

**TITLE OF REPORT: Allocations Policy Changes****REPORT OF: Colin Huntington – Strategic Director, Housing, Environment and Healthy Communities**

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**Purpose of the Report**

1. To seek Cabinet and Council approval of proposed amendments to the Allocations Policy.
2. The amendments include several minor wording changes to improve clarity and consistency within the policy document as well as several substantial changes which have been endorsed by Strategic Housing Board on 7 December 2023 following a Members workshop on 24 November 2023.

**Background**

3. In 2021, the Council undertook an Allocations and Tenancy Review, which resulted in:
  - Cabinet agreement in October 2022 of a new Allocations Policy.
  - The establishment of 'Gateshead Home Choice' as the council's social housing allocations scheme following the disbanding of Tyne and Wear Homes in December 2022.
  - The migration of all Gateshead housing application data from Tyne and Wear Homes to the Gateshead housing management system NEC.
  - The launch of the Gateshead Home Choice platform which is used to advertise and allocate social housing using the Council's Allocation Policy on the 28 June 2023.
  - "My Housing Account" for customers to enter an application to go onto the housing register also went live on 28 June 2023.
4. There has now been a six-month settling in period of the Allocations Policy where it has been operationally tested at scale. This has identified several minor amendments which are needed to improve clarity and consistency within the policy and six proposed substantial changes.
5. The minor amendments (appendix 2) consist of a range of wording clarifications and small corrections that need to be made to the policy, for example where there is an incorrect age restriction attached to properties.
6. The substantial amendments to the policy cover six areas that affect eligibility to join the housing register, as well as the effective registration date for former members of the armed forces, and the date that an unborn child will be included in the assessment of an application.

7. A report was taken to the Strategic Housing Board on the 05 October 2023 with the following proposals:
- Provide feedback on the allocations policy update report.
  - Approve the minor amendments to the Allocations Policy or endorse these ahead of seeking formal approval from Cabinet.
  - Provide feedback on the proposal to have a Strategic Housing Board members workshop on areas for substantial change and to feedback any proposed changes to Cabinet.
8. The Strategic Housing Board endorsed all the above proposals and agreed to a workshop to look at areas for substantial change, the findings of which are detailed in this report for Cabinet's consideration.
9. The Strategic Housing Board members workshop took place on the 24 November 2023 and was chaired by the lead member for housing. Members discussed six areas which would constitute a significant change to the Allocations Policy and reached agreed recommendations to bring to Cabinet. Gateshead Council colleagues from specific operational teams attended the workshop to provide Members with detailed information on the relevant policy areas listed below:
- Armed forces
  - Joint Tenants
  - Financial Eligibility
  - Exclusion criteria
  - Unborn children
  - Local Connection

## **Proposal**

10. Members reached a consensus and proposed the following recommendations:
- i. Armed forces – the additional waiting time preference should be restricted to five years post discharge.
  - ii. Joint Tenants – allow people other than partners to become joint tenants.
  - iii. Financial Eligibility– change the financial threshold for total gross annual income for the household to restrict people coming onto the housing register from £25,000 to £50,000 for both single people and couples.
  - iv. Exclusion criteria – the threshold for debt to potentially exclude someone from the housing register will be £3000 for a single person or couple without children and £5500 for a household with children. People who are intentionally homeless due to eviction for anti-social behaviour or high debt levels would be demoted/excluded from the housing register.
  - v. Unborn children – unborn children will be recognised as part of the household from six months into the pregnancy.
  - vi. Local connection – the housing register will only be open to applicants with a local connection to Gateshead. This will be effective from April 2024.

## Recommendations

11. Cabinet is requested to recommend Council to approve:
- i. The minor amendments to the allocations policy as set out in appendix 2; and
  - ii. The substantive amendments as set out in paragraph 10 above and appendix 1.

For the following reasons:

- i. To ensure we have a clear and robust Allocations Policy.
- ii. To ensure we have effective governance of the Allocations Policy.
- iii. To ensure best use of the housing register

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## APPENDIX 1

### Policy Context

1. Gateshead's strategic approach is set out in 'Making Gateshead a place where everyone thrives'. Within this strategy the Council has pledged to put people and families at the heart of everything we do and tackle inequality, so people have a fair chance.
2. Our Housing Strategy sets out key aims to improve Standards, Supply and Support. The Allocations Policy helps us deliver on all three of these strategic aims.
3. The Housing Regulatory Standards require us to let properties in a fair, transparent and efficient way, make best use of our stock reduce the amount of time properties are empty, address under occupation and overcrowding and to meet our strategic housing needs, including homelessness. This policy and strategy are therefore essential to ensuring both regulatory and statutory compliance.

### Background

4. In 2021, the Council undertook an Allocations and Tenancy Review, which resulted in:
  - Cabinet agreement in October 2022 of a new Allocations Policy.
  - The establishment of 'Gateshead home Choice' following the disbanding of Tyne and Wear Homes in December 2022.
  - The launch of the Gateshead Home Choice platform which is used to advertise and allocate social housing using the Council's Allocation Policy on the 28 June 2023.
  - My Housing Account for customers to enter an application to go onto the housing register also went live on 28 June 2023
5. There are several areas which have been considered for substantial changes to the Allocations Policy which were discussed in detail with Members from the Strategic Housing Board and are outlined below.

### Armed Forces

6. Gateshead Council is signed up to the North-East of England Armed Forces Charter and the Armed Forces Covenant. Special consideration is given to members of the armed forces (and former members) who apply for housing. Members of the armed forces who are due for discharge within 56 days will be assessed under a homeless prevention duty and those who have already been discharged under both a main (full) and relief duty.
7. To award additional preference and to give members of the armed forces the ability to accrue waiting time, the enlistment date is used as the registration date. One of the consequences of this is that an applicant can repeatedly use the additional preference gained by their enlistment date.
8. It is recommended that a statement is included within the policy to advise that this criteria only applies for up to five years of leaving service providing they haven't

found settled accommodation during this period. If a person has been left service for more than five years and has still not been able to find or successfully manage settled accommodation, they can still bring this to our attention and they will be given support and assistance.

9. As part of the Armed Forces covenant pledge, we disregard a local connection and accept a duty to refer. Former members of the armed forces will therefore be regarded as having a local connection.

## **Joint Tenants**

10. Under Part 4.2 of the policy (Registration for the Gateshead Housing Register - Qualification Rules) it states:

- *You can register alone, or jointly with your partner. In most cases where the application is joint, the tenancy will also be joint.*

11. This has impacted on people who are not partners being unable to have a joint tenancy. It is recommended to widen the criteria for joint tenancies to allow people other than partners to become joint tenants and include two or more people who have joined the housing register together. This will also require a similar amendment to the Tenancy Management Policy.

## **Financial Eligibility**

12. In section 4.3.1 (Financial Exclusion) the policy states:

- *With the exception of those showing a demonstrable hardship, vulnerability or where you may qualify for specialist accommodation, we may ask you to find your own housing solution if your savings, income, investments or equity levels exceed the thresholds in the table below. The thresholds are reviewed annually and in line with average earnings and average property prices including those sold on the open market and through the Right to Buy scheme to existing tenants. The thresholds do not apply to former members of the armed forces.*

13. The thresholds are:

- Savings - Applicants (both single persons and couples) who have total savings of £25,000 or more.*
- Income - Applicants whose total gross household income from all sources exceeds an annual income of £25,000 or more (for single persons) or joint income of £50,000 or more (for couples).*
- Investments Applicants (both single persons and couples) who have total investments including property in the UK and abroad of £50,000 or more.*
- Equity - Applicants who have equity £50,000 or more to the property.*

14. It is recommended that the income threshold for single persons of £25,000 be raised to £50,000 as this threshold is affecting single persons who are not in a financial position to find alternative provision for example through property purchase.

## **Exclusion from the housing register due to high levels of housing debt or serious anti-social behaviour / people found to be intentionally homeless.**

15. In Section 4.3 the policy sets out circumstances in which an applicant may be excluded from joining the housing register:

*We will only exclude applicants where all other viable options are unavailable. Each case is assessed to ensure that they are not the victims of behaviour that was outside of their control. Applicants with very high level of housing related debt, serious anti-social behaviour or criminal behaviour will be considered for exclusion where:*

- i. the debt or behaviour is serious enough to meet the threshold applied by courts to grant a possession order.*
- ii. the applicant refuses to engage with the council and therefore we cannot consider them for demotion under reduced preferences.*
- iii. the decision to exclude will be taken at a senior or panel level.*
- iv. where the case may be managed instead, we will consider suspension of the application first, whilst we implement a plan to reduce any risks.*
- v. we will consider all other measures before excluding an applicant who would qualify for a critical or urgent priority award.*

16. Under previous policies the thresholds of debt likely to lead to a possession order were set out in an accompanying statement of flexibility and reviewed annually. This helped in terms of engagement with applicants and added clarity to the policy.

17. It is recommended that additional information is included in the policy to advise that an amount of housing debt where there is likely to be an order granted by the court may trigger exclusion from the housing register. This information would be reviewed annually and is currently set at:

- i. Single people or couple without children: £3,000
- ii. Households with dependent children: £5,500

### **Serious anti-social behaviour / Intentionally homeless**

18. The allocations policy states that “*we will consider all other measures before excluding an applicant who would qualify for a critical or urgent priority award*”. This has the unintended consequence of effectively allowing on the housing register with a critical award due to being owed a homeless relief duty, applicants who have just been evicted by the Council for serious anti-social behaviour or high housing debt. There will be other applicants who have been evicted by other landlords for similarly serious anti-social behaviour or high housing debt.

19. After 56 days, the Council can end the relief duty even if the applicant is still homeless and issue a final homeless decision. The final homeless decision can be that the applicant is intentionally homeless. Such a decision would result in the applicant moving to a substantial award and being open to exclusion or demotion. The homeless application would be closed. So, for 56 days the applicant could get a new council tenancy even though the Council has just evicted them. However, if they remain homeless after 56 days, no further help will be provided to them because the homeless relief duty will be ended.

20. It is recommended to change the policy so that exclusions are allowed for applicants for whom the Council has issued an intentional homeless decision, or where the Council is investigating an issue of intentional homelessness. This will allow us to keep the homeless relief duty open following the intentionally homeless decision for as long as is needed to assist the applicant into appropriate accommodation – for example, supported accommodation with intensive support for occupants with complex needs. However, it will also allow us to exclude the applicant from the housing register, so they cannot get a Council tenancy.

### **Unborn Children**

21. In section 5.1.1 of the policy (Assessment of an application - Size Allowance) the policy states that a baby will only be included in a housing assessment following production of a birth certificate. This can be difficult for applicants who want to plan or need to move to a more suitable property for a baby.

22. Under the previous policy, allowance was made for assessment in terms of bed spaces required and potential overcrowding at the six-month stage of pregnancy.

23. It is recommended that the new policy return to the previous rule of including for assessment at the six-month stage of pregnancy.

### **Local Connection**

24. Applications have been accepted to the housing register from people with and without a local connection to Gateshead, although preference has been given to those with a local connection. Bids from those with a local connection are ranked ahead of those without.

25. The allocation policy states that a local connection is defined as one or more of the following:

- have lived in Gateshead for six of the previous 12 months.
- have lived in Gateshead for three of the previous five years.
- have a current contract of employment in Gateshead.
- likely to be in education in Gateshead for six months or more.
- have family residing in the borough.
- been placed out of borough by Gateshead Council.
- been living in supported housing in Gateshead or be living in accommodation provided by one of the agencies that the council works with for at least six months.
- be either giving support or receiving it from someone living in the borough and it is only possible if they live in Gateshead and have evidence to support this.
- have one of the above prior to incarceration or institutionalisation.
- you have been discharged from the armed forces.

26. Numbers on the housing register have increased in recent years, from 6,793 in April 2020 to 13,637 in October 2023. In the last two years there has been a significant increase in the number of applicants in the two highest need bands (Critical Need and Urgent Need) from 376 in April 2021 to 1,102 in October 2023

27. This means that the likelihood of applicants without a local connection being rehoused has greatly reduced, except for hard to let, low demand properties advertised as “available now.”
28. There were around 2,700 applicants without a recorded local connection on the housing register at the start of October 2023. Registering and managing these applications takes time and resources which instead may be needed to focus on the rising number of Critical and Urgent cases on the register.
29. At the workshop on 24 November 2023 Members expressed a view that the housing register should be closed to applicants without a local connection including to existing applicants.
30. There is also the possibility that a hard to let / low demand property may be advertised outside of the Home Choice system (for example via the council website or social media). In such circumstances where there is no interest from applicants with a local connection it is recommended that with appropriate checks, consideration may be made of making an offer to a person who responds without a local connection.

## **Consultation**

31. Operational staff who use the Allocations Policy on a regular basis were consulted around how the policy was being applied and if there were any amendments or substantial considerations that needed to be addressed.
32. A report went to the Strategic Housing Board on the 05 October 2023 which gave a break down of proposed minor and substantial changes to the policy. They endorsed the proposals and agreed to a workshop to discuss the substantial changes in more detail.
33. A Members workshop took place on the 24 November 2023 to discuss six key areas of substantial change to the policy.
34. The policy change around the local connection requirement was taken to Housing and Environment portfolio on the 5 December 2023 and the proposal to exclude applicants without a local connection from the housing register was put forward. This was then taken back to the Strategic Housing Board on the 7 December 2023.
35. A communication plan will be implemented if these changes are agreed to ensure that customers and stakeholders are aware of them and the implication for accessing the housing register.

## **Alternative Options**

36. There are no alternative options. An Allocations Policy is required to ensure we are meeting our regulatory and statutory requirements.



## Implications of Recommended Option

### 37. Resources:

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms there are no financial implications directly arising from this report.
- b) **Human Resources Implications** – There are no human resource implications directly arising from this report.
- c) **Property Implications** - The Allocations Policy is the principal document for how the Council and Registered Providers advertise and allocate properties in Gateshead, so we want to ensure that the policy is as robust and clear as possible.

38. **Risk Management Implication** - Integrated impact assessments are in place for the Allocations Policy. This will be reassessed considering any substantial changes to the policy.

39. **Equality and Diversity Implications** - The Allocations Policy will aim to reduce inequalities within Gateshead. An integrated impact assessment has been carried out to identify potential implications and impact related to protected characteristics identified in the Equality Act 2010 and will be reviewed if any substantial changes are made to the policy.

40. **Crime and Disorder Implications** – The Allocations Policy will contribute to the achievement of reducing crime and disorder in Gateshead.

41. **Health Implications** – The Allocations Policy will contribute to improving health and wellbeing outcomes for local people and aim to reduce inequalities within Gateshead.

42. **Climate Emergency and Sustainability Implications** - The Allocations Policy will contribute to the achievement of having sustainable communities and neighbourhoods within Gateshead.

43. **Human Rights Implications** – There are no Human Rights implications relating to this report.

44. **Ward Implications** - All wards within the borough are covered by the Allocations Policy.

## Background Information

### Appendix 2 – Minor Amends

Point	Page	Area	Type of change	Comments
3.4	11	Armed forces	Typo	Typo (additional comma) in 2 <sup>nd</sup> paragraph
4.3	13	Exclusion Criteria	Typo	Non qualification rules – one of the bullet points refers to section 4.6 but should be 4.4
4.4	14	Demotions	Typo	Wording incorrect – mixes up demotions/exclusions
4.4	14	Demotions	Typo	C Tax is an abbreviation. Change to full word
4.4	15	Applicants Demoted under reduced preference	Typo	Word missing
4.8	16	Household Splits	Wording clarification	Clarity required on household splits
5.1.1	19	Size allowance	Wording clarification	Wording to be changed to 'children' rather than 'siblings'
5.1.1	19	Size allowance	Wording Clarification	Needs to also reference appendix 3 which gives a definition of the space standard
5.1.1	19	Size Allowance	Wording Clarification	Parlours
5.1.2	20	Property allocation table	Incomplete Table	Property allocation table (which shows the type of properties that different household types can bid for) is incomplete. Update with information around split households as does not cover access arrangements and the four-night criteria is misleading. Current wording is shown in 4.8 page 16 of policy.
5.1.2	20	Property allocation table	Incomplete Table	Maisonettes in multi-story properties. Need to reflect policy on multi-story so no children under 16. Current wording is shown in 5.3.17 page 30 of policy
5.3.9	27	Overcrowding	Wording Clarification	Clarify that an urgent award is given if a child is sharing a bedroom with an adult not just 'parent'
5.3.13	29	Under occupation	Wording Clarification	Wording states 'existing tenant' – should say 'existing social housing tenant'
5.3.13	29	Under Occupation	Wording Clarification	'No breaches of tenancy' may be misleading as someone may need to downsize due to affordability issues and have rent arrears. Clarity needed on what is meant
5.3.15	29	Service Accommodation	Wording Clarification	Section here should also mention backdated waiting time (to the start of their employment date) – it is referred to on page 32 (5.6-a) but should be covered here too.

5.4	30	Housing Priority Bands	Typo	Page 30 – mix of capital and lower case – needs unifying
5.4	31	Housing Priority Bands	Wording Clarification	Urgent Priority – overcrowded by 2 bedspaces. Also needs to include that an urgent priority band will be given if an adult is sharing with a child.
5.4	31	Housing Priority Bands	Table	5.3.18 states that 'move on' applicants from supported accommodation will be given an urgent band. This needs to be clearly reflected in the table.
5.6	32	Determination of effective band dare	Wording Clarification	Section (a) to use consistent language with covenant on page 10 as here it refers to 'members of the armed forces' rather than anyone who served
6.4	34	How will you know which properties you can express an interest in?	Wording Clarification	Change 'all applicants with a housing need can bid on properties advertised as priority need' to 'all eligible applicants can bid on properties advertised as priority need.'
6.4	34	How will you know which properties you can express an interest in?	Wording Clarification	Last sentence needs clarification - if we exhaust medical bids we would consider other priorities/general needs cases current wording suggests they would not be able to bid.
6.5	35	How are applicants' bids ranked?	Take out wording	Second paragraph – take out wording 'we will also give preference for the largest families'
6.7	37	Offer of accommodation	Wording Clarification	para 3 – clarify that we require an arrangement to be set up at the point of offer around arrears?
Appendix 4	46	Property age restrictions	Formatting	Formatting on table – all over 40's should be together then all over 50's etc
Appendix 4	48	Property age restrictions	Typo	Greenfields 1 bed flat is 50 plus not 60. Should be moved to page 46 under Emmaville details
Appendix 40	48	Property age restrictions	Wording Clarification	Wording unclear: 'all other bungalows are available to anyone over the age of 50', should read 'all other one bed bungalows'
Appendix 6	50/51	Local lettings plans	Formatting	Greenfields to be included with Emmaville

## Appendix Two – Integrated Impact Assessment

Title of proposal: Allocations Policy (formerly Lettings Policy)	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	Description of potential mitigation
<p><b>Equality impact:</b> (✓ all that apply. The assessment should also consider impact on council employees and carers where applicable)</p> <p>Description of impact: The new allocations policy introduces the following changes:</p> <ol style="list-style-type: none"> <li>1. Armed forces. The 5-year cap has been removed and both honourably and dishonourably former members of the armed forces will be considered.</li> </ol>	X	X	X	X	X	X	X	X	X	<p>In theory the changes have the possibility of impacting any of the groups covered by the Act. However the impact is a positive one overall.</p> <p><b>January 2024 update</b> People who apply to go onto Gateshead’s housing register could potentially have any protected characteristics. However, the protected characteristics most likely to be impacted by the Jan 2024 changes to the policy are age, sex, disability and pregnancy and maternity. No disproportionate impact is expected.</p> <ul style="list-style-type: none"> <li>▪ By removing the 5-year cap and not discriminating between honourable or dishonourable at the point of application we have lowered thresholds and will consider priority need alone. Former members of the armed</li> </ul>

<p><b>January 2024 update</b> - The additional waiting time preference for members of the armed forces will be restricted to five years post discharge providing that they have not found settled accommodation.</p>	X	X	X	X	X	X	X	X	X	X	<p>forces continue to benefit from the current covenants and new covenant duty being introduced at the end of the 2022.</p> <p><b>January 2024 update</b> – it was identified that removing the 5 year gap was having unintended consequences of allowing people who had been in settled accommodation for many years to have an unintended preference.</p>
<p>2. Out of Borough. The rules around OOB applicants remain unchanged for the present but we have strengthened the local connection rules in line with legislation and industry good practice.</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>▪ The local connection has been strengthened and places less of burden to evidence a connection. However an exercise is due to take place where we quantify the number of OOB applicants with no local connection with a view to giving consideration to continuing as we are or closing the list. This will be brought to Cabinet at a later stage once the new policy has bedded in for at least a year.</li> </ul>
<p><b>January update 2024</b> – Due to the exponential increase in the housing register people without a local connection to the area will not be able to join the housing register.</p>	X	X	X	X	X	X	X	X	X	X	<p><b>January update 2024</b> - Applicants without a local connection to Gateshead will not be able to join the housing register and applicants currently on the register without a local connection will be removed.</p>
<p>3. Exclusions. These remain but with a formal decision</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>▪ Exclusions have been strengthened and all viable</li> </ul>

<p>process to consider the health and wellbeing of both the individuals and the community balance. They will not apply to bands 1 and 2 where the housing need is critical or urgent.</p>											
<p><b>January update 2024</b> Exclusions - Debt. Clarification given on the thresholds for financial exclusion from the housing register. These are to be set at £3000 for a single person or a couple without children and £5500 for households with children.</p>	X	X	X	X	X	X	X	X	X	X	<p>options will be pursued before an exclusion is agreed. This promotes Thrive and the need to explore better management of cases which might previously have been excluded. They will not apply to those in critical or urgent need.</p> <p><b>January update 2024</b></p> <ul style="list-style-type: none"> <li>If the person has met the financial threshold but has a priority award they will not be excluded from the register. Instead they will be supported to have a financial payment plan in place.</li> </ul>
<p>Exclusion – ASB. People who are intentionally homeless due to eviction would be excluded from the housing register.</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>Whilst a person may be excluded from the housing register due to serious ASB they will still be given support to access supported accommodation if they have a priority award.</li> </ul>
<p>4. Financial Eligibility. This has been strengthened. Those with equity, income, savings and investments above thresholds set in line with RTB discounts, average house prices, private rents and average earnings will be expected to find their own housing solutions unless they are vulnerable or need specialist accommodation.</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>Financial eligibility will not apply to vulnerable households or those needing specialist accommodation so will not penalise those most in need.</li> </ul>

<p><b>January 2024 update</b> The financial threshold has been amended to allow single people to have an income up to £50,000 before they are excluded from the housing register.</p>	X	X	X	X	X	X	X	X	X	X	<p><b>January 2024 update</b></p> <ul style="list-style-type: none"> <li>▪ This change has been made in recognition that the threshold of £25,000 was too low and was excluding people from the housing register who were unable to access housing through the open market.</li> </ul>
<p>5. Demotions. These will now be within the qualifying band rather than at the end of the housing register. They will not apply to bands 1 and 2 where the housing need is critical or urgent.</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>▪ Demotions recognises the need for those in band 3 to sit above those in band 4 thereby recognising their priority need.</li> </ul>
<p>6. Overcrowding. The pressure on very large households in overcrowded accommodation has been recognised. Those needing 3 or more bedspaces will sit in band 1 (critical). Those needing 2 bedspaces will sit in band 2 (urgent) and those needing 1 bedspace will sit in band 3 (substantial).</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>▪ By recognising the need for large properties for overcrowded households we have sought a remedy that addresses need by bedspace shortfall.</li> </ul>
<p>7. Homeless Priority Need. This has been adjusted to recognise the need to move those in B&amp;B and temporary accommodation quickly and reduce the stress to the applicants and the cost to the Council. Full and relief duty</p>	X	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> <li>▪ By recognising the need to place those in B&amp;B and TA into critical need we recognise the thrive agenda and the cost to the Council. We will need to monitor the savings for a full letting year post approval of the policy to understand the full impact of</li> </ul>

<p>will now be band 1 (critical). Prevention duty will be band 2 (urgent) and intentionally homeless will be band 3 (substantial).</p> <p>8. <b>January 2024 update.</b> Joint tenants – people other than partners can become joint tenants.</p> <p>9. <b>January 2024 update</b> Unborn children will be recognised as part of the household from six months into the pregnancy.</p>	X	X	X	X	X	X	X	X	X	X	<p>those savings.</p> <p>▪ <b>January 2024 update.</b> Will reduce overcrowding and support families being adequately housed.</p>
<p><b>Health impact: (e.g. physical, mental health, wellbeing, substance misuse)</b> We have considered the impact to health and wellbeing when introducing the changes around homeless priority, overcrowding and armed forces.</p>										NA	
<p><b>Socio Economic impact: (e.g. neighbourhood, ward, area of deprivation, household group, income, wealth)</b> Overcrowded households moving to larger properties will need to find them affordable where they are not in receipt of benefit or there is a benefit cap. We will monitor the impact of releasing B&amp;B and TA quicker by awarding a critical need over the next 12 months. By introducing a financial exclusion policy for those who can afford to seek their own housing solutions we reduce the pressure on the existing housing register and those who are vulnerable or in need of specialist accommodation.</p> <p><b>January 2024 update</b> Since 2020 the demand on the housing register has doubled and this is in part due to rent increases and lack of availability in the private market and people’s ability to afford their rent. It is likely that this will continue to impact on the housing register over the next 12 months</p>										<p>We will need to monitor the impact of financial hardship overall over the next year. Further changes may be introduced where there is a negative impact. However with overcrowding we are also seeking to move dependents who are 18 and over to their properties in order to alleviate the overcrowding to the main household which in itself mitigate the costs to the main household.</p> <p><b>January 2024 update</b> We will continue to monitor the impact of the policy changes and the external housing environment on the housing</p>	



<p>and we will continue to monitor the impact of this on an annual basis.</p>	<p>register to ensure we continue to offer a fair and transparent service which meets the needs of our customers.</p>
<p><b>Environmental impact: (does the proposal impact on climate change and the Council’s commitment to be carbon neutral by 2030? Is the proposal in line with the Council’s Environmental Policy? Does the proposal increase natural resource use? Does the proposal increase waste? Does the proposal increase pollution? Does the proposal impact on wildlife? Does the proposal increase car use? Does the proposal increase energy use?)</b> None</p>	<p>NA</p>
<p><b>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users and is potentially at odds with the Thrive agenda).</b> Where there is financial hardship, this will factor in the priority award. A further impact assessment will be undertaken once the impact analysis and savings have been monitored and completed.</p>	<p>A final impact analysis will be submitted 12 months after the approval and implementation of the new policy to understand the effects of savings, further work on whether to close the housing register, monitor financial hardship, monitor the effects of banding changes and demotions within qualifying bands.</p>

### **Summary of consultation/data/research undertaken to inform the assessment:**

**(e.g. feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)**

A full impact analysis is underway as follows:

1. Banding Migration. We are looking at the full effect of banding changes, for the households that move and also the impact to the band they move from and to. This work is due for completion by mid Sept and the results will be sent to Cabinet with the new Allocations Policy.
2. Demotion within Qualifying Band. We are looking at the full effect of demotion within qualifying band. This will cover the exemptions for critical and urgent, the impact to moving the demotion from the bottom of the list into the qualifying band and the impact to band 3 and 4 where there is no exemption. This is due for completion by mid Sept and the results will be sent to Cabinet with the new Allocations Policy.
3. Demotion housing related debt threshold of £250 changing to £500. The work is complete. Around 25% of applicants who are currently demoted will not be demoted with a higher threshold for housing related debt. Further this will not apply to those in critical or urgent need. Demotion will not apply to applicants who find themselves in debt through no fault of their own.
4. Financial Exclusions. We looked at the rehoused owner occupiers in the last 6 months. Data is not currently collected for savings, income or investments, it will be in the future. The threshold that was applied was £100,000 and 9 applicants were over it and would not have been rehoused. The threshold has now been revised following consultation to £50,000 and more would apply so we are revisiting the exercise which is due for completion by mid Sept.
5. We will do a costs savings exercise over the next 12 months for households owed a relief duty.
6. We will do a quantitative exercise over the next 12 months for households who are out of borough without a local connection. This is to look at the numbers of the housing register and whether by accepting them this is having a detrimental effect on rehousing transfer applicants. It is also to understand whether the original trend of housing OOB applicants with no local connection into lower demand properties has changed and needs to be further evidenced.
7. A partnership agreement is being developed with Registered Providers over the next 12 months.
8. A further liA will be submitted once all the above are complete.

We undertook public consultation between 30 June and 28 July 2022. This was undertaken with the following:

- All applicants on the housing register. We had 1750 respondents out of 9500 applicants which represents 19%.
- Residents in Gateshead via a public consultation. We are undertaking a tenants workshop on the 1 September 2022.
- Members
- Registered providers in Gateshead
- External stakeholders
- Internal stakeholders

The results on the proposed changes so far:

1. Armed forces. 83% agreed and the change has been adopted.
2. Out of Borough. 71% agreed and the comments overall were that housing should be prioritised for Gateshead residents; with out

of borough applicants having the opportunity to apply. Further discussions with staff and members resulted in retention of the current policy which states that out of borough applicants will be assessed for band 4, those with a local connection will sit above those without one. The local connection rule was strengthened in line with industry standards and retained. The main reason for retaining it is to give transfers preference over out of borough applicants without a local connection. Further work is planned as detailed in 6 above.

3. Exclusions. At the time of consultation were considering removing exclusions. 52% agreed and 43% disagreed which meant the result was inconclusive. Applicants and members felt exclusion should be rare with a formal decision process and only where there is no other viable option but that they should not be removed entirely. There should be a greater degree of management of high-risk cases and that those that engaged with the Council could be demoted; those that did not may be suspended whilst a plan was constructed to minimise any risks. A modified version of exclusions was retained.
4. Financial Exclusions. 76% agreed; although there were general comments about the thresholds. There has been further discussion internally and the thresholds have been reviewed in line with average earnings, private rents and average property prices following right to buy discounts. The change has been adopted.
5. Demotions. 74% agreed; and this only applies to bands 3 and 4, so those demoted in band 3 will sit above general needs, their priority need is therefore preserved. The change has been adopted.
6. Overcrowding. 81% agreed and this recognises severe overcrowding. The change has been adopted.
7. Homeless Priority Need. 83% agreed and this recognises the need for the Council to reduce the costs of temporary accommodation. The change has been adopted. Further work is planned see 5 above.

## **January 2024 update**

### **Changes to the housing register**

The housing register is impacted by the external housing market which has changed significantly over the last few years. This includes:

- Increased demand on the housing register
  - 13,637 applications for housing in Oct 2023, compared to 6,793 in April 2020
- More applicants with critical or urgent need
  - Increased from 376 to 1,102 in just over two years.
- Fewer council properties let each year.
  - 1,125 let in 2022/23. Around 1,400 previously
- More evictions from private sector tenancies
- More use of bed and breakfast and temporary accommodation
- Pressures on single persons accommodation and family housing
- Some flats reserved for tenants aged 50+ more difficult to let.
- Two-bedroom flats unaffordable to many applicants

This inevitably necessitates refinements to the allocations policy to ensure it meet changing needs and priorities.

**Engagement on policy changes**

During August to December 2023 engagement on the policy changes has taken place with:

- Operational teams at Gateshead Council (lettings, allocations, and housing solutions).
- Strategic Housing Board
- Cllr with responsibility for the armed forces portfolio.
- Members workshop
- Customers

**Signed: (completing officer)** Lindsay Warren (senior Project Manager) with Kevin Johnson, Head of Customer Services, Gateshead Council.

**Date:** 04 January 2024

**Service Director: (approved)** Kevin Scarlett, Director of Strategic Housing and Residential Growth

**Date:** 04 January 2024