 - Responding to employment or skills needs specific to the area
 - Creating more mixed communities and addressing the long-term sustainability of neighbourhoods
 - Developing and maintaining balanced and stable communities
 - Addressing specific issues at the neighbourhood level, such as anti-social behaviour and high-turnover through prioritising use of local lettings policies
 - Countering misconceptions as to apparent unfairness of the allocation process
 - Strengthening community cohesion, particularly in areas where tensions are known to be associated with the way housing is allocated
- 3.5 In March 2021 Housing Neighbourhood and Leisure Committee approved a public consultation exercise to inform a review of the Allocations Scheme. There were two main themes identified for consultation, Building Sustainable Communities, and Clear and Transparent Scheme along with mechanisms to support their delivery. This paper sets out the results of the consultations and how they have influenced the development of a revised Allocations Scheme.

4. THE PROPOSAL

4.1 Current Position:

- 4.1.2 An eight-week consultation exercise was carried out between 22nd March and 12th May 2021. Using an online questionnaire, the consultation was promoted in a range of ways including, a broad approach through social media and resident newsletter reaching approximately 95,000 residents and more targeted methods through the Choice Based Lettings bidding pages and text to tenants. The online link was shared with external and internal partners and stakeholders.

4.1.3 The number of respondents were significant, in total there were 684 responses. A summary of the full consultation responses can be found in Appendix 1. Key respondent profile:

- 73% of respondents (505) reported that they were registered for social housing, the remaining were interested parties - support or social workers, employees of a Registered Provider (RP) or RBC or key workers.
- Approx. 35% applicants under 35 years old, 30% between 35 - 34 years old, 35% over 45 years old.
- 45% of applicants responded that they were renting in the private rented sector, whilst approx. 36% were renting from a social housing provider (RP or RBC), the rest were mainly owner occupiers or living with friends and family.
- 28% of respondents reported that they had a disability.

4.2 Options Proposed

4.2.1 Responses to the consultation and proposed changes are as follows:

4.2.2 **Building Sustainable Communities** - Reading Borough Council identifies the need to create balanced and sustainable communities in order to improve outcomes for residents and reduce antisocial behaviour on our estates, whilst supporting the most vulnerable in the community. The following 3 mechanisms were consulted upon to support this priority:

A) To improve tenant mobility by awarding a level of priority should they wish to move within social housing stock via the Housing Register.

Improving tenant mobility can support local economies and tenant outcomes by improving tenants' physical access to work or specific services (for example hospitals or schools). Improved tenant mobility helps to make better use of stock (reducing under occupation), improves satisfaction and quality of life and give tenants a greater sense of fairness - giving tenants a sense of investment in their home and community.

Consultation finding: Overall almost 60% of respondents were in favour of this change. Whilst it is expected that those who currently rent social housing would agree with this (approx. 70% in favour of this proposed change), it is of interest to note that 52% of those who responded from private rented sector tenancies also agreed with this change. In addition, 83% of overall respondents were in favour of giving greater priority to severely overcrowded tenants.

Proposal

It is proposed that Reading Borough Council tenants who wish to move will be awarded a level of priority even where their circumstances do not attract a 'Reasonable Preference' priority, as outlined in the draft Allocations Scheme.

B) To improve opportunities for accessing affordable home for key workers by removing the residency criteria and introducing an annual quota of homes for this group.

Reading Borough Council wishes to ensure that this group have access to affordable homes, whilst supporting the creation of more mixed communities and as such addressing the long-term sustainability of neighbourhoods. These changes are proposed to help the Council and its partners to respond to employment and skill deficits within the town and support the recruitment of key roles.

Consultation finding: There were a high level of respondents who felt that they ‘don’t know’ in response to the questions relating to these changes. Approx. 57% of those who gave a yes or no answer felt that the residency criteria ought to be removed for key workers (overall 20% responded ‘don’t know’). Approximately 75% of respondents who gave a yes or no answer felt that RBC should introduce a quota of properties for key workers.

Proposal

It is proposed to provide an exception to the 3-year residency criteria required to join the Housing Register for key workers supporting those that are providing essential services in Reading to have access to key worker accommodation in the town. It is proposed to ensure greater priority for this group through the creation of a quota queue, letting a number of properties each year.

C) To review tenant behaviour sanctions

Reading Borough Council’s Allocations Scheme currently prevents those who have been evicted due to antisocial behaviour from accessing the Housing Register for 3 years. Since the introduction of this sanction a number of individuals have been identified that have been previously evicted due to serious, threatening or violent behaviours which have not been addressed, who have now seen this sanction expire and are now able to re-join the register.

Consultation finding: The response rate supporting these changes was high, with 84% of people agreeing that the Council should have flexibility to assess applications of a case by case basis, with 76% further agreeing that the sanction preventing applicants from applying to the Housing Register ought to be increased from 3 years to 5-10 years in cases of serious anti-social behaviour.

Proposal

It is proposed that applicants that have been previously evicted due to serious, threatening or violent behaviours which have not been addressed, do not qualify for Reading Borough Council housing register for a minimum period of 5 years; this may increase for to up to 10 years on reasonable consideration of all the relevant facts.

- 4.2.3 **Clear and Fair Allocations Scheme** - Reading Borough Council recognises that it is important to have an Allocations Scheme which is transparent, easy to understand and makes best use of housing stock to meet needs. The following mechanisms were consulted upon to support this priority:

D) To simplify the Allocations Scheme by reducing the number of bands that are used to prioritise people on the Housing Register.

Consultation finding: Overall 66% of respondents were in favour of this change to simplify the priority bands, with 80% of respondents who gave a yes or no answer agreeing to the change.

It is recognised that, by reducing the number of bands some applications may appear to have reduced priority, however it is worth noting that the change in the number of bands will not impact the priority that individual applications are awarded relative to other applications. Any applications that may have potentially reduced banding due to the restructuring of the scheme will retain the relative priority that they attracted prior to the changes. For any applications that may move down a band as a result of the changes it will be important that changes are effectively communicated to applicants to ensure that they understand that their own application will attract the same level of priority as it did under the old scheme.

Proposal

It is proposed that the number of priority bands are reduced from six to five, made up of priority bands 1-4 and a further band where applications do not attract any priority for housing, reflecting the current scheme.

E) To separate the general needs Housing Register from those that require adapted homes

By separating the general needs Housing Register from those that require adapted homes it is intended to make the allocation of these properties simpler whilst making it easier and more straightforward for those who need adapted properties to access them. Strategically having a separate Adapted Housing Register will help to better identify what the need is for adapted properties in Reading and provide a more coherent data source for strategic decision making for future housing developments.

Consultation finding: There was significant support for change in the questions relating to this issue. 88% of the respondents supported the creation of a separate Register for those who require significant adaptations, with 83% of respondents agreeing that adaptable properties should only be made available to those that need them.

Proposal

It is proposed that there is the creation of a register for those applicants that require property adaptations.

4.2.4 Additional changes

A revised scheme has been drafted which also includes a small number of technical updates which are required that have not be consulted upon and are not required to be consulted on. These are changes that need to be carried out to formally update the Allocations Scheme to ensure that policies are aligned as a result of recent changes to legislation, for example changes brought about by Britain exiting the EU, guidance expected for publication in October 2021 as a result of the Domestic Abuse Act and the Homeless Reduction Act 2017.

4.2.5 The following issues that support the development of balanced communities are referenced in the new scheme but were not consulted upon:

4.2.6 *Local Lettings Policies*

It is good practice for local authorities to develop and review Local Lettings Policies which define the type of lettings to be made at the neighbourhood level for specific areas or housing developments, in order to allow them to address issues and create more sustainable communities. This could range from preventing allocations to people with a history of anti-social behaviour or giving priority to new homes to local people. Where required, the intention of Local Lettings Policies is to focus lettings in any given area on the presenting issues within that neighbourhood.

4.2.7 Whilst these are standalone documents, reference is made to Local Letting Policies in the scheme. As part of the implementation of the new scheme Reading Borough Council intends to carry out a full review of its current Local Lettings Policies to determine whether they are meeting the needs of the community, residents and prospective tenants. This review may result in the removal of out of date policies or the implementation of new ones and will support the ambition to strengthen community cohesion and create more balanced communities on an ongoing basis.

4.2.8 *Pre-tenancy workshops*

Pre tenancy training, or counselling, is an effective tool that supports tenants to be better able to cope with the demands of managing a tenancy. This can be especially important for younger people, those from disadvantaged or chaotic backgrounds or those who have never held a tenancy before. This can vary from a simple explanation

of the requirements of the tenancy agreement, to something more in depth, that covers managing finances, managing responsibilities of the home (reporting repairs etc), engaging in the community, how to be a good neighbour and the implications of antisocial behaviour. It is proposed that in circumstances where this training need is identified prospective tenants are provided with this training prior to signing a tenancy.

4.2.9 Implementation

It is proposed that there is a phased implementation of the new scheme to allow for the changes to be implemented in the most effective way. Throughout 2022 the Housing Service will be implementing a new Housing IT system and it is proposed that different elements of the scheme are introduced in line with the following milestones:

On publication of the new scheme - expected January 2022

- Introduction of 5-10-year qualification criteria for those that have been evicted for ASB.
- Technical amendments relating to immigration relating from UK exiting the EU and Homelessness Reduction Act.

Introduction of the New IT system - expected September 2022

- Introduction of adapted housing register for people seeking adapted homes
- Increased priority for RBC Tenants
- Introduction of Key Worker Quota Queue
- Overall reduction of Bands

4.2.10 A review of existing Local Letting Policies will be undertaken throughout 2021 with a view to completion by the final scheme implementation.

4.2.11 Subject to the new scheme being agreed the Tenancy policy will be updated to reflect the need for fixed term tenancies for specific key worker developments.

4.3 Other Options Considered

4.3.1 The alternative option is for no changes to be made to the scheme other than those technical ones required for the purposes of legal update. This would not provide the Council and its residents with the benefits resulting from the proposed changes described in this report.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 Reading Borough Council's vision is to help Reading realise its potential - and to ensure that everyone who lives and works here can share the benefits of its success.

5.2 The new Allocations Scheme contributes to both the vision and the Corporate Plan Themes of Thriving Communities and Inclusive Economy in the following ways:

- Creating safer communities and addressing specific issues at the neighbourhood level, such as anti-social behaviour and high-turnover through prioritising use of local lettings policies and changing sanctions.
- Encouraging greater mobility for social housing tenants allowing households to become more invested in their community and to live in accommodation that better meets their needs.
- Ensuring the most efficient use of the housing stock by letting adapted accommodation to those with specific needs.
- Responding to employment or skills needs within Reading by creating a quota queue of accommodation for key workers.
- Creating more mixed communities and addressing the long-term sustainability of neighbourhoods by allowing tenants to move more easily and creating a quota queue for key workers.

6. ENVIRONMENTAL AND CLIMATE IMPLICATIONS

6.1 There are no environmental or climate implications arising from the decision.

7. COMMUNITY ENGAGEMENT AND INFORMATION

7.1 An eight-week consultation exercise was carried out between 22nd March and 12th May 2021 on the recommendations that have been made in this report.

7.2 The number of respondents were significant, in total there were 684 responses which were broadly in support of the recommendations. A summary of the full consultation responses can be found in Appendix 2.

8. EQUALITY IMPACT ASSESSMENT

8.1 The need for an equalities impact has been considered and it was found that no group defined as having a protected characteristic is disadvantaged by these changes.

9. LEGAL IMPLICATIONS

9.1 Local Authorities must administer the allocation of social housing in line with Part VI of the Housing Act 1996. Local housing authorities are required to have regard to the government guidance entitled 'Statutory guidance on social housing allocations for local housing authorities in England' (which was published in 2012 and updated in 2021) in exercising their functions under Part VI. Failure to follow statutory provision may lead to legal challenge including a judicial review challenge against the council or a referral to the Local Government Ombudsman.

10. FINANCIAL IMPLICATIONS

10.1 There are no financial implications arising from this decision. Any changes to the Housing Allocation Scheme could have future implications or benefits for the Council and as such changes will be subject to future decision reports.

11. BACKGROUND PAPERS

11.1 Allocations Scheme Consultation HNL Report 10th March 2021