

Proposed Amendments to the Housing Nominations Policy – Request for Delegated Decision

1 Background

- 1.1 Watford Council had to start to use bed and breakfast accommodation again since February 2011. This is because the council's hostels and other temporary accommodation had become full.
- 1.2 Temporary accommodation becomes full for two main reasons. Firstly, due to demand; in other words the number of people the council has a duty to accommodate on an interim basis either because it has accepted a permanent rehousing duty or an interim one while it investigates the homeless application. The second reason is that people cannot be moved on from temporary accommodation e.g. due to a lack of permanent lettings or other policies that restrict movement e.g. allowing clients three months to find accommodation themselves through Choice Based Lettings instead of e.g. making a one offer policy.
- 1.3 This paper puts forward minor and temporary adjustments to the Nomination Policy to assist in alleviating current pressures. This is in advance of a full review of the Policy which will involve formal consultation and a report to Cabinet and take account of the full range of national and local policy issues that are emerging.

2 Current Nominations Policy

Bidding Time Allowed for Homeless Households

- 2.1 The published Nominations Policy states that homeless households have three months in which they bid themselves for property before we will bid on their behalf. The idea behind this is to move away from the one suitable offer policy (still applicable under homeless legislation) to one of allowing homeless households choice in where they go. While the policy is laudable it means we have a silting up of temporary accommodation as people do not always use all of their bids and the fact they have three months before we bid for them means many build up rent arrears¹ and are therefore not allowed to be offered accommodation if they have more than four weeks arrears.
- 2.2 Within the three months period homeless households are currently allowed to refuse a property even though they may have bid for it

¹ Work is being undertaken to tackle rent arrears in temporary accommodation. New procedures have been introduced for the management of both hostels and bed and breakfast.

themselves. This creates additional workload and seems inappropriate in a time of acute shortage of both temporary and permanent housing.

- 2.3 This Policy contrasts starkly with the legislation concerning offers of suitable accommodation for homeless households which states that only one suitable offer needs to be made and if refused the council can discharge its homeless duty.
- 2.4 By reducing the period for people bidding for themselves from three months to one has a realistic potential of freeing up temporary accommodation and a move out of bed and breakfast. Once this has been achieved the policy can be kept in place to be used as appropriate to move people out of temporary accommodation.
- 2.5 In determining whether to have a shorter period than three months we need to strike a balance between some choice against a more interventionist role in the Choice Based Lettings system. An element of choice, say one month, allows people a short period to choose something for themselves (property becoming available permitting) while at the same time not allowing them to develop rent arrears. In addition this approach will reinforce the fact that there is a shortage of housing and as such homeless households cannot have the same degree of choice afforded to them in previous times. The recent move to weekly rather than fortnightly bidding will mean that, while the number of properties becoming available does not increase, the number of bidding cycles within the designated month has doubled.
- 2.6 Reducing the amount of time homeless households have to bid or removing it altogether is likely to see an increase in the number of reviews requested as to the suitability of the offer. While this will consume officers' time it will be offset by reduced periods in temporary accommodation and consequent financial savings.

Under Occupation of Two Bedroom Property

- 2.7 The current Nominations Policy gives priority banding to existing Registered Provider tenants on the housing register who are under occupying their accommodation. Households who are giving up two or more bedrooms are awarded band B while those only giving up one bedroom are awarded band C. While this might seem to make sense initially, in practice it does not result in as many people being rehoused.
- 2.8 Registered providers have fewer three and four bedroom properties than two bedroom ones and the demand for two bedroom properties is greater than that for three and four bedrooms. By giving equally high priority e.g. band B to all households giving up bedrooms should help ensure a greater number of properties being available overall.
- 2.9 The current priority banding may discourage two bedroom households from registering. There are 18 households respectively in both two

bedroom and three bedrooms (and above) looking to move to a one bedroom property. Increasing the band for two bedroom households may encourage more of them to register.

- 2.10 Some local authorities allow households in two bedrooms or more looking to move to a smaller property the highest priority in their Choice Based Lettings system. However, the intention within Watford is to preserve the highest band for the over-riding urgent cases.
- 2.11 A neighbouring authority recently introduced this measure (by making all under occupiers band B) and found that by making this change increased the overall volume of lettings thereby satisfying more people's needs but also that it increased the amount of two bedroom units available for homeless households and thereby in turn reduced the call on temporary accommodation.
- 2.12 Currently (as at 6.10.11) of the 69 homeless households to whom the council has accepted a permanent rehousing duty 51 require two bedroom accommodation.

3 Conclusion

- 3.1 The escalating cost of keeping people in bed and breakfast and likely increased pressure for the use of temporary accommodation through rising homelessness requires us to consider proposals that will ease this as an expedient and temporary measure.
- 3.2 Introducing a reduction to the time people spend in temporary accommodation will help to clear the backlog of cases currently silting it up. Thereafter a more manageable level of cases in temporary accommodation should help reduce the reliance on B&B.
- 3.3 Other potential beneficial consequences of reducing the time people are allowed to bid for themselves include:
 - applicants may seek to identify a private sector option which offers a greater degree of choice over location and property type
 - the council may be able to discharge its duty more quickly which in turn should release temporary accommodation places
- 3.4 Letting supply is likely to increase by increasing the band priority of households giving up two bedroom property. Overall more households will have their housing needs satisfied and better use of accommodation will be achieved through the reduction in under occupying. At the same time temporary accommodation should reduce as more two bedroom properties become available, as two bedroom units are the most required by homeless households.

4 Recommendations

- 4.1 Reduce the period allowed for homeless households to bid on their own from three months to one month.
- 4.2 Increase the banding of households giving up two bedroom property from C to B
- 4.3 That these recommendations are implemented as soon as practicable and reviewed after 6 months so that impacts can be assessed pending the full review of the Nomination Policy in response to local and national policy changes.

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