



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title

Local Connection Changes to the Housing Allocations Schemes

AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	19 July 2017
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Chief Executive's
Accountable Cabinet Member:	Councillor Stephen Hibbert
Ward(s)	All

1. Purpose

- 1.1 The West Northamptonshire Joint Core Strategy has identified a series of Sustainable Urban Extensions (SUEs) that will contribute to the planned expansion of Northampton, Daventry, Towcester and Brackley and create a more sustainable pattern of development, with well-planned infrastructure, including access to housing.
- 1.2 Northampton Borough Council, Daventry District Council and South Northamptonshire Council have agreed that all of the new affordable rented housing that is built in the Northampton Related Development Area (NRDA) will be offered, first, to households that are on Northampton's Housing Register and then, if there is no qualifying applicant from Northampton's Register, to housing applicants on the Daventry or South Northants Housing Registers in accordance with a three tier Cascading Nominations Agreement (See Appendix A).

- 1.3 The purpose of this report is to ask Cabinet to approve changes to the Council's Housing Allocations Scheme in order to enable people who have a local connection with the NRDA to join Northampton's Housing Register and to enable Northampton Borough Council to house applicants from its Housing Register in the new affordable housing that is being built in the NRDA.

2. Recommendations

2.1 It is **recommended** that Cabinet:

- (a) Approves (with effect from the date that Daventry District Council and South Northamptonshire District Council have formally approved and signed the nominations agreement in favour of Northampton Borough Council) changes to the definition of 'local connection' and the criteria for awarding priority working and community contribution stars in the Council's Housing Allocations Scheme (as set out in Section 3.2 of this report) in order to reflect the fact that the Scheme applies to the whole of the NRDA – rather than just the Northampton Borough – and to enable people who have a local connection with the NRDA to join Northampton's Housing Register and have their applications assessed and prioritised in accordance with the same fair, transparent criteria; and
- (b) Approves (with effect from the date that Daventry District Council and South Northamptonshire District Council have formally approved and signed the nominations agreement in favour of Northampton Borough Council) the inclusion of the three tier Cascading Nominations Agreement (the 'Cascade') as an Appendix to Northampton's Housing Allocations Scheme (the 'Scheme') in order that this flexible agreement can sit alongside the Scheme and any housing allocation that is made in accordance with the Cascade will not be a breach of the Scheme.

3. Issues and Choices

3.1 Report Background

3.1.1 The West Northamptonshire Joint Core Strategy defines the Northampton Related Development Area (see map on Appendix B) as:

- The whole of Northampton Borough Council's administrative area;
- Those neighbouring parts of Daventry and South Northamptonshire Councils' administrative areas where 'development related to the growth of Northampton' has already been completed or has planning permission or an approval in principle; and
- Those neighbouring parts of Daventry District and South Northamptonshire Councils' administrative areas that are allocated for Sustainable Urban Extensions.

- 3.1.2 It is planned that 16,850 new homes will be built in the Sustainable Urban Extensions and that, of these, approximately 5,900 homes will be affordable housing. Of the affordable housing, around 1,770 homes will be affordable rented housing.
- 3.1.3 Northampton Borough Council, Daventry District Council and South Northamptonshire District Council have agreed a Cascading Nominations Agreement to ensure that all of the new affordable rented housing that is built in the Northampton Related Development Area (NRDA) will be offered, first, to households that are on Northampton's Housing Register and will be prioritised in accordance with Northampton's Housing Allocations Scheme.
- 3.1.4 In the unlikely event that a suitable qualifying applicant cannot be identified from Northampton's Housing Register, then the Cascade allows for applicants on Daventry's Housing Register or South Northamptonshire's Register (depending on the location of the property and the applicant) to be nominated for consideration in accordance with their respective local authorities' Allocations policy.

3.2 Issues

Northampton's Housing Allocations Scheme

- 3.2.1 As the Council's existing Housing Allocations Scheme is based on Northampton's administrative area, a significant part of the Northampton Related Development Area is not reflected in the Scheme. The 'local connection' criteria are based on Northampton and currently exclude housing applicants who are unable to establish a local connection with the Borough of Northampton.
- 3.2.2 In order to join Northampton's Housing Register, applicants (except for certain Armed Forces personnel) must meet the local connection criteria:
- They are living in Northampton and have done so continuously for 3 years;
 - They are working in Northampton and have done so continuously for 9 months;
 - They want to live near to a close relative (or another person if there is no other living relative who can provide support) who is living in Northampton and has done so for more than 5 years, and they (the applicant) are either providing them with support/care or receiving support/care that they cannot receive in their local area.
- 3.2.3 For the purpose of the Housing Allocations Scheme, a close relative is defined as a father, mother, stepfather, stepmother, son, daughter, stepson, stepdaughter, grandfather, grandmother, grandson, granddaughter, brother, sister, uncle, aunt, nephew or niece (whether of full blood, half blood or by affinity) of that person or of that person's spouse or former spouse.

Proposed changes to the Housing Allocations Scheme

3.2.4 Although the Council is proposing to make wholesale changes to its Housing Allocations Scheme in 2018/19, changes need to be made now to ensure that the whole of the NRDA (and not just the Northampton Borough) and the Cascade is reflected in the Scheme and that any housing applicants who do not have a local connection with Northampton but are able to establish a local connection with another part of the NRDA are able to join Northampton's Housing Register, apply for housing within the NRDA and have their applications assessed and prioritised according to the same fair, transparent criteria.

3.2.5 It is proposed, therefore, that the wording of the definition of 'local connection' in Northampton's Housing Allocations Scheme is amended to reflect the following:

A local connection will be established if:

- **The applicant is living in the Borough of Northampton or the Northampton Related Development Area and has done so continuously for 3 years immediately prior to making the application to join Northampton's Housing Register;**
- **The applicant is working in the Borough of Northampton or the Northampton Related Development Area and has done so continuously for 9 months immediately prior to making the application to join Northampton's Housing Register;**
- **The applicant wants to live near to a close relative (or another person if there is no other living relative who can provide support/ care) who is living in the Northampton Borough or the Northampton Related Development Area and has done so continuously for the past 5 years, and the applicant is either providing them with support / care or is receiving support / care that they cannot receive in their local area.**

3.2.6 It is further proposed that the wording of the criteria for awarding priority stars for working households and for community contribution in the Northampton's Housing Allocations Scheme is amended to reflect the following:

Working Households

Northampton Borough Council wants to support the growth of the area, and encourage people to work and raise levels of aspiration and ambition. We will therefore offer increased priority to applicants that are working and making a contribution to the local economy. The increased priority gained by being a Working Household will apply across the Northampton Related Development Area and is not linked to a specific area.

Community Contribution

The Community Contribution Priority Scheme is a Northampton Borough Council scheme that applies to applicants across the Northampton Related Development Area which gives an applicant increased priority, in addition to any other Reasonable Preference they are entitled to because of housing need.

Definition of a Community Contribution

Criterion 1 - If an applicant, over the age of 16 has lived in the Northampton Related Development Area for three years continuously, now or in the past and can pass the 'current positive local residence history' test (no anti-social behaviour, hate crime or convicted criminal activity) they may apply for the Community Contribution award.

Criterion 2 – If an applicant volunteers, a Community Contribution award will be applied. Volunteers must have been volunteering for a continuous period of at least 6 months up to the point of application, and the same at point of offer. Volunteering must be for a not-for profit organisation or a charity and must be for a minimum of 10 hours per month. N.B. Tenants and Residents Associations, which are constituted, are classified as not-for-profit organisation. They must be registered with Northampton Borough Council, Daventry District Council, South Northamptonshire Council or a Registered Provider to qualify.

- 3.2.7 These amendments to the Housing Allocations Scheme will ensure that anyone who is able to establish a local connection with the NRDA will be able to join Northampton's Housing Register subject, of course, to them meeting the other eligibility criteria.
- 3.2.8 Applicants on Northampton's Housing Register will be considered for affordable rented housing in all parts of the NRDA, including the new homes being built in the Sustainable Urban Extensions.
- 3.2.9 It is also proposed that the Cascading Nominations Agreement which sets out the intended process for allocating new homes built within the NRDA (including first lets, and any subsequent relets) is included as an Appendix to Northampton's Housing Allocations Scheme in order to ensure all such allocations are made in accordance with the Scheme.

3.3 Choices (Options)

- 3.3.1 Cabinet can approve changes to the local connection and criteria for awarding priority stars in Northampton's Housing Allocations Policy, and include the Cascading Nominations Agreement as an Appendix to the Policy.

3.3.2 Cabinet can do nothing or simply defer the proposed changes until next year when the Council consults on the full set of changes it is planning to make to the Housing Allocations Scheme. However, this would be unfair and will undermine the objectives agreed in the West Northamptonshire Joint Core Strategy and deny housing applicants the opportunity to apply for housing in the whole of the NRDA.

4. Implications (including financial implications)

4.1 Policy

4.1.1 The action that the Council is proposing to take is in line with the West Northamptonshire Joint Core Strategy, Council policy and reflects the priorities in the Corporate Plan 2016-20.

4.2 Resources and Risk

4.2.1 The proposed changes to the Councils Housing Allocations Scheme can be accommodated within existing budgets and staffing establishments

4.2.2 The Head of Housing and Wellbeing chairs a NRDA Allocations Implementation Group which is fully represented by allocations managers from the three local authorities and Northampton Partnership Homes. A sub-group has been tasked (as part of their day-to-day activities) with delivering the operational changes that are required to introduce the proposed amendments to the Housing Allocations Scheme.

4.2.3 The Housing Strategy Officer is utilising her experience in delivering cost neutral operational and systems improvements to project manage the sub-group. This includes co-ordinated training, publicity, ICT and review.

4.2.4 The risk of not implementing these proposed changes to the Housing Allocations Scheme is the loss of nomination rights to much needed affordable housing that is being developed in SUEs to meet Northampton's needs.

4.3 Legal

4.3.1 The Council sought Counsel opinion in December 2016 on whether it has a duty to consult on the changes to the 'local connection' in its Housing Allocations Scheme. Counsel advised that the Council should consult in accordance with section 166A(13) of the Housing Act 1996

4.3.2 Counsel also advised that the Council does not need to consult more widely on a common law basis, that the Council undertake an Equality (Community) Impact Assessment and that it consider the effect of the amendment on section 166A (5) of the Housing Act 1996 and how it determines priority under the allocation policy (particularly with regards to awarding priority stars).

4.3.3 The subsequent Community Impact Assessment highlighted the risk of differential treatment for those applicants outside of Northampton's administrative area when awarding priority working or community contribution stars. Counsel opinion supported the proposal to amend the criteria and that this does not require further consultation.

4.3.4 Daventry District Council proposed to oversee nominations from Northampton's

Housing Register to homes built in the SUEs within Daventry. Northampton Borough Council was concerned that these proposals contravened the requirements of the Housing Act 1996 and would therefore put the Council at risk of Judicial Review and regulatory intervention.

- 4.3.5 Counsel has advised that the Cascading Nominations Agreement sits alongside the Local Authorities' Allocations Schemes, that an allocation in accordance with the Cascade will not be a breach of the Schemes, moreover there is no legal requirement for Daventry District Council to oversee nominations.
- 4.3.6 Due to the complexity of the Contractual Agreements that Northampton Borough Council and Northampton Partnership Homes will be entering into with Daventry District Council and South Northamptonshire Council a Public Contracts Lawyer has been instructed to draw up the documents.
- 4.3.7 The risk of the Council approving the proposed changes is one of challenge by way of judicial review, either against the change to the Housing Allocations Scheme itself or an allocation decision made in accordance with the amended Scheme.
- 4.3.8 Given that Cabinet is being provided with the outcome of the statutory consultation exercise and Community Impact Assessment, and the report addresses the issue highlighted by Counsel in relation to the way in which housing applicants are prioritised, Legal Services have no concerns about the nature of Counsel's advice or the steps taken by the Council to act on that advice.

4.4 Equality and Health

- 4.4.1 The Community Impact Assessment (CIA) summarises the due regard that has been given to the public sector equality duty (Equality Act 2010) and to health and narrowing health inequalities (Health and Care Act 2012). The CIA will be published and made available to Cabinet prior to the meeting.
- 4.4.2 By amending the 'local connection' criteria in Northampton's Housing Allocations Scheme and making optimum use of all of the affordable rented housing within the NRDA to meet housing need, the Council will ensure that people are housed in accommodation that is suitable for their needs in terms of size, type and accessibility.
- 4.4.3 By amending the wording of the criteria for awarding priority working and community contribution stars, the Council will give residents with a local connection to the entire NRDA the same fair access to affordable rented housing as residents with a local connection to Northampton to create a sustainable pattern of development and growth.
- 4.4.4 This is part of the Council's commitment to improving communities. It will improve the wellbeing and life chances of people with protected characteristics, including homeless people, older people, people with disabilities and families with children, and it will, therefore, have a positive impact on Equality and Diversity.
- 4.4.5 During all stages of this project, the Council will work closely with the other local authorities, have due regard to its Public Sector duties and continue to work to tackle discrimination and inequality and contribute to developing a fairer society.

4.5 Consultees (Internal and External)

4.5.1 Housing and Planning Officers at Northampton Borough Council, Daventry District Council and South Northamptonshire District Council have been consulted and they are supportive of the proposed changes to the Housing Allocations Scheme.

4.5.2 Section 166A (13) of the Housing Act 1996 provides that before making an alteration to an allocation scheme reflecting a major change of policy, a local housing authority must send a copy of the proposed alteration to every private registered provider of social housing and registered social landlord with which they have nomination arrangements and afford those persons a reasonable opportunity to comment on the proposals.

4.5.3 All stockholding registered providers operating in the NRDA have received a copy of the proposed alteration to the 'local connection' and the associated Cascading Nominations Agreement, and been afforded 28 days to comment, which is considered to be a reasonable period to consult on this potentially major change to the Allocations Scheme. No Registered Providers have raised any objections or raised any requests for amendment.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 The action proposed will help meet the 'Housing' priority in the Corporate Plan:

- **Housing for Everyone:** The proposed changes to the local connection criteria in the Housing Allocations Scheme will improve housing choice and social mobility within the NRDA, and help people to meet their housing needs and to achieve and maintain their independence in new, affordable, decent housing.

Appendices

Appendix A – Cascading Nominations Agreement Summary

Appendix B – Map of the Northampton Related Development Area

Background Papers

West Northamptonshire Joint Core Strategy Local Plan (Part 1)

Northampton's Housing Allocations Scheme

The Northampton Related Development Area Information Booklet

Counsel Advice (Confidential)

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