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NORTH NORTHAMPTONSHIRE SHADOW AUTHORITY

SHADOW EXECUTIVE COMMITTEE MEETING

29 October 2020

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| Report Title | North Northamptonshire Housing Allocation Scheme – Request to consult the community and other key stakeholders |
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List of Appendices

Appendix A - Draft North Northamptonshire Housing Allocation Scheme

Appendix B – Equality Impact Assessment- *To follow*

1. Purpose of Report

- 1.1 To propose a new North Northamptonshire housing allocation scheme from 1st April 2021, for consultation.

2. Executive Summary

- 2.1 The report sets out a draft housing allocation scheme for North Northamptonshire following the conclusion of the work undertaken by officers across the North Northamptonshire districts and boroughs as part of the Housing Options workstream to achieve a common allocation scheme by April 2021. It provides a headline summary of the proposed scheme as well as further details on the proposed consultation and project timeline.

3. Recommendations

- 3.1 It is recommended that the Shadow Executive Committee:
- a) Approves a six-week consultation period for a new draft housing allocation scheme for North Northamptonshire which harmonises the four existing allocation schemes into one aligned and common scheme;
 - b) Supports the aim to launch a North Northamptonshire housing allocation scheme on vesting day, 1 April 2021, which will ensure that all residents of North Northamptonshire have the opportunity to access social housing.

(Reason for Decision: to enable the launch of the new scheme by April 2021, representing a first step in transforming housing services across North Northamptonshire to the benefit of all residents.)

4. Report Background

- 4.1 Members will be aware that all local housing authorities are required by law to have a scheme for determining priorities and procedures when allocating social housing, including council housing and housing association properties to rent.
- 4.2 Whilst the Housing Act 1996 (Part 6) requires local authorities to frame their housing allocation schemes to give reasonable preference to certain categories of people, the Localism Act 2011 allows for discretion in how social housing stock is allocated in order that councils can tailor their allocation priorities to meet the needs of their local residents and communities. This local discretion includes determining which categories of people qualify to access the housing register.
- 4.3 Currently all of the local housing authorities in North Northamptonshire operate choice-based lettings (CBL) schemes utilising IT systems provided by Civica. Corby, Kettering and Wellingborough operate under the Keyways scheme sharing an IT system and with broadly similar housing allocation schemes. East Northants has a standalone scheme called Homes Direct.
- 4.4 Whilst the Local Government (Structural Changes) (General) (Amendment) Regulations 2018 specify a period of two years for the housing allocation schemes inherited from predecessor councils to be revised and harmonised across the new unitary authority, due to the circumstances set out in 4.3 it is feasible to achieve this for vesting day in North Northamptonshire.
- 4.5 Achieving the aim of launching a harmonised North Northamptonshire allocation scheme for vesting day is based upon taking the current Keyways system, making changes to reflect the draft North Northamptonshire allocation scheme, and migrating East Northamptonshire's applicants onto the new system.
- 4.6 There are two key projects associated with the development and delivery of a new North Northamptonshire housing allocation scheme for vesting day:
- The housing allocation scheme itself which sets out the policies and procedures in relation to allocating social rented housing across North Northamptonshire
 - The accompanying IT system which will need to be redesigned and upgraded to support the delivery of the harmonised scheme
- 4.7 As part of the Future Northants Housing Options workstream, a project group of officers from the four local housing authorities in North Northamptonshire have developed a draft housing allocation scheme for consultation at Appendix A. The draft scheme has been subject to legal checks and is compliant with relevant legislation. The new scheme will apply to existing housing applicants, new applicants and existing social housing tenants in North Northamptonshire who wish to transfer. The new scheme will supersede the existing schemes covering Corby, East Northamptonshire, Kettering and Wellingborough.

4.8 This report proposes the scheme for public consultation.

5. Issues and Choices

5.1 Consultation Requirements and Timeline

5.1.1 The Shadow Executive is not being asked to make a decision on the housing allocation scheme at this meeting but to approve the proposal to go out to consultation on the scheme detailed below in order to provide an opportunity for interested persons to review and comment on the draft proposals.

5.1.2 It is recommended that the consultation period is six weeks to allow for meaningful and thorough consultation whilst concluding the consultation prior to 2021 so that delivery of the wider project is not compromised.

5.1.3 A draft online consultation survey which is available to preview at <https://futurenorthants.citizenspace.com/++preview++/housing-north/housing-allocation-scheme-2020/> has been developed and accompanying communications drafted. Arrangements have been established to make the consultation as accessible as possible and enable feedback to be provided by a range of methods.

5.1.4 Members of the Shadow Executive Committee are asked to approve the recommendation (at 3.1 above) to begin consultation on the new draft housing allocation scheme for North Northamptonshire.

5.2 Details of the housing allocation scheme proposed for consultation

5.2.1 The allocations project group, comprising officers from Corby, East Northamptonshire, Kettering and Wellingborough, mapped the main components of their existing allocations schemes and key data relating to housing demand and supply. The existing schemes within Corby, Kettering and Wellingborough were predominantly aligned as they have utilised a shared Keyways system for the past nine years. Whilst having regard to current strategic housing priorities and operational practices, the project team systematically reviewed the provisions of the existing schemes in producing a new draft scheme for North Northamptonshire.

5.2.2 The draft housing allocation scheme sets out the proposed rules regarding:

- Who would qualify for social housing in North Northamptonshire
- Who would receive priority for social housing in North Northamptonshire
- How the new Council would allocate social housing and who could be considered for what type and size of property
- How applications from those in the greatest housing need, including people who are homeless, will be managed

5.2.3 The draft scheme at Appendix A contains full details of these rules but the headline proposals that the consultation will focus on are as follows:

- Some applicants will not qualify to access the scheme including:

- Those with no housing need (some exceptions apply for example applicants eligible for sheltered accommodation)
 - Some homeowners
 - Those without a local connection to North Northamptonshire
- A local connection can be established by virtue of two years' residency, family connections and employment. Special circumstances also apply for example in cases relating to domestic abuse and armed forces personnel.
 - The scheme proposes an opportunity for free movement across North Northamptonshire in order that applicants can consider housing solutions across the wider geographical area in order to meet their needs. There remains a mechanism to exempt some properties or developments from this rule such as some village properties and new build schemes.
 - The proposed banding criteria reflect the statutory reasonable preference categories and also local priorities which are based on housing supply and demand data across North Northamptonshire
 - Five priority bands A, B, C, D and E are proposed with criteria that satisfy each priority band. Applicants that are homeless or threatened with homelessness span Bands A – D depending on the type of statutory homeless duty owed, and other factors pertaining to the circumstances of their individual case.
 - The detailed priority banding criteria are provided in Appendix A but to provide a summary of the proposed tiers of housing need:
 - Applicants awarded a Band A will receive the highest priority for rehousing and this band includes households that are owed the main statutory homeless duty, those with a severe medical need to move and those at serious risk of harm.
 - Band B priority includes applicants that are owed a homeless prevention or relief duty and that are vulnerable or have dependent children where they appear to be homeless through no fault of their own. This priority band also includes those with an urgent medical need to move and those that are overcrowded requiring additional bedrooms.
 - Band C represents those applicants with lower level housing needs and includes applicants with a less urgent need to move on medical grounds. It also includes those homeless applicants owed a prevention or relief duty who are not deemed to have worsened their own circumstances but who are not regarded as vulnerable.
 - Band D includes a limited number of applicants who must be provided a reasonable preference as homeless households but who have been deemed to have deliberately worsened their circumstances or found to be intentionally homeless. It also includes applicants who are regarded to have adequate accommodation that is shared with others but who would benefit from independent accommodation.
 - Band E includes two specific groups of applicants with no housing need but who are permitted to qualify for the scheme nonetheless,

namely those seeking sheltered accommodation and those with a local connection to a rural exceptions site or section 106 site where allocation requirements are contained within legal planning agreements.

- The priority banding criteria also take into account the likely wider strategic objectives of North Northamptonshire and its partners considering the role of housing in meeting health and social care outcomes. Examples of this are a high priority proposed to those requiring suitable accommodation to facilitate hospital discharge (in Band A), and a high priority for those ready to move on from supported housing or local authority care (in Bands A and B).
- The scheme proposes that statutory homeless applicants, and other applicants in Band A with an emergency housing need, will be provided with a suitable offer of accommodation determined by a system generated 'auto-bid' function. This will enable their critical housing need to be resolved at the earliest opportunity. Safeguards will be in place to ensure that any offer of accommodation is suitable.
- It is proposed that other categories of applicants who refuse two suitable offers of accommodation within a 12 month period will have their applications suspended and be unable to participate in the scheme for 12 months.

5.4 Options Considered

- 5.4.1 The alternative option would be to utilise the two year period detailed in 4.4 to revise and harmonise the allocation scheme between 2021 and 2023 and to continue with the four existing housing allocation schemes currently in operation in the interim. On the basis that local circumstances in North Northamptonshire make achieving a harmonised and common scheme feasible, and due to a desire to ensure that residents of North Northamptonshire are subject to the same rules, the project team committed to aiming for the delivery of a new common scheme for Day One.
- 5.4.2 Continuing with four different schemes and sets of rules after April 2021 would lead to confusion and result in different levels of support and opportunity for residents depending on their current area of residence. A common scheme for Day One would mean that applicants with the same housing circumstances and level of need would be provided the same level of assistance and opportunity to resolve their housing difficulty.

5.5 Consultation Approach

- 5.5.1 The proposed consultation will run for six weeks which is felt to provide sufficient time to consult robustly with all stakeholders, housing association partners and all current applicants.
- 5.5.2 The consultation will be communicated and promoted as follows:
- Articles on all District and Borough websites
 - News articles and links on the existing Keyways and Homes Direct websites

- Internal staff communications
- Social media platforms
- Press Release
- Online survey on the Future Northants Citizen Hub website (available to preview via the website link in section 5.1.3)
- Direct communication with all current housing applicants
- Direct communication with all housing association partners
- Liaison with relevant statutory and voluntary sector partners with an interest in housing and homelessness
- Liaison with existing council tenants through relevant forums
- Briefing/Invitation to participate in the consultation to be circulated to all members

5.5.3 The consultation will be an online survey and open to all residents, stakeholders and interested organisations. The consultation will also be accessible to those who wish to provide feedback via other methods including telephone, post and email. It will be available in other formats and languages upon request.

5.6 Timetable

5.6.1 The planned timetable for the approval of the scheme is set out in the table below:

| Milestone | Date |
|---|---|
| Proposed scheme for consultation considered by Shadow Executive | 29 October 2020 |
| Consultation on proposed scheme commences | 4 November 2020 |
| Consultation on proposed scheme concludes | 15 December 2020 |
| Consultation responses analysed and considered | Throughout consultation period and until 31 December 2020 |
| Final scheme considered for approval by Shadow Executive | 28 January 2021 |
| Scheme operational | 1 April 2021 |

6. Implications (including financial implications)

6.1 Resources and Financial

6.1.1 The scheme proposed for consultation does have costs associated with the accompanying IT system. A separate report has been taken through the necessary Future Northants governance processes and the costs will be funded through the Future Northants Programme budget. As the proposed IT solution to accompany this proposed scheme involves relatively minor policy amendments to an existing IT system already used by three of the four District and Borough councils, costs are limited and savings would be realised from procuring one new contract to replace the four existing contracts. These savings will be reflected in the new councils budget when they are realised.

6.2 Legal

6.2.1 Section 4.4 of this report provides detail on the Local Government (Structural Changes) (General) (Amendment) Regulations 2018 which provide a two year period in which to align existing allocation schemes. The adoption of a housing allocation scheme for North Northamptonshire is a legal requirement and is dealt with in Section 166A of the Housing Act 1996, as amended.

6.2.2 Section 166A(12) states that:

A local housing authority in England must, in preparing or modifying their allocation scheme, have regard to—

(a) their current homelessness strategy under section 1 of the Homelessness Act 2002,

(b) their current tenancy strategy under section 150 of the Localism Act 2011

In framing the draft scheme, officers have had due regard to the North Northamptonshire Homelessness and Rough Sleeping Strategy 2019-2024 and considered the existing Tenancy Strategies of the stock holding authorities - Corby and Kettering Borough Councils.

6.2.3 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.

The proposed consultation approach set out in section 5.5 will satisfy this requirement

6.2.4 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.

The proposal in section 5.5 to directly contact all existing housing applicants across North Northamptonshire and notify them of the draft changes will satisfy this legal requirement.

6.2.5 The legal team at District Law have been provided with an opportunity to review the draft scheme and were satisfied in relation to statutory compliance.

6.2.6 An equality impact assessment has also been undertaken to determine the implication of the proposed draft allocation scheme on our service users with protected characteristics.

6.3 Risk

6.3.1 There is a legal requirement to consult on any proposed housing allocation scheme therefore failure to do so will leave North Northamptonshire Council open to legal challenges on the scheme that is implemented.

6.4 Consideration by Overview and Scrutiny

6.4.1 None

6.5 Climate Impact

6.5.1 None

6.6 Community Impact

6.6.1 There are currently almost 3900 applicants registered to and active on the existing four housing allocation schemes across North Northamptonshire. The changes to existing schemes or proposals that form the draft of the new North Northamptonshire scheme have the potential to have a positive impact on existing applicants' prospects of securing accommodation as applicants will have access to a greater number of properties across North Northamptonshire under the new scheme.

6.6.2 The most noticeable change will be experienced by the 1,239 applicants to the existing Homes Direct scheme in East Northants as it is proposed that they will move to an amended version of the existing Keyways scheme utilised by the other three councils in North Northamptonshire. This will involve for example existing applicants moving from a priority system of bands 1, 2, 3, 4 and X with a 'Priority Card' option, to a new system of Bands A – E. In practice, the comparison exercise that mapped out the various aspects of the four existing allocation schemes shows that many aspects of the Homes Direct scheme are broadly similar to the other Keyways schemes and there 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 due to the fact that the draft scheme is framed on statutory reasonable preference categories which existing schemes also reflect. This means that the following categories of applicants must receive a priority for housing, and this will not change:

- People who are homeless as defined in Part 7 of the Housing Act 1996
- People who are owed a particular statutory duty by any local housing authority under certain provisions of homelessness legislation

- People occupying insanitary, overcrowded or otherwise unsatisfactory housing
- People who need to move on medical or welfare grounds, including grounds relating to a disability
- People who need to move to a particular locality within the district to avoid hardship to themselves or others

6.6.3 There are many individual details of the new draft scheme which have been considered and harmonised and it is not feasible to list them all in this summary report but the table below provides Members with some examples where variations between schemes did exist and the changes that are being proposed. It shows how existing schemes have been aligned and indicates the process that has been followed by the project team who have retained a detailed matrix and record of all decisions made should further information be required. Unsurprisingly on the basis that the Localism Act enables local authorities to determine their own rules around who qualifies for their housing registers, the most significant changes that are required to align the existing schemes relate to who qualifies to access the housing register:

| Aspect of scheme | Existing allocation schemes | | | | Proposed new scheme |
|--|---|---------------------------------|---|--|---|
| | KBC | CBC | BCW | ENDC | Draft NNC |
| Qualification rules: Income cap | Capped at £45k p/a for single applicants and £60k p/a for joint | No threshold | Capped at £40k p/a for single applicants and £60k p/a for joint | Capped at £60k p/a | No threshold – income cap removed. |
| Qualification rules: Local connection residence requirement | 3 years out of the past 5 years and a current residency requirement | 3 years out of the past 5 years | 3 years out of the past 5 years | 12 months out of 24 months; or 3 years out of the past 5 years | 2 years out of the past 5 years and current residency |
| Qualification rules: No housing need cases | Do not qualify (sheltered housing exceptions in Band D) | Qualify in Band E | Do not qualify (village connection exceptions in Band E is satisfied) | Some qualify under specific existing banding criteria | Do not qualify with specific exceptions in Band E for those seeking sheltered housing and those with a local connection to specific s106 / rural exceptions sites |

6.6.4 In relation to the proposal above that applicants with no housing need will not qualify to access the new North Northamptonshire housing register, this will represent a change to a group of 425 applicants without any housing need who are currently active with Corby Borough Council in Band E. In practice, and as the demand for social housing continues to increase, the impact would be minimal as is illustrated by the fact that only two Band E applicants were housed via Corby's scheme in 2019/20.

7. Background Papers

7.1 None.