

Coventry Homefinder

The Evaluation of the Implementation of Choice-based Lettings in Coventry

Introduction

1. The review of the Homefinder system was conducted by an independent consultant, Guy Wardle, from April to August 2008. As well as presenting basic facts about how the system had operated he also focused attention on a number of aspects that in his view needed changing.
2. Representative of the main partner housing associations, the Advice Agencies in Coventry, the City Council and the special advisors on Choice-based Lettings and Homelessness from the Government (Communities and Local Government) met on three occasions. They considered the findings from the document and all the aspects that in the view of the consultant needed changing.
3. Just after the first two of those meetings, the long-awaited Code of Guidance was published by CLG relating to Choice-based lettings systems.
4. This document summarises the findings of the review. It also presents the policy recommendations put forward by the partner organisations following consideration of the aspects of the system that the consultant considered needed changing. Finally it identifies those aspects where Coventry Homefinder is at variance to the Code of Guidance and makes recommendations accordingly. *(Not incorporated yet – see separate note covering the Code of Guidance. Decisions coming from that can be incorporated.)*

How the system operated

5 *The number of registrations*

- 5.1 During the review it became apparent that the system had incorrectly counted new registrations. When the system started at the end of September 2007, there were 13,205 applications registered. That list was made up of those people who were registered on the Waiting Lists of the Council and individual associations, with work being done to avoid duplicate registrations where someone was registered on more than one list.
- 5.2 On 1st August 2008 (the date used in the Review) there were 17,825 applications registered.
- 5.2 (Figures quoted previously that the number had reached 23,500 were incorrect)
- 5.3 At 9th September 2008 the number had increased to 19,142 *(To be updated when document finally approved)*.
- 5.4 CLG monitoring of other Choice-based Lettings systems reported big increases in the number of new registrations whenever social landlords switch to Choice-based Lettings systems.

6 *Banding*

- 6.1 The percentage of people in the three bands had changed very little since the system started: less than 1% in Band 1; 5-8% in Band 2; 90%+ in Band 3.

6.2 The review found 97 people in Band 1, 1,407 in Band 2 and 16,321.

7 **Properties Advertised**

7.1 1,059 properties were advertised. 54 were bungalows, 722 were flats or maisonettes, and 283 were houses.

8 **Bidding**

8.1 80,575 bids were placed. 94% of bids placed were made over the Internet. Only 1% were made over the telephone.

8.2 An average of 76 bids were received for each property. Most bids were received for houses (with over 300 bids being received for a new house). Properties regarded as harder to let, such as bed-sitter flats, received an average of 30 bids.

8.3 Overall, 65% of the people registered had never bid for property. Of the people who transferred across from previous Waiting Lists when the system started, 74% had never made a bid. Of the people who had registered since the system started, 47% had never made a bid.

9 **Offer Refusals**

9.1 Properties accepted on the first offer increased from 47% to 59%.

9.2 Of the properties that were not let on the first offer, 28% were because the person offered the property did not respond, 21% were because of the area or location and 11% because the property was unsuitable. But 30% were recorded as not let for 'Other Reasons' that might indicate recording problems.

10 **Letting of Properties**

10.1 66% of successful bidders were from Band 3, although the system only has 25% of the properties let by waiting time alone. (That feature was introduced so that those who had waited a long time for a property often in a more sought-after area, would not always be over-looked.)

10.2 The finding is partly explained by the fact that of all the properties let through Homefinder almost half were bed-sits or one bedroom flats which can only be let to single people or childless couples and they are less likely to be in one of the higher Priority Bands.

10.3 But 37% of the houses went to Band 3 people. That was partly explained by the location of some of the properties that were in the less popular areas.

10.4 18% of the properties went to Band 1 cases and 16% to Band 2.

11 **Speed of Letting**

11.1 34% of properties took 5+ weeks to let before CBL but the figure only fell to 31% with CBL.

11.2 The review found, however, that more work probably needs doing on the 'Ready to Let' when advertised and some of the delay could have been due to waiting for repairs to be completed rather than because it takes longer to let property through the CBL route than the previous route.

12 ***Equality Issues***

12.1 The system seemed to have little impact on equality issues. 29% of lettings went to people from the minority populations before CBL: 30% afterwards.

13 ***Movement between Associations***

13.1 The system seems to facilitate better movement between Associations – less than 1% of lettings were made to tenants of another Association before CBL : 7% after.

14 ***Homelessness***

14.1 More Associations are housing 'Statutory Homeless' families now than before – Whitefriars took 94% before CBL and are now taking 69%.

14.2 The relationship between homelessness and CBL is difficult to clearly discern. Homelessness in the city seems to have increased slightly in advance of any national/regional increase indicating that there might have been a connection between the award of high priority in respect of homelessness in Coventry Homefinder, and the number reporting homeless. The review identified that some agencies have encouraged people they are supporting to report as homeless in-order to be awarded the high priority.

15 More people are being accommodated in temporary accommodation now than before CBL but some of that increase is attributable to a rise in homelessness rather than because of CBL.

16 ***Perception of Service Users***

16.1 More service users perceive Homefinder to be 'fair' than they did the old system, but the increase is not massive: 35% compared to 28%. Conversely, those believing it to be unfair had fallen from 38% to 30%. (The remainder had no opinion either way.) However, the main reason why people perceived it to be unfair is that 'Too many properties go to people from abroad'.

17 ***Helping Vulnerable People***

17.1 Two Homefinder staff work for a full day each at present contacting and supporting 'vulnerable people' – those who cannot reasonably be expected to use the technology.

17.2 Other agencies reported that they were active in supporting vulnerable people although one agency said that a review of the capacity and resources of the support agencies was needed if they were to support people.

17.3 99 people with mobility problems were registered as needing accommodation purpose built for wheel-chair use, or adapted for wheel-chair use. However, only 44 had bid for property and for some adapted property (usually in less popular areas) there had been no bids.

Aspects of the system that the consultant considered needing changing

The conclusions reached by officers considering the review document, that need policy change approval, are shown *in underlined italics* and form the recommendations being put forward.

- 18 ***Determining whether Coventry Homefinder is a 'Common Allocation Scheme' or a scheme where-by people are nominated by the Council, to the Associations.***
- 18.1 The consultant found that this aspect of Coventry Homefinder was at the base of a number of operational difficulties his review found.
- 18.2 For a non stock-owning Council, like Coventry, to fulfil its statutory obligations to provide housing for some people (such as homeless people) it must 'nominate' them to the Housing Associations. When it makes nominations, it must do so in accordance with its published scheme. Such schemes must follow the legislation relating to them and that legislation severely limits the number of people who can be excluded from them and also details the elements of housing need that must be recognised by giving a 'reasonable preference'.
- 18.3 There are two groups of people who can be excluded. Firstly there are those with immigration or nationality status that makes them ineligible for housing. Secondly there are those with a record of 'unacceptable behaviour' who can be judged to be "unsuitable to be a tenant". The test in determining whether past behaviour is 'unacceptable' is that the Council must decide if the person had been a secure tenant of a Council, would the Council have been able to obtain full (not 'suspended') possession of the property in the Courts. If it decides that it would have been so able, it must then consider if the circumstances are still relevant at the time of the application.
- 18.4 In addition, the legislation requires that people who have defined 'housing needs' must be given a 'reasonable preference' within its scheme. The groups are:
- Homeless people where there is a statutory duty to provide accommodation
 - Homeless people where there is no duty to provide accommodation, such as the intentionally homeless and those not in priority need.
 - People occupying unsanitary, overcrowded or otherwise unsatisfactory housing
 - People who need to move on medical or welfare grounds, including grounds relating to disability
 - People who need to move to a particular locality where failure to do so would cause hardship
- 18.5 The Council must therefore operate a scheme complying with legislation governing such schemes. The law governing whom Housing Associations can refuse to house is, however, nowhere near as prescriptive.
- 18.6 Thus there are people whom the Council must admit onto its scheme whom the Housing Associations are not obliged to house.
- 18.7 Associations are not prepared to accept that they will house everyone whom the Council must admit to the scheme.
- 18.8 Coventry Homefinder cannot, therefore, be a Common Allocation Scheme (in-which case all participating Associations would have to house the people whom the Council must admit onto it) but it is a scheme where-by people are

nominated to the Associations who can then refuse the nomination.

18.9 This will always be difficult for people to understand, as they are likely to assume that if they join a scheme, they can expect to be housed through it.

18.10 The Council must administer Coventry Homefinder against the relevant legal framework and must consider requests for decisions to be reviewed accordingly. If an Association decides that it will not house a person who is the highest bidder for one of its properties it is, in-essence, refusing the nomination. It must, therefore, inform the person accordingly and deal with any request for the decision to be reviewed.

19 **Banding**

19.1 The review focused on the need resulting from that legislation to give a 'reasonable preference' to more people than are given it at the moment, particularly non-priority and intentionally homeless, and low level medical need.

19.2 It recommended that the banding scheme needs to be extended but also recognised the desire to keep the system as simple as possible and not to increase from three broad bands.

19.3 A revised banding scheme has been developed and is attached as Appendix 1.
(Lyn's scheme, once agreed by Steering Group)

20 Owner Occupiers

20.1 The review identified that the circumstances under which Owner Occupiers are awarded priority at the moment is unclear. It was recognised that legally they cannot be excluded from joining the scheme but that under the present arrangements, they could have no 'housing need' but could be successful bidders.

20.2 A protocol has been devised detailing how the issue is to be dealt with and is attached as Appendix 2.
(Sue/Lyn's proposal, once agreed, based on the practice followed by Market Harborough.)

21 Age of Registration

21.1 Age of registration on Homefinder is at-present set at 18. In-line with the principle detailed above relating to the list being governed by the law relating to admittance to a Local Authority Housing Lists, people aged 16 and 17 cannot be excluded from joining Coventry Homefinder, but Associations can still operate their own policies determining whether tenancies are granted to 16 and 17 year olds. There was recognition however, that a commonly agreed protocol between Associations would be advantageous.

21.2 A protocol has been devised detailing how the issue is to be dealt with and is attached as Appendix 3.
(Rachel /Simon's proposal, once agreed)

22 Medical Preference

22.1 Again, the law governing admittance to a Local authority list requires that a 'reasonable preference' be given to people with low level medical difficulties – not just the 'Urgent' and 'Very Urgent' medical needs recognised in the

existing banding arrangements. The review drew attention to the need to remedy this aspect of policy.

22.2 The point has been incorporated into the banding proposals detailed in Appendix 1 (If it has!)

23 Substantial Under-occupation

23.1 The review identified that the demand is as large, proportionate to the supply, for two and three bedroom houses as it is for four+ bedrooms and specialist 'disabled persons' accommodation'.

23.2 Incorporated into the banding proposal in Appendix 1 is a mechanism for giving a degree of preference to people giving up houses and seeking flats or bungalows in exchange.

24 Local Connection

24.1 Again, the law governing admittance to a Local authority list does not allow for priority not to be given because people live out of Coventry. People can, however, be given a lower priority.

24.2 The point has been incorporated into the banding proposals detailed in Appendix 1

25 Families with children living above the ground

25.1 In the review, it was reported that there was a body of opinion found that believed that the priority given to this element of housing need ought to be reinstated. It existed in the Council's old priority system.

25.2 It was noted, however, that as families with young children are not being prohibited from bidding for flats above the ground, it would not be sensible to house them in such property but then immediately deem it to be unsatisfactory and to give a measure of priority to facilitate a move out.

25.3 Priority for families with young children living above the ground has not be introduced into the Homefinder priority system.

26 People living in hostels and other short-term supported housing

26.1 There is also a body of opinion that considers that priority ought to be given to this element of housing need as it facilitates 'move-on' and prevents short-term accommodation becoming 'silted'.

26.2 The point has been incorporated into the banding proposals detailed in Appendix 1

27 Special Cases Panel

27.1 The review highlighted the muddle that exists at the moment between the review process and the Special Case arrangement.

27.2 The legislation governing the administration of Local Authority Allocation systems requires that there is a facility for review and that operates. People can request a review when they consider that an incorrect judgement has been made about their case. Within Homefinder a 'Special Case' provision was created. It was created to recognise that there might be an element of housing need not recognised in the approved priority system. It was not

intended that it should be used when an element of need is recognised but officers administering Homefinder have decided that the circumstances do not warrant an award. That is a matter for the review procedure.

27.3 *The Special Case provision should survive, but its purpose should be more clearly defined. It would generally be used before the review procedure.*

28 Rent Arrears

28.1 The Review highlighted that the situation with people applying for housing with rent arrears from a former tenancy is also muddled and distinguished between 'statutory homeless' people with arrears and others.

28.2 With respect to the non 'statutory homeless', as indicated in paragraph 18.3 above, unless the level of arrears is such that possession was (or could have been) obtained by a Local Authority, people with former tenant arrears cannot be excluded from the list. But Associations can decide not to house them. If they do so, they should inform the person accordingly when they make the decision and deal with any challenge to that decision.

28.3 *A protocol has been devised detailing how the issue is to be dealt with and is attached as Appendix 4.*
(Based on Barnet's protocol once agreed, being obtained by Lyn from Alison)

28.3 With respect to the 'statutory homeless' with rent arrears, the Council has to provide secure accommodation for them in the form of a Housing Association tenancy and that can be irrespective of the fact that arrears from a former tenancy are outstanding. The Associations believe that it is inappropriate for someone to be evicted for arrears, or to leave owing arrears, only to re-appear some time after and be housed again by the Association, often in more desirable property than they were in before.

28.4 *Associations should put Local 'Lettings Policies' in-place for the most desirable properties stipulating that former tenants with an unsatisfactory tenancy records will not be considered for such properties and ensure that appears in their advertisement on Homefinder. A 'statutory homeless' family with arrears bidding for such a property could therefore, be refused, being so notified by the Association. The number of instances that properties are so advertised will be monitored at regular meetings between the Associations and the Council.*

28.5 There might also be cases (that should be very infrequent) where a past tenancy record exists such that even although the family has bid successfully for a property (which because of the Local Letting arrangement just described) would not be one of the most desirable properties), the Association still considers it would be inappropriate to house them.

28.6 *In that case, they would hold the property asking the Council to find alternate property for them. If one can be found, the Association will refuse the person for the original property (and inform the person accordingly) and the person would be offered the alternate property. If no suitable property can be found, however, the original property would be let to the person.*

29 Administration of the Scheme

29.1 When the scheme was established, attention was focused on the amount of abortive checking of cases that was being done – detailed checking of people

who were not housed. With Homefinder, as well as establishing whether priority should be awarded, the housing history of all cases awarded priority is being checked at the time of registration. The housing history of cases in band 3 is not being checked.

Because of the pattern of housing from the different Bands as detailed in paragraph 10.4, there is still much inappropriate checking.

29.2 The factors that determine whether an application is given priority will continue to be checked at the time of registration, but not the applicant's housing history. Associations will provide details of people whom they believe should be excluded from the list because their past tenancy record makes them 'unsuitable to be a tenant'. The Council will consider that list and if it agrees, will exclude them from the list.

29.3 Immigration checks into whether a person coming into the country can be offered social housing or not, are also very time-consuming and in many cases are proving abortive, as the person is not achieving housing.

29.3 Immigration checks will be made only on the highest priority cases within the new banding system.

30 Vulnerable Applicants

30.1 The review had pointed out that a high proportion of seemingly vulnerable applicants had never bid for a property. This could be because they hadn't wanted to, but were participating in the system. Alternatively, it could be because they were 'cut-off' from the system.

30.2 Cases are to be reviewed in accordance with the procedure detailed in Appendix 5 so that it can be established whether such people are participating or not and if not, how better participation might be achieved (Appendix based on Simon's note, once agreed)

31 Adapted Properties

31.1 The review identified that of the 100 people registered as needing property purpose built or adapted for people with disabilities, 55 had never bid for property. But there had been such properties advertised, on-which no bids had been received, including brand new property. Work was put in-hand to establish why they hadn't bid and what could be done to improve the situation.

31.2 The outcome of the research and the conclusions are detailed in Appendix 6 (Appendix based on the outcome of Sue sending a standard letter to the people who have not bid to try and ascertain why, and the proposals developed as a result.)

32 Letting 25% of properties by date of application

32.1 The review highlighted that some believe that the idea is sensible: others do not. And some people registered on Homefinder claim not to know it was happening at-all. Others have questioned its legality (as the legislation does not say that those who are entitled to a 'reasonable preference' should be entitled to a 'reasonable preference' to 75% of the properties advertised

32.2 The feature is worth keeping, but only providing that strong legal advice supports its legality.

Appendix 1

The Revised Banding Scheme

Lyn

Appendix 2

Protocol for Dealing with Owner-Occupiers

Sue/Lyn

Appendix 3

Protocol for Dealing with Young Person's Tenancies

Rachel/Simon

Appendix 4

Protocol for Dealing with Rent Arrears

Lyn obtaining Barnett's protocol

Appendix 5

Procedure for Reviewing Vulnerable Applicants

Simon

Appendix 6

Outcome of Research and Conclusions Related to Dealing with Accommodation
Either Purpose-built or Adapted for People with Physical Disability.

Sue