

# Agenda Item IMD5

## INDIVIDUAL EXECUTIVE MEMBER DECISION

REFERENCE IMD: 2024/05

<b>TITLE</b>	Consultation Response to 'Reforms to Social Housing Allocations'
<b>DECISION TO BE MADE BY</b>	Leader of the Council and Executive Member for Housing - Stephen Conway
<b>DATE, MEETING ROOM and TIME</b>	19 March 2024 LGF3, 11:00, Tuesday 19th March 2024.
<b>WARD</b>	(All Wards);
<b>DIRECTOR / KEY OFFICER</b>	Director, Place and Growth - Giorgio Framaliccio

### **PURPOSE OF REPORT (Inc Strategic Outcomes)**

To approve Wokingham Borough Council and Loddon Homes' response to the Government's consultation titled 'Consultation on reforms to social housing allocations', for submission by 26<sup>th</sup> March 2024. This consultation seeks feedback from local authorities regarding the implications on proposed measures to change social housing allocations.

### **RECOMMENDATION**

That the Executive Member for Housing and Partnerships authorises Wokingham Borough Council and Loddon Homes' to respond to this consultation as set out in Enclosure I of this report.

### **SUMMARY OF REPORT**

This report summarises the response which Wokingham Borough Council intends to submit to central Government through this consultation. This response focuses on the predicted impacts that the proposed changes to secondary legislation will have on Council resourcing, capacity, and social housing stock. Much of the Council's response is limited by the need for more information to be provided prior to taking a view on these issues. This is further detailed in our proposed consultation responses in Enclosure I.

## Background

This consultation is released in the context of a historic trend of tightening social housing allocations, with government's view that this scarce resource is reserved for only for those who need it most. Previously, social housing allocations have been tightened by excluding citizens from the European Economic Area who are not working and giving local people priority on social housing waiting lists and by ending open waiting lists under the coalition government from 2010.

Nationally, there are 1.3 million people on social housing waiting lists with over 267,000 new tenancies agreed each year. Wokingham currently has 1,300 applicants on the Housing Register, with 62 in Band 1, 139 in Band 2 and 384 in Band 3. The government has invested £11.5 billion in the Affordable Homes Programme but demand still outstrips supply, especially when factoring losses to Right to Buy. The social housing sector responded saying 90% of social housing already goes to UK nationals and proposals could force more people into homelessness, arguing more social housing is the solution, not tighter restrictions on allocations.

The policy proposals set out in the consultation apply to the Social Rented Sector (SRS) in England. This includes 4 million households and 1,606 registered providers of social housing, of which 221 are local authorities and 1,385 private registered providers (PRPs). This consultation will inform secondary legislation that is proposed to be made under Part 6 of the Housing Act 1996. Under this, the Secretary of State may prescribe classes of persons who are eligible or ineligible for an allocation of social housing in England and may also prescribe qualification criteria that local housing authorities use to allocate social housing. The consultation will also inform a new eviction ground under the Housing Acts 1985 and 1988.

## Business Case (including Analysis of Issues)

The Council intends to submit a response as it is important to have our views considered on proposed legislative changes that will directly impact how the Council's housing allocations operate. This consultation has not provided sufficient information on how these changes are expected to be implemented. Consequently, much of our response requests further information to be provided to permit comment on the range of proposals introduced. The government have also requested information on the Council's existing processes for each of the matters proposed. The consultation's proposals have been summarised below:

1. UK connection test – a person must demonstrate their connection to the UK before they can be allocated social housing. To note, nationally, 90% of lead tenants in social housing are UK nationals and 90% of new lettings for social housing go to UK nationals.

This can be achieved by:

- a British citizen.
- an Irish citizen.
- a Commonwealth citizen with a right of abode.
- an EEA or Swiss citizen with equal treatment rights, or
- by being a lawful resident in the UK for ten years.

2. Local connection test – a person must demonstrate a connection to a local area for at least 2 years before they can be allocated social housing. To note, Wokingham Borough Council already requires a 5 year local connection test. There would be exemptions for:
  - Armed forces members and veterans,
  - Care leavers,
  - Domestic abuse victims
  - Refugees arriving via resettlement schemes
3. Income test – setting thresholds for applicants and those on a waiting list to qualify for social housing. To note Wokingham has a household income threshold for getting onto housing register of an income less than £40k for a studio/1 bed need or less than £60k for a 2 bed need or more.
4. Anti-social behaviour test – people who have unspent convictions for certain criminal anti-social behaviour, as well as certain civil sanctions, will be disqualified from social housing for a defined period.
5. Terrorism test – terrorist offenders with unspent convictions will not qualify for social housing unless excluding them would increase the risk to public safety.
6. Grounds for eviction (anti-social behaviour and terrorist offences) – implementing a ‘three strikes and you’re out’ policy for repeat offenders of anti-social behaviour and creating a new ground for eviction for terrorist offences.
7. Fraudulent declaration test - mandating a period of disqualification for those who knowingly or recklessly make false statements when applying for social housing.
8. Applicants on a waiting list – applying the new eligibility and qualification tests not only to new applicants but also to those currently on a social housing waiting list.

The government would seek to bring these changes in Spring/Summer 2024 through secondary legislation.

Comment is required on whether the Council agrees or disagrees with each of these proposals including information on what processes and policies the Council already uses to address each of the above proposals. Throughout the proposed consultation responses, we have outlined the Council’s current approach including detailing our existing local connection test, anti-social behaviour checks, grounds for eviction and fraudulent declaration tests. When requested to comment on our view on each of the proposals, we have responded with a neutral response and requested further information on each of the proposals prior to comment. A question that affects each proposal is that more detail is needed on how local authorities are expected to house those who are disqualified from social housing but who we have a statutory duty to house. Without further clarity from government on these proposed changes, there is concern that temporary accommodation costs will increase. This is because more people will be ineligible for social housing but local authorities will still have a duty to accommodate. In addition, more detail is needed on what will qualify as ASB that would contribute as a strike under the ‘three strikes’ policy change.

## FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	N/A (see below)	N/A	N/A
Next Financial Year (Year 2)	N/A	N/A	N/A
Following Financial Year (Year 3)	N/A	N/A	N/A

### **Other financial information relevant to the Recommendation/Decision**

The purpose of submitting a consultation response is to put forward to Government the views of Wokingham Borough Council on our views of the expected outcomes of the various options to changes of this legislation as detailed in Enclosure I of this report. Any financial implications of the recommendation are entirely dependent on which option the government chooses to implement. There is no certainty that the views and recommendations of the Council will be reflected in the final decisions. It is impossible to attach a financial value to any benefit or negative incurred through this consultation response as the council responding to this consultation does not have any direct financial implications.

More clarity on the policy changes from government is required in order to estimate the financial impacts that these proposed changes would have to the Council.

### **Cross-Council Implications** (how does this decision impact on other Council services, including property and priorities?)

The consultation responses respond to the proposed changes to the social housing allocations policy which, if implemented, would have cross-council implications. However, there is no guarantee that the government will consider the views submitted in Enclosure I of this report so there is no impact of the Council submitting these responses.

If the changes become law, the Council's Housing and Environmental Health teams will be impacted as they will require a change of policy in allocations and the way that anti-social behaviour is monitored in relation to housing.

### **Public Sector Equality Duty**

As part of this decision, due regard has been taken to the Public Sector Equality Duty. The equalities implications of the recommendation were discussed, and an Initial Equality Impact Assessment (Stage 1) document has been completed accordingly as per Enclosure 2. A Stage 2 assessment is not required as no negative impacts on groups have been identified.

### **SUMMARY OF CONSULTATION RESPONSES**

<b>Director – Resources and Assets</b>	No comment.
--	-------------

<b>Monitoring Officer</b>	Ensure the 'recommendation' section requests 'approval' of the submission of the consultation responses.
<b>Leader of the Council</b>	No comment.

<b>For Highways use only</b>	
<i>If your item is not about a highways matter you do not need to complete the Town and Parish Council information or the Local Ward Member information</i>	
<b>Town and Parish Councils</b>	
<b>Local Ward Members</b>	

<b>Reasons for considering the report in Part 2</b>
N/A

<b>List of Background Papers</b>
Enclosure I – Proposed Consultation Responses
Enclosure II – Stage 1 Equality and Impacts Assessment

<b>Contact</b> Samuel Watt	<b>Service</b> Place Commissioning
<b>Telephone No</b> 07786855374	<b>Email</b> samuel.watt@wokingham.gov.uk

This page is intentionally left blank