

Title of meeting: Cabinet Member for Housing and Tackling Homelessness

Date of meeting: 18th September 2024

Subject: Approving Portsmouth City Council's Allocations Policy

Report by: James Hill - Director for Housing, Neighbourhood and Building Services

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Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 To present Portsmouth's policy for allocating social housing, which sets out the arrangements for allocating housing accommodation within the meaning of Part VI of the Housing Act 1996, including:
- 1.1.1 The selection of applicants to be offered tenancies by Portsmouth City Council,
 - 1.1.2 Nominations to tenancies offered by private registered providers of social housing.

2. Recommendations

- 2.1. To approve the council's new Allocations Policy (Appendix 1) and associated banding scheme (Appendix 2), to be effective from the 20th November 2024.

3. Background

- 3.1 Portsmouth's Homelessness Strategy (2024-2029) determined the following action as required:
- 3.1.1 Undertake a review of how social housing is allocated: i) a review of the allocations policy for social housing, including its relationship with homelessness and ii) a review of how internal transfers and exchanges are utilised to make the best use of available stock.

- 3.2 Local authorities are required to formulate and publish a scheme for allocating social housing (s.166A(1) Housing Act 1996). There is no statutory requirement to review the scheme after a set number of years.
- 3.3 The council's allocation scheme was last reviewed in 2019, primarily accommodating the changes in homelessness legislation introduced by the Homelessness Reduction Act 2017.
- 3.4 Portsmouth has since seen increasing numbers of homelessness applications in the face of a national housing crisis. A greater proportion of households offered accommodation via the housing register are now related to homelessness.
- 3.5 Homeless households still only make up a relatively small proportion of the housing register but are allocated the majority of the social housing available in the city.
- 3.6 A greater proportion than ever of properties are offered to applicants who are not existing tenants (non-transfers). This, as a result, means fewer empty properties are subsequently returned to the council for allocation on to someone else.
- 3.7 The high band of the housing register is increasingly oversubscribed, with properties only rarely being offered to anyone with a low or medium level of priority, and those with a high level of priority waiting significantly longer than they used to for a property.

4 Consultation

- 4.1 The views of stakeholders and the wider public were sought via an online survey held between 20 May 2024 and 3 July 2024. The survey was publicised generally via email bulletins, social media, and the PCC website, and some key groups were specifically targeted for responses:
 - 4.1.1 Private registered providers of social housing and local authority housing service
 - 4.1.2 Those currently on the housing register
 - 4.1.3 Members of the Portsmouth City Rough Sleeping and Homelessness Partnership Group
 - 4.1.4 Partner organisations likely to be affected by the policy including council directorates.
- 4.2 Topics consulted upon included:
 - 4.2.1 The proportion of properties that should be let to existing tenants of social housing in order to potentially increase the overall number of moves

- 4.2.2 Whether, when appropriate, a property should go to a household with a lower priority so that multiple households are housed instead of just one
- 4.2.3 Whether the names 'low', 'medium' and 'high' for the levels of priority awarded should be changed
- 4.2.4 Whether Portsmouth care-experienced people and former or serving members of the armed forces should be prioritised ahead of other applicants and whether other groups should be considered
- 4.2.5 Whether the council should apportion a small number of properties each year for 'direct nomination' to specific groups of vulnerable people, for example people with learning disabilities or vulnerable families leaving hostel accommodation.

4.3 The Allocations Policy Consultation Report is attached as Appendix 3. The report demonstrates overall agreement with the types of changes suggested.

5 **Proposed policy**

5.1 There are large parts of the existing allocations policy that reflect national law and guidance and/or are currently effective, and so remain substantively very similar to the previous policy. For example, the law around eligibility for assistance, the local connection criteria, or large parts of the banding scheme remain very similar.

5.2 The proposed policy seeks to make better use of the limited stock of housing available:

5.2.1 By enabling an increase to the number of overall moves by ensuring a greater number of existing tenants are moved (thus freeing up more properties to be offered to others)

5.2.2 By enabling dynamic adjustments to the proportion of lets that go to different groups of applicants, led by local demand and pressures

5.3 **Increasing the number of properties let via the housing register by ensuring more moves for transfer applicants.**

5.3.1 51% of consultation respondents thought more properties should be allocated to existing tenants, with 15% disagreeing. 82% of respondents agreed that a balance needs to be kept so that applicants who are not existing tenants continue to be helped, with 5% disagreeing.

5.3.2 By categorising all applications within one of three 'allocation groups' (homeless households accommodated by the council, existing social housing tenants in Portsmouth, non-transfer applications) and reserving a percentage of lets to be made to each group, more overall lets can be created whilst also ensuring homeless households continued to be offered accommodation.

- 5.3.3 The percentages of lets offered to each allocation group will be kept under review and adjusted according to demand and local pressures.
- 5.3.4 The following hypothetical example is provided only to demonstrate how effective this change could potentially be. The percentages provided are not indicative of the percentages that would in reality persist over the coming months - any actual changes to the percentages would be made based on the available data and information at that time.
- 5.3.5 The following projection is based on assumptions derived from existing and historical data, and the following hypothetical allocation of properties to the respective allocation groups. In this example, the percentage of properties is only adjusted slightly.
- 5.3.6 The projected result gives an estimated overall increase in the number of properties allocated - largely a result of the increased proportion of lets being allocated to transfers - and specifically a very significant increase in the number of properties.
- 5.3.7 Although the *percentage* of allocations to homeless households is reduced, more transfers mean more homes to allocate from, so increasing the number of homeless households being allocated, even if the percentage were to stay the same

Split	Transfers	Homeless accommodated by PCC	Non-transfer applicants
Proportion of allocations (0-6mo)	40%	30%	30%
Proportion of allocations (7-12mo)	40%	29%	31%
Proportion of allocations (13-18mo)	40%	28%	32%
Proportion of allocations (19-24mo)	40%	27%	33%

Projection Based On	Transfers	Homeless accommodated by PCC	Non-transfer applicants	Total
Current System	388	579	784	1,751
Alternative Model	784	627	715	2,126

5.4 **Increasing the number of properties let via the housing register by using chain lettings**

- 5.4.1 The consultation included a hypothetical example of chain lettings where 5 households are offered accommodation instead of 1:
Instead of offering a 1-bedroom property to whoever the next person on the housing register is, we could:
- Offer the 1-bedroom property to a single person currently living in a 4-bedroom property they no longer need
 - The 4-bedroom property is then freed up for a family of 8 currently living in a 3-bedroom property

- *The 3-bedroom property is then freed up for a family of 6 currently living in a 2-bedroom property*
- *The 2-bedroom property is then freed up for a family of 4 currently living in a 1-bedroom property*
- *The 1-bedroom property is then freed up for a single person without accommodation, for example the person who was initially next on the housing register*

5.4.2 85% of consultation respondents agreed that, where appropriate, a property should go to a household with lower priority so that more households are helped (i.e. via a 'chain' of lettings); 4% disagreed.

5.4.3 The proposed policy does overall still give overall priority to those with the most urgent need and those who have waited the longest; chain lettings would be used for a small minority of allocations and where households being overlooked do not have unusually specific housing needs which would have been met by the property in question.

5.4.4 A small pilot chain lettings scheme recently turned 5 original empty properties into 18 allocations in around 4 months, with 5 resulting properties still in hand to further allocate.

5.5 **Changing the name of the priority bands from 'low', 'medium' and 'high to 'recognised', 'significant' and 'urgent' respectively.**

5.5.1 71% of consultation respondents agreed with the suggestion to change the names of the priority lettings to 'recognised', 'significant' and 'urgent', with 14% disagreeing.

5.5.2 Though there was general support for the change, the most common reasons for disagreeing revolved around the fact the name-change would not make a material difference to the application.

5.5.3 The labels of 'low' and 'medium' are often difficult for applicants with real housing problems to hear, can give the impression that their situation is not fully appreciated, and do not convey the significance of many people's housing problems.

5.6 **Additional priority for current and former members of the armed forces and for care-experienced people from Portsmouth**

5.6.1 Section 166A(3) of the Housing Act 1996 (as amended) requires local authorities to frame their allocation scheme to give additional preference to certain members of the Armed Forces community (as per the groups specified in the proposed policy).

5.6.2 Awarding an additional level of priority to care leavers from Portsmouth would have a very limited impact on the wider housing register but would give extra help to those to whom the council is or has been a corporate parent.

5.6.3 49% of applicants agreed with the proposal to award additional priority to these groups, with 25% disagreeing.

5.6.4 89% of all households on the housing register are currently in the 'upper tier' of their priority band.

- 5.6.5 In practice with the existing policy, what is intended to be an additional level of priority has a very limited practical impact because the vast majority of applicants enjoy the same level of additional priority. This also means that those in the lower tier of their band are very significantly disadvantaged, effectively creating an additional band below the one assessed as appropriate for them.
- 5.6.6 By protecting the upper tier for each priority band for a smaller group of applicants (less than 2% of the housing register currently meet the armed forces criteria for example), the additional priority those groups enjoy is in real-terms much greater, and the impact on those without the priority much lower.
- 5.6.7 62% of consultation respondents suggested alternative groups to be given additional priority on the housing register. The majority of the most common groups suggested are already awarded priority under the existing and proposed policies, with the level of priority awarded based on their level of housing need (including applications involving overcrowding, health or disability-related housing problems, or people who are threatened with homelessness).

5.7 Other proposed changes to the existing policy include:

- 5.7.1 Taking a sensitive and more selective approach to letting properties in areas of known, persistent anti-social behaviour to reduce impact of such behaviour on neighbours and the wider community.
- 5.7.2 Codifying the approach taken in relation to people who need to move because of property defects (for example damp and mould). Where a persistent problem cannot be remedied by taking reasonable steps to do so, any impact on health and wellbeing will be assessed and priority awarded accordingly.
- 5.7.3 Allowing a greater degree of choice for those applying to downsize from larger properties, so as to free up family-size accommodation for those who need the space.

6 Implementation and review

- 6.1 The policy is proposed to be effective from 20th November 2024.
- 6.2 New and existing applications will be awarded the appropriate level of priority according to the new policy and will be categorised within one of the allocation groups from 20th November.
- 6.3 The policy will be published on the council's website, shared with relevant partners, and made known to households currently on the register.
- 6.4 The policy will be reviewed at least every 2 years or when a significant change to the housing circumstances in Portsmouth require it.

6.5 The percentages of lets assigned to each allocation group and the proportion of properties reserved for direct nominations will be reviewed at least annually.

7. Reasons for recommendations

7.1 To ensure that the council's allocations policy is up to date and effective in meeting the needs of Portsmouth residents.

7.2 To ensure the council continues to meet the statutory duties under Housing Act 1996 (as amended).

8. Integrated impact assessment

8.1. A full integrated impact assessment of this strategy is attached at Appendix 4.

9. Legal implications

9.1 The relevant legal drivers are set out in the body of the report (notably s.166A(1) of the Housing Act 1996 - that every local housing authority in England must have an allocation scheme for determining priorities and procedure for allocating housing). The new allocation scheme continues to afford reasonable preference to the groups specified in at s.166A(3) of the same Act.

Paragraph 7 engages the basis of discharging any obligations in accordance with the duties under the Equality Act 2010 thereby aligning with the Public Sector Equality Duty in the sense of how and what factors may be considered in discharging the strategy (as per s.149).

10. Director of Finance's comments

10.1 The approval of the council's new Allocations Policy and associated banding scheme is likely to have minimal impact on the financial pressures of providing temporary accommodation for homeless applicants. The new policy intends to increase the overall number of properties let via the housing register by ensuring more moves for transfer applicants. Projections, based on current and historical data, demonstrate how the overall number of applicants rehoused can be increased without reducing the number of lets to homeless households. The new policy should not increase the demand for temporary accommodation but the impact of the proposed changes on homelessness budgets will be monitored closely.

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Signed by: James Hill - Director of Housing, Neighbourhood and Building Services



Appendices:

Appendix One - Allocations policy

Appendix Two - Banding scheme

Appendix Three - Consultation Report

Appendix Four - Integrated Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Housing Act 1996, Part VI	Housing Act 1996 (legislation.gov.uk)
Portsmouth City Council Homelessness Strategy 2024-2029	Homelessness Strategy 2024 (portsmouth.gov.uk)
Homelessness Reduction Act 2017	Homelessness Reduction Act 2017 (legislation.gov.uk)
Existing Allocation Scheme	Appendix 1 - Allocations Scheme 20190129 Portsmouth Allocation Scheme.pdf

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: