



## CAERPHILLY HOMES TASK GROUP – 25TH OCTOBER 2012

**SUBJECT: THE DEVELOPMENT OF A COMMON HOUSING REGISTER & COMMON ALLOCATION SCHEME**

**REPORT BY: DEPUTY CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

- 1.1 To seek endorsement from the Caerphilly Homes Task Group on the principle of jointly establishing a Common Housing Register and Common Allocation Scheme subject to approval from the Cabinet Sub-Committee.

### 2. SUMMARY

- 2.1 A report titled, '*Allocations Policy – Proposals For The Adoption Of A Banding System & A Common Housing Waiting List*' was presented to Cabinet in December 2010. The report proposed substantial amendments to the way the Council assessed and prioritised applications for housing. Following discussion on the content of the report it was recommended to Cabinet that the proposal contained within the report be agreed in principle and that the future progression of the scheme be deferred pending the outcome of the stock transfer ballot.

### 3. LINKS TO STRATEGY

By designing a system that markedly improves the experience of customers, which provides greater fairness and flexibility in terms of outcome and process, the development of a Common Housing Register and Common Allocation Scheme links to:

- the national housing strategy for Wales – '*Improving Lives and Communities*' (Welsh Government, 2010)
- the Community Strategy for Caerphilly county borough; and
- *People, Property & Place: A Housing Strategy for Caerphilly County Borough* (2008-13).

### 4. THE REPORT

- 4.1 A Common Housing Register is defined as a system that, '*... enables people to apply for affordable rented housing by completing just one application form and to receive joined up information and advice about their housing options. Tenants are selected from a single pool of applicants.*' (The Scottish Government, 2009)
- 4.2 The Council currently operates an Allocations Scheme in-line with the legislative framework. The scheme is points based; the greater the housing need the greater the number of points the applicant is awarded. In simplistic terms, the person with the most points on the list will be allocated a tenancy when a property next becomes available to let. Applicants on the Council's waiting list can also be rehoused in a Housing Association property via a nominations agreement (see para. 5.2).

- 4.3 Each of the four main Housing Associations operating in the county borough currently maintains its own register of people requiring housing, similarly to the Council. The present system of applying for housing in the county borough can, therefore, be perceived as being complicated and confusing for the customer. The development of a Common Housing Register and the harmonisation of all related policies via the implementation of a Common Allocation Scheme, offers the opportunity to markedly improve the experience for customers.
- 4.4 It is also worth noting that a Common Housing Register and Common Allocation Scheme would offer a greater degree of strategic control over the allocation of social housing in the county borough. This comes at a time when incidences of homelessness are on the increase and the Council is carrying out an assessment of the likely impact of Welfare Reform.
- 4.5 There is a range of good practice documents that encourage local authorities to adopt simpler, more transparent systems and to implement common housing registers and common allocation policies.
- 4.6 The table below identifies the potential benefits that may be realised through the implementation of a Common Housing Register and Common Allocation Scheme. These are considered from the viewpoint of applicants, the Council, Housing Associations and private landlords who may potentially become involved:

<u>Benefits</u>	<b>Appli- cants</b>	<b>LAs</b>	<b>HAs</b>	<b>Priv. sector</b>
Improving fairness and accessibility	X	X		
Offering greater convenience and simplicity	X			
Improving equality, fairness and accountability	X			
Providing wider and informed choice	X			
Giving greater reassurance	X			
Contribution to identifying housing need		X		
Promote further partnership initiatives		X		
Develop annual lettings plans		X		
Facilitate local lettings		X	X	
Make links with the private sector		X	X	
Administrative efficiencies		X	X	X
Broaden scope of activity			X	
Influence the local housing strategy			X	X
Speed up nominations procedures			X	
Access to a large pool of potential tenants			X	X
Effective marketing		X	X	X
Advice on market trends			X	X
More information on prospective tenants		X	X	X

(Tenant Services Authority, 2009)

- 4.7 The Common Allocation Scheme would be designed to give greater fairness and flexibility to people in need of housing. It would be aligned with the strategic priorities of the Council. A Common Allocation Scheme would demystify the confusion that exists with a multi-register, multi-policy system. The customer experience would be improved with applicants only having to use a single application form and have an understanding of one overarching scheme.

- 4.8 From a strategic perspective, it is important that all social housing within the county borough is fully utilised. On the 30th September 2012, 5,304 people were registered for housing on the Council's waiting list. The local housing market assessment update (2012) identifies a need for an additional 530 units of affordable housing per annum. The number of people presenting as homeless to the council is increasing and is expected to increase further under Welfare Reform and changes to homelessness legislation being proposed in the Housing White Paper (WG, 2012). There is an insufficient number of affordable housing units becoming available to let or being built each year to satisfy existing and newly arising need.
- 4.9 Given that the need for social housing in the county borough outstrips supply by a ratio of approximately 4:1, a Common Housing Register and Common Allocation Scheme will provide the council with the necessary tools to make most effective use of the existing stock and any new provision. For example, a Common Allocation Scheme will allow the Council to make special provision for those people freeing up under-occupied properties (releasing under-occupied properties for letting to larger households – a key consideration for the council in the mitigation of Welfare Reform).
- 4.10 In terms of discharging its statutory responsibilities, the management of access to social housing is an important aspect of the strategic housing role of a local authority. A Common Housing Register will enable the Council to improve its understanding of the nature and level of housing needs in the county borough. A Common Housing Register can also deliver important benefits in strategic planning within the county borough, assisting the council to ensure that housing needs are being effectively assessed and met.
- 4.11 From a strategic planning perspective, there is an expectation that the Council will undertake periodic assessments of the housing market, commonly termed a local housing market assessment. Officers from the Housing Strategy and the Strategic and Development Planning teams met at the beginning of this year to discuss the production of a local housing market assessment during 2013. Common Housing Registers are regarded by Welsh Government (WG, 2006) as an essential source of data used in the production of housing market assessments. In turn, local housing market assessments are regarded as a crucial part of the evidence base for preparing and planning housing related strategies and policies.
- 4.12 Guidance produced by Welsh Government (2006) on the production of housing market assessments, suggests that, *'To ensure that housing registers are robust estimates of housing need, local authorities are advised to operate a common housing register, so that all applicants for social housing are held on a single database. This enables all applicants to be included without any possibility of double counting.'*
- 4.13 The planning department have indicated their support, in principle, of any proposal for the housing division to develop a Common Housing Register.

## **5. The Application of Common Housing Registers and Common Housing Policies Throughout the Region**

- 5.1 The table below summaries the implementation of common housing registers and common allocation policies throughout the southeast Wales region. It shows that, with the exception of the council, all local authorities in the region either have a common housing register or are in the process of implementing one. The majority of local authorities also have in place a Common Allocation Scheme.

Local Authority	Blaenau Gwent	Bridgend	Cardiff	Merthyr Tydfil	Monmouthshire	Newport	RCT	Torfaen	Vael of Glam
Does your authority operate a common housing register?	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
When was the register first implemented?	2010	N/a	2009	2006	2006	2012	2010	2009	2003
Are all housing associations within your area signed up to the CHR process?	Yes	N/a	Yes	Yes	Yes	No	No	Yes	Yes
Does your authority have a common allocations policy	No	No	No	Yes	Yes	Yes	Yes	No	Yes
Does your authority plan to implement a common housing register within the next 12-24 months?	N/a	Yes	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Is the LA responsible for running the CHR?	Yes	N/a	Yes	Yes	No	Yes	Yes	Yes	Yes

5.2 Each of the four main Housing Associations operating in the area also operates in other local authority areas. Within these areas, the housing associations are already party to a Common Housing Register and, in some instance, a Common Allocation Scheme.

## 6. Legislative Context

6.1 Part VI of the Housing Act 1996 as amended by the Homelessness Act 2002, places the following duties on local housing authorities:

- Each local authority must adopt an Allocation Scheme framed so as to reflect the priorities and principles set out in the 1996 Act itself, or in regulations made by the Assembly Government; and
- with limited exceptions, each local authority must allocate all secure tenancies in its own housing stock, and all its nominations to tenancies in other social landlords' housing, only to qualifying persons, in accordance with a published Allocations Scheme.

6.2 The Council has a nomination agreement in place with four registered social landlords to meet housing needs. The agreement allows for 100% nomination from the housing register of all new-build registered social landlord lettings and 50% of all subsequent lettings. A Common Housing Register would increase all subsequent letting to 100%, subject to any agreed exceptions.

6.3 The implementation of a Common Housing Register and Common Allocations Scheme would be regarded as a major policy change and, therefore, the Council would be required by the 1996 Housing Act to:

- Send a copy of the scheme in draft to every registered social landlord with which they have a nomination agreement (s.167(7)); and
- Take steps to bring the effect of the alteration to the attention of those likely to be affected by it (s.168(3)).

## **7. EQUALITIES IMPLICATIONS**

- 7.1 An EqlA Screening has been completed in accordance with the Council's Equalities Consultation and Monitoring Guidance and no potential for unlawful discrimination and/or low level or minor negative impact have been identified, therefore a full EqlA has not been carried out.
- 7.2 There are however a number of positive implications in terms of Equalities to establishing a Common Housing Register and Common Allocation Scheme, as noted in the table in 3.5. A Common Register and Scheme will help in eliminating any potential for applicants to be treated less favourably and any Equality Impact Assessment on the proposed Common Allocation Scheme in future would ensure that it was fully compliant with Equalities legislation.

## **8. FINANCIAL IMPLICATIONS**

- 8.1 There are a range of financial implications associated with the development and maintenance of a Common Housing Register. The costs will vary according to the level of complexity of the system designed. A detailed financial assessment would need to be undertaken to establish the level of any start-up and on-going costs of the development and maintenance of a Common Housing Register and a Common Allocation Scheme.
- 8.2 There is also a potential for all parties involved in the Common Housing Register and Common Allocation Scheme to make efficiency savings as running a shared system reduces the repetition of staff effort. Many of the centralised revenue costs associated with running a Common Housing Register and Common Housing Scheme will replace costs to individual partners.
- 8.3 The implementation of a Common Housing Register and Common Housing Scheme will require the purchase of a new, specialist, IT housing management system. The capital cost of purchase is thought to be in the region of £50,000 with additional modules costing around £15,000 each. Typically, local authorities in the region have picked up the capital cost of purchasing the IT system and sought contributions from the housing association towards the on-going, revenue costs of maintaining the system.
- 8.4 From discussions with local authorities in the south-east Wales region, it is our understanding that the costs of the maintaining the Common Housing Register and Common Allocation Scheme are typically shared on a pro-rata basis between all parties. The costs between the Council and Housing Associations could be based either on a stock total or number of lettings per annum basis.

## **9. PERSONNEL IMPLICATIONS**

- 9.1 Consideration will need to be given to the development of a dedicated, centralised team that will be responsible for the post implementation maintenance and monitoring of the Common Housing Register and Common Allocation Scheme. Logically this will follow detailed discussions with the housing management team and Housing Association colleagues on the specific nature of the common housing register that is to be implemented. The type of model implemented will dictate the associated structure and costs.
- 9.2 For the reasons outlined in this paper, it would be appropriate for this team to be situated within the private sector housing team, so that it can be more closely aligned with the strategic housing and homelessness prevention teams. This could involve, but is not limited to, incorporating staff responsible for maintaining the council's allocations system within this team and/or seconding allocations staff from the housing associations. Before any decision is taken, there will need to be some form of assessment on the skill sets and experience required for these roles once a structure has been established.

## **10. CONSULTATIONS**

- 10.1 To date, there has been informal consultation with the Housing Associations operating within the county borough who are supportive of the proposals to introduce a Common Housing Register.
- 10.2 Should the recommendations in Paragraph 10 below be accepted then a formal consultation process will be required and there is guidance on this in the 'Code of Guidance for Local Authorities 2012'.
- 10.3 Consultation with staff and Trade Unions will also be required.

## **11. RECOMMENDATIONS**

- 11.1 That the Caerphilly Homes Task Group endorses the principle of jointly establishing such a Common Housing Register and Common Allocation Scheme, subject to approval from the Cabinet Sub-Committee.
- 11.2 Further reports be submitted to the Caerphilly Homes Task Group to provide members with more detailed information on the Common Housing Register and Allocations Scheme as the structure and content of the proposals are developed.

## **12. REASONS FOR THE RECOMMENDATIONS**

- 12.1 The reasons for the proposals are that a Common Housing Register and Common Allocation Scheme will increase the range of housing options available to people living in the county borough by improving (TSA, 2009):
  - Access to all the housing available to all those seeking housing
  - Consistency of access to housing provided by a range of landlords
  - Communications and the flow of information in the lettings process
  - The data shared between organisations and the definitions used in data collection
  - The understanding of the housing needs in an area

## **13. STATUTORY POWER**

- 13.1 Housing Act 1996 as amended by the Homelessness Act 2002.

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