

# Bassetlaw District Council

## Choice Based Lettings and Local Lettings



**BASSETLAW**  
DISTRICT COUNCIL  
NORTH NOTTINGHAMSHIRE

## Scrutiny is an Independent, Councillor-led Function, Working with Local People to Improve Services.

### Foreword

I would like to take this opportunity to thank all the Members and Officers involved in this review and to all the witnesses that have provided evidence. This was an example of a timely scrutiny review which has assisted A1 Housing and Bassetlaw District Council to develop a revised Choice Based and Local Lettings Policy. We discovered that no Choice Based Lettings policy is perfect but has to balance local need. We have investigated the significant factors influencing the process so the revised policies will allow Council to allocate properties in a transparent and fair way. We compared the policies with best practice and we looked at the performance of the scheme.

A1 Housing is a member of the Sub Regional Allocations Scheme with Bolsover District Council, North East Derbyshire District Council and Chesterfield Borough Council. 10% of the empty Council housing stock is allocated to the scheme so that tenants in other areas can bid for our properties. The Sub Regional Allocations Scheme started in September 2011 and we want to monitor the outcomes to ensure that properties are allocated fairly across the Districts.

Currently there is a rising demand for social housing in Bassetlaw but the supply of Council properties that become empty is reducing so we have to manage the available resources effectively. New Central Government legislation has indicated that we should be allocating housing to those most in need but it also gave Councils flexibility to produce a policy to meet local need.

As the Review progressed we identified that there are pressures on the demand for social housing and the Panel heard evidence on the short and long term possibilities of increasing the supply of Social Housing. The Panel wants the provision of social housing to be a priority in the new Bassetlaw District Council Corporate Plan 2012-2015.

We have enjoyed the review and gained a detailed understanding of the way that the Choice Based Lettings Scheme works which helps us in our role as Councillors.

The Panel have discussed the options responsibly and at length and taken all the factors into consideration so that the recommendations of the Review are balanced and fair and meet the housing needs of our local community.

Councillor Frank Hart  
Chairman Select Panel 1



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# 1. Executive Summary

## 1.1 Summary of Findings

The availability of social housing is becoming increasingly important as an issue. This scrutiny review can be part of the process to explain to tenants why some difficult decisions are being made. This review has recommended some significant changes to the policy but the key fact is that there are a limited and reduced number of homes for an increasing number of applicants. It is essential that we ensure that the CBL policy is robust, transparent and fair and the Panel has considered its decisions responsibly before making the recommendations. The Members recognised the importance of making balanced decisions for all the community so that those with the highest need are able to access Council properties. The Panel spent a large amount of time evaluating the evidence before making a final decision.

A1 Housing had started a review of the policy following the recommendations of the Audit Commission inspection in November 2010. The recommendations of the A1 Housing Choice Based Lettings (CBL) and Tenancy Conditions Review (A1 Housing Review Group) and this scrutiny review will deliver the required improvements. The scrutiny review was timely as it strengthened the existing A1 Housing review. It was an evolving process and the discussions of the Panel led to additional changes being made to the policy during the course of the BDC scrutiny review. Although the A1 Housing Review Group only looked at limited sections of the CBL policy, the BDC Scrutiny Review took the opportunity to review the complete policy.

The Panel had approached the scrutiny review using the best practice framework produced by the Centre for Public Scrutiny and examples of CBL schemes produced by local authorities that are considered best practice by the Audit Commission and Chartered Institute of Housing. The existing policy and the revised CBL and Local Lettings policies were produced using best practice.

The recommendations made by the review were also considered in the context of the new legislation that Central Government is progressing on social housing reform. The Localism Act which received Royal Assent on 15<sup>th</sup> November 2011 aims to change the way that social housing is provided, allocated and regulated with local flexibility. The Act focuses social housing provision on those most in need and the Government says that the changes set out in the Act will give local authorities 'the flexibility to better manage their housing stock by adapting to meet local needs'. This was strengthened by the Government's Housing Strategy published on 21<sup>st</sup> November 2011 which states that guidance will be issued to local authorities saying that social homes should not be allocated to people who do not need a home such as those who already own a home that is suitable for use. This was significant for the review as its key recommendation was to revise the criteria for Owner Occupiers aged 60 years and over.

The review found that A1 Housing is already providing flexibility for its tenants as it is a member of HomeSwapper which allows tenants to move property across the country to be more mobile for employment and family reasons. The Panel has found through the scrutiny process that BDC's CBL policy is working to meet the identified local need and opportunities to increase mobility.

Another key reform in the Localism Act allows local authorities to meet their homelessness duty by providing good quality private rented homes. Under the previous rules, people who became homeless were able to refuse offers of accommodation in the private rented sector. The Panel found

that homelessness has doubled in Bassetlaw in the last 12 months. A1 Housing has increased the allocation of empty properties from 10% to 30% in Band A for the homeless priority during the course of the review. Bassetlaw District Council has introduced an accreditation scheme with registered social landlords East Midlands Landlord Accreditation Scheme (EMLAS) to improve the quality and availability of private social housing.

As the review was complex a separate Summary Document of the changes was produced so that the decision making process could be followed in detail and a separate Appendix document as the review considered a large amount of information. These are available in the Members Room, Queen's Buildings, Worksop Town Hall.

The key recommended changes to the existing policy are:

#### Property Ownership Change to Owner Occupiers Age 60 years and over

The changes to this criteria affect the largest numbers on the Housing Register- approx.1400. Most are in Band D as they have low housing needs. The Panel had several meetings discussing the way forward to balance all the options. The A1 Housing Review Group had proposed a financial assessment of all home owners over 60 years of age to determine their need for social housing. If the applicant could meet their own housing needs from their own assets then they would be assigned to the lowest priority Band- Band E. The BDC Scrutiny Review considered other options and agreed that they would not recommend a means test on cost grounds as it would cost around £25,000 to assess all1400 applicants and take up to one year to complete. Instead the current system of targets for each priority Band would be ended and anyone will be able to bid for any property. All home owners will be moved to the lowest priority Band E which states that they have no Housing Need. Properties will be allocated by priority bands but everyone will have an opportunity to bid and homes will trickle down to the lower priority bands. This approach will allocate properties by need for everyone on the Housing Register

#### Choice of Accommodation Criteria

Anecdotally the policy to allocate a 3 bedroomed house to a family with 1 child causes problems with other applicants on the waiting list with a larger number of children. It was also considered whether or not this is a fair and efficient use of housing stock. There was a lengthy discussion about a proposal to only allow a family with 1 child access to a 2 bedroomed house and to delete the option of access to a 3 bedroomed house. The other existing options of a 2 bedroomed flat/maisonette and a 3 bedroomed flat/maisonette were left unchanged. After balancing the factors the Panel recommended that families with 1 child should be able to access a 2 bedroomed houses and 2 bedroomed flat/maisonettes and 3 bedroomed flat/maisonettes. The Panel worked in consensus throughout the review but this recommendation was the only one that had a vote with 5 in favour of the recommendation and 3 against.

#### Local Connection

The Panel considered that at a time of increased demand for properties the local connection should be increased from 6 months to 24 months. The existing criteria to live in the District for 6 months before being eligible to apply to the Housing Register was considered too short.

### Under Occupancy

There are a significant number of family sized homes that only have 1-2 people living in them as their families have grown up and left home. The size of the property is now too large for their needs. If the tenants can move into smaller accommodation it will release a high demand family home. A1 Housing has performance targets to reduce under occupancy and is working on several initiatives to encourage people to down size. The Panel recognised that it is a sensitive subject but recommended that A1 Housing investigate ways to raise awareness of the assistance available.

### Re – Advertising of Properties for Over 60 years old

This was one of the issues that prompted the scrutiny review. Under the existing system if a property of this type is advertised and is not successfully let the age of the person who can apply for the property is reduced to 50 years and then to 40 years. These are mainly one bedroomed bungalows which are not popular accommodation. The Panel agreed that housing need is the most important factor and so the new system is to allocate on Band priority of the applicant bidding for the property.

### Cramped but not statutory overcrowding

A1 Housing were recommending changes to the ages that children are required to have a bedroom of their own raising the age that a child is expected to share a bedroom with a child of the opposite sex from 5 years old to 10 years and from 11 years old to 16 years to share a bedroom with a child of the same sex. The Panel had lengthy discussions on this change and how it will work in practice but the revised age limits will meet the requirements of the proposed changes to Housing Benefit and best practice.

### Her Majesty's Forces

The Panel also agreed the improved priority for Her Majesty's Forces.

### Local Lettings Policy

This was agreed as a useful mechanism to deal with specific problems in a local area.

### Sub Regional Allocations Scheme

Bassetlaw District Council is a member of the common allocations policy for the Sub-Regional Partnership formed with Bolsover District Council Chesterfield Borough Council, North East Derbyshire District Council (Rykneld Homes) which started in September 2011. This policy was not in the original Bassetlaw CBL policy and was included during the course of the review. The Sub Regional scheme has its own policy and each authority allocates 10% of their housing to the scheme to increase mobility and choice across the region. As the scheme has only just started it is not possible

to determine how Bassetlaw applicants are using the scheme so it was agreed to have a report back in one year to the Overview and Scrutiny Committee.

### Consultation

This has been a complex review and the Panel has looked at detailed evidence before making its recommendations to have a fair and transparent allocations process. The final stage in the process is consultation with applicants on the A1 Housing Register, other social housing providers and partners.

### **Other Findings**

#### Performance

This is not considered in the policy itself but is measured by the A1 Housing Performance Management system and reported to the A1 Housing Board. The Panel considered the indicators for Housing Allocations and Voids. There are 14 in total with 4 currently performing below target. The key indicator is re-let times for properties and although this is reducing it is not at the target of 21 days per property. As has been reported above downsizing will release properties for families and A1 Housing have a target of 30 properties in 2011/12. During the course of the review A1 Housing changed the way that customer satisfaction surveys are completed to increase the response rate to give more accurate data to improve services. The Panel identified that only a small number of surveys were being returned and this was not reliable customer satisfaction data. There had been few complaints about the existing process. It performs well compared to other ALMOs and the recent HouseMark benchmarking exercise had found that A1 Housing's CBL was a good performing service for an above average cost.

The Panel were satisfied that the A1 Housing Board was monitoring performance and setting targets to improve.

#### Proposed Changes to Housing Benefit and Welfare Reform

The Panel considered the evidence that Bassetlaw District Council had available on the effect of the proposed Welfare Benefit changes to the residents of Bassetlaw. It is difficult to speculate what will happen but as 66% of A1 Housing tenants are in receipt of Housing Benefit there will be some pressures. Also, young people may find it more difficult. The Panel heard evidence on the possible effect of the changes to the calculations of Housing Benefit payments in 2013 and the introduction of the Universal Credit in 2013. The reduction in payments for A1 Housing tenants for under occupation of bedrooms may mean that tenants will no longer be able to afford their current property and may want to down size which will lead to a higher demand for smaller properties. It may also lead to an increase in rent arrears. The Panel considered the options for the CBL policy but decided not to change the existing policy on tenants' arrears as it has to be fair to all customers.

The Panel made practical recommendations to assist people who may be experiencing financial problems such as supporting the joint funding of the A1 Housing Money Advisor with Bassetlaw District Council. Also A1 Housing has introduced support in its draft 2012/13 Objectives is proposing to introduce a Financial Inclusion Strategy and have regular health checks on tenants affected by the Welfare Reforms

The Panel therefore felt that reasonable preparations for Welfare Reform were being made by A1 Housing at this stage.

### Future Considerations

The Panel recognised that there needed to be an increase in the social housing supply to reduce pressure on the existing stock. Bassetlaw District Council has been pro- active and produced an Empty Homes Strategy which will allow a small number of homes to be brought back into use using A1 Housing as a leasing agent. It also considered the reform of the Housing Revenue Account which in the long term may allow the Council to increase its supply of social housing by direct funding of new build. The Panel has also recommended that the new BDC Corporate Plan 2012-2015 should include the social housing as a priority of the Council and work with developers to improve the supply.

The Panel agreed that they had a better understanding of the policy as a result of the review and the policy met local needs.

### Equality Impact Assessment

An Equality Impact Assessment was carried out for the existing policy in December 2008. This is attached in the Appendix. A new EIA has been completed for the Scrutiny Review and BDC Strategic Housing will complete a new EIA for the final revised policy following the consultation process.

## 1.2 Scope of the Review

**Our ambition: To ensure that the Choice Based Lettings Policies are fair, equitable and transparent; reflect the needs of our communities; and meet current/proposed legislative requirements.**

We will: -

- review the changes that Bassetlaw District Council is proposing to the Choice Based Lettings and Local Lettings policies. To determine if the changes are reasonable and to recommend additional changes if appropriate
- review the Choice based lettings and local lettings policies of authorities judged to be best practice to see if we want to include any additional amendments to the policies
- review the operation of the Choice Based Lettings system and how its performance is measured (to ensure that it meets its stated objectives (looking at satisfaction levels, accessibility, take up of bidding routes etc.)
- review the flexibility of the policies and their ability to respond to the changing demand for social housing in Bassetlaw (e.g. the current economic climate)



- review the relevance of the Sub Regional Lettings policy on Bassetlaw's policies and on Bassetlaw residents ability to gain suitable social housing
- review how the proposed benefits changes will impact on housing allocations in Bassetlaw, the continuance of tenancies and the overall demand

The review addresses the Ambitions of Council's new Corporate Plan 2012-2015 of:

**AMBITION 2 : QUALITY HOUSING AND THE LOCAL ENVIRONMENT**

Priority 2 - Ensure the right quality and mix of housing is available to meet demand

**AMBITION 4: A WELL RUN COUNCIL**

Priorities

1. Demonstrate good governance, openness and transparency
2. Maximise efficiency and value for money
3. Deliver well run customer focused services and facilities
4. Promote fair and equal access to services

**1.3 Membership**

- Councillor C. Entwistle
- Councillor G. Freeman
- Councillor M. Gray
- Councillor F. Hart (Chairman)
- Councillor B. Hopkinson
- Councillor C. Palmer
- Councillor Mrs M.W. Quigley ( Vice Chairman)
- Councillor T. Rafferty
- Councillor C. Wanless
- Councillor Mrs V. Wanless

## 1.4 Summary of Recommendations

	Recommendation	Responsible Officer	Financial Implications	Delivery Timescale	Risks to delivery/ Officer Comment
1.	<b>Recommendations from the A1 Housing Review Group</b>				
	<b>Section 2 – Acceptance onto the Housing Register</b>	R. Burton, Service Manager, A1 Housing C Frost Housing Strategy and Renewal Manager, Bassetlaw District Council		Revised CBL to be in place by July 2012	Response to the consultation process by stakeholders.
	<b>Section 2.5</b> - Age Criteria Accepted that 16 or 17 year olds will be accepted with a support package.				
	<b>Section 2.7</b> - Current Residence Local Connection Her Majesty's Forces. HM Forces personnel with no connection to Bassetlaw can be allocated to Band D1 or Band C8 if there is a local/family connection.				2.7 The DCLG published a consultation on 5 <sup>th</sup> January, 2012, on proposed statutory guidance on the Armed forces which will require no residency qualifications for personnel. Following Overview and Scrutiny Committee A1 Housing advised that Section 2.7 will now be amended to reflect this and delete any local connection.

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	<p><b><u>Section 2.10</u></b> - Change of Circumstances</p> <p>Minor amendments on the effective application date accepted.</p>				
	<p><b>Section 3 – Lettings Criteria</b></p>				
	<p><b><u>Section 3.2</u></b> - Change to description of 'Senior Citizen' accommodation to 'Older Persons'</p>				
	<p><b><u>Section 3.34</u></b> - Choice of Accommodation Criteria</p> <p>Agreed that a couple should not be allowed access to a 3 bedroomed house.</p>				
	<p><b><u>Section 3.8</u></b> - Amendment of a housing application between joint applicants</p> <p>Requirement to provide proof of legal access to children. Also to be considered as a family unit proof of access to children for 3 nights per week must be provided.</p>				
	<p><b>Section 4 – Letting Bands and Allocations of Tenancies</b></p>				
	<p><b><u>Section 4.21</u></b> – Band C - Applicants with Some Housing Needs</p> <p>C5 – Cramped but not statutory overcrowding</p> <p>Changes as follows:</p>				<p>C5 Proposed draft guidance issued by Government on 5th January 2012 for consultation may require a change to the allocations policy</p>

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	<p>A child aged under 1 year of age does not need their own bedroom and can share a bedroom with their parents.</p> <p>A child under 16 years of age can share a bedroom if they are the same sex.</p> <p>A child under the age of 10 can share a bedroom regardless of sex.</p>				based on a bedroom standard for overcrowding
	<p><b>Section 4.4</b> - Band A Applicants with Severe/Urgent needs for housing</p> <p>A3 Statutorily Overcrowded. This will only apply where it is the result of the natural growth of the family.</p>				
	<p><b>Section 4.24</b> - Offers of Accommodation Removal of the date of registration</p>				
	<p><b>Section 6 - Exclusion and Suspension from the Housing Register and Other</b></p> <p>Amendments to make the policy easier to use.</p>				
	<p><b>Section 6.2</b> - Debts and Arrears</p> <p>Private landlords that are part of East Midlands Landlord Accreditation Scheme have been added to the organisations that cannot be owed arrears before an offer of a property is made.</p> <p><b>Section 8 – Discretion in Application of the Policy</b></p> <p>Certain named senior officers within A1 have some discretion in the application</p>				

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	of the CBL policy to address unique circumstances and allow the best use of the housing stock.				
	<b>Section 11- Assessment of Medical Need for Re-housing</b>				
	<b><u>Section 11.5.6</u></b> - Allocation of Accommodation  Amendment to allow the allocation of a property which has been adapted for tenants with disabilities to be offered in priority Band order if no applicant with medical Priority A or B applies.				
	<b>Section 12- Local Lettings Policies</b>  Revised policy to allow BDC to create sustainable communities in local areas.  <b>Suggestions on amendments to the BDC CBL Policy which arose during the review and which A1 Housing has already integrated into a revised CBL Policy (which will be subject to Cabinet and stakeholder approval)</b>				
	<b>Section 3 – Lettings Criteria</b>  <b><u>Section 3.4</u></b> - Re-Advertising of properties for over 60s-  Properties are to be allocated in order of housing need - that is by Banding Priority A to E and not age in category Band D Over 60 years to Over 40 Years.				
	<b>Section 4 – Letting Bands and</b>				

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	<b>Allocations of Tenancies</b>				
	<p><b><u>Section 4.3</u></b> - Allocation of Properties</p> <p>The Sub Regional Allocation Scheme was not included in the original policy and from September 2011 10% of available properties are to be advertised to the partners in the scheme- Bolsover District Council, Chesterfield Borough Council and North East Derbyshire District Council.</p>				
2.	<b>Additional Recommendations from the BDC Select Panel</b>				
	<b>Section 2 – Acceptance onto the Housing Register</b>				
	<p><b><u>Section 2.7</u></b> – Current residence local connection</p> <p><b>Recommendation 1:</b> -</p> <p>The Local Connection criteria should be increased from 6 months to 24 months.</p> <p><b><u>Section 2.9</u></b> – Property ownership</p> <p><b>Recommendation 2:</b> -</p> <p>2.1 Change the Banding allocation for Home Owners aged over 60 years on the Housing Register to Band E from Band D.</p>				
	2.2 Remove the target quotas for allocation of properties to each Band. Properties should be allocated in Band priority order for ALL applicants bidding		2.2 To implement the changes to the system will cost approx. £2,000.		

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	on the Housing Register		There is no current budget identified for this expenditure.		
	2.3 Home Owners who are moving into an A1 Housing property must provide proof of sale their property.				
	<b>Section 3 – Lettings Criteria</b>				
	<p><b>Section 3.34</b> - Choice of Accommodation Criteria</p> <p><b>Recommendation 3: -</b></p> <p>A family with 1 child should have access to a 2 bedroomed flat/maisonette or a two bedroomed house and not a 3 bedroomed house.</p> <p>(The definition of a family is extremely comprehensive and is contained within the CBL Policy).</p>		<p>Section 3.34</p> <p>There will need to be changes to the computer programme to record 1 child families as the system does not currently. The estimated cost is approx. £5000.</p> <p>There is no current budget identified for this expenditure.</p>		
	<b>Section 4 – Letting Bands and Allocations of Tenancies</b>				
	<p><b>Section 4.2</b> – Targets and <b>Section 4.3</b> - Allocation of properties</p> <p><b>Recommendation 4: -</b></p> <p>That target quotas for allocation of properties to each Band be removed.</p> <p>That all applicants will be able to bid for all advertised properties and the allocation of properties should be in priority band order Bands A – E (see Recommendation 2.2)</p>				

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	<p><b>Section 4 4 Band A Applicants with Severe/Urgent needs for housing and A1 Statutorily Homeless</b></p> <p><b>Recommendation 5: -</b></p> <p>The Council should carry out a Housing Stock Condition Survey when resources are available.</p>		<p>Section 4.4 There is no budget available to do the survey in 2012. Estimated cost of a survey £80,000. To be undertaken when sufficient resources are identified by Bassetlaw District Council</p>		
	<p><b>Section 4.13</b> - Band B Applicants with High Housing needs</p> <p><b>B1</b> A1 Housing Tenants releasing a high demand property</p> <p><b>Recommendation 6: -</b></p> <p>The release of high demand property should be encouraged e.g. through an article in the A1 Housing tenants' magazine - with case studies of where this has been successful.</p>				
3	<b>Other issues – not directly linked to the CBL Policy</b>				
	<p><b>Recommendation 7: -</b></p> <p><b>Sub Regional Allocation Scheme</b></p> <p>That a progress report on the first year operation of the Sub Regional Allocation Scheme should be submitted to BDC Overview and Scrutiny Committee by</p>	R. Burton, Service Manager, A1 Housing		December 2012	<p>Low uptake by BDC residents of the scheme.</p> <p>High uptake by Sub Region partners.</p>



	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	December 2012.				
	<p><b>Recommendation 8:</b></p> <p><b>Performance Measures</b></p> <p>That A1 Housing continues to set stretching performance targets in relation to the operation of the CBL Policy and report key outcomes to their A1 Board. To ensure that: --</p> <ul style="list-style-type: none"> <li>•The number of under-occupied properties are reduced</li> <li>•All properties are let within agreed targets</li> <li>•Representative customer feedback on the CBL policy is sourced</li> <li>•Customer satisfaction is maintained/increased</li> </ul>	R. Burton, Service Manager, A1 Housing		Ongoing	Improved performance not achieved
	<p><b>Recommendation 9: -</b></p> <p><b>Proposed Changes to Housing Benefits and Welfare Reform</b></p> <p><b>9.1</b> That Bassetlaw District Council jointly funds the Housing Money Advisor post employed by A1 Housing in 2012/13.</p>	R. Burton, Service Manager, A1 Housing/ Director of Community Services, Bassetlaw District Council	<p>In general terms there may be financial implications for A1 Housing revenues which cannot be quantified at this stage such as increases in rent arrears.</p> <p><b>9.1</b> A1 Housing is prepared to fund the Housing Money</p>	2012/2013 Onwards	Lack of available funding.

	Recommendation	Responsible Officer	Financial Implications	Delivery Timescale	Risks to delivery/ Officer Comment
			Advisor post for two and a half days plus on costs. Bassetlaw District Council would have to provide funding of £13,000 to £15,000 per annum to cover the other two and a half days a week of the post. BDC currently has no revenue funding available and this would have to be the subject of a service improvement bid		
	<b>9.2</b> That A1 Housing monitors the implementation of their Housing Financial Inclusion policies to ensure tenants affected by the Welfare Reform Bill are supported.	Managing Director, A1 Housing			Uncertainty about the level of support required
	<p><b>Recommendation 10: -</b></p> <p><b>New Build</b></p> <ul style="list-style-type: none"> <li><b>10.1</b> That Cabinet consider the use of the ring fenced Capital Housing Account to fund a new build programme for social housing in the long term.</li> </ul>	Director of Resources, BDC	Subject to the availability of the ring fenced Housing Capital Allocation by Bassetlaw District Council by 2025 and the approval of Cabinet	Housing Capital Programme 2025	Lack of available capital funding
	<ul style="list-style-type: none"> <li><b>10.2</b> The revised Corporate Plan 2012-2015 should include a priority to increase the availability of social housing in the District.</li> </ul>	Director of Community Services, Bassetlaw District Council			

	<b>Recommendation</b>	<b>Responsible Officer</b>	<b>Financial Implications</b>	<b>Delivery Timescale</b>	<b>Risks to delivery/ Officer Comment</b>
	<ul style="list-style-type: none"> <li>• <b>10.3</b> That Bassetlaw District Council explore all opportunities to work with developers to increase the supply of new homes available for rent.</li> </ul>	Director of Community Services, Bassetlaw District Council			

## 2. Background

### 2.1 Choice Based Lettings (CBL) How it works

Bassetlaw District Council own the housing stock and A1 Housing manage the housing stock as an Arms Length Organisation (ALMO) and implement the Bassetlaw District Council CBL Policy. A1 Housing has to manage customer expectations of obtaining a Council owned property with a limited housing stock so it is important that the letting system is fair and transparent. Choice Based Letting schemes<sup>1</sup> are a fairer and simpler way of letting homes and were introduced by a Central Government initiative in 2008. All local authorities should have complied to provide wider housing choices by 2010.

Bassetlaw District Council Cabinet agreed the BDC Scheme also known as HomeFinder in 2008. The Policy was agreed by a working group including tenants and applicants and went live in March 2009. It was reviewed in October 2009 and amended by BDC Cabinet in January 2010. The Sub Regional Allocation Scheme started in September 2011 with Bolsover, North East Derbyshire and Chesterfield Councils as partners. All the information on HomeFinder and the Sub Regional Allocations Scheme is available on the A1 Housing website<sup>2</sup>

Each year the Service Manager – Housing, A1 Housing produces an annual review of the CBL policy which is reported to the A1 Housing Board<sup>3</sup> Since the scheme began 2585 applicants have been housed.

### Housing Advisors

Housing Advice is available from A1 Housing Advisors in Worksop and Retford Property Shops. They see approximately 2150 customers per month and handle 3189 telephone calls per month. Approximately 53 properties become empty each month and 145 households apply to go on the waiting list every month

The A1 Housing Advisors are trained to help applicants look at other options for housing and not only A1 Housing properties.

### Applying

When applications are registered A1 Housing has the following requirements:

- Proofs of ID/address and child residency

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<sup>1</sup> <http://www.communities.gov.uk/documents/housing/pdf/choicecodeguidance>

<sup>2</sup> [http://www.a1housing.co.uk/find\\_a\\_home.htm](http://www.a1housing.co.uk/find_a_home.htm)

<sup>3</sup> <http://resources.pihomebuild.com/sites/670/docs/Board%20Agenda%2028%20June%202011.pdf>

- Eligibility – non British applicants immigration rules
- Are on the Council Tax register
- No debts/rent arrears
- Social landlord reference
- Medical details
- A1 Home visit is arranged

There are also checks on applicants for:

- Criminal convictions
- Previous tenancies

There is an Exclusion Policy in place with 52 exclusions in the past year.

There is a target time of 11 days to complete the process of registration onto the list.

There are two categories of accommodation – General Needs for single people, couples, and families and Older Persons for applicants over 60 years age. Using the information provided applicants are allocated to Banding A to E according to priority need. Band A the highest priority and Band E the lowest priority.

There were 4355 households registered at September 2011. 64% were allocated to Band D – No immediate housing need and 0.4% allocated to Band A – immediate priority. There are approximately 640 empty properties each year - which is reducing year on year. The empty properties are allocated to the Bands in the same percentage as people on the waiting list.

At the commencement of the review the profile of property allocation was as follows

Band	Older Persons %	General Needs %
A	5	10
B	25	15
C	30	50
D	40	25

## **Housing Register**

Currently 13% on the Housing Register are existing A1 Housing tenants and 22% are in a hold until advised category, who are mainly over 60 years old. This appears to be part of the culture the District with the Over 60's using the Council housing option as an insurance policy. The waiting list is reviewed every 12 months to ensure that the people on the list still want to be there and this rolling review has reduced the number on the register by 400 applicants. It is assumed that those who do not return have been accommodated elsewhere.

## **Bidding**

People on the register can bid for properties using the options of the A1 Housing website, Phone or A1 Property Shops. The properties are advertised with 1138 adverts per year. There is weekly Internet brochure advertising on line and also 350 brochures are distributed from 9 distribution points across the District. 37 are directly mailed to customers and brochures are also sent to 25 partner agencies so that the information is as accessible as possible to residents. The bidding process has been benchmarked with other authorities as some do a fortnightly brochure. People are placed in priority Bands A and B for 2 months as it is expected that they should find a reasonable property for their needs within this length of time using the bidding process. A fortnightly cycle would reduce the chances of success.

The bidding process runs from Thursday to Tuesday each week. Bidding closes Tuesday midnight and A1 Housing contact the top 6 applicants in order of Banding and then applicants are checked again. Viewing of properties is on Wednesday and Thursday. A1 Housing use text and phone for appointments. If an applicant refuses 3 reasonable offers they can be suspended from bidding. A1 Housing has introduced multiple viewings for a maximum of 6 families. It can generate decisions by creating interest. There is an agreement with contractors to allow people to view whilst any work required on the property is on-going. There are 13 viewings per week with 1217 offers made each year but 47% of offers are refused.

90% of applicants bid on the internet and there were 16,816 bids in the past year. .26% of properties receive no bids and are re-advertised. For properties for the Over 60's the age limit is dropped in the second week of advertising to 50 years and then to 40 years in the following week. The main type of properties that are more difficult to let are sheltered flats, with some properties at Larwood House and Westmorland House being empty for up to 8 months. The number of bids range from 0 to 149 for a 3 bedroomed house in a high demand area such as Valley Road.

Vulnerable people can ask A1 Housing staff to bid on their behalf. Often children make bids for older parents who may not have access to computers. Requesting support is a question on the application form.

## **Successful Bid**

A successful applicant signs up when the keys are available. They have to pay rent in advance and most are offered an Introductory Secure tenancy agreement. Secure Tenants have rights such as

- Security of tenure
- Right to buy
- Right of succession/assignment by way of exchange
- Right to repair
- Right to sub-let/take in lodgers
- Right to consultation on changes to tenancy conditions
- Right to manage

Not secure tenants include those in Employee accommodation, Temporary accommodation for homeless persons and accommodation pending works.

The support needs of tenants are assessed. Each tenant receives a “Sign up pack” and a visit after 6 weeks in the property by a Housing Manager.

Current re let time for properties is 23 days and performance is in the top 25% of ALMOs. Information on recent lets is placed on the website.

## 2.2 Rural Housing

There are very few houses available but there does not appear to be a demand for rural houses. This may be because of access to services but the reasons have not been quantified. Bassetlaw District Council is working with a Rural Housing Enabler to improve the availability of rural housing. The Enabler is working with all Parishes in Bassetlaw and Members have also been invited to provide evidence of the demand for rural housing. The Council wants to look into the possibility of releasing land for building but there has been a low take up.

## 2.3 Local Lettings Policy

Section 167(2E) of the Housing Act 1996 allows local authorities to allocate particular accommodation to people of a particular description, whether or not they fall within the reasonable preference categories, to achieve a particular policy objective, provided that overall the authority is able to demonstrate compliance with the requirements of Section 167.

These are used in small pockets with specific problems but there is a financial cost to the Council as properties are kept empty until they are allocated to specific people.

## 2.4 HomeSwapper<sup>4</sup>

A1 Housing has been a member for 18 months. A1 Housing has funded this service so tenants can register free of charge. At 13<sup>th</sup> December 2011, there were 243 A1 Housing tenants registered with HomeSwapper and the total since the scheme started is 444. The total number of swaps in the last 12 months is 38.

This is a national service for social tenants (in rented property) who want a house swap, flat swap or exchange their council house. 753 landlords are signed up with 237,000 properties available. Once a tenant is registered they are included in the monthly listing of applicants wanting a mutual exchange. Once a tenant finds a mutual exchange they must contact their A1Neighbourhood Housing Officer.

The Panel were interested in how the scheme works. People swapping homes are outside the Choice Based Lettings Scheme. Mutual exchanges help the social housing provider as the Council does not have to pay for repairs to the properties when a tenant exchanges or have rent loss for an empty property. The swappers have to agree to the other person's repairs. Mutual Exchanges are covered by the Housing Act 1985 and A1 Housing can prevent exchanges if it produces under occupancy.

In terms of the national scheme that the Government introduced in the Localism Act, the details have not been decided. The Government has to choose a national supplier for the scheme but this has not been decided. There could be an April 2012 start. HomeSwapper will probably access the national scheme when it is set up.

## 2.5 Sub-Regional Allocation Scheme<sup>5</sup>

This is not included in the existing Bassetlaw CBL policy. The principle of the Sub-Regional Choice Based Lettings Scheme is that each partner agrees to offer an agreed proportion of available properties each year to applicants on any of the partner organisations housing registers. This was identified as an objective in the A1 Housing Service Plan 2011/12 to increase the supply of social housing in the District through a Sub Regional Choice Based Lettings Scheme to help people move across boundaries.

Bassetlaw District Council is a member of the common allocations policy for the Sub-Regional Partnership formed with

- Bolsover District Council
- Chesterfield Borough Council
- North East Derbyshire District Council (Rykneld Homes)

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<sup>4</sup> <http://www.homeswapper.co.uk/>

<sup>5</sup> <http://www.a1homefinder.org.uk/Data/ASPPages/1/273.aspx>



A successful bid was made to Central Government for the implementation of the Sub-Regional CBL scheme in October 2008 and received £26,400. This has involved setting up a joint policy and computer system common for all areas.

Applicants are assessed according to the Sub Regional Scheme and placed in the band that meets their needs. It only has 4 housing needs bands compared to Bassetlaw's 5 Bands. The exact number and type of properties to be included will be agreed annually by the partners and will be based on the stock profile and vacancy rate for each property type for the previous 2 years. Currently a minimum of 10% of available properties are allocated by partners, based on their own allocations policies. The partners meet quarterly to review the scheme.

The benefits of the scheme are that people who want to move between districts for family needs and employment opportunities have flexibility to do so and it helps with hard to let properties. The properties allocated through the scheme are monitored to ensure a fair allocation by all partners.

People can bid for up to 3 properties in the Sub Regional Scheme in addition to 3 properties in the A1 Housing Scheme so this does increase choice.

## 2.6 Partnership

A1 Housing has teamed up with Nottingham Community Housing Association's Choice Based Lettings Scheme, LETS, to give everyone on the Housing Register more choice. They also have the nomination rights for 50% of Notts Community Homes and Longhurst Housing to encourage people off the waiting list if appropriate. They advertise all their Bassetlaw properties on A1 Housing's HomeFinder website, and applicants can bid for both A1 Housing and NCHA properties. This also includes any new build properties completed by NCHA within the Bassetlaw area which will only be allocated through HomeFinder. A1 Housing also advertise for 16 other Housing Associations that operate in the District covering a wide range of accommodation including senior citizens, support for the homeless and vulnerable people. They do, however, have their own waiting lists and banding criteria.

Private Landlords who are accredited in the East Midlands Landlords Accreditation Scheme (EMLAS) are able to advertise their vacant properties through A1 Housing as they operate to an agreed standard.

## 2.7 The A1 Housing Choice Based Lettings and Tenants. Review Group – (A1 Housing Review Group)

The CBL policy is kept under review and A1 Housing decided to start a further review in March 2011 and again followed best practice by including tenants on the Review Group and identified best practice authorities. The Audit Commission Inspection in November 2010 also recommended a review of allocations.. A review group was set up comprising of A1 Housing Officers, BDC Officers, A1 Board Members, BDC Councillors and Tenants. The first meeting was held on 29<sup>th</sup> March 2011 and the group agreed that the criteria for accepting an applicant and allocating a property should be reviewed.

In May 2011 the group looked at how the policy operates currently and agreed the sections that it wanted to review as follows:

- 16/17 year olds

- Owner Occupiers- status on waiting list
- Families separating following relationship breakdown
- Who can have what type of property eg couples
- Warden Alarms in Bungalows
- Bands
- Suspensions and reasons for suspended applicants
- Armed forces personnel
- Ages of children room sharing

The Group looked at each section in detail and made recommendations which have been considered by the BDC Scrutiny Review.

Bassetlaw District Council decided independently that it wanted to look at how the policy worked and it was included in the Scrutiny Review Programme 2011/12.

## 2.8 Best Practice

The Scrutiny Panel also looked at best practice including current government policy on Choice Based Lettings. (It should be noted that on completion of the Scrutiny Review in January 2012, Central Government<sup>6</sup> published a consultation on new draft statutory guidance on social housing allocations for local authorities in England and two consultation documents on draft regulations for the Armed Forces. Bassetlaw District Council will be preparing a response). The Centre for Public Scrutiny has published a Library Monitor report on Choice Based Lettings<sup>7</sup> which provides guidance on undertaking a review based on the experiences of Overview and Scrutiny committees who have already completed a review. The Panel used this to identify the scope of the review and identify the challenges to produce effective outcomes. Using this template the Members decided to review the whole policy as the new legislation in the Localism Act and Welfare Reform Bill will change the way that the lettings policies can operate.

The Panel identified best practice options from a wide range of sources, including the Audit Commission recommendations of ALMO's that have a strength in allocations and lettings, the Audit Commission Bassetlaw Family Group, members of the Sub-Regional Housing Group, and HouseMark to act as comparison to the BDC policy. Details can be found in the separate Appendix.

Most of the policies seem to have a similar structure and the differences are in the detail which reflects the local needs for social housing and the scrutiny review process has considered evidence on the way that the Bassetlaw CBL policy can provide housing to those most in need. Best practice includes involving tenants in the process.

The Panel included any appropriate examples of best practice into the policy as each section of the policy was considered.

<sup>6</sup> <http://www.communities.gov.uk/publications/housing/allocationofaccommodation>

<sup>7</sup> [www.cfps.org.uk](http://www.cfps.org.uk)

### 3. Method of Review

#### 3.1 Summary of Review Meetings

Meeting	Witnesses	Evidence Gathered
9 <sup>th</sup> August, 2011	Rachel Burton, Service Manager A1 Housing Claire Frost, Housing Strategy and Renewal Manager, Bassetlaw District Council	<ul style="list-style-type: none"> <li>• Definition of CBL</li> <li>• How the Scheme Works</li> <li>• Housing Advice</li> <li>• Checking Process</li> <li>• Waiting List</li> <li>• Advertising</li> <li>• Bidding Process</li> <li>• Allocation Process</li> <li>• Successful Bids</li> </ul>
14 <sup>th</sup> September 2011	Jonathan Duffield, Voids and Allocations Manager A1 Housing	<p>The Panel considered changes to the Choice Based Lettings policy including:</p> <ul style="list-style-type: none"> <li>• Re-advertising of properties for applicants over 60 years old.</li> <li>• Opportunities to encourage residents to downsize</li> <li>• The changes to the criteria for applicants who already owned a home and how their housing needs should be met.</li> <li>• Effects of the changes to the Housing Benefit system</li> <li>• Length of residency in Bassetlaw to qualify for eligibility to qualify for the Housing Register</li> </ul>
6 <sup>th</sup> October 2011	Jonathan Duffield, Voids and Allocations Manager A1 Housing	<p>The Panel received a revised version of the Bassetlaw District Council HomeFinder Choice Based Lettings Policy which had been amended to include the Sub Regional Policy as an Appendix. The Panel also received</p>

Meeting	Witnesses	Evidence Gathered
		<p>information on Age Categories of Applicants, Housing Stock and A1 Housing Void Turnaround times.</p> <p>The Panel considered the Sub Regional Common Allocation Scheme</p> <p>Complaints information about the Choice Based Lettings process</p>
20 <sup>th</sup> October 2011	Neil Taylor Director of Resources, Bassetlaw District Council	<p>The current way of financing housing will be changed from April 2012 subject to the Royal Assent of the Localism Bill. The new system will allow the Council the flexibility to consider future funding options such as an Estates Programme, non-traditional housing improvements, fuel poverty measures and in the long term a possible new build programme. The Council has a 30 year Business Plan for its housing stock.</p> <p>The future decisions on the use of the funds will be made by Bassetlaw District Council.</p>
1 <sup>st</sup> November 2011	Kiran Singh, Housing Solutions Team Leader, Rykneld Homes	<p>North East Derbyshire District Council is a partner in the Housing Sub Regional partnership. Rykneld Homes manages the housing stock. The meeting was able to compare key areas of the Bassetlaw District Council CBL with a partner. The key decision of the review is the proposed changes to owner occupiers on the Housing Register.</p> <p>There was a discussion about 2 possible options: to adopt a financial assessment model or change the way the banding system works and abolish the quota system.</p>

Meeting	Witnesses	Evidence Gathered
		<p>Other key areas for discussion were determining the size of properties for overcrowding, local connection, incentives to release family homes, bidding process and re-advertisement of properties for the over 60's.</p> <p>The session concluded with evidence on the Sub Regional Housing Allocation Scheme.</p>
8 <sup>th</sup> November 2011	<p>Graham Jackson, Strategic Housing Development Manager Bassetlaw District Council,  Elaine Simmonds, Principal Benefits Manager, Bassetlaw District Council,</p>	<p>Presentations on the Proposed Housing Benefits Changes for Social Sector tenants of Working Age including the objectives of the policy introduction of size criteria and the impact on tenants who will be affected by a reduction in the benefit that they receive- £11 for a single bedroom and £20 for 2 bedrooms.</p> <p>BDC Strategic Housing Officers have undertaken survey and modelling work to establish the numbers of Council tenants that will be affected by these changes. These are 783 and a further 519 may be following further checks.</p> <p>The biggest impact will be on 3 bedroomed properties – 460 properties. Occupiers who under occupy properties will be financially disadvantaged and they may seek to move to smaller accommodation. The same will apply to a significant number of people living in private sector properties. The profile of available smaller properties owned by the Council is restricted. Turnover in 2010/2011 was 12.08%.</p>

Meeting	Witnesses	Evidence Gathered
		<p>The introduction of the Universal Tax Credit 2013 – 2017</p> <p>In the discussions the Panel identified the need for debt advice and support. The Panel also discussed the possibilities of increasing the social housing supply in Bassetlaw</p> <p>The panel considered the following in response to the changes to Housing Benefit</p> <ul style="list-style-type: none"> <li>• Do nothing</li> <li>• Amend the Allocations Policy to grant priority rehousing to tenants suffering financial hardship due to the benefit changes. Members may also wish to consider if this should be extended to the Private Rented Sector</li> <li>• Consider the proportion of properties going in to priority bands.</li> <li>• Relax rules in the Allocations Policy relating to the re-housing and transfer of tenants in arrears.</li> </ul> <p>Any changes that the two reviews recommend will have to take account of applicant's views in a consultation exercise.</p>
21 <sup>st</sup> November 2011	Rachel Burton, Service Manager A1 Housing Claire Frost, Housing Strategy and Renewal Manager, Bassetlaw District Council	<p>Recommendations of the Review.</p> <p>There were detailed discussions on the changes to the policy and it was decided to defer a decision on the proposed changes to Home Owners over 60 years of age and Changes to the Target system for Bands.</p>

Meeting	Witnesses	Evidence Gathered
5 <sup>th</sup> December 2011	Rachel Burton, Service Manager A1 Housing	<p>Recommendations of the Review</p> <p>The Panel considered detailed evidence on the possible options to deal with Home Owners aged 60 years and over including cost and effect on the Housing Register. This was the key decision of the review.</p>
4 <sup>TH</sup> January 2012	Rachel Burton, Service Manager A1 Housing	<p>Recommendations of the Review</p> <p>The Panel wanted to confirm the recommendations and ensure that Members understood the implications of the decisions on Home Owners aged 60 years and abolishing the targets for each Band. The recommendations were agreed. However, the Panel agreed an additional recommendation to the review which was the subject of a lengthy discussion and recorded vote. The Panel agreed to disallow access to families with one child to a 3 bedroomed house in the revised scheme.</p>

### 3.2 Consultation

The scrutiny review process did not involve consultation as A1 Housing has a statutory duty to consult on changes to the Choice Based and Local Lettings policies. Everyone on the Housing Register, Registered Social Landlords and other partners such as Framework will have to be consulted. The feedback will be taken into consideration before a final decision is made on the changes to the policies. These will be reported back to Overview and Scrutiny Committee.

## 4. Addressing the Scope: Evidence Gathered for Recommendations

Please note that this was a complex review and the Panel considered a large amount of evidence. This has been collected in a separate Appendix document and Summary Document which will be made available on the Bassetlaw District Council website. The report also needs to be read with the revised Choice Based Lettings policy which is also available as a separate document. This report will not provide the detailed decision of every section of the policy but the sections that the Panel wants to highlight.

### 4.1 Context for the review

#### Flexibility of the Policies

The Government has a housing reform agenda. The outcome of the scrutiny review has made the CBL policy flexible and accommodated as much as possible of the new published guidance affecting social housing policy. A1 Housing has carried out a self-assessment on the requirements of the Localism Act and put processes in place to address the issues identified. The BDC Scrutiny Review is part of the process.

**Part 7 of the Localism Act**<sup>8</sup> deals with the reforms to social housing, homelessness and housing finance. It received Royal Assent on 15<sup>th</sup> November 2011 and aims to change the way that social housing is provided, allocated and regulated with local flexibility. The changes were set out in Local Decisions: a Fairer future for social housing.<sup>9</sup>

The Panel has found through the scrutiny process that Bassetlaw is working to meet the identified local need.

The most significant changes for local authorities outlined in the Act are:

#### **Social housing allocations reform**

The Government has stated that previously almost anyone could apply to live in social housing, whether they need it or not. As social housing is in great demand and priority is given to those most in need, many applicants have no realistic prospect of receiving a social home, encouraging false expectations and large waiting lists. The Panel has identified in Bassetlaw there are lengthy waiting times for some categories of applicant and the turnover rate of properties is not high.

The Act gives local authorities greater freedom to set their own policies about who should qualify to go on the waiting list for social housing in their area. This means that they are now able to prevent people who have no need of social housing from joining the waiting list. Authorities still ensure

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<sup>8</sup> <http://www.communities.gov.uk/documents/localgovernment/pdf/1896534.pdf>

<sup>9</sup> <http://www.communities.gov.uk/documents/housing/pdf/1775577.pdf>



that social homes go to the most vulnerable and those who need it most. Throughout the review process the Panel has made decisions that try to ensure that the revised CBL provides for the Bassetlaw residents in the most housing need. It has looked at the criteria in depth and made considered balanced decisions.

### **Reform of homelessness legislation**

Councils have a duty to house people who are eligible, in priority need and unintentionally homeless; and this duty will remain in place. Central Government will also continue to fund support and advice to prevent homelessness and rough sleeping.

The Government argued that under the previous rules, people who became homeless could refuse offers of accommodation in the private rented sector, and insist on temporary accommodation until a long-term social home becomes available. This meant that in some circumstances people in acute, but short-term housing need, acquired a social home for life, although they may not have needed one, while other people who needed a social home in the longer term were left waiting. The Localism Act lets local authorities meet their homelessness duty by providing good quality private rented homes. This solves people experiencing a homelessness crisis and at the same time frees up social homes for people in real need on the waiting list. This is a significant change in policy. The Panel were informed that Bassetlaw District Council had not carried out a Housing Stock Condition survey recently which provides information on the private rented sector which may not have the capacity and available suitable properties to meet these demands.

The Panel were informed that homelessness had doubled in Bassetlaw in the last year. It is placing higher demand on the waiting list. The Housing Register by type of tenure in September 2011 identified 587 applicants who were living with friends or relatives. This includes some who are living with parents but others who have genuine need and stay with a friends as they have nowhere else to go. Until they place a bid A1 Housing do not know what their real needs are. 125 are registered as No Fixed Abode and the BDC Housing Needs Team works with them on their housing options. The Team do prevention work to try to get people into private rented accommodation and work with East Midlands Landlords Accreditation Scheme to increase the level of quality private rented accommodation in Bassetlaw. Recently BDC Strategic Housing held an event and 50 private landlords attended. Currently there appears to be no difficulty letting properties.

The Council have an agreement with New Roots which is a housing project offering accommodation with support to homeless or vulnerably housed young people in Bassetlaw. The aim of New Roots is to support individuals until they can live independently and move into permanent accommodation. People stay with New Roots for 6 - 24 months. New Roots are allocated 15% of the properties in Band B. Bassetlaw District Council also works with Framework – a charity to support homeless people. If New Roots or Framework assess a person is capable of managing a tenancy they stay in Band C until there is a signed agreement with A1 Housing. Once there is agreement the person will have support for 6 months in their new A1 Housing tenancy. Between March 2009 when the CBL policy was introduced and October 2011, the last time that an allocation was made, there were 21 applicants housed by A1 Housing from New Roots and other supported accommodation providers.

The Panel recognised that A1 Housing and BDC Housing Needs Team work to try to accommodate the homeless in Bassetlaw in a variety of ways but with increasing numbers of homeless and reducing numbers of properties becoming available from existing A1 Housing Tenants there is pressure on the waiting list. 10% of empty A1 properties were allocated to Band A, but during the course of the review it was increased to 30% which will

mean that there is a reduction of properties in the other Bands. The Panel has identified that it is a shortage of affordable homes that is at the heart of the problem.

Subsequently the Panel has made a recommendation to abolish allocating targets to each band and so housing will be allocated to those most in need. Refer to 2.9

### **Social housing tenure reform**

According to the Government under the previous system social landlords were normally only able to grant lifetime tenancies. People usually acquire a social home at a moment of crisis in their life but continue to live there long after their need for it has passed and there are people waiting for a social home who face much more difficult circumstances. The Government has stated that this was unfair, and represented a poor use of public resources.

The Government has protected the security and rights of existing social housing tenants. However, provisions in the Localism Act allow for more flexible arrangements for people entering social housing in the future. Social landlords will now be able to grant tenancies for a fixed length of time from two years in exceptional circumstances with five years or more being the norm. There is no upper limit on the length of tenancy. Councils can still offer lifetime tenancies if they wish. More flexible tenancies will allow social landlords to manage their social homes more effectively and fairly, and deliver better results for local communities. Bassetlaw District Council has not decided its policy on flexible tenancies but the Strategic Housing Team will be examining the options shortly and the possible effect on the demand for social housing. This could require a future change to the CBL policy.

### **Housing Strategy**

The government published Laying the Foundations A Housing Strategy for England<sup>10</sup> on 21<sup>st</sup> November, 2011 as the review was concluding.

Chapter 3 – Social and Affordable Housing Reform is relevant to the scrutiny review. It refers to the provisions of the Localism Act but in addition the Housing Strategy states that guidance will be issued by Government to local authorities saying that social homes should not be allocated to people who do not need a home such as those who already own a home that is suitable for use. The Panel were aware of this proposal as they decided their recommendation on Home Owners over 60 years of Age.

#### **4.2 Review the changes to the Choice Based Lettings and Local Lettings Policies**

The A1 Housing Review Group had identified changes to the policy and these were considered by the Panel at the first meeting. The Panel wanted to take the opportunity to scrutinise all the policy and not be restricted to the sections identified by the A1 Housing Review Group and so each section was discussed with witnesses presenting appropriate evidence. A table showing the best practice options that the Scrutiny Panel had identified is available in the separate Appendix.

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<sup>10</sup> <http://www.communities.gov.uk/publications/housing/housingstrategy2011>

During the course of the review A1 Housing recommended additional amendments to the CBL and these were also considered by the Panel in detail. This shows that the Scrutiny Review process was complimentary to the existing A1 Housing process. It is an example of timely scrutiny which can deliver considered changes to improve service delivery.

The Panel were provided with the following background information:

**Housing Register Profile 26.5.11**

	<b>Bedroom Need</b>	
Couple	168	Min 1 - Max 3
Couple over 40	158	Min 1 - Max 3
Couple senior citizen	928	Min 1 - Max 2
Family with 1 or 2 children	875	Min 2 - Max 3
Family with 3 or more children	186	Min 3 - Max 4
Senior citizen family with 1 or 2 dependants	60	Min 2 - Max 3
Senior Citizen Single Applicant	806	Min 1 - Max 2
Senior citizen with 3 or more dependants	1	Min 3 - Max 4
Single Person	595	Min 1 - Max 2
Single Person over 40	413	Min 1 - Max 2
<b>Total</b>	<b>4190</b>	

**A1 Housing Stock Profile**

Property Type	BDC
0 bed Bungalow	45
1 bed Bungalow	943
2 bed Bungalow	1449
3 bed Bungalow	13
<b>Bungalow Total</b>	<b>2450</b>
Bedsit Flat	16
1 bed Flat	684
2 bed Flat	485
3 bed Flat	13
4 bed Flat	0
<b>Flat Total</b>	<b>1198</b>
Bedsit Sheltered scheme flats	81
1 bed Sheltered scheme flats	71
2 bed Sheltered scheme flats	5
<b>Sheltered Total</b>	<b>157</b>
1 bed House	
2 bed House	596
3 bed House	2197
4 bed House	119
<b>House Total</b>	<b>2912</b>

Estimated Area Waiting Times

Some areas have considerably higher demand than others. Detailed information is updated on the A1 Housing website<sup>11</sup>. It shows Lettings Areas including Worksop Town, Worksop Rural, Harworth and Retford Town and Retford Rural. The highest demand is for houses and two bedroomed bungalows. The highest areas of demand are in both towns and the lowest demand is in the rural areas.

People tend to only bid in Retford or Worksop and do not generally move between the two places. It should be noted that the number of properties available to let has reduced significantly recently. The average figure is usually 55 to 60 properties per week but it is currently only 35 and the reason is not known. The Panel wanted this to be monitored as it will impact on the on the length of time that applicants have to wait for a property.

### Key issues

The decision making process of the review was complex and the Panel discussed several of the criteria more than once.

## **CBL Section 2 – Acceptance onto the Housing Register**

### CBL – Section 2.5 Age Criteria

Age Categories of Applicants at 30.09.11 showing that 2,932 applicants out of 4411 were over 40 years of age with 618 in the 21- 29 age group. Only 11 were in the 16-17 years category.

Age Range Years	Number
16-17	11
17-21	275
21-29	618
30-39	575
40-59	1017
60+	1915

There was a discussion about the number of 16-17 year olds on the register and why they were allowed to register under 18 years of age. There are exceptional circumstances for this and they need a support package in place. Although the Supporting People funding is changing in April 2012, there will still be support for this age group. BDC Housing Needs team do intensive work with people to prevent young people becoming homeless. We

<sup>11</sup> [http://www.a1housing.co.uk/useful\\_information.htm](http://www.a1housing.co.uk/useful_information.htm)

have a legal duty to rehouse a 16 year old that is homeless. Housing need takes priority over length of time on list. A1 Housing is often a last resort for 16 year olds as they have to have a rent guarantor which is often an agency such as Social Services. Anecdotal evidence suggests that young people from the age of 14 years old that can no longer live at home often sofa surf and do not take up any of A1 Housing's stock.

The Panel accepted the changes to the Age Criteria requiring additional evidence to be provided about the support package but with a qualification that the package had to be capable of being sustained.

#### CBL – Section 2.7 Local Connection

The Panel discussed the local connection criteria at length. It is currently 12 months and was considered to be too short. Some authorities such as North East Derbyshire District Council (NEDD) only use 6 months. The local connection also allows for a close relative to be considered but the relative has to be specified and A1 Housing will investigate. Bassetlaw have an open list as people outside the local authority area may want to move here. They are allocated to Band E. In times of high demand for housing people living outside the area who are in Band E have a low chance of obtaining a house unless they take a First Come First Served property.

The Panel were concerned that at a time when the waiting list is growing and expected to continue to rise – possibly to 6,000 - 7,000 in the near future that the waiting time for the local connection should only be 12 months. They considered and recommended that 24 months was a minimum.

#### Rural Connection

NEDD Council has introduced a five year local connection for rural areas so that empty properties are let to local people living in the village. This was considered by the Panel for Bassetlaw but it was not considered necessary.

#### Her Majesty's Forces

This has arisen as a result of Central Government guidance. The BDC priority Banding for members of the Armed Forces allows them to bid for accommodation before they come out of the service. The Banding allocation depends on individual criteria and circumstances. The Panel agreed this and were satisfied with the C8 Banding for personnel that had a local connection and Band D2 for those with no local connection. The Panel were advised that the government would be providing more detailed guidance in the future.

**NB** DCLG published a consultation on 5<sup>th</sup> January, 2012, on proposed statutory guidance on the Armed forces which will require no residency qualifications for personnel. Following Overview and Scrutiny Committee A1 Housing advised that Section 2.7 will now be amended to reflect this and delete any local connection delete any local connection.

#### CBL – Property Ownership Section 2.9 Changes to Owner Occupier Criteria over 60 years of Age

Information on Senior Citizens by Band and Tenure as at 11.9.11 was presented to the Panel, current tenure of housing applicants 23.5.11 and Senior Citizen Owner Occupiers on Housing Register and if they have placed a bid dated 23.5.11.

<b>BAND A</b>	
Private Tenant	1
(SC)	1
Owner Occupiers (SC) in Band A	0
Total SC Applicants in Band A	2
Band A Total	2
Percentage of owner Occupiers in Band A	0.00
<b>BAND B</b>	
Bassetlaw Tenant	24
Owner Occupier	10
Private Tenant	8
Staying with friends/relatives	2
<b>Owner Occupiers (SC) in Band B</b>	<b>10</b>
Total SC Applicants in Band B	44
Band B Total	44
Percentage of owner Occupiers in Band B	22.73
<b>BAND C</b>	
Bassetlaw Tenant	15
Council Tenant Not Bassetlaw	3
Housing Association Tenant	2
Lodging Hostel	1
NFA	2
Other	8
Owner Occupier	102
Private Tenant	15
Staying with friends/relatives	43
Tied Tenant	2
<b>Owner Occupiers (SC) in Band C</b>	<b>102</b>
Total SC Applicants in Band C	193
Band c Total	193
Per cent of owner Occupiers in Band C	52.85
<b>BAND D</b>	
Bassetlaw Tenant	174
Council Tenant Not Bassetlaw	5
Housing Association Tenant	17
Other	4
Other Private Tenancy	4
Owner Occupier	1093
Private Tenant	144
Staying with friends/relatives	19

Tied Tenant	14
<b>Owner Occupiers (SC) in Band D</b>	<b>1093</b>
Total SC Applicants in Band D	1478
Band D Total	1478
Per cent of owner Occupiers in Band D	73.95
<b>BAND E</b>	
Council Tenant Not Bassetlaw	22
Housing Association Tenant	10
Lodging Hostel	2
NFA	1
Other	1
Owner Occupier	35
Private Tenant	20
Staying with friends/relatives	9
<b>Owner Occupiers (SC) in Band E</b>	<b>35</b>
Total SC Applicants in Band E	100
Band E Total	100
Per cent of owner Occupiers in Band E	35.00



This section was debated by the Panel on several occasions before the Panel arrived at a final decision. The number of applicants who will be affected by the proposed changes on the register at 23.5.11 was 1448 out of a total of 4169 – approximately 35%. The next highest in numbers on the Register is 989 for private tenants. The number of Senior Citizen Owner Occupiers is 1230. However, only 140 of these have made a bid for a property. Most Home Owners Over 60 years of age are allocated to Band D as having a Low Housing need.

Since the CBL scheme began the following tenants have been housed:

Row Labels	Column Labels					
	Band A	Band B	Band C	Band D	Band E	Grand Total
<b>Housed</b>	<b>131</b>	<b>231</b>	<b>1281</b>	<b>851</b>	<b>91</b>	<b>2585</b>
Bassetlaw Tenant	28	74	89	164		355
Council Tenant Not Bassetlaw	7	18	18	49	17	109
HM Forces Accommodation				2		2
HM Prison			3			3
Housing Association Tenant	2	26	73	33	4	138
Housing Occupied by more than 1 family			7			7
Lodging			2			2
Lodging B&B	3		4		1	8
Lodging Hostel	1		7	2	1	11
NFA	14	1	114	1	1	131
Other	13	7	34	3		57
Other Private Tenancy		1	14	8	1	24

Row Labels	Column Labels					
	Band A	Band B	Band C	Band D	Band E	Grand Total
Owner Occupier	10	28	73	135	37	283
Private Tenant	29	51	193	384	10	667
Staying with friends/relatives	22	20	617	51	15	725
Supported Housing	1		1			2
Tied Tenant		1	1	11	3	16
Blank	1	4	31	8	1	45
<b>Grand Total</b>	<b>131</b>	<b>231</b>	<b>1281</b>	<b>851</b>	<b>91</b>	<b>2585</b>

As can be seen 283 Owner Occupiers have been awarded Council housing since the scheme began with most bidding in Band D.

There were wide ranging discussions about the best option to recommend. There was a discussion on the two viewpoints of allocating Council properties to people, who own their own home or have other capital assets. Should people realise the capital in their home and move into other private accommodation or should it be seen as security in senior years and act like a pension fund and be able to move into Council housing? The Panel always went back to the reference point that proposed changes to the CBL should reflect housing need.

### Financial Assessment

The A1 Housing Review Group had recommended adopting the St Ledger Homes, Doncaster model of financial assessment to determine housing need. This would require all Owner Occupiers on the Housing Register to have a financial assessment. An example is provided in the Appendix. The assessment identifies the assets an owner occupier has and compares with the average house price in their area. It takes factors into consideration such as receipt of Council Tax Benefit, Income Support, Job Seekers Allowance, value of the property, mortgages, loans, income and savings. If someone loses a job and have a mortgage there is a housing need which will be recognised as a priority. If following the assessment an applicant has sufficient capital then they are asked to meet their housing need from their own resources and they would be placed in Band E. Some authorities use a trigger figure for the capital amount that an applicant is allowed to have and still be eligible for Council housing. The figure is reviewed by Cabinet on a regular basis. The figure would need to be kept under review in the current financial climate and the changing market value of property. The estimated cost of means testing applicants on the Housing Register made by

A1 Housing is £25,000 and with the staff resources available also estimated it would take 78 weeks to complete the exercise. This would require the Council assessing the average property price in Bassetlaw. It would involve writing to all the existing home owners on the register and evaluating the information that is returned and writing to inform them of the Banding decision. This process could have a negative effect on customers as they are providing sensitive information.

Currently most Home Owners on the BDC Housing Register are in Band D and the assessment will determine whether or not they can meet their own housing need. If Home Owner has more assets than the average property price then the applicant could not go in Band D but Band E.

After the initial evidence the Panel asked for further investigation on the approach of other authorities. If this system was to be adopted then the Panel wanted a fair figure that a person is allowed to have in capital and still be eligible for Council properties.

### **Other Options for Bassetlaw?**

#### No Change

All local authority allocation schemes will have to be checked against the Government guidance from the new Localism Act which is not yet published and also the new Council Tenancy Strategy. BDC Strategic Housing is arranging a working group to decide on the Council policy on flexible tenancies which can now be offered by councils. There was a discussion about whether the Panel should defer a decision. It was agreed that the Panel should make a decision as Section 17 of the Government's new Housing Strategy provided guidance and also the Members wanted the Bassetlaw District Council CBL to be fair and provide housing for those in need.

#### Change Banding

As an alternative and remove the need for a financial assessment all owners over 60 years of age could be moved to Band E. This would cost £2,000 to do system changes to the A1 Housing computer system. There is no budget identified for this expenditure.

The policy would also specify that any owners would have to provide proof of purchase once the sale of the property had occurred as the property would not usually be sold before moving into A1 Housing accommodation. The Panel wanted to ensure that the people moving into the Council property did not still own their private property. A possible solution is for the new tenants to be given a tenancy subject to the sale of the property? This can be reviewed until the property is sold. . A1 Housing will investigate any allegations of people continuing to own property.

### Allocating to Targets

An alternative was proposed by A1Housing which was to remove the quotas system for each Band and allow anyone to bid for any property. This means that all homes are allocated on need. Existing Home Owners with no housing need will not generally be offered a property in the bidding process as they will not be of sufficient priority. They will always have the option of bidding for First Come First Served properties.

### Current Quota System

#### Owner Occupiers over 60 years of age as at 11.09.11:

Band A	% of Occupiers in Band	0%
Band B	"	22.73%
Band C	"	52.85%
Band D	"	73.95%
Band E	"	35.00%

We do not advertise to Band E and they only have access to houses that no one else wants. Owner Occupiers in Bands B and C will have a medical need.

Currently empty properties are allocated to Bands as follows:

#### Under 60's accommodation

Band A	30% (This figure has been increased from 10% due to the pressure on the list from homelessness).
Band B	20%
Band C	40%
Band D	10%

#### Over 60's accommodation

Band A	30%
Band B	30%
Band C	30%
Band D	10% - Owner Occupiers are in this Band.

Local Authorities have a duty to ensure that applicants with housing need are given preference. The current targets for allocation of properties means that housing need does not always receive preference.

There was a discussion about the removal of the quota system. It will provide housing for those with most need but does it reduce choice? The balancing argument to this is that the Government wants councils to target those with the highest housing needs. If the quota system was removed and Owner Occupiers placed in Band E they will have a reduced opportunity by using this approach but the balance is that there will not be means testing of the existing register or new applicants.

### **What do other areas do?**

The Panel heard evidence from North East Derbyshire District Council (NEDDC) which is a Sub Regional housing partner. Rykneld Homes manage the housing stock on behalf of NEDDC. Currently there are 650-700 on the waiting list. The authority is introducing an Equity Form for new applicants who are Home Owners aged 60 years and over. It asks about value of the property, outstanding mortgage etc which goes to an Assessment Panel including representatives from Rykneld Homes and NEDDC Strategic Housing Team. The Panel assesses whether the applicant can afford to buy a property to meet their need and medical need is determined. The Assessment Panel makes a judgement on their place in the register. Current Owner Occupiers who are already on the list are not being asked to complete an Equity Form but they are picked up at the short list stage if they bid for a property. The successful bid is not confirmed until the Equity Form has been verified through the assessment process. This change to the procedure for owner occupiers has been notified in a newsletter to tenants. Follow up at the end of the Scrutiny Review identified that the Assessment Panel process has been speeded up to take only 1-2 days to ensure that there is as little impact as possible on Void Times.

A1 Housing considered this option was not the best customer service and it could increase Void Times. The estimated cost for this is £20,000 per year to introduce and there are no staff resources to absorb this additional workload.

A desktop exercise was also carried out by A1 Housing on other local authorities to investigate banding options:

### **Doncaster St Ledger Homes <sup>12</sup>**

This scheme is operated on a property ratio for its categories of platinum, gold, silver and bronze:

- Houses: every 7 calculation, 3 to platinum, 2 to gold, 1 to silver, 1 to bronze

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<sup>12</sup> <http://www.doncasterhomechoice.co.uk/NovaWeb/Infrastructure/ViewLibraryDocument.aspx?ObjectID=256>

- Bungalows: every 6 calculation 1 to platinum, 2 gold, 1 silver, 1 to bronze
- Flats (over 60s): every 6 calculation, 1 to platinum, 2 gold, 1 silver, 2 bronze
- General Needs Accommodation flats every 6 calculation: 1 platinum, 3 gold, 1 silver, 1 bronze

### **Sheffield Homes<sup>13</sup>**

The scheme has a Housing Register Band (Contains priorities) 75% of properties. Waiting time Band: 25%.of properties. Also have a demolition band and first come first served which operates outside above two percentage bands.

### **Newark & Sherwood Homes - Easylet<sup>14</sup>**

There are 4 Bands but no percentages. The short listing of applicants being considered for an allocation against any property is:

- Priority Band; then
- Local Connection\*, then
- Registration Date.

### **Ashfield Homes and Mansfield Moveahead – Homefinder<sup>15</sup>**

Ashfield Homes was a three star authority before the star rating system was abolished. It is due to launch a combined Choice Based Lettings in January 2012 Mansfield District Council with a banding system but not percentages.

### **Decision of the Panel**

The Panel discussed all the options and decided to agree the recommendation as follows:

- to change the Banding priority for Home Owners over 60 to Band E from Band D

<sup>13</sup> <http://www.sheffieldhomes.org.uk/myHome/MovingHome/FindANewHome.aspx>

<sup>14</sup> <http://www.nshomes.co.uk/easylet-properties>

<sup>15</sup> [http://www.ashfieldhomes.co.uk/index.cfm/page/news\\_details.cfm/id/4057/sub/News%20Details/](http://www.ashfieldhomes.co.uk/index.cfm/page/news_details.cfm/id/4057/sub/News%20Details/)

- remove the targets for allocation of properties to each Band
- Home Owners who are moving into an A1 Housing property should provide proof of sale their property.

By recommending the option to remove targets for allocation to each band it will ensure that housing is allocated to people on the register with the greatest need and reduce the pressure on housing people who are homeless.

#### CBL – Section 2.10 Change of Circumstances

Minor amendments on the effective application date accepted.

### **CBL Section 3 – Lettings Criteria**

#### CBL Section 3.2

Change to description of ‘Senior Citizen’ accommodation to ‘Older Persons’.

#### CBL – Section 3.34 Choice of Accommodation Criteria

This section was considered at the conclusion of the review as part of the discussion process on the abolition of targets. Anecdotally the policy to allocate a 3 bedroomed house to a family with 1 child causes problems with other applicants on the waiting list who have a larger number of children and also want to access a 3 bedroomed house. It was also considered whether or not this is a fair and efficient use of housing stock.

The Panel looked at the definition of a family in the CBL policy as stated in Section 3.5. It is extremely comprehensive

The current eligibility criteria for properties is stated in the table:

<b>GENERAL NEEDS ACCOMMODATION</b>				
	<b>Single Person</b>	<b>Couple</b>	<b>Family 1 or more Child / Children</b>	<b>Family 3 or more Children</b>
<b>Flat or Maisonette</b>				
Bedsit	✓			
1 Bed	✓	✓		
2 Bed	✓	✓	✓	
3 Bed		✓	✓	✓
<b>House</b>				
2 Bed		✓	✓	
3 Bed		<b>No longer eligible</b>	✓	✓
4 Bed				✓

The Panel had already considered and agreed the recommendation by the A1 Housing Review Group to remove a couple from access to a 3 bed roomed house. A family with 1 or more children was left unchanged and these families can still access a 3 bed roomed house. It was reported that it was not an operational problem for A1 Housing. There was a lengthy discussion about this and there was a proposal to only allow a family with 1 child access to a 2 bed roomed house and to delete the option of access to a 3 bed roomed house. The other existing options of a 2 bed roomed flat/maisonette and a 3 bed roomed flat/maisonette were left unchanged.

Those in favour of the proposal argued that it is inconsistent to allow a three bed roomed house to be allocated as the Panel has made a recommendation to encourage people to move from houses which are too large for their needs. It is in line with providing housing accommodation based on need as identified in the Localism Act and the Government Housing Strategy 2011. As outlined in Section 4.4 the changes to the payment of Housing Benefit from 2013 will mean that it is based on the number of bedrooms needed by a family. The tenants



accepting a 3 bedroomed property may find that they are not able to afford the future rent if they are in receipt of Housing Benefit with the proposed reduction for under occupancy of bedrooms.

Those against the proposal argued that the Stock Profile for A1 Housing shows that as it has more 3 bedroomed houses available than 2 bedroomed houses and needs flexibility to manage the stock. There are concerns that by only allowing a family with 1 child access to a 2 bedroomed house it could create a bottle – neck for 2 bedroomed houses. There may be too much demand which cannot be met. This can be compounded by a slow turnover of properties in Bassetlaw. In 2010/11 there was a turnover rate of 12.08%. The effect of the reduction in Housing Benefit payments in 2013 may mean that couples will want to move out of 3 bedroomed properties into 2 bedroomed properties and create a demand which cannot be met due to the Housing Stock profile.

The Panel members had to balance these factors and there was a recorded vote in favour of this change to the policy of 5 votes to 3 as a recommendation of the review.

Following the decision Members received additional evidence and information from a desktop exercise to compare with other local authorities. A quick review of other local authorities such as Bournemouth, Kettering, Reading and Kirklees indicates that families with 1 child are allocated 2 bedroomed properties. Our Sub Regional Partners have an allocations policy to suite their local needs. Chesterfield Borough Council does not allocate a 3 bedroomed house to families with one child. It only allocates to a 2 bedroomed house, a one bedroomed flat and a 2 bedroomed flat/maisonette. It can be seen from their stock profile that proportionately it has a larger number of 2 bedroomed in its housing stock.

North East Derbyshire District Council does allocate 3 bedroomed houses to a family with 1 child. It also allocates to 2 and 3 bedroomed flats/maisonettes and 2 bedroomed houses. As can be seen from the Stock Profile the supply of 2 bedroomed houses is proportionately larger but it has more 3 bedroomed houses in its stock.

The estimated financial cost to change the computer software system to reflect the new allocation criteria needs to be accurately determined but it will be approximately £5,000 and the budget has not been identified. The information for BDC shows that applicants in Band D ie no urgent housing need, currently have a 5 to 6 year wait for a 2 bedroomed house.

The figures indicate that the turnover for 2 bedroomed houses is much lower than 3 bedroomed.

21% - 2 bedroomed houses

78% - 3 bedroomed houses

A1 Housing has produced an analysis on 2 and 3 bedroomed houses. The analysis uses the number of properties available in the last 12 months and the current number of applicants on the Register as at 12.01.12.

	No. of Families with Children	No. 3 Bed Houses	No. Applicants per 100 properties	2010/11 Turnover	Applicants per property available in 2010/1
Currently					
3 bed houses for families with children (exc. Couples)	906	2,189	41	268	<b>5.4</b>
Suggested Restrictions					
3 bed houses for families only with 2+ children	583	2,189	27	127	<b>4.6</b>

		No. 2 Bed Houses			
2 bed houses for families 1 child	323	593	54	41	<b>7.9</b>
2 bed houses for couples/families 1 child	656	593	111	41	<b>16.0</b>

As can be seen from the table the analysis shows that there is a ratio of 1 property to every 5.4 applicants with children. If the recommendation to only allow access to a 2 bedroomed house for a family with 1 child is approved there will be changes to this ratio. The ratio for a family with 2 or more children wanting a 3 bedroomed property will improve to 1 applicant for every 4.6 properties. For families with 1 child wanting a 2 bedroomed property the current ratio of properties to applicants is 1 property to 7.9 applicants. Under the new proposals this will increase to 1 property to 16 applicants

The supply of housing in rural areas indicates that there is not an even supply of 2 and 3 bedroomed houses eg in East Markham there are 15 Council houses but only one is a 2 bedroomed property, therefore the waiting time for a 2 bedroomed house is currently much longer. In Harworth there are 52, 2 bedroomed houses and 204, 3 bedroomed houses so again the waiting time will be longer.

An analysis on waiting times for 3 bedroomed houses in the District of the most recent lets has indicated that there is a difference depending on location. In Worksop the most recent let of a Band D 3 bedroomed property was to an applicant who had been on the list since 2004 – a wait time of 7 years and there were 119 bids. In Tuxford the most recent Band D let had 16 bids and the applicant had been on the list since 2009 - a much reduced length of waiting time in the more rural areas. In Walkeringham the most recent let had 53 bids and a 5 year wait.

On the balance of the information available the recommendation remained.

### CBL – Section 3.4 Re-Advertising of Properties

Bidding Process for properties allocated to the Over 60's

The operation of the bidding process for this group was one of the reasons to carry out this Scrutiny Review. In September A1 Housing proposed changing the criteria for the re-advertising of properties. Most of the properties in this group are one bedroomed bungalows which are not popular and often are not successfully let. Currently the properties for Over 60's are re-advertised if there is no successful bid by reducing the age eligibility to over 50 years and then over 40 years. There was discussion about a property being let to someone much younger but A1 Housing has to maintain its performance for letting and reduce lost revenue on empty properties. In the new policy age eligibility criteria is to be changed to Band priority first so that the housing need is the priority and not age. The Panel agreed to this change as a fair way to allocate a property.

### CBL - Section 3.8 Amendment of a housing application

The Panel agreed the amendments on joint applications where a relationship breaks down to provide proof of legal access to children and to be considered as a family unit to provide proof of access to children for 3 nights per week. This was agreed as the applicant would be eligible for a family home and the Panel recognised that it was good practice to obtain and verify the need for family accommodation.

## **CBL - Section 4 – Letting Bands and Allocations of Tenancies**

### CBL – Section 4.1 Lettings Bands

The Bandings criteria used in both the BDC and Sub Regional policies have been decided by using Department of Communities and Local Government and expert advice.

The Council has 5 Bands A to E with A being the highest need and Band E where properties are allocated when they cannot be let to anyone. Most people under 60 years old are in Band C. Most over 60 years old are in Band D where there is no housing need identified.

The details of the Banding can be viewed in the CBL policy itself but in summary are:

Band - A - Applicants with Severe / Urgent Housing Needs for re-housing such as statutorily homeless, statutorily unfit for human habitation, statutorily overcrowded, threat of violence or to life and temporary accommodation for major works, severe medical need or need for a substantially adapted property. This Band is time limited to 2 months initially.

Band - B - Applicants with High Housing Need such as releasing a high demand property, a successor tenant to move to a smaller accommodation, applicant without right of succession, release a property with adaptations or older persons' accommodation that is no longer needed and medical need. This Band is time limited to 2 months initially.

Band - C - Applicants with some housing need- families with children aged 10 years or under or older person aged 60 or over in a 2<sup>nd</sup> floor flat or above, cramped but not statutorily overcrowded, Armed Forces with connection to Bassetlaw and some medical need.

Band - D - Applicants with a low housing need as they have no immediate need for re-housing and Armed Forces with no local connection to Bassetlaw.

Band - E - All other housing applicants including owner occupiers and applicants who do not live and work in Bassetlaw.

First Come First Served- When a property has been advertised twice and received no bids it will be offered to the first applicant that bids.

#### CBL – Section 4.2 Targets ( also referred to as a quota in the review process) and Section 4.3 Allocation of Properties

The decision that the Panel made with reference to 2.9 proposed abolishing the targets for the percentage of properties allocated to each Band to be advertised. Properties will no longer be advertised to a preference Band but all applicants will be able to bid for any property. The allocation of the property will be determined by Priority Band order so that applicants with the highest housing need will receive priority.

#### CBL - Section 4.3 – Allocation of Properties

##### Sub Regional Allocation Scheme

The Sub Regional Allocation Scheme was not included in the original CBL policy and from September 2011 10% of available properties are to be advertised to the partners in the scheme. The Panel agreed this allocation and considered more detailed evidence in CBL Section 13.

#### CBL – Section 4.4 Band A - Applicants with SEVERE/URGENT needs for housing

##### A1 Statutorily Homeless

As referred to in Section 4.1 of this report recent Government legislation has changed the way that local authorities provide for the homeless. The recommendations of this Scrutiny Review to remove targets for the allocation of properties and to allocate properties to applicants who make a bid in Priority Band Order will give priority to this category. Refer to CBL Section 2.9.

The Council carried out a Housing Stock Condition Survey 3-4 years ago to provide an overview of condition the private housing stock in Bassetlaw. This was done in partnership and cost approx £60,000. A new survey is due in 2012 but there are no resources currently available. BDC Strategic Housing is trying to work with partners to find a way forward to meet the estimated cost of approx. £80,000 to carry out a survey. The Panel determined that the Council should carry out a Housing Stock Condition Survey if resources become available.

### A3 Statutorily Overcrowded

The Panel agreed that Part X of the Housing ACT 1985 will only apply where it is the result of the natural growth of the family.

**NB** it should be noted that the proposed draft guidance issued by Government on 5<sup>th</sup> January 2012 for consultation may require a change to the allocations policy based on a bedroom standard for overcrowding before it is sent to consultation.

### CBL – Section 4.13 – Band B – Applicants with High Housing needs

#### Under Occupancy

Under occupancy is an issue – approximately two thirds of 3 bedroomed houses are occupied by 1 and 2 person households. Existing tenants who are moving to release a high demand property for the use of another applicant, who has a need for a larger property, are placed in B1. A high demand property is defined as a house or bungalow with two or more bedrooms. A1 Housing has identified that addressing under occupancy will help to manage the list more effectively. A recent survey of older residents showed that 78% want a 2 bedroomed bungalow but the stock profile for A1 Housing only has 1,500 of these properties. There are also 1,600 one bedroomed bungalows and flats and some are difficult to let as they are a bed sit arrangement. So in tackling the problem of under occupancy there is a mismatch of housing requirement and type of stock available. To try to improve the availability of homes the Panel considered the possibility of offering incentives to encourage people to move.

#### Incentives to Release Family Homes

Before the Right to Buy legislation was introduced BDC owned 12,000 properties and this has now reduced to fewer than 7,000 and so many family homes are no longer owned by the Council. The Panel considered the demand for family homes.

As the figures reported at the beginning of this section show as at 26.05.11 the demand from families with 1 or 2 children is the second highest category on the waiting list. The Panel recognised that many tenants who have raised their families in a family home do not want to leave the property when the children have grown up and left. It is an emotive subject as a family home has many memories. If people downsize they may not be able to accommodate children and grandchildren visiting them. It is a sensitive issue but there needs to be encouragement to tenants who have a family home that is surplus to their current needs to pass it on to another young family. Tenants are offered £250 per bedroom to move into smaller accommodation to release a family home and offered Band B priority to bid for another property. Offering additional increased incentives will have to be met from the A1 Housing Revenue Account and this is currently no funding available.

A1 Housing has been working in partnership with Nottinghamshire County Council to help people move from a family home that is now too large for their need. A specific post has been jointly funded to do this. Help and support is provided such as contacting utilities. There is no budget available for things such as removal costs.

Recently A1 Housing Officers have contacted tenants over 75 to “have a chat” about a possible move but no one has taken it up. Generally people only move for medical reasons when they can no longer manage the property.

The Panel agreed that A1 Housing and BDC are trying to release family homes but could be doing more to promote downsizing as an option and should investigate creative ways to assist tenants meet their removal costs to make the option more attractive. It was agreed that there should be a recommendation for an article to be placed in the A1 Housing tenants magazine – In Touch – with a case study to encourage people to consider this option.

#### CBL – Section 4.21 Applicants with Some Housing Need C5 Cramped but not statutory overcrowding

A claim of cramped living conditions will generally only be considered where it is the result of natural growth such as additional children and by bringing additional people to live in the household. A1 Housing were recommending changes to the ages that children are required to have a bedroom of their own raising the age that a child is expected to share a bedroom with a child of the opposite sex from 5 years old to 10 years and from 11 years old to 16 years to share a bedroom with a child of the same sex. The Panel had lengthy discussions on this change and how it will work in practice. If a child reaches a birthday of 10 years or 16 they become eligible for an additional bedroom. The family will have to go into the bidding process priority Band C or if they are statutorily overcrowded under Part X of the Housing Act 1985 go into Band A. A1 Housing has introduced the revised age limits to meet the requirements of the proposed changes to Housing Benefit and to meet best practice. The Panel agreed to the changes following the discussions.

#### **CBL Section 6 - Exclusion and Suspension from the Housing Register and Other**

Amendments were agreed to make the policy easier to use.

#### CBL Section 6.2 Debts and Arrears

Private landlords that are part of East Midlands Landlord Accreditation Scheme have been added to the organisations that cannot be owed arrears before an offer of a property is made.

## **CBL Section 8 – Discretion in Application of the Policy**

Certain authorised senior officers within A1 have some discretion in the application of the CBL policy to address unique circumstances and allow the best use of the housing stock. The Panel discussed how this worked and the monitoring of the system and agreed.

## **CBL Section11- Assessment of Medical Need for Re- Housing**

On the evidence presented the Panel were satisfied with the role of the Medical Panel which is independent and assesses the need of an applicant for priority banding, although there was anecdotal evidence about the length of time taken to process some applications.

### **11.5.6 Allocation of Accommodation**

An amendment to allow the allocation of a property which has been adapted for tenants with disabilities to be offered in priority Band order if no applicant with these needs applies was agreed.

## **CBL – Section 12 Local Lettings Policy**

The Panel heard evidence on the use of the Local Lettings policy in Bassetlaw. A local lettings policy has been introduced at Thoresby Close, Harworth in consultation with the Police and local residents to reduce anti social behaviour in the area and increase tenancy sustainability. It will be effective from March 2011 – February 2012.

The following criteria will be applied for applicants 'bidding' for accommodation in the scheme.

- Applicants accepted on to the scheme must be at least aged 30
- A target of 50% of tenants on the scheme to be in employment.
- Applicants bidding for Thoresby Close, Harworth, will be subject to a Police check.
- Any applicant, where evidence is available to Nottinghamshire Police, which results in them not being classed as suitable for the scheme, taking into account the aims of Nottinghamshire Police and A1 Housing to reduce crime and disorder in the area, will not be accepted as a tenant on the scheme under the provisions of the Crime & Disorder Act 1998
- Applicants accepted for a tenancy to be subject to an interview with the Neighbourhood Housing Officer to outline the responsibilities of a tenant on the scheme prior to signing the tenancy agreement.

The proposed revised policy is more detailed than the current policy which was used to set up the Harworth scheme. It allows A1 Housing to resolve problems in small areas.

The new policy identifies that local lettings policies can be used to deal with concentrations of deprivation; lettings in rural areas; anti-social behaviour; reduce the high turnover of empty properties. The implementation of a Policy can be requested by a Housing Officer, Police, local residents or Councillors. The request must state the number of properties to be covered and statistical evidence to support the request. It must also set out the proposal to address the issues. Criteria are used to balance a community but there are costs to voids and re letting. There will be consultation with the residents, Police, councillors and local agencies before it is put in place. The policy will usually run for 12 months with a detailed review of the outcomes.

The Panel discussed the potential for the operation of a Local Lettings Policy to label groups of people who are being excluded from the area. Also what is the impact on the groups of people who would usually be given a tenancy in the area in finding suitable accommodation elsewhere. The one in operation in Harworth is to encourage a wider mix of people living in the area but this can have a negative effect on the single young people wanting the accommodation.

The Panel agreed that there should be careful consideration before a Local Lettings Policy is implemented and the outcomes of the policy should be rigorously monitored by A1 Housing and Bassetlaw District Council.

**Recommendations on the Revisions to BDC Choice Based Lettings Policy**

The recommendations can be summarised as follows:

<b>Recommendations from the A1 Housing Review Group</b>		
<b>Section/area of the CBL Policy</b>	<b>Recommendation from A1 Housing Review Group</b>	<b>BDC Select Panel Comment</b>
<b>Section 2 – Acceptance onto the Housing Register</b>	Section 2.5- Age Criteria Accepted that 16 or 17 year olds will be accepted with a support package.	Accepted
	Section 2.7 – Current Residence Local	Accepted



	<p>Connection Her Majesty's Forces.</p> <p>HM Forces personnel with no connection to Bassetlaw can be allocated to Band D1 or Band C8 if there is a local/family connection.</p>	<p><b>NB.</b> The DCLG published a consultation on 5<sup>th</sup> January, 2012, on proposed statutory guidance on the Armed forces which will require no residency qualifications for personnel. . Following Overview and Scrutiny Committee A1 Housing advised that Section 2.7 will now be amended to reflect this and delete any local connection delete any local connection.</p>
	<p>Section 2.9 - Property Ownership</p> <p>The A1 Housing Review Group agreed that Home Owners aged 60 years and over should have a Financial Assessment to determine their need for Council accommodation.</p>	<p>Not Agreed.</p> <p>Refer to Table 3 - New Recommendations from the BDC Select Panel.</p>
	<p>Section 2.10- Change of Circumstances</p> <p>Minor amendments on the effective application date accepted.</p>	<p>Accepted</p>
<b>Section 3 – Lettings Criteria</b>	<p>Section 3.2 Change to description of Senior Citizen' accommodation to 'Older Persons'.</p>	<p>Agreed</p>
	<p>Section 3.34 Choice of Accommodation Criteria</p> <p>Agreed that a couple</p>	<p>Agreed.</p> <p>The Panel also made further recommendations. Refer to Table 3</p>

	<p>should not be allowed access to a 3 bedrooed house.</p>	
	<p>Section 3.8 Amendment of a housing application between joint applicants Requirement to provide proof of legal access to children and to be considered as a family unit to provide proof of access to children for 3 nights per week</p>	<p>Agreed</p>
<p><b>Section 4 – Letting Bands and Allocations of Tenancies</b></p>	<p>Section 4.21 – Band C - Applicants with Some Housing Needs</p> <p>C5 –Cramped but not statutory Overcrowding</p> <p>Changes as follows:</p> <p>A child aged under 1 year of age does not need their own bedroom and can share a bedroom with their parents.</p> <p>A child under 16 years of age can share a bedroom if they are the same sex.</p> <p>A child under the age of 10 can share a bedroom regardless of sex.</p>	<p>Agreed</p> <p><b>NB</b> It should be noted that the proposed draft guidance issued by Government on 5<sup>th</sup> January 2012 for consultation may require a change to the allocations policy based on a bedroom standard for overcrowding</p>

	<p>Section 4.4 Band A Applicants with Severe/Urgent needs for housing A3 Statutorily Overcrowded. This will only apply where it is the result of the natural growth of the family.</p>	<p>Agreed.</p>
	<p>4.24 Offers of Accommodation Removal of the date of registration.</p>	<p>Agreed</p>
<p><b>Section 6 - Exclusion and Suspension from the Housing Register and Other</b></p>	<p>Amendments to make the policy easier to use. Section 6.2 Debts and Arrears Private landlords that are part of East Midlands Landlord Accreditation Scheme have been added to the organisations that cannot be owed arrears before an offer of a property is made.</p>	<p>Agreed</p>
<p><b>Section 8 – Discretion in Application of the Policy</b></p>	<p>Certain named senior officers within A1 have some discretion in the application of the CBL</p>	<p>Agreed</p>

	policy to address unique circumstances and allow the best use of the housing stock.	
<b>Section 11- Assessment of Medical Need for Re-housing</b>	11.5.6 Allocation of Accommodation Amendment to allow the allocation of a property which has been adapted for tenants with disabilities to be offered in priority Band order if no applicant with medical priority A or B applies.	Agreed
<b>Section 12- Local Lettings Policies</b>	Revised policy to allow BDC to create sustainable communities in local areas.	Agreed

<b>Suggestions on amendments to the CBL Policy which arose during the review and which A1 Housing has already integrated into a revised CBL Policy (which will be subject to Cabinet and stakeholder approval)</b>		
Section/area of the CBL Policy	Recommendation	Comments from the Select Panel and A1 Housing
<b>Section 3 – Lettings Criteria</b>	Section 3.4 - Re-Advertising of properties for over 60s-  Properties are to be allocated in order of	Agreed

	housing need - that is by Banding Priority A to E and not by age in category Band D Over 60 years to Over 40 Years.	
<b>Section 4 – Letting Bands and Allocations of Tenancies</b>	Section 4.3 – Allocation of Properties The Sub Regional Allocation Scheme was not included in the original policy and from September 2011 10% of available properties are to be advertised to the partners in the scheme- Bolsover District Council, Chesterfield Borough Council and North East Derbyshire District Council	Agreed

<b>Additional Recommendations from the BDC Select Panel</b>	
Section/area of the CBL Policy	Recommendation
<b>Section 2 – Acceptance onto the Housing Register</b>	Section 2.7 – Current residence local connection  <b>Recommendation 1: -</b>  The Local Connection criteria should be increased from 6 months to 24 months.
	Section 2.9 - Property Ownership  <b>Recommendation 2: -</b>

	<p><b>2.1</b> Change the Banding allocation for Home Owners aged over 60 years on the Housing Register to Band E from Band D.</p> <p><b>2.2</b> Remove the target quotas for allocation of properties to each Band. Properties should be allocated in Band Priority order for ALL applicants onto the Housing Register.</p> <p><b>2.3</b> Home Owners who are moving into an A1 Housing property must provide proof of sale their property.</p>
<p><b>Section 3 – Lettings Criteria</b></p>	<p>Section 3.34 Choice of Accommodation Criteria</p> <p><b>Recommendation 3: -</b></p> <p>A family with 1 child should have access to a 2 bedroomed flat/maisonette or a two bedroomed house and not a 3 bedroomed house.</p> <p>(The definition of a family is extremely comprehensive and is contained within the CBL Policy).</p>
<p><b>Section 4 – Letting Bands and Allocations of Tenancies</b></p>	<p>Section 4.2 – Targets and Section 4.3 -Allocation of properties –</p> <p><b>Recommendation 4: -</b></p> <p>That target quotas for allocation of properties to each Band be removed. That all applicants will be able to bid for all advertised properties and the allocation of properties should be in priority band order Bands A – E (see Recommendation 2.2)</p> <hr/> <p>Section 4 4 Band A Applicants with Severe/Urgent needs for housing and A1 Statutorily Homeless</p> <p><b>Recommendation 5: -</b></p> <p>The Council should carry out a Housing Stock Condition Survey when resources are available.</p> <hr/> <p>Section 4.13 - Band B Applicants with High Housing needs</p>

	<p>B1 A1 Housing Tenants releasing a high demand property</p> <p><b>Recommendation 6: -</b></p> <p>The release of high demand property should be encouraged e.g. through an article in the A1 Housing tenants' magazine - with case studies of where this has been successful.</p>
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### **CBL – Section 13 Sub-Regional Allocation Scheme**

This was not in the original Bassetlaw CBL policy and was included during the course of the review. To assist the process the Panel considered detailed information on the partners in the scheme.

#### Stock Profile – North Derbyshire & Bassetlaw Sub Region

Partners have different stock profiles so tenants across the sub region may be able to find suitable accommodation in one of the other districts. Bassetlaw has the second lowest number of properties with Chesterfield the highest. Bassetlaw also has the highest number of bungalows especially one bed roomed in the sub region. It also has the second lowest number of family homes. A full breakdown is available in the Appendix.

#### Comparison with another District

The Panel heard evidence from NEDDC as they are a rural district like Bassetlaw to compare with their CBL policy: The authority has also recently reviewed its CBL policy. The Panel were concerned that the partners in the scheme have different property profiles, diverse housing needs and different CBL policies to meet these needs but are using a Common Allocation Scheme across the Sub Region.

The table below identifies the main similarities and differences. A detailed breakdown can be found in the Appendix.

<b>Criteria</b>	<b>Rykneld</b>	<b>A1 Housing</b>
Banding	4	5
Targets	Yes	No – subject to outcome of this review
Local Connection	6 months	Currently 12 months to be increased to 24

	Rural local connection living in a rural area for 5 out of the last 10 years.	months subject to this review No rural connection
Incentives to downsize	Investigating	Investigating
Re- Advertising Properties for over 60 years old	Use reducing Age	Currently use reducing Age. To propose change to Band Priority

There were concerns about the differences in the allocations policies of the partners and how it will work in practice. For example there is a 12 months residency local connection to qualify for the Bassetlaw Housing Register but Rykneld Homes have 6 months. Using the Sub Regional Scheme people from outside Bassetlaw can be allocated a property in Bassetlaw with a shorter time period of residency than the residents on Bassetlaw's own Register.

The Panel were also concerned that at a time of scarce housing stock 10% was being allocated to people living outside the area. The Panel considered that there is a balance to the scheme as if A1 Housing has stock which cannot be allocated to a Bassetlaw resident then it can be allocated to the Sub Regional Common Allocation Scheme. This increases revenue from rents as the properties are not void.

To date there has been no negative feedback in Bassetlaw to the scheme. Rykneld Homes have rehoused 1 family from Chesterfield and several families from Bassetlaw have been shortlisted by Rykneld Homes but not been successful. Only one Council property has been allocated to the scheme so far.

As the scheme has been in operation for such a short time, the Panel want the effectiveness to be reviewed in 12 months and report back to Overview and Scrutiny Committee to assess progress.

**Recommendation 7: -**

That a progress report on the first year of operation of the Sub Regional Allocation Scheme should be submitted to Bassetlaw District Council Overview and Scrutiny Committee by December 2012.

**4.3 Performance Measures**

The Panel had considered the Policy in detail but wanted evidence on how its performance is measured and monitored. A1 Housing was inspected by the Audit Commission in November 2010 and the Choice Based Lettings policy was seen as a strength of the organisation. The



Audit Commission report made five recommendations to the organisation. There was a specific recommendation, R3 to improve the approach to registering applicants and allocating properties by:

- Ensuring that new housing registrations are processed promptly
- Reviewing the allocations policy with customers and the wider community

A1 Housing has produced an Action Plan in response and the recommendations of the A1 Housing Review Group and this scrutiny review will deliver the required outcomes.

The A1 Housing Service Plan 2011/12, reported to the A1 Housing Board in March 2011 set out objectives for the year that have been looked at by this Panel. The Plan states that the demand for properties is increasing and set out objectives for 2011/12 on the following:

- Under occupancy of properties.- a target of 30 A1 households to be moved to smaller accommodation in 2011/12 so that properties can be used by those that need them

The CBL document itself does not contain performance data information. This is measured by the A1 Housing Performance Management system and was considered separately by the review. A1 Housing have a range of indicators that indicate how well the service is performing which is reported quarterly to the A1 Housing Board<sup>16</sup>.

The latest information that relates to the CBL is as follows:

### Housing Allocations and Voids Q2: Apr – Sept 2011

REPORT Area	PI REF	PI Description 2011/12	PERIOD	Actual 2009/10	Actual 2010/11	Apr – Jun	Apr – Sept	Target 2011/12	Latest Progress
HSG Allocations & Voids	A112	Average time taken to register a new housing application in working days	Quarterly	33.00	24.00	20.78	19.11	11.25	▼
HSG Allocations & Voids	A402	% of properties accepted on 1st Offer	Quarterly		63.97	38.76	64.50	66	◀ ▶

<sup>16</sup> [http://www.a1housing.co.uk/board\\_information.htm](http://www.a1housing.co.uk/board_information.htm)

REPORT Area	PI REF	PI Description 2011/12	PERIOD	Actual 2009/10	Actual 2010/11	Apr – Jun	Apr – Sept	Target 2011/12	Latest Progress
HSG Allocations & Voids	A104	Total Number of Current Voids	Quarterly	59	67	54	32	60	▲
HSG Allocations & Voids	A403	% dwellings vacant and available to let	Quarterly			0.66	0.46	00.65	▲
HSG Allocations & Voids	A404	% dwellings vacant but unavailable to let	Quarterly			0.12	0.00	0.22	▲
HSG Allocations & Voids	A098	Average time taken to relet properties	Quarterly	34.95	23.85	24.02	21.90	21.00	◀ ▶
HSG Allocations & Voids	A103	Average decoration allowance per void	Quarterly		69.55	51.13	50.40	67.12	▲
HSG Allocations & Voids	A106	% of properties failing the post void repairs property inspection	Quarterly	10.03	1.57	2.00	1.00	1.25	▲
HSG Allocations & Voids	A241	Total cost per property of lettings	Annual	47.23	47.23			47.23	◀ ▶
HSG Allocations & Voids	A113	% new tenants satisfied with the allocation and letting process	Quarterly	87	93.00	100.00	96.00	94.00	▲
HSG Allocations & Voids	A329	% new tenants satisfied that the lettable standard for their new home was achieved	Quarterly		78.00	100.00	91.00	82.00	▲
HSG Allocations & Voids	A419	Number of A1 households moved to smaller accommodation	Quarterly		New PI	4	8	30	▼
HSG Allocations & Voids	A420	Reduction in the number of Overcrowded households in A1 properties	Quarterly		New PI	16	8	30	▼
HSG Allocations & Voids	A434	% of housing applications registered outside the target period.	Quarterly		New PI	69.00	74.04	10.00	▼

### Key Indicators

### Average Time Taken to register a housing application

The average time has decreased in 2011/12 from previous years but is currently under performing. The process is being reviewed but it is affected by applicants not providing the full information required.

### Average Re- Let Time

The key indicator for measuring the performance of the CBL is average re-let times and the target for 2011/12 is 21 days. A1 Housing's Void Management Team works in partnership with its contractors to minimise void re- let times. In 2009/10 the average time taken to re-let properties was 34.95 days a bottom quartile performance. In 2010/11 this had improved to 24 days and now A1 Housing is a top quartile performer. The information is recorded separately for Worksop and Retford. There has been a steady improvement in re-let times since April 2011. The time taken is higher in Worksop (22.12) than Retford (21.56). The introduction of multiple viewings has helped to reduce re-let times. A detailed table is available in the Appendix.

### Number of A1 Households moved to a smaller property

This is a new performance indicator for 2011/12 but to September 2011, there have only been 8 households moved and is not on target to achieve 30 households by March 2012. In response to this A1 Housing has decided to contact customers in Band B1 to determine what properties they require. This is a pro active approach to direct match the tenants when a suitable property is available to release the high demand property that they are currently occupying. The registration team will also identify people at the registration stage to be pro active in releasing high demand properties.

Most of the remaining targets show that A1 Housing is achieving its performance targets

### Customer Satisfaction

A1 Housing has previously had a very low return rate of the satisfaction surveys. A copy of the survey information is available in the Appendix. There is a high satisfaction level with the process - 93% based on a small number of respondents. The Quarter 2 Customer Insight Report shows that there is still a low response rate with only 15 replies. The age ranges for responses show that the most replies were in the under 25 age group. In the key areas of advertising of the property, ease of bidding, helpfulness of Housing Officers and the overall lettings process A1 Housing scores highly but it is a very small sample and the results may be unreliable. Members reported that they do receive comments from residents that the system is difficult to use, especially from residents who do not have access to computers.

During the course of the review the Panel were informed that A1 Housing has changed the way that the customer satisfaction information is collected to improve the return rate and provide a more accurate measure of the satisfaction rate. The survey is now completed on a 1 to 1

basis at the 6 week visit by the A1 Housing Officer to all new tenants. The Panel heard evidence from Rykneld Homes who have introduced the completion of a satisfaction survey at the signing of the tenancy stage to improve their survey response rate. The Panel welcomed the change made by A1 Housing as it is important to have statistically significant information to improve services.

#### HouseMark Bench marking - Value for Money

A1 Housing completes an annual benchmarking exercise to compare cost and performance across a range of activities with similar organisations. The 2010/11 Value For Money report was presented to A1 Housing Board in November 2011 which showed that A1 Housing has good performance but above average costs in comparison with some other organisations for Choice Based Lettings.

#### Complaints about the Choice Based Lettings Process

Information that has been provided by the A1 Housing Complaints Officer stated that since the scheme came into operation there have been 16 complaints about the Choice Based Lettings Scheme but there is no particular section that is the subject of complaints. The most number of complaints have been received about the interpretation of the bidding process. Applicants believe that their housing need is greater than the Band that they have been allocated. Others include single complaints on the following which were not upheld:

- Exclusion from the register
- Change of circumstances

Complaints that were upheld include:

- Speed of registering the application
- Incorrect information given to an applicant who accepted a property in the bidding process about the future Decent Homes programme for the property. In response A1 Housing have changed the procedure and provide a fact sheet for each property.

There has been one complaint upheld by the Ombudsman about the offer of a property to a bidder.

#### 2012/13 Draft Service Objectives

A1 Housing has started the process to prepare its Draft Service Objectives 2012/2013. Several are relevant to this review.

- Reduce the number of under occupied properties
- Ensure all properties are let within agreed targets

The Panel welcomes these objectives as they will support the delivery of the CBL policy.

**Recommendation 8: -**

That A1 Housing continue to set stretching performance targets in relation to the operation of the CBL Policy and report key outcomes to their A1 Board. To ensure that: --

- The number of under-occupied properties are reduced
- All properties are let within agreed targets
- Representative customer feedback on the CBL policy is sourced
- Customer satisfaction is maintained/increased

**4.4 Proposed Changes to Housing Benefits and Welfare Reform**

Background

The Panel included this in the Scope of the Review as it potentially will affect the demand for social housing which will in turn put pressure on the CBL process.

Housing Benefit reforms were announced in the June Budget and Comprehensive Spending Review 2010 and are also included in the Welfare Reform Bill. The Chartered Institute of Housing has said that the changes will mean that people will have to find more of the rent from other incomes, if they can and in the worst case may be forced to move out of their home, because the rent is unaffordable.

Some changes will be introduced in January 2012 to Housing Benefit payments to single young people in the private sector. 25 year olds currently receive a single room rate but the change will mean that the age range for tenants will be raised to under 35 years old and will only be

paid a shared room rate. There are currently approx. 150 claimants that may be affected in Bassetlaw. The DWP Equality Impact Assessment<sup>17</sup> explains the impact of the changes.

The Welfare Reform Bill is at the House of Lords Stage and is expected to be law by early 2012 but there is no secondary legislation. The Department of Work and Pensions<sup>18</sup> has produced an Equality Impact Assessment on Housing Benefit: size criteria for people renting in the social rented sector which introduced restrictions for those occupying a larger property than their household size requires. This is the only guidance that has been issued to date.

### Summary of proposed Housing Benefits Changes for Social Sector tenants of Working Age

Proposed from 1st April 2013:

- Pension-age tenants are exempt. Definition of pension age for Housing Benefit purposes is in line with government policy – Age 60 for women and 65 for men and will change as pension age changes.
- Includes Housing Associations & registered providers
- A1 Housing tenants will be affected
- A benefit restriction based on the number of bedrooms the occupants need. Currently claimants living in social housing generally do not have restrictions placed on the size of accommodation they occupy.
- Based on a nationally set % reduction for each “unoccupied” bedroom

The policy aims to bring together the private rented and social sector.

### Objectives of the policy change

- To contain rising Housing Benefit expenditure in the social sector
- Encourage greater mobility within the social rented sector
- Make better use of housing stock
- Improve work incentives

### Size criteria

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<sup>17</sup> <http://www.dwp.gov.uk/docs/eia-hb-shared-accommodation-age-threshold.pdf>

<sup>18</sup> <http://www.dwp.gov.uk/docs/eia-social-sector-housing-under-occupation-wr2011.pdf>

This will be the same as the current privately rented regulations to allow a bedroom for each of the following:

- A couple
- A person over 16yrs
- 2 children of the same sex, under 16yrs
- 2 children (any sex) under 10yrs
- A child
- A non-resident, overnight carer (where proven necessary)

#### How Housing Benefit would be affected by the Welfare Reform

- Currently in Bassetlaw 2103 in receipt of rent rebate and 629 Housing Association/RSL tenants on rent allowance.
- Only the “over-accommodated” cases would see a reduction in their weekly Housing Benefit. For the East Midlands area, the DWP has estimated this could be around £11 per week reduction for 1 unoccupied bedroom and up to £20 per week for 2 or more unoccupied bedrooms. As at October 2011 there were 2,100 Housing Benefit claimants of working age living in A1 Housing properties out of a total of 4564. The number living in private rented accommodation and with Registered Social Landlords was 2625 out of a total of 3195. Across the country the DWP estimates a rate of approximately 32% of working age Housing Benefit tenants in the social rented sector likely to be affected by the measure. There are 3003 pensioner claimants in Bassetlaw who will not be subject to the new legislation. A regional variation is predicted in those affected with only 19% in London and for the East Midlands 37%. The Bassetlaw rate for A1 tenants is 46%. A comprehensive data table is available in the Appendix.
- Those on small amounts of Housing Benefit may find they are no longer eligible and be required to pay the full rent. Nationally this is estimated at 3% will lose benefit altogether. (63 in BDC)
- Between October 2013 and April 2017, working age claimants will also start to transfer over to Universal Credit, which will include a housing element along with job seekers allowance and tax credits. Universal credit will be paid direct to the claimant, monthly by the DWP.

Bassetlaw District Council Benefits Service is working closely with Bassetlaw District Council Strategic Housing on this and the many other proposals within the Welfare Reform Bill. Benefits Service have noticed signs of changes in the private sector with an increase in the tenancy agreements asking for guarantors and introducing a condition in the agreement to set up a direct debit for the payment of rent on the date of the benefit payment. as they are given the keys to the property. There is a possibility that due to the changes the level of bonds asked by

private landlords will increase. This will affect the vulnerable but there are bond schemes operated by the government and Framework offer a guarantee for young people.

There is expected to be an increased demand on the A1 Housing waiting list, possibly up to 6,000 to 7,000, especially with the proposed changes to Welfare Benefits.

### Housing Benefit Changes and the effect on Council Tenants

A1 Housing and BDC Strategic Housing Officers have undertaken a survey and modelling work to establish the numbers of Council tenants that could be affected by these changes. This is illustrated in the table below.

#### A1 Tenants definitely affected by Housing Benefit Changes.

	<b>2 bed flats</b>	<b>3 bed flats</b>	<b>2 bed houses</b>	<b>3 bed houses</b>	<b>4 bed houses</b>	<b>Total</b>
<b>Couple + 1 child</b>		3		80	3	86
<b>Couple + 2 Children</b>					4	4
<b>Couple + 3 children</b>						
<b>Couple no children</b>	22	6	20	59	0	107
<b>Single + 1 child</b>		4		208	4	216
<b>Single + 2 children</b>					4	
<b>Single + 3 Children</b>						
<b>Single no Children</b>	190	6	54	113	3	366
<b>Total</b>	<b>212</b>	<b>19</b>	<b>74</b>	<b>460</b>	<b>18</b>	<b>783</b>

In addition to the above a further 519 tenants potentially may be affected by the changes, though further checks need to be made to confirm



this in respect of individual households.

There will also be significant numbers of people living in Housing Association properties and the Private Rented Sector in receipt of Housing Benefit who may also wish to move to smaller accommodation.

As previously identified in the BDC Housing Stock profile the supply of smaller properties is restricted. During the 2010/11 financial year the Council only re-let 814 dwellings including transfers and mutual exchanges, from a total overall stock of 6737 (all properties) giving a turnover rate of 12.08%. If all the affected tenants decide to move to smaller accommodation, it could take many years.

Historically single properties and bedsits have been difficult to let but this will change in the future. The key issue is that as a result of the Benefit changes there will be a shortage of single person accommodation and smaller accommodation to meet increased demand. However, as households under occupying properties 'migrate' to smaller accommodation this will free up larger accommodation for families who may currently be living in cramped or overcrowded housing. It could also lead to increased levels of homelessness and sofa surfing.

Tenants may become homeless as a result of rent arrears as they cannot find the additional money to make up for the lost benefit. The current economic climate could make the financial situation difficult for working people. Under the rules for statutory homelessness tenants who are in rent arrears would not necessarily qualify as a priority need and could be defined as intentionally homeless. BDC Housing Needs Team would not be able to help. This applies mainly to private sector tenants. If an A1 Housing tenant cannot pay their rent then they can lose their home as it is a condition of the tenancy agreement but would consider their position if they had to evict someone that they had a statutory duty to rehouse.

Bassetlaw District Council is allocated a discretionary pot of money for housing assistance by Central Government. The Council has been awarded an increased amount of £40,000 in 2012/13 but there is a demand for the funding.

The Panel believe that it is important for A1 Housing to work with tenants to get ready for the changes to Housing Benefit. BDC Benefits Service is working with the private sector to inform them of the proposed changes to Housing Benefit. A1 Housing will begin informing tenants in September 2012 with articles in the In Touch magazine. BDC Benefits Service is at the sign up interviews for tenants so that they are aware of their Housing Benefit entitlement.

A1 Housing has a Money Advisor in post to support tenants with financial management but the funding is coming to an end. A1 Housing is looking to joint fund the post with Bassetlaw District Council. The Money Advisor was recognised as best practice in the recent Audit Commission Inspection and BDC Scrutiny Review of Poverty Issues. The Panel agreed a recommendation to support the joint funding of the post.

A1 Housing's Draft Service Objectives 2012/2013 recognise the need to support its tenants. To help deliver the Government's Welfare Reform it proposes to develop a Financial Inclusion Strategy, and increase the number of health checks on tenants.

Although not directly related to Choice Based Lettings the introduction of the Universal Credit from 2013 - 2017 for working age claimants will affect the pressures on the Housing Register. The Universal Credit will be paid directly by DWP and include an element for housing- Under the existing Housing Benefit system the Council administers the scheme and the benefit is paid weekly and directly to the landlord. Universal Credit will be paid monthly and to the tenant. This change is being introduced as part of the Government's intention to provide incentives to work and for people to take responsibility and change the dependency culture on benefits. There are examples of 2<sup>nd</sup> and 3<sup>rd</sup> generations of families in Bassetlaw of non working households. Housing organisations have lobbied the government about this particular change as there may be a temptation to spend the housing element on other things especially as it is paid monthly. It is a cultural change for tenants as they are not used to paying their own rent and so A1 Housing rent arrears may increase causing an increase in the workload of the A1 Housing Rent Income Management Team.

The Panel considered the following responses to the changes to Housing Benefit payments:

- Do nothing. This was not considered an option.
- Amend the Allocations Policy to grant priority rehousing to tenants suffering financial hardship due to the benefit changes. Members also considered if this should be extended to the Private Rented Sector, as many private sector tenants pay a top up to their rent as it is in excess of Local Housing Allowance rates. This was not considered an option at this time.
- Consider the proportion of properties going in to Priority Bands. Remove the quota system of bidding and operate on Priority Band. This was later recommended by the Panel to manage in response to the criteria for Property Ownership but it will ensure housing is delivered to those most in need.
- Relax rules in the Allocations Policy relating to the re-housing and transfer of tenants in arrears. There are financial risks to relaxing policies such as arrears. There is currently some discretion in Band B to waive them but the policy was agreed in consultation with tenants and the balance has to be maintained for tenants who do pay their rent. The Panel did not recommend this option.

The Panel expressed their concerns at the possible effect in Bassetlaw of the changes to Housing Benefit. At the present time it is not possible to speculate on the effect of these changes on tenants. On balance after considering all the options the Panel concluded that housing supply, as this review has identified, is the fundamental problem.

### **Recommendation 9: -**

**9.1** That Bassetlaw District Council jointly funds the Housing Money Advisor post employed by A1 Housing in 2012/13.

**9.2** That A1 Housing monitors the implementation of their Housing Financial Inclusion policies to ensure tenants affected by the Welfare Reform Bill are supported.

## 4.5 Future Considerations

The Panel investigated possible ways to increase the supply of social housing in Bassetlaw.

### Housing Revenue Account Reform

Another key reform of the Localism Act was to replace the Housing Revenue Account with a new transparent self-financing system from April 2012 with each Council making a single payment for its housing stock to Central Government. The purchase date for the stock is 28<sup>th</sup> March, 2012. Central Government will receive approximately £3billion from 300 councils which will be funded by the money markets. Further information can be viewed on the DCLG website.<sup>19</sup>

The Panel wanted to learn about the changes and what it could mean for Bassetlaw. The Director of Resources explained the position. It was introduced to improve local democracy as it allows Councils choice on how they spend capital. The benefit for Central Government is that the current system needs reform and they will receive a capital receipt to offset the National Debt. The current Housing Revenue Account subsidy system redistributes rental income from areas where there is a surplus to areas where there is a need. The Government has said that the current system is overly complex with no certainty about future income, inability to plan long-term and few efficiency incentives. The new system will address these issues and increase local transparency.

Councils are required to develop housing plans in consultation with social housing tenants. The government says that local housing authorities should use these plans to consider:

- what investment existing homes will need and the scope to replace stock with new homes that better meet future needs
- what rents they will need to charge and how the income will be used
- how they will provide information to tenants and local taxpayers about income, spending and investment

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<sup>19</sup> <http://www.communities.gov.uk/publications/localgovernment/localismhrasubsidy>

Under the existing system Bassetlaw currently makes an annual net payment (£3 494m in 2011/12) to the Department For Communities and Local Government from the rent collected from its social housing stock. This will be replaced with a one-off transfer of a proportion of the national housing debt. It is estimated that Bassetlaw will have to pay £23.5m. This is a capital payment with associated interest. Basically one set of annual payments – the DCLG Subsidy, will be replaced with another, the capital charges (capital and interest). The attraction of this is that there will be an end to the loan payments for the national housing debt when the £23.5m is paid off.

The capital calculation is based on a variety of factors and will be finalised in January 2012 following an up to date survey which all housing authorities will have completed in October 2011. The key control will be the overall borrowing limit imposed on each authority as if Councils keep below this limit there are no other financial controls. Each Council is to be given a capital allocation but this money is ring fenced and can only be used for housing. Based on the indicative consultation it is estimated that the ceiling figure for capital borrowing in Bassetlaw will be £97.6 million. Each Council cannot go above its capital allocation limit and has to work out the sustainable limit that it can afford as borrowing on the money markets incurs a repayment cost.

BDC has a 30 year business plan including management, rents, income and capital for its housing stock. The Council will put in place a Self Financing strategy so that it does not “over” borrow to meet its capital needs as this will be wasteful. It is anticipated that the Council will borrow up to £1m below the ceiling and as the capital is repaid it will free capital resources below the cap limit. After Year 3 (2015/16) the profile starts to decline against the overall borrowing limit, Year 13 (2025/26) shows a further decline and from Year 19 (2031/32) onwards the Council starts to gain a lot of potential flexibility in the use of capital resources. Members will have more capital allocation below the ceiling figure of £97.6 million with a local influence and choice about what it should be spent on.

In the medium term it will give the Council members the flexibility to approve investment in improving the quality of the housing stock such as

- borrowing for major repairs
- complete the Decent Homes programme by 2015
- invest in new kitchens and bathrooms in 2015/16 and 2016/17
- invest in a Decent Estates programme in 2016/17 to 2019/2
- invest in a non-traditional housing development programme in 2017/18
- a new build programme between 2020/21 and 2025/26

The review has identified that the CBL policy can only allocate the houses that are vacated by tenants. The real issue is the lack of housing stock to offer to applicants. In the long term the changes to the funding of the Housing Revenue Account offer an opportunity to add to the stock, although in small numbers.

### Empty Homes and the New Homes Bonus

Empty Homes are also seen as an opportunity to provide additional affordable homes. BDC carried out a Scrutiny Review of Derelict Land and Buildings in 2010 which recommended the setting up of BDC Members Group to monitor progress on clearing derelict sites and bringing empty homes back into use. This reports to Audit Performance and Scrutiny Committee. The BDC Empty Homes Strategy approved in September 2011 sets out how we can tackle empty homes. A capital budget of £200k was approved for 2011/12 to tackle empty homes and the intention is to use this to provide repayable grants to owners of empty properties requiring renovation works. A scheme has been developed based on Barnsley Council's model with A1 Housing as the managing agent to offer a private sector leasing scheme where the council lease the property from the owner for a period, usually 5 years, find a tenant from the waiting list and manage the tenancy on behalf of the owner for a management fee. This not only brings a property back into use but provides an alternative for council waiting list applicants

According to Council Tax data, in March 2011 there were 942 long term empty homes in Bassetlaw (representing 1.9% of all residential properties) and includes A1 Housing and Housing Association properties. The Government is providing a financial incentive to Local Authorities to tackle empty homes through the New Homes Bonus. The bonus, which began in April 2011 will match fund the additional Council Tax raised for both new homes and properties brought back into use. In April 2011 a survey of owners asked why their property was empty and their future plans. Nearly 200 owners responded and the questionnaires have now been analysed by Strategic Housing. A brief summary is as follows:

- 43 stated they had definite plans for reoccupation
- 67 were or would be for sale on the open market
- 36 were or would be available for let
- Of those for sale or rent, 45 had repairs on-going
- The remaining owners had no specific plans

The next stage is to identify owners who might be interested in receiving help from the Council to bring their property brought back into use. This will result in a small number of properties being brought back into use for A1 Housing tenants.

A1 Housing has recognised this as a priority and identified Bringing empty properties back into use via the private sector leasing scheme in its proposed 2012/13 Draft Service Objectives

### Right to Buy

The number of properties sold under the current right to buy legislation is very low 1-2 properties a year due to the lack of mortgages. The government is proposing to expand the scheme and this may reduce the numbers of houses available to let in the future but 66% of A1 Housing tenants are in receipt of benefits which may limit the Right to Buy purchases.

**Recommendation 10: -**

- 10.1** That Cabinet consider the use of the ring fenced Capital Housing Account to fund a new build programme for social housing in the long term
- 10.2** The revised Corporate Plan 2012-2015 should include a priority to increase the availability of social housing in the District.
- 10.3** That Bassetlaw District Council explore all opportunities to work with developers to increase the supply of new homes available for rent.

## 5. Conclusion

The 2012/13 Draft Service Objectives for A1Housing are to introduce a revised CBL policy by July 2012 and the recommendations of this Scrutiny Review will contribute to the new policy. This will be agreed following consultation with Applicants on the Housing Register, social landlords and other stakeholders. The evidence to the Panel has shown that A1 Housing and BDC Strategic Housing are being pro active and introducing changes to its policies to improve services to our customers in line with the changes introduced in the Localism Act. It has also begun work to identify the impact of the possible effects of the Welfare Reform Bill.

The Panel recognised that the key issue was a reducing supply of social housing to let at a time of increasing demand. The Scrutiny Review found that A1 Housing and Bassetlaw District Council are working together to try to increase the housing options for its customers. This includes working with the private sector landlords in the EMLAS to increase the availability of quality accommodation in Bassetlaw, the implementation of the Empty Homes Strategy and in the long term use the possible use of the capital released by the reform of the Housing Revenue Account.

The Panel has made recommendations that will support the prioritising of the available social housing to those most in need. People who are able to meet their own housing requirements will not be given priority access to A1 Housing properties, especially in the current economic climate and with the recent increase in homelessness.

The Panel has considered a large amount of evidence and the report is lengthy but the members have made considered judgements on the recommendations as it wanted the Choice Based Lettings and Local Lettings Polices to be fair and transparent. The Panel also considered the role of the Sub Regional Allocation Scheme to increase the options for tenants but as this is a new scheme wanted the outcomes to be monitored and reviewed in one year to ensure that it is a fair process.

The key decision of the review was how to allocate properties to Home Owners. The outcome has been that all Home Owners regardless of age are treated the same. More importantly it was agreed to recommend removing the quota system of bidding and operate on Priority Band which will ensure that all properties will be allocated to those in most need.

This review has been one of the most difficult to conclude. There is no such thing as a perfect CBL scheme as they have to meet local need and the Panel has looked at the evidence and made the decisions that it considered would produce a policy that meets the needs of Bassetlaw residents at this moment in time. It should be fair, accessible and transparent.

## 6. Appendices

Refer to separate document which is available on request.

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## 8. Equality Impact Assessment

Refer to the Appendix Document.

A1 Housing completed an EIA for the current CBL policy in December 2008 was introduced. A new EIA has been completed for the Scrutiny Review and an additional EIA will be completed by BDC Strategic Housing following the consultation on the revised policy.