



## Housing Select Committee

### **Report title: Housing Allocation Policy – public consultation response**

**Date:** 9 June 2021

**Key decision:** Yes.

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Fenella Beckman, Director of Housing Services

### **Outline and recommendations**

- Lewisham Council's housing allocations policy has been reviewed and a 15 week public consultation has been completed. This report and accompanying documents summarise the outcome of the consultation and outlines the next steps towards adopting a new policy.
- Housing Select Committee are requested to review the consultation responses, and provide comments.

## Timeline of engagement and decision-making

11 November 2020	Proposed changes presented to Mayor and Cabinet, with recommendations to consult
18 November 2020	Proposed changes presented to Housing Select Committee
27 November 2020 – 14 March 2021	Public consultation
7 June 2021	Consultation report presented to Housing Select Committee

### 1. Summary

- 1.1. This report provides a summary of the responses received by the council from the public consultation on a proposed revised housing allocations policy.
- 1.2. It then summarises the next steps that will be taken before the final policy is proposed to Mayor and Cabinet.

### 2. Recommendations

- 2.1. Housing Select Committee are asked to provide comments.

### 3. Policy Context

- 3.1. Section 166a of the Housing Act 1996 requires local housing authorities to have a policy in place for determining priorities and procedures to be followed in allocating housing.
- 3.2. The Allocation Policy must set out the Council's policies relating to the allocation of social housing and the procedures and processes used by officers to implement those policies.
- 3.3. Priority for accommodation must be given to the groups who fall within the statutory reasonable preference categories, namely:
  - 3.3.1. people who are homeless (within the meaning of Part 7 of the Housing Act 1996)
  - 3.3.2. people who are owed a duty by a local housing authority
  - 3.3.3. people occupying insanitary or overcrowded housing, or otherwise living in unsatisfactory housing conditions
  - 3.3.4. people who need to move on medical or welfare grounds
  - 3.3.5. people who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others)
- 3.4. The latest Allocation Policy was published in April 2017.
- 3.5. The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Corporate Strategy objectives:
  - 3.5.1. Tackling the housing crisis – Everyone has a decent home that is secure and

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

affordable.

- 3.6. In response to the changing landscape and increasing demands on our services, the council adopted a five-year Housing strategy, and a two-year Homelessness and Rough Sleeping strategy in November 2020. Both strategies respond to the rising pressures of the housing crisis and additional need created by the COVID-19 pandemic.

## 4. Background

- 4.1. The Allocation Policy was reviewed extensively in 2012, in response to the Localism Act 2011 and the Code of Guidance on Allocations June 2012.
- 4.2. In 2017 further changes were made in response to increasing demand for social housing and rising homelessness levels and the Allocation Policy was supplemented by an Annual Lettings Plan. Over time it has become clear that amendments to the allocations policy are needed to ensure that it reflects current priorities, and to ensure that applicants with most acute need are prioritised.
- 4.3. There are now over 10,000 households on the housing register. It would take over nine years to provide social homes to everyone on the housing register if the number of available homes stays the same, and if no more households are added to the register. It is therefore likely that many of those on our register will never move into social housing.
- 4.4. Over recent years, the number of social housing properties available for letting has been steadily decreasing and on average we let around 1000 properties. In 20/21 financial year we achieved 791 social housing lets, the lowest number of lets in Lewisham ever (most likely as a result of less moves taking place during the Covid-19 pandemic).
- 4.5. The lack of supply is also exacerbating the level of need in the borough. Increasing numbers of households are in need of larger family homes for instance, however the number of larger houses available is very small. In 2020/21 there were 334 families in need of a five-bedroom property and only six of this size was let. The below table illustrates this, and the lets vs need for other house sizes over the last two financial years:

Bedroom	Let in 19/20	Let in 20/21*	Number on the register in housing need as at May 21
1 bedroom	624	414	1830
2 bedroom	305	246	3588
3 bedroom	171	112	3266
4 bedroom	27	13	996
5 bedroom	1	6	334

*\*There may be small undercount due to some administration processes still being completed when producing this report, from lets that took place towards the end of the FY 20/21*

- 4.6. Over the past years, there has been a significant rise in the number of homeless households who require temporary accommodation. As of March 2021 almost 2,500 households are in temporary accommodation arranged by the Council, an increase of almost 650 compared to March 2017, and an increase of 1335 compared to when the allocations policy was last reviewed in full in 2012. TA currently costs the council approximately £3m per year.

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 4.7. In light of the above, further analysis was undertaken in 2020 and a number of changes to the Allocation Policy were proposed. These changes aimed to ensure that the housing allocation scheme more accurately reflects the rehousing priorities for the borough.
- 4.8. Based on the current housing landscape, and demand in Lewisham, the priorities for the Allocations Policy are:
- Reducing the number of homeless households who are living in unsuitable and costly temporary accommodation;
  - Reducing under occupation and severe overcrowding ;
  - Supporting independent move-on for single vulnerable households who are currently housed in supported and semi-independent accommodation;
  - Supporting those who are fleeing violence
  - Supporting the regeneration of designated housing estates.
  - Delivering on our corporate responsibilities, including in our role as a corporate parent and in relation to members of the armed forces who are in housing need.
- 4.9. The report presented to Mayor and Cabinet in November 2020 sought approval for a 12 week public consultation on the proposed changes to the Allocations Policy, to consult on:
- 4.9.1. *changes to the banding structure*
- 4.9.2. *changes to band allocation for several primary rehousing reasons*
- 4.9.3. *introducing a new ‘smart letting’ approach to maximise the number of properties available to let*
- 4.9.4. *reducing the ‘three offer’ rule to ‘two offer’ rule*
- 4.9.5. *updating the bidding process*
- 4.9.6. *reviewing how large properties are let*
- 4.9.7. *delegating powers*
- 4.10. Approval was given and a public consultation has taken place. Further detail regarding the consultation is provided in section 6.

## 5. Approach

- 5.1. Due to the challenges discussed above, the approach to the review of the Allocations Policy has been manifold and extensive. Methods include reviewing other boroughs’ policies, extensive data analysis of the current housing register and creation of a data model to simulate bid cycles, extensive discussion with legal counsel and officers across Housing, supported housing, and Children’s Social Care and discussions with elected members.
- 5.2. Following Mayor and Cabinet approval, a 15-week consultation took place to ensure that residents affected were able to comment on the proposals. Following this, an extensive analysis of the consultation responses took place. Further details regarding the consultation method, analysis and outcome is provided in section 6.
- 5.3. Having now completed the public consultation analysis, officers are working on the final proposed policy which aims to best meet housing needs in the borough and reflect the views expressed by consultation participants.

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

## 6. Consultation summary

- 6.1. A full consultation report is available at Appendix A. Key details are summarised below.
- 6.2. The proposals were drafted as a set of questions for the purpose of consultation and are outlined below:
- Do you agree that we should consider placing rehousing reasons in priority bands as outlined in Table 1?
  - Do you agree that we should consider introducing a new 'overcrowded by three bed' group?
  - Do you agree that we should consider introducing a new 'homeless with additional need priority' group?
  - Do you agree that we should consider changing how you bid for properties, so that you can bid for multiple properties each week?
  - Do you agree that we should reduce the 'Three Offer' rule to a 'Two Offer' rule for eligible groups?
  - To increase the number of lettings available, do you agree that we should consider operating a 'Smart Lettings' system?
  - Do you agree that we should not include adult children for the new 'overcrowded by three band'?
  - Do you agree that we should consider moving 'overcrowded by one bed' to a new Band 4 priority group?
- 6.3. A public consultation on the proposed changes to the councils Allocations scheme was launched on the 27th November 2020 to run for 12 weeks until the 14th February 2021.
- 6.4. In responses to representations that were made by some respondents, and recognising the ongoing impact of COVID-19, the council extended the deadline for responses until the 14th March 2021.
- 6.5. The consultation was hosted on Lewisham's website using the online consultation portal Citizen Space. A dedicated council inbox was also made available for respondents should they wish to make direct representations or to provide additional commentary to their consultation response.
- 6.6. The consultation was promoted widely including:
- **Online/Social Media:** Promotions via the Lewisham Council website including an alert banner at the top of all Housing pages, Twitter promotion, and notifications published on the Homesearch page;
  - **Direct Communication:** Two texts sent directly to residents in Hostels and a text to all residents in Temporary Accommodation, an email to all residents at Lewisham Homes, direct contact with TMOs, email to all residents on the housing register, individual consultation sessions with residents in supported housing;
  - **Partner engagement:** Contact with all major RPs in Lewisham, request that RPs publicise with their residents and online, engagement with representative groups and forums across Lewisham;
  - **Internal Council Communication:** Included in the Chief Executive Briefing, Yammer posts published, Email tag-lines promoting the survey, direct contact with key internal partners and an intranet feature;
  - **Focus Groups:** Two focus groups were held, targeted particularly towards underrepresented groups, and promoted via representative partner agencies;
  - **Meetings:** Attendance at the Homelessness forum, session with RPs, two public meetings advertised through partner agencies, and held with interested parties.
- 6.7. Paper consultations and translations in other languages were available upon request.

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

Those whose first language was not English and wanted to input their views were able to send an email with their details and their chosen language, following which contact was made to collect their views in their desired language. This was communicated to residents throughout the consultation and was translated into a number of languages on the front page of the online consultation.

- 6.8. Respondents who emailed the inbox directly were invited to complete the online survey and were advised that their comments would be considered in the consultation response.

## 7. Summary of findings

### Response rate and demographics of respondents

- 7.1. Over 1,000 residents participated with the consultation either through the completion of the online survey, attending a focus group session or providing their comments via a dedicated email inbox.
- 7.2. 942 residents responded through the online survey of which 804 (85%) were Lewisham residents.
- 7.3. Full detail of who responded to the consultation can be found in section 5 of the consultation report at Appendix A. A high level summary is below.
- 7.3.1. Over 50% of all respondents are either currently in social housing or are in temporary accommodation.
- 7.3.2. A substantial majority of all respondents (69.7%) are female.
- 7.3.3. Respondents from a wide range of ethnicities completed the questionnaire. 39% of all respondents were black and 31.2% were white.
- 7.3.4. Over 16% of respondents have a disability.
- 7.3.5. Almost 70% of respondents identified as straight or heterosexual.
- 7.3.6. More respondents identified as Christian than any other religion or belief, with 45.9% of all respondents identifying as such.
- 7.3.7. 0.7% of all respondents stated that their gender identity was different to the gender they were assigned at birth.
- 7.3.8. Over 5% (50) respondents were either pregnant at the time of completing the survey or had been pregnant within the last 6 months.
- 7.3.9. Almost 17% of respondents have caring responsibilities,

### Responses to the questions: quantitative data

- 7.4. Over 50% of all respondents agreed with the following questions:
- Do you agree that we should consider placing rehousing reasons in priority bands as outlined in Table 1?
  - Do you agree that we should consider introducing a new 'overcrowded by three bed' group?
  - Do you agree that we should consider introducing a new 'homeless with additional need priority' group?
  - Do you agree that we should consider changing how you bid for properties, so that you can bid for multiple properties each week?
  - Do you agree that we should reduce the 'Three Offer' rule to a 'Two Offer' rule for eligible groups?

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- To increase the number of lettings available, do you agree that we should consider operating a 'Smart Lettings' system?
- 7.5. More residents disagreed than agreed with the following proposals:
- Do you agree that we should not include adult children for the new 'overcrowded by three band'?
  - Do you agree that we should consider moving 'overcrowded by one bed' to a new Band 4 priority group?
- 7.6. The following proposals had 60%+ in agreement: Smart Lettings; Homelessness with additional priority; and multiple bids.
- 7.7. The following proposals had agreement between 50% and 60%: new o/c by 3 bed rehousing reason; and two offer rule.
- 7.8. The following proposals had agreement between 30% and 40%: Creating a new band 4; not include adult children for the new 'overcrowded by three band.'
- 7.9. A full overview of the responses broken down by respondent demographics can be found in the full consultation response.

#### Responses to the questions: qualitative / freetext data

- 7.10. There were 2,228 written responses to the proposals that the council included in the consultation. Some of the recurring themes that arose across the proposals are captured in the below bullet points:
- 7.10.1. Consideration should be given to those who have been waiting for social housing the longest;
- 7.10.2. Consideration should be given to prioritising those with multiple rehousing reasons;
- 7.10.3. Written responses were broadly supportive of practical initiatives to improve the bidding process however stressed a demand that the policy be clearer;
- 7.10.4. Many respondents advocated for the prioritisation of families where there were physical or mental health needs.
- 7.10.5. A number of written responses advocated against the proposed change to introduce a new band 4, due to the negative impact that this change would have on those households who are overcrowded.

## **8. Next Steps**

- 8.1. Officers are currently taking into consideration the responses from the consultation responses, to inform the final proposed policy.
- 8.2. In particular, officers are reviewing the responses to the proposed changes for overcrowded households which received less than a majority in agreement. Officers are also establishing the practicalities of the proposed changes to bidding, which is dependent on the functionality of the new housing system.
- 8.3. Officers intend to bring the final proposed policy for consideration by Housing Select Committee in September 2021.

## **9. Financial implications**

- 9.1. As has been previously narrated and outlined in this report, the current housing issues experienced both nationally and in the borough are putting severe pressure on the council's housing allocations and budgets. There are significant costs associated with housing generally, including managing the allocations service, managing the provision of council housing and providing services to those experiencing homelessness or the

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

threat of homelessness.

- 9.2. All of these are affected over time by the demand for housing. The allocations policy is the means by which that demand is allocated to existing properties. As such, changes to the plan do not have direct financial implications.
- 9.3. The changes to the allocations policy set out in the report are expected to assist in managing those pressures and assist in officers making the best use of the resources available to them.

## 10. Legal implications

- 10.1. The allocation of housing by local housing authorities is regulated by Part 6 of the Housing Act 1996 (HA 1996). A local housing authority (LHA) must comply with the provisions of Part 6 when allocating housing accommodation (section 159(1), HA 1996). However, subject to this compliance, authorities may otherwise allocate housing in any manner they consider appropriate
- 10.2. Section 166A (1) of the HA 1996 provides that every LHA must have an allocation scheme for determining priorities between qualifying persons and as to the procedure to be followed
- 10.3. Section 166A (2) through to (14) sets out which sets out the procedure to be followed when allocating housing accommodation
- 10.4. Section 166A (13) Before adopting an allocation scheme or making an alteration to their scheme reflecting a major change of policy, a local housing authority must
  - (a). send a copy of the draft scheme, or proposed alteration, to every private registered provider of social housing and registered social landlord with which they have nomination arrangements [s159(4)] , and
  - (b). afford those persons a reasonable opportunity to comment on the proposals
- 10.5. The Localism Act 2011 received royal assent on 15th November 2011. The 2011 Act introduces a number of significant amendments to Part 6 of the 1996 Act. Of particular relevance here are the following provisions: Section 160ZA replaces s.160A in relation to allocations by housing authorities. Social housing may only be allocated to 'qualifying persons' and housing authorities are given the power to determine what classes of persons are or are not qualified to be allocated housing (s.160ZA(6) and (7)).
- 10.6. The statutory guidance on social housing allocations is entitled "Allocation of accommodation: Guidance for Local Authorities in England and was revised in June 2012 Authorities are obliged to have regard to this guidance when devising and implementing their schemes.
- 10.7. The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 10.8. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

- 10.9. The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 10.10. The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010
- 10.11. Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>
- 10.12. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
- The essential guide to the public sector equality duty
  - Meeting the equality duty in policy and decision-making
  - Engagement and the equality duty
  - Equality objectives and the equality duty
  - Equality information and the equality duty

## **11. Equalities implications**

- 11.1. An equality analysis was completed and will be updated and finalised before Mayor and Cabinet considered the final proposed changes to the policy.

## **12. Climate change and environmental implications**

- 12.1. There are no anticipated climate change and environmental implications.

## **13. Crime and disorder implications**

- 13.1. There are no anticipated crime and disorder implications.

## **14. Health and wellbeing implications**

- 14.1. The Allocations Policy gives preference to residents with medical need (classified in terms of Exceptional medical need, High medical need and Low medical need).
- 14.2. Those in Exceptional medical need are expected to remain at the most urgent level (Band 1) and therefore should experience no significant impact as a result of proposed changes.
- 14.3. Those in High medical need are expected to remain at the second level of need (Band 2). Changes proposed to this band have been recommended in order to ensure those in the most need are able to access social housing. Numbers within this band are expected to remain relatively stable or even decrease, therefore any impact on people with High medical need is anticipated to be positive.
- 14.4. Those in Low medical need are expected to remain at the third level of need (Band 3). Currently this cohort are grouped with households overcrowded by one bedroom. Changes proposed include overcrowded by one bedroom being moved to a new Band

### **Is this report easy to understand?**

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>

4 with lower priority, thereby decreasing the size of Band 3 significantly. Therefore any impact on people in Low medical need is anticipated to be positive as the likelihood of them being awarded social housing will increase.

- 14.5. Implications for residents with disabilities will be fully explored within the Equalities Analysis Assessment.

## 15. Appendices

- 15.1. Appendix A: Consultation Summary Response

## 16. Background papers

- 16.1. Current 2017 Allocations policy – approved by Mayor and Cabinet in 2017  
 16.2. Housing Allocation Policy review paper – presented to Mayor and Cabinet 11 November 2020

## 17. Glossary

Term	Definition
Allocations	Term used by social landlords to describe the process of identifying properties and letting them to people, who then become their tenants.
Annual lettings plan	A plan drawn up by a social landlord covering the various groups that the landlord intends to let properties to over the year. It also sets targets and monitors procedures.
Choice-based lettings	Based on the Dutch style of advertising and letting homes, aiming to give a more customer-focused approach to the letting of social housing.
Supported Housing	Accommodation for people with specific care needs. Residents are 'supported' in their accommodation by paid staff. Tenures can cover people in various groups, such as older people, people with learning disabilities, or those with needs around addiction and homelessness services.
Under-occupation	When the tenants in a property are not fully occupying it.

## 18. Report author and contact

- 18.1. Fenella Beckman, Director of Housing, 020 8314 8632; Fenella.Beckman@lewisham.gov.uk  
 18.2. Comments for and on behalf of the Executive Director for Corporate Resources: Tony Riordan, principle accountant, 020 8314 6854, Tony.Riordan@lewisham.gov.uk  
 18.3. Comments for and on behalf of the Director of Law, Governance &HR: Leonard Tribe, Senior Lawyer; 020 8314 7820, Leonard.Tribe@lewisham.gov.uk

### Is this report easy to understand?

Please give us feedback so we can improve.

Go to <https://lewisham.gov.uk/contact-us/send-us-feedback-on-our-reports>