

**Lead officer:** Director of housing needs and strategy

**Wards:** All

**Agenda item:** 6

**SUBJECT: PROPOSALS TO REVISE THE HOUSING ALLOCATION SCHEME**

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**1 RECOMMENDATIONS**

- 1.1 The report advises the panel of proposals to revise the council's housing allocation scheme and asks the panel to note the consultation timeframe.
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**2 SUMMARY**

- 2.1 This report summarises proposals to revise the council's allocation scheme with the overall objectives of developing a scheme which balances meeting housing need and supporting community sustainability, is fair and can be seen to be fair and makes best use of available resources. These proposals have been developed taking into account feedback from consultation events in 2010, reforms within the Localism Act and Welfare Reform Bill, and with the support of a consultation group that included Tenant and Leaseholder representatives.

**3 BACKGROUND**

- 3.1 There are a number of drivers for change:
- 3.1.1 **Central government reforms:** The government is embarking on a number of social housing reforms, reported to the last Tenant and Leaseholder Panel. One of these reforms is the freedom to determine who qualifies to join the council's housing waiting list. The allocation scheme proposals set out the council's response to this freedom.
- 3.1.2 **Feedback from local consultation:** A number of consultation events took place in 2010 in which residents expressed their views on: perceptions of the existing scheme and allocation priorities. The allocation scheme was broadly viewed as fair and respondents supported the groups currently prioritised within the allocation scheme. There was support for prioritising other groups, particularly low income workers to help them get on their feet. Respondents were quite clear

that, where applicants faced little or no chance of getting housing that they should be told at the outset and provided with information on other options.

**3.1.3 Supply and demand:** The number of applicants and tenants on the housing waiting list has been growing, both locally and nationally. There are currently 10,196 applicants on the waiting list, consisting of 1494 tenant transfer and 8702 other applicants. The total number of social housing allocations projected for 2011/12 is 826 comprising: 110 sheltered (13%), 198 one bedroom (24%), 328 two bedroom (40%), 168 three bedroom (20%) and 22 (3%) four or more bedroom homes.

**3.2 The key proposals** that we are consulting on include: changing how we assess reasonable preference, reducing the number of offers, supporting balanced communities by building an element of recognition for working households and others who contribute towards the community and introducing a number of qualification rules for the waiting list:

**3.2.1 Changing how we award reasonable preference:** local authorities are and will continue to be required by legislation to give *reasonable preference* or a “step up” to applicants in certain housing circumstances; for example overcrowding and medical conditions made worse by existing housing. A number of reasonable preference criteria can be interpreted in different ways and the proposed scheme will change how we assess reasonable preference to better reflect local housing circumstances. Applicants will then have a clearer idea of whether they are likely to receive an allocation of social housing from the outset. All applicants will be required to assess themselves prior to application and will be provided with information on relevant housing options. The proposals include:

✘ **Overcrowding:** adopting the occupation criteria in the Welfare Reform Bill – this will mean that some applicants will be considered to be less overcrowded than previously or will no longer be considered to be overcrowded and therefore, ineligible for housing.

✘ **Applicants living with family or friends:** no longer qualifying for reasonable preference as a matter of course as they do now. Instead they will be provided with options advice directly or through an online self-help tool. They would only qualify if assessed as homeless and have made their own arrangements rather than pursue a homeless application.

✘ **Applicants living in shared accommodation:** no longer qualifying as a matter of course.

✘ **Applicants with low level medical or welfare needs:** no longer considered to have reasonable preference and would be provided with alternative housing options.

✓ **Move on from care and supported housing:** would be recognised

as a reasonable preference category for applicants ready for independent living, be in need of medium to long-term rather than short-term tenancy support and have a vulnerability that would be affected if required to live in the private rented sector.

✓ **Foster carers and adopters:** the proposed scheme will support the council's work with children and families by giving priority for approved foster carers and adopters needing to move.

✗ **Disincentives to applying as homeless:** the proposed scheme will recognise that private sector rented accommodation used as temporary accommodation meets homeless households' immediate housing needs and will place them in the lowest reasonable preference band.

3.2.2 **Reducing the number of offers:** we are consulting on reducing the number of offers to two for the majority of applicants and one offer of social housing for homeless households, with the option for one further discretionary offer made in exceptional circumstances.

3.2.3 **Rewarding working households and those making a community contribution:** Building an element of recognition or reward for contribution to the community through work or other activity through increased priority for those who have reasonable preference is a means to achieve balanced and sustainable communities and was one of the themes emerging from consultation in 2010.

We are consulting on recognising the following groups:

✓ **Working households:** households who satisfy certain qualifying criteria and can provide documentary proof

✓ **Members of the armed services:** our definition will taken into account Croydon's commitment to the armed services covenant

✓ **Training:** Applicants or tenants who have taken part in recognised programmes to get back into training or employment.

✓ **Volunteers:** Volunteering for a registered charity or tenant organization for a qualifying period of time, with checks conducted by housing staff.

✓ **Good tenancy record:** The above will only be applied where tenants have a clean tenancy record for a qualifying period. This would cover rent arrears, other tenancy conduct, crime and anti-social behaviour.

3.2.4 **Qualification for the housing register:** setting criteria for classes of people who may or may not qualify determines who is in or out of the allocation scheme, irrespective of need. We will consult on the following criteria:

✓ **Residency in borough of at least 12 months:** respondents to the 2010 consultation were clear in their views that social housing should be first and foremost for Croydon residents. A minimum residency period of 12 months is proposed with exemptions for: members of the

armed forces recognized through the community contribution award, pan-London mobility scheme (which Croydon has signed up to) and consideration could be given to waiving residency for older applicants requiring retirement accommodation, moving to give or receive support and, applicants with employment within the borough.

× **Applicants on more than one waiting list:** we are consulting on disqualifying applicants if they registered on other council's waiting lists.

× **Household income:** An upper household income limit of £40,000 is proposed

× **Household assets:** An upper threshold of £50,000 for capital assets is proposed.

× **Refusals:** Applicants who had refused all reasonable offers would be disqualified for a set time period.

× **Poor tenancy record:** Social housing tenants with housing related debts, a recent history of poor tenancy conduct, a record of anti-social behaviour or involvement in certain criminal behaviour (for example, violent crime). These criteria would be qualified by the severity of the conduct, the period of time since the conduct had elapsed and whether circumstances had changed since the conduct took place.

- 3.3 **Timescale:** consultation launched in December 2011 and will continue to the end of February 2012, including: a questionnaire available online and at Council offices and stakeholder focus groups. Implementation of the scheme will be subject to democratic approval and it is anticipated that a revised allocation scheme will be taken to Cabinet in June 2012. It is not anticipated that the scheme will be fully implemented before late 2012.

## 4 EQUALITIES CONSIDERATIONS

- 4.1 We will give due consideration to the local authorities equalities duties in conducting the consultation exercise and will seek identify issues for protected groups and ways to ensure fairness through this process. A full equalities impact assessment will be conducted and it's findings presented when the revised allocation scheme is presented to Cabinet.

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