

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 04 April 2023

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| TITLE | Housing Allocation Review – Recommended Policy Changes | | |
| Ward(s) | Citywide | | |
| Author: Liz Dewing | Job title: Project Manager | | |
| Cabinet lead: Cllr Tom Renhard, Cabinet Member for Housing Delivery and Homes | Executive Director lead: John Smith, Interim Executive Director Growth and Regeneration | | |
| Proposal origin: Councillor | | | |
| Decision maker: Cabinet Member Decision forum: Cabinet | | | |
| Purpose of Report: | | | |
| <ol style="list-style-type: none"> 1. to approve the recommended policy changes to the Bristol Housing Allocation Scheme (known as HomeChoice Bristol), and 2. to approve the implementation approach proposed to introduce the above-mentioned changes 3. to provide supplementary information regarding wider improvement proposals that are under consideration for future implementation as and when the necessary capacity and technology enablers become available | | | |
| Evidence Base: One of the commitments in the Homes and Communities theme of the Corporate Strategy is to 'review the system for allocating social housing'. This work is in direct response to that commitment. | | | |
| a) Background | | | |
| <p>Following an extensive process of research and wide-ranging engagement with affected stakeholders to review the current Allocations Scheme, a 12-week public consultation and detailed consideration of the consultation results, a number of changes to the Bristol Housing Allocation Scheme (known as HomeChoice Bristol) are being recommended.</p> <p>The Bristol Housing Allocation Policy is used by Bristol City Council and its partner housing associations to allocate social housing. Enabled through the HomeChoice Bristol system, it comprises a housing register, a single set of qualification criteria, a priority banding system and an arrangement for advertising properties.</p> <p>In 2019 a review of the Policy was initiated in response to challenges that had been identified since the last review in 2014. The review was interrupted by Covid-19 pandemic and restarted in Q3 2022.</p> | | | |
| b) The issues | | | |
| <p>The issues considered included but are not limited to the following:</p> <ul style="list-style-type: none"> • The system has four bands to prioritise housing need where those in highest need are assessed to Band 1 and those in the Band 4 are deemed to have no immediate housing need. More than half of those on the register currently fall into Band 4. This means significant time is spent processing applications from households that are unlikely ever to be offered council housing. • Households in the two lowest bands (3 and 4) receive few offers | | | |

- The shortage of housing stock severely impacts on our ability to provide a satisfactory service
- It doesn't help create mixed and balanced communities.

c) Key statistics

There are currently over 19,000 households on the Housing Register, with approximately 500 new cases being added per month.

In the year April 2021 to March 2022 only 1510 allocations were made. This is down from approximately 3000 per annum a decade ago.

Additional statistics can be found in Appendix A1 Housing Allocation Review Additional Evidence 2023 03 20 and Appendix A3 Homelessness Data Insights

At the time of writing more than half of those on the housing register are assessed to Band 4 from which they have a less than 1% chance of being housed unless it is in age-restricted or SHOP accommodation.

In addition to the challenges of massive over-subscription for the limited housing stock, the council also faces increasing financial pressure arising from:

- high volumes of people requiring temporary accommodation
- the need to facilitate the exit of Care Leavers into independent living
- the need to make adequate provision for clients moving on from care settings

d) Scope of review

The review looked into ways of addressing the listed issues and other concerns with the intention of implementing a revised Housing Allocation scheme that improves the Service's ability to:

- House those in greatest need
- Be more efficient and use user friendly for applicants, the council, housing associations and other partner organisations
- Give realistic expectations about being housed to those who join the HomeChoice Bristol register
- Support more mixed, balanced, sustainable communities

It also considered ways in which the review might further support the council's drive to deal with the financial pressures described above.

The review considered the policy itself, as well as the way the policy is delivered through systems, people and processes

e) Process followed

The review took into consideration input that was gathered from experts, advisory organisations, and those with lived experience through the submission of professional papers, facilitated forums and focus groups.

This included setting up a Members' Working Group, a Resident's Working Group, running 11 focus groups (to listen to the needs of special interest groups including people who have experienced domestic violence and harassment, older people, young people, people leaving care facilities, people living with disabilities and others), and facilitating a series of online journey-mapping workshops to gather input on the current policy and process from attendees drawn from councillors, officers, residents, providers and advisory organisations.

It also undertook research into the way other local authorities are addressing similar issues as well as desktop research into local trends and international perspectives.

Following a 12 -week public consultation and analysis of the feedback received a detailed Consultation Report was produced (See Appendix B Final Housing Allocations Review Consultation Report).

The Consultation findings were discussed in numerous Project Board Sessions between October and January, summary views of the outcomes were circulated and debated. Feedback from the 3 October Communities Scrutiny Commission engagement were considered. (Ref Background Documents below – Communities Scrutiny Committee Minutes 3 Oct 2022) Further discussions were held with other Local Authorities who have already implemented changes that we are proposing proposals below as well as those who intend making similar recommendations.

As a result of the research, consultation, and subsequent extensive debate the following changes are recommended.

f) Timing of changes

In between the start of the review in 2019 and its completion, a major initiative to replace all the Housing IT systems has been started and NEC has been appointed as the preferred supplier. This programme affects the ability to implement some of the recommended changes.

Given the cost and complexity associated with several of the recommended changes it is not viable or possible to make changes to current system which is to be decommissioned when the new technology is introduced. Some of the changes will therefore be made sooner than others.

The relative immediacy of the changes is noted in the recommendations as follows:

- **Priority 1** – short term changes that will be introduced as soon as possible and which are included in the initial rewrite of the Policy.
- **Priority 2** – medium term changes that may be introduced ahead of the new technology.

Both priority 1 and priority 2 changes involve manual workarounds and temporary solutions that will be replaced when the new technology is available to enable the required functionality.

- **Priority 3** – long term and tech dependent. These are changes that are fully dependent on technological enablement and which we cannot introduce until such time as the new technology becomes available.

Replacing the priority 1 and priority 2 interim solutions and enabling the priority 3 changes will form part of the scope of the implementation of the new technology for Housing Supply.

1. POLICY CHANGE RECOMMENDATIONS

Policy changes were developed under three categories: Changes affecting the allocation model, changes affecting how cases are prioritised, and changes that improve the ability to manage the imbalance between demand and supply.

- 1.1 Adopt 'Managed Choice' model with up to 50% of allocations being made by means of direct offer. (Priority 1)
- 1.2 Improve access for those leaving supported care (Priority 1)
- 1.3 Increase the priority of Care- Leavers to Band 1 (Priority 1)
- 1.4 Extend the use of Local Lettings Policies (Priority 1)
- 1.5 Increase the priority of a defined set of under-occupiers to Band 1 (Priority 2)

- 1.6 Consolidate all categories of homelessness to band 2 (Priority 2)
- 1.7 Introduce a 'new deal' for the homeless at home (Priority 2)
- 1.8 Increase differentiation of cases with composite needs by assigning a 12-month backdate where three or more qualifying needs are present (Priority 2)
- 1.9 Amendments to the thresholds for savings and for income (Priority 3)
- 1.10 Place bidding restrictions on band 4 (Priority 3)

Changes we are NOT making

Following the consultation and further subsequent analysis we will not be changing the following:

- Approach to retention of effective date - the rule remains that effective date is retained when going down in priority band and is reset when priority band is increased.
- Debt threshold – the current threshold of £500 will remain.

2. IMPLEMENTATION APPROACH RECOMMENDATION

A 'Big Bang' approach would require that changes only be introduced when the new technology is implemented (Go-live est. October 2024). Given the expectation of change that has been created as a result of the extensive engagement undertaken by this project, as well as the urgency behind a number of the recommended changes, we do not believe this delay to be advisable.

Due to this need to deliver some of the recommended changes ahead of the implementation of new technology, as well as the demanding nature of the interim solutions which require manual intervention and workarounds, it is recommended that the introduction of the changes be phased in over 12 to 18 months.

The Priority 1 changes are to be introduced with the first implementation as soon as possible after Cabinet approval. Thereafter the Service, in consultation with the Member for Housing, will decide the intervals and sequence in which the remaining Priority 2 changes will be implemented.

The Priority 3 changes and the conversion of interim solutions to fully technologically enabled solutions will be in the scope of the implementation of the new Housing Systems solution.

OTHER ACTIONS TO BE UNDERTAKEN

In addition to the recommendations for specific policy changes listed above, a number of enabling activities are to be undertaken and a number of additional improvements are being explored further.

3 Enabling Activities

3.1 Review of Partnership Agreement

A review is underway to update data, information sharing and other regulatory aspects, but also to re-align principles and operating practices between BCC and our housing partners. (See Appendix A2 HOTS BCC Housing Partnership Agreement Review 2023 01 26)

3.2 General Policy Rewrite

Apart from the policy changes recommended above, the entire policy has been rewritten to improve ease of reading and understanding. This has been achieved through:

- Changes in format and layout,
- Additional content e.g. expanded glossary of terms, additional definitions and explanatory appendices,
- Plain and simple language i.e. removing jargon and explaining any acronyms

The Starting Version of the rewritten policy is attached in Appendix A5 HCB Allocation Scheme Draft Initial State 2023 03 20.

The draft of the final version is attached in Appendix A6 HCB Allocation Scheme Draft Final State 2023 03 20 and represents a projected view of the final Policy once the implementation of all proposed changes has been completed.

It is important to note that details of some items may be affected by the introduction of new technology.

Any further amendments are expected to be matters of technicality in implementation and expression rather than on the actual changes put forward.

3.3 'Housekeeping' undertaking

The efficiency of the housing register relies on the case data being as accurate, complete and up-to-date as possible. Following the challenges created by the Covid-19 pandemic significant work has been done to bring the processing backlog that had built up back within acceptable timeframes.

A major 'house-keeping' exercise is planned to clean up the housing register with a focus on validating the details of new applicant cases in bands 1 and 2, then tenant cases in bands 1 and 2, and thereafter validating cases in lower bands and removing cases that are no longer valid. It's estimated that this could result in a reduction in active cases of up to 15%.

3.4 Downsizing Pilot

Run a 12-18 month pilot project to test different ways of extending the downsizing support offering in order to:

- access more in-demand properties, by encouraging a greater number of under-occupiers to move to suitable sized premises,
- better meet the needs of existing council tenants and new applicants,
- establish which incentives are most effective and
- establish what it would cost to implement these either for a period of time (until under-occupancy has been reduced to a specific volume), or permanently (because under-occupancy rates should be managed on a longer-term basis)

4 Other

Over and above the process changes associated with some of the policy changes detailed in the Cabinet Paper, there are a number of other process improvements that we believe would greatly help with:

- better managing people's expectations from the start and throughout their HomeChoice journey, (improve user experience)
- equipping them with information and insights to help them demonstrate greater individual agency and not rely so heavily on Customer Service Centre/Customer Service Point and other BCC staff for support in the process (improve efficiency)
- addressing numerous issues raised by participants in the research stage of the project (improve user-friendliness)

A summary view of these proposed process improvements can be found in section 4 of Appendix A1- Housing Allocation Review Additional Evidence, and Appendix A4 - Application Principles and Recommendations

Cabinet Member/ Officer Recommendations:

That Cabinet:

1. Approve the recommended Policy Changes 1.1 to 1.10 as outlined in this report
2. Approve the recommended implementation approach as outlined in this report
3. Authorise the Executive Director Growth and Regeneration, in consultation with the Cabinet Member Housing Delivery and Homes, to take all steps required to approve and implement the finalised Bristol Housing Allocation Scheme, including making such minor amendments as are required to finalise the policy as outlined in this report.
4. Note the outcome of the consultation as set out in Appendix B – Final Housing Allocations Review Consultation Report

Corporate Strategy alignment:

1. There is a commitment in the Homes and Communities theme of the Corporate Strategy to ‘review the system for allocating social housing’. This work is in direct response to that commitment. It also aligns with the commitments to ‘reduce and prevent homelessness and rough sleeping, tackling the underlying causes’, and ‘reduce the number of households in temporary accommodation’

City Benefits:

1. Many groups with protected characteristics are currently over-represented on the housing register. Disabled people, for example, comprise around 44% of those on the housing register, compared to just around 17% identifying as having a long-term health problem or disability citywide. By increasing our ability to intervene to match people to suitable properties and make them direct offers we believe we will be able to address homelessness and other critical situations and move people on into suitable properties faster.

Consultation Details:

1. Multiple public engagements were held between 2019 and June 2022 to engage with a wide base of stakeholders in developing the proposals
2. Public Consultation took place over a 12- week period from 15 July 2022 to 7 October 2022
3. Developing Proposals were discussed at Communities Scrutiny Commission 3 October 2022
4. Presentations to Housing Management Board May '21, March '22, Jan '23
5. Regular updates to Bristol Homes and Communities Board since March '22

Background Documents:

[Corporate Strategy](#) – Ref HC1, p41
[Communities Scrutiny Commission 3 October 2022](#)
[Housing Management Board](#) Ref Meetings 20 Oct 2021, 30 May 2022, 26 Jan 2023
[Bristol Homes and Communities Board](#) since March '22

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| Revenue Cost | N/A | Source of Revenue Funding | N/A |
| Capital Cost | N/A | Source of Capital Funding | N/A |
| One off cost <input type="checkbox"/> | Ongoing cost <input type="checkbox"/> | Saving Proposal <input type="checkbox"/> | Income generation proposal <input type="checkbox"/> |

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: The current housing issues experienced both nationally and within Bristol City are putting severe pressure on the council’s housing allocations and budgets. There are significant costs associated with housing generally, including managing the allocations service, managing the provision of council housing, and providing

services to those experiencing homelessness or the threat of homelessness.

All of these are affected over time by the demand for housing. The allocations policy is how that demand is allocated to existing properties. As such, changes to the plan will be funded from existing budget provision.

The changes to the allocations policy set out in the report are expected to assist in managing those pressures and assist in officers making the best use of the resources available.

Finance Business Partner: Archa Campbell, Interim Finance Manager, Housing and Landlord Services 1 February 2023

2. Legal Advice:

Housing authorities are required to have a housing allocation scheme to determine how they select a person to be a secure or introductory tenant of their accommodation and how to determine priorities between applicants. All aspects of the allocation process must be covered in the scheme. As required by s.166A (12) Housing Act 1996 Bristol City council have had regard to the current tenancy and homelessness strategies when modifying the scheme.

The revised Policy is lawful. Legal advice has been provided and incorporated on the proposals both ahead of Consultation and on the draft versions of the Policy included in this report.

The consultation responses in Appendix B must be conscientiously taken into account in finalising the decision. The leading cases on consultation provide that consultation should occur when proposals are at a formative stage, should give sufficient reasons for any proposal to permit intelligent consideration and should allow adequate time for consideration and response. There must further be clear evidence that the decision maker has considered the consultation responses, or a summary of them, before taking its decision.

Legal Team Leader: Husinara Jones and Kate Meller, 23 February 2023

3. Implications on IT: In light of the commentary in relation to the governance provided in line with the HiT programme, I am confident this will not adversely impact IT systems or services.

IT Team Leader: Gavin Arbuckle, Head of Service Improvement & Performance, 7 February 2023
Comments also supplied by Stewart McDermott, Programme Manager, Housing IT and Transformation Programme

4. HR Advice: There are no HR implications evident

HR Partner: Celia Williams, HR Business Partner, Growth and Regeneration 1 February 2023

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| EDM Sign-off | Stephen Peacock, Executive Director Growth and Regeneration | 30 November 2022 |
| Cabinet Member sign-off | Councillor Tom Renhard, Cabinet Member Housing Delivery and Homes | 6 December 2022 |
| For Key Decisions - Mayor's Office sign-off | Mayor's Office | 6 February 2023 |

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| Appendices A1 to A4 – HOUSING ALLOCATION REVIEW ADDITIONAL EVIDENCE | YES |
| Appendix B – Final Housing Allocations Review Consultation Report | YES |
| Appendix C – Communities Scrutiny 3 October 2022 | YES |
| Appendix D – Risk assessment | YES |
| Appendix E – Equalities screening / impact assessment of proposal | YES |
| Appendix F – Eco-impact screening/ impact assessment of proposal - There are no significant environmental impacts linked to this proposal and a full Eco IA is not required. Nicola Hares – Environmental Project Manager - 02/02/2023 | NO |
| Appendix G – Financial Advice | NO |

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| Appendix H – Legal Advice | NO |
| Appendix I – Exempt Information | No |
| Appendix J – HR advice | NO |
| Appendix K – ICT | NO |
| Appendix L – Procurement | NO |