

Report to: **Overview & Scrutiny Panel**
Date: **24 November 2016**
Title: **Allocation Policy and Devon Home Choice Policy Review**
Portfolio Area: **Customer First**

Wards Affected: **all**

Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:
(e.g. referral on of recommendation or implementation of substantive decision)

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Recommendations:

- 1. To note the content of this report**
- 2. To recommend to Executive to remain in the Devon Home Choice partnership for the next 12 months**
- 3. To recommend to Executive, that within the next 12 months to complete a comprehensive review of alternative allocation delivery methods to evaluate whether the Devon Home Choice partnership remains fit for purpose**
- 4. To recommend to Executive to make no changes at this time to the South Hams Allocations Policy.**

1. Executive summary

- 1.1. This report asks the Panel to recommend to Executive to make no changes to the Devon Home Choice Policy at this time. However within the next 12 months, for Officers to come back to panel with examples of

alternative ways in which the Authority could manage housing need and people requiring affordable housing within the area. Review of the Allocation Policy will also inform the report, however no changes are required at this time.

2. Background

- 2.1. Devon Home Choice (DHC) has operated in South Hams since 2010. It is the Authority's current model of allocating affordable housing for rent in the District.
- 2.2. DHC is a partnership of all 10 Local Authorities in Devon and 25 Registered Providers. A common policy exists between partners with a banding system in use to assess housing need. In addition to this South Hams has its own local allocation policy which forms the basis on which units of affordable housing are allocated to people in housing need and or with a local connection. (Appendix 1)
- 2.3. The DHC policy was last reviewed at Overview & Scrutiny Panel on the 27th August 2015 with a recommendation that it again was reviewed in 12 months' time. Hence this report, setting out more detailed recommendations for the next 12 months.
- 2.4. As of the 1st July 2016 there were 1877 people on the South Hams Register. Of which 39% (738) were in no housing need Band E)

| | Band A | Band B | Band C | Band D | TOTAL | Band E | Grand total | | |
|------------|--------|-----------|-----------|-----------|-------|-----------|-------------|--|--|
| South Hams | 0 (0%) | 188 (17%) | 243 (21%) | 708 (62%) | 1139 | 738 (39%) | 1877 | | |

This is an increase of 543, predominantly in Band E from the 30th July 2015.

Although Band E represents "No Housing Need" in South Hams homes are allocated to people with no housing need. In particular properties where there is a Section 106 criteria that they are let to local people. In the last quarter (1 July – 30th September) 10% of general needs and 75% of sheltered properties were allocated to people in no housing need.

- 2.5 Devon Home Choice is a choice based lettings system. Applicants on the register can apply for up to 3 properties a week that they wish to be considered for. This way of allocating affordable homes to rent remains the most common system nationally, however recently Councils in York, Rochdale and London Borough of Hounslow have indicated that they are ending their schemes and scrapping choice based lettings. As part of the proposed review over the forthcoming 12 months, the experiences of these authorities and their alternative delivery methods will be examined in detail.
- 2.6 Registered Providers in Cornwall are evaluating the experiences of Coastline Housing, who have not renewed their partnership with Cornwall and instead are operating their own choice based lettings system. Although Coastline is not a partner in Devon, if a provider with stock in Devon decided to join Coastline, it could mean they also chose to leave Devon Home Choice. This would have consequences for the partnership.
- 2.7 It is likely that any change to the system would represent a return to a nominations system, where each provider was not duty bound to allocate all properties through the Local Authority, or on housing need. In the case of the properties transferred from South Hams District Council to

DCH (previously Tor Homes) the agreement is that 75% of the properties are let in accordance with council policy, with the remaining 25% for DCH to allocate as they see fit. As they are now a regional Landlord, this may mean tenants rehoused in South Hams from elsewhere in Devon & Cornwall.

3. Outcomes/outputs

- 3.1. It is now timely to look at options available to ensure that wherever possible housing in South Hams goes to local people in the greatest housing need and that we continue to meet the statutory functions of the Housing Act 1996 (as amended)

4. Options available and consideration of risk

- 4.1. A report will come back to panel within 12 months detailing other options for the allocation of affordable housing to rent. This will draw on the experience of other Authorities, public consultation and consideration of advantages and disadvantages of staying in a partnership such as Devon Home Choice.

Proposed Way Forward

- 4.2. It is recommended that South Hams District Council make no changes to the existing Devon Home Choice Policy and to fully review the partnership within the next 12 months.
- 4.3. It is recommended that the South Hams Allocation Policy remains as is, and is reviewed in 12 months.

5. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|------------------|---------------------------|--|
| Legal/Governance | Y | <p>The Localism Act 2011 allows Local Authorities to restrict access to its Housing Register and are no longer required to keep an “open register”</p> <p>The Council is bound by Part 6 of the 1996 Housing Act (as amended) to give “reasonable preference” to certain groups of people. These are as follows</p> <ul style="list-style-type: none"> • People who are homeless • People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions • People who need to move on medical or welfare grounds • People who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or others) |

| | | |
|--|--|--|
| | | Both the Devon Home Choice Policy & The South Hams Allocations Policy meets these statutory requirements. |
| Financial | | DHC remains low cost. An estimated £13k a year on a part-time member of staff and £1000 a year towards printing and software updates. The majority of costs are met by stock holding Authorities and Providers who advertise their properties. This is currently £25 a property which remains low cost in comparison to other schemes. As part of the review of the Devon Home Choice partnership, standalone products and partnerships will be considered, to ensure we continue to offer the service that meets the needs of our customer but also is efficient and offers value for money for the Authority. |
| Risk | | If Members did not recommend continuing in partnership with Devon Home Choice, we are required to give 6 months' notice. It is important that the opportunity to look at all alternative options is given proper consideration and that any learning from Authorities considering different models can be included. |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | Please see attached the Comprehensive Equality Impact Assessment (Appendix 4) |
| Safeguarding | | No direct safeguarding concerns with regard to this policy, however there are inbuilt processes and systems within the Devon Home Choice system to deal with our most vulnerable applicants |
| Community Safety, Crime and Disorder | | <ul style="list-style-type: none"> No direct implications |
| Health, Safety and Wellbeing | | Both the Devon Home Choice Policy and South Hams Local Allocations Policy give reasonable preference to people requiring housing due to Health, safety & Wellbeing. |
| Other implications | | |

Appendices:

Appendix 1 – South Hams Allocation Policy

Appendix 2 Devon Home Choice Policy

Appendix 3 Devon Home Choice Monitoring Report 30 September 2016

Appendix 4 Devon Home Choice Equality Impact Assessment