

Vibrant and Sustainable City Scrutiny Panel

Minutes - 30 January 2020

Attendance

Members of the Vibrant and Sustainable City Scrutiny Panel

Cllr Mary Bateman
Cllr Philip Bateman MBE
Cllr Greg Brackenridge
Cllr Alan Butt
Cllr Jacqui Coogan
Cllr Christopher Haynes
Cllr Keith Inston
Cllr Beverley Momenabadi
Cllr Mak Singh (Chair)

Employees

Martin Stevens (Scrutiny Officer) (Minutes)
Ross Cook (Director of Environmental Services)
Jenny Lewington (Service Manager – Housing Policy and Strategy)
Anthony Walker (Homelessness Strategy and External Relationship Manager)
Henry Gregory (Housing Customer Insight Manager)
Mila Simpson (Service Lead Housing Strategy)

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Apologies**
Apologies for absence were received from Cllr Paul Appleby and Cllr Martin Waite.

Cllr Peter Bilson sent his apologies in his capacity as Portfolio Holder for City Assets and Housing.
- 2 **Declarations of Interest**
Cllr Mak Singh declared an interest on item 5 – Allocations Policy Review, as a Trustee for a charity raising funds for homeless veterans.

Cllr Beverley Momenabadi declared an interest on item 5 – Allocations Policy Review, as a Governance Member for YMCA Black Country Group.

3 **Minutes of the Previous Meeting**

The minutes of the meeting held on 7 November 2019 were approved as a correct record, subject to the reference to “NHS England – Local Area Team” being deleted next to Ross Cook’s name on the list of attendees.

4 **Matters arising**

There were no matters arising from the minutes.

5 **Allocations Policy Review**

The Chair remarked that the Housing Allocations Policy was being considered by the Panel as a Pre-Decision item, this allowed them to make recommendations to Cabinet before being received by Cabinet in February 2020.

The Service Manager for Housing Strategy and Policy opened the presentation on the proposed Housing Allocations Policy. The Council owned over 22,000 properties within the City, that were managed across five managing agents; Wolverhampton Homes and the City’s four tenant management organisations (TMOs). Local authorities were legally required to have a policy for allocating housing. The Council’s Allocation Policy was a choice based letting scheme which had been adopted in 2007. The Council was undertaking its first full review in twelve years. They had begun the policy review to ensure it remained modern and fit for purpose. The key reasons were in part due to the increasing demand on stock, which was decreasing year on year. Through the Right to Buy Policy about 300 properties were sold each year. Whilst new houses were built by Wolverhampton Homes and WV Living, they could not replace the housing stock being sold at the same rate. There had also been an increase in expenditure on emergency accommodation within the City.

The Service Manager for Housing Strategy and Policy remarked that in January 2019 a steering Group had been established led by Council Officers involving Wolverhampton Homes, the Tenant Management Organisations and Legal Services. Proposals were drawn up based on evidence and analysis. During September and October 2019 there was internal and public consultation on the proposed changes. Following consultation a revised policy had been written which was now before the Members of the Panel for consideration.

The Service Manager for Housing Strategy and Policy stated that the policy objectives had been updated. She listed the objectives as follows: -

- 1) Ensure people in the greatest housing need have the greatest opportunity to access suitable housing that best meets their needs.
- 2) Make use of a range of housing options and tenures to prevent and relieve homelessness.
- 3) Make best use of the Council’s and partner registered providers housing stock.
- 4) Manage applicants’ expectations by being realistic about stock availability, to support them in making informed choices about their housing options, and the extent to which they are able to express reasonable preference.

- 5) Ensure that the Council's legal duties and corporate responsibilities are met and that they contribute to delivering the Council's priorities.

All of the changes proposed in the new policy were designed to meet the five policy objectives.

The Housing Customer Insight Manager remarked that there were 5 levels of need in the current policy. Emergency was the highest level of need down to Band 4. Band 4 was for people with no recognised housing need, who had joined the register as they wished to move into social housing. Band 4 currently accounted for 50% of the total people on the housing register. One of the key proposals in the new policy was to no longer operate Band 4. People that were adequately housed with no recognised housing need would be given alternative advice on their housing options. This could include supporting them into shared ownership, the private rented sector or affordable housing through providers in the City.

The Housing Customer Insight Manager commented that ten percent of available properties were still allocated to people in Band 4 with no housing need. It was thought that this was not the best use of Council housing stock in the City and that better use could be made of this stock, for example for the House Project. The change would help to meet the new objectives of the proposed policy. During the implementation of the new policy, all people currently in Band 4 would be given the opportunity to re-register to make sure that anyone with a housing need had the opportunity to declare so, as they may not have done so on their original application, or their circumstances may have changed which had led to them initially being placed in Band 4. Of the 213 respondents to the online survey, 64% had agreed with the proposal.

The Housing Customer Insight Manager commented that the proposed banding system would now include an Emergency Plus Band and Band 4 would be removed in its entirety. The banding system would therefore be an Emergency Plus Band, Emergency Band, Band 1, Band 2 and Band 3. The Emergency Plus Band would give the greatest priority for housing to applicants with a full homelessness duty who were also care leavers up to the age of 25, members of the armed forces, people requiring a substantially adapted property, or anyone who required immediate rehousing due to a significant threat to life, to ensure those with the highest level of need were given the most priority.

The Service Lead for Housing Strategy remarked that the proposed new policy gave a priority to those who were approved to adopt or foster. 59% of respondents to the survey had supported this proposal. The proposed new policy also increased the priority to care leavers and included an exemption from residency requirements, which would enable care leavers to return to the City after a period outside the City, for example on their return from University. 64% of respondents to the online survey had supported the proposal. She stated that the policy aimed to increase the priority of overcrowded families living in one bedroom properties. Currently over occupied families in one bedroom properties had no additional priority, when compared to families over occupied in a two bedroom property. As such, this change added priority to adults sharing the only bedroom with children. It was also recommended that households that were overcrowded would receive higher priority than families that were not overcrowded but have no access to a private garden. The proposed new policy would prioritise access to ground floor flats for those applicants with

mobility restrictions. The current policy prioritised ground floor flats for applicants who were over 55 years and applicants requiring single level accommodation. The change would enable people under the age of 55 with a mobility issue to receive priority for a ground floor property. There was a longer-term intention to establish an Accessible Housing Register following a stock survey, this would further improve the service provided to individuals and families in need of an accessible or adapted property.

The Homelessness Strategy and External Relationship Manager stated that the proposed new policy removed the priority attached to a quarter of all properties that become available to let to someone with a local connection to an area over those with the greatest housing need. The system at the moment randomly selected 1 in 4 properties City wide. For those properties, additional preference was given to those who had a local connection to that property area. There were currently 42 Local Connection Areas in the City and these were based on the old social housing estates. Housing numbers in the local areas were disproportionately distributed, the largest had 1245 properties, whilst the smallest had 74 properties.

The Homelessness Strategy and External Relationship Manager explained the rationale for removing the local connection aspect of the policy. Living in the east of the City significantly increased an applicant's chance of being allocated a property due to the higher number of local connection properties. It allowed applicants with lesser housing need to be allocated a property ahead of others with a higher level of need. The equality impact assessment had identified local connection as an inequality. He gave some example case studies. Removing the local connection element of the policy supported the objective to 'ensure people in the greatest housing need have the greatest opportunity to access suitable housing that best meets their needs'. The results of the online survey on this issue, were 43% of respondents were in agreement of removing it and 43% were in disagreement. Key stakeholders groups supported the recommendation, including the Care Leavers Forum, Domestic Violence Forum, Homelessness Partners and Armed Forces representatives.

The Service Manager for Housing Strategy and Policy commented that the proposed new policy allowed for a maximum of two refusals of offers of housing in a 12 month period before suspending a housing application for six months. This was a change from the current policy where applicants could refuse three offers of suitable accommodation in a 12 month period before their application was suspended for a period of 3 months. The rationale behind the proposed change was that applicants were bidding on properties that they were not willing to accept offers of housing on. This caused a drain on resources and could increase the length of time a property remained empty, meaning higher void costs. It was hoped that the change would encourage applicants to fully consider if they were willing to live in the property they were bidding on. 73% of survey respondents had supported the proposal.

The Service Manager for Housing Strategy and Policy commented another proposed change to the policy was adding the ability to exclude from certain locations, or property types on the grounds of safety. The new policy proposed also intended to increase the amount of housing debt an applicant could have before having their priority demoted. The current policy set a limit of £60 debt, it was proposed to increase this to approximately £400 which was closer to a monthly average.

The Service Manager for Housing Strategy and Policy stated that if the new policy was agreed by Cabinet it was intended to have a phased roll-out beginning in April 2020. The remainder of the policy, that was dependant on the development of the IT system would be implemented from February 2021 or earlier if systems allowed. It was anticipated the new build of the IT system would take 8-10 months.

A Member of the Panel praised certain aspects of the proposed new policy. She did however raise some concerns. She was concerned that the debt arrears only reflected an average of four weeks rent. She felt given the issues with Universal Credit the figure should reflect six weeks rent of a Council property. She also believed the number of refusals of offers of housing should stay at 3 rather than be reduced to 2, before a person's application was suspended. She added that she did not agree with the application suspension being increased to six months, if 2 offers of housing were refused. Her experience of working at the YMCA meant she knew that a lot of young people didn't know what they were bidding on and they didn't necessarily fully understand how the systems worked. On the matter of the consultation, she asked if consultation was conducted for people in Bands 1,2 and 3. Whilst she realised people could go online, she asked if there had been any targeted consultation, as it was important to capture the views of people waiting to be housed.

The Housing Customer Insight Manager responded that throughout the two months of the consultation, anyone bidding for a property would find the consultation on the home page of the Homes in the City website. They had also wrote out directly to a sample of people on the housing register. They had carried out a public day at the Civic Centre. One thousand people had been written to on the housing register as part of the consultation.

The Homelessness Strategy and External Relationship Manager on the matter of the refusals reducing from 3 to 2, commented that part of the work on the implementation of the policy would be working with organisations advising young people and vulnerable groups around the importance of bidding on properties. It was important to move away from people being pressured to place bids on properties they did not wish to live in. It was necessary to understand why people were making inappropriate bids. Some Neighbouring authorities were now only allowing one refusal in a twelve-month period before someone was removed from the register. The Service Manager for Housing Strategy and Policy commented that managing expectations was a crucial aspect in making people realise the likelihood of obtaining certain types of property.

The Housing Customer Insight Manager commented that the proposal to increase the rent arrears to four weeks had been discussed at length with Wolverhampton Homes. When it was applied it wouldn't be on a single day it would be based on a balanced case over a long period of time. Some respondents had thought it was too high, but he did accept the Councillors point in relation to universal credit.

There was a discussion about the proposed removal of local connection in the new policy. A Panel Member commented that the stability of the population and community went back numbers of generations and he was concerned the removal would have an adverse impact on people within communities. Support networks were crucial to some people. The Service Manager for Housing Strategy and Policy commented that because it was a choice based letting system, they would not ask people to bid on a property that would remove them from their community. Local

connection was administered on a random 1 in 4 basis with most of the properties being flats, coming up in the east of the City. People with the highest housing need would be prioritised. Removing the local connection part of the policy essentially stopped people jumping the bands, which was to the detriment of others in more housing need. Its removal was therefore allowing the Council to meet the new objectives more effectively.

A Member of the Panel commented that some of the groups which had been listed that supported the removal of Local connection, would obviously not be concerned, such as someone who had just left the armed forces. It was also reasonable to say that younger people would be less worried about its removal, compared to an older person who had spent their whole life in the local community. The same principle applied to someone who had just arrived in the City. He commented that perhaps an applicant should be given the option of opting in or opting out of a local connection clause.

The Service Manager for Housing Strategy and Policy responded that local connection could sometimes work against people bidding on a local property and that it was still a Choice Based Lettings scheme. They had thought long and hard over the removal of local connection, addressing how it currently worked and how it could potentially be redesigned. Its current way of working was very old fashioned with 42 unevenly sized areas. They had looked at the education areas and whether they could be mirrored. However, when they completed the equality impact assessment, it was still regarded as an inequality because of the distribution of properties and the people who put local connection down. It was not a requirement to put local connection on the application and so you were then disadvantaging those that didn't mind or had a connection to several areas, but had not listed them, not fully realising how the system worked. The properties that most frequently came available were flats and not the more sought-after bungalows and houses. It was also important to add that the new build local lettings plan adopted last Summer did retain local connection and there was a priority to transfer tenants, allowing people to move within their local area.

A Member of the Panel commented that the biggest area of contention in response to the consultation questions was on local connection, where 43% of people had opposed its removal from the new policy and 43% agreed. The Service Manager for Housing Strategy and Policy commented that whilst the response was evenly split, they had also consulted stakeholders groups, Council leadership teams, forums and partner agency's where the responses were all in favour of removing local connection. The Member of the Panel thought it was important not to underestimate the importance of the views of the ordinary tenant, where clearly a large percentage valued the local connection aspect of the policy. He felt to conduct proper scrutiny he needed more information on the impact of the removal of the local connection clause and the associated data. He was not persuaded by the arguments for the removal of the local connection clause. He wanted the Panel to receive more information on who had responded to the consultation, such as their geographical location and how the local connection element part of the policy currently worked such as the 42 areas. In addition, the reasons why the removal of local connection had been opposed. The Service Manager for Housing Strategy and Policy responded that they did have some information on who had responded to the consultation and that was something they could look at again. She could see where

local connection could work well if people were on the same bands, her concern was where it allowed someone in a lower band to take a higher priority.

The Service Manager for Housing Strategy and Policy commented that there was sometimes a misconception by the public that local connection would assist them. It was a complicated process for people to understand. The three equality impacts assessments conducted internally on different ways of operating local connection had concluded in it being assessed as an inequality. They had worked hard with the Equalities Team on the matter to make sure all considerations were heard. The steering group had conducted extensive analysis on the matter. At the Scrutiny Panel meeting held in September last year, Members had been shown the list of the properties in each of the 42 local connection areas. More information could be provided upon request. Officers were satisfied when they conducted the analysis that the removal of local connection would not disadvantage some of the types of people Members had mentioned such as those looking for a bungalow or people with caring responsibilities. The 42 borders were artificial as they were based on old social housing areas.

A Panel Member accepted that the current local connection part of the policy was not working as effectively as it could due to the arbitrary 42 areas. But he thought that it should be looked at sympathetically to certain individuals such as the elderly. Some people did not want to move large distances because of their local support networks and if their children were at a local school. He was concerned that the removal of local connection could cause a bottle neck, with people choosing not to move. He recommended that further consideration be given to local connection in relation to specific groups.

The Director for City Environment commented that he felt more explanation was required to the Panel about how specific groups could benefit from the new allocations policy. He commented that the removal of the local connection part of the policy, in his view, was in reality not reflecting how Members of the Panel thought it would impact on residents. It was clear that a better explanation on the feedback was required and more information on why people had objected and supported local connection being removed. He also felt a few more case studies would be helpful to the Panel Members. He suggested that more information could be provided over the coming days. He suggested that authority could potentially be delegated to the Chair of the Panel to have discussions with the Cabinet Member about the concerns in the changes to local connection. The removal of the local connection part of the policy was not intended to be implemented until after the rebuild of the IT system. This allowed some time to fine tune the implementation, to assess the impact and give better explanation. Whilst he saw it as a positive change it was clear more information needed to be provided to the Panel, so Members had a full understanding.

The Director for City Environment, after further discussions with Members, suggested that the Panel could recommend to Cabinet that before the local connection part of the policy was changed, that it could come back to the Panel around April or May with more information. This would allow the Panel to recommend to Cabinet that the policy be adopted subject to the local connection clause change being reviewed again by the Panel. The Panel at that future meeting could make a further recommendation to the Cabinet on this aspect of the policy, which was not due to be implemented for some months due to the changes required in the IT system.

The Chair commented that he thought Cabinet needed to further explore the implications of removing local connection from the policy. He suggested that the recommendations to Cabinet should include that the Panel had concerns over the removal of local connection from the policy, that more information should be provided to Panel Members including the feedback from the consultation, that Cabinet should do further analysis on local connection and to assist with this process that the Panel should consider the matter again in the Spring when it could potentially make a further recommendation to Cabinet.

A Panel Member commented that ground floor flats should not only be allocated to people with mobility issues but also sensory. The Service Manager for Housing Strategy and Policy responded that this was included in the new proposed policy. The policy also contained additional support for people with hidden and other forms of disability.

A Member of the Panel asked if the proposed amendments to the policy relating to carers would apply to existing carers or just new ones. It was confirmed by Officers that it would apply to all carers.

Members of the Panel spoke in strong support of removing the requirement for updated medical evidence to be provided every six months.

A Panel Member asked about the type of appeal process that would be in place under the new policy. Officers responded that all information was verified at the point of allocation, to ensure that the property would still meet their needs. In addition, there was a right to appeal a decision, whether it be on banding, eligibility or exclusion. There was also a separate appeal process if it was in relation to a homelessness case. Additional powers had also been given to multi-agency panels to review a case and increase priority if it was deemed appropriate by the Panel.

A Panel Member asked about the status of the Rent With Confidence Scheme, particularly as Band 4 was intended to be removed under the new policy. The website currently said it was not available and would be up and running again in the New Year. The Service Manager for Housing Strategy and Policy responded that the website was currently paused as the website was setup to advertise properties and that had not been particularly effective. From April they were moving to Rent With Confidence Phase 2, they had been successful in obtaining funding before Christmas. They would be appointing a post to lead the project.

Resolved: The Vibrant and Sustainable City Scrutiny Panel:-

1. Recommends to Cabinet that the new Allocations Policy be amended to allow applicants to bid and accept an offer of housing if in arrears of up to the average of six weeks rent of a Council property, rather than the proposed four weeks (£400).
2. Wishes to express to Cabinet that it has concerns over the removal of the Local Connection clause in the proposed new Allocations Policy. It asks for further analysis on the implications of its removal, so careful consideration can be given as to the correct course of action.

3. Requests further information to be received by the Panel on the potential impact of the removal of the Local Connection clause of the Allocations Policy. This information should include the feedback and analysis from the formal consultation process. The Panel intends to consider this particular aspect of the policy again in the Spring.
4. Subject to recommendations 1, 2 and 3 above, endorses for approval by Cabinet the implementation, from 1 April 2020, the aspects of the revised Allocation Policy that are not dependant on the development of the IT system as detailed in paragraph 6.4 of the report. The remainder of the policy, that is dependant on the development of the IT system to be implemented from February 2021.
5. Endorses that Cabinet approve delegated authority to the Cabinet Member for City Assets and Housing, in consultation with the Director for City Assets and Housing to approve any minor changes to the final policy, where any structural constraints to the IT system are identified which are not able to support implementation of minor aspects of the recommended changes.
6. Endorses that Cabinet approve delegated authority to the Cabinet Member for City Assets and Housing, in consultation with the Director for City Assets and Housing, to make minor editorial changes to the Allocations Policy when necessary.

The meeting closed at 7:30pm.

6 **Work Programme**

Resolved: That the Work Programme be approved.