

# Housing Allocation Scheme: Consultation Document

## 1. Introduction

The Council has a statutory duty to set out in an Allocations Scheme, the way in which social housing will be prioritised and let. In doing so, the Council needs to recognise the valuable role that social and other affordable housing products play in meeting the wider aims and objectives of the Council; inclusive communities, educational attainment, health improvements and economic prosperity.

The Council's [Strategic Housing Framework](#) has set a vision, priorities and outcomes for the housing sector in Cornwall. The Allocations Scheme should support and enable the delivery of our strategic housing priorities and outcomes in the following ways:

- Through early advice and guidance, assisting in the prevention of homelessness
- Allocate a scarce resource to the applicants most in need of accommodation
- To make best use of our existing housing stock, by letting homes that best suit applicants housing need.

## 2. Background

The Council's current allocation scheme, Cornwall Homechoice, sets out how the Council will prioritise and let its own housing stock and how we will nominate to partner Registered Providers.

A scoping document was presented and agreed by Members of the Homes and Communities Portfolio Advisory Committee (H&C PAC) on the 6<sup>th</sup> February 2014, which set out the policy direction and further areas for analysis. A draft consultation document presented evidence based options for consideration by Members of the H&C PAC on the 2<sup>nd</sup> April 2014 from which Members identified their preferred options for the formal consultation document for partners and stakeholder groups.

## 3. Formal Consultation

This revised Allocations Scheme for Cornwall will be subject to a period of formal consultation from the 28<sup>th</sup> April to the 13<sup>th</sup> June 2014. A range of consultation events will take place during this period including focus groups, documents being made available on the Cornwall Council and Cornwall Housing Ltd websites, e-mail and telephone surveys.

## 4. Eligibility and Qualification

The Localism Act gave local authorities greater freedom to set their own policies about who should qualify to go on the waiting list for social and affordable housing in their area, giving them the power to determine which applicants do or do not qualify for an allocation of housing.

### 4.1 Proposed criteria

It is proposed that the following local qualification criteria to join the housing register should be adopted:

- All applicants should have a Local Connection to Cornwall;
- Applicants with assets or income under an agreed amount;
- Applicants who do not demonstrate any unacceptable behaviour;
- Transferring applicants with a reasonable preference or those who wish to downsize or vacate an adapted property.

#### Consultation Question 1:

We propose to set local qualification criteria for applicants seeking to join the housing register. **Do you agree with this?**

### 4.2 Local Connection to Cornwall

In terms of a local connection to Cornwall, more information is available in the 'Supplementary Paper: Eligibility & Qualification' and two options are proposed as follows.

#### Option 1:

Applicants<sup>i</sup> must demonstrate that they have a local connection to Cornwall for a minimum of three years by meeting at least one of the following criteria:

- Have lived in Cornwall for the previous 3 years;
- Have been in permanent employment (16 hours or more per week) in Cornwall for at least 3 years;
- Have close family (normally mother, father, brother, sister, son or daughter) that have lived in Cornwall for a minimum of 3 years;
- Have lived in Cornwall for 10 of the first 16 years of their life;
- Needs to move to Cornwall to give care or support to someone that has lived in Cornwall for the previous 3 years; or need to receive care or support from someone who has lived in Cornwall for the previous 3 years.

#### Option2:

Applicants must demonstrate that they have a local connection to Cornwall for a minimum of five years by meeting at least one of the following criteria:

- Have lived in Cornwall for the previous 5 years;
- Have been in permanent employment (16 hours or more per week) in Cornwall for at least five years;
- Have close family (normally mother, father, brother, sister, son or daughter) that have lived in Cornwall for a minimum of 5 years;
- Have lived in Cornwall for 10 of the first 16 years of their life;
- Needs to move to Cornwall to give care or support to someone that has lived in Cornwall for the previous 5 years; or need to receive care or support from someone who has lived in Cornwall for the previous 5 years.

### Consultation Question 2:

We propose that applicants who cannot demonstrate a local connection to Cornwall will not qualify to join the housing register. **Do you agree with this?**

### Consultation Question 3

If an applicant can demonstrate a local connection to Cornwall should this be for:

- **Option 1 - 3 or**
- **Option 2 - 5 years?**

### 4.3 Assets

It is proposed that households with realisable assets that would suggest they should be able to meet their own housing need will not qualify to join Cornwall Homechoice unless exceptional circumstances apply. More information on assets is available in the 'Supplementary Paper: Eligibility & Qualification' and it is proposed that these asset levels are:

- Applicant(s) or household members that own property, or have a financial interest in a property with a value of £50,000 or more;
- Applicant(s) or household member that own property, or have a financial interest in a property and it is reasonable for them to live in this property.

### Consultation Question 4:

We propose that households who have realisable assets valued at over £50,000, or who own property that it is reasonable for them to live in, will not qualify to join the housing register. **Do you agree with this?**

### 4.4 Income

It is proposed that households with an income that would suggest they should be able to meet their own housing need will not qualify to join Cornwall Homechoice unless exceptional circumstances apply. More information on incomes is available in the 'Supplementary Paper: Eligibility & Qualification'. It is suggested that these income levels will be based on a multiplier of the Local Housing Allowance as this reflects differences in rents across Cornwall and they are regularly updated:

Currently the Local Housing Allowance for different areas in Cornwall per week is:

	Room	1 Bed	2 Bed	3 bed	4 Bed
Kernow West	£66.43	£103.85	£131.01	£150.00	£183.46
N Cornwall & Devon Borders	£66.04	£92.31	£118.87	£138.46	£161.54
Plymouth	£70.50	£93.23	£121.15	£139.84	£180.64

The table below indicates what the average low to middle income family type spends on housing as a proportion of their income in England and highlights the higher proportion of income required to rent privately when compared to other tenures.

	Couple with no children	Couple with 1 child	Couple with 2 children	Couple with 3+ children	Single with no children	Single with children
Social renter	21%	21%	17%	16%	29%	22%
Private renter	33%	28%	27%	26%	38%	32%
Owns with mortgage	22%	23%	25%	22%	31%	24%

Source: Authors' analysis of DWP, Family Resources Survey 2010/11

It is proposed, given the above evidence, that the multiplier for the Local Housing Allowance should be 4 times the highest figure in Cornwall as this would enable the majority of households to access all types of housing. That is, households who earn more than what it would cost a household to spend 25% of their income on their housing costs should in theory be able to meet their own housing need. This gives an annual income figure for each property type of:

	Room	1 Bed	2 Bed	3 bed	4 Bed
Highest LHA	£13,800	£21,600	£27,250	£31,200	£38,200

#### Consultation Question 5:

We propose that households who have an annual income (or equivalent) over the amount as indicated in the table below:

	Room	1 Bed	2 Bed	3 bed	4 Bed
Highest LHA	£13,800	£21,600	£27,250	£31,200	£38,200

Will not qualify to join the housing register. **Do you agree with this?**

#### 4.5 Unacceptable Behaviour

It is proposed that if an applicant(s) or a member of their household has demonstrated serious unacceptable behaviour<sup>ii</sup> they will not qualify to join the housing register. More information on unacceptable behaviour is available in the 'Supplementary Paper: Eligibility & Qualification'

#### Consultation Question 6:

We propose that if an applicant or a member of their household has demonstrated unacceptable behaviour in the last two years they will not qualify to join the housing register. **Do you agree with this?**

#### 4.6 Transfers

Transfer applicants are those applicants that would like to move from one social housing property to another. The proposal is that existing social housing tenants who do not fall into a reasonable preference category, or wish to downsize or vacate an adapted property, will not qualify to join the register. More information on transferring tenants is available in the 'Supplementary Paper: Eligibility & Qualification'

#### Consultation Question 7:

Transfer applicants who do not fall into a reasonable preference category or wish to downsize or vacate an adapted property will not qualify to join the housing register. **Do you agree with this?**

## 5. Assessment of Housing Need

In framing an Allocations Scheme to determine allocation priorities, housing authorities must ensure that reasonable preference is given to the following categories of people<sup>iii</sup>:

- People who are owed a homeless duty;
- People occupying insanitary or overcrowded housing, or otherwise living in unsatisfactory housing conditions;
- People with a need to move on medical or welfare grounds, including grounds relating to disability;
- People who need to move to a particular area to avoid hardship to themselves or others.

### 5.1 Homelessness

Homelessness is a priority within the Allocation Scheme and this has resulted in more resources being focussed on homelessness prevention, advice and guidance. As a consequence of this work, we propose that all homeless applicants who have a homelessness duty accepted by Cornwall Council will remain a priority group in the housing register but will be awarded a slightly lower priority than they do currently. In terms of the current 5 banding system they are allocated to B and C bands' and in the proposed 3 band system they will be allocated to 'Amber Band'. More information on homelessness is available in the 'Supplementary Paper: Assessment of Housing Need'.

#### Consultation Question 8:

We propose that all homeless applicants who have a homelessness duty accepted by Cornwall Council will remain a priority group in the housing register but will be awarded a slightly lower priority than they are currently. **Do you agree with this?**

### 5.2 Disrepair

It has been recognised that the use of private sector housing and enforcement and negotiation tools should be more widely used to resolve issues of housing disrepair, rather than using the housing register as a solution. More information on disrepair is available in the 'Supplementary Paper: Assessment of Housing Need'. As a consequence, we propose that only those with an urgent or high need to move because of disrepair reasons will be awarded a priority in the housing register.

#### Consultation Question 9:

We propose that only those with an urgent or high need to move because of disrepair reasons will be awarded a priority in the housing register. **Do you agree with this?**

### 5.3 Welfare

The local housing authority must ensure that applicants that need to move on medical or welfare grounds, including grounds relating to disability are given priority in the Allocation Scheme. The Council currently recognises all levels of welfare need; however with a more robust housing pathways approach, we could remove lower levels of welfare priority from the scheme. More information on welfare is available in the 'Supplementary Paper: Assessment of Housing Need'. As a consequence, we propose that only those with an urgent, high or medium welfare need will be awarded a priority in the housing register

### Consultation Question 10:

We propose that only those with an urgent, high or medium welfare need will be awarded a priority in the housing register. **Do you agree with this?**

#### 5.4 Banding

The Allocations Scheme must ensure that applicants that fall into the reasonable preference categories are awarded priority for social housing within the scheme. The local housing authority can then determine the relative priority of categories of applicant by awarding a band or points to the applicant which defines the level of housing need priority they are awarded by the Council. Properties are let on the basis of 'housing need' rather than the time an applicant has spent on the register. Waiting time is only taken into account when determining who should be offered a property between equally deserving applicants in the same band. It is proposed to reduce the number of bands from 5 to 3 as follows, and more information on banding is available in the 'Supplementary Paper: Assessment of Housing Need':

**Red Band - High Priority Housing Need:** Applicants placed into Red Band have been assessed as a priority and have an urgent need to move or are applicants releasing larger or adapted properties. It is likely that applicants will be placed into the red band if they experience the following circumstances:

- Applicant has exceptional needs;
- Applicant has been assessed as having an urgent welfare need to move;
- Applicant is in an adapted property they no longer require;
- Applicant needs an adapted property;
- Applicant is currently living in housing that is categorised as urgent disrepair;
- Applicant is downsizing;
- Their home is in the Redevelopment Programme

**Amber Band - Medium Priority Housing Need:** Applicants placed into Amber Band have been assessed as having a medium priority and therefore have a less urgent need to move than those in Red Band. It is likely that applicants will be placed into the amber band if they experience the following circumstances:

- Household is overcrowded (lacking 2 or more bedrooms);
- Applicant has been accepted as statutory homeless - full duty owed;
- Applicants has been accepted as homeless;
- Applicant has been accepted under the move-on scheme;
- Applicant has been assessed as having a medium welfare need to move.

**Green Band - Low Priority Housing Need:** Applicants placed into the Green Band have been assessed as low priority and have a less urgent need to move than those in Red Band or Amber Band. It is likely that applicants will be placed into the green band if they experience the following circumstances:

- Household is overcrowded (lacking 1 bedroom);
- Applicant needs to move for support;
- Applicant needs to move for work;
- Applicant with children is in a flat without access to a garden;
- Applicant shares facilities;
- All remaining applicants assessed as low housing need.

**Consultation Question 11:**

We propose to change the current banding system in Cornwall to a three band system as described above. **Do you agree with this?**

## 6. Additional Preferences

Current legislation gives housing authorities the power to give a preference for factors other than those set out under the reasonable preference categories provided that:

- They do not dominate the scheme, and
- Overall, the scheme operates to give reasonable preference to those in the statutory reasonable preference categories over those who are not.

### 6.1 Parish Connection

In Cornwall, there are a number of rural Parishes which have a limited supply of social housing stock. Many of these properties have no S106 agreement in place due to there being older stock either previously or currently owned by the Council. This means that homes in these areas can be let to an applicant with the highest banding on the register regardless of connection to that area. Current policy applies a preference label of 50% or 100%<sup>iv</sup> of lets in these areas, enabling local residents to gain preference over other similarly banded applicants with no connection to the area as this provides a similar lettings principles to new build schemes which have been developed with local connection restrictions in place.

This policy can sometimes be an issue in terms of letting properties with a parish connection preference as applicants that meet the criteria may not need or want to live in the parish. This can lead to longer vacancy rates in properties and may sometimes result in properties being let to applicants with little or no housing need but who meet the criteria. More information on the parish connection is available in the 'Supplementary Paper: Additional Preferences'.

#### Consultation Question 12:

We propose to keep the parish connection additional preference as it is. **Do you agree with this?**

### 6.2 Making and Economic or Community Contribution

The Council, through its Strategic Housing Framework, recognises the strong role that housing plays in economic growth and prosperity, both to individuals and the wider community. We would like the Allocations Scheme to reflect these aims and propose that applicants in low housing need who can demonstrate an economic or community contribution should be awarded an additional preference. This additional preference would place applicants in a 'Green Band Plus' category.

More information is available in the 'Supplementary Paper: Additional Preferences', and this economic or community contribution could be demonstrated by:

- Fulltime Work/Vocational Training - 16 or more hours per week;
- Voluntary work in the community for a recognised organisation;
- A proven history of maintaining private rented tenancy;
- Completion of a recognised college course around tenant responsibilities.

#### Consultation Question 13:

We propose to introduce an additional preference category that recognises and awards a preference to an applicant who makes a demonstrable economic or community contribution. **Do you agree with this?**

## 7. Lettings & Operational Aspects

An Allocations Scheme must include a statement as to the housing authority's policy on offering people a choice of accommodation or the opportunity to express preferences about the accommodation to be allocated to them. It is for the housing authority to determine their policy on providing choice or the ability to express preference.

### 7.1 Lettings Scheme

The Council currently operates a full Choice Based Lettings Scheme, using a bidding system for the letting of Council and Registered Provider homes. There are some circumstances where a home may not be let through the Homechoice system but these situations seldom occur. It is proposed that we continue using a choice based system, but directly let some properties to those who have specific housing needs. These properties will be identified by a preference label in the Choice Based Lettings Scheme. More information on different letting systems is available in the 'Supplementary Paper: Lettings & Operational Aspects' and the type of properties likely to be directly let will meet the following criteria:

- Where a property has been adapted for a disabled person and meets specific needs;
- Where a direct offer of a property is to be made to a household accepted as unintentionally homeless and in priority need.

#### Consultation Question 14:

We propose to continue using a choice based system, but directly let some properties to those who need adapted properties or are homeless. **Do you agree with this?**

### 7.2 Allocation of Adapted Property

It is important that homes that have received an adaptation are let to future applicants that require that adaptation as there are instances where homes are let to applicants who do not need that adaptation or where it is not fit for purpose. This results in adaptations being removed or updated at a cost to the Council and/or housing provider. It is therefore proposed, with the understanding that each applicant will have their own specific requirements, that applicants and properties are assessed and given a 'mobility' and 'adapted property' category enabling us to better match applicants to homes. More information on the allocation of adapted properties is available in the 'Supplementary Paper: Lettings & Operational Aspects'

Applicants and properties will be categorised according to their level of need and adaptation requirement.

It is proposed that applicants are categorised into the following three Mobility Groups:

- Mobility Group 1 – applicant requires a property that is suitable for wheelchair use indoors and outdoors;
- Mobility Group 2 – applicant requires a property that is suitable for people who cannot manage steps or stairs and may use a wheelchair some of the day;
- Mobility Group 3 – applicant requires a property suitable for people able to manage only one or two steps or small flights of internal or external stairs.

Adapted properties are proposed to be categorised into the following three Adapted Property Categories:

- Adapted Property Category 1 – property is suitable for wheelchair use indoors and outdoors;

- Adapted Property Category 2 – property is suitable for people who cannot manage steps or stairs and may use a wheelchair part of the day;
- Adapted Property Category 3 – property has only one or two steps or small flights of internal or external stairs.

#### **Consultation Question 15:**

We propose to assess applicants who require adapted properties according to their needs and allocate them to a 'mobility group' that describes generally the level of adaptation they require and then match them to an appropriate 'adapted property' category. **Do you agree with this?**

### **7.3 Bidding**

Currently applicants can apply or 'bid' for up to 3 properties per advertising cycle (usually once a week). A support worker or close family member may place bids on behalf of an applicant who cannot make bids for themselves. Being able to make multiple bids has resulted in delays in re-letting properties and other issues and more information on this is available in the 'Supplementary Paper: Lettings & Operational Aspects'. It is proposed that applicants will only be able to bid for 1 property per advertising cycle.

#### **Consultation Question 16:**

We propose to change the number of properties an applicant can bid for in one advertising cycle from 'up to 3 properties' to '1 property'. **Do you agree with this?**

### **7.4 Failure to Bid**

Cornwall Housing Ltd monitors the bidding patterns of applicants and will be able to identify applicants who fail to bid. Of the live applicants in the current system, between a half and two-thirds of applicants in the urgent, high or medium housing need bands have not bid on a property in the last twelve months. More information on bidding is available in the 'Supplementary Paper: Lettings & Operational Aspects'. We propose that Cornwall Housing will contact applicants who have failed to bid for more than twelve months and advise such applicants that their application has been removed from the Housing Register unless exceptional circumstances apply.

#### **Consultation Question 17:**

We propose to remove applicants from Cornwall Homechoice who have failed to bid on any property in the last 12 months (unless exceptional circumstances apply). **Do you agree with this?**

### **7.5 Refusals**

There is currently no penalty if an applicant decides to refuse<sup>v</sup> an offer of accommodation (with the exception of homeless households owed a main housing duty). However, where applicants refuse several offers, Cornwall Housing Ltd will contact the applicant to establish the reasons for the refusals in order to attempt to help them to place more appropriate bids. More information on different letting systems is available in the 'Supplementary Paper: Lettings & Operational Aspects'. We propose that a refusal of 2 properties will result in a general applicant's application being cancelled and the applicant not being able to apply for Cornwall Homechoice for

a period of 12 months. In the case of homeless applicants who are owed a main housing duty, they will normally only receive one offer of suitable accommodation (in accordance with Parts 6 and 7 of the Housing Act 1996).

**Consultation Question 18:**

We propose to remove general applicants from Cornwall Homechoice who have refused 2 properties offered to them (unless exceptional circumstances apply). **Do you agree with this?**

**Consultation Question 19:**

We propose to remove homeless applicants from Cornwall Homechoice who have refused 1 property offered to them (unless exceptional circumstances apply). **Do you agree with this?**

**Footnotes:**

<sup>i</sup> The following applicants are exempt from the Local Connection qualifying criteria and may apply to join the Housing register:

- Applicants who have been accepted as homeless and are owed a full housing duty by Cornwall Council
- Cornwall care leavers living outside of Cornwall
- Members of the Armed Forces and former service personnel where the application is made within five years of discharge
- Bereaved spouses and civil partners of members of the armed forces leaving services family accommodation following the death of their spouse or partner
- Serving or former member of the reserve forces who need to move because of serious injury, medical condition or disability sustained as a result of their service.

<sup>ii</sup> Unacceptable behaviour is behaviour which is of a nature and seriousness by the applicant or a member of his/her household that has resulted in an immediate possession order on one of the fault grounds as identified in the Housing Act 1985. Such behaviour includes failure to pay rent, breaching the conditions of the tenancy agreement, causing nuisance to neighbours, being convicted of an arrestable offence committed on or in the vicinity of their home, causing the condition of the property to deteriorate by a deliberate act or by neglect or making a false statement to obtain a tenancy.

<sup>iii</sup> (s.166A(3), People who are owed a homeless duty under the following sections of Part 7 of the Housing Act 1996: 190(2)-193(2)-195(2)-192(3)

<sup>iv</sup> The current Allocations Scheme makes provision for 50% (100% where less than 40 units, 50% where there are more than 40 units and it is not a key town) of re-lets, to be let (with preference) to an applicant that has a local connection to that Parish. This is additional to any new build scheme which has a S106 with local connection criteria.

<sup>v</sup> Where an applicant has expressed an interest in a property and subsequently refuses the property after a nomination to a Registered Provider or Landlord has been made this will be classed as a refusal.