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# Research to inform a fundamental review of social housing allocations policy

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## Final Report: Conclusions and Recommendations

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# RESEARCH TO INFORM A FUNDAMENTAL REVIEW OF SOCIAL HOUSING ALLOCATIONS POLICY

## FINAL REPORT

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## GLOSSARY OF ABBREVIATIONS

ASB	Antisocial behaviour
CBL	Choice Based Lettings
DSD	Department for Social Development
HCN	Housing and Community Network
HMA	Housing Market Area
SIASP	Strategic Independent Allocations Scrutiny Panel
NIHE	Northern Ireland Housing Executive
PRS	Private Rented Sector
RSL	Registered Social Landlord

## INTRODUCTION

This is the Final Report of a research project commissioned by the Department for Social Development (DSD) to contribute to a fundamental review of social housing allocations policy in Northern Ireland.

The purpose of this fundamental review was defined in the Project Specification as being “to ensure that the current ways of accessing the social housing waiting list and allocating social housing make the most effective use of scarce public resources in identifying and meeting housing need in the context of Government’s policy priorities”.

The overall objective of the research project was defined as being “to analyse the way social housing is accessed and allocated in Northern Ireland and, in light of best practice from Great Britain and the Republic of Ireland, make recommendations for further improvement to current approaches and systems based on sound analysis and evidence”. The Final Report is based on two source documents from the research. The first, Report 1, describes and analyses the current approach to accessing the social housing waiting list and allocating social housing in Northern Ireland. The second, Report 2, describes and evaluates best practice approaches in Great Britain and the Republic of Ireland to accessing and allocating social housing.

This Final Report synthesises the main issues from the first two reports and, in accordance with the Project Specification and based on the objective of using scarce public resources as effectively as possible, “makes recommendations on further improvements to current systems and approaches in Northern Ireland in the context of wider policy and strategic priorities”.

## ALLOCATING SOCIAL HOUSING IN NORTHERN IRELAND

The Northern Ireland Housing Executive (NIHE) was established in 1971 to manage access to all social housing in Northern Ireland. It has a duty to submit a scheme for the allocation of social housing to the DSD. This is referred to as the Common Selection Scheme (for details of the current scheme, see Report 1, pages 14-16; for its history, see pages 9-13).

In Northern Ireland there is a Common Waiting List from which the NIHE and housing associations allocate available social housing. There were 41,871 applicants on the housing waiting list at 1<sup>st</sup> January 2013. Combined, the NIHE and housing associations have 110,800<sup>1</sup> properties with approximately 12,000 allocations being made each year.

The NIHE is also the body in Northern Ireland with a statutory duty to secure that accommodation becomes available for the occupation of persons owed the full

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<sup>1</sup> Northern Ireland Housing Executive (2011) House Condition Survey, Belfast: NIHE.

homelessness duty. Approximately 10,000 households are assessed as being in this category on an annual basis in Northern Ireland.

#### THE PURPOSE OF AN ALLOCATION SCHEME

Across the UK the principle of universal access predominates, with anyone being able to choose to apply for social housing. However, there are not enough homes available to house everyone who applies. Most goods and services in society are allocated, or rationed, by the price mechanism. Since this does not apply to social housing, which is let at sub-market rents, an alternative mechanism for allocating scarce resources is required. This is done locally through allocations schemes which will set out which households can gain access to social housing and a mechanism for determining priorities between households. Most schemes prioritise households deemed to be in the greatest 'housing need.' In the early part of the twentieth century council housing was generally allocated based on a 'time on list' approach where those who had waited for the longest period on the housing register would be housed first. Over the last few decades it has been allocated primarily to those in the greatest need of housing, defined by agreed criteria. Indeed, many 'waiting lists' are now termed 'housing registers' to avoid the expectation that everyone on the list will eventually be housed if they wait long enough.

The purpose of an allocation scheme therefore is to determine the way in which social housing, an increasingly scarce resource, should be allocated, in line with the strategic objectives established by government.

#### PRINCIPLES OF THE COMMON SELECTION SCHEME

A range of principles have underpinned the current selection scheme in Northern Ireland since its introduction in 1988. This research found strong and continued support for these principles and, in particular, the overriding principle that social housing allocations should be based upon meeting housing need. The current principles are:

- ✓ *Greatest housing need*: Prioritisation of applicants and allocation of accommodation should be undertaken primarily on the basis of housing need
- ✓ *Fairness and equity*: The NIHE should adhere to the principle of fairness and equity in the allocation of its accommodation
- ✓ *Access*: The scheme should be operated on the basis of accessibility with minimal barriers to entry
- ✓ *Openness*: The NIHE should provide clear information on the scheme and in particular how assessment and allocation is carried out

- ✓ *Value for money:* Transfer and exchange mechanisms should ensure that rehousing opportunities are maximised and effective household/dwelling mix is achieved
- ✓ *Choice:* People should have a reasonable freedom of choice of where they wish to live
- ✓ *Consistency:* The selection scheme should be applied consistently to all applicants (Report 1, pages 15-16)

## PREVIOUS CONSULTATIONS AND THE MOVE TOWARDS CHANGE

In the last two years the NIHE has conducted two consultations that relate directly to the allocations scheme. The preliminary consultation on the Modernisation of the Housing Selection Scheme (2011) identified four areas of the scheme which would benefit from modernisation: the recognition given to intimidation; the recognition given to homeless applicants in temporary accommodation; the recognition given to unsuitable accommodation circumstances; and access to transfers for tenants with a history of anti-social behaviour. The second consultation in 2012 was instigated as a means of making the scheme 'welfare reform ready' (NIHE, 2012a).

In 2012, the Minister for Social Development announced a Fundamental Review of the Allocations System in Northern Ireland and this document is the third and final report which outlines the recommendations from this review. The recommendations presented within this report have been developed following detailed discussions with local key stakeholders (see Report 1) and an analysis of best practice in the allocation of social housing from the UK and Republic of Ireland (see Report 2). Whilst this review was fundamental, considering the scheme in its entirety, it also has been able to draw parallels with previous findings from the NIHE (2011, 2012a) as well as those of the internal report by the HSS Modernisation Working Group (NIHE, 2012b).

In addition, the Project Specification for this review highlighted key strategic priorities set out in the Northern Ireland Executive's Programme for Government (2012-15) which comprise:

Priority 1: Growing a Sustainable Economy and Investing in the Future

Priority 2: Creating Opportunities, Tackling Disadvantage and Improving Health and Well-Being

Priority 3: Protecting Our People, the Environment and Creating Safer Communities

Priority 4: Building a Strong and Shared Community

Priority 5: Delivering High Quality and Efficient Public Services



The Housing Strategy for Northern Ireland (2012, p 22) is also of importance to this research as it too notes that this review and therefore any recommendations made within it should:

- ✓ Ensure that public resources are used as effectively as possible;
- ✓ Make better use of existing social housing stock to meet a range of needs;
- ✓ Place stronger policy emphasis on preventing homelessness; and
- ✓ Support older and disabled people to live independently if they wish to do so.

This research took on board this wider government policy context and has sought to develop recommendations which would enable social housing need to be prioritised whilst also balancing the need for government priorities to be met in the short, medium and longer terms. The recommendations that follow strike this balance and are made with an emphasis on housing need with the aim of securing the best possible outcomes for households, enabling choice in relation to housing options and providing support where necessary.

## KEY STATISTICS UNDERPINNING OUR RECOMMENDATIONS

The key statistics below provide critical information in relation to the social housing allocations system and help to contextualise the backdrop to the research and recommendations. The following statistics relate to the 1<sup>st</sup> January 2013 unless otherwise indicated.

### HOUSING STOCK

- ✓ 110,800 homes in the social housing sector in Northern Ireland

### THE WAITING LIST

- ✓ 41,871 applicants on the housing waiting list
- ✓ 22,675 of the applicants on the list in housing stress
- ✓ 263 applicants on the list had 200 points or more

### HOMELESSNESS

- ✓ 9,878 applicants found to be statutorily homeless

### ALLOCATIONS

- ✓ 11,701 homes were allocated across the social housing sector in 2012
- ✓ 5,771 allocations (49%) were to statutorily homeless households

### TRANSFERS

- ✓ 10,180 households were on the transfer list for rehousing
- ✓ 3,378 transfers were made (29% of all allocations) in 2012

### REFUSALS OF OFFERS

Note that these figures relate to research carried out by NIHE in 2006/7.

- ✓ 29% of offers were accepted
- ✓ 34% of offers were refused (with a reason for refusal supplied) of which 12% had refused between 4 to 6 offers and 3%, seven or more offers
- ✓ a further 33 % of applicants did not reply or give a reason for refusal

## KEY MESSAGES FROM THESE STATISTICS

- ✓ Demand for social housing persistently outstrips supply in Northern Ireland.
- ✓ The social sector would need to grow by one third (37%) for it to house all those currently on the waiting list for social housing in Northern Ireland (or by one fifth,(20%) if only those classified as being in housing stress were to be housed).
- ✓ Many stakeholders in Northern Ireland were of the view that the waiting list was not an accurate reflection of housing need and indeed there were applicants on this list who were already adequately housed.
- ✓ There may be geographical areas where people do not apply for housing as they know they have little chance of being housed, yet they may still be in housing need. This demand is currently latent but would become apparent if more houses were available.
- ✓ There is particular pressure to accommodate those found to be statutorily homeless. The number of 'full duty' homelessness cases represents over four-fifths (85%) of the total available lettings. <sup>2</sup>
- ✓ It is crucial to ensure that the processes of applying for, and letting, social housing make the most effective use of scarce public resources in identifying and meeting housing need and these should take account of broader government priorities.
- ✓ Evidence from elsewhere suggests that adopting a proactive approach through the use of Housing Options and Enhanced Housing Option Services allows housing providers to meet a range of housing need without sole reliance on the social housing sector.

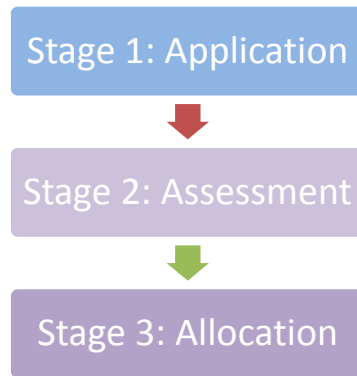
The recommendations within this report have been developed for the medium to long term as a means of future-proofing any new allocations scheme. It is therefore critical that the recommendations are considered in light of this as we deliberate where we need to move to in relation to social housing allocation in Northern Ireland rather than solely thinking about current, immediate need.

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<sup>2</sup> The NIHE need not discharge its duty to homeless applicants by housing them in the social rented sector, although this has been the NIHE's custom and practice.

## RECOMMENDATIONS

The report begins by considering pre-application issues and then moves to consider specific recommendations for the three core stages within the allocation system: Application, Assessment and Allocation.



Recommendations then set out the mechanisms proposed to facilitate the implementation of the new system.

Finally, a number of recommendations have been made for consideration in relation to the enhancement of the scheme in the longer term.

A *Recommendations at a Glance* section (provided below) has also been developed which includes the stages noted above and acts as a guide to the report. It also provides a brief rationale for each of the recommendations.

RECOMMENDATIONS AT A GLANCE

	Recommendation	Rationale	Page Ref
Pre-application	<b>A Housing Options Service should be introduced in Northern Ireland</b>	<ul style="list-style-type: none"> <li>✓ Enjoys stakeholder support</li> <li>✓ Helps people to sustain their current housing and remain in their own homes</li> <li>✓ Prevents homelessness</li> <li>✓ Offers realistic tenure-neutral housing options to customers</li> <li>✓ Provides high quality, individualised services</li> <li>✓ Achieves better outcomes for customers</li> <li>✓ It empowers those who require housing advice to make informed choices in relation to their full range of housing options</li> </ul>	<a href="#">20</a>
Application	<b>Universal access to social housing should be retained</b>	<ul style="list-style-type: none"> <li>✓ Social housing remains a sector of choice, not last resort</li> <li>✓ Maintains a tenure-neutral approach</li> <li>✓ Avoids lengthy void periods for low demand properties</li> </ul>	<a href="#">25</a>

<b>Assessment</b>	<b>A needs-based approach should be used to prioritise applicants for social housing</b>	<ul style="list-style-type: none"> <li>✓ Reflects high levels of demand</li> <li>✓ Strong stakeholder support</li> </ul>	<a href="#"><u>27</u></a>
	<b>A banded approach should be adopted for prioritising applicants</b>	<ul style="list-style-type: none"> <li>✓ Transparent</li> <li>✓ Easily understood</li> <li>✓ Easily explained</li> <li>✓ Quick and easy to administer</li> <li>✓ Eliminate points-chasing which is perceived to be a significant problem under the current system</li> </ul>	<a href="#"><u>28</u></a>
	<i>Bands should be ranked to prioritise applicants</i>	<ul style="list-style-type: none"> <li>✓ Gives priority to those in most housing need</li> </ul>	<a href="#"><u>31</u></a>
	<i>A date-order system should be used to prioritise applicants within bands</i>	<ul style="list-style-type: none"> <li>✓ Eradicates points-chasing</li> <li>✓ Helps to minimise queue jumping</li> <li>✓ Is transparent and easy to understand</li> <li>✓ Ensures that applicants are clearer about when they are likely to be rehoused</li> </ul>	<a href="#"><u>32</u></a>
	<i>A Priority Dates Scheme should be used for changing circumstances</i>	<ul style="list-style-type: none"> <li>✓ Simpler system</li> <li>✓ Clearer and more transparent</li> <li>✓ Easy to monitor</li> </ul> <p>It is recognised by applicants as being a fairer means of distinguishing between otherwise similar applicants</p>	<a href="#"><u>33</u></a>
	<b>A separate Transfer List to be established</b>	<ul style="list-style-type: none"> <li>✓ To support the efficient and effective operation of the allocation process</li> <li>✓ To encourage the establishment of sustainable, shared and mixed income communities</li> </ul>	<a href="#"><u>35</u></a>
	<i>The proportion of lets to transfers should be set by SIASP</i>	<ul style="list-style-type: none"> <li>✓ To encourage tenancy sustainment</li> <li>✓ To create a better housing mix</li> </ul>	<a href="#"><u>38</u></a>

	<i>There should be transferred allocations for new build properties</i>	<ul style="list-style-type: none"> <li>✓ Enables housing providers to achieve better housing mix</li> <li>✓ Gives some tenants the opportunity for re-housing that they may otherwise not have</li> <li>✓ Provides a means of rewarding good tenants</li> </ul>	<a href="#">38</a>
	<i>Management Transfers should continue</i>	<ul style="list-style-type: none"> <li>✓ To allow flexibility in dealing with individual specialised cases</li> </ul>	<a href="#">39</a>
	<b>Mutual exchanges should be promoted as a mechanism to meet housing need</b>	<ul style="list-style-type: none"> <li>✓ Can meet at least two cases of housing need at once</li> <li>✓ Can meet the housing need of existing tenants faster than simply using the transfer list</li> <li>✓ Can offer more choice for existing tenants including location, size and type of property</li> <li>✓ Tenants will become active in their home search, as in other tenures</li> <li>✓ Enhanced tenant satisfaction levels</li> <li>✓ Better tenancy sustainment rates associated with these moves</li> <li>✓ Particularly effective in areas where demand outstrips supply</li> <li>✓ It is an effective use of housing stock</li> <li>✓ There is no associated void loss (unlike transfers)</li> <li>✓ Avoids relet costs from change of tenancy works required to the property</li> </ul>	<a href="#">39</a>
	<i>Transfer applicants should be opted-in to the mutual exchange register</i>	<ul style="list-style-type: none"> <li>✓ Increases the limited pool of homes on the current Homeswapper list</li> <li>✓ Promotes mutual exchanges and enhances the chances of tenants being able to swap</li> <li>✓ Allows tenants to fully appraise their housing options</li> </ul>	<a href="#">40</a>

	<i>The inclusion of registered private rented sector properties within the mutual exchange scheme should be explored</i>	<ul style="list-style-type: none"> <li>✓ Greater mobility in the rented sector</li> <li>✓ A much better mix of suitable properties as households will have a greater pool to choose from</li> <li>✓ Higher levels of satisfaction with housing</li> <li>✓ Encourages better standards in the PRS as Landlords will have to be registered to avail of the scheme</li> </ul>	<a href="#">40</a>
Allocation	<b>A Choice Based Letting system should be introduced for the allocation of social housing properties in Northern Ireland</b>	<ul style="list-style-type: none"> <li>✓ Based upon fairness, transparency and openness</li> <li>✓ Assists those in the highest housing need</li> <li>✓ Easily explained and understood</li> <li>✓ Improved quality of information to applicants</li> <li>✓ Enables more active participation by applicants</li> <li>✓ Enables applicants to make informed decisions with regard to where they choose to live</li> <li>✓ Provides better outcomes and housing prospects for statutorily homeless households</li> <li>✓ Manages customer expectations</li> <li>✓ Maximises the best and most efficient use of limited housing stock</li> <li>✓ Reduces refusal rates</li> <li>✓ Speeds up the process and reduces void loss</li> <li>✓ Works towards achieving sustainable communities</li> </ul>	<a href="#">42</a>
	<i>To widen access, there should be support for those who may be disadvantaged in the CBL system</i>	Provides advertising and support for applicants without online access or who otherwise require support to bid	<a href="#">48</a>



	<p><i>There should be use of an 'Assisted List' approach as a mechanism to support vulnerable and excluded groups.</i></p>	<ul style="list-style-type: none"> <li>✓ Safeguards the interests of groups who may potentially be disadvantaged in the CBL system</li> <li>✓ Meets all legislative requirements in relation to, for example, the Disability Discrimination Act 1995 as extended by the Disability Discrimination (NI) Order 2006</li> </ul>	<a href="#">49</a>
	<p><i>CBL bids should be monitored</i></p>	<ul style="list-style-type: none"> <li>✓ Establishes whether any categories of persons in particular are not actively engaging with the system and the reasons why</li> <li>✓ Provides baseline information to make enhancements to the system, particularly for those who require most support</li> <li>✓ Provides market intelligence on bidding activity and demand to allow SIASP to monitor the system, make refinements and develop band quotas in the longer term</li> </ul>	<a href="#">50</a>
	<p><b>There should be a review of the classification of properties with specialist accommodation which will sit outside the principle scheme</b></p>	<ul style="list-style-type: none"> <li>✓ Ensures that the property meets the specific needs of the applicant in an efficient and timely manner</li> <li>✓ Prevents the duplication of assessment</li> <li>✓ Streamlines the allocations process</li> <li>✓ Maximises the efficient use of stock</li> </ul>	<a href="#">51</a>
	<p><b>Local Lettings Policies should be used to meet identified local circumstances</b></p>	<ul style="list-style-type: none"> <li>✓ Meets the particular needs of local communities/areas/estates</li> <li>✓ Are time limited and are removed when no longer required</li> <li>✓ Can help meet government priorities, for example, the creation of sustainable communities</li> </ul>	<a href="#">52</a>

	<b>There should be a facility to make direct lettings in prescribed exceptional circumstances</b>	<ul style="list-style-type: none"> <li>✓ To meet the need of a high-priority applicant (e.g. if they have not been bidding in a CBL scheme)</li> <li>✓ To meet a legal obligation</li> <li>✓ For specially adapted properties</li> <li>✓ In public protection cases</li> <li>✓ As part of overcrowding initiatives For people decanted from redevelopment / vested areas</li> <li>✓ Hospital discharge, e.g. to prevent bed blocking;</li> <li>✓ For housing management grounds (e.g. to ensure best use of stock in dealing with issues such as under-occupancy; child density)</li> </ul>	<a href="#">54</a>
	<b>Applicants that have committed Anti-Social Behaviour should be suspended from the list for up to 2 years</b>	<ul style="list-style-type: none"> <li>✓ To discourage anti-social behaviour</li> <li>✓ Promotes fairness</li> <li>✓ Reduces management difficulties</li> </ul>	<a href="#">55</a>
	<b>Applicants should receive a maximum of two reasonable offers</b>	<ul style="list-style-type: none"> <li>✓ Reduces the void loss associated with refusals</li> <li>✓ Manages the expectations of applicants</li> <li>✓ Reduces time spent on processing repeated offers</li> </ul>	<a href="#">56</a>
	<i>There should be suspension from the list for a period of one year for those who refuse two reasonable offers</i>	<ul style="list-style-type: none"> <li>✓ Manages the expectations of applicants</li> <li>✓ Assists the effective operation of the housing allocations process</li> </ul>	<a href="#">57</a>
<b>Mechanisms for Implementation</b>	<b>A Strategic Independent Allocations Scrutiny Panel (SIASP) should be established</b>	<ul style="list-style-type: none"> <li>✓ Improves public confidence in proposed changes</li> <li>✓ Establishes a system of checks and balances</li> </ul>	<a href="#">59</a>

	<b>Allocations should be monitored using Housing Market Areas</b>	✓ Provides a framework for intelligence gathering	<a href="#">63</a>
<b>Longer term</b>	<b>There should be work towards developing Enhanced Housing Options Services</b>	✓ Helps meet the aims of the Homelessness Strategy 2012	<a href="#">65</a>
	<b>The introduction of a Quota System should be explored</b>	✓ Contributes to policy goals including the creation of sustainable and shared communities ✓ Broadens access to social housing	<a href="#">68</a>
	<i>There should be provision for quotas to be varied between HMAs</i>	✓ Adaptive to local market conditions ✓ To contribute to wider policy agendas	<a href="#">70</a>

## PRE-APPLICATION

### RECOMMENDATION 1: A HOUSING OPTIONS SERVICE SHOULD BE INTRODUCED IN NORTHERN IRELAND

A Housing Options Service considers a household's needs and matches these with the most appropriate accommodation available. It is a person-centred model and should aim to provide information and advice in relation to housing and housing-related issues and to prevent people becoming homeless through help, advice and information. A Housing Options Service is customer-focussed and seeks to deliver improved outcomes for service users.

A Housing Options Service concentrates on assessing housing need and establishing the best and most realistic approaches to meet this need. It looks at other issues within a household that may have led to or exacerbated current housing problems. Housing Options is a proactive service, tailoring options to individual circumstances, and works towards the prevention of crisis situations.

The service is not solely focussed on the social rented sector, indeed it is tenure neutral. It can range from information/advice on: available accommodation in the private rented sector; mutual exchanges and co-ownership schemes; homelessness advice; and dealing with debt or repossession.

#### HOMELESS PREVENTION FOCUS

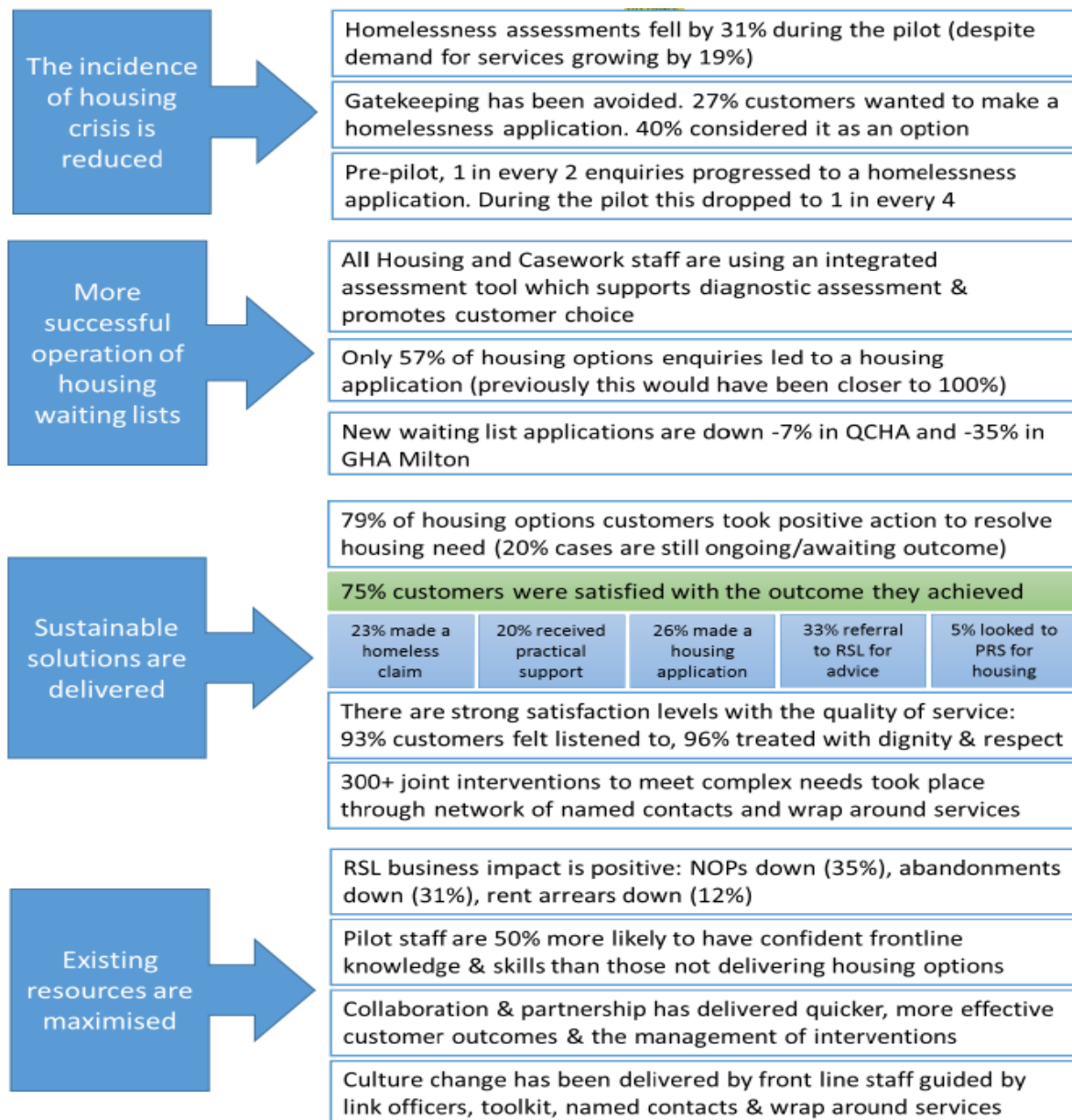
Housing Options Services have become well established across England, Scotland and Wales over recent years and many act as a complementary service to Choice Based Lettings (CBL). The implementation of Housing Options Services has often been driven by government as a core element of homelessness prevention.

Report 1 noted that Housing Options Services have been shown to both reduce homelessness and repeat homelessness presentations and to help manage the expectations of service users and therefore potential applicants for social housing (DCLG, 2008; Shelter, 2011).

The introduction of a one-stop-shop Housing Options Services model in Northern Ireland received overwhelming support from stakeholders. This is unsurprising given the recognised success of these schemes elsewhere in Great Britain where services are credited with having reduced homelessness acceptances each year (Report 1, pages 38-40). Statistics for 2012-2013 show that 9,878 applicants were found to be statutorily homeless in Northern Ireland with over 60% of all lets across the social housing sector being made to homeless households (DSD, 2013 p.12).

Recent evidence of the real benefits of Housing Options Services can be found in the August 2013 evaluation of the Glasgow Housing Options Pilot Project (see Figure 1). The evaluation found strong evidence that the Housing Options Pilot has been successful with high levels of customer satisfaction and effective partnership working. The advantages in terms of homelessness are clear but so too are the benefits to the waiting list. These benefits are substantial with only 57% of housing options enquiries leading to a housing application. This figure would have been almost 100% before the pilot began.

**Figure 1: Glasgow Housing Options Pilot Evaluation Outcome Analysis**



Abbreviation note: Registered Social Landlord (RSL) and Notice of Possessions (NOPs).

## ONLINE SERVICES

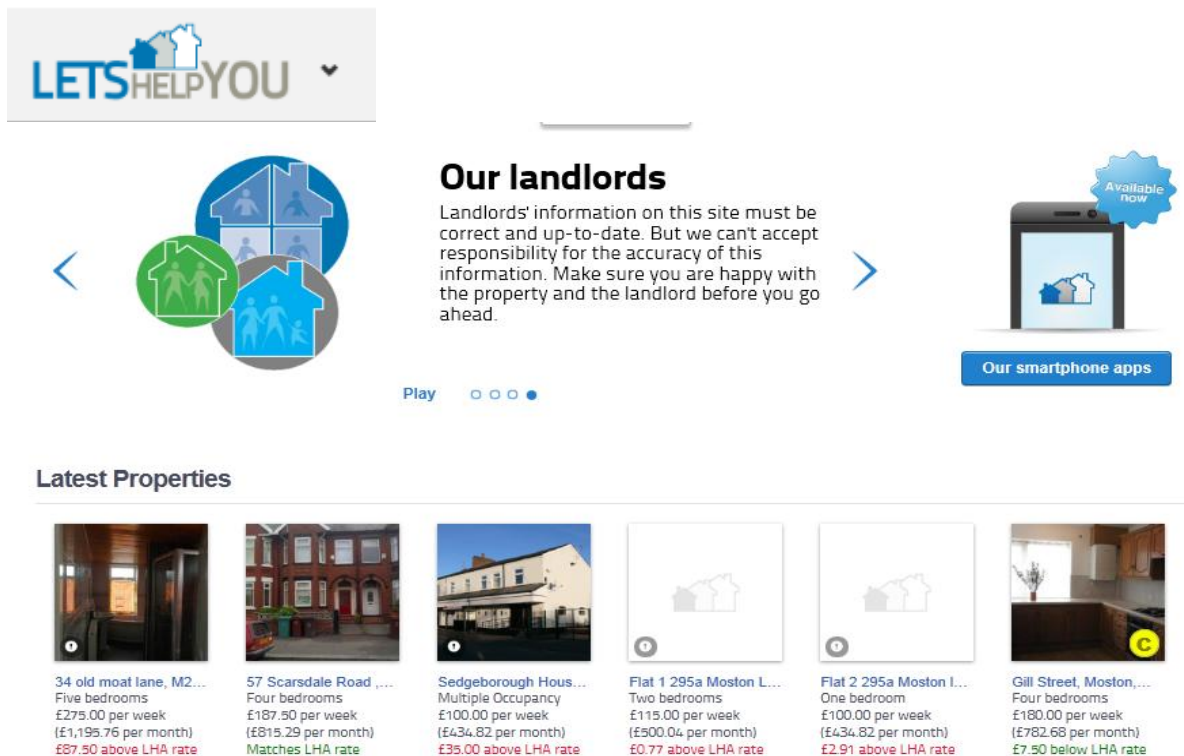
Housing Options Services extend beyond the face-to-face format to many well-developed web interfaces which work well within a CBL allocation model. These online resources are a valuable addition and enhancement to the frontline service to extend its reach - they are not an alternative to frontline provision. An example of a web interface for a Housing Options services is provided below from Manchester Move as part of its CBL system. The illustration provided in Figure 2 below demonstrates the range of 'options at a glance' that the user will see, including private renting, mutual exchanges, low-cost home ownership and social sector housing.

**Figure 2: Manchester Move online Housing Options Interface**



Figure 3 below also illustrates the partnerships that can develop between sectors in order to secure tenure-neutral service provision and to deliver a comprehensive range of housing options. *Lets Help You*, illustrated in Figure 3, is the private-rented partner service to Manchester Move and can be accessed from the main Manchester Move website. Here, users can not only see what private-rented properties are available but also gain details of the rent charged and how this compares to the Local Housing Allowance rate for the area.

**Figure 3: Lets Help You – the private sector housing information of Manchester Move Housing Options Service**



We recommend the introduction of a Housing Options Service for a number of reasons:

- ✓ Key stakeholders overwhelmingly believe that such a service is necessary;
- ✓ It helps people to sustain their current housing and remain in their own homes;
- ✓ It is focused on preventing homelessness;
- ✓ It offers realistic tenure-neutral housing options to customers;
- ✓ It provides high-quality, person-centred services;
- ✓ It achieves better outcomes for customers;
- ✓ It establishes a more efficient customer service; and
- ✓ It empowers those who require housing advice to make informed choices in relation to their full range of housing options and increases tenancy sustainment.

We also recommend this approach as a means of achieving a significant number of government priorities and strategic objectives:

- ✓ *Programme for Government 2011-2015 (2012)*: Helps to work towards achieving Programme for Government Priorities number 2: Creating opportunities, tackling disadvantage and Improving Health and well-being and number 5: Delivering high quality and efficient public services.

- ✓ *Housing Strategy (2012): Helps to achieve a number of the aims within the strategy, including:*
  - Placing stronger policy emphasis on preventing homelessness;
  - Ensuring that public resources are used as effectively as possible;
  - Making better use of existing social housing stock to meet a range of needs; and
  - Supporting older and disabled people to live independently if they wish to do so.
  
- ✓ *Homelessness Strategy (2012): to help to meet the aim of ensuring that “the risk of a person becoming homeless will be minimised through effective preventative measures”.*
  - Working directly to achieve the overall strategy focus of prevention and early intervention
  - Helping meet three of the four strategic objectives:
    - To place homelessness prevention at the forefront of service delivery
    - To reduce the length of time households and individuals experience homelessness by improving access to affordable housing
    - To improve services to vulnerable homeless households and individuals.



## STAGE 1: APPLICATION

### RECOMMENDATION 2: UNIVERSAL ACCESS TO SOCIAL HOUSING SHOULD BE RETAINED

It is recommended that universal access to the social housing register should be retained. This is particularly important as it would allow wider policy goals to be met, including The Programme for Government 2012-2015 and Building a United Community (Report 1, page 32).

The Republic of Ireland and many local authority schemes in Britain impose more restrictions on access to housing waiting lists than in Northern Ireland. Groups sometimes excluded may be those with little or no demonstrated housing need and people on incomes above a certain level (Report 2, pages 25-26). However, in Northern Ireland there remains continued support from housing professionals for the basic principle of universal access to social housing.

Applicants are only able to register for housing in the Republic of Ireland if they have no access to suitable housing (Report 2, page 25). In Britain, rather than exclude completely, many schemes place those with little or no need in the lowest band, making them unlikely to be allocated any social housing (Report 2, page 25).

There is concern over the fact that the waiting list in Northern Ireland includes large numbers of households with little or no demonstrated need but who would still like to live in social housing. However, stakeholders recognised that there were difficulties in some areas in allocating hard-to-let properties and it is useful to have a readily-available list of potential applicants for such housing. Some stakeholders suggested maintaining a separate list for people not in need, rather than excluding them completely (Report 1, page 36).

Report 1 considered suggestions that applicants with low levels of need (such as those with under 30 points under the current scheme) could be removed from the waiting list. However the evidence on the number of points required to be allocated accommodation (Report 1, Table 5, page 74) shows that applicants with fewer than 30 points do routinely receive allocations in many areas, whilst at the same time other people with very high levels of need continue to wait for housing in more popular areas. We therefore conclude that it is impractical to define the level at which people could be removed from the list. It is important to maintain as full a list as possible to ensure that tenants can be found swiftly for low-demand properties.

The Republic of Ireland imposes nationwide income criteria for determining eligibility for social housing (Report 2, page 26). Introducing maximum income limits ensures that social housing is not accessed by those with the ability to house themselves in the private sector. It does, however, add an administrative burden for little gain, given the evidence from

Northern Ireland allocations into housing association accommodation which suggests that the large majority of new applicants have low incomes (Report 1, Table 8, page 75). There was no real appetite for imposing income limits in Northern Ireland (Report 1, page 36).

Assessing and keeping up-to-date records of applicants' incomes would add a considerable administrative burden to the NIHE for little benefit as few households would be excluded from the register as a result. Excluding higher earners also runs counter to the agenda of creating mixed income communities within social housing estates.

In Northern Ireland there is continued support from the sector for the basic principle of universal access to social housing. More broadly, there was a strong consensus among stakeholders of the importance of preserving open access to social housing in every sense. It was felt important to send a clear message that it was a tenure that would consider everyone in need of housing who meets the criteria of the scheme. The wider literature on social housing in Britain and elsewhere also demonstrates the importance of not causing further stigma to the tenure by associating it only with the poor (Report 2, page 5).

We recommend that universal access to social housing be retained as:

- ✓ Social housing should remain a sector of choice, not a last resort;
- ✓ It maintains a tenure-neutral approach;
- ✓ It enables lower-demand stock to be allocated without delay; and
- ✓ It avoids lengthy void periods for low-demand areas or stock.

## STAGE 2: ASSESSMENT

### RECOMMENDATION 3: A NEEDS-BASED APPROACH SHOULD BE USED TO PRIORITISE APPLICANTS FOR SOCIAL HOUSING

Addressing housing need remains a key objective of housing allocations in Northern Ireland and there is widespread support for retaining this focus (Report 1, page 31). It is therefore important to consider what is meant by the term housing need and what forms of need should be recognised by an allocation scheme.

#### WHAT IS HOUSING NEED?

During the course of this research we considered what is meant by the term housing need and what forms of need should be recognised by an allocation scheme. This research has explored the nature and weighting of a range of criteria used to assess housing need in Northern Ireland, Great Britain and the Republic of Ireland. There is strong consensus that the following factors constitute housing need:

- Homeless people who have no home of their own, including those who are sleeping rough, sharing with friends or family, or are in temporary accommodation or hostels;
- People whose homes are unfit for occupation due to fire, flood, destruction or collapse or other unexpected event;
- People whose homes are unsuitable for them to remain in because of medical or mobility difficulties, for instance people who can no longer access the bathroom;
- Households who live in overcrowded conditions;
- People who need to move to ensure their own safety from violence (such as domestic violence or intimidation);
- People who need to move for social or employment reasons such as to care for a relative or take up employment; and
- People who cannot afford their current accommodation – for instance because they depend on housing benefit which does not pay their full rent and they are struggling to meet the shortfall.

(Report 1, pages 31-35 and Report 2, pages 5, 9-10 and 29-32).

Recent guidance in England states that whilst local authorities must give priority to those in the greatest housing need, there are a number of “aspirational” outcomes which government encourages local authorities to take into account when operating their allocation schemes (Report 2, page 8). The implication of this would be to give greater priority to applicants who: are in work or undertaking voluntary work; have no record of anti-social behaviour. Therefore in England whilst social housing is principally aimed at those

in greatest housing need, local authorities are encouraged to develop allocation schemes that support broader policy aims. However, given the level of shortage of social housing in Northern Ireland we do not feel, at this time, that the prioritisation of housing particular groups who are not in the greatest housing need is appropriate. This is not to say that this approach could not be considered in future. We have discussed in recommendation 16 how this could be achieved through the use of a banded system with a quota approach to prioritising applicants for social housing.

We recommend the retention of a needs-based allocation scheme in Northern Ireland because:

- ✓ Demand continues to outstrip the supply of social housing; and
- ✓ Stakeholders overwhelmingly and repeatedly expressed support for retaining this focus (Report 1, page 31).

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#### RECOMMENDATION 4: A BANDED APPROACH SHOULD BE ADOPTED FOR PRIORITISING APPLICANTS

The move throughout the UK and the Republic of Ireland over the last ten years has been towards banded schemes for allocating social housing. Banded schemes are seen as less complex, more transparent, easier to understand and hence 'fairer' compared to points-based ones (CIH, 2010). Applicants are placed in a band depending on their current circumstances, with these bands reflecting different levels of housing need.

A banded system makes it easier to provide feedback on letting patterns that is simple to understand and allows applicants to better judge when they may expect to receive an allocation in different areas. This helps to manage expectations (Report 2, page 46). The number of bands used varies widely between schemes; however, the use of three to five bands is most common in Great Britain and the Republic of Ireland.

A banded system involves putting applicants with broadly similar levels of housing need into one band. Each band can encompass a range of criteria to determine the degree of housing need. Where a household falls into more than one band they will be placed in the band that gives them the greatest priority.

As a general rule, the number of bands in the system will depend on the demand for housing in the area and the allocation scheme's system of prioritising applicants. Therefore, in Great Britain and the Republic of Ireland, the actual bands used within allocation schemes vary from area to area, but all authorities give reasonable preference to a specified list of those in the most severe housing need. Table 1 below outlines how Tower Hamlets has set out its banded approach to prioritising applicants for social housing.

**Table 1: Tower Hamlets banded system**

<b>Band 1</b>	<b>Group A</b>		<b>Preference method</b>
<b>High Priority Band</b>	<b>Emergencies</b>	Urgent housing need combined with serious welfare/ medical/safety/emergency factors	Emergencies first then:
	<b>Medical / Disability Ground floor</b>	Assessed for ground floor property for medical/disability reasons or wheelchair accessible & awarded medical priority	Date Order
	<b>Priority decants</b>	CHR Tenants <sup>3</sup> whose home is due to be demolished in less than one year or tenants who need a 4 bed or wheelchair accessible property	
	<b>Under occupiers</b>	Social housing tenants who want to move to a smaller property. Those giving up the most bedrooms are considered first.	
	<b>Group B</b>		
	<b>Priority Medical</b>	Serious health problem that is severely affected by housing circumstances	Date Order
	<b>Priority Social</b>	Urgent need to move on social/ safety / welfare grounds	
	<b>Decants</b>	CHR Tenants whose home is to be demolished in more than one year	
	<b>Priority Target Groups</b>	Groups given priority in the community's interest or because of their circumstance	

<sup>3</sup> Common Housing Register tenants.

<b>Band 2</b> <b>Priority band</b>			<b>Preference Method</b>
	<b>Applicants who are overcrowded</b>	Overcrowded tenants of CHR partners / Housing applicants who are overcrowded	<b>Date order</b>
	<b>Homeless applicants</b>	Homeless households	
<b>Band 3</b>			
	<b>Applicants who are not overcrowded</b>	Tenants of CHR partners who are not overcrowded / Housing applicants who are not overcrowded	<b>Date order</b>
<b>Band 4</b> <b>Reserve Band</b>			
	<b>Applicants who do not qualify for bands 1, 2 or 3</b>	Applicants who do not have a local connection. Property owners and leaseholders Tenants of social landlords who are not CHR partners	<b>Date order</b>

Table 2 shows the distribution of lets across the different bands in Tower Hamlets. Band 2 (applicants who are overcrowded and homeless applicants) had the largest proportion of lets (61%) made to it. Band 1A and band 1B, the high priority bands, each had around one fifth of allocations made to applicants in these bands.

**Table 2: Homes let in Tower Hamlets and current demand**

	Homes Let (01/04/2012 – 31/03/2013)	Demand at 26/06/2013
Band 1A	402 (17%)	1738
Band 1B	453 (19%)	632
Band 2	1490 (61%)	9238
Band 3	78 (3%)	9130
Band 4	12 (<1%)	1182
<b>Total</b>	<b>2435</b>	<b>21920</b>

One of the most contentious issues with stakeholders was whether to give increased priority to those who expressed an interest in living in a shared future area by placing them in a separate list/band. However, this was not a popular approach and we would therefore not recommend a separate list/band for shared future applicants at this time. Upon review of the scheme should circumstances or government priorities be found to have changed this position could be reviewed using the mechanisms outlined in Recommendation 16.

It is also important to retain simplicity within the bands as CIH (2010) argues that complex schemes can:

- ✓ Become expensive and time-consuming to operate;
- ✓ Require a value judgement to be made, making the process less transparent and open to argument;
- ✓ Require more frequent monitoring and review of applicants' details to ensure they are correctly banded. For instance, changes to individual circumstances over time mean applicants are more likely to move between different bands if banding has a narrow criteria.

We recommend the use of a simple Northern-Ireland-wide banded scheme as it is:

- ✓ Transparent;
- ✓ Easily understood;
- ✓ Easily explained;
- ✓ Quick and easy to administer; and
- ✓ Able to eliminate points-chasing which is a significant problem under the current system.

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#### RECOMMENDATION 4A: BANDS SHOULD BE RANKED TO PRIORITISE APPLICANTS

There are different ways of prioritising applicants in a banded approach, in both how households are prioritised *between* bands and *within* each band.

##### PRIORITY BETWEEN BANDS

In deciding how to allocate from the bands there are two types of systems currently in use:

- ✓ Quota between bands; and
- ✓ Ranking bands.

In the quota system, all bands receive an agreed quota of lettings. This has the benefit of ensuring that all applicants will eventually access social housing, even where the waiting time may be many years for the lower bands. This system is appropriate if there is a desire to ensure that social housing remains seen as a valid tenure option, regardless of an applicant's current housing need. It also incorporates a degree of flexibility as the quotas of

different bands can be varied over time or between areas in order to, for example, avoid concentrations of the most disadvantaged households.

The argument is that a needs-based approach to allocating social housing has resulted in concentrations of the poorest and most vulnerable people living in social housing. One way of tackling this issue is to have a quota-based system of allocating social housing. However, this would mean that, in some instances, those in the greatest housing need would not always be housed first. Given the current extent of the shortage of social housing in Northern Ireland this approach is not deemed to be suitable at present. However, it is recommended that this issue is revisited in line with Recommendation 16.

Ranking bands allocates properties to the applicant in the highest band (this is most the common system in GB) and ensures that those in the greatest housing need are allocated first. This is the only viable option in very high-demand areas. Applicants are considered in band order, starting from highest to the lowest. Demand exceeds supply for social housing in Northern Ireland, and in some areas there is a severe mismatch between supply and demand. Higher priority bands will provide the quickest re-housing because a greater proportion of properties will be offered to those bands.

- ✓ Gives priority to those in most housing need.

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#### RECOMMENDATION 4B: A DATE-ORDER SYSTEM SHOULD BE USED TO PRIORITISE APPLICANTS WITHIN BANDS

We recommend that the prioritisation of applicants within bands is determined by the date of the application. The banded system identifies the level of housing need a person has and generally an applicant's position in the band can only go up as people with an earlier date are housed before them, helping to minimise queue jumping. This method means that the applicant will easily understand their position on the list and how they will move up as time progresses. This transparency means that applicants are clearer on what chances they have of being rehoused and it also assists in managing expectations of applicants.

The use of date of application as a means of prioritising applicants for social housing, as opposed to the current method of accumulating points against a range of criteria, has the benefit of eradicating points-chasing. This was a central concern that stakeholders had with the current system and, in particular, with regard to applicants who perceive that deliberately worsening their situation would move them up the waiting list.

A banded approach which incorporates date order will eradicate the incentive for points-chasing. As social housing is a scarce resource, there remains the potential of band chasing; however, this is considered further in Recommendation 4C below.



We recommend the use of a date order system within bands as it:

- ✓ Eradicates points chasing;
- ✓ Helps to minimise queue jumping;
- ✓ Is transparent and easy to understand; and
- ✓ Ensures that applicants are clearer about when they are likely to be rehoused.

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#### RECOMMENDATION 4C: A PRIORITY DATES SCHEME SHOULD BE USED FOR CHANGING CIRCUMSTANCES

One of the criticisms of a purely points-based system is that applicants may “chase points” in order to increase their priority for housing, and in some cases overtake or “queue jump” those already on the list. This issue has to be balanced by the fact that for some people their housing circumstances can change. The “Priority Dates” system reflects these concerns. The London Borough of Harrow has a priority dates scheme, the principle of which is that no one should overtake existing applicants in a band. If an applicant is moving up a band, the date that the higher priority was given is used. However, if an applicant is moving down a band, the priority date reverts to the original date, i.e. moving up does not backdate the priority, but moving down a band does. An example of the operation of priority dates has been drawn from Harrow Council and is illustrated below.

**Table 3: London Borough of Harrow, Priority Dates Scheme**

<b>London Borough of Harrow: Priority Dates Scheme Examples</b>	
<b>Example 1</b>	<b>Priority Date</b>
Member applies to register in January and is awarded band D	January
In February member is awarded band B	February
In March member is awarded band A	March
In April member is awarded band C	February
<b>Example 2</b>	<b>Priority Date</b>
Member applies to register in January and is awarded band C	January
In February member is awarded band B	February
In March Member is awarded band A	March
In April Member is downgraded to band C	January

We recommend the use of a priority dates scheme because:

- ✓ It is a simpler system to operate;
- ✓ It is clearer and more transparent system of prioritisation;
- ✓ It can be easily monitored;
- ✓ It is easier for applicants to understand; and
- ✓ It is recognised by applicants as being a fairer means of distinguishing between applicants with similar levels of housing need.

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#### RECOMMENDATION 5: A SEPARATE TRANSFER LIST SHOULD BE ESTABLISHED

Housing transfers are an important part of the allocations process and the use of transfers has been an important tool for housing managers to achieve a better 'housing mix'.

Transfer requests occur for a variety of reasons. Circumstances change with households increasing or decreasing in size meaning they require a different property type. Some people want to move closer to family to provide support or have support provided. Others are just unhappy living in the area they are in and want to move. Some people want to move closer to schools for their children or to employment. As aspirations and circumstances change then it is important to accommodate the needs of existing tenants as well as new applicants.

Housing Authorities have used different measures to operate a transfer system alongside the allocation of dwellings for new applicants. Some organisations use ratios such as for every three allocations a transfer is facilitated. Some assess transfer applicants by their needs, either through allocating points to those requesting a transfer or allocating them to bands. Others use separate waiting lists based on date order and area of preference.

Criticisms of transfer systems in the past have suggested that existing tenants who live in undesirable or difficult-to-let areas are ignored, as allowing them to vacate their existing dwelling would normally create a long-term void. Others have been ignored as they have put their area of choice as a high-demand area.

**Figure 4: London Borough of Harrow: Priority Bands**

**London Borough of Harrow: Priority Bands Transfers contained within a banded scheme**

An example of the use of transfers within a banded system is in the London Borough of Harrow which has four priority bands:

- Band A\*: Emergency and top priority
- Band A: Urgent and high priority
- Band B: Standard Priority
- Band C: Non-urgent priority

Transfer applicants are put into a band depending on their assessed level of need (just the way that new applicants are) and transfer applicants can be included within the top band A\* Emergency band. This includes, for example, those seeking to transfer on the basis of:

- Medical needs (including disability)
- Welfare grounds
- Welfare preference (adoption and fostering)
- Council-interest transfers (Emergency)
- Welfare preference (older people)
- Under occupiers.

**Figure 5: North Warwickshire Borough Council: Separate Transfer Register**

### **North Warwickshire: Separate Transfer Register**

North Warwickshire operates a separate transfer register. This is to assist in making the best use of its stock and to promote mobility for tenants. This separate transfer list is for those tenants whose circumstances do not meet the statutory criteria to be placed in a reasonable preference category. An existing tenant can apply to join the Transfer Register if they want to move. Tenants must have a clear rent account and their tenancy is assessed as being in accordance with their tenancy conditions. Transfer applicants must demonstrate that they are in housing need. There may be an exception to this if the Council decides that in order to make best use of its housing stock a management move is required. This may be because of the need for a tenant to move from a larger property to a smaller one which would avoid the increase of rent debt caused by changes in welfare benefit payments. The Council may also approach a tenant to initiate a move to a different property. This could be to meet an urgent housing need or to release a property to meet a particular housing need and therefore make better use of the stock.

Applicants in the following circumstances will be placed in date order priority on the transfer list:

#### *Transfer Priority List - A*

Applicants who are under-occupying their tenancy and whose circumstances require priority to be given to move them to alternative, smaller accommodation (For example, they have a high need to move because of their own circumstances or because their transfer will help to make better use of the Council's stock)

#### *Transfer Priority List - B*

- Applicants who need to move to sustain or gain employment.
- Applicants who would benefit from a move to give or receive support.

We recommend a separate list for transfers; however, all emergency transfers will be placed within the emergency band for applicants and will follow the same rules. The remaining transfer applicants will be divided into two bands:

1. Priority Transfers; or
2. General Transfers

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#### RECOMMENDATION 5A: THE PROPORTION OF LETS TO TRANSFERS SHOULD BE SET BY SIASP

The proportion of lets to transfers varies widely. In Crawley Borough Council 10% of available properties during the year are advertised to existing social housing tenants only who are living in Crawley.

At Heantun Housing Group a separate list for transfers is kept. The aim is to offer every 1 in 5 properties to an existing tenant, although this can change if they are looking to make savings with the void-repairs budget, especially towards the end of the financial year. Heantun Housing Group also gives priority to transferring tenants if they want to downsize because of the bedroom tax. This has helped free up a small number of 2 and 3 bed properties.

We recommend that SIASP, as discussed in Recommendation 13, sets the initial proportion of lets to transfers.

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#### RECOMMENDATION 5B: THERE SHOULD BE TRANSFER-LED ALLOCATIONS FOR NEW-BUILD PROPERTIES

One approach to allocations is to adopt a transfer-led approach with the initial vacancy being offered to a transfer tenant and the resulting vacancy being offered to a direct applicant from the housing list or register. Clackmannanshire Council has a transfer-led allocation policy where it will release urgently required housing. The rationale for introducing a transfer-led allocation policy is that some tenants live in properties that are not suitable for their needs, but that they may never receive an offer due to the high volume of applicants on the waiting list. The benefit of transfer-led allocation is that it makes best use of stock by taking account of the requirements of existing tenants that require more suitable housing. Letting properties in this way creates a vacancy chain which enables the housing provider to resolve several applicants' housing need from one initial vacancy. When the second and any subsequent lets in any chain of vacancies are made, their rota of assessed needs is applied. This means that the property is offered to the person with the highest points in the band it has been allocated to. However, a transfer system based solely on this system has the potential to be slower to respond to those in severe housing stress, and in parts of Northern Ireland there are relatively high levels of applicants in housing stress. However, the application of a transfer-led allocation system to some new lets has benefits, particularly to new build developments.

Stakeholders raised the importance of being able to “balance” new build developments through the use of transfers. West Lothian Council operates a transfer-led allocations policy for new build properties. This council uses this system in order to promote turnover of properties available to let and to increase permanent outcomes for more applicants on their housing list. In the first instance, new-build houses are offered to West Lothian Council tenants on the Transfer List. However when the Transfer List is exhausted lets are made in

accordance with the needs framework. All second lets will be allocated in accordance with the needs framework.

We recommend that there should be a transfer-led allocation policy for new build developments as it:

- ✓ Enables housing providers to achieve better housing mix;
- ✓ Gives some tenants the opportunity for re-housing that they may otherwise not have had; and
- ✓ Offers a means of rewarding tenants who have a clear rent account and do not have a history of being involved in anti-social behaviour.

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#### RECOMMENDATION 5C: MANAGEMENT TRANSFERS SHOULD CONTINUE

Many housing providers and allocation schemes use 'management transfers' to enable flexibility in the allocations process. They are an effective means of achieving the best match of stock to the needs and size of households.

We recommend the continued use of management transfers as they:

- ✓ Allow flexibility in dealing with individual specialised cases.

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#### RECOMMENDATION 6: MUTUAL EXCHANGES SHOULD BE PROMOTED AS A MECHANISM TO MEET HOUSING NEED

Mutual exchanges (assignment by way of exchange of homes/tenancy) or the swapping of homes by two or more tenants within the social housing sector (with the agreement of all landlords concerned) has been a long-standing option for tenants and is enabled locally through the Homeswapper service.

Whilst mutual exchanges are an option for existing tenants they have generally been underutilised. However, with the recent implementation of welfare-reform measures, mutual exchanges have come under renewed focus by many social housing providers. Mutual exchanges are not only a valuable means of meeting housing need generated by welfare reform, but can be a highly valuable tool for existing tenants on the waiting list who need to move for reasons unrelated to welfare reform, such as needing adapted accommodation.

Exchanges are therefore a proactive enabling measure which, similar to CBL, allows applicants to consider their housing options in a broader manner and should be promoted if it can help to assist, in any way, the meeting of housing need of existing tenants. Two ways of promoting the ability to undertake mutual exchanges are through Housing Options Services locally and also on a CBL/Housing Options web interface.

We recommend the promotion of mutual exchanges because:

- ✓ It can meet at least two cases of housing need at once;
- ✓ It has the potential to meet the housing need of existing tenants faster than simply using the transfer list;
- ✓ It has the potential to offer more choice for existing tenants including location, size and type of property;
- ✓ Tenants will become active in their home swap search where they can act as one would in a private market, and look for a home that meets the needs for their household;
- ✓ There are enhanced tenant satisfaction levels associated with these moves;
- ✓ There are better tenancy sustainment rates associated with these moves;
- ✓ They are particularly effective in areas where demand outstrips supply;
- ✓ It is an effective use of housing stock;
- ✓ There is no associated void loss (unlike when making a transfer); and
- ✓ There are no change of tenancy works costs.

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#### RECOMMENDATION 6A: TRANSFER APPLICANTS SHOULD BE OPTED-IN TO THE MUTUAL EXCHANGE REGISTER

Approximately 50% of tenants on the transfer list are currently registered for mutual exchange. We would recommend that all transfer applicants are 'opted-in' to the mutual exchange service at the time of application (unless they actively choose to opt out) as a means of developing an exchange housing market. This system is currently used by Salford City Council.

We recommend the use of an opt-in system of transfer applicants to the mutual exchange register to:

- ✓ Increase the limited pool of homes on the current Homeswapper list;
- ✓ Promote mutual exchanges and enhance the chances of tenants being able to find an appropriate tenancy swap; and
- ✓ Allow tenants to fully appraise their housing options.

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#### RECOMMENDATION 6B: THE INCLUSION OF REGISTERED PRIVATE RENTED SECTOR PROPERTIES WITHIN THE MUTUAL EXCHANGE SCHEME SHOULD BE EXPLORED

In recent years the private rented sector has grown, and the sector has been promoted as a viable housing option by governments across the UK and Republic of Ireland. The sector increasingly caters for a wide range of people including low-income groups, housing benefit recipients, and a growing number of families with children. We are proposing that mutual exchanges should extend to the PRS so that Housing Executive and Housing Association



tenants could transfer with tenants renting registered private rented sector properties if both parties agree and subject to the approval of landlords.

We recommend the inclusion of registered private rented sector properties within the mutual exchange scheme to promote:

- ✓ Greater mobility in the rented sector;
- ✓ A much better mix of suitable properties with a greater pool available for households to choose from;
- ✓ Higher levels of satisfaction with housing circumstances;
- ✓ Better standards in the PRS as Landlords will have to be registered to avail of the scheme.

## STAGE 3: ALLOCATION

### RECOMMENDATION 7: A CHOICE BASED LETTING SYSTEM SHOULD BE INTRODUCED FOR THE ALLOCATION OF SOCIAL HOUSING PROPERTIES IN NORTHERN IRELAND

There are two key ways in which properties are allocated within the social housing sector: direct letting and Choice Based Letting (CBL). Direct letting is the system currently used in Northern Ireland and it predominated until recently in the rest of the UK. It adopts a top-down approach where applicants state their preferences in terms of the areas in which they wish to live and housing officers make an offer of an available property to the highest ranked applicant. In Northern Ireland this is the applicant with the highest number of points on the waiting list. In brief, this is an organisational-led approach to a people/property matching service.

Choice Based Letting is an alternative allocations system which can be described as ‘bottom-up’ in nature. Applicants become actively involved in property selection and, more importantly, in the allocation process by matching themselves to a property and then making an expression of interest in that property, thereby exercising their right to choose.

There has been a move away from direct lettings systems to CBL across England, Scotland, Wales and in the Republic of Ireland. Only 28 local authorities in England now use direct letting. The move towards the use of CBL schemes has been widely supported by government across all four countries. In Scotland, Glasgow Housing Association began to roll-out CBL in April 2013 following a report from the regulator that their allocation scheme had become complex and required greater transparency and simplicity.

#### THE PRINCIPLES BEHIND CHOICE BASED LETTING

The six key principles of CBL, as noted by Brown et al (2002), are set out in Figure 6 below. Many of the above factors that are associated with CBL are not contained within the points-based direct letting system that is currently in operation in Northern Ireland.

**Figure 6: The Key Principles of Choice Based Lettings**

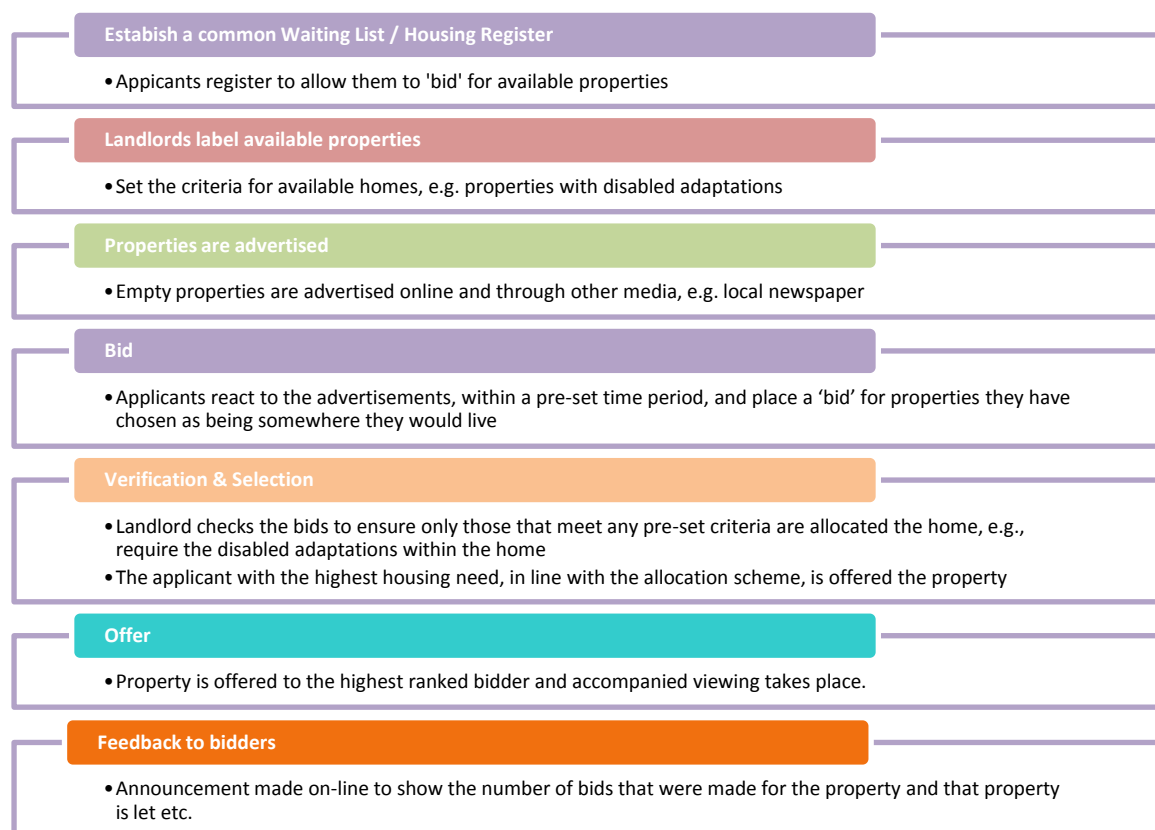
1. **Customer centred:** The *initiative* to apply for a property is taken by the applicant rather than being the passive recipient of the offer of a property;
2. **Providing the customer with market information:** Customers receive details about which properties are available and who can apply. Information is also provided on the opportunity of particular types of people and the chances of a successful bid.
3. **Property and Neighbourhood Information:** The information provided also gives details about property features such as central heating, energy efficiency to location, schools, garden etc *and offers 'real choice'* as in the private owner-occupied sector.
4. **Support for Vulnerable Groups:** *A banding system on 'levels of need' are used to protect vulnerable people and ensure that people in the most urgent need can be supported. It should lead to improved housing opportunities for vulnerable people.*
5. **Selection Criteria:** *Straightforward and transparent eligibility criteria are applied for those looking for accommodation and who wish to go on the Housing Register. There is a simple and easy to understand system for establishing someone's priority for a particular property.*
6. **Communications:** The quality of communications between landlords and applicants is central to the system. The adoption of a range of techniques to advertise properties including regular mailings, telephone and personal response to callers, use of information technology and property shops.

Source: Brown at al (2002, emphasis added).

## HOW DOES CBL WORK?: THE CBL PROCESS

The diagram below broadly sets out the core stages in the CBL process for indicative purposes:

**Figure 7: The Choice Based Lettings Process**



## THE ADVANTAGES OF CHOICE BASED LETTING

Many advantages have been identified with the choice based letting model and a number of these are provided in summary below. The first of these advantages, the reduction in the rate of refusal of reasonable offers, the extension of areas of choice by applicants and managing the expectations of applicants were core concerns of stakeholders here in relation to the operation of the current direct lettings system.

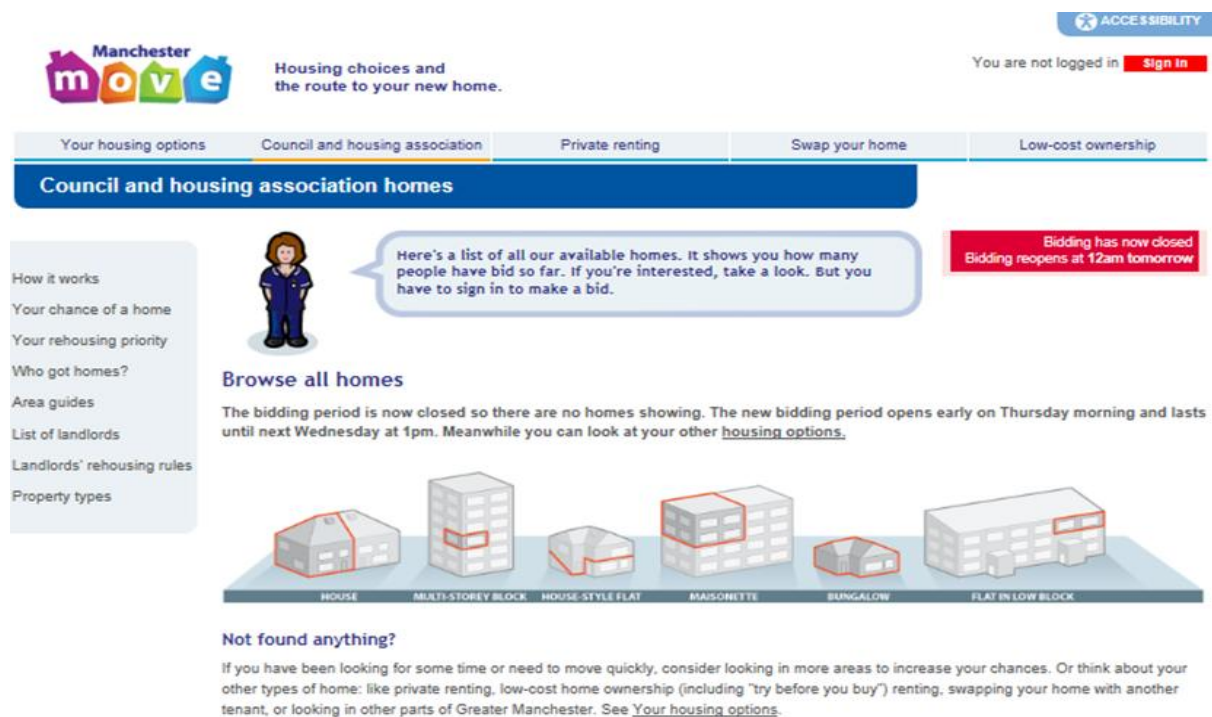
**Reduction in the rate of refusal of reasonable offers:** The current level of refusal of reasonable offers was a significant concern for stakeholders locally, particularly as NIHE has established that in 2006/07 for every offer of housing accepted, more than three were not. CBL has been shown to reduce refusal rates as applicants place bids on properties which they have expressed an interest in (see report 2, page 34). Evidence from Pawson et al (2006) illustrates the impact that the introduction of CBL had on refusal rates including: Edinburgh where the percentage of offers refused reduced from 66% to 27%; Bradford where the refusal rate reduced by 70% in the first year and Sheffield's reduction was from

66 to 50%. CBL will not eliminate refusals. The reduction of offer refusals has also been linked to improved organisational efficiency.

**Faster relet rates:** Pawson et al (2006) found that relet times were 'less problematic' for landlords as the CBL system generates a list of those who have expressed an interest in the property and the landlord can then move to the next person on the list who has met the eligibility criteria and is in highest need.

**Extending areas of choice by applicants:** Stakeholders were very concerned with the need to encourage applicants locally to extend their areas of choice and discussed how the current Common Landlord Area (CLA) was unhelpful in this regard (see report 1, p. 43-44). There is growing evidence that CBL systems have encouraged applicants to move to areas that they would not previously have considered as they can be provided with realistic information in relation to their chances of obtaining a property in any given area. This has encouraged a change in mindset for many who previously would have only moved within a confined area (Pawson 2006). The Screen shot from the Manchester Move website in Figure 8 illustrates how applicants can search the CBL system for the type of property they would like to live in. The system will then provide them with a list of properties of this type and access to such information can help applicants think about where they would potentially like to live to obtain a particular property type, for example, with a garden.

Figure 8: Manchester Move, On-line Property Type Search Facility



**Managing the expectations of applicants:** Stakeholders have linked the small geographical areas of the CLAs to the expectations of applicants, as it is not uncommon for applicants to consider offers in very small areas, which could sometimes be pinpointed to individual streets. CBL has been found to be effective in managing the expectations of applicants (report 2, pages 6 and 33-37), which is particularly important in areas of high demand where waiting times can be a number of years. With the detailed level of information available under the CBL system, applicants are informed in relation to their potential of gaining a home and can access this information at any time. Depending on the interface design, CBL systems have the option to show bidders the number of bids received per property and where they would be placed against other bidders, which, in turn, helps to manage expectations and not create false hope, particularly in areas of high demand. The Housing Learning and Improvement Network (2009: 23) found that CBLs managed expectations by “...exposing them (the applicant) to reality”.

**Empowerment of applicants:** Pawson et al (2006) demonstrated that CBL empowers applicants to take part in their own house hunt rather than be passive recipients of an offer and a home. CBL aims to transfer the letting of social housing from a producer-driven function to a consumer-led service to create sustainable communities and help create organisational efficiency for social housing providers. Regardless of the allocation system in place there will be the same net amount of properties that are available to let, but CBL allows the applicant to search across a wider geographical area than they would have considered previously, to make numerous bids for homes and potentially in areas where they may be able to gain housing more quickly, for example, in an area of lower demand.

**Reduced loss of void income due to better tenancy sustainment:** Merrick (2007) found that councils outside London with a large number of voids saved large sums of money because tenants moved around less frequently due to the element of choice in the allocations process.

**Increases demand for less popular housing:** Evidence has shown that CBL boosts overall demand for less popular housing and reduces the rate of tenancy turnover, especially in low-demand areas, whilst at the same time improving overall tenant satisfaction (Brown et al, 2000; ODPM, 2004; Fitzpatrick and Pawson, 2007). CBL has been successful in allocating low-demand housing in Britain and the Republic of Ireland. Because the system works through a positive bidding process, only those who are prepared to live in the specific dwelling are likely to bid. There are many examples where, on the introduction of CBL, households who had not previously registered for social housing (because they thought they were unlikely to get it) applied to the CBL scheme and successfully bid for dwellings that had previously been hard to let (Report 2, page 6).

**Open and transparent information for applicants:** CBL systems also allow applicants to make informed choices in relation to the properties on which they choose to place a bid as

the system can provide information on rent levels and facilities available in the local area. One of the main advantages of a choice-based approach is the availability of information within the system which in turn helps applicants to make informed choices. An example of the transparency of the system can be drawn from the Manchester Move website, a screenshot of which is contained in Figure 9 below. This image shows the homes that were available to bid on, the number of bids made for each and which bidder in terms of ranking was successful in their bid. Information such as this is not available under the current direct letting system.

Figure 9: Manchester Move: Successful Bidder Screen

The screenshot shows the Manchester Move website interface. At the top, there is a logo for 'Manchester move' and a navigation bar with tabs: 'Your housing options', 'Council and housing association', 'Private renting', 'Swap your home', and 'Low-cost ownership'. The 'Council and housing association homes' tab is selected. On the left, a sidebar menu includes options like 'Look for a home', 'Homes you're watching', 'Your bids this week', 'Results of previous bids', 'Sign out', 'How it works', 'Your chance of a home', 'Your rehousing priority', 'Who got homes?', 'Area guides', 'List of landlords', 'Landlords' rehousing rules', and 'Property types'. The main content area features a 'Who got homes?' section with a cartoon character and a speech bubble asking 'See what happened to homes that have advertised. Who was offered them, who got them?'. Below this is a table of bidding results for the period '29 Aug 2013 to 4 Sep 2013'. A red notification box on the right states 'Bidding has now closed. Bidding reopens at 12am tomorrow. You have so far'. The table lists various rehousing areas, addresses, the number of bidders, the first offered bidder and date, and the accepted bidder.

Rehousing area	Address	Bidders	First offered to	Accepted by
Ardwick	Littlehaven Close	268		<a href="#">Rehousing rules</a>
Baguley	Bracken Drive	94	Slidder 1 band 1 , award date 26/06/2013	Slidder 1 <a href="#">Rehousing rules</a>
Baguley	Brookway Court	52	Slidder 1 band 3 , award date 23/09/2012	Slidder 1 <a href="#">Rehousing rules</a>
Baguley	Mooroot Court	28		<a href="#">Rehousing rules</a>
Benchill	Alderue Avenue	71		<a href="#">Rehousing rules</a>
Benchill	Benchill Road, Wythenshawe	88		<a href="#">Rehousing rules</a>
Benchill	Fancroft Road, Wythenshawe	49	Slidder 1 band 1 , award date 28/06/2013	Slidder 1 <a href="#">Rehousing rules</a>
Benchill	NEWHEY AVENUE, WYTHENSHAW	64		<a href="#">Rehousing rules</a>
Blackley Moston Lane	Nepaul Road	61		<a href="#">Rehousing rules</a>
Brooklands	Carrowood Road	13	Slidder 1 band 1 , award date 10/01/2013	Slidder 1 <a href="#">Rehousing rules</a>

## STAKEHOLDER OPINION

Whilst stakeholders in Northern Ireland were generally aware of choice based letting the operational detail of these schemes was less well understood. Locally there has been a small-scale pilot of CBL which included only a small number of very hard-to-let properties. Stakeholders were keen to explore CBL in Northern Ireland and could immediately see the direct benefits of this system for difficult-to-let properties or areas of low demand. Stakeholders were also positive about its ability to empower applicants to make choices (Report 1, pages 42-43). Whilst stakeholders were less clear of the benefits of CBL in areas of high demand, there is evidence of this system operating successfully across housing market circumstances throughout Britain.

The CBL system that is being recommended here will be based upon meeting housing need, i.e. the bidder with the highest band and longest time on list will be successful. This open

access to province-wide information will allow an applicant to consider areas they may not have considered in the current scheme.

We recommend the introduction of CBL in Northern Ireland to work alongside a Housing Options service and a band-based scheme to provide an allocations system that:

- ✓ Is based upon fairness, transparency and openness;
- ✓ Assists those in the highest housing need;
- ✓ Is easily explained and understood;
- ✓ Provides open access to information on the allocations process;
- ✓ Offers improved quality of information to applicants which increases their ability to make informed choices about their housing future;
- ✓ Provides information on the properties that are available to rent (potentially in both the social and private sectors);
- ✓ Enables active participation by applicants in relation to choosing where they live;
- ✓ Provides better outcomes and housing prospects for statutory homeless households;
- ✓ Manages the expectations of customers;
- ✓ Places emphasis on the creation of sustainable tenancies;
- ✓ Maximises the best and most efficient use of limited housing stock;
- ✓ Reduces refusal rates;
- ✓ Expedites lettings to meet housing need effectively and reduce void loss;
- ✓ Achieves better levels of tenancy sustainment; and
- ✓ Works towards achieving sustainable communities.

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#### RECOMMENDATION 7A: TO WIDEN ACCESS, THERE SHOULD BE SUPPORT FOR THOSE WHO MAY BE DISADVANTAGED IN THE CBL SYSTEM

One concern associated with CBL has been how a number of specific groups (such as people with learning difficulties, people with literacy difficulties and the very old or unwell ) would be supported to effectively engage with and use a system that departed from the direct-letting system previously used.

#### MAXIMISING ACCESS TO CBL

Maximising access to the CBL system is crucial. The majority of CBL bids are made via an online system. Northern Ireland currently has the lowest internet usage in the UK at 79%; however, this percentage is continually increasing and stands only 3% lower than Wales (82%) and 5% lower than Scotland (84%) where CBL systems are widely used (ONS, 2013). Statistics show that the number of households with access to home computers and the internet is increasing on a yearly basis.

The most recent Office for National Statistics (2013) data shows that those in a pay band of under £200 per week are less likely to have used the internet. The Continuous Tenant



Omnibus Survey (2011) found that 44% of NIHE tenants had a home computer with the vast majority (93%) also having internet access at home. However, of all respondents more than two-fifths (42%) stated that they could access the internet at home from a computer, digital television or other device. In order to provide full and comprehensive access for applicants to this service, and as a means of bidding, many other complementary options can be used.

Access issues should also consider the user-friendly nature of the CBL website and should strive to embed features such as Browsealoud<sup>4</sup> (an estimated 20% of the population need reading support, for example, people with dyslexia and visual impairments) and also ‘see it right’ the Royal National Institute for the Blind accessibility award.

In order to ensure full access to CBL we recommend a comprehensive range of options in relation to the advertising of available homes and bidding options, for example:

*Advertising:* Online dedicated website with features such as Browsealoud, Housing Options Service offices; terminals and notice boards in public sector offices including Jobs and Benefits Offices, council offices, housing offices; voluntary & community advice agency offices e.g. Citizens Advice Bureau, Housing Rights Service, AdviceNI, other advice offices and through an advertising sheet/newspaper and mobile phone app.

*Bidding:* online at home, through friends and family, or local voluntary and community groups e.g. Citizens Advice Bureau, Housing Rights Service, AdviceNI; at Housing Options services; dedicated terminals in public buildings including libraries, council offices and Jobs and Benefits Offices; Freephone telephone; text message; tear-off slip/coupon from free advertising paper; and by proxy bid.

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#### RECOMMENDATION 7B: THERE SHOULD BE USE OF AN ‘ASSISTED LIST’ APPROACH AS A MECHANISM TO SUPPORT VULNERABLE AND EXCLUDED GROUPS

When introducing a CBL system landlords need to safeguard the interests of groups who may potentially be disadvantaged by the active nature of CBL schemes. There needs to be recognition that some people will need help with the allocations process and it is commonplace in existing systems to establish a list(s) of applicants who would be considered to be in need of assistance in this regard.

Pawson et al (2006) note the benefits of a CBL system to many groups with the “proportion of households unable to participate in CBL without intensive assistance” as being relatively small. Indeed they go on to note what they term the huge benefits of CBL to some vulnerable groups due to the enabling of support from family and advocates.

Evidence drawn from best practice in CBL in the rest of the UK clearly demonstrates many examples of good practice that have developed over time in response to meeting the needs of and support for particular user groups. The BMRB (2004) study of *Applicants’*

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<sup>4</sup> For more information see [http://www.browsealoud.co.uk/page.asp?pg\\_id=80002&tile=UK](http://www.browsealoud.co.uk/page.asp?pg_id=80002&tile=UK)

*Perspectives of Choice Based Lettings* generally found that CBL systems were popular with applicants but it has been accepted that a strategic approach must be taken to assist vulnerable applicants in understanding and engaging with a CBL system.

A number of examples of good practice in relation to how vulnerable adults can be supported within the system have been developed so much so that the Housing Learning and Improvement Network (2009 p.3) argued that good practice CBL systems are “... advantageous to vulnerable adults, delivering better and more consistent outcomes for them than previous application and allocation systems”.

‘Assisted list’ applicants can be helped in many ways. They can be sent vacancy advertisement lists through the post, or through ‘proxy’ bidding systems where the applicant can be contacted by the housing provider to notify them of potentially suitable vacancies, or a nominated advocate being able to make a bid on the applicant’s behalf.

There are many organisations that can assist applicants in explaining the CBL process, or indeed act as advocates for them. Examples include: the Citizens Advice Bureau, AdviceNI, SCNI, Housing Rights Service, Simon Community NI and Council for the Homeless NI and housing professionals throughout NI. Partnership working with these voluntary agencies and also the health and social sectors is critical to ensure that a comprehensive understanding of the scheme and its rules is in place across related professions in Northern Ireland.

Cases may arise where applicants are unable to make a choice. In this situation the landlord can make a direct offer as a means of acting in the best interest of the applicant.

We recommend the use of an ‘Assisted List’ approach as a mechanism to support vulnerable and excluded groups to:

- ✓ Safeguard the interests of groups who may potentially be disadvantaged in the CBL system; and
- ✓ Meet all legislative requirements in relation to, for example, the Disability Discrimination Act 1995 as extended by the Disability Discrimination (NI) Order 2006.

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#### RECOMMENDATION 7C: CBL BIDS SHOULD BE MONITORED

We recommend that bids being made for properties be monitored to yield valuable management information which could be used to review and refine the system over time. This monitoring is important to gain timeline information in relation to which categories of people are being housed and to get a picture of the housing choices users are making.

A second element to this monitoring process is to consider those who are not making bids on properties. This will be of particular relevance in the early implementation phases of the scheme to understand why bids are not being made and to develop interventions, as necessary.

We recommend the monitoring of bidding activity to:

- ✓ Establish whether any categories of people are not actively engaging with the system and from this establish the reasons why;
- ✓ Provide baseline information to make enhancements to the system; and
- ✓ Provide market intelligence in relation to, for example, bidding activity, demand (areas of high and low demand etc) to allow SIASP (as discussed in Recommendation 13) to monitor the system, make refinements and develop quotas to bands in the longer term.

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RECOMMENDATION 8: THERE SHOULD BE A REVIEW OF THE CLASSIFICATION OF PROPERTIES WITH SPECIALIST ACCOMMODATION WHICH WILL SIT OUTSIDE THE PRINCIPAL SCHEME

Stakeholders raised concerns over the current classification of specialist schemes within the main allocation scheme. Currently, for example, sheltered housing, which is classified as general needs housing, and 'housing with care' schemes fall within the main allocations system. This can pose a number of difficulties for housing providers and, in particular, can cause delays in making an allocation to applicants (Report 1, p.41).

For example, in addition to the complex needs assessment completed by the NIHE, people with care needs also face localised assessments. This can create unnecessary delays and potential examples of hospital bed-blocking were cited by stakeholders, which can be costly to health services whilst also creating a significant void loss to the landlord.

The type of properties which are specialist housing and which we recommend should be allocated outside the main scheme are:

- ✓ Schemes for those people suffering from dementia;
- ✓ 'Housing with care' and residential schemes; and
- ✓ Sheltered housing.

We recommend that agreed classified property/scheme types should operate outside the main allocation scheme to:

- ✓ Ensure that the property meets the specific needs of the applicant;
- ✓ Ensure the needs of vulnerable individuals are met in an efficient and timely manner;
- ✓ Streamline the allocations process and prevent duplication of needs assessments; and
- ✓ Maximise the efficient use of stock.

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**RECOMMENDATION 9: LOCAL LETTINGS POLICIES SHOULD BE USED TO MEET IDENTIFIED LOCAL CIRCUMSTANCES**

Local Lettings Policies are recognised as an important mechanism for social housing landlords to take account of particular local circumstances, within defined areas or schemes, when allocating homes. They are a common feature of allocations schemes across the UK. Local Lettings Policies can provide a degree of flexibility within an allocations system, albeit within a regulated framework.

Under Rule 84 of the current Housing Selection Scheme Local Lettings Policies require permission from the DSD.

The value of these policies is widely recognised as they can assist housing managers to respond proactively to particular local circumstances, to potentially meet emerging government priorities and policy goals whilst also acting as a means of employing sound housing management practices. Examples of situations where local lettings could be used:

- ✓ To try to stimulate demand in areas of identified low demand;
- ✓ To work towards reducing anti-social behaviour in areas where this has become a local concern; and
- ✓ To work towards creating sustainable and mixed communities.

An example of the aims of a Local Lettings Plan is detailed in Figure 10 below.

**Figure 10: Royal Borough of Kensington & Chelsea: Silchester Estate Local Lettings Plan**

**Royal Borough of Kensington & Chelsea: Silchester Estate Local Lettings Plan<sup>1</sup>.**

As part of the regeneration of the estate a Local Lettings Plan was developed. This plan sets out how the new properties will be allocated to give priority to households currently living on the Silchester Estate. The Plan will help provide a framework for the letting of 45 properties for social rent. The Plan has three main aims:

1. *To ensure the development is able to go ahead on time*
2. *To use the opportunity to improve housing conditions*
3. *To make more efficient use of existing accommodation.*

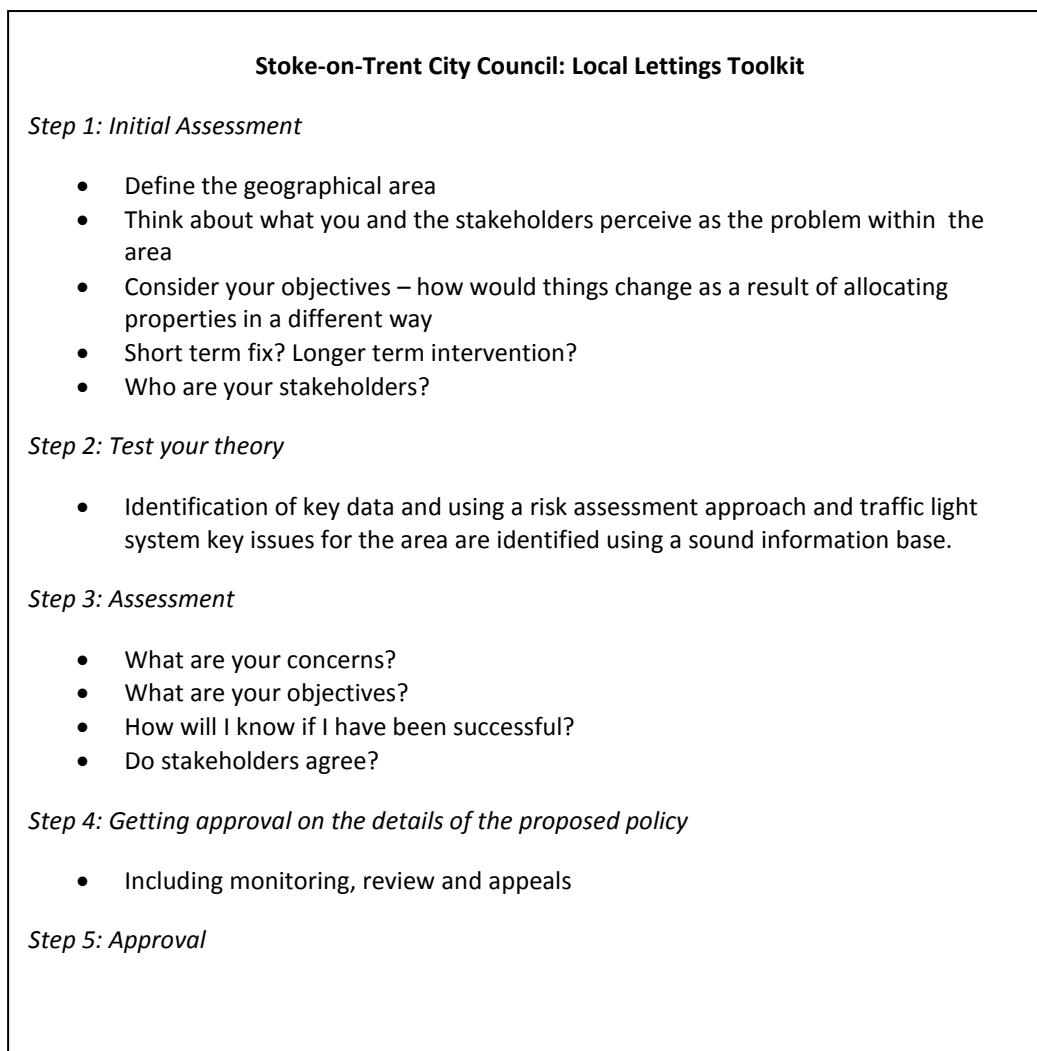
Source: Annotated from Royal Borough of Kensington & Chelsea website.

We recommend that Local Lettings Policies be submitted to SIASP for consideration and scrutiny and the plans themselves should:

- ✓ Have a clearly-defined rationale for the introduction of measures;
- ✓ Have clearly delineated the area to be included within the proposals;
- ✓ Set out a clear approach to dealing with the identified issue;
- ✓ Detail how the stakeholders have been involved in developing the plan;
- ✓ Set out how the scheme will be monitored; and
- ✓ Consider how long the scheme will need to be in place.

Stoke-on-Trent City Council has developed a useful Local Lettings Toolkit which sets out a five-step procedure for the preparation of local lettings policies as illustrated in Figure 11 below.

**Figure 11: Stoke-on-Trent City Council: Local Lettings Toolkit**



We recommend the use of Local Letting Policies as they:

- ✓ Make best use of housing stock;
- ✓ Allow particular needs of local communities/areas/estates to be identified and a policy to be put in place to help meet these, for example, to tackle anti-social behaviour;
- ✓ Are time limited and allow particular needs/local circumstances to be dealt with effectively and in a timely manner ; and
- ✓ Are a mechanism to help meet government priorities, for example, the creation of sustainable communities.

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RECOMMENDATION 10: THERE SHOULD BE A FACILITY TO MAKE DIRECT LETTINGS IN PRESCRIBED EXCEPTIONAL CIRCUMSTANCES

The majority of available properties should be advertised through the CBL scheme. However, there are circumstances where a property may be allocated outside the CBL scheme by a direct letting. In these circumstances the property will not be advertised.

We recommend that this is used within prescribed circumstances, and may include the following reasons:

- ✓ To meet the need of a high priority applicant (e.g. if a statutory homeless applicant has not been bidding in a CBL scheme);
- ✓ For specially adapted properties;
- ✓ Hospital discharge, e.g. to prevent bed blocking;
- ✓ In public protection cases;
- ✓ As part of initiatives to tackle overcrowding;
- ✓ For persons decanted from redevelopment areas or vested properties;
- ✓ For housing management grounds (e.g. to ensure best use of stock in dealing with issues such as under-occupancy; child density)

**RECOMMENDATION 11: APPLICANTS THAT HAVE COMMITTED ANTI-SOCIAL BEHAVIOUR SHOULD BE SUSPENDED FROM THE LIST FOR UP TO 2 YEARS**

At present, applicants for social housing may, under Article 22A of the Housing (Northern Ireland) Order 1981, be treated as ineligible for an allocation of social housing if the NIHE is satisfied that the applicant, or a member of their household has been guilty of unacceptable behaviour serious enough to make them unsuitable to be a tenant of the Executive; and in the circumstances at the time their application is considered, they are unsuitable to be a tenant of the Executive by reason of that behaviour. The only behaviour which may be regarded by the Executive as unacceptable for the purposes of this provision is behaviour of the person concerned which would (if they were a secure tenant of the Executive) entitle the Executive to a possession order under Article 29 of the Housing (Northern Ireland) Order 1983 (NI 15) on Ground 2 or Ground 3 in Schedule 3 to that Order; or behaviour of a member of their household which would (if they were a person residing with a secure tenant of the Executive) entitle the Executive to such a possession order.<sup>5</sup>

Similar provision applies under Article 7A of the Housing (Northern Ireland) Order 1988 in respect of eligibility for homelessness assistance.

Article 13 of the Housing (Amendment) Act (Northern Ireland) 2011 makes provision for disclosure of information on anti-social behaviour. Chapter IV of Part II of the Housing (Northern Ireland) Order 2003 makes provision for the NIHE and registered housing associations to apply for a court injunction prohibiting a person from engaging in anti-social behaviour.

People who have a history of unacceptable behaviour in the past, such as damage to property, anti-social behaviour (ASB) or other breaches of tenancy can be excluded from accessing social housing in both the UK and the Republic of Ireland. Excluding people on the grounds of past behaviour is recognised as good practice in order to promote fairness and reduce management difficulties. However, there is sometimes a conflict between excluding someone from the list and prioritising vulnerable groups. Therefore such exclusions should be temporary, allowing tenants to improve their behaviour and rejoin the list (Report 2, pages 27-28).

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<sup>5</sup> Ground 2 covers circumstances where the tenant or a person residing in or visiting the dwelling-house:

- (a) has been guilty of conduct causing or likely to cause a nuisance or annoyance to a person residing, visiting or otherwise engaging in a lawful activity in the locality, or
- (b) has been convicted of an offence involving (i) using the dwelling-house or allowing it to be used for immoral or illegal purposes, or (ii) an indictable offence committed in, or in the locality of, the dwelling-house.

Ground 3 covers circumstances where the condition of the dwelling-house or of any of the common parts has deteriorated owing to acts of waste by, or the neglect or default of, the tenant or any person residing in the dwelling-house and, in the case of any act of waste by, or the neglect or default of, a person lodging with the tenant or a sub-tenant of his, the tenant has not taken such steps as he ought reasonably to have taken for the removal of the lodger or sub-tenant.

The DSD has issued guidance on ASB and also published a review of housing-related ASB policies and interventions in the UK<sup>6</sup>. The DSD research found that there is cross-party support in Northern Ireland for imposing restrictions on access to social housing for those who have recently committed ASB, as well as strong support from within the housing sector. Most people favoured a ban of up to two years. However, the local authorities in Britain for this research do not actually exclude people at present (Report 2, page 27).

Stakeholders did suggest that applicants removed from the list could have their registrations deleted (Report 1, page 37). Allowing applicants to remain on the register but suspended, however, reduces the administration required to re-register them and helps ensure that the housing register remains an accurate indication of the level of demand and need for social housing. It also allows them to be quickly reinstated in the event of a successful appeal against a decision to suspend their application.

We recommend that applicants who have committed serious ASB or breaches of tenancy previously should be allowed to remain on the register, but should be suspended from bidding/receiving offers of accommodation for a period of up to two years determined according to individual circumstances. Once that expires the suspension should be lifted, subject to their behaviour having improved.

We recommend that applicants that have committed anti-social behaviour be suspended from the list for up to two years depending on individual circumstances in order to:

- ✓ Discourage anti-social behaviour;
- ✓ Promote fairness;
- ✓ Reduce management difficulties.

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**RECOMMENDATION 12: APPLICANTS SHOULD RECEIVE A MAXIMUM OF TWO REASONABLE OFFERS**

During interviews and focus groups with key stakeholders there was significant concern with the level of refusal of offers that is occurring under the current direct letting system. Under the current system applicants can receive a maximum of three reasonable offers.

Internal NIHE research (referenced in a February 2012 Joint NIHE/DSD Modernisation Working Group discussion paper on the Housing Selection Scheme) found that, in the 2006/7 year, 16,300 offers were made in order to achieve 4,700 allocations by NIHE: i.e. for every offer of housing accepted, more than three were not. The research showed that 29% of offers were accepted, 34% of offers were refused with a reason for refusal supplied and a further 33% of applicants did not reply or give a reason for refusal. The research found that,

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<sup>6</sup> [www.dsdni.gov.uk/index/hsdiv-housing/hsdiv-publications/hsdiv-anti-social-behaviour.htm](http://www.dsdni.gov.uk/index/hsdiv-housing/hsdiv-publications/hsdiv-anti-social-behaviour.htm)



of the 34% who refused an offer of accommodation with a reason, 12% had refused between four and six offers, and 3% had refused seven or more offers.

High levels of refusals means poor value for money in terms of time spent by housing management officers making offers, longer void periods while waiting for responses, and ultimately lost rental income.

The refusal of reasonable offers can have significant impacts on housing organisations. This can result in delays in reletting property which in turn equates to a loss of rental income. In the housing association sector this poses particular problems. Private investors in social housing may take into account the void and rental loss associated when making final letting decisions (an issue noted in Report 1).

Stakeholders reported that successive refusal of offers under the current direct lettings system causes delays and difficulties in letting some less popular properties, despite applicants having listed the wider general housing area as an area of preference. Two offers of accommodation is commonplace within many allocation schemes across the UK and Ireland.

We recommend that applicants should receive a maximum of two reasonable offers to:

- ✓ Reduce the void loss associated with refusals;
- ✓ Reduce relet times;
- ✓ Manage the expectations of applicants;
- ✓ Make better use of housing stock; and
- ✓ Reduce the time spent by housing management staff processing repeated offers.

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#### RECOMMENDATION 12A: THERE SHOULD BE SUSPENSION FROM THE LIST FOR A PERIOD OF ONE YEAR FOR THOSE WHO REFUSE TWO REASONABLE OFFERS

Imposing sanctions on those households that refuse more than two offers of housing is widely recognised as good practice in Britain and the Republic of Ireland to ensure that accommodation can be let promptly and also as a means of managing the expectations of applicants. Sanctions imposed on those who refuse offers include:

- ✓ Removing the applicants from the list temporarily and reinstating them where they were previously once they make contact again after the period of removal;
- ✓ Suspending the application for a stated period of time (e.g. 3-6 months);
- ✓ Reducing the level of priority awarded (especially for homeless applicants who have been given high priority); and
- ✓ Considering homeless duties to have been discharged (Report 2, pages 42-43).

Under Rule 59 of the HSS, the sanction currently imposed in Northern Ireland further to an applicant refusing three reasonable offers is to remove them from the list for one year

(although data on the number of offers made per letting suggest that this sanction is not always applied, see Report 1, pages 50-51).

Many stakeholders in Northern Ireland favoured introducing longer sanctions (Report 1 pages 50-51). However, sanctions in use in the rest of the UK are generally for shorter periods than the one-year limit in Northern Ireland. Sanctions for those who refuse properties need to be sufficiently severe to provide an incentive to accept offers, but not so severe that housing officers are reluctant to use them, or to overturn most decisions on appeal.

We recommend that the sanction should be suspension from the list for a period of one year. During this time an offer cannot be made and the applicant will have their position on the list adjusted by the length of their suspension.

We recommend suspension on the list for a period of one year further to the refusal of two reasonable offers. Furthermore, it is critical that these sanctions are enforced consistently.

## MECHANISMS FOR IMPLEMENTATION

### RECOMMENDATION 13: A STRATEGIC INDEPENDENT ALLOCATIONS SCRUTINY PANEL (SIASP) SHOULD BE ESTABLISHED

Due to the extent of the changes proposed to the current allocations system the authors recommend the establishment of a Strategic Independent Allocations Scrutiny Panel (SIASP) to oversee the implementation of the recommendations. It is the view of the authors that this Panel would act as a central mechanism to ensure that the allocations model presented in this report is implemented fairly and equitably whilst also helping to ensure public confidence.

The overarching rationale for the establishment of this panel is to operate at a strategic level to oversee the introduction and implementation of the recommendations within this report. The recommendations we are proposing represent a significant departure from the current social housing allocation system. It is therefore intended that this Panel will have independent oversight of the new system to help to ensure a smooth transition.

The key drivers for the Independent Panel will be to ensure that the scheme is:

- ✓ Sustainable;
- ✓ Fair;
- ✓ Equitable;
- ✓ Robust;
- ✓ Consistent;
- ✓ Customer driven;
- ✓ Transparent;
- ✓ Compliant;
- ✓ Efficient; and
- ✓ Value for money.

### THE ROLE OF THE PANEL

The role of the SIASP is to provide checks and balances within the allocations system. The Panel will collect information on an on-going basis to enable an assessment of which aspects of the system are working and which could be improved or enhanced.

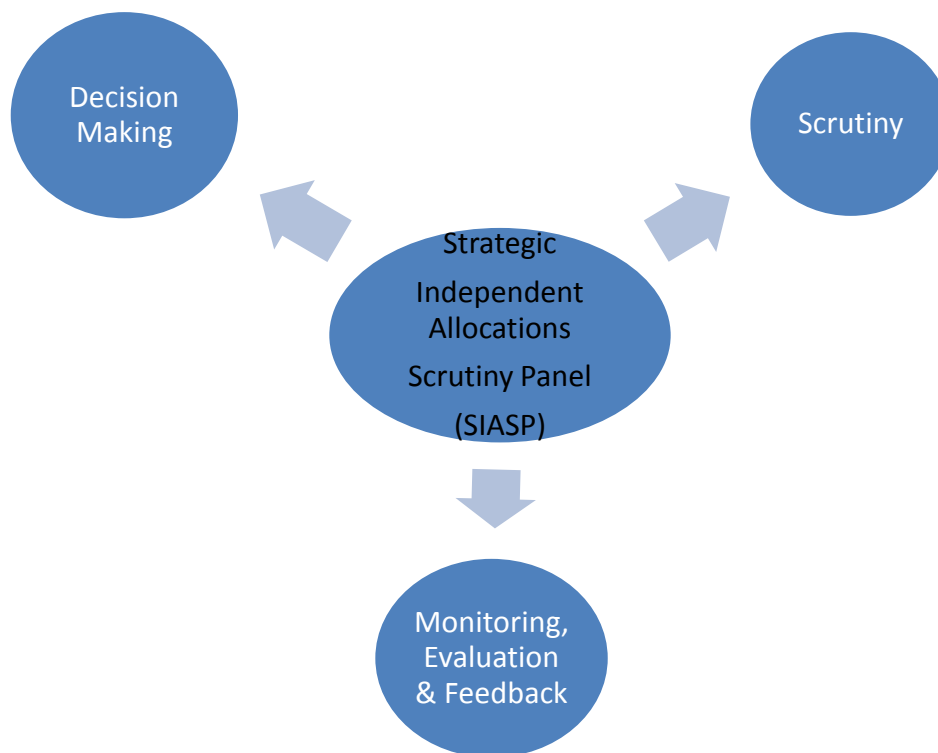
SIASP will take an independent and objective view of the allocations system and scrutinise service performance against local and national housing standards.

The SIASP will hold landlords to account for their decisions, performance and conduct in relation to the allocations process. It will mean that partners involved in the process can decide what the priority aims are for the new approach adopted and ensure that groups (particularly vulnerable groups) are not disadvantaged. The Panel will also oversee the

implementation and development of the allocations scheme which will move away from a paternalistic approach to an approach that involves tenants and stakeholders establishing, monitoring and scrutinising the new system.

Recommendations from the Panel will go directly to the DSD for consideration.

**Figure 12: The Role of the Strategic Independent Allocations Scrutiny Panel (SIASP)**



#### **DECISION MAKING**

The SIASP will have a decision making role in a number of areas including:

- ✓ Local Lettings Policies (see Recommendation 9): These are commonly used within allocation schemes to allow landlords greater flexibility to meet particular local circumstances. Housing providers should submit an application to utilise a Local Lettings Policy to SIASP for approval.
- ✓ Bands: The SIASP will have responsibility for identifying the bands used within the recommended allocation scheme (see Recommendation 4). These will be set at a Northern Ireland level. SIASP will monitor and review the banding scheme by examining allocations and waiting times to assess the appropriateness of the bands.

- ✓ Transfers: The SIASP will set the proportion of new lets that are made available to the Transfer List (see Recommendation 5A). These will be monitored and reviewed, and the SIASP has the power to change the proportion of allocations made to those on the Transfer List.

## SCRUTINY

Scrutiny itself can take many forms, from a 'desk-top' exercise looking at various documents and procedures to asking Scrutiny Teams to gather information on a particular allocations-related matter or process. It will ensure that landlords are held to account for their decisions, performance and conduct.

There are a number of ways in which poor performance or low satisfaction with allocations can be assessed at scheme or organisational level. This could include:

- ✓ Scrutinising service performance information;
- ✓ Gathering information at local level across Northern Ireland;
- ✓ Engaging with staff or residents and comparing the service with other organisations;
- ✓ Listening to residents through local residents' groups or within the Housing Community Network to identify the big issues;
- ✓ Setting up local focus groups to listen to views and suggestions for improvement; and
- ✓ Mystery shopping, for example, as an applicant at the Housing Options stage or in testing the assistance for those who may not be IT literate or who require additional bidding support.

The scrutiny process can be triggered for many different reasons. For example, if there is underusage of the transfer system or overusage of management transfers by particular organisations or if there was concern that an aspect of the allocations process was not operating as effectively as it should.

A formal 'Request for Scrutiny' could be made by key stakeholders in the allocations system including landlords and other relevant groups. Such a request could lead the Panel to look in greater detail at a particular aspect of the scheme at a local level. These could lead to an amendment being made to a particular part of the allocations system to enhance operations and could be completed as a matter of necessity rather than waiting for the formal five year review process.

## MONITORING, EVALUATION AND FEEDBACK

To ensure the utmost public and stakeholder confidence in the fairness of the scheme SIASP will monitor and review a proportion of lettings made through the CBL scheme and those made by direct lettings. Confidence will be further strengthened by the level of transparency embedded throughout the system.

SIASP will establish how efficient and effective the allocations system is by monitoring and reviewing:

- ✓ lettings against equality indicators to ensure that all relevant legislation is adhered to;
- ✓ bidding activity to:
  - Establish whether any categories of people are not actively engaging with the system and from this establish the reasons why;
  - Provide baseline information to make enhancements to the system; and
  - Provide market intelligence in relation to, for example, bidding activity, demand (areas of high and low demand etc);
- ✓ the banding scheme by examining allocations and waiting times to assess the appropriateness of the bands; and
- ✓ General transfers, management transfers and direct lettings.

Based on this monitoring information the Panel can make refinements and introduce quotas to bands in the longer term if deemed necessary.

SIASP will publish the results of lettings made through the CBL scheme and those made by direct lettings.

#### **RESOURCING THE PANEL**

We recommend that the IASP should be resourced through the Regional Housing Body which will provide administrative and staffing support to allow the Panel to carry out its duties efficiently and effectively. Training will also be required for Panel members including tenants.

#### **CONSTITUTION OF PANEL**

The Panel, comprising no more than 12 members, would be selected through the public appointment procedures for Northern Ireland and consist of a diverse range of members. We recommend that at least two Panel Members are tenants and that at least two have a housing management background and a thorough knowledge of allocation systems. We recommend that Panel members have skills drawn from one or more of the following areas:

- ✓ Legal;
- ✓ Administrative;
- ✓ Advice;
- ✓ Finance and audit; and
- ✓ Equality/discrimination awareness.

Panel Members should be offered access to good quality training, support and technical expertise. A full skills matrix can be formulated to ensure that the Panel is strong in all relevant areas. Examples of skills required include:

- ✓ The ability to communicate effectively with a wide range of people;
- ✓ The ability to read and assess information and identify key points/issues;
- ✓ The ability to listen to information and identify key points and issues;
- ✓ The ability to ask questions to obtain information and clarify points being made;
- ✓ The ability to analyse information and use it to form opinions and conclusions;
- ✓ The ability to obtain and weigh up evidence to reach reasoned decisions based on that evidence;
- ✓ Willingness to work as part of a team;
- ✓ Willingness to take advice; and
- ✓ Willingness to develop skills and knowledge.

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**RECOMMENDATION 14: ALLOCATIONS SHOULD BE MONITORED USING HOUSING MARKET AREAS**

In 2010, The University of Glasgow was commissioned to identify a structure of Housing Market Areas across Northern Ireland. Several considerations had led to the commissioning of this project:

- ✓ The Semple Affordability Review (Semple, 2007), and parallel research by the Universities of Glasgow and Ulster (Gibb, et al, 2007), both showed the need for a clearer analytical basis for understanding the operation of local housing markets in Northern Ireland. A further study recommended that Northern Ireland embrace current Department of Communities and Local Government (DCLG) housing market assessment methodology and position housing needs assessment work already carried out in Northern Ireland within this broader framework (Palmer, 2007). This, in turn implied a requirement to define and agree HMAs.
- ✓ The on-going process of the review of public administration, reorganising the local authority map in Northern Ireland, which in turn reinforced the recognition of a need to understand the structure of housing markets in Northern Ireland.

On the basis of the analysis conducted the team identified 11 HMAs operating across Northern Ireland:

- |                           |                  |
|---------------------------|------------------|
| • Ballymena HMA           | • Fermanagh HMA  |
| • Belfast HMA             | • Mid Ulster HMA |
| • Coleraine HMA           | • Newry HMA      |
| • Craigavon HMA           | • Omagh HMA      |
| • Derry / Londonderry HMA | • Strabane HMA   |
| • Dungannon HMA.          |                  |

According to the authors it was the first study that sought to delineate HMAs in Northern Ireland in a way consistent with good practice elsewhere in the UK. They acknowledge that

it had been a highly labour-intensive exercise and that the work showed that the geography of HMAs across Northern Ireland particularly in and around Belfast continues to evolve.

A housing market is typically conceived to operate across a defined area that reflects the housing preferences of most households searching for housing without changing employment. A housing market area can therefore be defined as the geographical area where most people both live and work and where most people moving home (without changing job) will have sought a house (O’Sullivan et al, 2004, as cited in Young et al 2010).

**Map 1: Local Housing Markets Areas in Northern Ireland**





Source: Young et al (2010).

We recommend that the areas identified in this comprehensive analysis are used as the basis for the SIASP to investigate and scrutinise at an area level and that, in the longer term, these areas will be used to further develop the new scheme with particular attention to the introduction of quotas for each of the bands.

The SIASP will regularly collect information in each of the HMAs to assist with identifying housing flows within each area and the type of applicants who are applying (and who are housed) to ensure that adequate intelligence exists on the matching of applicants with properties that best fit their circumstances. The SIASP will ensure consistency in approach that allocations are being made in accordance with the scheme.

### **LOOKING TO THE LONGER TERM**

The recommendations within this section have been developed for the medium to long term as a means of future-proofing the new allocations scheme. It is therefore critical that the recommendations are considered in light of this as we deliberate where we need to move to in relation to social housing allocation in Northern Ireland rather than solely thinking about current, immediate need.

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#### **RECOMMENDATION 15: THERE SHOULD BE WORK TOWARDS DEVELOPING ENHANCED HOUSING OPTIONS SERVICES**

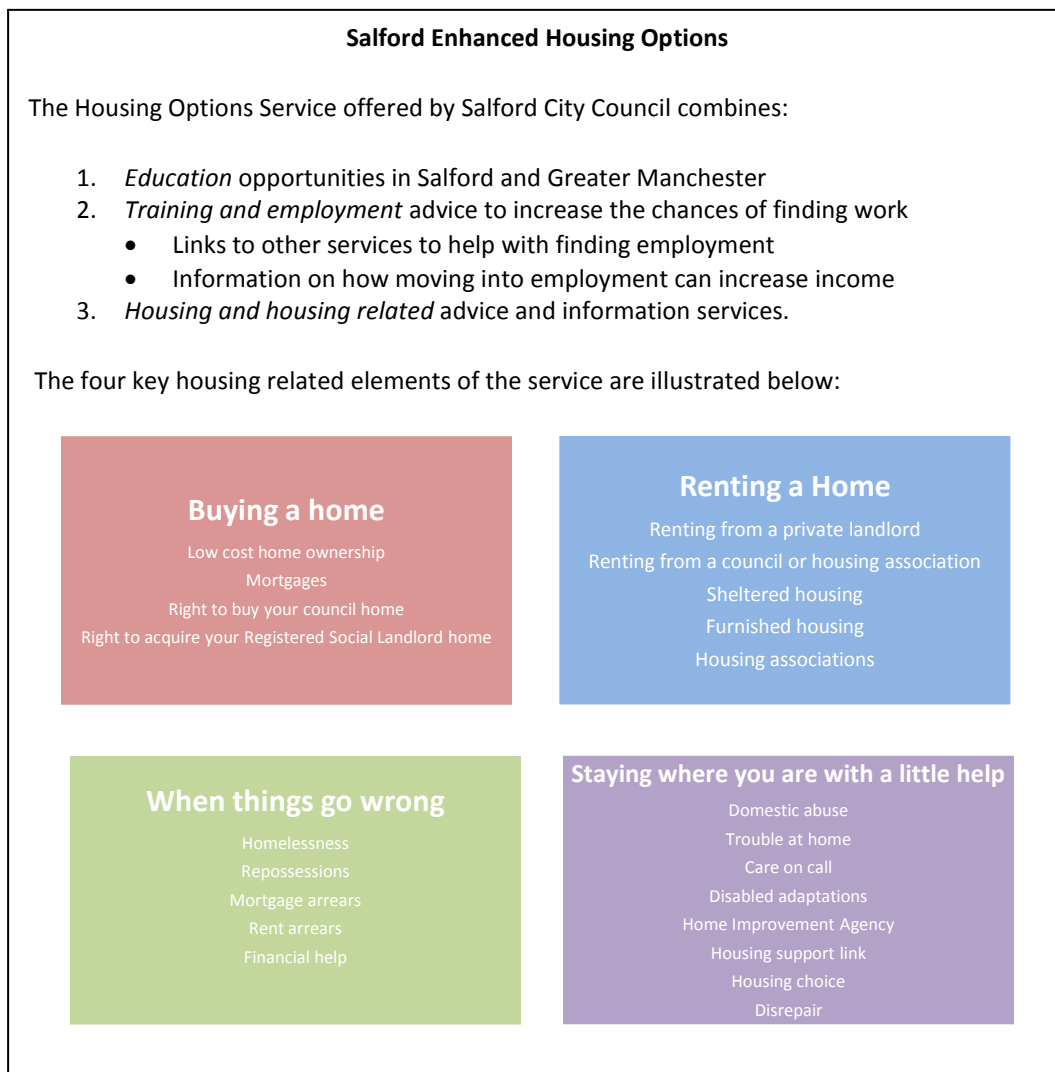
Households who find themselves in need of housing advice usually require advice that goes beyond housing. Very often housing issues are linked to a number of other issues whether these be financial, emotional or linked to physical needs in terms of disability.

In England, the government has placed emphasis on developing Enhanced Housing Options where services can include, for example, information and advice on education, employment and training and in some cases health and social care. Partnership working is an essential element of the effective provision of an Enhanced Housing Options Service and this would enable more services to be provided in a one-stop-shop approach whether online or office-based, and also develop more comprehensive services which can effectively deal holistically with the needs of individuals and households.

In the recent evaluation of the Glasgow Housing Authority Pilot Housing Options Service (2013, p.7) it was argued that “Strong partnerships have been the foundation of the Glasgow housing options model”.

Northern Ireland is structurally different from England, where housing and employment services fall under the remit of local councils. There is still a requirement for partnership working between services including Health and Social Care Trusts, the Social Security Agency, education providers and employment services. Housing Options Services and their associated online interfaces should be developed to include information and advice on all of these areas, thereby providing individuals with help in one place. An example of the extent of the work undertaken by Enhanced Housing Options Services can be drawn from Salford City Council<sup>7</sup> as illustrated in Figure 13 below.

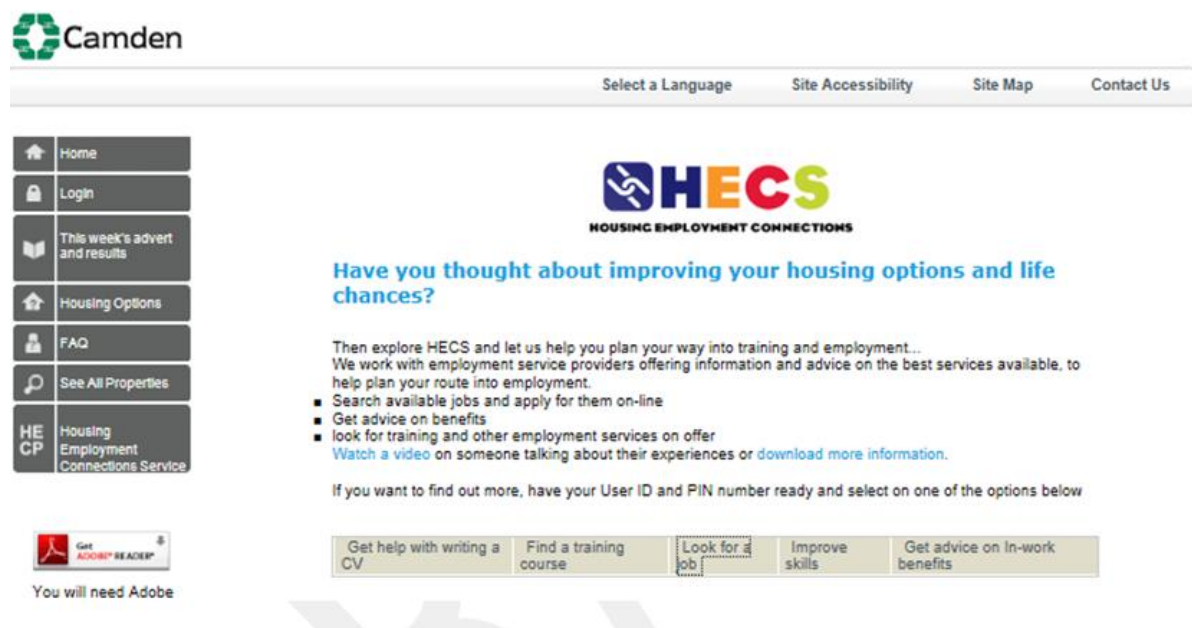
**Figure 13: The range of services provided by Salford Enhanced Housing Options Service**



<sup>7</sup> Salford City Council's Housing Options Service can be accessed at: <http://www.salford.gov.uk/enhancedhousingoptions.htm> .

A further example is Home Connections<sup>8</sup> which hosts CBL and Housing Options for approximately one third of London’s councils, Birmingham City, and a number of housing associations. The Greater London Authority commissioned Home Connections to develop employment options as an extension of the Enhanced Housing Options Service for the London Boroughs. This Housing Employment Connections Service (HECS) integrates employment services and is aimed at looking at the ‘improvement of life chances’ where the service will help with identifying skills, CV development and employment searches as illustrated in Figure 14<sup>9</sup>.

**Figure 14: London Borough of Camden: Housing Employment Connections Services**



In addition to the benefits provided and noted in relation to the establishment of a Housing Options Service, we recommend working towards developing Enhanced Housing Options Service Options to:

- ✓ Help meet the aims of the Homelessness Strategy (2012) including: “to ensure the risk of a person becoming homeless will be minimised through effective preventive measures and to ensure through enhanced inter-agency co-operation, services to the most vulnerable homeless households will be improved.”

<sup>8</sup> The Home Connections website can be referred to at: <https://www.homeconnections.org.uk/>.

<sup>9</sup> See Camden Council’s website for an example of the HECS service: <https://www.homeconnections.org.uk/Camden/CFEHome.jsp?partnerName=Camden&websiteformat=graphical&colorSchemeT ext=1>.

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RECOMMENDATION 16: THE INTRODUCTION OF A QUOTA SYSTEM SHOULD BE EXPLORED

It is recommended, further to the five year review of the allocations system, and based upon market intelligence and information that has been gathered during the review period that quotas are considered for introduction within the banded approach.

A successful Housing Options process will result in a decrease in the numbers of people on the waiting list for social housing and also, for example, the numbers of homeless cases<sup>10</sup>. The benefits that will come with a successful Housing Options Service will change the landscape of the waiting list and the demand for social housing in the future. Therefore, in order to support sustainable and balanced communities whilst addressing housing need and meeting government priorities effectively in the future, a quota system within bands should be considered. Furthermore, a move to a quota system within each band would broaden access to social housing and ensure that all applicants would eventually have a chance of accessing social housing (because of the time on list approach).

CIH (2010) outlines how this can support a number of objectives and outcomes at the local level, including:

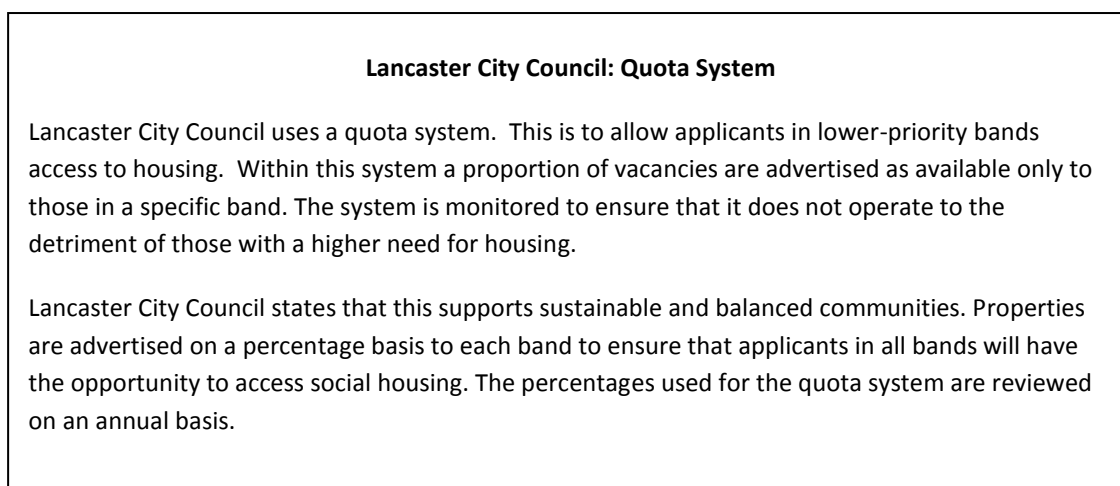
- ✓ Strengthening community cohesion;
- ✓ Broadening choice and widening options for prospective tenants;
- ✓ Ensuring the most efficient use of housing stock;
- ✓ Creating more mixed communities and addressing the long-term sustainability of neighbourhoods;
- ✓ Developing and maintaining balanced and stable communities; and
- ✓ Attracting a broader customer base (for social landlords).

In a quota system all bands receive an agreed percentage quota of lettings. Some examples of quota systems are outlined below:

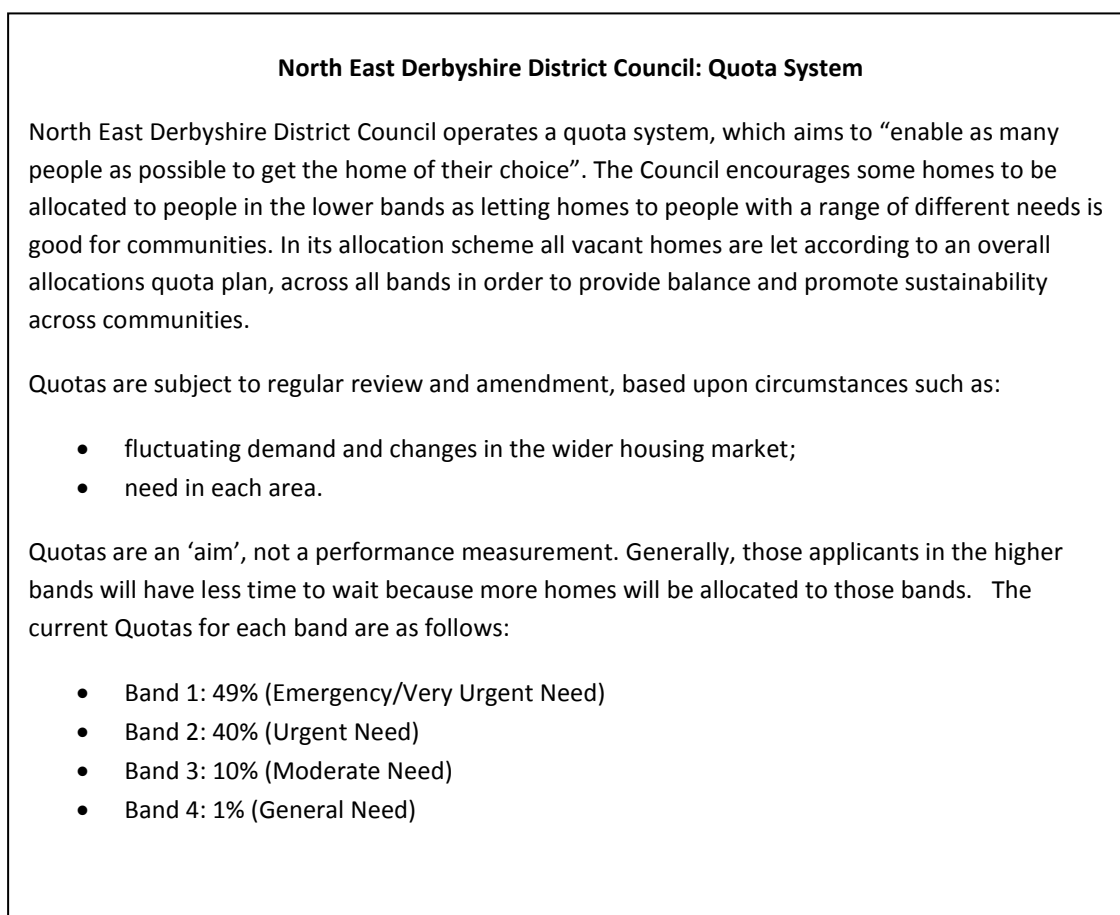
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<sup>10</sup> Refer to recent evidence from Glasgow which has been provided in recommendation 1.

**Figure 15: Lancaster City Council: Quota System**



**Figure 16: North East Derbyshire District Council: Quota System**



It is recommended that SIASP sets the quotas used between the bands in the first instance. This will be in consultation with key stakeholders.

We recommend exploring the introduction of quotas to the banded system after a period of five years as they can:

- ✓ Contribute to achieving policy goals including the creation of sustainable and shared communities; and
- ✓ Assist people to access to social housing who may otherwise have been unsuccessful.

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**RECOMMENDATION 16A: THERE SHOULD BE PROVISION FOR QUOTAS TO BE VARIED BETWEEN HMAS**

There are different levels and types of housing need in different geographical areas. We are suggesting that quotas can be varied across HMAs. Within each of the 11 HMAs a Community Housing Plan should be produced annually. These Community Action Plans will establish the priorities for each of the HMAs. They should examine supply and demand in the context of the set quotas, but can also examine other priorities that are considered important within the local area, for example, employment or access to care and support. The following may be included within a Community Action Plan:

- ✓ Data on lettings over time;
- ✓ Local lettings plans;
- ✓ Census and / or neighbourhood statistics;
- ✓ Housing market assessments;
- ✓ Economic impact assessments;
- ✓ Information and data collated as part of strategy documents;
- ✓ Views gathered as part of community engagement exercises / consultations; and
- ✓ Information gathered on tenants and residents via housing applications, satisfaction surveys, complaints, etc.

These action plans will be agreed by a local forum to include key stakeholders, tenants and applicants. The SIASP will consider the Community Action Plan and may vary the quota accordingly. The SIASP will act as a check and balance for possible deviation from a purely needs-based scheme.

In England local authorities are encouraged to give some priority to applicants who may not be in the greatest housing need, reflecting local needs and circumstances (as long as they are not dominating the allocation scheme). As noted in recommendation 16 the CIH (2010) outlined a number of ways in which quotas can support a number objectives. If quotas

were to vary by HMA then the CIH recommendations below which are specific to the local area could be supported:

- ✓ Responding to employment / skills needs specific to the area; and
- ✓ Addressing specific issues at the neighbourhood level.

Table 4 sets out some examples of factors that might be considered for receiving priority as a response to local circumstances or to support policy priorities.

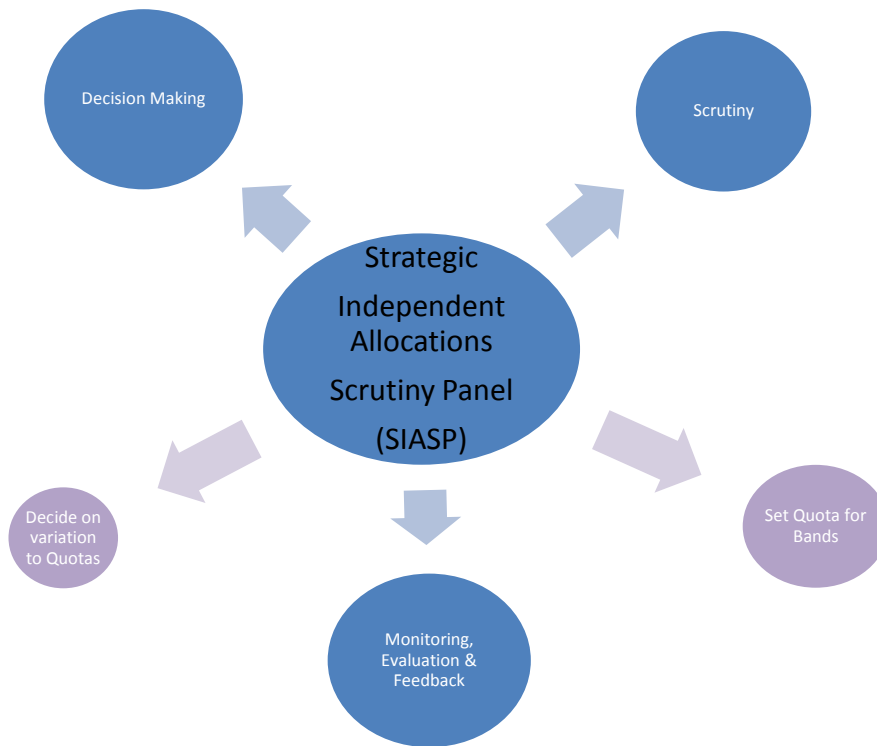
**Table 4: Additional Priority Factors**

Priority factors	Rationale
key workers	responding to employment needs in the local area
economically active	addressing a known-need for housing local employees rebalancing communities
being in training or education	encouraging tenants' aspirations contributing to local economic growth
positive community criteria, i.e. applicants making a contribution to a particular area in an economic or voluntary capacity	encouraging involvement in the community supporting community enterprises
good behaviour	supporting long-term sustainability of neighbourhoods rewarding positive behaviour
encouraging downsizing, including two for one transfers (i.e. families occupying two homes and wanting to set up home together)	more efficient use of existing stock
applicants with dependent children under the age of 10, living in accommodation above the first floor	providing adequate family accommodation providing children with a safe play environment, i.e. garden
applicants wanting to be nearer to schools and / or educational institutions	encouraging tenants' aspirations contributing to the long-term economic growth of the local area
people moving on from supported accommodation or adapted properties which are no longer needed	more efficient use of existing stock
people leaving hospital / care	providing choice and supporting re-integration into community
offenders leaving prison	supporting re-integration into community
applicants who have been offered full-time employment in an area but are unable to commute	contributing to local economic growth supporting long-term sustainability of neighbourhoods rebalancing communities

Source: CIH (2010).

We recommend that Community Action Plans can be used to inform variations in quotas across HMAs.

**Figure 17: Illustrates the enhanced role that Independent Allocations Scrutiny Panel will take after five years of Scheme Implementation**



\*The functions indicated in purple are recommendations for consideration in the longer term.



## CONCLUSION

This report is based on a review of the current Housing Selection Scheme (HSS) and stakeholder interviews (Report 1), together with a review of the literature and good practice in social housing allocation systems in England, Wales, Scotland and the Republic of Ireland (Report 2). While it is recognised that the objective is to build on the existing well-operating system; it was agreed to start with a blank sheet as a basis for recommendations to the Department for Social Development for changes to the way in which social housing is allocated in Northern Ireland.

Report 1 found that over time the HSS has become increasingly complex, making it harder to address changing government priorities and social needs.

Report 2 concluded that good practice elsewhere included the increasing use of Housing Options services to widen choice across tenures and, within this approach, the use of Choice Based Lettings to allocate social housing.

On the basis of the evidence reviewed in Reports 1 and 2, this report has made a series of recommendations. It is important to note that taking a 'blank sheet' approach means that it may not be possible to implement recommendations under current legislation and new legislation might need to be considered.

These recommendations reflect best practice in Great Britain and the Republic of Ireland. If they were implemented in full, new ways of addressing responsibilities for homelessness, accessing the social housing register and operating the social housing allocation system would be integrated in the following way:

- ✓ Establishment of an Independent Allocations Scrutiny Panel;
- ✓ A Housing Options Service that includes the private rented sector;
- ✓ The continuation of a single housing register with universal access;
- ✓ A simple banded system to replace the current more complex points system to prioritise applicants, using time on the list within each band to determine priority; and
- ✓ The introduction of a Choice-Based Letting scheme across Northern Ireland with detailed information on lettings accessible to applicants.

The benefits of such an approach would be a system that is transparent, fair, and easily understood so that everyone can engage with it. Applicants would be empowered to make informed decisions about their housing options and would have more realistic expectations

regarding the length of time they would have to wait. Social landlords would see a reduction in refusal rates because applicants would actively bid for properties they were prepared to live in. Staff would be released to provide a Housing Options Service, which would itself manage expectations and encourage applicants to explore other realistic solutions to their housing needs.

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