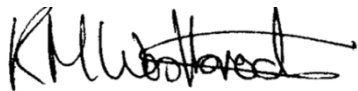


<b>LONDON BOROUGH OF CAMDEN</b>	<b>WARDS: ALL</b>
<b>REPORT TITLE</b> Camden's scheme for allocating social housing (HASC/2014/27)	
<b>REPORT OF</b> Cabinet Member for Housing	
<b>FOR SUBMISSION TO</b> Housing Scrutiny Committee Cabinet	<b>DATE</b> 16th December 2014 17th December 2014
<b>SUMMARY OF REPORT</b>	
<p>The Council aims, through the Camden Plan, to maintain the borough's social mix, to provide new solutions to tackle inequality, and to get things right first time. The housing allocation scheme is a key lever that the Council can use to achieve these ambitions.</p> <p>Following a public consultation in summer 2013, Cabinet agreed interim changes to the allocation scheme in <a href="#">October 2013</a>. It also set out principles to inform a full review of the scheme. A full draft scheme has now been prepared for further consultation.</p> <p>The draft scheme includes provisions that will help encourage sustainable communities by giving higher priority to local people and help to tackle child poverty by enabling families living in severely overcrowded conditions to find new homes. It will also strengthen provision for vulnerable adults, people with disabilities and carers.</p> <p><b>Local Government Act 1972 – Access to Information</b></p> <p>No documents which are required to be listed were used in the preparation of this report.</p> <p><b>Contact Officer:</b> Karen Swift Head of Housing Strategy, Performance and Partnerships Telephone: 020 7974 2195 Email: <a href="mailto:karen.swift@camden.gov.uk">karen.swift@camden.gov.uk</a></p>	
<b>RECOMMENDATION</b>	
<p>The Housing Scrutiny Committee is asked to consider the report and forward any comments to the Cabinet.</p> <p>The Cabinet is asked to:</p> <ol style="list-style-type: none"> <li>i. Agree the draft Allocation Scheme (appendix 2), having regard to the current equalities analysis in appendix 3, for the purpose of public consultation.</li> <li>ii. Agree to a final scheme coming back to Cabinet for approval following the outcome of the consultation on the proposals and options.</li> <li>iii. Approve the draft communications material for the consultation process. (appendix 4).</li> <li>iv. Delegate authority to the Director of Housing and Adult Social Care to make any minor drafting alterations to the draft scheme and associated documents prior to the start of consultation.</li> </ol>	
<p><b>Signed:</b> </p> <p><b>Title:</b> Director of Housing and Adult Social Care <b>Date:</b> 5<sup>th</sup> December 2014</p>	

## 1. WHAT IS THIS REPORT ABOUT?

- 1.1 Demand for social housing far outstrips supply. Some 28,500 households have applied for social housing in Camden and almost 300 new applications are received each month. Around 1,000 homes are let each year; around half of them are studio and one bedroom homes. Social housing supply, demand and the need met can be found in the table below.

	<b>Studio</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5plus</b>	<b>Total</b>
<b>Stock Profile</b>	1,988	6,829	7,322	4,837	1,146	225	<b>22,347</b>
<b>Current Demand</b>	11,931	5,349	7,058	2,768	1,081	623	<b>28,810</b>
<b>Lettings made in 2013-14</b>	117	360	300	160	39	7	<b>983</b>

- 1.2 The Housing Act 1996 requires all local authorities to have a scheme for allocating social housing. Such schemes comprise two elements; a published statement of who gets priority for social housing; and a process by which that housing is sought.

## 2. WHY IS THIS REPORT NECESSARY?

- 2.1 Changing the way the Council allocates social housing could make a positive difference to those most in need and in meeting Camden Plan priorities. The existing scheme is seven years old and allocates priority for housing using a pointing system. Camden is now the only inner London Borough not to have fully revised its scheme since the introduction of the Localism Act 2011. Many London boroughs now require applicants to have lived between two and five years (and in some cases 10 years) in the borough before they can join the register. The Council's housing register is currently open to any applicant in the country who wishes to join the register. Consequently, there are around 6,700 out-of-borough applicants registered who want to live in Camden.
- 2.2 Under the existing scheme, 'Time on List' points (10% of points total is added every anniversary of an application) have an inflationary impact on the level of points required to secure a home, meaning that often those with an urgent need to move (such as severe harassment, severe overcrowding or violence) need recourse to the exceptions panel in order to increase their points and secure a move.
- 2.3 The Council's Housing Allocations Scrutiny Panel noted "Applicants frequently try to have themselves referred to the exceptions panel to gain extra points...". The exceptions panel considered 360 referrals in 2013/14, of which 64% received a positive outcome. Overall, 23% of all allocations made in 2013/14 were beneficiaries of exception panel support. The changes that are being proposed will mean that very few cases will need to be treated as exceptional and a stand-alone panel will no longer be needed. Delegated authority to the Director of Housing and Adult Social Care could in future deal with truly exceptional circumstances only. The use of the delegated authority could be subject to review by the Housing Scrutiny Committee to provide greater transparency over such decisions.
- 2.4 The financial challenges faced by the Council means that all services need to be operating at maximum efficiency. Last year Contact Camden received 69,000 enquiries

from applicants about their prospects of being housed of which around 67% are classified as “failure demand”. In 2013/14, 260,000 bids were placed for around 1,000 homes. Following any changes to the policy, the administrative process will be reviewed and potential efficiency savings of £500,000 have been identified by removing waste.

- 2.5 Modelling shows that over a three-year period, the proposed scheme could house 262 more children in overcrowded households in line with recommendations of the Equality Taskforce and Camden Plan objectives to reduce child poverty.
- 2.6 Social housing was the most mentioned service area in the recent engagement exercise on the Medium Term Financial Strategy. Many comments were received about the allocation of housing, affordability and wider pressures on residents.

### 3. OPTIONS

#### 3.1 DEVELOPMENT OF THE SCHEME

- 3.1.1 A range of options have been reviewed in developing the draft scheme. An Allocations Scrutiny Panel was established to oversee the Council's approach to reviewing its allocation scheme from December 2012 to November 2014. The panel made [51 recommendations](#), covering both policy and process matters. A full response to all recommendations was made to the HASC Scrutiny Committee in 2013.

### 4. KEY POLICY CHANGES IN THE PROPOSED NEW ALLOCATION SCHEME

- 4.1 The proposed changes have been developed over a period of two years drawing on the results of an initial public consultation and the feedback from the Allocation Scrutiny Panel and Scrutiny committee. The draft scheme is subject to further open public consultation and therefore may change as a result of that process. There are **34** policy changes proposed in the draft scheme (set out in full in appendix 1), grouped into four themes; **building mixed, strong and cohesive communities, help for children and families** (including help for adult children living in the family home), **improving health and wellbeing** and making the Council's scheme **clear and transparent**.

#### 4.2 Building mixed, strong and cohesive communities

- 4.2.1 The Council aims to maintain Camden's diversity and social mix by ensuring that the scheme is fit for purpose, fair and transparent, and makes the best use of the Council's housing stock. It is proposed to give priority to local applicants who have lived in Camden for five out of the last seven years.
- 4.2.2 The legal power to discharge a homelessness duty into the private rented sector has offered some disincentive to making a statutory homelessness application. However, in order to maintain the Council's excellent track record in preventing homelessness (over 80% of all homelessness approaches in the current financial year), it is proposed that households who would be owed a duty under the homelessness legislation are exempt from the residence qualification. Engagement with the Council is currently incentivised with the award of homelessness prevention points and has contributed in large part to Camden having relatively low numbers of households in temporary accommodation. The Council's Allocations Scrutiny Panel favoured a residency qualification of five years residence in the last seven ('5 out of 7') reflecting the outcome of the initial consultation exercise that highlighted strong support for local

connection criteria. This measure could disqualify 9,400 households from making a housing application in Camden. Shorter residency criteria would disqualify fewer households, e.g. three out of five would disqualify 8,300 households. It is therefore proposed to consult on 3/5 and 5/7 residency qualifications.

- 4.2.3 A change to the residency criteria could affect up to 6,400 applicants who do not live in Camden and around 3,000 applicants who live in Camden but have less than five years' residency. Households without a local connection will be given advice on seeking housing elsewhere or using their own resources. There will be exceptions to this rule to ensure that households who have been placed out of the borough by the Council (such as homeless families or children in care) and households fleeing harassment or violence are able to register.
- 4.2.4 Care leavers could be given priority for housing up to the age of 25, rather than 21 (as in the current scheme). This would bring the scheme in line with other Council services provided for care leavers.
- 4.2.5 The scheme will incorporate existing practice as directed by current legislation where military and ex-military personal get additional preference where they are in housing need.
- 4.2.6 If a tenant needs to move because of regeneration work under the Community Investment Programme their adult children would be entitled to bid for and, where necessary, be made a direct offer of one bedroom properties as well as studios.
- 4.2.7 To recognise the importance of the length of time an applicant has been waiting for housing it is proposed that applicants receive a 5% points uplift based on their needs related points on the anniversary of their application. Need related points include points for overcrowding, under-occupation, threat of homelessness, medical and harassment.
- 4.2.8 To further recognise long-term local residence, applicants who have lived in Camden for 10 of the last 15 years could receive a 5% uplift based on their need-related points award on the anniversary of their application.
- 4.2.9 It is proposed that applicants with no or very low priority are not allowed to register on the housing list. Low or no priority is equal to 30 points or fewer in total. Instead they will be provided with advice and assistance about their realistic housing options. The housing list currently includes many households in this category and the proposal could reduce the size of the register by around 18,000 households.
- 4.2.10 Social housing tenants with no housing need will continue to have access to other housing options. These include:
  - **Mutual Exchange** – social housing tenants can, with certain conditions such as moves being to “right-sized homes”, choose to swap homes with each other. In 2013/14 156 Council tenant households achieved a move through this option.
  - **Housing Moves** – this is a scheme run by the Greater London Authority to help social housing tenants bid for homes in other boroughs. Since the Council joined Housing Moves in late 2012, seven Camden tenants have chosen to move to an alternative social housing home in another borough.
  - **Seaside and Country Homes** – this scheme allows social housing tenants, where at least one party to a tenancy is 60 years old or above, to bid for homes

in coastal and countryside based. Since April 2013 six Camden tenants have chosen to move through this scheme.

- **Tenants' Options Fund** – if a Council tenant wants to move into a privately rented tenancy, or to go and live with family or friends, and chooses to give up their Camden Council tenancy then they can claim a payment from the Council's Tenants' Options Fund. In 2013/14 around 80 tenants were made a payment from this fund for this reason.
- **HomefinderUK** – the Council is currently assessing whether to sign up to a new scheme, through which social housing tenants can bid for available homes in various parts of the country. Thus far a small number of tenants from a small number of other boroughs have moved through this new scheme.

- 4.2.11 Of the current 28,500 applicants, approximately two thirds have not placed a bid in the last six years. Less than one-quarter have placed a bid in the last two years. Prior to the implementation of a new scheme the Council would write to all registered applicants who have not placed a bid in the past five years or more to see if they are still seeking help from the Council with regard to their housing. Where there is no response the Council will close down the application. Suitable exemptions to this process will apply and there will be sufficient safeguards in place to re-open applications should the need arise. This will be an important step towards achieving a fit-for-purpose housing register that accurately reflects housing need.
- 4.2.12 The Council currently has a sensitive lettings policy to support the management of anti-social behaviour in specific housing units. It is not proposed to amend this policy, but the broader area specific "sustainable estates" policy will be reviewed to ensure that a robust evidence base continues to support the need for sensitive lettings across whole estates.

### **4.3 Help for children and families**

- 4.3.1 Over 4,800 children on the housing needs register are living in overcrowded conditions, mainly smaller families. Living in substandard or overcrowded housing can have a devastating impact on children for the rest of their lives. It can put them at increased risk of illness or disability and affect educational attainment. The current proposals are projected to rehouse an additional 262 children experiencing overcrowding over three years.
- 4.3.2 Under the proposed scheme under-5s will be considered as requiring their own bedroom and this will be taken into account when overcrowding is assessed, giving them the best start with their own space to grow, play and learn. We project 252 qualifying families with children under 5 will see their bedroom need increase as a result of the proposed changes to the bedroom standard.
- 4.3.3 Families with dependent children who share facilities (bathrooms and kitchens) with other households who are not part of the family would continue to receive shared facilities points.
- 4.3.4 Because of the stock profile (40% one bed/studio) and the limited turnover of family homes, it is not always possible to meet the housing need of overcrowded households. It is therefore proposed that overcrowded households will be able to bid for properties with one bedroom less than their assessed bedroom need.

- 4.3.5 Larger households who are severely overcrowded (if they lack two rooms for sleeping as assessed by their bedroom need) and are assessed as being a five bedroom (a 9 or 10 person) or more household need, could bid for up to two bedrooms fewer than their assessed bedroom need. This would only be agreed if it improves the households' current housing situation and the Council agrees it is in the household's best interest to do so, e.g. it does not render or risk the household being statutorily overcrowded or create housing management related issues.
- 4.3.6 The proposals provide a balance between the priority given to building sustainable communities (by recognising time waiting and local connection) and the priority allocated to supporting families. It would be possible to alter this balance either way, e.g. a scheme requiring three out of five years' local connection and providing no priority for time waiting could house an additional 459 children over three years. The final proposals will be informed by the consultation exercise.

#### **4.4 Help for adults who still live in the family home**

- 4.4.1 Modelling suggests that the proposed change that provides for all siblings of the same sex to share a bedroom could see more allocations of family homes to families with dependent children. Therefore the Council would not be able to rehouse as many families who have adult children (aged 18 years and over) still living at home. However, there will be additional advice and support available for adult children, including help to submit their own separate housing application.

#### **4.5 Improving health and wellbeing and help for disabled people and carers**

- 4.5.1 The interim changes made in October 2013 are already having an impact. For example, 36 applicants in supported housing have received enhanced points, 13 of them having already moved in to social housing and four having accepted a property and due to move in. The interim change to set aside a quota of six properties for those with learning disabilities will be enhanced to clarify that the six properties will be across a range of property sizes.
- 4.5.2 A proposal to delete the lowest category of medical points and to only have two categories of medical points will focus medical assessments and priority afforded to those most in need of moving for medical reasons, because their health is made significantly worse by their current housing situation.
- 4.5.3 A proposal to raise the age for access to sheltered housing to 65 is felt necessary to reserve this sort of accommodation for older applicants who are assessed as requiring low-level housing support and to meet the needs of older residents. In some circumstances those with medical or age-related needs who are aged under 65 may be considered for sheltered housing, for example people with early onset dementia.
- 4.5.4 It is proposed to give additional points to applicants who need to move and are giving or receiving long-term substantial care. There could be flexibility around who can be included on a housing application to recognise caring relationships. This is to ensure households remain supported and independent in their own accommodation as long as possible.

4.5.5 As part of the proposed changes the Council will fully adopt the 'The London Accessible Housing Register' (LAHR) standard which will categorise properties graded on the basis of accessibility in seven categories, from fully wheelchair accessible to a small number of steps. Currently the Council only assesses and allocates homes directly to applicants requiring fully wheelchair accessible housing. The LAHR would allow applicants requiring accessible homes to have choice and make bids.

#### **4.6 Making the scheme clear and transparent**

4.6.1 If the register is reduced, many households (currently around 28,500 applicants) could have to apply again, if they want to continue to be considered for housing. The Council will seek to proactively transfer those with the highest housing need to the new register. Under the current proposals, not everyone would be accepted on to the new register, e.g. if they have not lived in Camden for five out of the last seven years. It is estimated that the proposed changes would result in a register of c. 6,800 applicants.

4.6.2 Households would only be allowed to appear on one application. Currently around 1,000 individuals are currently on more than one application, which leads to duplication.

4.6.3 The bedroom standard could be adjusted so that siblings aged nine and under will be expected to share alongside older siblings of the same sex.

4.6.4 At the shortlisting stage where two applicants have the same number of points, the applicant with the longest time on list would be prioritised.

4.6.5 Around half of all applicants invited to view a property do not attend. Half of those who do attend a viewing refuse the offer of housing made to them. Currently, there is no penalty if applicants fail to attend viewings or refuse offers of housing time and again. When the processes have been improved, the Council may want to consider sanctions against applicants that refuse multiple offers of housing.

4.6.6 It is proposed that the Council will also provide support for non-bidders to ensure they are actively bidding and have the support they require to help them bid for housing. The draft scheme includes a full review mechanism for applicants who are not happy with how their application has been handled

4.6.7 The whole scheme will be reviewed after one year of operation, to verify that there have not been any perverse or unintended consequences of the changes to the policy.

4.7 A "Right First Time" review has been carried out to look at the administrative process surrounding the giving of housing advice and the allocation of housing. The purpose of the review was to establish a service which provides residents with the correct housing advice and assistance at the right time. It covered the journey from when a person first contacts the Council for help with a housing situation, to when the housing issue is resolved.

4.8 The review identified priorities for process redesign: reconfiguring the role of the application "e-form"; giving all customers housing advice and assistance at the right time; improving the Council's website to enable customers to self-serve, where this is their preference; improving information about the supply of homes; reducing void turnaround; and supporting customers in need of rehousing from the moment they ask

for help until they have moved in to their new home, including ensuring they understand how to make the best of the bidding system.

- 4.9 The recommendations from the review will be included in the Cabinet report in June 2015 with the results of the consultation, alongside any full scheme proposed for adoption.

## **5. WHAT ARE THE REASONS FOR THE RECOMMENDED DECISIONS?**

- 5.1 The Housing Act 1996 requires all local authorities to have a scheme for allocating social housing.
- 5.2 The Council is required to undertake statutory consultation with registered housing providers in relation to any changes to its Allocation Scheme.
- 5.3 The allocation of social housing allows the Council to make a positive difference for people, who are homeless or living in insecure or unsuitable housing, children living in poverty and families living in overcrowded conditions. Providing suitable housing can also benefit many Camden residents' health, wellbeing and educational attainment.

## **6. WHAT ARE THE KEY IMPACTS / RISKS? HOW WILL THEY BE ADDRESSED?**

- 6.1 There is a risk that provisions shaped by these policy changes may yield unintended consequences, including potentially failing to meet the Council's legal obligation to give overall priority to applicants in "reasonable preference" groups. This risk has been addressed through careful modelling of the proposed scheme, focusing on the cumulative impact of its provisions. This modelling includes the completion of an Equality Impact Assessment (appendix 3). The Council has also received external legal advice on the legalities of the scheme from Counsel.
- 6.2 The proposed scheme may change following the result of the public consultation and further equalities analysis. However, subject to those matters, it is proposed that a report will come back to Cabinet to agree a scheme in June 2015 and that the impact of the scheme will be reviewed after one year and a report provided to Cabinet.
- 6.3 The key impacts of the proposed changes will be to: Encourage strong, mixed and sustainable communities and reward residents for their commitment to the borough; Support the Council's wider work around tackling child poverty; Provide housing in a sustainable way, ensuring as far as possible that households are living in homes they can afford; Create a shorter register, helping re-house applicants more quickly; Support applicants to make realistic and timely decisions about their future housing prospects, by offering information on a range of housing options; Comply with the law and reflect priorities set out in key documents, such as the Camden Plan and the London Housing Strategy.

## **7. LINKS TO THE CAMDEN PLAN OBJECTIVES**

- 7.1 The proposed policy changes to the new scheme reflect the ambitions set out in the Camden Plan - to maintain the diversity of the borough's population, to foster strong and cohesive communities, to provide new solutions to tackling inequality, and to get things right first time. The proposals also link to recommendations made by the Equality Taskforce around both housing and educational attainment. In particular, reviewing how



overcrowding is assessed and improving the offer for under-occupying social housing tenants should help children move out of overcrowded conditions that can have an adverse impact on educational attainment.

## **8. CONSULTATION**

- 8.1 The Council [consulted](#) with residents, members and various stakeholders during the first half of 2013, which guided the development of the scheme. The Council consulted on a number of key policy areas, which included:
  - A. Who can apply for social housing?
  - B. Who is given priority for housing?
- 8.2 There was strong support (78%) for the introduction of qualification criteria, particularly restricting applicants with no local connection to Camden. There was also strong support for the adoption of a local prioritisation.
- 8.3 A further 12-week consultation period is proposed, starting in January 2015. This will include an online and paper questionnaire (attached in appendix 4) as well as focus groups for target groups and for professionals/partners.
- 8.4 The following key stakeholders have been identified: Applicants already on Camden's Housing Needs Register; Families with children under 5; Overcrowded households; Applicants with medical conditions affecting their housing need; Applicants who have lived in Camden for less than five out of the last seven years; Households on low and medium incomes; Carers; Care leavers; Over-65s looking to downsize; Families who need to move due to the Community Investment Programme; Households with older children still living at home; Single people with time on list points; Households with higher incomes or substantial savings; Existing Camden Council tenants; Households living in temporary accommodation, such as hostels; Registered Providers; Stakeholder groups – District Management Committees (DMCs), Tenants' and Residents' Associations (TRAs), groups representing people with disabilities, advice services (CAB, Shelter, Crisis), the general public.
- 8.5 As part of the consultation we will be working with 'Community Researchers', trained residents with good links to communities in Camden who can reach groups harder to engage with, through online consultation or specific events. The team works with libraries, children's centres and other community hubs to reach a wide variety of individuals for consultation.

## **9. LEGAL IMPLICATIONS (Comments of the Borough Solicitor)**

- 9.1 The Housing Act 1996, section 166A(1), provides that "every local housing authority in England must have a scheme (their allocation scheme) for determining priorities in allocating housing accommodation"; and, section 166A(14) provides that "a Local Housing Authority (LHA) in England shall not allocate housing accommodation except in accordance with their allocation scheme". An important exclusion introduced by the Localism Act is that social housing tenants are excluded from an allocation unless they fall into a reasonable preference category. Changes introduced by the Localism Act 2011 now permit local authorities to designate classes of applicants, in terms of qualifying criteria, who can and cannot qualify for housing allocation under their schemes. The proposal that there be a residence/local connection requirement based on five in the last seven years is a longer qualifying period than some boroughs but less

than others who have gone as far as requiring a 10 year local connection. Leading Counsel has advised on the lawfulness of the draft scheme on issues such as local connection, and the review procedure - and various changes have consequently been adopted into the present draft.

- 9.2 The draft scheme will be subject to public consultation for a period of 12 weeks. The legal obligation is that prior to adopting an Allocation Scheme or making a major alteration to it, the Council must consult with Registered Providers with which it has nomination arrangements. There is no statutory legal obligation to consult with any other parties, but the law states it is advisable to conduct a wider programme of consultation. The Council intends to go beyond its strict legal obligations by undertaking a broader consultation with residents, staff and other stakeholders. Essentially, the Council is obliged to put before those consulted the reasons for the proposals and sufficient information to enable them critically to examine the thinking that led to the proposals, including why a preferred option is pursued and other options discarded.
- 9.3 Cabinet Members must take into account in coming to any decision the Council's equality duties and have due regard to them. In summary these legal obligations require the Council, when exercising its functions, to have 'due regard' to the need to (1) Eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act; (2) to advance equality of opportunity between people who share a relevant protected characteristic and those who don't; (3) Foster good relations between people who share a relevant protected characteristic and those who don't (which involves tackling prejudice and promoting understanding). Under the Duty the relevant protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Race, Religion, Sex, Sexual orientation. An Equality Impact Assessment (EIA) has already been undertaken and is summarised in paragraph 9.5. The Council's equalities duties are a continuing obligation and the EIA will be kept under review throughout the period of consultation-and will need to be reviewed after consultation following any changes to the scheme as a result of that process.
- 9.4 The statutory right to a review has been broadened and now extends not only to decisions that a person is ineligible or non-qualifying but also to the "grounds" for the decision. This means that "any decision about the facts of his case which is likely to be, or has been, taken into account in considering whether to allocate housing accommodation to him" can be challenged. Inevitably, this on the face of it this means potentially more cases attempting to judicially review allocation decisions.

## **10. RESOURCE IMPLICATIONS (Comments of the Director Of Finance)**

- 10.1 The proposals will provide a significant reduction in the cost of managing the allocations process. At present the Council invests £1.2 million in the service (of which £771,000 is General Fund) and it is forecast to reduce the cost of the service by £500,000. One-off implementation costs are estimated at £150,000. The £500,000 forecast saving is included in the Council's Medium Term Financial Strategy.

## **APPENDICES**

Appendix 1 List of proposed changes

Appendix 2 Draft Housing Allocation Scheme

Appendix 3 Equalities Impact Assessment

Appendix 4 Draft survey