

**ALLOCATION OF ACCOMMODATION:  
GUIDANCE FOR LOCAL HOUSING AUTHORITIES IN ENGLAND**

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**SUMMARY REPORT**

**Purpose of the Report**

1. This report considers the issues identified within the Government's consultation on proposed changes to statutory guidance on social housing allocations in England. Alongside the guidance, the Government is consulting on two sets of draft regulations relating to the Armed Forces. The consultation closes on 30 March 2012.

**Summary**

2. This is one of a number of inter related consultations flowing from the Localism Act. The proposed new guidance is intended to assist authorities to take advantage of the provisions in the Localism Act 2011 which give back to local authorities the freedom to manage their own waiting lists, and make it easier for them to move existing social tenants to more suitable accommodation. It also encourages authorities to make use of the existing flexibilities within the allocation legislation to ensure that social homes go to people who need and deserve them the most.

Key elements include:

- Priority for Ex Service personnel
  - Addressing under occupation and consider the implications of the Welfare Benefit reforms on those under occupying
  - Addressing the needs of working families and those who make a contribution to the community.
3. Darlington is part of the sub-regional Choice Based Lettings system Compass which has a jointly agreed allocations policy. This system allows for local flexibility in policy and Darlington has a number of local policies that are relevant to this consultation. Compass Members are currently reviewing the Allocations Policy and have included the proposals within the new guidance. Many of the proposed changes are already included within existing allocations policies either at a sub-regional or local level. These proposals have a direct relationship with the Government's requirement for Housing Authorities to introduce a Strategic Tenancy Policy.

## Recommendation

4. It is recommended that :-

- (a) The review that is being undertaken by Compass Members form the basis for any changes to the Allocations Policy.
- (b) The consultation does not close until 30/3/2012 and therefore the main features of any revision to the Allocations Policy should be considered as part of the draft Strategic Tenancy Policy.

**Murray Rose**  
**Director of People**

## Background Papers

- Localism Act 2011
- Housing Act 1996
- Code of Guidance on the Allocation of Accommodation, issued November 2002
- Code of Guidance on Choice Based Lettings, issued August 2008
- Circular 04/2009: Housing Allocations – Members of the Armed Forces
- Fair and flexible: Statutory Guidance on Social Housing Allocations, issued December 2009.
- Compass, Scheme Guide

Ken Davies: Extension 2304

S17 Crime and Disorder	This report has no direct implications for Crime and Disorder
Health and Well Being	Implications for access to suitable housing
Carbon Impact	There are no carbon impact implications in this report
Diversity	The impact will fall on anyone registering for social housing
Wards Affected	All wards are affected, but in particular those with higher numbers on the waiting lists for Council housing
Groups Affected	People on Housing waiting lists, People under occupying properties, Ex service personal.
Budget and Policy Framework	The issues contained within this report do not represent change to Council budget or the Council's policy framework.
Key Decision	This is not a key decision
Urgent Decision	This does not represent an urgent decision.
One Darlington: Perfectly Placed	Allocations Policies play a key role in maintaining balanced and sustainable communities
Efficiency	The Compass scheme offers significant efficiencies

# MAIN REPORT

## Information and Analysis

### Introduction

5. The Localism Act 2011 introduces potentially significant amendments to the way that Social Housing properties are allocated. The Government wants to ensure that allocations policies balance between meeting acute housing need and contributing to broader social and economic well-being in the context of the limited supply of social housing. They therefore want to introduce more local flexibility within allocations policy.
6. As part of the development of this process the Government have published a consultation document<sup>1</sup> that provides detail of the proposed changes. This report sets out the emerging issues. The proposed changes include:
  - (a) Giving back to local authorities the freedom to determine which categories of applicants should qualify to join their waiting list. This would end the requirement, created in 2002, that, subject to some limited exceptions, anyone is eligible to apply to be allocated social housing regardless of whether they are in housing need.
  - (b) Retaining the current 'reasonable preference' categories.
  - (c) Taking existing social tenants who are seeking a move but not in housing need out of the allocations framework, so that they no longer have to 'compete' with new applicants on the waiting list.
  - (d) Introducing priority for Ex-service personnel.
  - (e) Priority for people who are fostering or adopting.
  - (f) The introduction of a computerised national mutual exchange scheme.
7. This consultation follows an earlier consultation: *Local decisions: A fairer future for social housing* also based on proposals in the Localism Act that included these additional related proposals:
  - (a) Introducing new flexibilities for social landlords to offer tenancies for a fixed term, usually of at least five years.
  - (b) Introduction of Affordable Rents.
  - (c) Reform of Homelessness to make effective use of the private rented sector and in particular to discharge the housing duty by offering accommodation in the private sector.

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<sup>1</sup> Allocation of accommodation: guidance for local housing authorities in England January 2012: CLG

These issues form part of the scope of the new Strategic Tenancy Policy that Housing Authorities are required to introduce and are part of a separate report.

### **Current Allocations Policy**

8. Allocations for Darlington are managed by Compass. Compass was first established in 2008 by the Tees Valley Choice Based Lettings Partnership. This is made up of the 5 Tees Valley local authorities and their partner organisations that either own or manage the housing stock on their behalf. There is an agreed Allocations Policy that is supported by additional local policies to reflect particular needs of individual communities.
9. A steering group made up of representatives of the partnership oversee the work of Compass. This scheme was set up with support and funding from the Government and was recognised as a “best practice” project delivering good value for money as well as a flexible service that helps to meet local needs.

### **Detailed Proposals**

10. The Government have recognised that there is a significant shortage of social housing and as a consequence in many areas only people who are in the highest levels of housing need are able to access Social Housing. They are concerned this is leading to high concentrations of people with multiple needs. They are also concerned that current Allocations Policies reduced the opportunities for those who are seeking work or are working. They also want to give Housing Authorities the opportunity to recognise the contribution that some people make to building sustainable communities by giving them the opportunity to live within those communities.
11. The Government wants to give housing authorities the flexibility to change the Allocations Policy to:
  - (a) Introduce priorities within the allocations policy that better reflect local needs. These include:
    - Addressing under occupation particularly in light of the potential impact of Welfare Reforms
    - Introduce priority re-housing for former service personnel
    - Introducing more clarity about measures of over-crowding
  - (b) Consider if there should be limits placed on who can apply for access to the waiting list.
  - (c) Give a right to review a decision on qualification and to be informed of the decision on the review and the grounds for it.
  - (d) Allocate Affordable Rent homes in the same way as social rent properties and that existing lettings arrangements operated by local authorities and Private Registered Providers will continue to apply.

- (e) Address the needs of working families and those who make a contribution to the community.
- (f) Have regard to their homelessness and tenancy strategies when framing their allocation scheme.
- (g) Make it easier for housing authorities to manage unrealistic expectations by excluding people who have little or no prospect of being allocated accommodation
- (h) To make it easier for existing social tenants to move by removing the constraints of Part 6 from those social tenants who apply to the housing authority for a transfer but do not have a housing need. As a result, Housing Authorities will be able to strike an appropriate balance between meeting the needs of existing tenants and new applicants for social housing, while making best use of their stock.
- (i) Clarification of the requirement not to allocate to persons from abroad who are ineligible.
- (j) There are also a number of technical changes to the existing legislation to facilitate the introduction of this flexibility.
- (k) A significant amount of the guidance also restates existing requirements.

These proposals are intended to encompass nominations to Registered Providers and Private Sector landlords where an agreement exists.

12. When framing or modifying the allocation scheme, housing authorities must now have regard to their current tenancy and homelessness strategies. As identified earlier a Strategic Tenancy Strategy is a requirement of the Localism Act and is in the process of being developed. Also, as Darlington has retained its housing stock there is an additional requirement to produce a Tenancy Policy specific to the Council's stock.
13. Overall the guidance requires housing authorities to consider the flexibilities that are now available and make any changes they wish to their Allocations Policy. The Secretary of State considers that housing authorities should include all those who may be affected by, or have an interest in, the way social housing is allocated when consulting on a new allocation scheme or making major changes to it. It will be important to engage with a wide range of partners in the statutory, voluntary and community sectors, as well as Private Registered Providers, applicants, existing tenants and the wider community.

### **Actions Being Taken**

14. The Compass Allocations Policy is currently being reviewed by the Steering Group to ensure it addresses changing needs. As part of that process the Steering Group is reviewing the proposals contained within the Government's consultation. As Compass includes all of the main housing providers within the sub-region it provides an effective vehicle for developing a consensus on the best approach while also addressing many of the requirements for consultation including for example Registered Providers working in Darlington and those on the waiting lists.

15. During the initial phase of this work the Steering Group of Compass concluded that many of the proposals that the Government intend to introduce are already fully or partially met within the existing policy. These include:
- Priority for under occupation.
  - Priority for overcrowding and the test for overcrowding matches proposed guidance
  - Priority for ex service personnel policy
  - Priority for people who need to move for work
  - Priority for Foster/Adoption families
  - Provide preference for people with a local connection
16. In addition Darlington already has an enhanced local policy for housing ex service personal and consultation is underway in Darlington for local incentives /rewards scheme to address under occupation.
17. The consultation on the new guidance does not close until 30 March 2012 and the revised Compass policy will be made available for consultation after that. The questions attached to the Government consultation and the initial responses from Darlington are attached at **Appendix 1.**

## **Conclusions**

- (a) The Government intend to introduce changes to allocations as part of a major reform of social housing and these changes need to be considered in the context of these changes. The time frames for introducing these various inter-related changes are all slightly different and consequently to ensure a coherent approach to implementation of these changes there will need to be a final review of the settled Government plans before finalising this policy.
- (b) The specific impacts of the introduction of a flexible local approach are not likely to be challenging for either Compass or Darlington