

CYNGOR SIR POWYS COUNTY COUNCIL

PORTFOLIO HOLDER DELEGATED DECISION

by

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PORTFOLIO HOLDER FOR ADULT SOCIAL CARE, WELSH LANGUAGE,
HOUSING AND CLIMATE CHANGE**

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REPORT AUTHOR: Service Manager – Housing Communities

REPORT TITLE: Amendments to the ‘Homes in Powys’ Common Allocation Scheme

REPORT FOR: Decision

1.0 Purpose

- 1.1 This report requests approval of changes to the Council’s ‘Homes in Powys’ Common Allocation Scheme (CAS), which is used by the Council and housing associations to allocate social housing in Powys.
- 1.2 Approved changes will be introduced to take effect from April 1st, 2022. All live housing application registered with the ‘Homes in Powys’ Common Housing Register (CHR) on that date will be reviewed to make sure that offers of homes made after that date reflect the revisions made to the CAS. All subsequent applications will be accorded priority status in line with the revised CAS.

2.0 Background

- 2.1 Council and housing association homes in Powys are let via the ‘Homes in Powys’ CHR. The priority that is given to each applicant for housing is determined by the ‘Homes in Powys’ CAS, which is agreed between the Council and the eight housing associations with whom the Council works.
- 2.2 The Welsh Government’s Code of Guidance for the allocation of housing, and the provision of services and support to those who are homeless, allows local authorities in designing housing allocation policies to give priority to certain additional preference groups, of which homelessness is one. The extent to which a household has intentionally contributed to or not acted to prevent their homelessness is also considered when determining the extent of help and support to be offered to homeless households. This meant that not all homeless households would be entitled to the Council securing for them a permanent home.

- 2.3 However, as part of the response to the Covid-19 pandemic, the Welsh Government introduced changes to its code of guidance, referred to as 'Everyone In'. Since March 2020, all housing authorities have been required to dispense with intentionality and priority need considerations and in effect provide temporary accommodation (where needed) to each person presenting as homeless, with the majority likely to be entitled to permanent accommodation. The Welsh Government has indicated that these initially temporary arrangements are to be made permanent, with legislation being planned to be tabled during the current Senedd. This approach is being supported by the Welsh Government's 'Ending Homelessness Action Plan' and 'Rapid Re-Housing Transition Plan Guidance'.
- 2.4 There has, as a consequence of these changes, been a pronounced and likely ongoing increase in the need for temporary accommodation in Powys, with 192 Council and housing association properties currently being used to house people awaiting permanent housing. This in turn, to avoid people remaining in temporary accommodation for unreasonably long periods of time, means that where possible action needs to be taken to make access to permanent accommodation easier for those who are homeless.
- 2.5 Representatives from Housing Services and locally operating housing associations meet as the 'Homes in Powys' Working Group on a regular basis to review the operation of the CHR to improve the efficacy of the scheme, including where necessary considering changes and amendments to policy and procedures. The changes set out in this report are in part to accommodate the provisions of 'Everyone In'.
- 2.6 Appendix A to this report sets out recommended amendments to the CAS proposed by the Working Group, along with the reasons for the proposed amendments. To aid understanding of the changes, Appendix B is a copy of the current 'Homes in Powys' CAS with the proposed revisions shown as tracked changes.
- 2.7 The proposed amendments are designed to enhance access in Powys to as wide a range of affordable rented homes as practicable which meet the needs of households looking for an affordable and secure home. The changes will support social housing landlords to be better able to make the most effective use of the properties they manage in Powys. The amendments will make sure that 'Homes in Powys' remains in line with Welsh Government guidance in respect of the prevention of homelessness and will help to promote tenancy sustainability.
- 2.8 To help raise awareness of approved amendments, a summary leaflet will be shared with all Members of the Council and agencies who may be asked by households, for advice and assistance in housing matters.

In addition, approved changes will be widely publicised through the Council's and partner housing associations' websites and social media. Each new CHR applicant will be signposted to the revised policy as part of their initial application and further awareness will be raised with existing applicants as part of the proposed six-monthly application renewal process.

3.0 Advice

3.1. Consultation with Stakeholders

3.1.1 Stakeholder engagement in determining the nature of the proposed amendments benefited from an extensive consultation exercise, carried out between 13th September and 6th December 2021.

3.1.2 The consultation consisted of completion of an online survey, advertised to stakeholders, including members of the public, via external communication channels including press, email, and regular social media posts. At the end of the consultation period, 274 surveys had been returned.

3.1.3 A summary of the survey results is attached to this report as Appendix C. For each of the proposed amendments, the majority of respondents were in favour of their implementation. Overall, 88% of respondents were satisfied with the proposed amendments to the allocation policy. Appendix D to this report provides a summary of the individual responses received for each consultation question.

3.2 Awarding priority (Additional Preference) to Applicants owned a Section 75 Homeless Duty

3.2.1 The policy amendment with potentially the most far-reaching impact on determining which applicant is offered available social housing via the CAS, is the awarding of additional priority to Section 75 (S.75) Homeless Duty applicants¹. This applies to people for whom the Council has accepted a duty to help them find a home. In some cases, households will be accommodated in temporary accommodation until a more permanent home can be found. The majority of temporary accommodation in Powys is provided through fully furnished and managed Council and housing association homes. Typically, less than 11% of all households in temporary accommodation are living in bed-and-breakfast style premises.

3.2.2 Moving on from temporary accommodation for households to whom a duty is owed by virtue of S.75 is dependant upon the availability of

¹ The Section 75 Homeless Duty is set out in the Housing (Wales) Act 2014; it requires on the Council to secure accommodation for any household for whom the Council has accepted a duty to help find a home if a suitable home has not been found within 56 days of accepting the duty to help.

more permanent accommodation, which can be either social or privately-owned housing.

- 3.2.3 There is a shortage of housing in Powys suitable for smaller sized, working-age households across all tenures. Of all homes in Powys, 6% have one bedroom. Of all households registered with 'Homes in Powys' (as of 17th January 2022), 55.64% require a one-bedroom home and 79.6% of those residing in temporary accommodation. The mismatch between housing needs and availability of housing means that some households can remain living in temporary accommodation for longer than is desirable. The average time for a household to be living in temporary accommodation is 263.8 days (as of 17th January 2022).
- 3.2.4 A further complication is that the social security support for housing costs for temporary accommodation differ from those for permanent accommodation. In the case of the former the provisions of the spare room subsidy/bedroom tax do not apply. This means that households can be temporarily accommodated in housing for which they may not, if the housing were considered permanent, be eligible for sufficient social security payments to avoid a high risk of rent arrears. Such households would be considered to be under-occupying a permanent home. For those aged under 35, privately owned rented accommodation social security housing costs are limited to the cost of a single room in shared accommodation.
- 3.2.5 Under the terms of the current guidance from the Welsh Government, it is not acceptable to evict people from temporary accommodation if to do so would result in them becoming homeless. This means that some people are reluctant to leave temporary accommodation if to do so means moving to smaller accommodation, or not receiving as much help with housing costs as may be available while living in temporary accommodation. To help such people move to permanent accommodation means that high levels of officer support are needed to assist them to manage the transition.
- 3.2.6 In response to the changing guidance on homelessness and the disparities between available homes and people needing help due to being homeless, it is proposed to introduce a new Priority Band Two category to the CAS. This will give enhanced priority to those households who are owed a S.75 homeless duty. These are cases where it has been unable to prevent or relieve the homelessness with the applicant owed a 'final duty' by the Council to secure settled, affordable accommodation which is reasonably expected to last at least 6 months.
- 3.2.7 The aim of this change is to increase move on from temporary accommodation so that more social housing can be let as permanent and secure accommodation. The revision will also help to reduce any unavoidable use of bed-and-breakfast style accommodation.

- 3.2.8 Housing Services undertook a detailed analysis to assess the impact of this proposal. A recent analysis (17th January 2022) of all 168 S.75 homeless applicants registered with the Council, showed that 137 are currently in temporary accommodation provided by the Council or a housing association. Of these, if the revision is approved, 86 could be allocated what is currently temporary accommodation as a permanent home. At present, such households are considered within Priority Band Three along with all other applicants for a particular property. This approach was designed to help make sure that all types of housing need along with homelessness – for example currently living in accommodation that is unsuitable for their needs – are considered equitably. However, such is the demand for housing to help the homelessness, arising in part from ‘Everyone In’, that it is appropriate to revisit this element of the CAS.
- 3.2.9 Such a change would mean that the resources available to help those who could not be offered their current temporary accommodation as a permanent home move-on would be increased as officers could focus more attention on these clients.
- 3.2.10 All S.75 homeless applicants being awarded a Priority Band Two status would significantly increase the number of households (103 as of 20th January 2022) in this priority band and give them additional priority for re-housing compared to other households in identified housing need within Priority Band Three (currently 2246 as of 20th January 2022).
- 3.2.11 The question of fairness was a key concern identified in the recent consultation and resulted in a relatively low, compared to the other proposed policy amendments, approval rating of 57% for this proposed policy amendment. A number of respondents expressed concern that an outcome of this policy amendment, would be the risk of households presenting to the Council as being homeless to try and secure additional priority in the allocation of social housing.
- 3.2.12 To address these concerns and to help maintain fairness across all households who are registered with Homes in Powys, an associated policy amendment is proposed. For homeless households, who have been placed in Priority Band Two under the discharge of a S.75 homeless duty, a refusal of a reasonable offer will result in them being demoted to Priority Band Three (subject to an assessment of housing need). The application date for such cases would be that of the time the demotion took place, meaning that they would have, within Band Three, a lesser priority than those who registered at an earlier date. This will help to make sure that the award of additional priority encourages applicants to accept reasonable offers of suitable accommodation.
- 3.2.13 To make sure that the proposed changes, if approved, are delivering benefits to those registered with ‘Homes in Powys’, there will be ongoing monitoring of the impacts of the revisions. In addition, there

will be a detailed review after six months (in quarter three of 2022-2023) to fully understand whether or not the changes in respect of homelessness have had any 'unintended consequences'. Should any changes be deemed necessary, a report will be presented for consideration to the Portfolio Holder.

4.0 Resource Implications

- 4.1 There are no increases in the overall funding required to administer and operate 'Homes in Powys' arising from the recommendations in this report so there will be no financial implications for the Council arising from the recommendations in this report.
- 4.2 Should the recommendation in this report be agreed, the ICT system – Abris - used to administer 'Homes in Powys' would need to be updated. This work would be carried out as part of ongoing system maintenance, provision for which is already included in housing budgets.
- 4.3 Training would need to be carried out for officers using the policy to make them aware of the changes, but this would be done internally with no extra cost to the service.
- 4.4 The Head of Finance (Section 151 Officer) notes the content of the report and that the recommendations can be supported from existing service budgets.

5. Legal implications

- 5.1 Under s.161 (7) of the 1996 Housing Act, when an alteration is made to a CAS that reflects a major change of policy, the Council must ensure that those likely to be affected by the change are notified of it within a reasonable period, and explain, in general terms, the effect of the change.
- 5.2 The Council's Legal Services team (Principal Solicitor – Housing) has commented: "Some of the amendments I would not class as major (there is no statutory definition of what is classed as a major change) but some of them do fundamentally alter who may be eligible for a property. Housing First represents a new addition to the Policy which could be classed major change. I do think the Authority could have been at risk of a judicial review if the consultation process carried out had not been undertaken".
- 5.3 The Head of Legal and Democratic Services (Monitoring Officer) has commented as follows: "I note the legal comment and have nothing to add to the report".

6. Data Protection

- 6.1 No changes to the processing of personal data arise from this report. Joint Data Control Agreement and Data Protection Impact Assessment are already in place.

7. Comment from local member(s)

- 7.1 This is a county wide matter and so applies to all local members.

8. Integrated Impact Assessment

- 8.1 An Equality Impact Assessment has been completed, a copy of which is attached to this report.

9. Recommendation

- 9.1 It is recommended that:

9.1.1 The proposed amendments to the 'Homes in Powys' Common Allocations Scheme, set out in Appendix A to this report, are approved and brought into effect on April 1st, 2022.

9.1.2 That in the third quarter of 2022-2023 a review of the impact of the changes introduced in respect of homeless households is undertaken, with any necessary changes arising from that review to be presented to the Portfolio Holder for consideration.

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