

REPORT of the DEVON HOME CHOICE PROJECT GROUP to the DECENT & AFFORDABLE HOMES POLICY DEVELOPMENT GROUP

1. Devon Home Choice

The Council is a member of the Devon Home Choice (DHC) partnership. All the local authorities in the County work with the registered providers of social housing to allocate available homes through DHC, which is a choice based lettings scheme.

Applicants apply to the Council to have their housing needs assessed. They are then categorised into bands which run from Band A, for those in high need of emergency housing, to Band E, which is the band used for those who have no housing need (although this band also includes those who are adequately housed but who are on low incomes). Applicants bid for homes and it is likely that the one with the highest priority, who has been waiting the longest, will receive an offer. If the applicant with highest priority refuses the offer, the DHC team will go to the next case on the short-list. In Mid Devon, in June 2014, 57% of those people on the housing register had been assessed as being in Band E.

The DHC scheme is now reviewed on an annual basis and the latest review commenced on 6 November 2014.

2. The Rationale for Setting up the Project Group

The Localism Act 2011 gave local authorities more freedom to decide who should be able to go on the waiting list for social housing in their areas. It allows them to take account of local priorities when deciding who should be able to apply for a new home. Whilst they still have to house those who are vulnerable and in great housing need, they can decide not to house those who have no housing need.

Over the last few months, the DHC scheme has been adapted by some local authorities to meet local needs in their areas. At the end of December 2013, the government issued statutory guidance on the provision of social housing for local people. The guidance gives local authorities the ability to prioritise applicants who can demonstrate a close association with their local area by adopting a residency requirement. 2 years is suggested as a reasonable period of residency in the guidance. Torbay has introduced a local connection test as part of the qualification criteria applicants must now have lived in Torbay for 5 years in order to qualify. In addition, Torbay and Teignbridge have exercised their right to remove Band E altogether and Exeter City Council has recently undertaken a consultation relating to proposed changes to the DHC scheme.

Local authorities may also give priority to people who have made a community contribution.

The group was appointed by the Decent and Affordable Homes Policy Development Group (PDG) to consider whether or not to amend the DHC scheme in Mid Devon. In particular, the PDG had sought from the Group recommendations relating to whether or not Band E should be retained in the District. However, other potential changes were also to be considered.

3. Members of the Group

Councillors PJ Heal, Mrs JR Rendle and PF Williams were chosen to sit on the group by the PDG. Councillor R Stanley, Cabinet Member for Housing, attended some meetings as did Mr N Sanderson, Head of Housing & Property Services; Mrs CE Fry, Housing Services Manager; and Mr MK Parker, Housing Options Manager.

4. Evidence considered

- The Working Group was signposted to the DHC website for reference and also provided with a link to the Council's own allocations policy.
- Members of the Working Group were provided with a copy of a presentation given by the Housing Services Manager at a seminar about rural housing issues on 25 July 2014 and feedback on the general themes which had emerged during the seminar. This event had been arranged by Hastoe Housing Association to commemorate the opening of a new housing scheme in Hemyock. The new homes had been developed in association with a community land trust. A lively debate followed the presentation where issues relating to DHC were raised. In particular, several speakers said that they felt that small schemes in villages should be available to local people on low incomes and that this could sometimes conflict with the way in which the DHC scheme worked. They urged the Council to retain Band E in order to ensure that those people with local connections could be housed in their own communities to support rural sustainability.
- Members of the Working Group were provided with a copy of a presentation used at the Council's Annual Housing Event on 30 July 2014. Councillor Heal attended this event to meet with representatives from a number of registered providers (RPs) which work in the District. He engaged in some discussion regarding possible changes to the DHC scheme at the meeting. In accordance with the partnership arrangements relating to the DHC scheme, consultation with the RPs must be undertaken if any changes are being considered.
- The Working Party also received presentations from Mr R Warren, Devon Home Choice Co-ordinator, and Mrs S Southwell, one of the Rural Housing Enablers.

- It reviewed information provided by:
 - Torbay Council
 - Sanctuary Housing, which is the RP with the largest holding of stock in the Torbay Council area
 - Teignbridge District Council
 - Mr D Boobier of East Devon District Council, who is also the Chair of the DHC Management Board
- The Working Party also reviewed the report which was discussed at Exeter City Council's Executive on 15 July 2014.

5. Conclusions

- The evidence considered did not imply that the advantages to removal were certain in anyway.
- If Band E was to be removed, the Officers would still have to deal with the same number of initial enquiries and applications.
- Some people were in 'financial need' not necessarily in 'housing need', this must be factored in.
- With regard to the removal of Band E at Teignbridge District Council, it was noted that Officers felt that there could be a number of reapplications from people, who were originally refused, reapplying. However, given the length of time since the new policy has been adopted, it is hard to quantify what may happen, although there will be evidence showing what has happened after a year or so.
- 'Community contribution' ought to be considered as part of the criteria but this was very difficult to define.
- Perhaps 'local residency' could also be considered as part of the criteria.
- One potential impact is that the number of appeals could applications were no longer registered in Band E. However, in Teignbridge, 284 applicants have been assisted to find accommodation in the private sector and Torbay has reassessed 140 out of 1696 cases in Band E.
- There was a strong feeling that if Band E was to remain the name ought to be changed to better reflect the likelihood of being housed if assigned to this band e.g. only 20 out of 1000 housed in 2013.
- Adverts needed to include a map or a postcode to show the precise location of each property. Some people, outside of the locality, had bid for properties not knowing where they were exactly. Information within the existing adverts was limited. It is important that adverts show accurate information on the web site. This is because it can be very time-consuming to manage bids where the housing applicant is not committed to living in that home in that particular location and, as a result, refuses an offer.
- Exeter City Council had predicted that a lot of Officer time would be freed up by the removal of Band E but this had yet to be proved.

- Some of the Devon authorities who had decided to remove Band E did not own their own properties and applicants in those districts were housed by other RPs. Mid Devon is a rural locality with a number of 'hard to let' properties, especially in remote locations that lack local amenities and public transport and this situation may not necessarily be the same in more urban locations.
- The Scrutiny Improvement Group (SIG) needed to be consulted as to their views regarding Band E.
- The group had commenced the process thinking that removing Band E would be a good idea as it would reduce the waiting list figures. The situation was far more complicated than that.
- It could be difficult to define exactly what community contribution should be taken into account when giving priority for rehousing.

There are no clear benefits to removing Band E but there are identifiable risks and it is too soon to take those risks. There is not yet enough evidence from other authorities to support the removal of Band E, however, it remains a great concern that over half of the people on the waiting list are in Band E, therefore the Working Group suggest a number of recommendations.

6. Recommendations

- i. Revisit the suggestion in 12 month's time once:
 - a. Evidence has been gathered from Exeter City Council, Teignbridge District Council and Torbay Council regarding the effect on numbers in the waiting list, the impact upon resources and the effect on the relationship with Devon Home Choice.
 - b. Costs have been ascertained as to any necessary changes to the IT software that would be incurred if Band E was removed.
- ii. The Council seeks the opinion of the Scrutiny Improvement Group.
- iii. Investigate whether the adverts on the Devon Home Choice website could be amended to show:
 - a. The precise location of a property by the insertion of a map or a postcode. *(Mr Warren subsequently confirmed that adverts already contain a map and street view)*
 - b. More photographs of the properties themselves.
- iv. The 'Band E' name be changed to better reflect the realities of being placed in this Band e.g. 'No housing need'. *(The Housing Options Manager has already instructed the team to amend the website and relevant letter templates to take account of this)*

- v. Consideration be given to amending the criteria for Band E for the following reasons:
 - a. Should income thresholds be reduced, for example, is it right that families with an income of over £60k are allocated to this band?
 - b. Should people who have been on Devon Home Choice for a number of years but have never bid on anything be allowed to remain in the band?
- vi. More work should be done at the verification stage to manage people's expectations when placed in Band E.
- vii. If Members of the PDG were minded not to register housing applicants in Band E going forward, then consideration should be given to adding a new band D2 for those people who live in private sector accommodation where there are affordability issues.

7. The Review of the DHC Scheme

The Management Board of the DHC partnership is due to commence work on the review of the scheme and a proposal has been included that all local authorities adopt the approach that has been taken in Teignbridge & Torbay to remove applicants from the register who refuse 3 reasonable offers and who do not bid in 12 months. In addition, there is a further proposal which is due to be discussed, that anyone with over £60k in savings is excluded from the register - unless they are seeking sheltered accommodation (where a higher threshold has been agreed) or very adapted accommodation (which would cost more to buy/ rent privately).

Other issues to be discussed by the partnership as part of the review include:

- The amendment of the scheme in light of the Right to Move proposal which the Government has consulted on
- Whether or not new applicants should be required to have a local connection to Devon
- Whether or not the rules relating to applicants who have arrears of rent should be tightened up
- The sanctions applied to those who make false or misleading statements on their applications for rehousing.