



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2022-23

**COMMUNITY SERVICES SCRUTINY
COMMITTEE**

DATE: 30th January 2023

**REPORT OF DIRECTOR - PUBLIC
HEALTH, PROTECTION & COMMUNITY
SERVICES**

Agenda Item No. 5

TITLE

**RHONDDA CYNON TAF COUNTY
BOROUGH COUNCIL HOUSING
ALLOCATION SCHEME 2018**

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1. PURPOSE OF THE REPORT

- 1.1 This report provides the Scrutiny Committee with an overview of the Rhondda Cynon Taf Housing Allocation Scheme and gives the Committee an opportunity to understand how the policy works, and to what extent the policy helps the Council and its partners to meet the housing needs of people in Rhondda Cynon Taf
- 1.2 The report also provides the Scrutiny Committee with an overview of the arrangements the Council has with local registered social landlords for the allocation and letting of social housing in the Borough, as well as highlighting the impact of pressures on the operation of the policy and current challenges and how these are being addressed.

2. RECOMMENDATIONS

It is recommended that the Committee:

- 2.1 Consider the current high demand for social housing and service pressures for the Common Housing Register
- 2.2 Scrutinise the actions being taken in respect of the proposed review of the RCTCBC Housing Allocation Scheme and timeline for completion

of the review by the Council and RSL partners and whether any further matters require consideration

3. REASONS FOR RECOMMENDATIONS

- 3.1 To provide Scrutiny Committee with an opportunity to scrutinise the operation of the current RCTCBC Housing Allocation Scheme and provide an overview of emerging issues and challenges that will be considered during a forthcoming review which will inform recommended revisions to the Allocation Scheme.

4. BACKGROUND

Common Housing Register

- 4.1 Rhondda Cynon Taf County Borough Council (RCTCBC) currently operates a Common Housing Register (CHR) known as “Homefinder RCT”. The Common Housing Register lists people who want to apply for a social housing property in RCT.
- 4.2 Rhondda Cynon Taf County Borough Council does not own any properties available through the CHR. The properties available belong to housing associations, who are partner organisations of Rhondda Cynon Taf County Borough Council.
- 4.3 The CHR is operated in partnership with 7 Registered Social Housing landlords i.e., Aelwyd, Cynon Taf Community Housing Group, Habinteg, Hafod Housing Association, Rhondda Housing Association, Triavllis and Newydd Housing Association.
- 4.4 As from the 1st of April 2023, 5 additional landlords will join the register i.e. Cardiff Community, Pobl, Linc, Valleys to Coast and United Welsh Housing Association.
- 4.5 Wales and West Housing Association left the Common Housing Register (CHR) in September 2022, following the transfer of their housing stock in RCT to Rhondda Housing Association.
- 4.6 A Choice Based Lettings system is used, for the processing of all housing applications. This was initially introduced in October 2012 and is managed by the Council’s Homefinder Team, which is jointly funded by all partners including the Council. This provides an easy-to-access central point, which supports greater accessibility to services, meets social needs by helping to ensure a better quality of life, improves fair access and choice, protecting and keeping safe vulnerable people and specifically addressing the diversity agenda, by tailoring services to the needs of vulnerable and hard to reach groups.

- 4.7 Advantages of the Common Housing Register include:
- A simple process – only one application form.
 - Better understanding of housing need in the area.
 - A wider choice for applicants.
 - Landlords can access a larger pool of applicants.
 - Creates a single point of reference.
 - Helps reduce voids.
 - Reduce operating costs for partners.
 - Delivering dynamic application forms for greater customer access and less work for staff.
 - Provide transparency to all stakeholders.
- 4.8 The Choice Based Letting system allows applicants on the Common Housing Register to view vacant properties that are available each week and submit bids for properties that they wish to be considered for.
- 4.9 In terms of governance arrangements, the operation of the CHR is overseen by the Steering Group which is chaired by the Council's Head of Community Safety and Community Housing and attended at Director level by all RSL partners who have oversight of the register at a strategic level including performance management.
- 4.10 An Operational Group chaired by the Homefinder Team Manager also meet on a monthly with RSL Managers to discuss operational issues.
- 4.11 There also sub-groups which include the Eligibility Panel and Move On Panel to consider operational arrangements in line with legislative requirements in respect of eligibility to the register and consider move on from the Council's commissioned supported accommodation projects.

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The Legal Framework

- 4.12 Legislation requires each local housing authority to make all allocations and nominations in accordance with a Housing Allocation Scheme. The Council is required to publish its Scheme and provide a summary free of charge to anyone who requests a copy.
- 4.13 Although the Council transferred its housing stock to RCT Homes (now Trivallis) in 2007, it still retains its statutory housing duties to have a Housing Allocation Scheme and to discharge its homelessness duties.

4.14 Rhondda Cynon Taf County Borough Council's Housing Allocation Scheme sets out the criteria used by the Council and its partners to allocate social housing accommodation. The aim of the Housing Allocation Scheme is to allocate homes in Rhondda Cynon Taf by:

- Treating people fairly and giving them choice.
- Meeting the housing needs, wishes and aspirations of applicants.
- Making the best use of the social housing stock.
- Maintaining sustainable and safe communities.
- Providing a route into permanent housing.

4.15 There are also residency and local connection tests that must be satisfied, and applicants are assessed in terms of their financial circumstances and ability to meet their own housing

4.16 The Scheme sets out how applicants can apply for social housing in Rhondda Cynon Taf and how eligible applicants are assessed using a banding system to reflect housing as set out below:

- Band A- Urgent housing need.
- Band B- High housing need.
- Band C- Low housing need.
- Band D- No housing need.

4.17 It is the Council's responsibility to accept applications for housing and assess applications to determine eligibility and priority for Homefinder RCT.

4.18 Upon receipt of the application, a member of staff will contact the applicant in order to verify their application and discuss their areas of choice.

4.19 Annual reviews are required to ensure that applications are up to date and correct details are held.

The Reasonable Preference Categories

4.20 The latest Welsh Government Allocation of Accommodation Code of Guidance, published in June 2012 requires local authorities to give reasonable preference to certain categories in the Scheme, and the Council must give priority for housing to certain applicants.

These are:

- People who are homeless (within the meaning of Part 2 of the Housing (Wales) Act 2014).
- People who are owed any duty by a local housing authority under Section 66, 73 or 75 of the Housing (Wales) Act 2014.

- People who are owed a duty by a local authority under Section 190(2), 193 (2) or 195 (2) of Part VII of the Housing Act 1996 or who are occupying accommodation secured by any local authority under Section 192(3).
 - People living in poor or overcrowded housing.
 - People who need to move for medical or welfare reasons.
 - People who need to move to an area of Rhondda Cynon Taf for a particular reason e.g. to look after a family member.
- 4.21 The banding system set out in paragraph 4.6 is designed so that each band includes applicants who have a similar level of housing need and distinguishes between the different needs of applicants.
- 4.22 As well as giving priority to the groups mentioned above, the Scheme also gives priority to other groups of people as doing so helps the Council to meet its local strategic housing priorities effectively. This includes the following:
- Applicants who by moving will release an adapted property.
 - Applicants whose child is likely to be accommodated by the local Authority if rehousing is not made.
 - Applicants who have been recommended to foster or adopt children and whose current accommodation is not big enough.
 - Households including children who are forced to live apart owing to a lack of suitable accommodation.
 - Existing tenants with no housing need who wish to move.

Homelessness Prevention

- 4.23 The RCTCBC Allocation Scheme has played a key role in helping RCTCBC prevent homelessness over the past few years by maintaining the Housing Register priority for households who have been accepted as homeless by the Council and assisting with homelessness prevention outcomes.

Discretionary Allocations and Local Lettings Plans

- 4.24 As referenced above, the aim of the Housing Allocation Scheme is to ensure that overall priority for allocations is given to applicants in the relevant categories described above and to those that have waited the longest to be housed. However, some flexibility is sometimes required to meet urgent housing need, create sustainable communities, and provide for the efficient use of the social housing stock. There are often circumstances where the only way these issues can be resolved is to give discretion to make the most appropriate allocation under the circumstances. This can be done on an individual case basis and the Homefinder RCT Steering Group is responsible for approving allocations

in such cases or through the Council approving the adoption of Local Letting Plans by an RSL.

- 4.25 The plans are reviewed on an annual basis to determine whether they are all still required. All local lettings Plans are evidence based with an aim to achieving community sustainability and ensure that they fit with and inform strategic priorities.
- 4.26 The Housing Allocation Scheme describes who is eligible to apply for housing and sets out the priority that is given to different applicants and who is offered a social housing tenancy in Rhondda Cynon Taf. The Scheme ensures that those in greatest housing need (those who fall into a defined reasonable preference category) are given overall priority for available social housing.

Type of Accommodation

- 4.27 Applicants can usually apply for any type or size of accommodation that is suitable to their needs. However, some types of properties may only be designated to certain client groups, for example sheltered or older persons' accommodation will usually only be offered to people over 55 or 60, depending on the landlord of the sheltered scheme.

Allocation of Properties

- 4.28 When a property becomes void, properties are advertised by the relevant housing association on the Homefinder RCT website and applicants can bid for properties in their areas of choice and according to the type of property and size that they require
- 4.29 It is the responsibility of the Housing Associations to allocate their vacant housing in accordance with the Housing Allocation Scheme and associated Operating Manual and Service Level Agreement.
- 4.30 The allocation of advertised properties will be based on the priority of bids received, which means that Band A applicants are given highest priority and B and D the lowest priority.
- 4.31 Within each band applicants will be prioritised according to their waiting time, with those with the longest waiting time given highest priority. If there are multiple bids for a property from one band, the applicant with the longest waiting time in that band will usually be successful.

Housing Demand

- 4.32 We are in the middle of a housing crisis with significant pressure on the

Common Housing Register due to many factors including changes in the nature of the demand for housing which is reflection of the cost of living crisis, unaffordability in the private rented sector and people's changing circumstances.

- 4.33 We have experienced a 6% increase in homelessness applications in RCT this financial year from households with children who have been served with “no fault” Section 21 Eviction Notices prior to the implementation of the Renting Homes Wales Act in December 2022. This is in addition to an increase in applications from single people and homeless people applying to the Housing Register
- 4.34 More and more people are finding themselves locked out of homeownership and those who can no longer afford the high rents in the private rented sector are seeking social housing.
- 4.35 As highlighted in the below table, the number of Common Housing Register applications increased year on year since 2015 with **7,423** applications received as at the 31st December 2022.

Application added date Month	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Grand Total	3023	6064	5121	5778	5696	6132	6309	6524	6759	7125	7423

- 4.36 These applications can be further analysed by housing need priority band and the number of bedrooms required by the applicant (e.g. 1B= 1 bedroom) and the table below shows the breakdown of applicants (households) on the Common Housing Register by Band and Size as 31st December 2022.

	1B	2B	3B	4B	5B	6B	Total
Band A	106	20	25	7	0	0	158
Band B	111	92	58	27	16	3	307
Band C	866	595	337	111	9	1	1919
Band D	1048	846	349	21	1	0	2265

- 4.37 As at 31st December 2022 there were **4,491** applicants registered and waiting for housing on Homefinder RCT.
- 4.38 In respect of band and property size the highest demand for housing is single person accommodation with **1,048** applicants registered across all bands seeking 1 bedroom accommodation. It must also be noted that the highest number of applicants seeking housing are registered in Band D i.e., **2,265** have no housing need.

Lettings

- 4.39 Comparing the number of households on the Housing Register with the number of social lettings arising each year demonstrates very clearly that demand greatly outstrips supply.
- 4.40 In consideration of the high demand for social housing there were **1067** allocations of social housing in 2022(31/12/22). This is an 17.6% decrease in the number of properties allocated on the previous financial year.
- 4.41 Despite the high demand for single person accommodation there have only been **480** 1x bedroom general needs units advertised for letting on Homefinder RCT (as at 31st of December 2022). Some units would also have been restricted by age and local letting criteria which again highlights an undersupply of the right type of housing in the right location available in the borough to meet demand.

Lettings Data as 31st December 2022.

	2018	2019	2020	2021	2022
1 Bed	508	482	428	565	480
2 Bed	524	510	367	451	365
3 Bed	304	271	176	251	200
4 Bed	9	18	7	13	11
5 Bed	0	1	0	0	1
6 Bed	0	1	1	1	1
Bedsit	13	15	6	15	9
Grand Total	1358	1298	1058	1296	1067

Allocation Scheme Review – Adapting to new Challenges

- 4.42 As confirmed by above data, demand for social housing in Rhondda Cynon Taf remains high and is a scarce resource. It is important that the housing allocations policy provides a genuine route to access housing for households most in need in these challenging times.
- 4.43 The criteria to determine access to the housing register and priority banding are important in the current housing market and financial crisis. The Housing Allocation Scheme therefore needs to be reviewed in the context of current service pressures including people who are homeless or threatened with homelessness and those placed in temporary accommodation who have limited move on housing options. Given the delicate balance between competing housing needs it is

important that any changes or adjustments to the Housing Allocation Scheme are measured and well thought through.

- 4.44 Rhondda Cynon Taf County Borough Council Housing Allocation Scheme was last reviewed significantly in 2018 with minor amendments made in 2016 and 2017 in relation to the Housing (Wales) Act 2014. The Welsh Government Code of Guidance advises Local Authorities to review their Housing Allocation Schemes every two years to ensure compliance with the law and good practice. As such, it is timely to undertake a more comprehensive review of the Scheme.
- 4.45 The other key reason to undertake the review is the context of local housing need, new partnership arrangements and new legislative changes which include the Welsh Government's "Every One in Policy" for homeless people and the Renting Homes (Wales) Act 2016 which have been implemented since the scheme was last reviewed.
- 4.46 Therefore, a review of the Allocation Scheme commenced in the summer of 2022 and aims to be completed and presented to Cabinet in 2024. A number of Task and Finish Groups have been established as part of the review and include representation from Council departments, RSL partners, third sector and CHR applicants.
- 4.47 In consideration of the current service pressures the below areas have been identified for investigation as part of the allocation scheme review:

a) Review of Band A

To review the categories within Band A to consider a higher preference for households having to live with family and friends and those who are sofa surfing to help alleviate the high number of homelessness applications made as a consequence of the breakdown of relationship with family and friends which have accounted for 37% of placements in temporary accommodation to date in 202/23. The increase in homelessness applications due to the increasing number of households served with a valid S21 notice by their landlord may also be a consideration for Band A to help reduce the pressure on the Council's Housing Solutions Team and high demand for temporary accommodation for both single people and households with children

Any recommendations to change this category will be carefully considered to fully understand the impact of any changes made to the banding priorities and to consider any unintended consequences as consequence of any changes made.

b) Review of Band D

50% of Common Housing Register applicants at any one time are placed in Band D and have no urgent housing need and take up a considerable part of the work by the Homefinder Team. We will explore how we work with applications who have no housing need to explore alternative solutions. For example, current RSL tenants who have no housing need can be directed to consider a mutual exchange option with help to take up this option.

c) Adapted Housing

Adapted properties are currently allocated on a best match basis which aims to ensure applicants with a lower level of need are considered quickly and reduces cost. However, there are few properties which become available via the register which can be offered with a high level of adaptations already undertaken which mean that applicants with a higher level of need may have to wait considerably longer to be matched to a suitable property. Therefore, the process needs to be reviewed to ensure transparency of approach and fairness for all applicants in need of an adapted property.

d) Mutual Exchange

Mutual exchanges can be an effective way of moving Contract Holders (tenants) between properties with a minimum cost to the landlord. We currently have 8 CHR partners who facilitate mutual exchanges within their stock. However, the vehicle for undertaking the mutual exchange is different in each organisation. Most use Homeswapper.co.uk and others receive direct requests. In consideration of the high demand for social housing in RCT, the review of the Mutual Exchange process will explore how we work consistently across all CHR partners to release the pressure on the register whilst seeking to achieve housing options for those in no or low housing need. As above recent data recorded 4863 applicants waiting for social housing with just over 50% of applicants registering as having no housing need in Band D.

e) Management Transfers

The review of Management Transfers will aim to allow Common Housing Register partners to have more flexibility in their housing management transfer arrangements. This process is currently restricted by the number of applicants that can be considered for a management transfer and requires approval of the Homefinder Manager which can be onerous and time consuming.

The new proposal being considered in partnership with each Housing Association will enable properties to be considered on a management transfer basis where no other housing solution is possible.

The core principle of the proposal is to

- Reduce the risk of harm to tenants in urgent, potentially life threatening, situations.
- To enable Housing Associations to manage tenant's situations to prevent evictions into homelessness i.e. reduce the number of homeless applications made attached to the loss of housing association accommodation, due to anti- social behaviour or a contract holder (tenant) having housing and support needs which cannot be met in their existing property.
- To enable Housing Associations to move tenants at risk quickly and safely without having to wait for Council approval.

f) Extra Care

With the significant demand for adapted housing applicants who are waiting longer for suitable social housing properties to become available to meet their needs, the review will explore how provide information for all types of housing options available for individuals seeking to live independently (with or without support need. We are working closely with the Council's Adult Social Care Department to improve the information available for our Extra Care provision on our Homefinder Website; to enable applicants who have a care and support needs to be aware of this housing option. This will not replace the current process of meeting the assessment and criteria for accessing Extra Care provision.

g) Rent Arrears

Currently an applicant who has a former tenant debt with a social or private landlord of above £744 is not eligible to access the CHR unless they lower or clear the debt. The current financial crisis and increasing high rents in the private rented sector are a major concern and can in some cases be a barrier to some of our most vulnerable applicants accessing the register. However, it must be noted that applicants who present as homeless and to whom the Council has a legal duty to assist may, where appropriate, be provided with financial assistance with former tenant debt to assist them in securing an offer of accommodation and or to prevent loss of existing accommodation. It is recognised since completion of the last Common Housing Register review the level of £744 can be less than 1 month's rent for some tenants. The review will explore current barriers which impact on the current rent arrear policy and how these are impacting on applicants applying to the CHR to offer up revised policy document

Future Housing Supply and Wider Resource Planning

Developing high quality affordable housing particularly one bedroom accommodation

- 4.48 The Local Housing Market Assessment (LHMA) identifies housing need across Rhondda Cynon Taf. This data along with the Housing Support Plan assessment of need data, is used to prepare a Prospectus that is provided to Welsh Government's Social Housing Grant team each year. The Prospectus informs Welsh Government and other housing partners where we will be investing our allocation of Social Housing Grant and how we have concluded where the investment is needed.
- 4.49 The LHMA will also feed data to Rhondda Cynon Taf's Local Development Plan. This will allow policies to be created that target affordable housing need to aid the Housing Support Programme Strategy. Based on the above data the development of one bedroom accommodation is a priority with an estimated 154 units of social housing planned for completion by 2023/24.

New Build Data

Property Size	2021/22	2022/23
	Delivered	Planned
1 Bedroom	43	109
2 Bedroom	10	59
3 Bedroom	8	20
4 Bedroom		6
5 Bedroom		1
Total	61	195

Source: RCTCBC Housing Strategy Team

Social Letting Agency

- 4.50 A Council run Social Letting Agency has been established in Rhondda Cynon Taf to improve access to longer term, affordable and good quality housing in the private rented sector. The agency is operated by the Council and offers a full management service for landlords who sign up to the terms of the contract with use. Despite attractive landlord financial incentives, there have been initial challenges in setting up the project particularly in attracting landlords who are happy to work with the scheme and to accept rent at the LHA rate minus 10%.
- 4.51 Grant funding from Welsh Government aims to enable the Council fund and secure a maximum of **161** new private rented accommodation properties by 31st March 2027. It is anticipated that the target of 8 properties in 2022/23 will be met due to the current landlord interest in the scheme, although further work will be needed to attract landlords from higher demand areas such as the Taff area.
- 4.52 The role the Social Letting Agency will play in rapid rehousing will be through the provision of an additional supply of housing and will be dependent on a landlord willingness to engage with the agency and

offer up suitable properties at LHA rates. The Council will further encourage take up of offers in the private rented sector through initiatives such as bond payments and by offering a tailored support package from a dedicated housing team.

5. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO-ECONOMIC DUTY

- 5.1 The Council's Housing Allocation Scheme has been designed to ensure fairness and consistency in allocating housing, through setting a fair and transparent framework for assessing housing need and the Allocation Scheme was subject to a full impact assessment before it was agreed by Cabinet in 2018.

6. WELSH LANGUAGE IMPLICATIONS

- 6.1 There are no positive or negative impacts of the report on the Welsh Language.

7. CONSULTATION / INVOLVEMENT

- 7.1 There are no consultation issues arising from the content of this report.

8. FINANCIAL IMPLICATION(S)

- 8.1 There are no financial implications associated with this report.

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 The legislation referenced in the report relates to the Council's statutory obligations under Part VI of the Housing Act 1996, and Part 2 of the Housing (Wales) Act 2014.

- 9.2 The Scheme takes into account the Code of Guidance for Local Authorities on "Allocation of Accommodation and Homelessness 2016" Issued by the Welsh Government, the Allocation of Housing and Homelessness (Eligibility) (Wales) Regulations 2014 and complies with the following:

- The 1996 Housing Act (as amended by the 2002 Homelessness Act)
 - The Equalities Act 2010.
 - The Human Rights Act 1998.
 - The Data Protection Act 1998.
 - The Welsh Language Act 1993.
 - The Rehabilitation and Offenders Act 1974.
 - The Anti-Social Behaviour, Crime and Policing Act 2014.

10. LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT.

10.1 The Housing Allocation Scheme make a positive contribution towards the Council's Corporate Plan Vision of '*a County Borough that has high aspirations, is confident and promotes opportunity for all*'; as it will deliver against the specific priorities of '*People - Promoting independence and positive lives for everyone and Place - Creating neighbourhoods where people are proud to live and work*'. It will also help the Council to meet three of the seven wellbeing goals that The Well Being of Future Generations (Wales) Act 2015' puts in place as follows:

- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.

10.2 The Allocation Scheme and Common Housing Register are consistent with the sustainable approach promoted by the Well-being of Future Generations (Wales) Act through the five ways of working:

Long-term – the Housing Allocation Scheme assist residents of RCT to secure long term and sustainable housing.

Prevention – effective implementation of the Scheme prevents people from becoming homeless. Living in good quality housing that is suitable also helps to prevent ill health.

Integration – the Housing Allocation Scheme ensures that the approach to allocating housing in RCT is integrated with other council priorities e.g., helping people to live independently and safely.

Collaboration – the Housing Allocation Scheme promotes collaboration between the Council and all Housing Associations with housing stock in the County Borough through a common way of allocating all available social housing.

Involvement – The effective implementation of the Housing Allocation Scheme requires the involvement of the Council and its housing association partner and other third sector and statutory agencies.

10.3 The Sustainable Development Principle and the 5 ways of working have been fully considered in the development and operation of the RCTCBC Allocation Scheme which are heavily focused on meeting the long-term needs of applicant through the provision of affordable housing and wider housing related support provision.

10.4 In consideration of the seven wellbeing goals and the principle to improve the quality of life for people being assessed for housing and those housed through Homefinder RCT. These include highlighting clients who will need long term support to help them sustain their home as well as integrate into their local communities and help them to work to their strengths and support them to achieve their aspirations.

11. CONCLUSION

11.1 It is recommended that Scrutiny Committee note the challenges and actions being taken in response to the allocation of social housing in Rhondda Cynon Taf by the Council and RSL partners.