Review of the Council's Housing Allocations Policy and Development of a Tenancy Strategy

ABOUT THIS DOCUMENT

Section 1 includes a number of points we would be interested to hear your views on.

Section 2 of this document provides background information on the issues under consultation, including a summary of the Council's current Housing Allocations Policy and forthcoming legislative changes.

HOW TO RESPOND

Please email your comments to Fran.Massiah@sutton.gov.uk

Alternatively, you can send us your comments via post. Please send all feedback to:

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–Key Issues for Comment/Discussion

General Considerations

To help you to comment on the review of the Council's Housing Allocations Policy and the development of a Tenancy Strategy we have listed a number of questions below that you may wish to think about.

It should be borne in mind that if priority for housing is increased or given to one group, this will necessarily reduce the priority given to others; therefore your comments are sought on what circumstances should **more** priority be given and in what circumstances should **less** priority be given.

Some possible changes are outside of the scope of the review for various reasons. These include the use of a choice-based lettings system and the current access routes into supported housing.

Information about the Council's current housing allocations policy and the proposed Tenancy Strategy can be found in the accompanying 'Background Information' document.

Allocations Policy Review Issues

Eligibility and access to the housing register

- Should access be limited to only those who can demonstrate that they are in housing need and that they are unable to meet that need through the market - i.e. are unable to afford to purchase a property or rent private housing - or should social housing be open to all households living in the borough regardless of financial means?
- Should access be limited to people living or working in the borough?
- Should people who have shown 'un-tenant like behaviour' in the past be given less or no priority on the register?

Priority and banding

All local authorities must to have a way of prioritising applicants who apply for social housing. This authority places applicants in similar circumstances into 'bands' to reflect their circumstances and then they are rehoused in date order from that band.

- Should the priority banding system be simplified, perhaps by having fewer bands – if so what should these be?

- How should applicants who fall into more than one priority category be treated? Should more priority be given to households with more than one factor of housing need or priority given for one factor only?
- Should priority be given to young households to help them save up a deposit for home-ownership?
- Should some priority be given to help people get back into employment?

Support for vulnerable adults

A local authority can give additional preference to households with an urgent housing need - for example, social and welfare need factors or exceptional circumstances. The London Borough of Sutton does that by the use of 'quotas'. A quota is a set amount of properties set aside to allocate to those households with other factors that affect their need for housing and can be described as 'social or welfare'.

- Should the current quotas continue, be cut back or be extended?
- Should certain quota applicants be assisted to secure accommodation in the private sector instead of being provided with social housing as a matter of course?

Applicability of accommodation

When we allocate properties we have to decide what property is suitable (in terms of the size and type) for different households and in different circumstances.

- Should the current bedroom standard be changed?
- Should adult 'children' be expected to find their own separate accommodation and therefore be discounted when determining the property size requirement of the household?
- Should additional bedrooms be given to families with children that have serious behavioural problems (e.g. autistic spectrum disorder)?
- Should households with medical priority be limited to bidding only for suitable units?
- Should flats on the higher floors of blocks be let to households with children and people with disabilities?
- Should the age criteria for accessing sheltered housing be changed?
- Should certain stock be designated for specific types of applicant - for example, ground floor properties for those with mobility problems?
- Should service tenants whose employment is ending be given more a generous bedroom allowance or greater choice than other applicants on the Housing Register to ensure that they secure comparable accommodation after leaving their employment? (NB: A service tenant is an employee whose housing is provided as part of their job and 'tied' to that job. If a service tenant leaves the employment they normally must leave the property provided as part of their employment.)

Transfer applicants

Currently applicants who are social tenants are considered alongside new applicants and their circumstances assessed in the same way as new applicants. Authorities will have the opportunity to consider social housing tenants separately to new applicants and have a different scheme for awarding priority.

- Should existing tenants who wish to transfer be considered along with new applicants joining the Housing Register or be considered separately?
- To what extent should transfers be made available to existing tenants who have no or little priority for a move?
- Should housing association tenants be included in the local authority transfer scheme and be able to transfer to LB Sutton properties?
- Under what circumstances should 'management transfers' be granted (see background document)?

Mutual exchanges

A mutual exchange is where one social housing tenant exchanges their home with another social housing tenant. Currently, social housing tenants who exchange properties with another tenant are allowed to move to a property with one bedroom more than they need.

- To what extent, if any, should a household be allowed to under-occupy a property following a mutual exchange?

Adapted stock

An adapted property is one that has modifications made to it to meet a specific need, normally a disability.

- Should households whose property has been adapted be allowed to remain in the home where the household no longer needs the adaptations made or should they be required to move and the property offered to another family with a need for the adaptation?
- Should a household under-occupying a property (i.e. has more bedrooms than it needs) be offered a transfer to a suitably adapted property or to a smaller property before the adaptation is carried out or be allowed to stay in the current property?

Lettings

The term 'lettings' refers to the process of making an offer and signing up an applicant to the new tenancy.

- How much time should new tenants be given between the point of sign-up/handover of keys and when they become liable to pay rent?

Right of succession

- Should the Council go beyond the proposed one statutory right of succession by granting additional (contractual) rights, and if so, in what circumstances might this be appropriate?
- Should the 'remaining relative' policy (see background document) be continued?

Tenancy Strategy Issues

Flexible Tenancies

- Should the Council make use of flexible (i.e. fixed term) tenancies and, if so, in what circumstances should we use them?
- If flexible tenancies are to be used, should there be a blanket minimum term and, if so, what should this be?

- In what circumstances should a fixed term tenancy not be renewed?
- Should the Council consider offering 'lifetime flexible tenancies' where accommodation is guaranteed for life but not necessarily of the same dwelling?
- To what extent can/should the Council require or encourage housing associations to use or not use flexible tenancies?

Use of Affordable Rent

- Should new build rented social housing units all be let at the full 80% of market allowed or should some or all units be let at price points below this?
- Should a different approach be taken to larger family sized units?

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1. Summary of the current housing allocations policy

Eligibility

1.1 To qualify to go onto the Council's housing register and be considered for social housing applicants must be over 16 and not fall into one of the statutorily excluded categories (these include asylum seekers, those with no recourse to public funds and people who fail the habitual residency test). Applicants can include existing social tenants wishing to transfer.

Priority

1.2 Each application is assessed and, if the applicant qualifies, they are placed on the housing register in one of seven priority groups or bands (see overleaf). These reflect Government guidance 'reasonable preference categories' (see section 2). Each application is also given a 'Priority Date' (the date on which the application or referral is made, subject to adjustment) and this is used to determine priority within bands (the earlier the date, the higher the priority). Existing social tenants wishing to transfer are assessed on the same basis as new applicants.

1.3 An application can be given lower or no priority for housing in the following circumstances:

- Not been living in the borough for the last 12 months
- Have the financial means to find own housing
- Have rent arrears
- Are guilty of nuisance or harassment
- Have deliberately worsened their housing circumstances to gain higher priority for housing.

Band	Description
1	Emergencies where temporary accommodation will not provide a solution or households considered to have an urgent need for re-housing, these including: -urgent medical priority (see below) -Social Services/Probation referrals (annual quotas) -households with a need for adapted property whose current home is unsuitable -council tenants whose homes are due to be demolished -statutorily overcrowded households -households living in a property subject to a demolition or closing order -social tenants under-occupying a home that could be used to meet an identified need -foster carers needing larger accommodation to allow them to increase their household -under-occupying successors where the property is larger than required by more than one bedroom -remaining (non-successor) relatives who had lived with a deceased council tenant for five years up until their death and who are under-occupying -service tenants whose employment has ended and who meet the conditions for re-housing -exceptional cases under delegated powers including 'management transfers'
2	Households with a child or children or a pregnant woman living in insecure accommodation (i.e. with family or friends)
3	Households living in supported housing who are ready for 'move on' accommodation
4	Households accepted as statutorily homeless including those placed in temporary accommodation
5	Households living in unsatisfactory housing conditions including: -lacking one or more bedrooms but not statutorily overcrowded -lacking access to an internal W.C. or sharing a W.C./bathroom with another household -lacking access to a living room -lacking other amenities (e.g. cooking facilities, cold/hot water supply, electricity) -those awarded medical category 2 priority (see below) -those needing to move to another location (in the borough) to avoid hardship to themselves or others
6	Homeless households eligible for assistance who are not in temporary accommodation where a duty has arisen under one of the following circumstances: -are homeless, in priority need but homeless intentionally -are homeless, not in priority need and not homeless intentionally -are threatened with homelessness, but not intentionally, and in priority need
7	Applicants who: -have no housing need but live in the borough -are social tenants who do not fall into one of the other bands and wish to transfer to another part of the borough -have not resided in the borough in the last 12 months but need to move into the borough to avoid hardship to themselves or others -have been given reduced priority for being in rent arrears or responsible for causing nuisance or have the financial means to meet their own housing needs or have worsened their own circumstances to try and obtain social housing -do not have any factors that would qualify them to be placed in one of the other bands

1.4 Where an applicant falls into more than one reasonable preference group they will be placed in the band that gives the highest priority and for each additional factor or category they would fall into they receive six months' extra waiting time, with their Priority Date adjusted accordingly.

1.5 Where an applicant's circumstances change and they are moved up into a higher band the date of the change becomes the new Priority Date; where an applicant is moved into a lower band they retain their original Priority Date.

1.6 To be placed in Bands 1, 2, 3 or 5 applicants must have resided in the borough for at least 12 months and not have the financial means to resolve their own housing need (see section 3).

1.7 Households in bands 1 or 3 who refuse an offer of accommodation (see below) will have their priority reduced (usually by their being placed in Band 5).

Medical assessments

1.8 Medical Priority 1 is awarded to an application where there is an urgent medical need for re-housing or to allow a hospital discharge, with the applicant placed in Band 1. Medical Priority 2 is given to an application where there is a non-urgent medical need – i.e. a disability or illness made worse by the applicant's current accommodation. In such circumstances the applicant will be placed in Band 5, unless they are already in a higher band.

'Bedroom standard'

1.9 Minimum bedroom size/number entitlement is calculated as follows:

Single person	-Bedsit or one bedroom
Childless couple	-One bedroom
Two non-partner adults	-Two single bedrooms
One child	-One single bedroom
Two children same sex	-One double bedroom or two single bedrooms
Two children opposite sexes	-Two single bedrooms

1.10 A full time live-in carer may also be entitled to a separate bedroom. No account is taken of an unborn child; instead the application is re-assessed at the time of birth.

Sheltered housing

1.11 To access sheltered housing the applicant must request such accommodation, be recommended by a social health care agency and either:

(i) be over 60 or

(ii) be under 60 but have a physical or sensory disability which could be assisted by sheltered accommodation and have a lifestyle that would be compatible with the general use of the scheme

1.12 For extra-care sheltered accommodation an assessment of the applicant is carried out to determine their suitability.

Choice based lettings

1.13 Sutton operates a choice based lettings (CBL) scheme. Once applicants have received their registration letter telling them what band they are in they can 'bid' for properties that are open to bidding from applicants in their band as they become available. The person who has bid with the highest priority (in terms of banding and Priority Date) is offered the property.

1.14 Applicants in Bands 1 or 3 are not required to bid; instead one suitable offer of accommodation is made by the Council. All vacancies that arise are first considered for allocating to Band 1 applicants before being made available to others. Not all empty properties are available to every applicant; some are restricted to certain bands. In the case of ground floor properties preference will be given to households needing such accommodation.

1.5 Band 4 applicants may bid for properties but will have a property selected for them if they do not successfully bid for a suitable property within a reasonable period of time. This will also apply to Band 2 applicants who become 'potentially homeless'.

Nominations to housing association vacancies

1.6 In addition to vacancies arising within its own stock, the Council has agreements with various housing associations that allow it to nominate households to empty existing or new build units within the borough's housing association stock. The Council's allocations policy applies to such lettings in the same way as it does to local authority lettings subject to any policy of the housing association itself.

Annual lettings plans

1.7 Each year an estimate is made of the likely number of social housing lettings that will become available (including from both the existing stock and new build units). The proportion of these lettings, including by bedroom size, to go to each of the bands and specific client groups within these is then determined (see section 4).

2. Forthcoming legislative changes

2.1 The Localism Bill, which is due to receive Royal Assent by the end of 2011, includes the following provisions in relation to social housing allocations and tenure:

- Introduces greater flexibility for councils to allocate social housing and removes the requirement to hold 'open' waiting lists
- Removes the requirement that existing social tenants wishing to transfer are included along with other applicants for social housing within an authority's allocations scheme
- Allows local authorities and other social landlords to grant "flexible tenancies" of a minimum two year fixed term
- For new tenants, following the provisions coming into force, limits the right of succession to a secure tenancy to a spouse or civil partner living in the tenant's home at the time of the tenant's death while allowing authorities the flexibility to offer additional contractual rights
- Requires councils to prepare a "tenancy strategy" to which other registered providers of social housing must have regard when allocating their own accommodation

2.2 The key priority groups or "reasonable preference categories" of applicant set out in current guidance will remain, these being people who:

- are homeless or owed certain duties under the homelessness legislation
- are other homeless people
- live in overcrowded, unsatisfactory or insanitary conditions

- need to move on medical or welfare grounds (including grounds relating to a disability)
- need to move to a particular locality in the local authority's district to avoid hardship to themselves or others
- additional preference can be given for households with an urgent housing needs

3. Housing register make-up and recent lettings data

Numbers on the register by band and bedroom size (as at Sept 2011)

	1 Bed	2 Bed	3 Bed	4+ Bed	Other*	All sizes
Band 1	93	36	5	1	0	**135**
Band 2	53	158	24	0	0	**235**
Band 3	10	1	0	0	0	**11**
Band 4	17	114	56	9	0	**196**
Band 5	268	173	421	56	0	**918**
Band 6	47	2	0	0	0	**49**
Band 7	1605	903	361	33	0	**2602**
Other*	149	29	15	5	6	**204**
All bands	**2242**	**1416**	**882**	**104**	**6**	**4650**

*New applicants pending assessment

Lettings by band and bedroom size 2010/11

	Bedsit/ 1 bed	2 bed	3 bed	4 bed	Total	%
Band 1	70	15	24	1	110	16.7%
Band 2	56	26	8	0	90	13.7%
Band 3	49	3	0	0	52	7.9%
Band 4	59	21	21	1	102	15.5%
Band 5	47	97	56	14	214	32.6%
Band 6	3	3	0	0	6	0.9%
Band 7	7	20	1	4	32	4.9%
Decants	40	3	8	0	51	7.8
All	**331**	**188**	**118**	**20**	**657**	**100%**

Appendix 1

Additional Information

Numbers on the housing register by income range (as at Sept 2011)

	Nos. households	%
Under £5,000	2892	62.2%
£5,000 - £9,999	369	7.9%
£10,000 - £14,999	338	7.3%
£15,000 - £19,999	362	7.8%
£20,000 - £24,999	250	5.4%
£25,000 - £29,999	180	3.9%
£30,000 - £34,999	94	2.0%
£35,000 - £39,999	51	1.1%
£40,000 - £44,999	38	0.8%
£45,000 - £49,999	17	0.4%
£50,000 - £54,999	11	0.2%
Over £55,000	21	0.5%
Unknown (decants)	27	0.6%
All	**4650**	**100%**

NB: income levels are as at the time of application

Numbers on the housing register by current tenure/housing circumstances (as at Sept 2011)

	No. households	%
Private rented	1666	35.8%
Family/friends	1027	22.1%
LB Sutton tenant	547	11.8%
Housing association tenant (in borough)	395	8.5%
Temporary accommodation	222	4.8%
Owner occupier	149	3.2%
Out of borough local authority tenant	144	3.1%
Out of borough housing association tenant	123	2.6%
No fixed abode	112	2.4%
Supported housing	88	1.9%

Prison	16	0.34%
'Sofa surfing'	14	0.3%
Hostel	13	0.3%
Tied accommodation (service tenant)	12	0.3%
Armed forces accommodation	10	0.2%
Other*	112	2.4%
All	**4650**	**100%**

*New applicants pending assessment

Band 1 lettings 2010/11 by access route

	No. households	%
Quota	40	37.4%
Under-occupier	38	34.8%
Medical priority	9	7.8%
Succession to smaller property (remaining relative	6	5.2%
Disability Panel	4	3.5%
Service tenant	4	3.5%
Reciprocal (with another local authority)	3	2.6%
Other	6	5.2%
TOTAL	**110**	**100%**

Lettings plan 2011/12

The following table shows how the total projected supply of new lettings during the year (723), broken down by bedroom size, will be distributed amongst the priority groups on the housing register.

	1 Bed General	1 Bed Sheltered	2 bed	3 Bed	4 Bed	Totals
Band 1 – Under-occupation scheme	30	15	12	4		61
Band 1 – non specific provision: Medical Priority 1 Succession Service Tenants Delegated Powers Reciprocals	20	7	6	4	2	39
Band 1 - Quota provision: Leaving Care (25) Probation (10) Mental Health (12) Children and families (10) Learning Disability (5)	62		8	3	2	75
Provision to meet PSA16 target groups (learning disability and mental health)	40					40
Band 3 - Move on provision for supported housing (exclusive of increased demand from Hillcroome)	60		9			69
Provision to meet Durand decant programme in 2011/12	9		12	14	1	36
Provision to meet Elizabeth House decant programme in 2011/12		5				5
Provision to create new temporary accommodation to replace loss on Durand Close and the Threshold scheme						
Sub Total	221 (97%)	27 (23%)	47 (18%)	25 (26%)	5 (33%)	325 (45%)
Total supply available for Housing Register applicants in Bands 2, 4, 5, 6 and 7	7 (3%)	91 (77%)	220 (82%)	70 (74%)	10 (67%)	398 (55%)
Total	**228**	**118**	**267**	**95**	**15**	**723**

Average waiting times

Bedroom Size	Band 2	Band 4	Band 5	Band 6	Band 7
1	4 yrs 4 mths	2yrs 4 mths	2 yrs 5mths	2yrs	No planned lets to Band 7
2	18 months	2yrs 3 mths	2 yrs 10mths	No households in Band 6 to date	No planned lets to Band 7
3	12 months	2yrs 2 mths	13 yrs 6mths	No households in Band 6 to date	No planned lets to Band 7
4	No households in Band 2 need a 4 bed.	3 yrs 4 mths	9 yrs 6mths	No households in Band 6 to date	No planned lets to Band 7

Social housing supply and demand projections

The following table shows the numbers of new lettings and the resultant numbers of households on the housing register projected over the next five years.

	2011/12	2012/13	2013/14	2014/15	2015/16
Supply (Local authority and housing association lettings during the year)	659	693	779	778	528
Demand (Applicants on the housing register at the end of the year)	4523	4784	5083	5527	6433