



Date: 6th March 2017

Environment and Services
Scrutiny Committee

Item

Public

OVERVIEW OF SHROPSHIRE HOMEPOINT – HOUSING ALLOCATIONS

Responsible Officer: Jamie Burns, Housing Services Manager

Email: jamie.burns@shropshire.gov.uk

Tel: 01743 251791

1. Summary

Shropshire HomePoint is a choice-based lettings scheme. Its purpose is to advertise affordable housing and manage the Housing Waiting List in Shropshire.

Founded in 2009, it advertises the properties of twelve of the county's leading social housing landlords. It provides a single point of contact, preventing the need to fill in lots of different landlord application forms and having to deal with multiple organisations.

It does not own any properties, it does not allocate properties (the landlord does) and it does not increase the number of properties available.

However, it does make it easier to apply for housing. It also simplifies (as much as possible) the assessment and prioritisation of housing need (a statutory duty) in strict accordance with the Shropshire Affordable Housing Allocations Policy.

The Allocations Policy was written in conjunction with partners and stakeholders. It incorporates a large amount of complex housing and eligibility legislation with a smaller amount of local housing policy. Landlords also have their own additional policies regarding eligibility, such as age entitlement, to make the best use of their own housing stock.

Following the introduction of a new software system, a revised Allocations Policy and the introduction of a performance management culture, the scheme is believed to be one of the best performing choice-based lettings agencies in the UK.

This report provides an overview of Shropshire HomePoint and explains how affordable housing is allocated in Shropshire.

2. Recommendations

Members of Environment and Services Scrutiny Committee are asked to:

- 2.1** Scrutinise the allocations process and delivery of choice-based lettings by Shropshire HomePoint and to request officers return in 12 months time with a further update on the scheme.

REPORT

3.1 Background

Shropshire HomePoint is a countywide choice-based lettings scheme (CBL). It launched in 2009 under contract to the Shropshire Housing Group.

South Shropshire Housing Association, part of the Shropshire Housing Group, had operated a successful in-house CBL Scheme previously and was awarded the contract to run the countywide scheme.

In 2011, Severnside Housing joined the Partnership, merging their Housing Waiting List into the Shropshire Housing Register.

In 2014, the running of the scheme transferred to Shropshire Council. A new software system implemented and a new Allocations Policy adopted.

In 2015, a new performance management culture was initiated. This along with the improved software and Allocations Policy resulted in record performance.

3.2 Why Was CBL Introduced

Choice-based lettings was introduced to simplify applying for housing and make it easier to understand. Unfortunately, given the complexities of housing legislation (largely because demand far outstrips supply), no system will ever be as simple as everyone would like.

Enquiries are made to one team, using one application form. Clients are helpfully signposted to other sources of help and assistance.

Understanding of housing assessments is improved using bands (compared to traditional points-based systems). However, it cannot remove all of the complexity.

Applying for properties is quick and easy and includes a list of the property features with information on local services and amenities. Photographs are often included to help decide which property to apply for.

Results are published to give feedback and ensure clients are kept informed. It also provides transparency on decision making, with an audit trail of every decision made.

CBL minimises operating costs and strategically gives a clear overview of the housing situation in the local housing authority area.

As clients choose for themselves the property they would like to live in, it also encourages more sustainable communities.

3.3 Eligibility

Most people can apply. Some exceptions include those with previous unacceptable behaviour and people subject to immigration control (unless they fall into a class of applicant that the Secretary of State has specified as eligible).

With the scheme advertising properties of twelve separate landlords, many of which operate across multiple local housing authority areas, with different types of housing, they each have their own additional policies. They should always note this in the property adverts, which they create.

As examples, landlords set minimum age criteria, bedroom entitlement / when to allow under-occupation of bedrooms and rent arrear amounts they will consider. These policies are designed to make the best use of their housing stock and take into consideration factors such as welfare reform. Shropshire HomePoint has no influence over these policies.

3.4 Local Connection

Shropshire operates an open housing register, which means most people can apply. This allows families to move to support one another and mobility for economic reasons.

The scheme prioritises people with a local connection to Shropshire. Applicants without a local connection to Shropshire are still able to apply to be on the housing register but have a reduced preference.

For a small number of properties, for example where there is an obligation within the original planning, a local connection is also required to the parish / town the property lies within.

Many would like to be able to introduce a local connection requirement at a town and parish level for all properties. This is not legally possible and local connection (bar the above exception) must be to the local housing authority area. For HomePoint, this is Shropshire, excluding Telford and Wrekin, which is its own local housing authority area.

3.5 Banding System

Clients can apply to join the Housing Register by going online or completing a paper application form. HomePoint where needed, will also go and visit applicants to help them fill in the form.

The need for housing is assessed using a banding system rather than the traditional complicated points based method. There are four main bands (levels) of housing need, Priority, Gold, Silver and Bronze. Gold band applicants are considered to have a high level of housing need, but in emergency cases, a Priority band is issued to help with finding a home more quickly.

The detailed criteria used for each banding is available to view and many applicants are able to judge for themselves their own likely banding.

Once registered, HomePoint writes to applicants informing them of their registration date, reference number and band. It also uses this opportunity to signpost to other sources of advice and assistance.

Once clients have a reference number, they can begin to apply for properties. A copy of the Allocations Policy is included in Appendix 1.

3.6 Property Advertisements

Landlords submit and create the property adverts on a Monday using the HomePoint software system they share.

Property adverts can be viewed at any of the partner offices and on the HomePoint website. Where required, paper adverts are mailed out directly. A weekly email reminder link is sent out for those preferring to use the internet.

Clients are able to apply for one affordable / social rented property each week. Properties are advertised on a Wednesday and they have seven days to apply. It is not first come first served.

Due to the high demand for properties, it is not practical for landlords to process multiple bids (expressions of interest) every week for affordable housing. Landlords need to check each successful applicant and arrange viewings, which can be very complicated and time consuming.

The number of bids to allow clients each week to make is a hotly debated topic within CBL, with many opposing views. Generally, the majority of choice-based lettings schemes across the country started out with the ability to bid on all properties. Gradually over the years, they have reduced the number of bids allowed, with one bid being the most commonly used.

For other types of property adverts, such as mutual exchanges, house shares, low cost homeownership, private rented, and private properties for sale, clients can apply for as many as they like and they will be advertised until someone is successful.

3.7 Ways to Bid

Applying for properties is called 'bidding', it is just a way of expressing an interest in a property.

The scheme caters for those comfortable with newer types of technology and for those that prefer traditional approaches.

Clients can ring or write in but can also bid online, by email and by text.

The majority of bids are now made online, which frees up time for officers to focus on more vulnerable customers that prefer to chat through properties to apply for.

3.8 Successful Applicants

For affordable / social rented properties, once the weekly property cycle has ended, a shortlist of everyone interested in each property is automatically formed and ranked according to their banding and registration date. The landlord then checks the eligibility of the applicants ranked first and confirms the application details are correct and up-to-date. A property viewing is then arranged and the property offered.

If the offer is rejected, the landlord will review the application of those ranked second and so on until the property is accepted.

HomePoint then publishes the banding, the waiting time of the successful applicant and the number of bids received on the HomePoint website and Advert Newsletter.

Other property advert types are advertised continuously until a successful applicant is offered and accepts the property.

All properties are allocated by the landlord and not HomePoint.

3.9 Performance

Shropshire HomePoint has reduced its average processing time of applications and correspondence from a high of 15 weeks in 2013/14 to same / day next day. The current average processing time is 1.1 days.

In a typical week, the scheme will process:

- 215 applications
- 433 correspondence
- 293 renewal applications each week
- 1,191 telephone phone calls per week

The website receives over 9,000 unique visits per week.

A new business intelligence and performance management system is being developed for official launch later this year. It will provide information (automatically and in real-time) on thousands of metrics and enable vast quantities of data to be easily understood.

To ensure the scheme continues to improve and evolve to meet the needs of its clients, HomePoint is currently carrying out a review with partners. It includes an evaluation and update of the Allocations Policy to ensure the use of county's affordable housing stock is maximised to deliver better outcomes.

A copy of the Housing Fact Sheet 2017 (downloadable from the HomePoint website) is included in Appendix 2.

3.10 Statistics

There are a number of misconceptions surrounding the Housing Waiting List (currently 5,497 applications) and housed applicants.

A good example is that, 'you have to be in priority to be successful'. Last year of the 1,696 lets, over 61% were allocated by landlords to the two lowest bands of silver and bronze.

Another is the number of applications from foreign nationals (whom are legally entitled to be considered for housing). Only 3% on the Waiting List are foreign nationals. Foreign nationals last year were successful for 3% of housing.

Syrian Refugees are not housed through CBL. Currently Shropshire Council has helped thirteen families to be rehomed in Shropshire with another two families expected shortly.

The overall average median waiting time for all allocations in 2015/16 was 9 months. By number of bedrooms it was:

- 1 Bedroom - 8 months
- 2 Bedrooms - 9 months
- 3 Bedrooms - 9 months
- 4 Bedrooms plus - 10 months

With social housing being only 14% of the overall housing stock in the county, the Housing Waiting List will not be a solution for everyone.

The increasing challenge now (especially with our aging population), is to better help clients resolve their housing situation through other housing options. Whether that's to privately rent, buy a home or improve the home they already live in.

4. Risk Assessment and Opportunities Appraisal

Access to good quality, suitable and sustainable Housing is a pivotal need for all. Ensuring sufficient availability throughout the county, to meet the needs of Shropshire's population, is a primary focus of Housing Services. Shropshire HomePoint enables all social landlords to be able to transparently advertise their stock and evidence an audit trail for allocations. Data collated on Shropshire HomePoint also enables social landlords to be able to better plan development throughout the county.

5. Financial Implications

Shropshire HomePoint operates on a revenue budget of £224,620 (2016/17), with forecasted income from advertising properties of £124,000. It is expected to operate within budget for 2016/17.

Development and implementation of software systems in 2014 was achieved through DCLG grant funding of £70,000.

6. Conclusion

The introduction of a highly automated, efficient and effective business software system, a fit for purpose Shropshire Affordable Housing Allocations Policy and the introduction of a performance management culture has transformed HomePoint into a lean, high performing CBL Scheme.

With this solid foundation, the Service now looks forward to evolving further to meet the increasing housing demands, needs and aspirations of Shropshire.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):

Name and Portfolio of Executive Member responsible for this area of responsibility:

Cllr. Malcolm Price

Portfolio Holder for Planning, Housing, Regulatory Services and Environment

Local Member:

All members

Appendices:

Appendix 1: Shropshire Affordable Housing Allocations Policy.

Appendix 2: February 2017 Housing Fact Sheet.