

NOTICE OF MEETING

Meeting: CABINET

Date and Time: WEDNESDAY, 5 DECEMBER 2018, AT 10.00 AM*

Place: COUNCIL CHAMBER, APPLETREE COURT,
LYNDHURST

Telephone enquiries to: Lyndhurst (023) 8028 5000
023 8028 5588 - ask for Jan Debnam
Email: jan.debnam@nfdc.gov.uk

PUBLIC PARTICIPATION:

*Members of the public may speak in accordance with the Council's public participation scheme:

- (a) immediately before the meeting starts, on items within the Cabinet's terms of reference which are not on the public agenda; and/or
 - (b) on individual items on the public agenda, when the Chairman calls that item.
- Speeches may not exceed three minutes. Anyone wishing to speak should contact the name and number shown above.

Bob Jackson
Chief Executive

Appletree Court, Lyndhurst, Hampshire. SO43 7PA
www.newforest.gov.uk

This Agenda is also available on audio tape, in Braille, large print and digital format

AGENDA

Apologies

1. MINUTES

To confirm the minutes of the meeting held on 7 November 2018 as a correct record.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by members in connection with an agenda item. The nature of the interest must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

3. PUBLIC PARTICIPATION

To note any issues raised during the public participation period.

4. HOUSING STRATEGY (Pages 1 - 18)

To consider and to recommend to the Council for approval a new Housing Strategy to cover all aspects of housing in the District.

5. HOMELESSNESS TASK AND FINISH GROUP - REPORT OF THE TASK AND FINISH GROUP (Pages 19 - 32)

To consider the report of the Homelessness Task and Finish Group and to agree their recommendations, to set the context for the Council's other housing strategies.

6. HOMELESSNESS AND ROUGH SLEEPING STRATEGY 2019-2023 (Pages 33 - 54)

To consider and to recommend to Council that a new Homelessness and Rough Sleeping Strategy, to respond to the current homelessness situation in the District, new legislation and Central Government policy, is published for consultation.

7. NEW HOUSING ALLOCATION POLICY (Pages 55 - 122)

To consider and to recommend to Council that a new Housing Allocation Policy is published for consultation.

8. NEW FOREST DISTRICT COUNCIL PROPERTY HOLDING COMPANY - BUSINESS PLAN 2018 (Pages 123 - 138)

To consider the Business Plan and to recommend to the Council that the Plan and associated actions are approved.

9. ICT INVESTMENT UPDATE (Pages 139 - 144)

To approve an additional budget allocation of £100,000 to complete delivery of the Protect and Maintain Frontline Services programme and to agree the future ICT Strategy requirements for inclusion in the Medium Term Financial Plan.

10. HEALTH AND LEISURE REVIEW (Pages 145 - 152)

To consider the recommendations of the Community and Leisure Overview and Scrutiny Panel, following evaluation of options by a task and finish group, that a formal procurement process be undertaken to engage a partner for the future operation of the Council's five health and leisure centres.

11. COUNCIL TAX 2019/20 - SETTING THE COUNCIL TAX BASE (Pages 153 - 160)

To consider and to recommend to the Council the council tax base for the year 2019/20.

12. FINANCIAL MONITORING REPORT - BASED ON PERFORMANCE TO OCTOBER 2018 (Pages 161 - 166)

To note the latest budget forecasts for the General Fund, Capital Expenditure and Housing Revenue Account.

13. SCHEME OF DELEGATION OF POWERS TO OFFICERS

The Council operates an extensive scheme of delegation of powers to officers to allow decisions to be taken quickly and effectively at an operational level.

The scheme of delegation of powers needs to be updated to take account of a recent change in the officer structure in the planning service. No new powers are proposed, the only change is to authorise the new post of Planning Implementation and Enforcement Team Leader.

RECOMMENDED:

That all delegations of powers to officers under the Planning and Infrastructure Portfolio to the Planning Policy Officer (CIL) be now delegated to the Planning Implementation and Enforcement Officer.

To:

Councillors

Mrs D E Andrews
J E Binns
Mrs J L Cleary
M R Harris

Councillors

E J Heron (Vice-Chairman)
J D Heron
Mrs A J Hoare
B Rickman (Chairman)

This page is intentionally left blank

CABINET – 5 DECEMBER 2018

PORTFOLIO – HOUSING SERVICES

HOUSING STRATEGY

1. INTRODUCTION

- 1.1 This report proposes a new Housing Strategy to cover all aspects of housing in the District from the Council's role in facilitating the delivery of over 10,000 new homes to 2036 (as per the draft Local Plan), to its own build and acquisitions programme and plans to accelerate the increased supply of much needed affordable housing.

2. BACKGROUND

- 2.1 An earlier draft of the proposed Housing Strategy was subject to consultation between September and November 2017. The new proposed Housing Strategy takes into account the findings of the consultation and reflects changes in national guidance and housing legislation during the intervening period including the emerging policies and targets that are now contained within the draft submission local plan (2016 – 2036).

3. THE NEW PROPOSED HOUSING STRATEGY

- 3.1 The new proposed Housing Strategy is attached at Appendix 1.
- 3.2 The aim of the Housing Strategy is to create balanced communities for residents of the New Forest District, providing a range of housing options that are affordable and sustainable. The strategy considers all aspects of the Council's involvement with market and affordable housing.
- 3.3 The Housing Strategy identifies four key priorities:
- 3.3.1 To accelerate and maximise future housing development that meets local need and leads to sustainable growth;
 - 3.3.2 To increase the supply of high quality affordable homes through an ambitious council house building and acquisitions programme;
 - 3.3.3 To improve the housing circumstances of those within our communities most in housing need;
 - 3.3.4 To make the best use of housing to meet the housing needs of local people, including supporting a strong and quality private rented sector.
- 3.4 The Housing Strategy sets out the various housing challenges that are being faced within the New Forest district and the importance of achieving future housing growth that delivers the right homes in the right places. Direct connections are made to the council's corporate plan objectives, economic development and the draft local plan with its target of 10,500 new homes by 2036.
- 3.5 High priority is given to council house building and the expansion of the current development program to include homes for social rent, affordable rent and shared-

ownership. A mixed tenure program will not only enable the council to address a broader range of housing needs and aspirations; it will also enable the council to effectively compete in the market alongside other Registered Providers and to extend financial capacity. As stated in the proposed Housing Strategy, a mixed tenure program will make it possible to fund up to 600 new affordable homes up to 2026 - a figure that could be increased as a result of additional government funding and optimized borrowing.

- 3.6 Plans are in place to review all council owned land and property with residential development potential (including housing and non-housing assets) however it is generally recognized that the Council has a very limited supply of land suitable for affordable housing development. To achieve the delivery objectives, the Council will therefore need to identify all opportunities to acquire additional development land, undertake development on its own land, transact with third party developers and project manage new developments. This substantial and important work will lead to a step change in the Council's existing affordable housing delivery program and will require additional resources.
- 3.7 Through its various key priorities the Housing Strategy highlights the council's commitment to supporting different types and tenures of market and affordable housing from the growth of the private rented sector to self-builders, and the needs of older people seeking to downsize. For those who cannot buy on the open market and who are unlikely to be a priority for secure social housing, the council is proposing to introduce new-build shared-ownership, enabling buyers to purchase a share-interest with a mortgage (typically 40%) whilst paying a subsidised rent on the remainder. Other genuinely affordable and accessible intermediate housing models are to be considered and piloted where appropriate for lower income households who can afford to rent but are struggling to save a deposit (e.g. Rent to Buy). Designing, implementing, and managing these new initiatives and activities will require additional resources.
- 3.8 Progress of the Housing Strategy will monitored through annual reports to the Housing Scrutiny and Overview Panel.

4. HUMAN RESOURCE IMPLICATIONS

- 4.1 To scale-up the development program and optimise affordable housing delivery as set out in the Housing Strategy, it is anticipated that three additional posts will be required within the Housing Development and Strategy Team:-
 - a) a 'New Business' Development Manager/Surveyor to identify, secure, promote and deliver new sites;
 - b) a Project Manager to oversee and manage the construction and delivery of new dwellings;
 - c) a Development post to implement new initiatives, e.g. to develop and manage all aspects of shared ownership delivery and Rent to Buy schemes.
- 4.2 These resources will enable the development objectives of the Strategy to be achieved, recognising that a step-change in delivery in terms of greater numbers of affordable housing will be the result.

5. FINANCIAL IMPLICATIONS

- 5.1 The delivery of this Strategy will seek to ensure ring-fenced Housing Revenue Account (HRA) resources are maximised to their full potential. The recent removal of the borrowing cap gives Local Authorities enhanced flexibilities in terms of playing a key part in the delivery of new affordable homes across the Country. Whilst modelling suggests that limited borrowing may be required to achieve the objectives set out within the strategy, it will be necessary to monitor progress over time. The Council should be prepared to consider any opportunities that arise, and the potential should be there to fund the delivery of new homes through borrowing as long as a sound financial viability appraisal confirms it is suitable to do so. The Council has a sound financial platform to build upon and the delivery of the Housing Strategy will seek to further enhance the financial performance of the existing HRA. By venturing into new tenures, the financial performance of the HRA will improve, as additional rental income is made available for the essential maintenance and management of the Council's overall Portfolio and to fund more new affordable homes.
- 5.2 The cost of the three additional posts referred to in paragraph 4.1 amount to £143,000 and will be met from the Housing Revenue Account.

6. HOUSING OVERVIEW AND SCRUTINY PANEL'S COMMENTS

- 6.1 The Panel and Members of the Homelessness Task and Finish Group supported the vision of the Housing Strategy. They noted the local challenges and the Council's role in facilitating the delivery of over 10,000 new homes in the District to 2036, which have been identified in the draft local plan. The Panel welcomed in particular, the Council ambitions to accelerate its own house building and acquisition programme to create at least 600 affordable homes by 2026. It was noted that different types and tenures of housing would be provided which would include the Council's own shared ownership scheme as well as affordable rent in addition to social rented tenures. The Panel supported the recommendation to approve the Housing Strategy and wished to be kept regularly informed on the progress of the Housing Strategy.

7. PORTFOLIO HOLDER'S COMMENTS

- 7.1 The new draft Housing Strategy provides a concise summary of the many housing challenges we face within the New Forest, whilst providing a positive vision for the future supported by cross-cutting actions and priority objectives. I commend the document and look forward to seeing the results being delivered on the ground, working alongside our own officers and partners in the private and public sectors.

8. ENVIRONMENTAL AND CRIME AND DISORDER IMPLICATIONS

- 8.1 There are none.

9. EQUALITIES IMPLICATIONS

- 9.1 The Housing Strategy is for the benefit of all of the Council's residents and will have a positive impact by increasing the availability of housing and affordable housing within the Council's district. Consideration has been given to the needs of those who identify with the protected characteristic groups of age, disability, pregnancy and maternity, who may find it difficult to access the housing market. However, this strategy must be read alongside the Council's other key housing initiatives including the Homelessness and Rough Sleeping Strategy, the Tenancy Strategy and the new Allocations Policy which will all provide a means to meet the housing needs of those within these protected characteristic groups. It is recognized that the way in which the strategy is implemented and the impact on those with a protected characteristic will need to be regularly monitored to ensure that those residents are able to take advantage of the strategy's key objectives.

10. RECOMMENDATIONS

- 10.1 That it be a recommendation to Council that the Housing Strategy, as attached as Appendix 1 to this Report, be approved.

Further Information:

Grainne O'Rourke
Executive Head of Governance & Regulation
Tel: (023) 8028 5588
E-mail: grainne.orourke@nfdc.gov.uk

Andrew Smith
Service Manager Estates and Valuations
Tel: (023) 8028 5588
E-mail: andrew.smith@nfdc.gov.uk

Tim Davis
Housing Development and Strategy Manager
Tel: (023) 8028 5588
E-mail: tim.davis@nfdc.gov.uk

Background Papers:

Public documents

DRAFT

Housing Strategy

December 2018



Contents

- 3** Foreword
- 4** Introduction
- 5** Vision and Corporate Context
- 7** National Policy Context
- 8** Local Challenges
- 10** **Strategic Priority: Future Housing Development**

To **accelerate and maximise** future housing development that meets local need and leads to sustainable growth

- 11** **Strategic Priority: Council Housing provision**

To **increase** the supply of high quality affordable homes through an ambitious Council house building and acquisitions programme

- 12** **Strategic Priority: Meeting our greatest needs**

To **improve** the housing circumstances of those within our communities most in need

- 13** **Strategic Priority: Best use of the existing stock**

To **enable** the best use of housing to meet local needs, including support for a strong high quality private rented sector

Foreword

Providing more homes for local people is one of the council's key priorities.

Our draft Local Plan will deliver a significant increase in house building over the next 20 years. With over 10,000 new homes planned up to 2036, this represents a very significant increase in local housebuilding. Whilst many of these new homes will be delivered by developers and housing associations, the council will also deliver significant numbers of new affordable housing to help our residents get a home.

This strategy deals with the wider housing market and the need to build more homes across our district as well as identifying what the council will do, as housing authority, to increase the number of new affordable homes for those in housing need within our communities.

We know that housing is becoming more and more unaffordable for many of our residents.

We want to be proactive in helping to provide a range of housing options of all tenures and at the same time, increase the supply and quality of housing that we, as a Housing Authority, directly control.

Good quality housing is vitally important to the health and well-being of individuals and contributes to the social, environmental and economic sustainability of our communities. With high house prices in our area, the council has a special role to play in helping to provide much needed affordable housing, directly building such homes in addition to those that are required of private developers under planning policies. Current proposals will see these being provided in a range of tenures including social rent, affordable rent and shared ownership.

The council wishes to be ambitious in terms of delivery and facilitating greater numbers of houses for local people. In recent years we have begun to lay the foundation for a

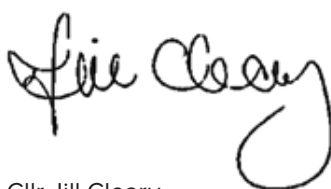
new direction of travel however our area still faces many major housing challenges.

Economic prosperity should mean that everyone has access to decent housing. Unfortunately, there is a significant number within our communities who do not have a home and have little prospect of ever being able to afford one. Homelessness within our district is at an all-time high. Whilst there will always be challenges, we must strive to ensure there is a range of available housing that meets the needs of those in housing need within our communities.

With over 3,300 people on the Homesearch Register, the council is determined to do what it can to increase the supply of affordable houses across our area. Developers will also be expected to play their part in delivering greater numbers of affordable homes.

This new Strategy sets out the council's strategic housing priorities. It looks at how the council can address the delivery of housing within our district and sets out what the council will provide in its own right as housing authority.

Through this strategy, the council will accelerate new council house building and acquisitions to provide much needed social rented, affordable rented and shared ownership schemes. Based on current estimates we can fund up to 600 new affordable homes by March 2026 but we have the capacity for many more, if our borrowing ability is optimised and we can secure additional government support.



Cllr Jill Cleary
Portfolio Holder for
Housing Services

Recent achievements

- Exceeded 2009 Core Strategy housing objective.
- Over 1,000 housing completions during the last five years including 186 new build affordable homes.
- 172 council buy-backs acquired for social rent (2012/13 - 2017/18).
- 55 new-build council homes under construction.
- Increased Private Sector Leased homes to 117.
- Completed North Milton regeneration scheme including 21 new homes.
- New financial assistance policy for disabled adaptations and home repairs.
- Partnership working with New Forest Disability Information Services to assist hospital discharge (Private sector housing).



Introduction

The New Forest District covers an area of 290 square miles, of which 209 square miles is within the New Forest National Park.

Located between Southampton and Bournemouth/Poole and with good connections to London, it is a beautiful and sought after place to live; yet it is an area with some exceptional and conflicting challenges.

Of a total population of around 179,200 people, 32,000 residents live within the National Park.

In addition to the protected status of the National Park, development within the district is also constrained by an Area of Outstanding Natural Beauty (26 square miles), Sites of Special Scientific Interest, Special Protected Areas, Green Belt and areas of countryside and coast of national and international importance for nature conservation. Significant landscape and habitat designations limit the extent to which housing demand can be accommodated.

A strong local economy

The district benefits from a resilient and diverse local economy. However an ageing workforce, an under-representation of high value added sectors, and a high proportion of unskilled residents, limit the capacity for future growth.

Housing related risks to economic growth are also evident within commuting patterns. Of the 50,000 people who travel into and out of the New Forest for work, higher paid managerial sectors can afford to live within the district and out-commute, whilst many lower earning households are restricted to more affordable areas outside the district.

Significant housing issues

In contrast with those parts of the district that can be characterised as affluent with house prices and rentals above the UK average, pockets of deprivation and a number of significant housing challenges exist:

- Acute income/housing affordability disparity.
- High proportion of high value detached homes with a dearth of smaller homes.
- High numbers of second homes in the National Park and the southern coastal sub-area.
- 27% of household incomes below £20,000.
- 13 to 1 house price to income ratio.
- 9,000 households supported with Housing Benefit and/or council tax reductions.
- 28% of the population over 65 years' old.
- Homelessness in the district is increasing; during 2017/18 the council accepted homelessness duties in respect of 115 households, and currently has over 400 households in temporary accommodation.

The council remains the largest provider of housing within the district, managing a stock of over 5,000 socially rented homes and is committed to ensuring that it gives continued support to its residents in addressing their housing needs. In excess of 3,300 households are currently listed on the Homesearch Register.

Economic and workforce key facts of the district

- One of the largest economies in Hampshire (£4.4bn GVA).
- Over 9,000 businesses - more than Southampton and Portsmouth, albeit through small scale employers.
- A diverse economy: over 50% working in wholesale and retail trade, human health and social work, manufacturing, education and construction.



Vision and corporate context

Housing Strategy Vision

‘To create balanced communities for the residents of the New Forest District; providing a range of housing options that are affordable and sustainable.’

The core of the Council’s Housing Strategy is to create balanced communities for the residents of New Forest District, providing a range of housing options that are affordable and sustainable.

Working in tandem with related plans, policies and duties to deliver the vision, this Housing Strategy sets out why and how New Forest District Council intends to use its powers, resources and influence to address four key priorities:

Strategic housing priorities

- To **accelerate and maximise** future housing development that meets local need and leads to sustainable growth.
- To **increase** the supply of high quality affordable homes through an ambitious Council house building and acquisitions programme.
- To **improve** the housing circumstances of those within our communities most in housing need.
- To **enable** the best use of housing to meet the needs of local people, including support for a strong high quality private rented sector.

In defining our priorities, the council has looked at the many factors that drive, shape and constrain our local housing market and determine current and future housing needs.

The council has listened to the concerns and aspirations of communities and those with housing related interests across the district and has aligned its priorities with those of the adopted corporate plan having regard for the various statutory and discretionary housing and planning functions that the council and partner organisations deliver.

Addressing local and national priorities the council will facilitate the increased supply of homes to meet objectively assessed housing needs in accordance with the principles of sustainable development.

As required by the Homelessness Reduction Act (2017) new statutory duties will be addressed through this strategy and a renewed Homelessness Strategy, to help those in housing need including some of the most vulnerable in our community.

The council is determined to address the housing challenges that the district presents and forge a new approach to the delivery of housing through innovation, and by remaining focused on the vision and priorities that create balanced and sustainable communities.

By using reserves, receipts from the sale of council homes and new borrowing capacity, the council intends to maximise the delivery of affordable housing during the first 10 years of the Local Plan period (to 2026*). It will do so through the optimisation of planning policies, developing its own land, acquisitions from developers working in the district and working with other partners and stakeholders including the National Park Authority, town and parish councils, Registered Providers, developers and communities.

This strategy addresses housing issues within the New Forest District and the majority of the National Park, as the District Council is the Housing Authority for both. The successful implementation of this strategy therefore relies upon close collaborative working arrangements with the National Park Authority and our joint partners and agencies who serve the whole of area.

* Based on the draft Local Plan housing trajectory approximately 3,400 homes should be built in the district by 2026 including a target of around 1,200 affordable homes required under Planning Policy. With Government help and optimised borrowing ability, the Council is aiming to secure the maximum number of newly completed dwellings for affordable housing through its own development programme.

Connections with the council's corporate plan

The priorities of the New Forest District Council Corporate Plan not only recognise the importance of delivering more homes for local people (both market and affordable) but the need for our actions and influence to improve health and well-being, to contribute to economic growth, to protect the character of our place, and to optimise our effectiveness by working closely with others.

Our strategic housing priorities also align with those of central government and the aspirations of the 2017 Housing White Paper ("Fixing our Broken Housing Market") and the subsequent consultation paper "Planning for the Right Homes in the Right Places". Over the long term these national policies are aiming to create a more efficient housing market whose outcomes more closely match the needs and aspirations of all households and which support wider economic prosperity.

Sitting alongside the Local Plan Review (2016 to 2036), the Housing Strategy contains high level objectives supported by a suite of



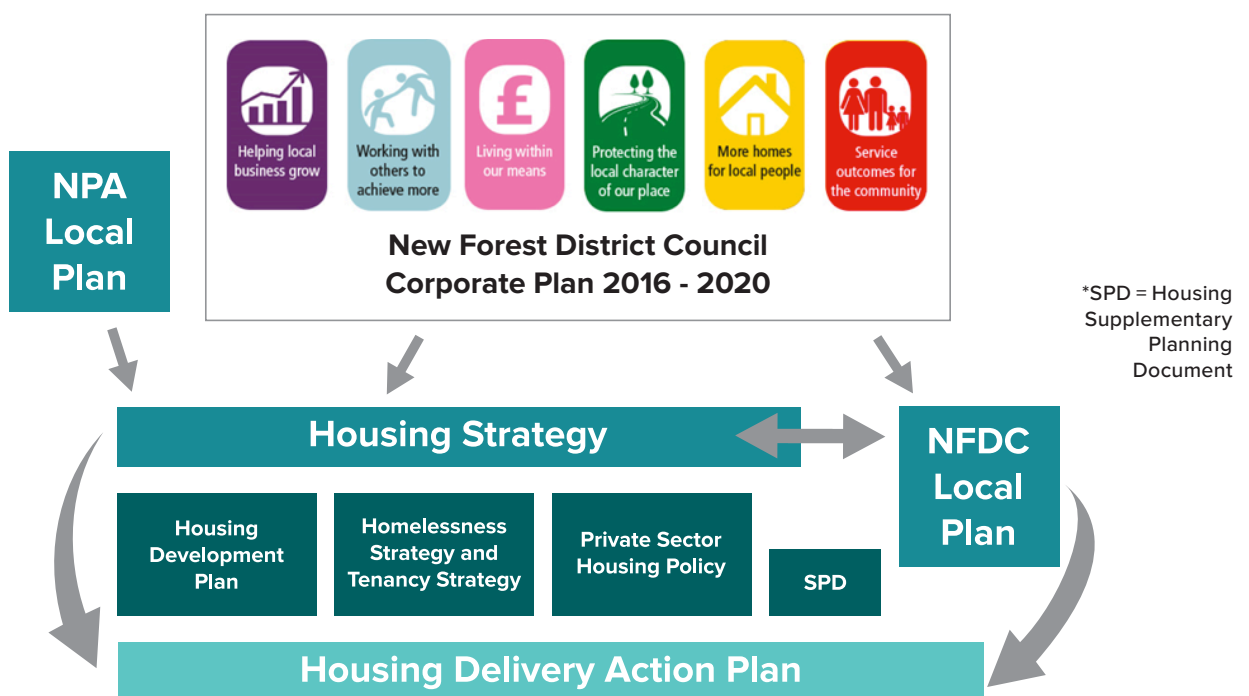
New Forest District Council homes in Ringwood (2018),

operational policies and related strategies.

The relationships within and between the various policies and documents will ensure that a comprehensive approach is taken to local authority housing interests, whether they are related to new-build, the existing stock or duties and services to those who are vulnerable or facing homelessness.

Monitoring performance

Progress of the Housing Strategy will be reported to Housing Overview and Scrutiny Committee on an annual basis.



National policy context

The statutory and discretionary housing services provided by New Forest District Council, and the housing needs of our residents are directly affected by national housing and fiscal policy and legislative requirements.

Responding to both national and local factors, the last decade has seen major changes in relevant legislation and guidance. Central government has sought to tackle the short and long-term effects of the credit crunch on the housing and financial markets, to manage a period of austerity, to introduce various reforms to social and welfare systems, and to kick-start the housing market.

The following section summarises the key policy and legislative changes that have taken place during the last decade, with their varying consequences on housing and housing-related services at local level.

Welfare reform

The Welfare Reform Act (2012) has led to dramatic changes in the amount of financial support that is available to households in housing need and the way in which it is paid. The Act has led to the introduction of Universal Credit and Housing Benefit restrictions affecting eligible households who under-occupy social housing (Spare Room Subsidy) whilst the previous “Disability Living Allowance” has been replaced with Personal Independence Payments. However not all reforms have been implemented, e.g. proposed restrictions for all single social housing tenants under 35 to be limited to Local Housing Allowance room rates.

Private rented sector

A diversity of new duties and enforcement powers introduced through recent Regulations and Acts have sought to address weaknesses and failings within the private rented sector, to improve energy efficiency, tackle rogue landlords and to extend the licensing of Housing in Multiple Occupation (and the living space standards within them).

Housing growth, planning and new development

As a national policy priority, the need to increase new housing delivery and to address the failings of the wider housing market is being addressed through a variety of means including the Housing and Planning Act (2016), White Papers and Consultation Papers and new National Planning Guidance (2018).

With targets and measures that are already being implemented, the 2017 Housing White Paper set out central government’s intentions under the four themes of “Building Homes Faster”, “Diversifying the market”, “Right Homes, Right Places” and “Helping people Now”. Considering all aspects of the housing development process – from land-owners to planners, and construction methodology to self-build and custom-build - the proposals will continue to affect all of those with market and affordable housing interests.

Statutory duties and social housing policy

The last seven years have seen dramatic changes of direction within the social housing sector.

Following the introduction of greater freedoms and flexibilities for social housing providers and those with statutory housing duties in 2011/12, policy and legislative changes saw a move away from social housing support to solutions that favoured home-ownership.

But with the wider housing market showing no sign of improvement, and with downward pressures continuing to affect those most in need, the pendulum has swung back. Alongside increased duties on Local Housing Authorities to assist and prevent homelessness, central government has recognised the importance of the wider affordable housing sector as well as home-ownership, and is creating an environment that favours new provision and seeks to support those who live within it. (Social Housing Green Paper 2018).

Affordable housing and council house-building

Since 2008 national housing policy has sought to increase new affordable housing opportunities and delivery – which require subsidy by definition, whilst seeking to recover from an era of austerity. Introduced in 2011 the National Affordable Rent model (up to 80% of market rent) promised to create added capacity, while Council Housing Finance Reform in 2012, paved the way for a new generation of council house building. National housing policy then swung towards affordable home ownership, seeing a four-year period of rent cuts imposed on social housing providers, with government funding being restricted to forms of home-ownership and the creation of Starter Homes (in the Housing and Planning Act 2016).

As evidenced by the Housing White Paper (2017), the Housing Green Paper (2018), and recent announcements on council borrowing caps, the balance is swinging back with government recognising the importance of achieving growth within all sectors along with access to significant levels of subsidy.

Local challenges

In determining our strategic priorities four key challenges have been identified which our actions and influence must address if current and future housing market pressures are to be reduced throughout the district.

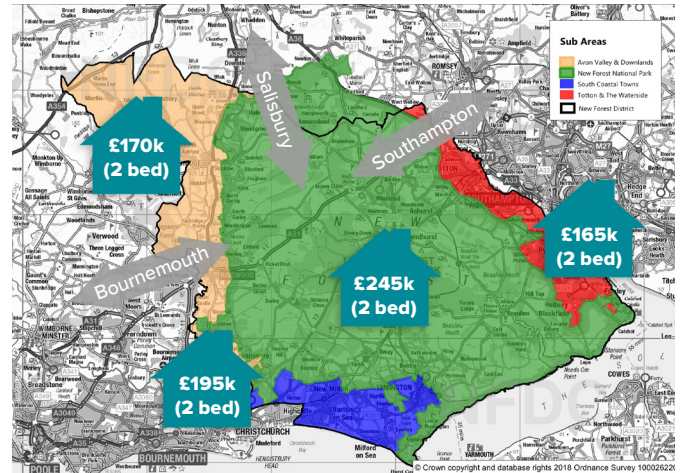
The local housing market

- In March 2017, with an average purchase price of £322,000, the New Forest District was recognised as having a higher than average price not only for Hampshire but for the rest of the South East.
- Data provided by the National Park suggested that at £550,000 the New Forest had the highest average house price of any National Park.
- Between 2011 and 2017 private rents increased by 20%, marginally more than the national average.
- Current estimates indicate that over 10,000 New Forest households live in the private rented sector.

Whilst these headline statistics help to make sense of high residential development land values, they conceal a number of significant characteristics that both define and constrain the local market:

- 46% of dwellings are detached (compared with 22% across England) and 29% are smaller homes (compared with 46% across England).
- the high number of second homes in some parts of the New Forest.
- the push and pull factors of commutable neighbouring market areas and conurbations (Bournemouth, Salisbury and Southampton).

land reserve for the Port of Southampton at Dibden Bay, and around 470 hectares are allocated for development in this Local Plan. The majority of the remaining area without significant constraints is in relatively remote rural locations.



Map of the New Forest showing adjoining housing market areas, sub-markets and lower quartile purchase prices (two bedroom homes, 2017).

Affordability

Given the demand for housing and the constrained nature of supply, severe access and affordability issues exist for a high proportion of households on lower incomes. 60% of district households have incomes below £40,000 and 27% of households have incomes below £20,000.

Private rented accommodation may not reflect the tenure of choice for many households but the sector has become the housing solution for many on lower incomes. And where it is available and affordable landlords and agents now apply strict income/affordability tests, require substantial deposits and fees, and few accept tenants on Housing Benefit.

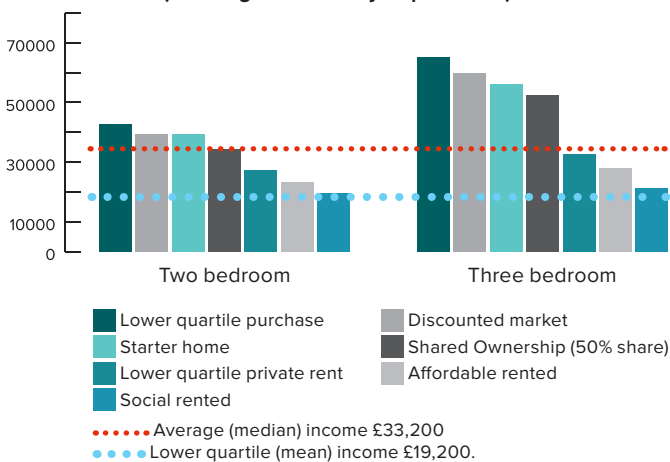
- 24% of households cannot afford to buy but can afford private rent.
- 18% of households can only afford to rent with support (i.e. Housing Benefit).
- 7% can afford “Affordable Rent” .
- 12% of households can afford “Social Rent” without support.

Future housing need and demand

In 2017 the Government’s Housing White Paper “Fixing our Broken Housing Market” highlighted the need for up to 275,000 new homes or more each year to keep up with population growth and to tackle years of under-supply.

Within the New Forest district up to date projections have

Indicative affordability thresholds (Housing Affordability Report 2017)

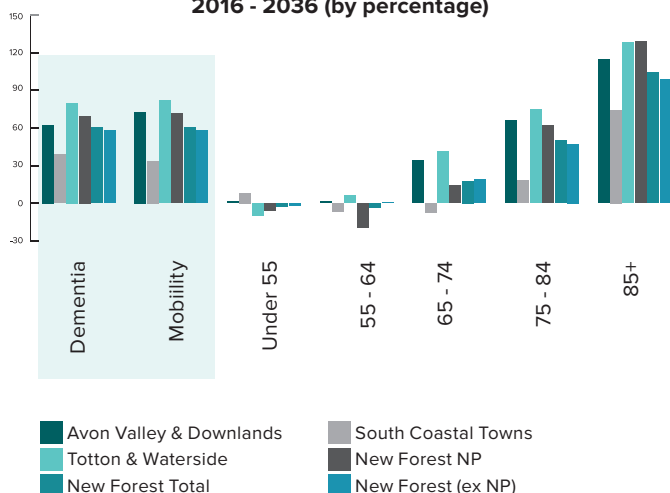


Only 19% of the undeveloped land in the Draft Local Plan Area is not directly affected by a significantly constraining national policy, safety or environmental constraint. Of the remainder (approximately 4,500 hectares of greenfield land) around 950 hectares have locally identified habitat or wildlife value, around 210 hectares are within the strategic

indicated that the population will grow by 10% between 2016 and 2036, reflecting a need to plan for an additional 11,680 households in the New Forest District, including the New Forest National Park area.

Social and demographic projections show a growth in smaller households and an ageing population. Housing provision needs to address the impact of these changes in the type of housing these households will require. Annually increasing demands for disability adaptations is one example of such changes in the district.

Predicted age and age related health changes 2016 - 2036 (by percentage)



Support for those in great need

As supply and demand pressures have fuelled higher prices and private rents - worsening income and affordability ratios - downward forces and external factors have reduced choice and opportunity for those in greatest need and for those requiring social rented housing, with or without financial support and assistance.

At the same time a series of measures and welfare reforms have impacted upon single people, families and vulnerable households, imposing greater limitations on renting from private and social landlords, creating additional demands for smaller homes in the affordable rented sector and widening gaps between increased private rents and the levels of financial support.

Balanced arguments justify the need for new national welfare systems and reforms, for encouraging work and for the optimisation of resources for those in greatest need. However in an area where there is a need to counteract the impact of the Right to Buy and where housing options and opportunities do not align with housing needs, pressures have converged on local housing authority duties.

As a result the number of homelessness applications and acceptances continue to rise with increasingly

Homelessness key statistics

- 23% of approaches are single males.
- 13% of approaches are single females.
- 57% of approaches have dependent children.
- 15% of main duty homeless acceptances had a priority need due to mental health issues and 9% due to physical disabilities.
- social housing lettings continue to fall year on year, with 295 Council stock lettings in 2016/17 and 345 in 2015/16, representing a 30% reduction in the last year.
- There are currently 3,350 households on the Housing Register.

complex and sensitive cases. In turn the demand and the associated costs of temporary and emergency accommodation have risen, along with annual net increases of applicants listed on the Homesearch register.

The Council has limited access to supported accommodation and dedicated support services for vulnerable people are largely based around community support provided at drop in venues or mental health centres, with the Council responsible for adequately meeting the accommodation needs of complex households.

The County Council has announced a reduction in support provision for its social inclusion services (homelessness support) from 2019 at a time when further welfare reforms also hit as the area rolls into a Universal Credit live service from September 2018.

Consistent growth of the private rented sector since 2004 but a falling number of private tenancies supported by Housing Benefit since 2012/13



Source: Housing Benefit Caseload data (DWP) MHCLG for stock data

Strategic priority

Future Housing Development

To accelerate and maximise future housing development that meets local need and leads to sustainable growth

Actions

Through our Local Plan, we will:

- Allocate land through the local plan for the provision of 10,500 new dwellings between 2016 and 2036.
- Support the creation of cohesive communities, ensuring a mix of housing sizes, types and tenures that meet the needs of households on moderate and lower incomes, families with children, couples, single person, and homes designed to meet the needs of older people and people with disabilities.
- Seek to ensure that strategic site allocations and other developments of 100+ homes include elements of discounted 'market' starter homes; serviced plots for self-builders; homes for private rent; homes for downsizing older households (e.g. bungalows, sheltered or extra care housing).
- On eligible developments in Totton and Waterside, require 35% of new homes to be affordable housing to meet local needs and elsewhere the requirement will be for 50% affordable housing to meet local needs.
- Require 70% of the affordable homes for forms of social rent, split equally between social and affordable rent models, and 30% intermediate or affordable home ownership tenures including shared-ownership.
- Permit rural housing exception sites and community-led housing schemes where they meet an identified need for local people which cannot be provided in any other way.
- Take a positive and flexible approach to the adaptation of homes where doing so would enable the occupier to continue living independently.
- Ensure that new homes are built to standards that are capable of adaptation to meet the future needs of older people and others with care needs, and that strategic site allocations in particular, include housing types designed to be suitable for older people.
- Meet the need for gypsy and traveller pitches and plots for travelling show-people, who continue to live a travelling lifestyle, by existing planning permissions and as defined in the local plan.

We will also:

- Prepare a Housing Delivery Action Plan identifying actions we will take to maximise the delivery of planned housing development.
- Work positively with developers and landowners to bring forward allocated housing land in a timely way, whilst being willing to employ appropriate powers where necessary.
- Work closely with Registered Providers and Homes England to increase the supply of high quality affordable homes to meet the diverse needs of our communities with priority being given to rent.
- Develop and adopt supplementary planning guidance to support the requirements of the local plan
- Work collaboratively with the National Park Authority and the HARAH partnership to encourage and optimise the provision of affordable and community-led housing throughout town and rural communities.
- Establish a housing company to support development of private rented homes.



Strategic priority

Council housing provision

To increase the supply of high quality affordable homes through an ambitious Council house building and acquisitions programme

Actions

We will:

- Seek to provide 600 new council homes for the period to 2026 with social rent, affordable rent and shared ownership tenures.
- Adopt an innovative approach to new affordable housing provision including implementing shared ownership and affordable rented models in addition to social rent to increase the range of products the council has to offer its residents.
- Identify and optimise council house building capacity through partnerships with Registered Providers and private developers.
- Identify opportunities for the development of council owned land for affordable housing purposes.
- Continue to finance the buy-back programme, to offset stock losses through the Right to Buy.
- Advance the development of council owned temporary accommodation provision.
- Undertake a detailed review of current council housing stock and assets, identify opportunities for conversions and remodelling, whilst making best use of under-used land and garage forecourts.
- Advance and implement a housing development plan to provide a framework for future investment and defined principles.
- Seek to optimise Central Government and Homes England funding to augment our programme and accelerate delivery.



Affordable homes in Lymington



New Forest District Council homes under construction (2018).

Strategic priority

Meeting our greatest needs

To improve the housing circumstances of those within our communities most in need

Actions

We will:

- Adopt a new fit-for-purpose Homelessness & Rough Sleeping Strategy.
- Review and adopt a new Social Housing Allocation Policy to better respond to housing need.
- Review and optimise internal processes to progress households through our frontline homeless services to move on and independent living.
- Prevent and reduce homelessness, sustain tenancies and protect health and safety of tenants through use of enforcement powers against landlords for unlicensed HMOs or properties in poor condition.
- Minimise the use of Bed & Breakfast and privately owned emergency and temporary accommodation.
- Review the current allocation of staffing resources against the requirements of the Homelessness Reduction Act 2017, emerging demand trends, client support requirements, Rough Sleeper engagement, move on of temporary accommodation and Landlord liaison.
- Build close working partnerships with private, public and third sector agencies to optimise the prevention of homelessness, to implement joint protocols and solutions, build effective communication and provide efficient services.
- Aim to end Rough Sleeping in the District through a multi-agency approach and designing a pathway to achieve long term accommodation sustainability.
- Create and support independent living through maximising access and provision of disabled adaptation funding to eligible vulnerable groups.
- Continue to support and work alongside County Council and NHS commissioned services which provide vital support for vulnerable people in the district with regard to Mental Health, Addictions, Accommodation support and access to services.
- Build effective relationships with private rented sector landlords and agents to maintain confidence in the sector and improve access to our clients.
- Effectively communicate housing options to those in housing need and provide good access to affordable housing options across the whole range of tenures.



New Milton regeneration scheme.

Strategic priority

Best use of the existing stock

To enable the best use of housing to meet local needs, including support for a strong high quality private rented sector

Actions

We will:

- Improve the effective occupation and allocation of the existing social housing stock (Council and Registered Provider) through a comprehensive review of the Housing Allocation Policy & Housing Register.
- Implement a Tenancy Strategy that enables tenancies to be offered that support the objective of creating cohesive communities; providing tenants with an appropriate level of security while creating flexibility in the affordable housing stock.
- Develop a Private Sector Housing Strategy outlining the Council's role in increasing access to and standards in the private rented sector, protecting tenants health and safety and promoting energy efficiency and fuel poverty schemes.
- Administer and enforce the mandatory Houses in Multiple Occupation (HMO) licensing regime.
- Through the new Housing Allocation Policy and Tenancy Strategy, ensure the best use of available stock.
- Provide the opportunity for residents to continue living in their own home through greater access to disabled adaptation funding.
- Review of the Council's Strategy on Empty Properties to bring them back into use.
- Review existing tenant engagement and participation to achieve wider community representation.
- Engage with, educate and support private landlords in the provision of rented accommodation.



New Forest District Council homes in New Milton (2018).

New Forest District Council

Appletree Court, Beaulieu Road, Lyndhurst. Hampshire. SO43 7PN

Email housing.development@nfdc.gov.uk • **Web** newforest.gov.uk/article/17996/Housing-Strategy

Phone 023 8028 5000 (Housing Strategy and Development)



[newforestdc](#)



[newforestgov](#)



HOMELESSNESS TASK AND FINISH GROUP

REPORT – NOVEMBER 2018

**By Cllr Jill Cleary
Portfolio Holder, Housing Services
and
Chairman of Task & Finish Group**



Contents

1. Introduction
2. Task and Finish Group Membership and Terms of Reference
3. The work of the Task and Finish Group
4. Recommendations of the Task and Finish Group
5. Summary

1. INTRODUCTION

Homelessness is on the increase, both nationally and locally. Despite being in one of the most beautiful parts of the country, the District has a significant and increasing number of homeless households. It is fundamentally important for us, as a Council, to do all that we can to improve the housing circumstances of homeless households.



Homelessness isn't just about people sleeping on the streets. There are many people in our District, whilst not rough sleeping, who do not have a home of their own or who have lost their home through no fault of their own.

Homelessness isn't just a housing problem. Not having a decent home adversely affects all areas of life, from your health, to your achievement at school if you are a child, and your ability to find work if you are an adult.

People end up homeless for a wide variety of reasons:-

- When family relationships break down, often one person is forced to move out without anywhere to go.
- Private tenancies frequently last for only 6 months or a year, and can come to an end because they become unaffordable through loss of employment.
- Domestic violence victims can find themselves homeless when having to flee from danger.
- Vulnerability through health issues can result in a person not being able to keep a roof over their heads.

Every homeless person's situation is unique and is usually complex. The District Council is determined to do what it can to help improve the lives of homeless households in our District. In my role as Housing Services Portfolio Holder, I have observed at first hand the distress and suffering that is so often brought about by someone finding themselves homeless. I have made it my mission to improve the lives of those in this situation and by seeing what more the Council can do to help. In order to do this, we, as a Council, need to understand the issues and problems associated with being homeless and therefore I called for a Task and Finish Group to be set up to lay the foundation for this very important work and to come up with recommendations to help improve the lives of those who find themselves without a home.

Jill Cleary
Portfolio Holder for Housing Services

2. TASK AND FINISH GROUP MEMBERSHIP

The Task and Finish Group's members are:

Cllr Mrs J Cleary (Chairman)
Cllr Mrs S Bennison
Cllr S Clarke
Cllr Ms K Crisell
Cllr D Harrison
Cllr D Poole
Cllr Miss A Sevier
Cllr M Steele
Cllr S Davies
Cllr S Rippon-Swaine

The Group is supported by the following officers:-

Grainne O'Rourke, Executive Head for Housing
Richard Knott, Service Manager – Housing Options
Brian Byrne, Service Manager – Housing Estates, Management and Support
Kevin Green, Principal Accountant
Dambu Tenner, Solicitor
Karen Wardle, Committee Administrator

The Terms of Reference for the Task and Finish Group are as follows:-

- To gain an appreciation of the reasons for homelessness within the District, the support services available and the effectiveness of these.
- To identify and develop measures to address the current increasing levels of homelessness within the District.
- To make recommendations to the Housing Overview and Scrutiny Panel and the Cabinet as required.

3. THE WORK OF THE TASK AND FINISH GROUP

The Group met on a regular basis between March and September 2018, as set out in the table below. The topics discussed at each meeting are shown.

Date	Subject
23 March 2018	Terms of Reference agreed, context setting (through officer presentations on facts and figures of homelessness) and establishment of a work programme.
5 April 2018	Site visit to 6 emergency temporary accommodation premises in the District (B&Bs and hostels).
1 May 2018	Feedback on site visits, consider how Council allocates its Council properties and feedback from the first Multi-Agency Forum for Homelessness.
8 June 2018	Review of Allocation Policy involving case studies showing practical examples of how properties are allocated, waiting list and facts and figures of temporary accommodation. Also discussed scope for the Council to source more of its own emergency temporary accommodation and current cost of provision of B&B accommodation.
10 July 2018	Consultation from HCC on reducing budget for Homelessness support across Hampshire and implications for NFDC. Discussion about the emerging Housing Strategy and Homelessness Strategy.
7 September 2018	Statistical update on Homelessness. Case study on a Day in the Life of the Homelessness Team, emerging draft Allocation Policy, Housing Strategy and Homelessness Strategy.

As can be seen from the above table, the Group met 6 times between March and September 2018. The Group's work covered the following topics:-

- Definition of when a person is statutorily homeless; facts and figures of homeless households in the New Forest District Council area
- Duty of local authorities, including under the new Homelessness Reduction Act 2017
- Processes and procedures when dealing with homelessness
- The cost of homelessness
- Use of bed and breakfast and other accommodation
- The Council's responsibilities towards rough sleepers

- New ways of working
- Allocation Policy/How to allocate housing to those most in need
- Emerging Housing Strategy, Allocation Policy and Homelessness Strategy

4. KEY AREAS LOOKED AT BY THE TASK AND FINISH GROUP

Key Area 1 - Statistical facts and figures of homeless households in the District

A great deal of information was provided to the Task and Finish Group on the facts and figures of homeless households in our District.

Between April 2018, when the Homelessness Reduction Act 2017 came into force, and the start of September 2018, 909 new 'homeless' cases had been opened by the Housing Options Team. Whilst not all of these cases will require full support and ultimately housing provided by the Council, the numbers of homeless households presenting to the Council are increasing year on year.

In the past the Council had a legal responsibility to rehouse approximately 100 or so homeless households per year. However, it was envisaged that this figure was likely to be nearer 200 per year as we go into the future. The figure of 909 mentioned in the paragraph above is significantly higher than our expectations. Homelessness, both nationally and locally, is on the increase.

Since new management arrangements were put in place in Housing, there is now accurate recording of all information. A new computer system was introduced in April 2018, which has been a significant benefit in ensuring that proper records are kept of numbers of homeless households and the Council's work with those households.

The Homelessness Reduction Act requires the Council to prepare a personal housing plan and to identify reasonable steps to help homeless households to resolve their housing situation. Under the Act, there is a real emphasis on prevention in the first instance to see what can be done to avoid a person from becoming homeless. If that is not possible, there are a series of steps to be taken by the Council before a 'full duty to rehouse' applies. Ultimately, the Council has a legal duty to secure housing for those local households who are homeless, in priority need and unintentionally homeless.

The Task and Finish Group was appraised of the implications of the Government's ongoing welfare reform and the 'go live' in the New Forest of "Full Service Universal Credit" in September, with migration of existing claimants due to begin in 2020. This could increase the numbers of households presenting to the Council as homeless due to problems with rent payments and affordability of accommodation.

The Group was pleased to see the positive and proactive approach of the Housing Options Team which has a newly appointed Service Manager. New systems, procedures and processes have been put in place to ensure the Council discharges its legal responsibilities to homeless households to a high standard. Staffing resources need to be kept under review and the Group is aware of the significant extra resources already provided to the existing Team to ensure they are able to cope with the rising demand for homelessness services.

Recommendation 1 from the Task and Finish Group

That the resources required by the Housing Options Team are kept under review to ensure that the Council is able to meet its obligations under the Homelessness Reduction Act 2017.

Key Area 2 – The use of temporary and emergency temporary accommodation

On 5 April the Group visited various locations both within and outside the District to view a number of hostels (owned by the Council) and bed & breakfast accommodation (provided by private external providers), used as temporary and emergency temporary accommodation..

The Council makes significant use of B&B accommodation to temporarily house homeless households (in priority need) when they have nowhere else to go. The Council's use and cost of B&B accommodation is rising every year. In 2017/18, the Council spent £800,000 on B&B accommodation for homeless households. Whilst some of this spend was recouped in benefit, the overall cost of emergency temporary accommodation is significant.

The prolonged use of B&B accommodation, for families in particular, is unsatisfactory. Significant efforts are being made to reduce the length of time families have to stay in such accommodation. Often, particular problems arise because the accommodation may not be close to schools (where children are involved), or may be far away from services required by a member of the homeless household, for example, Inclusion Services (for those affected by substance or alcohol misuse).

The Group also looked at some of the Council's hostels where households were placed following a stay in B&B accommodation pending a longer term housing solution. The hostels owned by the Council (21 units in total) were occupied by homeless households who had been there for many years, some approaching nearly 10 years. This in itself created a problem because once a hostel place was filled, it was unlikely to become free for a significant number of years, because of the long wait until more settled accommodation became available through the Council's waiting list.

In light of this, it was clear to the Group that it required a thorough understanding and consideration of how the Council allocates its Council stock. At the same time, the Group questioned whether the Council could provide its own emergency temporary accommodation throughout the District rather than relying solely on private B&B accommodation. This was an area under active consideration by officers.

Recommendation 2 from the Task and Finish Group

That the Council seeks to provide more of its own emergency temporary accommodation rather than relying solely on private B&B accommodation and that a thorough review of how the Council undertakes its allocation to Council housing is carried out.

Key Area 3 – Allocation Policy – how the Council allocates its Council stock

The Council's current Allocation Policy was last reviewed in 2011. The Task and Finish Group were in agreement that a review is required to ensure it is fit for purpose and recognises the duties the Council is under to rehouse a significant number of homeless families every year.

Across the District Council's area, 300 to 400 properties become available for allocation every year, whilst there are over 3,000 people on the waiting list for council housing.

At the present time, essentially all applicants wishing to apply for council housing enter the waiting list at Band 3 level, which is referred to as 'Priority' level. The Group considered that the description of 'Priority' was rather misleading, as many of those individuals could be waiting for up to 10 years for a council property.

The Group considered it was unsustainable for the current rules of allocation to remain for a number of reasons:-

1. There was a significant number of homeless households spending too long in temporary accommodation, whilst waiting for more settled accommodation. This meant that the temporary units they were in were not freed up for other homeless families who were presenting themselves to the Council.
2. With everyone being put into essentially one band – 'Priority', the factor which determined who is successful in obtaining a Council property is the time spent on the waiting list. The Group considered this needed to change and greater emphasis given to those most in housing need.
3. The term 'Priority' was confusing as it seemed to suggest a faster route to securing Council housing when, in reality, a significant wait, sometimes for up to 10 years, was likely to be involved.
4. The current banding, where essentially everyone was placed in Band 3 – Priority, does not address sufficiently the increasing numbers of homeless households to whom the Council owes a duty to secure suitable accommodation.

Recommendation 3 from the Task and Finish Group

To review the Council's Allocation Policy to ensure a banding system with clear criteria attached to each band recognising that priority should be given to those most in housing need in the District.

Key Area 4 – Emerging Housing Strategy

The Group was very interested in being appraised of the Council's emerging Housing Strategy. Whilst not directly concerned with the Group's specific Terms of Reference (which centred around homelessness), the Council's strategic approach was of real interest to the Group. The Group was pleased to see a desire to accelerate the Council's build and acquisition of additional Council properties. This would have positive implications for those households most in need as more houses would be available to meet that need.

The Group recognised that the loss of nearly 5000 Council homes since the 1980's through Right to Buy had created a huge reduction in the supply of rented homes in our District. Such rented homes were desperately needed for those families who could not afford to buy a home of their own on the open market.

The Group was also pleased to see that the Council would be working with partners, including developers, to maximise the number of affordable homes in the District. As Housing Authority, the Council has to look outwards and support the Local Plan ambition to build over 10,500 homes over the next 20 years. This was an objective strongly supported by the Task and Finish Group.

Recommendation 4 from the Task and Finish Group

To support the emerging Housing Strategy and welcome, in particular, the Council's acceleration of its new build/acquisition programme to create greater numbers of affordable houses in the District

Key Area 5 – Homelessness Strategy

The Task and Finish Group was mindful that the last Homelessness Strategy was agreed in 2003. The homeless situation between 2003 and the current day was very different. It was vitally important that the Council had an up to date Homelessness Strategy to deal with all aspects of homelessness, including prevention strategies to prevent a person from becoming homeless in the first place and to deal with rough sleeping. The homelessness situation, both nationally and locally, was increasing and it is important that the Council looks at all aspects of homelessness, including finding innovative solutions to help some of the most vulnerable in our society.

The emerging Homelessness Strategy will build on the work of the Task and Finish Group and will form an important link with the new Housing Strategy to tackle wider housing issues.

The Group considered it important that the new Homelessness Strategy set out clearly what homeless applicants can expect from the Council and how the Council will improve outcomes for homeless households. It should also cover how the Council will prevent homelessness in the first place and, if that is not possible, how we will discharge our responsibilities to a high standard.

The Strategy should also cover how the Council aims to reduce its reliance on external B&B accommodation and how we will provide more of our own accommodation. It will also cover our ambition to increase our stock levels and achieve better access to the private sector.

The Group was also very keen to ensure that the emerging Homelessness Strategy set out the Council's approach to partnership working to include the newly set up Homelessness Multi-Agency Forum.

Recommendation 5 from the Task and Finish Group

That the Council develops a new 'fit for purpose' Homelessness Strategy which recognises that the homelessness situation today is very different to 2003 when the last Homelessness Strategy was approved.

Key Area 6 – Partnership Working

At the start of our work on homelessness, the Task and Finish Group was very mindful that partnership working was key to achieving positive outcomes for homeless households. Often homeless people had a number of issues and problems, and a multi-agency approach was required to enable them to get back on their feet.

Whilst there are many bodies that come together to help homeless households in the Forest, it was recognised that the support was not always joined up. Sometimes, one body was not aware of the help that the homeless household was receiving from another body, which could cause confusion and wasted resources. It was this desire to see a better 'joined up' approach to homelessness that promoted the establishment of the Homelessness Multi-Agency Forum.

The Group was very pleased that the new Homelessness Multi-Agency Forum had now met 3 times since its inception in March 2018. All meetings have been very well attended. The attendees were made up of public sector bodies, volunteers, church groups and other advisory services. For the first time, the right people have been brought together to collectively tackle the issues of homelessness in the Forest.

Some members of the Task and Finish Group had also attended the Homelessness Multi-Agency Forum and had found the various presentations extremely helpful. To date, there have been presentations from various volunteer groups and other bodies on the following:

- The use of foodbanks in the District
- The role of Two Saints in the District (as homeless support through Community care workers and drop in sessions)
- The role of Nightstop – a charity run voluntary scheme where homeless people were offered a bed for the night

The Group was also keen to see a Landlords' Forum established to forge better relations between the Council and private landlords. Private landlords are an important group which play a significant role in assisting the Council with its 'prevention' duties. Whilst relationships with a number of private landlords are good, the Group considered that a wider, more inclusive approach through a structured forum would be beneficial in building better relationships with landlords.

Recommendation 6 from the Task and Finish Group

To continue the work of the Homelessness Multi-Agency Forum and to set up a new Landlords' Forum

5. SUMMARY

I consider that the Task and Finish Group has gained an invaluable insight into the plight of the homeless and the difficulties they face when finding themselves without a home. The recommendations of this Task and Finish Group will, I believe, make a real difference and I hope they will be accepted.

I would like to finish my report by thanking Members of the Task and Finish Group who have dedicated a great deal of time over the last 6 months to this important work. My thanks also to the officers who have helped us understand the issues and who provide the necessary information to enable us to do our work.

Jill Cleary
Portfolio Holder for Housing Services

12 November 2018

This page is intentionally left blank

CABINET – 5 DECEMBER 2018

PORTFOLIO – HOUSING SERVICES

HOMELESSNESS AND ROUGH SLEEPING STRATEGY 2019 - 2023

1. INTRODUCTION

- 1.1 This report proposes a new Homelessness and Rough Sleeping Strategy to respond to the current homelessness situation in the district, new legislation and Central Government Policy. The strategy provides a statistical review of the current housing and homelessness situation in the district and sets out the key priorities the Council will action to reduce homelessness and the use of external temporary accommodation.

2. BACKGROUND

- 2.1 In accordance with the Homelessness Act 2002 all local authorities are required to publish a homelessness strategy. As the last homelessness strategy was approved in 2003, it is important that an up to date strategy is in place. A strategic approach to tackling homelessness is required to ensure the service is focussed on early intervention and has the tools and resources to try and prevent homelessness in the first place.
- 2.2 The Homelessness Reduction Act 2017 placed new duties on local authorities to provide effective advice and assistance to all applicants who approach whether they are vulnerable or not. It also introduced new duties to prevent and relieve homelessness by helping applicants to secure their accommodation through a set of steps agreed with the applicant.
- 2.3 Approaches to the homelessness service are increasing in both numbers and their complexity. Many applicants have multiple needs to resolve as well as housing in order for them to locate and sustain accommodation. The use of external temporary accommodation is increasing along with associated costs to the Council in funding this accommodation.
- 2.4 In August 2018 the Government published its new Rough Sleeping Strategy which declared an intention to end rough sleeping by 2027. In doing so it requires local authorities to amend existing homelessness strategies by the end of 2019 to include specific measures to address rough sleeping.

3. NEW HOMELESSNESS AND ROUGH SLEEPING STRATEGY

- 3.1 The new proposed Homelessness and Rough Sleeping Strategy is attached as Appendix 1.
- 3.2 The aim of the strategy is to put in place specific measures to reduce homelessness and implement early intervention practices with our partners to prevent homelessness. The strategy is part of an over-arching strategic approach to tackling housing issues in the district; led by the Housing Strategy, and alongside the proposed social housing Allocation Policy, which will help maximise the outcomes achieved by the Housing Service over the next few years.

- 3.3 The strategy identifies four key priorities:
- 3.3.1 Invest in and improve the effectiveness and responsiveness of front line services to prevent homelessness.
 - 3.3.2 Work with partners and stakeholders to identify issues early on and prevent homelessness by working together.
 - 3.3.3 Ending the use of Bed & Breakfast accommodation through investing in and facilitating the development and use of good quality affordable housing and temporary accommodation.
 - 3.3.4 Bring rough sleeping to an end.
- 3.4 The strategy summarises the key challenges faced in the New Forest against the backdrop of the national situation. The strategy demonstrates how the national policy and legislative framework has placed a large focus on the local authority response to homelessness with the introduction of the Homelessness Reduction Act 2017 which places new duties on local authorities to provide effective and consistent service offerings to all those who approach for assistance.
- 3.5 Locally, the strategy demonstrates how the numbers of households becoming homeless and placed in temporary accommodation has increased over the last few years, bringing about an even greater demand for social housing. The impact of the Homelessness Reduction Act 2017 is also shown as officers are now able to accurately record all approaches for assistance to the service for the first time. Based on actual figures to date, projected figures for the first 12 months of the Act show that over 2,100 households are likely to approach the service for help. Many of these households have complex needs such as mental health conditions and drug and alcohol abuse.
- 3.6 Through its key priorities the strategy will respond to such demand and the complexities of the caseload through a series of key actions designed to increase support and accommodation provision and create joined up responses with our partners, both statutory and voluntary, to effectively respond in preventing homelessness.
- 3.7 The priorities recognise the need to increase the provision of Council owned emergency accommodation across the district to minimise the disruption to households at their most vulnerable time and to reduce the costs currently borne by the council in providing this through external providers.
- 3.8 These key priorities include a response to end rough sleeping. This will require an enhanced approach involving a pathway of accommodation with support to ensure rough sleepers with complex needs have the opportunity to address health and welfare issues and sustain tenancies in the long term.
- 3.9 The Executive Head of Governance & Regulation and Service Manager – Housing Options will lead the delivery of the strategy which will be reviewed by the Housing Overview and Scrutiny Panel annually.
- 3.10 Before adopting a new strategy, the Council needs to consult with authorities and organisations it deems appropriate. It is intended that the proposed Strategy is published on the Council's website for four weeks and appropriate organisations are made aware of the consultation.
- 3.11 Responses to the consultation will be reported to Cabinet and Council in April 2019.

4. FINANCIAL IMPLICATIONS

- 4.1 An increased focus on early intervention and partnership working resulting from the actions in both the homelessness and housing strategies, along with the Council sourcing more of its own emergency temporary accommodation should bring about a more efficient use of the current homelessness budget including a reduction in external Bed & Breakfast spend.
- 4.2 To achieve a number of the key actions contained within the strategy there is a requirement to complement the existing Homelessness and Advice Officer Team with Support Officers who will provide more dedicated welfare support to guide applicants along a pathway to sustaining accommodation and to support rough sleepers through accommodation pathways. These additional resources are likely to be met from within the overall homelessness budget which will be kept under careful review.

5. CRIME & DISORDER IMPLICATIONS

- 5.1 Ensuring that the right support is provided to homeless people at the right time will reduce any real or perceived crime and disorder issues that may arise from time to time.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are none.

7. EQUALITY & DIVERSITY IMPLICATIONS

- 7.1 This strategy is for the benefit of all of the Council's residents as set out in the key objectives above and will have a positive impact by focusing the Council's resources to take a more proactive approach to the prevention of homelessness. Consideration has been given to the needs of those who identify with protected characteristic groups; in particular those with disabilities (both physical and mental health) who may find it difficult to access the Council's services. However, the Council has implemented partnership working with other agencies through the Multi-Agency Homelessness Forum and will develop further pathways which seek to identify and work with those who require support and assistance to prevent or relieve their homelessness.
- 7.2 This strategy must be read alongside the Council's other key housing initiatives including the Housing Strategy, the Tenancy Strategy and the new Allocations Policy which will all provide a means to meet the housing needs of those within these protected characteristic groups. It is recognised that the way in which the strategy is implemented and the impact on those with a protected characteristic will need to be regularly monitored to ensure that those residents are able to take advantage of the strategy's key objectives.

8. PORTFOLIO HOLDER'S COMMENTS

- 8.1 In leading the Homelessness Task and Finish group over the last year I have understood first-hand the huge impact homelessness has on the people of the New Forest and on the Council in responding to the issue. I have called for measures to be put in place to address this impact and I welcome the new Homelessness and Rough Sleeping Strategy; with a set of key priorities that aim to end rough sleeping, increase

access to suitable accommodation and which review frontline services to the betterment of those who approach for assistance.

9. HOUSING OVERVIEW AND SCRUTINY PANEL'S COMMENTS

- 9.1 The Homelessness and Rough Sleeping Strategy was considered. The Panel welcomed the Strategy which set out the local and national context, the Council's new direction of travel as well as 4 new important strategic priorities. The Panel considered that these priorities will make a real difference to homeless households in our District. They felt the document had been presented in clear and concise manner. The Panel supported the Strategy including the commitment to intervene at an early stage in order to prevent people becoming homeless in the first place, the desire to end the use of Bed and Breakfast accommodation and bring an end to rough sleeping.

10. RECOMMENDATIONS

- 10.1 That it be a recommendation to Council that the Homelessness and Rough Sleeping Strategy, as attached as Appendix 1 to this report be approved for consultation.

For further information contact:

Grainne O'Rourke
Executive Head of Governance & Regulation
Tel: (023) 8028 5588
E-mail: grainne.orourke@nfdc.gov.uk

Richard Knott
Service Manager – Housing Options
Tel: 023 8028 5588
Email: Richard.knott@nfdc.gov.uk

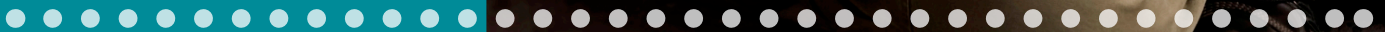
Background Papers:

Public documents

DRAFT

Homelessness and Rough Sleeping Strategy

2019 - 2023



Contents

- 3** Foreword
- 4** National Context
- 6** Corporate Context
- 7** Local Context
- 11** Local Services
- 12** Actions to date and our future direction of travel
- 13** **Strategic Priority 1:**
Invest in and improve the effectiveness and responsiveness of front line services to prevent homelessness
- 14** **Strategic Priority 2:**
Work with partners and stakeholders to identify issues early on and prevent homelessness by working together
- 15** **Strategic Priority 3:**
Ending the use of B&B accommodation through investing in and facilitating the development and use of good quality affordable housing and temporary accommodation
- 16** **Strategic Priority 4:**
Bring rough sleeping to an end
- 17** Monitoring & Review

Foreword

I am proud to introduce this strategy which sets out our vision for the prevention of homelessness and rough sleeping in the New Forest.

Whilst this strategy demonstrates our key priorities in responding to and preventing homelessness, it is very much linked to our overall strategic vision for housing and the wider housing market in the New Forest, combining with the launch of our new Housing Strategy and our new Allocation Policy.

We recognise that for many people in the New Forest access to secure, good quality affordable housing at a time of economic uncertainty and welfare reforms is extremely challenging. We also recognise the serious impact homelessness has on people's lives and how vulnerable people are adversely affected and are at greater risk of homelessness.

Prevention of homelessness is very much at the forefront of national initiatives and policies to improve peoples' lives. This council is equally committed to early intervention and has fully embraced the principles of the Homelessness Reduction Act 2017 in its service delivery, with access to advice and assistance for all who approach, no matter whether they are vulnerable or not.

We welcome other national initiatives, such as the drive to end rough sleeping and will play our part in tackling this issue locally.

We recognise that early intervention at a local level is extremely important as there is far greater impact on the health and well-being of households once they become homeless.

Responding to individual cases of homelessness crisis is also far more costly for the wider public sector than prevention and we must demonstrate value for money in our approach.

In response to these challenges this new homelessness strategy reflects our strong commitment to tackling homelessness and develops the vision for our frontline services. In the

last year we have made great strides forward with a task and finish member led group scrutinising our response to homelessness.

The strategy looks very much to the future and sets out the actions we intend to take to help us reach our goals and how the council, and its partners, will work together to tackle homelessness and rough sleeping over the next five years.

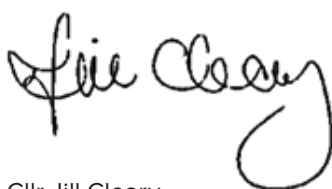
In setting our priorities we will embed specific initiatives aimed to stop people sleeping rough and provide a pathway for those that already find themselves in this situation.

Working in partnership is key to the success of the strategy. This year we have established a multi-agency forum of statutory agencies and local organisations to assist us in our efforts to tackle homelessness. We will continue to engage with, maintain and develop relationships with these organisations and agencies to develop a more cohesive set of priorities.

The strategy aims to develop these priorities in recognition of national, regional and local policy and proposes a vision for the benefit of all our residents, stakeholders and partners.

Our response to homelessness will be reviewed on an annual basis to ensure our initiatives are having the desired outcomes, so that we can stay ahead of emerging trends and so that we can seize opportunities to benefit the people of the New Forest.

I look forward to continuing to work with all people involved in preventing and tackling homelessness in the New Forest.



Cllr Jill Cleary
Portfolio Holder for
Housing Services

Strategic Homelessness and Rough Sleeping Priorities 2019-2023

- Continue to invest in and improve the effectiveness and responsiveness of front line services to prevent homelessness.
- Work with partners and stakeholders to identify issues early on and prevent homelessness by working together.
- Invest in and facilitate the development of good quality affordable housing and temporary accommodation.
- Bring Rough Sleeping to an end.



National context

Nationally, incidents of homelessness have been increasing for a number of years and the increased use of, often unsuitable, temporary accommodation has been a direct consequence.

Homelessness acceptance rates and use of temporary accommodation have gone up nationally in recent years. At nearly 57,000, annual homelessness acceptances were nearly 17,000 higher across England in 2016/17 than in 2009/10. Main housing duty acceptances now stand at 42% above their 2009/10 low point.

At the end of March 2018 the most common reasons for loss of last settled homes nationally were:

- Parents, other relatives or friends no longer willing or able to accommodate (28%).
- Loss of rented or tied accommodation due to termination of assured shorthold tenancy (25%).
- Violent breakdown of relationship involving partner (12%).
- Other reason (e.g. homeless in emergency, sleeping rough or in hostel, returned from abroad) (7%).
- Non-violent breakdown of relationship with partner (6%).
- Loss of rented or tied accommodation due to reasons other than termination of assured shorthold tenancy (6%).

On 31 March 2018, the total number of households in temporary accommodation arranged by local authorities under homelessness legislation was 79,880, up 66% on the low of 48,010 on 31 December 2010.

In addition, homelessness services across the country had an inconsistent approach. Some local authorities assisted only those people it owed a statutory duty and those without a 'priority need', particularly single homeless, were not receiving effective and consistent assistance across the country to relieve their homelessness.

With rising homelessness and temporary accommodation costs MPs within Government sought to redress the situation and proposed improvements to the legal framework to prevent and tackle single homelessness more effectively.

A new Homelessness Reduction Framework was proposed and began as a Private Member's Bill introduced to parliament in June 2016 by Bob Blackman, MP for Harrow East. It was published following a homelessness inquiry conducted by a cross-party Select Committee.

In its Homelessness Monitor 2018 report Crisis identified that:

- Since 2010/11, homeless placements in temporary accommodation have risen at twice the rate of homelessness acceptances.
- The national total rose by 8% in the year to 31st March 2017, up 61% on the low point six years earlier.
- A continuation of this trend would see placements topping 100,000 by 2020.
- Bed and breakfast placements now stand 250% higher than in 2009.
- The National Audit Office has drawn attention to a 39% real terms increase in local authority spending on temporary accommodation in the five years to 2015/16.

Summary of Homelessness Statistics	2009/10	2014/15	2015/16	2016/17	2017/18	% change 2009/10-2017/18
Rough sleeping in England – snapshot	1,768	2,744	3,569	4,134	4,751	169
Local authority statutory homelessness cases	89,120	112,350	114,780	115,580	109,380	23
Local authority statutory homelessness acceptances	40,020	54,430	57,740	59,120	56,630	42

.....

The framework was given Royal Assent as The Homelessness Reduction Act 2017 and commenced on 3rd April 2018. The Act amends the legislative framework laid out in the Housing Act 1996 and places new duties on Councils to:

- intervene at earlier stages to prevent homelessness in their areas as the period a household is threatened with homelessness is extended from 28 days to 56.
- provide homelessness services to all those affected, not just those who have 'priority need'.
- identify reasonable steps to help secure accommodation to either prevent or relieve the homelessness of applicants who approach for assistance.

The Act also places a duty of specified public bodies to refer those clients they are working with and are homeless or threatened with homelessness, to a local authority homelessness service. This duty commenced on 1st October 2018.

Recent Central Government policy and initiatives have been focussed on reducing the impact on vulnerable households and to ensure local housing authorities are providing effective prevention activities and consistent frontline services, for all those who approach.

It is part of a continuing national agenda to tackle the root causes of homelessness and drive through change in the housing sector.

Future regulation, policy change and subsequent impacts in the wider housing sector are likely to be driven by:

- Housing White Paper (2017).
- Social Housing Green Paper (2018).
- Licensing of Homes in Multiple Occupation (2018).

- Rough Sleeping Strategy (2018).
- Tenant Fees Bill 2017-2019.
- Private Landlords (Registration) Bill 2017-19.
- Lifting of council borrowing caps to encourage council house building.

The Government also continues to evaluate and review access to the private rented sector with the Tenant Fees and Landlord Registration Bills proceeding through Parliamentary process in an effort to redress access to the sector for low income households.

The Government aims to halve rough sleeping by 2022 and end it by 2027. It launched its new Rough Sleeping Strategy in August 2018 and requests that all homelessness strategies are reviewed and rebadged by the end of 2019 to include a specific focus on addressing rough sleeping.

The annual count of those sleeping rough in the autumn of 2017 showed a 169% increase on the figures for the same count in 2009/10, with a further 617 people sleeping rough than in 2016. The figure of 4,751 represented an increase of 15% on the previous year.

The Government recognises that there is not one single solution to end rough sleeping and a strategic approach to tackling the causes of homelessness and the health and well-being of rough sleepers is as important as the supply of affordable homes and supported housing.

With the lifting of Council borrowing caps to facilitate increased building of social housing, grant funding for tackling Rough Sleeping and new legislation across the social sector Councils must respond to the challenge and co-ordinate effective response to tackling the housing issues in their area.

The profiles of people who currently sleep rough

People who sleep rough in England tend to be:

- Male.
- between 25 and 55 years old.
- Predominantly white.

In the 2017 counts and estimates:

- 83% of people found sleeping rough were men.
- 14% were women (gender for the remaining 3% was unknown).

It is estimated to cost the public purse £21,200 per person per year if rough sleeping occurred alongside substance misuse and offending.

Contributory factors leading to homelessness nationally:

- High demand for housing leading to high house prices & private rents with greater shortfalls between rents and LHA Levels.
- Shortage of social housing for rent.
- Increasing household bills.
- Welfare benefits cuts and reform.
- Cuts in funding for statutory and voluntary services offering support to vulnerable people.

Corporate context

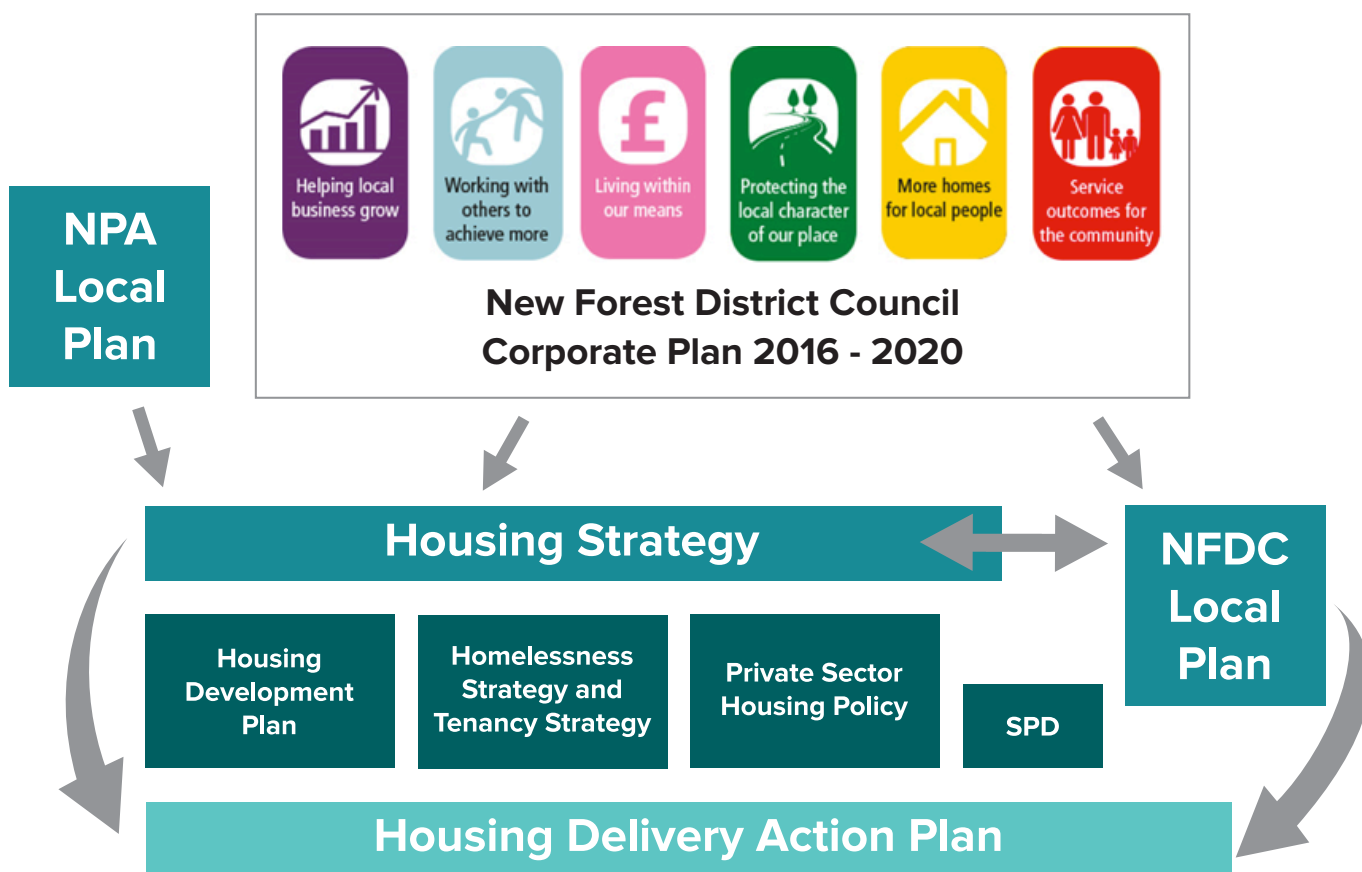
The priorities of the New Forest District Council Corporate Plan not only recognise the importance of delivering more homes for local people (both market and affordable) but the need for our actions and influence to contribute to economic growth, to protect the character of our place, and to optimise our effectiveness by working closely with others.

Sitting alongside the recently published draft local plan - and its 20 year target of 10,500 new dwellings across the New Forest district - the new Housing Strategy contains high level objectives supported by a suite of new operational policies and related strategies, including this

Homelessness and Rough Sleeping Strategy, which is also driving through a review of the Allocations Policy for social housing lettings.

The relationships within and between the various policies and documents will ensure that a composite approach is taken to housing interests in the district, be they related to new-build, the existing stock or duties and services to those who are vulnerable or facing homelessness.

Alongside this strategy the Council's new Housing Strategy, Tenancy Strategy and Allocation Policy brings about a joined up strategic approach to provide maximum benefit and support overall aims and objectives.



*SPD = Housing Supplementary Planning Document

Local context

The district is one of the most populated non-unitary authorities in England with 179,236 residents.

Located between the largely urban areas of Southampton and Bournemouth/Christchurch/Poole the district has unique characteristics with a large National Park area covering the majority of the district.

There are significant housing issues in the district. In contrast with those parts of the district that can be characterised as affluent with house prices and rentals above the UK average, areas of deprivation and a number of significant housing challenges exist, which include:

- Acute income/housing affordability disparity.
- High proportion of high value detached homes with a dearth of smaller homes.
- High numbers of second homes in some parts of the District.
- 60% of households earn less than the UK average.
- 9,000 households supported with Housing Benefit and/or Council tax reductions.
- 28% of the population over 65 years' old.

Low average incomes and high average house prices, results in significant cross commuting between those who work in the forest but can't afford to live here and those who can afford to live within the district but work elsewhere.

Under the pre Homelessness Reduction Act 2017 (HRA) legislation the number of homeless applications increased from the lows of 2011, with the numbers of households accepted as being owed a full duty to secure accommodation by the Council at their highest in 2017/18.

As the Council largely concentrated efforts on those households who met statutory duties the figures are considered an under representation of the homelessness issues within

Homeless applications and decisions by year		
	Total applications taken	Homeless acceptances
2017/18	165	115
2016/17	194	108
2015/16	196	115
2014/15	185	95
2013/14	160	83
2012/13	124	55
2011/12	112	42

the district, when compared with the scope of the new duties under the new Act from 2018.

In 2017/18 115 households were accepted as homeless and owed the main housing duty. This figure has increased year on year and we project the figures for those owed the new legislative duties and subsequently the main housing duty, to be much higher for 2018/19, as the number of approaches to the service continues to rise.

The urban areas of the New Forest district are naturally shown as having the highest levels of homeless applications with the eastern strip of the district representing the source of 49% of all homelessness applications from 2012 to 2018.

All approaches to the service from April 2018 are now recorded. The first 6 months shows consistently high demand, with 1073 new cases opened and 399 new duties for the council to take reasonable steps to help secure accommodation. 121 cases which have come to the end of their new duties (47% of all duty ended cases) have been successfully discharged by securing accommodation.

The Council has accepted 42 main housing duties in the first 6 months of the HRA. Without further policy

intervention these are expected to increase exponentially as more of the new duties come to an end.

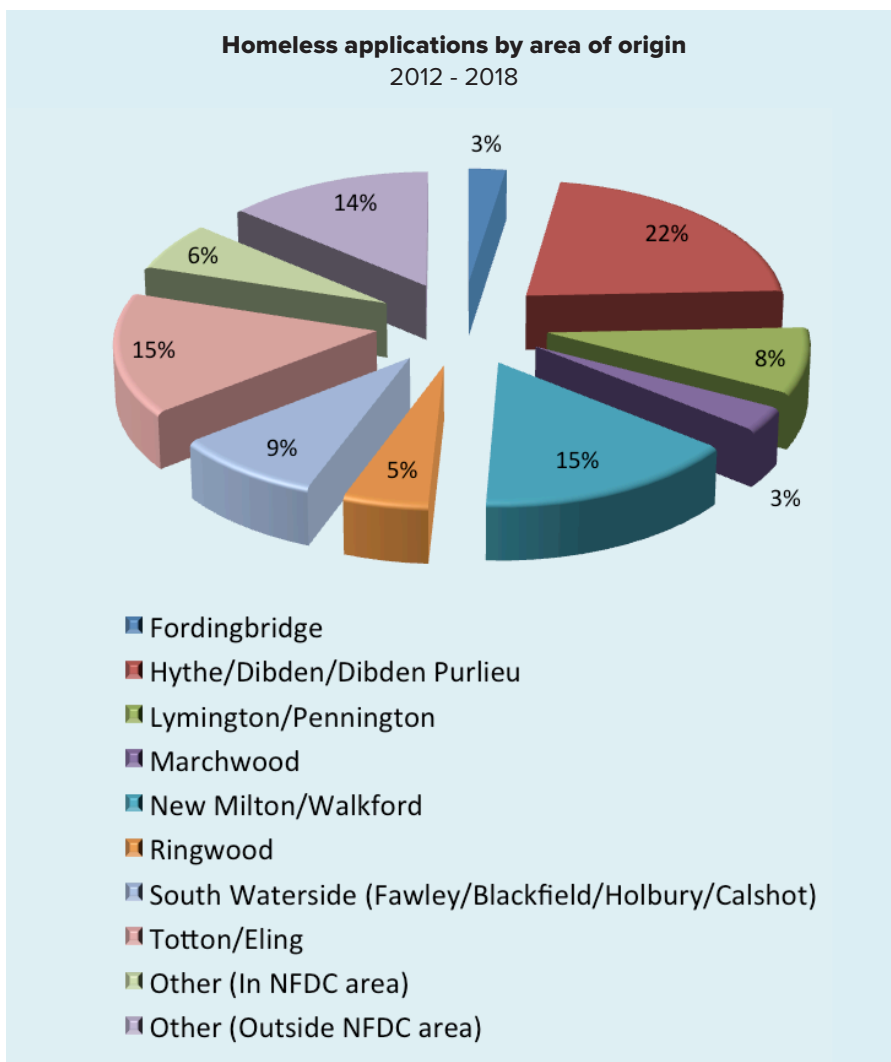
Approaches from April 2018 show the following key features:

- 56% of approaches have dependent children or are pregnant.
- 23% of approaches are single males.
- 14% of approaches are single females.
- 93% of approaches are of white British background with no discernible ethnic group in the remaining 7%.

Although not a determining factor in the award of duty the 'Priority Need' of Relief Duty Cases is recorded to determine temporary accommodation duties and shows:

- 46% of duty cases had a priority need due to dependent children.
- 9% of duty cases had a priority need due to mental health issues.
- 6% of duty homeless had a priority need due to physical disabilities.
- 5% of duty homeless had a priority need due to experiencing domestic abuse.

Mental health issues are not just experienced by the 9% above. In fact, 355 applicants and/or household members stated they needed support with their mental health. Many of these applicants have acute needs where holistic partnership working with specialist agencies is required to resolve their housing issues and ability to sustain accommodation in the future. Others will require low level support but it is clear the Council must ensure these services are on offer and there is a route to obtaining such services.



Approaches for assistance under the Homelessness Reduction Act 2017 post 3 April 2018			
Month	New cases opened	Prevention duty accepted	Relief duty accepted
April	181	44	20
May	174	61	14
June	199	59	30
July	175	41	23
August	179	26	20
September	165	33	28
Total	1073	264	135

The main reasons for homelessness follow national trends. The main cause as shown to the right continues to be family and friends no longer willing to accommodate other households within their properties. This is indicative of these households struggling to obtain or sustain their own affordable housing in either the private rented or owner occupied sectors. Moving in with family is often as a result of having to give up or having lost settled accommodation in the past.

The end of private rented tenancies remains the second most common reason and the council aims to target these areas within its priorities.

The Council aims to increase the provision of affordable housing in the district whilst working with landlords and tenants in precarious housing situations to help sustain accommodation.

Numbers of rough sleepers remains low but is no less important in our efforts to reduce homelessness. These figures represent a core group of rough sleepers with multiple complex needs such as drug and alcohol addictions, mental and physical health issues.

The Council is committed to finding solutions to rough sleeping issues within the district and will include these in its priorities. It is also important that these solutions create long term sustainability to prevent clients returning to the streets.

Main reason for loss of last settled home	2012 - 2018 total of duty acceptances	April 2018 - 30 Sept. 2018 total of new duty acceptances
Parents, other relatives or friends no longer able/willing to accommodate	189	127
Termination of assured shorthold tenancy	185	114
Violent breakdown of relationship involving partner	72	29
Non-violent breakdown of relationship with partner	62	35

Rough sleeper counts						
Year	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Number	4	3	9	2	4	7

There is high demand for social housing in the area whilst social housing lettings continue to fall year on year, with the number of Council stock lettings being:

- 242 in 2017/18.
- 295 in 2016/17.
- 345 in 2015/16, representing a 30% reduction in 2017/18.

The Right to Buy scheme continues to offset new build additions to the stock. 34 Council properties were sold under the scheme in 2017/18.

Excluding the Council stock, Sovereign are the main social housing provider in the district with nearly 1800 properties. Several other registered provider landlords including Radian, Stonewater, Aster and Vivid provide smaller numbers of units throughout the district.

The New Forest became a full service area for Universal Credit from 26th September 2018. There are 1,462 working age housing benefit claimants in the Council stock and 1,440 in the housing association and private rented stock.

Migration of nearly 2,900 housing benefit claimants to Universal Credit is estimated to begin in 2020. New tenants or those facing a change of circumstances will now be required to claim Universal Credit. The Council will monitor this situation and put in place measures to manage the transition and any concern in the housing market.

Two Saints are commissioned by Hampshire County Council to provide Community Support to vulnerable people, including families and single people in the district. They provide tenancy sustainment, help claiming welfare benefits and help to access services and appointments in relation to health needs.

In the first 6 months of 2018/19 Two Saints supported 191 clients through its drop in sessions alone. The scale of the contract is due to be reduced post August 2019 to single complex people only. It is likely to have a detrimental effect upon support provision to vulnerable households. The Council will include measures to address this shortfall in its priorities.

5,056

Number of council properties

3,354

Number of households on the New Forest Homesearch Housing Register

Emergency Accommodation (EA) Placements post 3 April 2018			
Month	EA placements	Left EA	Households in EA at month end
March			59
April	19	16	62
May	6	23	45
June	15	20	40
July	18	17	41
August	16	21	36
September	17	20	33
Total	91	117	/

Social Housing Lettings 2017/18		
	General needs	Age restricted
Council Stock	201	41
Registered Provider Stock	101	42
Total	302	83
Overall total	385	

Local services

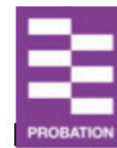
The Council has access to the following principal functions and activities within the New Forest to assist in the prevention of homelessness:

- Community Support for single complex homeless clients provided by Two Saints (From August 2019).
- Community based Inclusion Services to address drug & alcohol addiction needs.
- Three Supported Accommodation projects for residents suffering with mental health conditions.
- NHS Mental Health Services in Totton and New Milton.
- Wellbeing Centres in Hythe and New Milton.
- Supported Housing & Community Support provided by Together who help people deal with the personal and practical impacts of mental health issues.
- Young Person Supported Accommodation with support provided by You First and Two Saints.
- Support for youth homelessness through It's Your Choice who offer information and advice about many issues that affect young people including drug and alcohol abuse, sexual health, homelessness, employment & education and mental health issues.
- Supporting Families Programme through the internal Community Safety Team.
- Domestic Abuse support and response through MARAC and You First.
- Tenancy Management and Rent Officers for Council owned stock.
- Housing Benefit visiting officers
- Job Centre Plus in Hythe and Lymington.

- Hampshire County Council Adult and Children Services.

The Voluntary Sector provides additional resources and support and includes:

- Benefits advice and advocacy.
- Foodbanks across the district.
- Faith and other voluntary groups providing befriending, practical and mentor support.
- Services for young people.



Hampshire County Council



Actions to date & future direction of travel

In late 2017 the Council recognised that its approach to homelessness and housing would require new impetus and vision to meet the requirements of the Homelessness Reduction Act and housing demand in the district. Full corporate backing was provided to implement a number of changes to lay the foundations for effective future service delivery which will continue beyond the publication of this strategy.

Since the start of 2018 the Council has:

- Allocated a new Executive Head to drive through change across the Housing Service.
- Appointed three new Housing Service Managers including a new Housing Options Service Manager.
- Set up a Task & Finish Member group, led by the Portfolio Holder for Housing Services to establish the priorities for change.
- Reported position statements and priorities for change to the Member led Housing Overview & Scrutiny Panel.
- Utilised grant funding to create three additional Homelessness & Housing Advisor roles and a Service Support role.
- Procured additional temporary accommodation.
- Increased its portfolio of Private Sector Lease (PSL) properties by 12 properties.
- Carried out viability assessments to convert existing communal facilities to emergency accommodation.
- Procured, installed and tailored a Homelessness IT Management System to embed its approach to delivering the Homelessness Reduction Act and produced effective statistics to support initiatives and meet new statutory reporting requirements.

- Participated as a leading development group member in the development of Locata's Homelessness Reduction Act IT system.
- Set up and held three meetings of the Multi-Agency Forum involving statutory and voluntary groups in the district.
- Reduced the numbers of households living in emergency accommodation.
- Continued to accommodate rough sleepers past the provision of the Severe Weather Emergency Protocol (SWEP) in order to co-ordinate work with agencies to end their rough sleeping.
- Acquired 11 properties as part of its 'Buy-Back Scheme'.
- In 2018/19 the Council has budgeted to spend £19m on increasing the council housing stock through development and acquisitions.
- In 2017/18 the Council provided financial assistance to 245 households to secure private rented accommodation.



New build Council properties in Lymington, 2018

Strategic priority 1

Invest in and improve the effectiveness and responsiveness of front line services to prevent homelessness

We will:

- Ensure the principles of the Homeless Reduction Act are fully embedded and all applicants receive a Personal Housing Plan (PHP) and reasonable steps are identified to help resolve their housing situation.
- Develop housing pathways and discharge protocols, create and provide accessible self-help guides and information for the following vulnerable groups in line with the homelessness code of guidance:
 - people released from prison or youth detention accommodation;
 - care leavers;
 - former members of the regular armed forces;
 - victims of domestic abuse;
 - people leaving hospital;
 - people suffering from a mental illness or impairment; and,
 - other groups we deem at particular risk of homelessness in the district.
- Review and adopt a new Social Housing Allocation Policy to better respond to housing need and homelessness.
- Increase access to homelessness services and housing assessments in satellite and remote locations with the availability of face to face appointments, homelessness referral portal and the expansion of IT facilities, website content and self-help guides.
- Ensure clients have access to Council facilities and dedicated support in order to claim Universal Credit and other benefits online.
- Provide annual training to Homeless and Housing Advice Officers on legislation and welfare benefits plus periodic training to enhance mediation and negotiation skills to help tackle family and landlord evictions.
- Review and optimise internal processes to progress households through our frontline homeless services to move on and independent living.
- Review the current allocation of staffing resources against the requirements of the Homelessness Reduction Act 2017, emerging demand trends, client support requirements, rough sleeper engagement, move on of temporary accommodation and landlord liaison.
- Produce support and resource directories of agencies providing services within the district.
- Monitor the impact of Welfare reforms and the go live of Universal Credit full service post September 2018. Work alongside the Council's Housing Benefit department to action further initiatives.
- Establish a working protocol with the New Forest Supporting Families programme to provide support to vulnerable families in place of the reduced Community Support contract.



Strategic priority 2

Work with partners and stakeholders to identify issues early on and prevent homelessness by working together

We will:

- Continue to develop the Multi-Agency Forum and its outcomes.
- Establish a Landlord Forum to improve relationships with landlords and letting agents to:
 - Improve access to the Private Rented Sector;
 - Maintain Landlord confidence in the sector;
 - Promote early intervention to resolve tenancy issues;
 - Consult on the review of rent in advance and rent guarantee schemes;
 - Promote the Council's Private Sector Lease Scheme;
 - Help create a Private Rented Sector Offer to discharge homeless duties.
- Work with Registered Providers to prevent evictions through joint working arrangements and establish an eviction protocol.
- Promote the duty to refer and develop specific protocols and referral pathways with external agencies.
- Attend and actively participate in strategic and operational groups across Hampshire to protect and enhance services in the New Forest.
- Attend team meetings of partner agencies to promote the service and early intervention.
- Establish a protocol with Hampshire Social Services for homeless 16-17 year olds and an effective approach to clients with an assessed care need.
- Establish positive working relationships with The Council's Private Sector Enforcement Team, Disabled Facilities Grants Team and link to the Private Sector Housing Strategy.
- Establish local support networks with Support providers, Advocates, Voluntary Agencies, Community and faith groups to include:
 - Appropriate support to sustain tenancies;
 - Furniture and home start packs;
 - Access to Foodbanks if required;
 - Befriending and support;
 - Help with budgeting, money management, benefits advice and claiming benefits.
- Establish links with the Credit Union to offer financial products where required.



Strategic priority 3

Ending the use of B&B accommodation through investing in and facilitating the development and use of good quality affordable housing and temporary accommodation

We will:

- Develop in-house emergency accommodation through remodelling of existing stock and property acquisitions as an alternative to Bed & Breakfast accommodation.
- Develop support and processes to successfully move on households to long term accommodation to free up existing temporary accommodation.
- Develop an incentive scheme/ package to encourage households under-occupying in Council housing stock to move to smaller properties.
- Continue with the 'buy back' of ex-council housing stock.
- Adopt an innovative approach to new affordable housing provision, including implementing shared ownership, in addition to social rent to increase the range of products the Council has to offer its residents.
- Identify and optimise council house building capacity through partnerships with Registered Providers and private developers.
- Identify opportunities for the development of Council owned land and garage sites for affordable housing purposes..
- Develop a landlord incentive scheme to attract landlords to work with the Council in providing access to their properties.



Strategic priority 4

Bring rough sleeping to an end

We will:

- Respond to reports of rough sleeping within 24 hours and ensure this response adequately engages with rough sleepers.
- Establish a pathway response to incidents of rough sleeping which incorporates a multi-agency and voluntary sector response.
- Explore the viability of launching a Housing First model of support to the most complex and vulnerable to sustain tenancies.
- Ensure a targeted support approach can be called upon for rough sleepers who have been provided with accommodation to prevent them returning to the streets. This will require 'Navigators' to co-ordinate support services, and provide support, encouragement and advocacy.
- Develop closer links with voluntary and community agencies, such as foodbanks and faith based organisations to promote effective local responses and consistency in tackling homelessness across the New Forest.
- Commit to accommodating people rough sleeping beyond incidents of the severe weather emergency protocol (SWEP) to ensure a multi-agency approach can be called upon to end their street homelessness.
- Ensure those considered not in 'priority need' receive the same level of advice and assistance as those who trigger the statutory definition.



Monitoring and review

Performance and progress against each of the actions within this strategy will be reviewed annually in conjunction with members and stakeholders.

A transparent annual position statement will be produced to highlight our progress and how effective these measures have been in reducing homelessness and rough sleeping.

As we implement the Homelessness Reduction Act new trends and learning will emerge. We are keen to understand the ongoing impact on our residents and our annual review will incorporate a full statistical analysis of approaches to the service. This will enable us to be responsive in tackling any emerging issues.

New actions and targets may be agreed if further changes are made to national legislation and policy. It is expected the Government will regularly review the impact of the Homelessness Reduction Act and will seek to work more closely with Councils to implement its Rough Sleeping Strategy.

The Portfolio Holder for Housing Services, working with the Executive Head of Governance & Regulation and Service Manager – Housing Options will lead the review of the delivery plan.

In reviewing its strategy annually this council remains committed to embracing amended policy direction and incorporating it within annual updates.

New Forest District Council

Appletree Court, Beaulieu Road, Lyndhurst. Hampshire. SO43 7PN

Email homeless@nfdc.gov.uk • **Web** newforest.gov.uk/housing • **Phone** 023 8028 5234

Self-Referral website including Duty to Refer information

<https://hpa2.org/refer/NEWF> • newforest.gov.uk/housing

 [newforestdc](#)  [newforestgov](#)



CABINET – 5 DECEMBER 2018

PORTFOLIO – HOUSING SERVICES

NEW HOUSING ALLOCATION POLICY

1. INTRODUCTION

- 1.1 The Council is responsible for the allocation of all social housing accommodation in the District (including Council properties and those owned by registered providers of social housing). Under the Housing Act 1996 (“the Act”), the Council has a duty to publish an allocation scheme that sets out how applications for social housing will be assessed, processed and decisions made.
- 1.2 The current allocation policy was adopted in November 2012.
- 1.3 As the Council last updated its allocation policy in 2012, a review of the policy has been undertaken. The Council needs to ensure its housing allocation policy adequately reflects the prevailing housing conditions in its district in order to make the most effective use of social housing that becomes available for allocation.
- 1.4 Further, in accordance with the Secretary of State’s guidance, the Council needs to review its allocation policy to take into account of the new duties to homeless households brought in by the Homelessness Reduction Act 2017.
- 1.5 This report sets out the proposed changes to the Council’s housing allocation policy following this review.

2. BACKGROUND

- 2.1 The Act as amended by the Homelessness Act 2002 and the Localism Act 2011, states that when drafting an allocations scheme, the Council must give reasonable preference to people with high levels of assessed housing need. The Act has determined that the following class of individuals should be given a reasonable preference, people who:
 - are homeless (within the meaning of Part VII of the Act). This will include those who have been found to be homeless but not in priority need, who are owed the “Relief Duty” and who have been found to be intentionally homeless;
 - those to whom the Council is providing accommodation under the Act or to whom the Council owes the “Prevention Duty” under the Act;
 - are occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
 - need to move on medical or welfare grounds (including any grounds relating to disability); and
 - need to move to a particular locality of the district of the authority, where failure to meet that need would cause hardship (to themselves or others).
- 2.2 This group is collectively known as the “Reasonable Preference Group”.
- 2.3 The Act also allows the Council to set its own qualifying criteria; including criteria related to local connection and behaviour in order to determine who should be considered for an allocation of housing.

2.4 The Current Allocation Policy:

2.4.1 The current policy has 4 bands:

- Band 1: High Priority (Urgent)
- Band 2: High Priority
- Band 3: Priority
- Band 4: No Priority

2.4.2 All applicants save for exceptional cases are placed in Band 3: Priority. The only determining factor thereafter is the length of time the applicant has been on the housing register¹.

Bands	Number of Households
Band 1: High Priority (Urgent)	24
Band 2: High Priority	51
Band 3: Priority	3,120
Band 4: No Priority	207

2.4.3 10 out of 11 applicants on the Council's housing register are in Band 3: Priority. On average there are 300 properties per year that become available for allocation; applicants can wait up to 10 years for an allocation of housing. The current policy does not adequately allow for the allocation of housing on the basis of need. Furthermore, it does not take into account that there are certain groups that the Council has a statutory responsibility for securing accommodation, for example, statutory homeless applicants who are owed the full housing duty.

2.4.4 The proposed changes to New Forest District Council's allocation policy have been developed with regard to the new duties introduced by the Homelessness Reduction Act 2017, but have also been influenced by:

- the prevailing housing needs and conditions within the Council's district;
- the results of the work of the Homelessness Task and Finish Group and the Housing Overview and Scrutiny Panel;
- the desire to ensure that applicants on the Council's housing register are being given appropriate priority to enable the Council to make the most effective use of limited social housing within the District.

3. THE DRAFT NEW ALLOCATION POLICY

3.1 A draft of the Council's new allocation policy is attached as Appendix 1:

¹ As at the 13 September 2018

3.2 The key changes to the policy are:

(a) Banding:

The new allocation policy will have 4 new Bands; these will now reflect housing need and clear criteria will be attached to each Band. A summary of the new Bandings is below:

Band 1: Emergency Need for Housing - Urgent health needs; - Property in dangerous state; - Risk of violence
Band 2: Serious Need for Housing - Full homelessness duty; - Under occupying by 2 bedrooms and severely overcrowded; - High health needs
Band 3: Need for Housing - Medium health needs; - Under occupying by 1 bedroom and overcrowded; - Other homeless cases (i.e. not owed full homelessness duty); - Military
Band 4: Lower Need for Housing - Lower health needs; - Sharing and lacking facilities; - Assured shorthold tenants

(b) Qualifying and Non-Qualifying Criteria:

Applicants will still need to be aged 16 or over and to have a local connection as defined under the current policy, but will also need to:

- have a housing need; in that their need for housing falls within one of the Council's Bands;
- be assessed as lacking the financial means to resolve their housing need;

Applicants who do not satisfy the above criteria will not qualify to join the housing register; further any applicant who falls within any of the categories below will be classed as non-qualifying to join the housing register:

- owner-occupiers (with the exception of those with a housing and assessed care need and who have a need for extra care or sheltered accommodation);
- those who have deliberately worsened their circumstances to enable them to qualify onto the register; or
- those that are deemed to be guilty of unacceptable behaviour that is serious enough to make them unsuitable as tenants.

(c) Bedroom Need Assessment:

The number of bedrooms that an applicant will be eligible for will be set in line with the current regulations covering bedroom entitlement for the purposes of local housing allowance.

This will avoid issues relating to affordability and also with partner landlords who set their bedroom entitlement with reference to the current regulations.

(d) Suspension and Removal:

For the effective management of applications on the housing register, circumstances where applications will be suspended or removed have been clearly set out in the allocation policy.

- 3.3 The provisions relating to Rural Parishes will remain unchanged as it is considered necessary to prioritise those who have a local connection to a Rural Parish for an allocation of accommodation in those areas.
- 3.4 In addition to the main proposed changes above, a number of minor amendments have been made to provide greater detail and guidance to allocation officers working under the new allocations policy, so that there is consistency of approach and clarity when decisions are being made on individual cases.

4. PROCESS TO CHANGING THE ALLOCATION POLICY

- 4.1 As a matter of law, the Council needs to consult on any changes to the Allocation Policy. It is intended that the proposed Allocation Policy is published on the Council's website for four weeks and existing applicants and private registered providers of social housing operating in our District are made aware of the consultation.
- 4.2 Responses to the consultation will be reported to Cabinet and Council in April 2019.

5. DELEGATIONS

- 5.1 Section 7.1 of the new proposed policy sets out who will make decisions under the proposed Allocation Policy.

6. CONCLUSIONS

- 6.1 The Council's new housing allocation policy will assist the Council in ensuring the most effective use of social housing within its district by allocating housing with reference to housing need.

7. FINANCIAL IMPLICATIONS

- 7.1 In order to better manage the allocation of social housing, the Council will be procuring a new case management system to replace what is currently largely a paper based system. This will result in more efficient working, quicker allocations and a corresponding reduction in rent loss as properties will be let faster. The costs are likely to be in the region of £35,000 for year 1 and £8,000 ongoing annually thereafter and are likely to be met from existing budgets (but this will be kept under review).

8. CRIME & DISORDER IMPLICATIONS

- 8.1 The proposed Allocation Policy aims to promote good tenancy management by tenants and prospective tenants to assist in tackling anti-social behaviour.

9. ENVIRONMENTAL IMPLICATIONS

- 9.1 There are none.

10. EQUALITY & DIVERSITY IMPLICATIONS

- 10.1 Please refer to Appendix 2: Equality Analysis.

11. PORTFOLIO HOLDER COMMENTS

- 11.1 Through my work as Portfolio Holder and leading the Homelessness Task & Finish Group I have acknowledged the growing demand for Social Housing in our area. However the number of lettings is falling each year. I have seen first-hand how vulnerable households are affected by the waiting times for our housing and I firmly believe it is the right time to make these changes to our allocations policy to make the best use of our housing stock and to recognise real housing need in our district. Our new strategic approach to tackling housing and homelessness issues calls for this review and I welcome the proposed new Allocation Policy which aims to address how households in the New Forest are prioritised in future.

12. HOUSING OVERVIEW AND SCRUTINY PANEL'S COMMENTS

- 12.1 The Panel considered the draft Housing Allocation Policy. The Panel endorsed the revised Allocation Policy and were fully supportive of the proposed new housing bands, which they felt would enable the scarce housing resources to be allocated to those most in housing need. It was acknowledged that the proposed policy was both fairer and clearer and recognised that the allocation of housing should be based on need rather than the length of time spent on the housing register. The Panel praised the hard work of officers for the production of a comprehensive document.

13. RECOMMENDATIONS

- 13.1 That it be a recommendation to Council that the Housing Allocation Policy as attached as Appendix 1 to this report be approved for consultation.

For further information contact:

Grainne O'Rourke
Executive Head of Governance and Regulation
Email: grainne.orourke@nfdc.gov.uk
Tel: 023 8028 5588

Dambu Tenner
Solicitor
Email: dambu.tenner@nfdc.gov.uk
Tel: 023 8028 5588

Richard Knott
Service Manager – Housing Options
Email: richard.knott@nfdc.gov.uk
Tel: 023 8028 5588

Background Papers

Published documents

ALLOCATION POLICY (DRAFT)

TABLE OF CONTENTS

	SECTION	PAGE
Part 1:	Introduction	4
1.	Purpose	4
2.	Aims and Objectives	5
3.	Statement of Choice	6
Part 2	The Scheme	6
4.	<u>Joining the Register</u> 4.3 Eligibility 4.4 Qualifying Applicants 4.5 Non Qualifying Applicants 4.6 Decisions Following Assessment of Eligibility and Qualification	6 6 6 7 7
5.	<u>Processing Applications</u> 5.1 Housing Need Assessment 5.2 Household 5.3 Bedroom Need Assessment 5.4 Band Start Date 5.5 Rural Connection Band 5.6 Areas of Choice 5.7 Acceptance onto the Register	7 7 11 11 13 13 15 16
6.	<u>Choice Based Allocations Process</u> 6.1 Managing Vacancies 6.2 Allocating Properties 6.3 Exceptions to the Choice Based Allocations Process 6.4 Other Allocation Processes	16 16 20 24 26
Part 3:	Scheme Administration	29
7.	<u>Managing the Scheme</u> 7.1 Decision Making 7.2 Medical and Welfare Panel 7.3 Updating Application Details 7.4 Suspension and Renewal 7.5 Right to Request a Review 7.6 Exercise of Discretion 7.7 Equality and Fair Allocations 7.8 Changes to the Scheme 7.9 Right to Information 7.10 False Statements and Withholding Information	29 29 30 30 31 34 35 35 35 36 36

	SECTION	PAGE
Part 3 (continued)	Scheme Administration	29
7.	<u>Managing the Scheme</u>	29
	7.11 Data Protection	36
	7.12 Contacting Housing Options	37
Appendices	Appendix 1: Definitions	38
	Appendix 2: Eligibility and Qualification	40
	Appendix 3: Scheme Bands	45
	Appendix 4: Health and Welfare Assessment	52
	Appendix 5: Housing Conditions	55
	Appendix 6: Allocation of Garages	57
	Appendix 7: Brief Summary of Statutory Provisions	58

NEW FOREST DISTRICT COUNCIL: HOUSING ALLOCATION POLICY

PART 1: INTRODUCTION

1. THE PURPOSE OF THE POLICY

1.1 The Housing Act 1996 (“the Act”) Part VI as amended by the Homelessness Act 2002 and the Localism Act 2011, requires all local authorities to have an allocation policy to determine the priorities and define the procedures that will be followed when allocating housing accommodation. This document sets out New Forest District Council’s (“the Council”) policy for the allocation of social housing accommodation in its district (“the Scheme”). The Scheme sets out details on how Applications will be assessed, processed and how decisions will be made.

1.2 In drafting the Scheme the Council has had regard to the following:

A. Statutes:

- (i) The Act;
- (ii) The Homelessness Act 2002
- (iii) The Housing Act 2004;
- (iv) The Equalities Act 2010;
- (v) The Localism Act 2011;
- (vi) Homelessness Reduction Act 2017.

B. Regulations:

- Allocation of Housing (Procedure) Regulation 1997, SI 199/483;
- Allocation of Housing (England) Regulations 2002; SI 2002/3264;
- Allocation of Housing and Homelessness (Eligibility) (England) Regulations 2006, SI 2006/1294;
- Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations 2012; SI 2012/1869;
- Housing Act 1996 (Additional Preference for Armed Forces) (Armed Forces) (England) Regulations 2012; SI 2012/2989
- Allocation for Housing (Qualification Criteria for Right to Move) (England) Regulations 2015 SI 2015/967
- The Allocation of Housing and Homelessness (Eligibility) (England)(Amendment) Regulations 2018 SI 2018/730.

C. Codes of Guidance:

- (i) Allocation of Accommodation: Guidance for Local Authorities for Local Housing Authorities in England (DCLG, 2012);

- (ii) Providing Social Housing for Local People: Statutory Guidance on Social Housing Allocations for Local Authorities in England (DCLG, December 2013);
- (iii) Right to Move: Statutory Guidance on Social Housing Allocations for Local Housing Authorities in England (DCLG, March 2015);
- (iv) Improving Access to Social Housing for Victims of Domestic Abuse in Refuges or other Types of Temporary Accommodation (MHCLG, November 2018)
- (v) Homelessness Code of Guidance 2018.

D. Consultation outcome with Applicants, residents in the Council’s district and all Private Registered Providers of Social Housing (“PRPSH”) and registered social landlords (“RSL”) with whom the Council has nomination rights.

E. the Council’s Homelessness and Rough Sleeping Strategy and Tenancy Strategy

1.3 When drafting an allocation policy the Act requires that local authorities give reasonable preference to people with high levels of assessed housing need. The Act has determined that the following class of individuals should be given a reasonable preference. People who:

- are homeless (within the meaning of Part VII of the Act). This will include those who have been found to be homeless but not in priority need, who are owed the “Relief Duty” and who have been found to be intentionally homeless;
- are owed a duty by any local housing authority under ss.193(2), 192(2) or 195(2) (or under ss. 65(2) or 68(2) of the Housing Act 1985);
- are occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
- need to move on medical or welfare grounds (including any grounds relating disability); and
- need to move to a particular locality of the district of the authority, where failure to meet that need would cause hardship (to themselves or others).

This group is collectively known as the “Reasonable Preference Group”.

2. AIMS AND OBJECTIVES OF THE SCHEME

2.1 The Council will allocate housing in a fair and transparent manner with the aim of using its scarce housing resources appropriately, and in particular to enable it to meet:

- a. Its prevention and homelessness statutory duties;
- b. the housing needs of those that are most vulnerable; and
- c. its statutory obligations as set out in Part VI of the Act

2.2 The Council also aims to operate the Scheme so that it:

- (a) Gives Applicants as much choice as possible and helps to create and maintain sustainable local communities;
- (b) Promotes good standards of tenancy and financial management by tenants and prospective tenants and to assist in tackling anti-social behaviour; and
- (c) To provide incentives for residents in the Council's district to undertake paid work and make a positive contribution to the local community.

3 STATEMENT OF CHOICE

3.1 The Council and its partner landlords are committed to giving Applicants for housing as much choice as possible as to where they wish to live. Under the Scheme, Applicants are normally able to apply for vacancies of individual properties which are advertised each week.

PART 2: THE SCHEME

4 JOINING THE HOUSING REGISTER

4.1 The Council operates a housing register ("the Register") which contains a list of people who have applied to the Council for housing. Anyone seeking social housing within the Council's district must make an Application to join the Register. This will normally be done by making an online Application on the Council's website. Only Applicants who are eligible and qualify for allocation of social housing will be able to join the Register.

4.2 All Applications to join the Register will be considered in accordance with the provisions of the Scheme as set out in the paragraphs below.

4.3 Eligibility

4.3.1 Certain people from abroad, including some subject to immigration control, are not eligible for an allocation of social housing. These are known as Restricted Persons. The government has set out those who are to be treated as ineligible for an allocation. For further details on eligibility, please refer to Appendix 2: Eligibility and Qualification at page 40.

4.4 Qualifying Applicants

4.4.1 Under the Act, the Council is entitled to set its own qualifying criteria to determine who should be considered for an allocation of housing.

4.4.2 Applicants will qualify to join the Register if they satisfy all 4 of the criteria listed below.

They:

- (a) Are Over 16 years of age¹;
- (b) Are in Housing Need; in that the Applicant's housing circumstances fall within one of the Scheme's Bands (see paragraph 5.1 Housing Need Assessment)
- (c) Have been assessed as lacking the financial means to enable them to resolve their housing need; and
- (d) Have a local connection to the Council's district.

4.5 Non Qualifying Applicants

4.5.1 Applicants who fall within the description of people below will not qualify to join the Register:

Applicants who:

- (a) Fail to meet the qualifying criteria at paragraph 4.4.2 above;
- (b) Are an owner-occupier (with the exception of those with a housing and assessed care need, who cannot resolve their own housing situation and have a need for extra-care or sheltered accommodation);
- (c) Have deliberately worsened their circumstances to enable them to qualify onto the Register; or
- (d) Are deemed to be guilty of unacceptable behaviour that is serious enough to make them unsuitable as tenants.

For further details of the qualifying criteria and non-qualifying Applicants, please refer to Appendix 2: Eligibility and Qualification at page 40.

4.6 Decisions Following Assessment of Eligibility and Qualification

4.6.1 Where a decision is made that an Applicant is either not eligible or non-qualifying they will be notified in writing of that decision and of their right to request a review. (See paragraph 7.5 for details of the reviews process.)

5. PROCESSING APPLICATIONS

5.1 HOUSING NEED ASSESSMENT

5.1.1 The Council uses a banding system to prioritise Applications on the Register. The Scheme has 4 bands. With the exception as set out at paragraph 5.1.2 below, in order to qualify to join the Register an Applicant's Housing Need will have to fall within one of the Scheme's Bands.

5.1.2 Applicants, who satisfy a Rural Connection Band for a Rural Parish, will be assessed as being in Housing Need and are exempt from having to satisfy paragraph 5.1.1 above. Please refer to paragraph 5.5 Rural Connection Band.

¹ Whilst Applicants aged 16 -17 will be able to join the Register, they will not be made an allocation of a property under the Scheme until they attain the age of 18.

5.1.3 The Scheme Bands:

The table below outlines in summary the criteria for each band:

BAND	CRITERIA
Band 1 – Emergency Need for Housing	Applicants: (a) Who require a management move: where the applicant has been assessed as having an exceptional need to move by a Senior Officer. (b) Who have been assessed as having an urgent health and/or wellbeing need caused or substantially worsened by their home circumstances; (c) Whose accommodation has been assessed as being in a state of emergency disrepair and the hazards cannot be rectified within a reasonable timescale; or (d) Who need to move to escape violence or threats of violence, harassment or a traumatic event in the home.

<p>Band 2. Serious Need for Housing</p>	<p>Applicants:</p> <ul style="list-style-type: none"> (a) Who have been accepted as being owed the full housing duty under the Act and where discharge of duty cannot be achieved by a Private Rented Sector Offer of accommodation; (b) Who are existing social housing tenants under-occupying by 2 or more bedrooms; (c) Who are severely overcrowded (e.g they lack 2 or more bedrooms, or have 2 children who lack a bedroom, such as a single parent with 2 children, where at least one of the children is over the age of 1 in a 1 bed home); (d) Who have been assessed as having a high health and/or wellbeing need caused or substantially worsened by their home circumstance; (e) Who live in a home assessed as being in a state of high disrepair and the disrepair cannot be rectified within reasonable timescales; or (f) Who have been assessed as ready to move on from supported housing in the Council's district area.
<p>Band 3 – Need for Housing</p>	<p>Applicants who:</p> <ul style="list-style-type: none"> (a) Are overcrowded and lack 1 bedroom; (b) Have been assessed as having medium health and/or wellbeing need caused or substantially worsened by their home circumstances; (c) Are certain serving, or former serving members of the regular forces, or their spouse or civil partner; (d) Are homeless, to whom the Council owes a Relief or Prevention Duty under Part VII of the Act; (e) Who need to move under the Right to Move provisions; (f) Are existing social landlord tenants under-occupying their accommodation by 1 bedroom;

<p>Band 3 – Need for Housing (continued)</p>	<ul style="list-style-type: none"> (g) Have been assessed as not having a permanent home, or are at risk of becoming homeless and are not owed a duty under (d) above; (h) Have been accepted as being owed the full housing duty under Part VII of the Act and where it is possible to discharge duty with a Private Rented Sector Offer of accommodation; or (i) Are key workers where the Council identifies that there is a critical need for the key worker to be rehoused to ensure the availability of an essential public service for the New Forest community.
<p>Band 4 – Lower Need for Housing</p>	<p>Applicants who:</p> <ul style="list-style-type: none"> (a) Have been assessed as having a lower health and/or wellbeing need caused or substantially worsened by their home circumstances; (b) Share essential facilities such as a toilet, bath, shower or kitchen with other households or lack essential facilities; (c) Are households sharing with relatives or friends; (d) Are occupants living in supported accommodation who have not been assessed as ready for move on from supported housing in the Council's area. (j) Are assured shorthold tenants who do not have the financial means to purchase a property (see Appendix 2: Eligibility and Qualification); or (k) Have been assessed under Part VII of the Act as not in priority need or are intentionally homeless and are still statutory homeless at the point of offer.

Further details of the Housing Need Assessment can be found at Appendix 3: Scheme Bands on page 45.

5.2 HOUSEHOLD

5.2.1 The following individuals will form part of an Applicant's Household under the Scheme:

- The Applicant's Partner;
- The Applicant's children/dependants aged 35 and under with whom the Applicant resides or with whom the Applicant might reasonably be expected to reside.

5.2.2 In determining whether children/dependants can reasonably be expected to reside with the Applicant the Council will take into consideration the following factors:

- Access to other suitable accommodation;
- Previous, current and likely future living arrangements;
- Evidence of membership to the Household (including whether the Applicant is in receipt of relevant benefits for the child/dependant);
- The impact on scarce housing resources on providing the Applicant with additional bedrooms.

Whilst court orders will be taken into consideration, they will not be determinative.

5.2.3 Applicants, who the Council has accepted require a carer to live with them will be allowed to include the carer as a member of their Household. In deciding whether a carer is required to live with an Applicant, the following factors will be taken into consideration:

- Whether there is an established need for live-in 24 hour care;
- The availability of supported or extra-care housing which may meet the Applicant's care needs;
- The Applicant's current, and likely future, living arrangements;
- The impact on scarce housing resources on providing an additional bedroom to the Applicant.

5.3 THE BEDROOM NEED ASSESSMENT

5.3.1 Following the Housing Need Assessment the Council will assess the number of bedrooms that an Applicant is entitled to by looking at the size and structure of the Applicant's Household as set out at paragraph 5.2 above. This will establish the Applicant's Bedroom Need and the size of property that the Applicant will be able to bid for.

5.3.2 The Council's Bedroom Need Assessment has been set in line with current regulations affecting bedroom entitlement for the purposes of the Local Housing Allowance and Housing Benefit. It also reflects the bedroom entitlement that will be used for the purpose of assessing the housing component associated with rental liability within Universal Credit.

5.3.3 The Scheme's Bedroom Need Assessment is set as follows:

PROPERTY TYPE/SIZE	HOUSEHOLD
Bedsit	Single Applicant
1 Bedroom	Single Applicant or Applicants living as a couple with no children
2 Bedrooms	Single Applicant, or Applicants living as a couple, with 1 child; or Single Applicant, or Applicants living as a couple, with 2 children of: (a) The same sex under 16 (b) Opposite sex under 10
3 Bedrooms	Single Applicant, or Applicants living as a couple with 2 children, with at least 1 of opposite sex over 10; Single Applicant, or Applicants living as a couple, with 3 children or 4 children: (a) of the same sex under 16; (b) Two children of each sex under 16; or (c) of either sex all under 10
4 Bedrooms	Single Applicant, or Applicants living as a couple, with 5 or more children Single Applicant or Applicants living as a couple, with 4 children where at least one of them is aged 10 and is of the opposite sex of the others or one of them is aged 16 or over.

5.3.4 Pregnant Applicants or those Households with a pregnant member will not have their bedroom requirement reviewed until the baby is born and a copy of the birth certificate for the child has been received.

5.3.5 The Council reserves the right to assess an Applicant as being entitled to more or less bedrooms, provided this does not result in an overcrowding hazard, where this will lead to the effective management of its housing stock or where the circumstances justify the adjustment. This may apply where an Applicant cannot share a bedroom with their Partner due to their disability.

5.3.6 If an Applicant has been recommended by Children's Services as suitable to foster or adopt one or more children, but requires additional bedroom(s) in order to be able to adopt or foster, the Applicant will be considered for an additional bedroom. When conducting the Bedroom Need Assessment for prospective foster carers or adopters who state that they need additional bedrooms for their application to foster or adopt to be successful, the Council will consider the risk that the application to foster or adopt may not be successful against the wider benefits which would be realised if a placement was successful. This may mean contacting Children's Services to

determine how the lack of the additional bedroom will affect the prospective carer's or adopter's application to foster or adopt.

5.4 BAND START DATE

5.4.1 The Band Start Date records the date that an Applicant is deemed to have joined the Register. The Band Start Date will be determined as follows:

(a) New Applications:

The Band Start Date will be the date that the Application is processed and placed into a Band.

(b) Existing Applicants:

(i) If an existing Applicant's Housing Need has been re-assessed due to a change in circumstance, their Band Start Date will be as follows:

REASSESSMENT OUTCOME	BAND START DATE
Move into a higher band	Date of Re-assessment
Moved into a lower band	Retain original Band Start Date
Remain in same band (including for a different housing need)	Retain original Band Start Date

(ii) Transitional Arrangement: Applicants who were registered on the Council's Homeseach Allocation Scheme 2 prior to the adoption of the Scheme will be able to keep as their Band Start Date the date of their application under the Homeseach Allocation Scheme 2. Where there has been a change in their Housing Need since their original application under the Homeseach Allocation Scheme 2, their Housing Need will be re-assessed and a new Band Start Date given in accordance with paragraph 5.4.1 (b)(i) above.

5.4.2 Homeless Applicants who are owed the Full Housing Duty under the Act and are placed in Band 2 following the Housing Need Assessment will have the date the Council made the decision on the duty owed to them as their Band Start Date.

5.5 RURAL CONNECTION BAND

5.5.1 Some of the Council's social housing is located in Rural Parishes. The Council believes these properties should be allocated so as to ensure that:

- Rural communities are supported in a sustainable way wherever possible; and
- People that are deemed to satisfy a Rural Connection Band to the Rural Parish are given priority in the allocation of vacancies.

5.5.2 Accordingly, Applicants who wish to be considered for an allocation of a property in a Rural Parish will need to satisfy one of the Rural Connection Band criteria as set out below. For a list of the Rural Parishes please refer to paragraph 5.6.3 (Areas of Choice).

RURAL CONNECTION BAND	CRITERIA
Band A	Applicants who live or are in Employment in the Rural Parish and have been so for longer than 10 years or who have lived in the Rural Parish for longer than 10 years previously or a designated key-worker performing an essential service for the Rural Parish community where there is an established need for the Applicant to be rehoused to maintain the service.
Band B	Applicants who live or are in Employment in the Rural Parish and have done so for longer than 5 years, or who have lived in the Rural Parish for more than 5 years within the last 15 years, or whose parents, siblings or adult children live in the Rural Parish and have done so for 10 years or longer.
Band C	Applicants who live or are in Employment in the Rural Parish and have done so for longer than 2 years, or who have lived in the Rural Parish for more than 2 years within the last 15 years or whose parents, siblings or adult children live in the Rural Parish and have done so for 5 years or more.

5.5.3 Applicants who do not satisfy any of the Rural Connection Band criteria will only be eligible for an allocation of a property in a Rural Parish in the circumstances set out at paragraph 6.2.1.4 (d).

5.5.4 Where an Applicant has been placed in temporary accommodation situated in a Rural Parish the time spent in the Rural Parish will not count towards satisfying a Rural Connection Band. However, if the Applicant has established a longstanding connection with the Rural Parish during their occupation and has made a significant contribution to the local community, then they may be considered to have a Rural Connection Band. Any decision to allow the time spent in temporary accommodation to be taken into consideration when assessing Rural Connection Band is reserved to a Senior Officer.

5.6 AREAS OF CHOICE

5.6.1 For administrative and management purposes, when Applicants join the Register they will be asked to stipulate which areas they would like to be housed in.

5.6.2 The areas listed below are available for selection by all Applicants on the Register:

AREA
Ashley
Blackfield and Langley
Calmore
Calshot
Dibden and Dibden Purlieu
Eling
Fawley
Fordingbridge
Holbury and Hardley
Hythe
Lymington
Marchwood
New Milton
Pennington
Ringwood
Totton
Walkford

5.6.3 The areas listed below are Rural Parishes. Please refer to paragraph 5.5 Rural Connection Band at pages 13 – 14.

RURAL PARISH	RURAL PARISH
Ashurst/Colbury	Minstead
Beaulieu	Netley Marsh/Woodlands
Boldre/Pilley/Norley Wood	Rockbourne
Brangore/Sopley	Sandleheath
Breamore	Sway
Brockenhurst	Whitsbury
Brook/Bramshaw	Woodgreen
Burley	
Copythorne/Bartley	
Damerham	
Denny Lodge	
East Boldre/East End	
Ellingham/Harbridge/Ibsley	
Exbury/Lepe	
Godshill	
Hale	
Hordle	
Hyde	
Lyndhurst	
Martin	
Milford	

5.7 ACCEPTANCE ONTO THE REGISTER

5.7.1 Once all information has been received from an Applicant, and where appropriate supporting agencies, the Applicant will be notified in writing of the following:

- Their Band Start Date;
- The Band in which their Application has been placed;
- Their reference number to be used for bidding;
- Their assessed Bedroom Need;
- A summary of the Scheme

5.7.2 If further information is required, the Applicant will be contacted in writing and will be asked to provide the information necessary to assess their Application. Any Applicant who does not provide the requested information within 28 days, or where the Application was made on-line, who fails to submit supporting documents within 28 days, will be assumed to no longer require housing and their Application will be treated as abandoned. Their Application will not be processed further.

6. THE CHOICE BASED ALLOCATION PROCESS

6.1 MANAGING VACANCIES

6.1.1 All vacancies will be let under the following choice-based allocation process unless they have specifically been excluded, please see paragraph 6.3 below.

6.1.2 Labelling Properties

6.1.2.1 The Council will set parameters on which type of Households can apply for vacancies. As part of the labelling process full details of each vacancy will be provided and will include the following:

- Type of property;
- Street location;
- Rent, and if appropriate, service charge payable;
- Access to the property (including wheelchair adapted);
- Landlord;
- Number of bedrooms and permitted numbers of occupants (with reference to the Bedroom Need Assessment);
- Specific requirements as specified by the landlord;
- Where appropriate, the Household type that will be given preference;
- Whether or not pets are allowed.

6.1.2.2 In addition to the above, other circumstances may apply which require particular labelling of properties, schemes or estates. The examples below are for illustrative purposes only and are not exhaustive:

- Where the Council is able to create vacancies within the affordable stock in its district which could increase the number of available homes, then properties may be labelled so that preference is given to Transfer Applicants.
- Where a property is adapted for disabled use or where it has been provided for a specific purpose, such as supported accommodation, it will be labelled for Applicants who require adapted or supported accommodation.
- Where a property is situated in an Age Restricted Scheme, it will be labelled for Applicants that satisfy the age restriction of the scheme.
- If there is a planning requirement for a scheme (ie s.106 agreements), vacancies in that scheme will be labelled according to the planning requirements. Similarly, if a scheme has been developed with a specific Applicant group then the labelling will reflect this.
- Where the vacancy is in a Rural Parish the labelling will require that the Applicant has been awarded a Rural Connection Band to the Rural Parish.
- If there is an established need for designated key-workers to be re-housed to ensure the availability of a critical public service within the Council's district area and a Senior Officer has determined that this need takes priority over other housing needs within the Council's district, the vacancy will be labelled to give key-workers who are able to provide that service a preference.
- If it is known that there are a large number of Applicants who are in Bands 1-2 or with a particular need for a vacancy, the labelling of the property may be more specific to reduce the number of Applicants who can bid for the vacancy.
- Where the Council is seeking to reduce the numbers of homeless Households in temporary accommodation, a vacancy may be labelled with a preference for those Households who have been accepted as homeless.
- Where sensitive allocations are required because of the needs of other vulnerable or elderly tenants, labelling may stipulate that the successful Applicant needs to be able to demonstrate that they will be able to manage a tenancy successfully.

6.1.3 Advertising

6.1.3.1 Unless excluded from the lettings process, all properties will be advertised to provide Applicants with the best possible chance of exercising choice. Applicants will find vacancies advertised on the Council's website. Where a property is for a specific Applicant group who require support contact may be made (as far as resources allow) to ensure that this group are able to bid for the vacancy.

6.1.3.2 The advert will be labelled as set out at paragraphs 6.1.2.1 and 6.1.2.2 above.

6.1.3.3 Each property will normally be advertised for a period of 5 days. Where a property has not attracted any bids and/or bids from Applicants that satisfy the labelling criteria for the vacancy, it may be re-advertised to increase the number of Applicants who can bid for the vacancy.

6.1.4 Applying for Vacancies

6.1.4.1 Interested Applicants will be able to bid for a vacancy electronically by placing a bid via their Council website account before the advert expiry date. Applicants are entitled to bid for a maximum of 3 vacancies each week.

6.1.5 Assisted Bidding

6.1.5.1 Where an Applicant requires assistance in bidding for vacancies, because the Applicant is vulnerable or where there is a language barrier, then the Housing Options team may assist the Applicant to bid for vacancies or refer the Applicant to an agency that will be able to assist the Applicant to do so. Applicants will be asked during the application process if they require assistance and if they wish the Housing Options team to manage their bids on their behalf. The Housing Options team will assess whether the Applicant meets the criteria for Assisted Bidding.

6.1.5.2 Where an Applicant qualifies for Assisted Bidding, the Housing Options team will only make bids on behalf of the Applicant if the vacancy meets the Applicant's preferences and Bedroom Need. Applicants can also ask for assistance with bidding at any time by contacting the Housing Options team or through contact from an agency. Where appropriate the Housing Options team may also enquire whether an Applicant requires assistance following a review of an Applicant's bidding history.

6.1.5.3 An Applicant will only be assisted with making their bids if they are unable to do so because of vulnerability or because there is a language barrier. Where appropriate, Applicants will be encouraged to access facilities at the Council's offices, use family/friends or the library to access the website to place bids.

6.1.6 Automatic Bidding

6.1.6.1 To increase the prospects of re-housing Applicants, the Council may make bids on behalf of some Applicants on the Register.

6.1.6.2 The Housing Options team will only bid on vacancies that are suitable for the Applicant's Household and that the Applicant has the best chance of securing. Whilst consideration will be given to the Applicants preferences, the overriding consideration will be the effective management of the social housing stock, or where appropriate, the duty to move on Homeless Applicants to more settled housing solutions. In some cases the Housing Options team may encourage an Applicant to increase their preferences to maximise their prospects of being rehoused.

6.1.6.3 The Housing Options team will normally bid on behalf of the following Applicants:

- Applicants in Band 1;
- Homeless Applicants in Band 2 or in Band 3 who are owed the Relief or Prevention Duty;

- Band 2: Under-occupying by 2 bedrooms;
- Band 3: Under-occupying by 1 bedroom

6.1.6.4 The Housing Options team will bid on behalf of an Applicant if the Applicant has failed to bid for suitable properties that have become available in a 6 month period and/or where the bidding history of the Applicant shows they have not made sufficient bids for properties having regard to the number of suitable properties that have become available in a 6 month period. The Housing Options team may also bid on properties where it would assist in the effective management of the Council's housing stock.

6.1.6.5 Where a bid made on behalf of an Applicant is successful, the Applicant will be made an offer of the accommodation secured by the automatic bid.

6.1.6.6 Homeless Applicants:

- The Applicant will be advised that the offer is made in discharge of the duty owed to them as a Homeless Applicant and the consequences of refusal. They will be notified of their right to request a review of the suitability of the offer and that this right is available whether they accept or refuse the offer.
- If the Applicant refuses the offer and lodges an unsuccessful suitability review, or fails to lodge a review request at all, their Application will be suspended for a period of 6 months. The Council will discharge the homeless duty. Following the period of suspension, if the Applicant still wishes to remain on the Register, the Application will be reinstated to Band 3 and will retain the same Band Start Date. However, if there has been a change in circumstance the Application will be re-assessed and will be given a new Band Start Date in accordance with paragraph 5.4 above.

6.1.6.7 Other Applicants

- The Applicant will be notified of their right to request a review of the suitability of the offer and that they can request a review whether or not they accept the offer. If within a 12 month period, an Applicant refuses two offers of accommodation that are deemed suitable following a review, or where no suitability review was lodged, their Application will be suspended for a period of 6 months. Applicants who fail to respond to an offer will be treated as though they had refused the offer. Following the period of suspension, if the Applicant still wishes to remain on the Register, the Application will be reinstated to Band 3 and will retain the same Band Start Date. However, if there has been a change in circumstance the Application will be re-assessed and will be given a new Band Start Date in accordance with paragraph 5.4 above.

6.1.6.8 If the Applicant accepts the offer but lodges an unsuccessful suitability review, or does not lodge a suitability review at all, their Application will be removed from the Register.

6.1.6.9 An Applicant whose Application has been suspended, has been placed in a lower Band or removed from the Register, will be notified of this decision and of their right to request a review of it; please see paragraph 7.5 for details of the reviews process. The Applicant will be entitled to re-apply to join the Register or seek higher banding if their circumstances change, or have changed, since the decision was made.

6.2 ALLOCATING PROPERTIES

6.2.1 Selection Procedure

6.2.1.1 Once the time limit for placing bids on an advert has expired, the bids for a vacancy will be considered. Any bids placed after the time limit has expired will be excluded from consideration.

6.2.1.2 Applicants who do not meet the labelling criteria of the vacancy will be excluded from consideration. Where the advert for the vacancy specified Households who would be given a preference for the vacancy, the Applicants who satisfy the preferences will be considered before those Applicants who do not. Applications will then be prioritised.

6.2.1.3 Prioritisation Generally

- a) First, by their Band, for example all Applicants in Band 1 will be listed above all Applicants in Bands 2, those in Band 2 will be listed above all those in Band 3 and so on.
- b) Then, by the Band Start date; with the Applicant with the earliest Band Start Date and highest Band at the top.

The vacancy will be allocated to the Applicant who is at the top following the above prioritisation.

6.2.1.4 Prioritisation – Rural Parishes

- a) Applicants will be prioritised with reference to the strength of their connection with the Rural Parish and Band as follows:

Order of Prioritisation	Rural Connection Band (RCB) and Housing Need Band
1.	RCB A with a Band 1 Housing Need
2.	RCB A with a Band 2 Housing Need
3.	RCB A or RCB A with Band 3 or Band 4 Housing Need
4.	RCB B with a Band 1 Housing Need
5.	RCB B with a Band 2 Housing Need
6.	RCB B or RCB B with Band 3 or Band 4 Housing Need
7.	RCB C with a Band 1 Housing Need
8.	RCB C with a Band 2 Housing Need
9.	RCB C or RCB C with Band 3 or Band 4 Housing Need

- b) Applicants who fall within 3, 6 and 9 in the table above will be treated equally within their grouping. Applicants will then be prioritised by Band Start Date. The vacancy will be allocated to the Applicant with the earliest Band Start Date at the top following prioritisation in accordance with the table at 6.2.1.4 (a) above.
- c) Where the vacancy is in a Rural Parish and no bids are received from an Applicant with a Rural Connection Band for that Rural Parish, the Council will re-advertise the vacancy and set new labelling criteria to increase the prospects of the vacancy going to an Applicant with a Rural Connection Band for the Rural Parish. In re-advertising the vacancy the Council may change the labelling criteria to allow under or over-occupation. However, the Council will only allocate a vacancy to an under-occupier if affordability will not be an issue and to an over occupier where it will not result in a Category 1 Hazard. If the vacancy can still not be filled, the Council will increase the geographical area to allow bids from nearby Rural Parishes and will also consider labelling the vacancy to allow for over or under-occupation (subject to affordability and avoiding Category 1 Hazard).
- d) If a vacancy in a Rural Parish is still not filled after re-advertising it as above, the vacancy will be made available to the whole district.

6.2.1.5 Following Prioritisation

- a) If after the Applications have been prioritised as set out in paragraphs 6.2.1.3 or 6.2.1.4, there are two or more Applicants at the top of the list, the Council will carry out an assessment of the Applicants' circumstances to determine who has the greatest Housing Need for the particular vacancy. This may include taking into consideration whether an Applicant has more than one Housing Need, the size of the Household and its make-up to ensure the best use of the property.
- b) If an Applicant confirms that they wish to be considered for a vacancy they will not be able to bid on any other vacancies whilst they are being considered. Any open bids that the Applicant has for other vacancies will be ignored during the period of consideration.
- c) If an Applicant is the successful bidder for more than one vacancy they will have to choose which vacancy they want to be considered for. In order to ensure effective management of the Register, Applicants will not be able to be considered for more than one vacancy at any one time.
- d) If an Applicant is made an offer of a vacancy they will normally have 24 hours in which to make a decision. If the Applicant needs more time and/or support to make the decision, they will need to notify the Housing Options team within 24 hours of the offer being made. Subject to consent having been given and/or appropriate data sharing agreements being in place, if the Council is aware that the Applicant is

receiving support from a support agency, the support agency will be notified when the Applicant is made an offer of a vacancy.

6.2.2 Special Allocations

6.2.2.1 Sensitive Lettings

- a) Occasionally, there will be a need to assist in dealing with issues that impact on a small, specific location to reduce the concentration of certain needs groups which is impacting on housing management; or to promote a more balanced community by seeking to select or exclude certain Households with particular characteristics.
- b) Where appropriate, this may be requested by a partner landlord; for example where a previous tenant had caused anti-social behaviour and it was deemed important to get the right mix of tenants in the area having regard to the needs of existing vulnerable or elderly tenants.
- c) The Council, and if appropriate, the partner landlord, may agree that an Applicant who has come top following prioritisation is not the most suitable and reserves the right to overlook the Applicant and make the offer to the next suitable Applicant.
- d) As indicated above, where a vacancy is a sensitive let, it will be clearly labelled as such. Where there is more than one property in an area that is affected this will be set out in an agreed Local Lettings Policy.

6.2.2.2 Age Restricted Schemes

- a) Some of the Council's vacancies are situated in Age Restricted Schemes. Applicants will only be able to bid for these vacancies if they meet the age restriction criteria. Any such vacancy will be clearly labelled as an Age Restricted Scheme.
- b) To ensure the effective management of the Council's housing stock, the Council reserves the right to increase or reduce the number of Age Restricted Schemes or alter the age restrictions as may be deemed appropriate; the decision to do so is reserved to a Senior Officer.

6.2.2.3 Incentive to Work

- a) Local authorities are encouraged to consider how they can support those Households who want to work, as well as those who, while unable to engage in paid work, are contributing to their communities in other ways, for example voluntary work.²
- b) In order to provide incentives for Applicants to work or make a positive contribution to the local community, a percentage of all general needs housing will be advertised so that a

²Paragraph 4.27 of the Allocation of Accommodation: Guidance for Local Housing Authorities in England.

preference is given to Applicants, who are in Employment or who are making a contribution to their community, for example by voluntary work. A decision as to whether an Applicant is making a contribution to their community, for example by voluntary work, is reserved to a Senior Officer. The annual percentage will be set between 10 – 20%.

- c) The incentive to work provisions will be regularly monitored to ensure that the Council is complying with its duties under the Equality Act 2010.

6.2.2.4 Local Letting Policies

- a) The Act allows the Council to adopt Local Letting Policies. This allows the Council to allocate housing to a specific group of people, whether or not they come within the Reasonable Preference Group. In setting Local Lettings Policies, the Council has to ensure it complies with its duty under the Equality Act 2010 not to discriminate, directly or indirectly, against any groups who have a protected characteristic and it needs to ensure that overall it has regard to its statutory duties to those in the Reasonable Preference Group.
- b) Local Lettings Policies will be used to ensure a mixed and balanced community. When agreed, these Local Lettings Policies will have their own specific allocation criteria. Properties that are subject to a Local Lettings Policy will be clearly labelled in the advert.
- c) A Local Lettings Policy may be applied in addition to any local planning restrictions that may be contained in an agreement made under s.106 of the Town and Country Planning Act.

6.2.3 Verification of Applications

6.2.3.1 The Council will undertake verification of all the relevant information provided by the Applicant. The verification of information includes obtaining evidence to confirm details given about the Applicant's family and housing situation.

6.2.3.2 The verification of information may be undertaken when the Application is received and will always be undertaken at the point of allocation.

6.2.3.3 Where the vacancy is with a partner landlord, for example a housing association, further verification, in accordance with the landlord's own verification processes and policy may be undertaken by the landlord. The landlord may also have additional qualifying criteria; particularly around affordability. Applicants will have to satisfy both the partner landlord and the Scheme's qualification criteria at verification to be made an allocation of the vacancy.

6.2.3.4 Verification will also include the gathering of information on suitability to be a tenant. If it becomes clear at the verification stage that an Applicant has demonstrated behaviour which may make them unsuitable to be a tenant (please refer to Appendix 2: Eligibility and Qualification at page 40 for further details) then they will not be offered the tenancy. The Applicant's banding and/or qualification to be on the Register will be re-assessed due to information obtained during the verification

process. This may result in an Applicant being moved into a lower Band or being removed from the Register. If an Applicant is overlooked for an allocation at the verification stage, the next suitable Applicant who came below the overlooked Applicant following prioritisation will be considered for the vacancy.

6.2.3.5 If following verification it is established that the property is not suitable for the Applicant, the Council reserves the right to prevent an offer of a property being progressed. If this happens, the next suitable Applicant who came below the overlooked Applicant following prioritisation will be considered for the vacancy.

6.2.3.6 The local ward member will be notified of an allocation of a vacancy in their Rural Parish.³

6.2.3.7 If it is not possible to complete verification of the Application within a reasonable period of time due to the Applicant's refusal to co-operate or because the Applicant is unable to provide the information needed to complete the verification process, the Applicant may be overlooked and the Applicant who came below the overlooked Applicant following prioritisation will be contacted.

6.2.3.8 Where following the verification process, an Applicant has been moved into another Band or has been removed from the Register, they will be advised of the reasons in writing. They will be notified of their right to request a review of the decision; please refer to paragraph 7.5 for further details of the reviews process.

6.2.3.9 Once the verification process has been completed, the Council, or the landlord, will contact the successful Applicant to make a provisional offer of a tenancy to them.

6.2.4 Publishing Details of the Allocation

6.2.4.1 Feedback on allocations provides Applicants with information to exercise choice and to gain information on the likely waiting time for re-housing. Details of the allocation will be published on the Council's website as soon as possible. Whilst the successful Applicant's name will not be published, their Band and the length of time they have been on the Register will be published.

6.3 EXCEPTIONS TO THE CHOICE BASED ALLOCATIONS PROCESS

6.3.1 Allocations Excluded From the Choice Based Allocations Process

6.3.1.1 Whilst most allocations will be managed through the choice based allocations process, there will be some circumstances when it will be necessary to exclude certain vacancies.

³ In accordance with Regulation 3 of the Allocations of Housing (Procedure) Regulations 1997 SI 483, elected members of the Council may not be involved in allocation decisions where the accommodation to be allocated, or the Applicant's sole or main residence, is in the member's ward.

6.3.1.2 Examples of the allocations that will be excluded from the choice based allocations process are:

- Management moves (carried out by the Council or housing association to assist in the good management of tenancies and its stock);
- Vacancies in Age Restricted Schemes, adapted properties or sensitive lets where no bids have been received from Applicants that satisfy the labelling criteria.
- For community safety, for example re-housing under the Multi-Agency Protection Panel Arrangements (MAPPA) or Witness Protection scheme;
- Where supported housing or extra care housing is being allocated;
- Where a Homeless Applicant is occupying a Council property on a non-secure basis and the property they are occupying is suitable for their needs;
- Where arrangements are in place for partner landlords to provide less than 100% of their properties for allocation.

6.3.1.3 Where an allocation has been excluded from the choice based allocations process, the Council will make an allocation of the vacancy to an Applicant who has not bid for it. This is known as a direct offer.

6.3.2 Direct Offers

6.3.2.1 The Council may make direct offers to the following:

- Applicants in Bands 1 and 2;
- Applicants being discharged from hospital or needing to go into supported or sheltered housing;
- Flexible tenants whose tenancy is due to, or has, expired and they have been assessed as having a continuing housing need but for alternative accommodation;
- Homeless Applicants occupying temporary accommodation that is suitable for their needs;
- Successors under-occupying their property or Vulnerable Occupants of Council accommodation where a decision has been made to allow them to remain in the property or to give them a tenancy of an alternative property;
- Remaining Vulnerable Occupants of Council accommodation on termination of a joint tenancy where a decision has been made to allow them to remain in that property or to give them a tenancy of an alternative property;
- Applicants needing specially adapted properties, properties in an Age Restricted Scheme or sensitive lets;
- Applicants requiring a management move or who require rehousing under MAPPA or Witness Protection scheme.

6.3.2.2 Any direct offer will meet the Applicant's assessed needs and should be suitable for the Applicant's Household.

6.3.2.3 Homeless Applicants:

- The Applicant will be advised that the offer is made in discharge of the duty owed to them as a Homeless Applicant and the consequences of refusal. They will be notified of their right to request a review of the suitability of the offer and that this right is available whether they accept or refuse the offer.
- If an Applicant refuses the offer and lodges an unsuccessful suitability review, or fails to lodge a review request at all, their Application will be suspended for a period of 6 months. The Council will discharge the homeless duty. Following the period of suspension, if the Applicant still wishes to remain on the Register, the Application will be reinstated to Band 3 and will retain the same Band Start Date. However, if there has been a change in circumstance the Application will be re-assessed and will be given a new Band Start Date in accordance with paragraph 5.4 above.

6.3.2.4 Other Applicants:

- When Applicants are made an offer, they will be notified of their right to request a review of the suitability of the offer and that this right is available whether they accept or refuse the offer. If an Applicant refuses 2 offers of accommodation that are deemed suitable following a review, or where no suitability review is lodged, within a 12 month period, their Application will be suspended for 6 months. Applicants who fail to respond to an offer will be treated as though they had refused the offer. Following the period of suspension, if the Applicant still wishes to remain on the Register, the Application will be reinstated to Band 3 and will retain the same Band Start Date. However, if there has been a change in circumstance the Applicant will be re-assessed and will be given a new Band Start Date in accordance with paragraph 5.4 above.

6.3.2.5 If an Applicant accepts an offer and lodges an unsuccessful suitability review, or does not lodge a suitability review at all, their Application will be removed from the Register.

6.3.2.6 An Applicant whose Application has been suspended, moved to a lower Band or been removed from the Register will be notified of this decision and of their right to request a review of it, please see paragraph 7.5 for details of the reviews process.

6.3.2.7 To ensure transparency and fairness, decisions to exclude allocations from the choice based allocations process and make a direct offer will be monitored to ensure that the decisions to do so are being properly exercised within limited boundaries.

6.4 OTHER ALLOCATION PROCESSES

6.4.1 A number of allocation processes do not constitute an allocation under the Act and operate outside of the normal allocation processes of the Scheme. This includes vacancies being let as temporary accommodation to households who are homeless or threatened with homelessness or decants whilst repairs are undertaken.

6.4.2 Allocation of Temporary Housing

6.4.2.1 For allocations of temporary housing to homeless people or to prevent homelessness direct allocations will be made by the Homelessness and Housing Advice Officers.

6.4.2.2 The main aims of allocating temporary housing are to resolve homelessness, meet statutory requirements and to minimise the use of bed and breakfast accommodation.

6.4.2.3 There are a number of situations in which homeless applicants can be waiting for temporary housing. The most common ones are:

- Accepted homeless applicants who have been placed in bed and breakfast;
- Accepted homeless applicants in other forms of emergency housing (refuge, staying with friends/relatives)
- Households already in temporary housing where the accommodation is going back to the owner;
- Households already in temporary accommodation where the accommodation is not suitable for their needs.

6.4.2.4 Allocations of temporary housing are a question of judgment for each individual vacancy, as the Homelessness and Housing Advice Officer will have to balance the needs and requirements of a number of different individuals in different circumstances. The matters which the Homelessness and Advice Officer must take into account include:

- Length of time a homeless applicant has been in bed and breakfast. Bed and breakfast is not suitable accommodation for homeless applicants with family commitments (including those who are pregnant) unless used in an emergency and then for a maximum of 6 weeks;
- The length of time homeless applicants have been in other forms of emergency housing awaiting temporary accommodation. Whilst refuge and other forms of emergency accommodation are normally more suitable than bed and breakfast, lengthy waits in emergency housing should be avoided where possible.
- Where temporary accommodation is going back to the owner and delays may cause families to be placed in bed and breakfast or significant difficulties to the landlord.
- The length of time that a homeless applicant has been in unsuitable temporary housing and has been waiting for suitable temporary accommodation and the difficulties that the homeless applicant is experiencing in their current accommodation.
- The areas of choice of each homeless applicant and the availability of accommodation close to those areas of choice.

6.4.3 Allocations of Extra Care Housing

6.4.3.1 Allocations of extra-care housing will normally be managed outside of the choice based allocations process due to the vulnerability of Applicants for extra-care schemes and the required partnership working with Hampshire County Council and care and support providers.

6.4.3.2 A separate agreement with Hampshire County Council will be entered into to set out the allocations processes for extra care, so the paragraphs below only summarise the broad principles.

6.4.3.3 Extra-care housing will be advertised on the website but on a non-specific basis to ensure awareness of the availability of the extra-care accommodation.

6.4.3.4 The Housing Options team will assess housing needs in accordance with the Scheme. An Extra-Care Assessment and Allocation Panel (ECAP) will assess support and care needs.

6.4.3.5 For each vacancy the ECAP will determine whether it is a vacancy for an Applicant with high, medium or low care needs. This decision will depend on an understanding of the profile of the Applicant within the extra care scheme (to ensure a balanced extra care scheme) and the details of the particular vacancy (for example, a fully adapted property may suggest higher care needs).

6.4.3.6 Each vacancy will be allocated to the most suitable Applicant. When allocating, the following principles will apply:

- A vacancy of a high/medium or low care need will normally be offered to the Applicant with the equivalent level of care who is top on the list for that particular level need.
- Other factors may be taken into consideration as well as the level of housing need. These will include the needs and preferences of individuals (eg wheelchair needs, preferences for floor level and scheme preferences etc).
- In line with the Scheme, normally, Applicants will need to satisfy the local connection criteria.
- If there is a double flat, consideration will be given to giving preference to couples.
- Where there are no suitable Applicants, consideration will be given to Applicants with a different level of assessed care need for the vacancy, if appropriate.
- Where it is still not possible to allocate a vacancy, the vacancy may be individually advertised on the website as a vacancy of older persons' housing within an extra care scheme and allocated by the Housing Options team in accordance with the provisions of the Scheme.

6.4.4 Hard to Let

6.4.4.1 Hard to let properties are those which the Council finds difficult to let due to low demand. The Council may allocate such properties by making a direct offer or

allowing Applicants who would not ordinarily meet the properties labelling criteria to bid on the property.

PART 3: SCHEME ADMINISTRATION

7. MANAGING THE SCHEME

7.1 DECISION MAKING

7.1.1 The following decisions will be the responsibility of the named positions (or positions at an equivalent or higher level) within the Council; the list is not exhaustive and a Senior Officer has the discretion to delegate the decision-making responsibility of any decision to another position as may be deemed appropriate by the Senior Officer:

DECISIONS	POSITION
Eligibility of Applicants	Allocations Assistant/Allocations Officer
Qualifying Applicants (including Local Connection)	Allocations Assistant/Allocations Officer
Household and Bedroom Need Assessment	Allocations Assistant/Allocations Officer
Housing Need Assessment (Banding decision)	Allocations Assistant/Allocations Officer
Renewal Request/Change of Circumstance–re- assessment	Allocations Assistant/Allocations Officer
Lowering an Applicant’s Band, Suspension or Removal from the Register	Allocations Officer
Prioritisation of Applications and successful bids	Allocations Officer
Properties excluded from Choice Based Process	Allocations Officer
Adverts for properties: including labelling, setting preferences and property description	Allocations Officer
Reviews	Allocations Manager
Banding for Vulnerable Occupant or selection of an Applicant for Auto-Bidding	Allocations Manager
Health and Wellbeing Assessment	Allocations Manager (following assessment by the Medical and Welfare Panel)
Decision on community contribution issues (including Incentive to Work and Rural Connection Band)	Senior Officer
Exercise of discretion ⁴	Senior Officer
Rural Connection Band	Senior Officer
Management moves or direct offers	Senior Officer
Local Lettings Plans and Sensitive Lettings	Senior Officers (in consultation Portfolio Holder for Housing)
Decision on key-worker status ⁵	Senior Officers (in consultation with the Portfolio Holder for Housing)

⁴ Including in relation to whether exceptional circumstances apply for failure to complete a Renewal Request within 3 months.

⁵ Including qualification for Band 3

7.2 MEDICAL AND WELFARE PANEL

7.2.1 Decisions relating an Applicant's health and wellbeing will be made by the Allocation's Manager following the assessment of the Applicant's health and wellbeing by the Medical and Welfare Panel.

7.2.2 The Medical and Welfare Panel will meet as required, but normally at intervals of no less than fortnightly. It will be quorate with two or more officers present. The Medical and Welfare Panel is for professionals only and Applicants may not attend.

7.2.3 The Medical and Welfare Panel will be chaired by the Allocation's Manager and other members of the Medical and Welfare Panel may be:

- Allocations Officer;
- Homelessness and Housing Advice Officer;
- Housing Assistants;
- Tenancy Management Officers or Tenancy Management Assistants;
- Representatives from Social or Children's Services;
- An Occupational therapist;
- Support Workers;
- Representatives from the Locality Mental Health Teams;
- Other professionals

7.2.4 In assessing an Applicant's health and wellbeing need the Medical and Welfare Panel will have particular regard to the matters set out in Appendix 4: Health and Wellbeing Assessment on page 52. Where necessary the Medical and Welfare Panel may seek medical advice.

7.2.5 Medical and Welfare Panel members should not be involved in decisions they are presenting or in which they have a declared interest.

7.2.6 The Medical and Welfare Panel may make decisions setting the limits and parameters of the properties that the Applicant can bid for; including bedroom entitlement, property type and property location.

7.2.7 Applicants will be notified of the decision of the Medical and Welfare Panel after the panel meeting. An Applicant who is not happy with the decision of the Health and Wellbeing Panel will be notified of their right to request a review. Please refer to paragraph 7.5 for further details of the reviews process.

7.3 UPDATING APPLICATION DETAILS

7.3.1 Rolling Reviews

7.3.1.1 A rolling review of Applications will take place so that the Register is kept up to date. Each Application will be reviewed on the anniversary of the Band Start Date; although the Council may review Applications at different intervals if there is a reason

to do so. An Applicant will be asked to complete a Renewal Request. If the Applicant fails to respond to the Renewal Request within 28 days of it being sent, the Application will be suspended. If no contact is made within 3 months of the Renewal Request being sent, the Application will be removed from the Register. An Applicant who has had their Application removed will be notified and will be advised of their right to request a review. Please refer to paragraph 7.5 for further details of the reviews process.

7.3.1.2 If an Applicant has not responded to a Renewal Request within 28 days, but has done so within 3 months, the Application will be reinstated with the original Band Start Date. Applicants who respond after 3 months will only be reinstated with the original Band Start Date if exceptional circumstances apply. Whilst each case will be determined on its individual facts, exceptional circumstances will apply if there is evidence of incapacity (physical or mental) for the period of delay which resulted in the failure to complete the renewal request within the 3 month deadline. A decision as to whether exceptional circumstances apply is reserved to a Senior Officer.

7.3.1.3 If no exceptional circumstances apply, where an Applicant responds to a Renewal Request after having already been removed from the Register for failure to respond, they will have to re-apply to join the Register and will be given a new Band Start Date in accordance with paragraph 5.4.1 (a) above.

7.3.1.4 Where an Applicant's circumstances are found to have changed during the rolling review process, their Application will be suspended to allow for re-assessment of their Application. An Applicant who has had their Application suspended will be notified and will be advised of their right to request a review. Please refer to paragraph 7.5 for further details of the reviews process.

7.3.2 Change of Circumstance

7.3.2.1 Applicants must inform the Council of any changes in their circumstances as soon as possible after they occur. This includes any change that may affect the Band that has been given to their Application.

7.3.2.2 Applicants have the right to request that their Application be reconsidered following a change in their circumstance. An Application will be re-assessed and given a Band Start Date as set out at paragraph 5.4.1 (b) above.

7.3.2.3 If a person successfully bids for a vacancy and it is later found that the Applicant's housing situation is different from the details provided when they made their Application, the offer will be withdrawn. Please see paragraph 6.2.3 Verification of Applications.

7.4 SUSPENSION AND REMOVAL

7.4.1 Suspension

7.4.1.1 An Application may be suspended from the Register in the following circumstances:

Where the:

- Applicant has failed to bid on any properties within a 12 month period;
- Applicant has refused 2 offers (automatic bid, direct offer or successful bid) of accommodation in a 12 month period where the offers have been deemed suitable following review, or where no review was lodged. This includes Applicants who are treated as having refused an offer because they failed to respond;
- Applicant is owed a homeless duty and refuses a suitable offer of accommodation made in discharge of duty owed;
- Council becomes aware of a change of circumstance which requires re-assessment of the Application;
- Applicant has failed to complete a Renewal Request within 28 days of it being sent out;
- Council receives information that the Applicant is no longer eligible or qualifying to be on the Register;
- Council receives information that the Applicant has provided false, or withheld, information.

7.4.1.2 Period of Suspension

REASON FOR SUSPENSION	PERIOD OF SUSPENSION
Refusing 2 suitable offers of accommodation in a 12 month period, or homeless Applicant who refuses a suitable offer of accommodation resulting in discharge of duty.	6 months
Failure to bid in a 12 months period	6 months
Failure to complete a Renewal Request within 28 days	Until the Renewal Request is completed or 3 months; whichever is earlier
The Council becomes aware or is notified of a change of circumstance	Pending re-assessment
The Council becomes aware of, or is notified that: The Applicant: <ul style="list-style-type: none"> • is no longer qualifying or eligible; or • has provided false information or has withheld information 	Pending investigations

7.4.1.3 If an Applicant who has been suspended for refusing offers of accommodation or failing to bid, wants to remain on the Register after the period of suspension, their Application will be re-instated with the same Band Start Date; unless there has been a change in circumstance in which case the Application will be re-assessed and will

be given a new Band Start Date in accordance with paragraph 5.4 above. If following re-instatement, the Application is suspended again within a 12 month period, the Application will be removed from the Register.

7.4.1.4 Where an Application is suspended pending a re-assessment following a change in circumstance, the Application will be re-instated once the re-assessment has been completed. The Application will be given a Band Start Date in accordance with paragraph 5.4.1 (b) above. If following re-assessment the Applicant is found to no longer be qualifying or eligible, their Application will be removed from the Register.

7.4.1.5 Where an Application was suspended pending investigations of an allegation that the Applicant is no longer qualifying, eligible or has provided false, or has withheld, information, the Application will be re-instated with the original Band Start Date if the allegations are unfounded. The Application will be removed from the Register if the allegations are founded.

7.4.1.6 An Applicant who has had their Application suspended from the Register has the right to request a review. Please refer to paragraph 7.5 below for details of the review process.

7.4.2 Removal

7.4.2.1 An Application will be removed from the Register for the following reasons:

- Where the Applicant requests that their Application be removed;
- Where the Applicant has died;
- Where the Applicant has been rehoused; including where the Applicant has accepted an offer of accommodation and lodged an unsuccessful review of its suitability;
- Where an Applicant has failed to complete a Renewal Request within 3 months of it being sent out;
- If an allegation that an Applicant is no longer eligible, qualifying or has provided false, or has withheld, information is made out (including following the verification stage);
- If following re-instatement from suspension the Application is suspended again within a 12 month period.

7.4.2.2 Where the Council is aware that an Applicant may be vulnerable or suffer from a disability, it may try to contact the Applicant, or where there are appropriate consents or data sharing agreements, any agency that it is aware is working with the Applicant, before removing the Application from the Register.

7.4.2.3 Applicants can apply to re-join the Register at any time. Where an Applicant considers that they have become eligible or qualifying since being removed from the Register, they may also reapply to join the Register, but must provide evidence of a change of circumstance. Applicants who apply to re-join the Register will be treated

as new Applicants and will be given a new Band Start Date in accordance with paragraph 5.4.1 (a) above.

7.4.2.4 An Applicant who has had their Application removed from the Register has the right to request a review. Please refer to paragraph 7.5 below for details of the review process.

7.5 RIGHT TO REQUEST A REVIEW

7.5.1 An Applicant has the right to request a review of any decision about the facts of their case which is likely, or has been, taken into account in considering whether to allocate housing to them; and in particular any of the following decisions:

- Whether the Applicant is eligible or qualifying (including following the verification stage);
- The Scheme Band in which their Application has been placed;
- Their Rural Connection Band;
- The Band Start Date given to their Application;
- Their Bedroom Need Assessment;
- Decision of the Medical and Welfare Panel;
- The suitability of an offer of accommodation (whether direct let, autobid or from a successful bid);
- Their Application being moved to a lower Band;
- Suspending their Application;
- Removing their Application from the Register.

7.5.2 Once an Applicant has been notified in writing of any of the above decisions they will have 21 days from the date of the decision to request a review. The review must be in writing and needs to include full details of why the Applicant does not agree with the decision made. Where appropriate the Applicant should provide evidence to support the review request.

7.5.3 Reviews should be sent by email to housing.options@nfdc.gov.uk or by post to:

Allocations – Review
New Forest District Council
Appletree Court
Beaulieu Road
Lyndhurst
SO43 7PA

7.5.4 The Council will acknowledge a review within 10 working days. The Allocation Manager, or where necessary a Senior Officer, who did not take part in making the decision, will carry out a review of the case. A response in writing will be provided within 56 days of receipt of the review request. The response will set out the outcome of the review request and the reasons.

7.5.5 An Applicant who needs support in making their review request can contact the Council at housing.options@nfdc.gov.uk. Where the Council is aware that an Applicant is vulnerable or has disability issues, it will try to make direct contact with the Applicant, or if appropriate consents or data sharing agreements are in place, the agency providing support to the Applicant to ensure that the Applicant is aware that they have the right to request a review of the decision made. Where necessary, a vulnerable or disabled Applicant will be afforded alternative means of making their review.

7.6 EXERCISE OF DISCRETION

7.6.1 In exceptional circumstances, so as not to fetter its discretion, the Council reserves the right to depart from any aspect of the Scheme; including but not limited to: qualification criteria, Bedroom Need Assessment, Household membership or the allocation of a vacancy. Any decision to depart from the Scheme will be taken by the Officer in the appropriate position as set out at paragraph 7.1 above.

7.6.2 The Council will exercise its discretion specifically in circumstances where it is necessary to ensure compliance with duties that are imposed on it by other statutes; including but not limited to the Equality Act 2010, or guidance issued by the Secretary of State, including but not limited to Applicants who have fled Domestic Abuse. The exercise of discretion will be monitored to ensure that it is properly exercised within extremely limited boundaries.

7.6.3 When exercising discretion the Council will always consider the circumstances of the Applicant against the prevailing housing conditions within its district.

7.7 EQUALITY AND FAIR ALLOCATIONS

7.7.1 The Council is subject to the general public sector equality duty as set out at s.149 of the Equality Act 2010. The Council and its partner landlords are committed to providing equality of opportunity to all individuals who apply for housing. Monitoring of Applications and allocations may take place to ensure that everyone is being treated fairly.

7.7.2 All Applicants may be asked to provide details of age, gender, ethnic origin, religion and sexual orientation. This is to allow the Council to monitor who is applying and being allocated housing and to ensure that properties are being offered and allocated fairly.

7.8 CHANGES TO THE SCHEME

7.8.1 The Scheme will be reviewed every two years and will be amended, if necessary. Minor changes will be agreed by Senior Officers in consultation with the Portfolio Holder for Housing. This will assist in ensuring that the Scheme continues to meet legislative and best practice requirements as well as ensuring the effective use of the

social housing within the Council's district. Before adopting any changes to the Scheme that relate to a major change of policy, the Council will comply with the procedures as set out in the Act

7.9 RIGHT TO INFORMATION

7.9.1 Applicants have the right to request such general information as will enable them to assess:

- How their Application will be treated under the Scheme (including in particular whether they are likely to be regarded as a person who will be given reasonable preference); and
- Whether housing accommodation appropriate for their needs is likely to be made available to them, and if so, how long it is likely to be before such accommodation becomes available for allocation to them.

Where appropriate the Council will publish such information on its website.

7.9.2 Applicants have the right to ask the Council to inform them of any decision about the facts of their case which is likely to be, or has been, taken into account in considering whether to allocate housing accommodation to them.

7.10 FALSE STATEMENTS OR WITHOLDING INFORMATION

7.10.1 Applicants who knowingly or recklessly make a statement which is false, or knowingly withhold information in connection with their Application, are guilty of a criminal offence. Anyone who is found to have committed such an offence may:

- Have their Application refused or removed from the Register;
- Have an offer of accommodation withdrawn; and/or
- Be prosecuted by the Council. This could lead to a large fine or imprisonment, and may also lead to legal action for the possession of any accommodation found to have been obtained following false information having been given.

7.11 DATA PROTECTION

7.11.2 In accordance with the Council's statutory obligations under the Data Protection Act 2018 and the General Data Protection Regulations, all Applicants will be made aware of how their personal information will be processed. Information recorded on the Council's system and on the Applicant's file will be shared with partner landlords and other agencies as necessary. Consent from the Applicant for information sharing will be sought in all cases. For a copy of the Council's Housing Services Privacy Notice please visit: <http://www.newforest.gov.uk/article/18331/Housing-Services-privacy-notice>

7.11.3 Applicants have a right to see what information is kept about them on written records (please note that a fee may be charged). As far as possible, the Council will make this available subject to certain restrictions. Applicants wishing to view their records should contact the Council at:

Housing Options
Appletree Court
Beaulieu Road
Lyndhurst
SO43 7PA

7.12 CONTACTING HOUSING OPTIONS

- Telephone: 0203 8028 5588
- Email: housing.options@nfdc.gov.uk
- Website: <http://www.newforest.gov.uk/article/17971/Waiting-list-and-applying-for-housing>
- Postal Address:

Housing Options
Appletree Court
Beaulieu Road
Lyndhurst
SO43 7PA

APPENDIX 1: DEFINITIONS

Applicant: A person who has applied to join, or who is waiting for an allocation of housing, from the Council's housing register. Generally, the term should also be read to refer to all members of the Applicant's Household.

Application: An application to join, or to be allocated housing, from the Council's housing register.

Assisted Bidding: where the Housing Options team has assessed that an Applicant needs assistance to bid on vacancies.

Band: One of the four bands used to prioritise Applicants on the Council's housing register.

Bedroom Need: the number of bedrooms that an Applicant is entitled to; having regard to the Applicant's Household make-up (see paragraph 5.3).

Domestic Abuse: (Is not limited to physical violence and is not confined to incidents in the home) It relates to physical violence, abuse or patterns of controlling, coercive, threatening behaviour, between those aged 16 or over who are, or have been intimate partners or family members regardless of gender.

Employment: is work where an Applicant or member of their Household holds a contract (written or oral) which gives them a remuneration for the work undertaken that is declared for tax purposes, or self-employment which generates a source of income for an Applicant which is declared for tax purposes. In establishing whether an Applicant is in employment, evidence may be required including a written contract, tax return, letter from the employer, payslips or a statement from an accountant.

Full Housing Duty: the duty owed to a homeless applicant who the Council accepts is eligible, in priority need and not intentionally homeless (for post 3 April 2018 applies only after the Relief Duty has expired).

Homeless Applicant: an Applicant (on the housing register) who the Council accepts is statutory homeless and is owed a duty under Part VII of the Act.

Homesearch Allocation Scheme 2: the allocation scheme that was adopted by the Council in 2012 and which was in operation up until the adoption of the Scheme.

Household: The individuals that an Applicant is expected to reside with and who an Applicant can include in their housing application (see paragraph 5.2).

Housing Need: The assessed level of need which determines which of the Scheme's Bands an Application will be placed (see paragraph 5.1).

Partner: the spouse or civil partner of an Applicant; including a cohabitant who is living with the Applicant as a spouse or civil partner.

Prevention Duty: the duty owed (for a minimum period of 56 days) to those who the Council accepts are eligible and threatened with homelessness within 56 days.

Private Rented Sector Offer: an offer of an assured shorthold tenancy in discharge of a duty owed under Part VII of the Act.

Register: The Council's housing register which contains the list of all those who have applied to the Council for social housing.

Relief Duty: the duty owed (for a minimum period of 56 days) to those who the Council accepts are eligible and homeless.

Renewal Request: the request sent by the Council to Applicants, normally on the anniversary of their Band Start Date, asking for updated details of their circumstances (see paragraph 7.3.1.)

Restricted Person: A person who is subject to immigration control and who is not eligible for an allocation of housing because they do not have leave to enter or remain in the United Kingdom or have leave that is subject to a "no recourse to public funds" condition.

Regular Forces: the Royal Navy, the Royal Marines, the regular army or the Royal Air Force.

Reserve Forces: the Royal Fleet Reserve, the Royal Naval Reserve, the Royal Marines Reserve, the Regular Reserve, the Army Reserve, the Royal Air Force Reserve or the Royal Auxiliary Air Force.

Senior Officer (s): The Housing Options Service Manager or any other officer of an equivalent or higher position.

Transfer Applicant: an Applicant who is already accommodated in social housing but who has a Housing Need and has applied for an allocation of alternative social housing.

Vulnerable Occupant: an occupant of Council accommodation left following the death of, or the departure of, a Council tenant, but who has no legal rights to remain and where the Council has deemed the occupier vulnerable due to their personal circumstances. An Applicant will be deemed vulnerable if they have a disability or other health (physical or mental) issues that make them unable to secure and/or sustain alternative accommodation in the private sector or who the Council would have a duty to secure permanent accommodation under s.193(2) of the Act if they were evicted and who, due to their Household circumstances, a Private Rented Sector Offer discharge would not be available. In assessing whether a person can secure and sustain a private sector tenancy, the Council will have regard to any support or assistance that can be given to the person to facilitate their ability to do so. Such occupants may be occupiers with no succession rights or tenants whose joint tenancy has been terminated by the other tenant but who remains in occupation. The Council will always assess the occupant's circumstances against the prevailing housing conditions within its district.

APPENDIX 2: ELIGIBILITY AND QUALIFICATION

(A) Eligibility

1. The Council is not able to make an allocation of property to anyone who has been classed as a Restricted Person by the government. The Council is not able make an allocation to the following:
 - i. A person from abroad who is subject to immigration control unless s/he is of a class prescribed by regulations made by the Secretary of State, or is currently a tenant of the Council or a private registered provider of social housing or a registered social landlord;
 - ii. Two or more people jointly if any one of them falls within the above category of people; or
 - iii. Other classes of persons from abroad specified by the Secretary of State.
2. The Council will disregard any Restricted Person when assessing whether an Applicant falls into the Reasonable Preference Group.
3. Most persons from abroad who are not subject to immigration control (including British Citizens) must also be *habitually resident* in the Common Travel Area and/or have the right to reside in the Common Travel Area in order to be eligible to join the Register. This is known as the habitual residence test. The Common Travel Area consists of:
 - i. United Kingdom;
 - ii. The Channel Islands;
 - iii. The Isle of Man; and
 - iv. The Republic of Ireland
4. In order to pass the habitual residence test the Council will need to be satisfied that an Applicant is ordinarily resident in the United Kingdom, the test normally looks at whether someone has been in the United Kingdom for an appreciable period of time and whether they have a settled intention to remain. Some British Citizens who are returning from a period abroad will only have to show that they are returning with a settled intention to remain in the United Kingdom.

(B) Local Connection

1. Local connection will be established by:
 - i. Residence:
 - o An Applicant or their Partner has been resident in the Council's district for a continuous period of 2 years at the time of the Application; or

- An Applicant has resided in the Council's district area for 10 years or more in the past;
- Applicants who fall within one of the groups below will be exempt from having to satisfy the local connection criteria:
 - Those owed a s.193(2) and s.189B(2) duty by the Council under Part VII of the Act;
 - A person the Council is required by law to exempt from having to satisfy the local connection criteria, including the following:
 - Anyone who the Council is satisfied meets the criteria for a Right to Move as set out at paragraph 3(e) of Appendix 3: Scheme Bands at page 49.
 - Anyone who is serving in the Regular Forces or who has served in the Regular Forces within 5 years of the date of making their Application to join the Scheme;
 - Anyone who has recently ceased, or will cease to be entitled to reside in accommodation provided by the Ministry of Defence following the death of that person's spouse or civil partner where:
 - The spouse or civil partner served in the Regular Forces; and
 - Their death was attributable (wholly or partly) to that service; or
 - Anyone serving or who has served in the Reserve Forces and who is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to that service
 - A "looked after child" as defined by Children's Services in another region and as approved by a Senior Officer; or
 - An Applicant who satisfies a Rural Connection Band.

or

ii. Employment:

An Applicant or their Partner has been employed (whether it is for a fixed or permanent term or it is self-employment) for a period of at least 5 years within the Council's district.

2. As part of the Council's verification process, Applicants will be required to submit documentary evidence to support local connection.

(C) Financial Assessment

1. All Applicants seeking to join the Register will be subject to a financial assessment. Only Applicants who have been assessed as lacking the income and/or assets to resolve their housing need will qualify to join the Register.

2. For Applicants who have an assessed extra care need who are seeking to join the Register, each case will be assessed on its own merits; however such an Applicant will be assessed as being able to resolve their own housing need if their level of income and/or assets enables them to secure, or make arrangements to secure, accommodation/support that would meet their assessed care needs (including in privately funded accommodation).
3. For all other Applicants, each case will be assessed on its own merits; however, an Applicant will be assessed as having the income and/or assets to enable them to resolve their own housing need if the level of income/assets which they have enables them to purchase a property on the open market.
4. In assessing whether an Applicant will be able to purchase a property on the open market, the following additional factors will be taken into consideration:
 - a. The likely ability of the Applicants to qualify for and sustain a mortgage; consideration will be given to:
 - i. The Applicant's age
 - ii. The Applicant's credit rating;
 - iii. Whether the Applicant has savings of at least the deposit needed for a property that meets their Household's needs;
 - iv. Whether their income is at a level to enable them to qualify for a mortgage.
 - b. The property type needed for the Applicant and their Household;
 - c. Whether assets can be realised within a reasonable period of time.
5. In considering whether an Applicant can afford to purchase a property on the open market, the housing market of the Council's district as a whole will be considered and not only the Applicant's area of choice.
6. In assessing an Applicant's income and assets, the Council will have regard to the Applicants gross income and total assets save for the disregards listed at paragraph 7 below.
7. In assessing whether an Applicant has the income and/or capital assets to resolve their own housing need the following income and capital assets will be ignored:
 - a. Any lump sum received by a member of the Armed Forces where this is evidenced as compensation for an injury or disability sustained on active service; and
 - b. The following benefit income:
 - i. Disability Living Allowance,
 - ii. Personal Independence Payments; and
 - iii. Attendance Allowance

(D) Deliberately Worsening Own Circumstances to Qualify onto the Register

1. An Applicant who has deliberately worsened their circumstances to be able to join the Register will be treated as a “non-qualifying” Applicant and will be unable to join the Register.
2. Each case will be determined on its individual facts; however, an Applicant will be deemed to have deliberately worsened their circumstances if they have acted in any of the following ways:

The Applicant has:

- i. moved into accommodation which at the date of moving in was unsuitable for their Household’s needs. In deciding whether the property was unsuitable at the point the Applicant moved in, the Council will take into consideration the property’s condition (including disrepair and overcrowding issues), affordability and its location;
 - ii. voluntarily given up accommodation that it was reasonable for the Applicant and their Household to continue to occupy without first securing suitable alternative accommodation;
 - iii. taken deliberate action to cause accommodation to no longer be reasonable for them and their Household to continue to occupy; for example causing damage to accommodation that results in accommodation becoming a risk to health.
3. In considering whether accommodation was reasonable for the Applicant and their Household to continue to occupy, the Council will take into consideration the guidance of the Secretary of State as set out in Chapter 6 of the Homelessness Code of Guidance 2018

(E) Unacceptable Behaviour Resulting in Being Unsuitable to be a Tenant

1. An Applicant whose unacceptable behaviour makes them unsuitable to be a tenant of the Council will be treated as a “non-qualifying” Applicant and will be unable to join the Register.
2. The Council will assess whether an Applicant is unsuitable to be a tenant because of their, or a member of their Households’ behavioural issues; including anti-social behaviour or poor tenancy management.
3. An Applicant will normally be considered to be unsuitable to be a tenant if:
 - i. They have housing related debts:
 - o rent arrears of at least 8 weeks at their current or former address;

- court costs owed to the Council, or a former landlord, for possession or injunction proceedings that were issued against the Applicant;
- recharges owed to the Council for damage caused to one of the Council's properties, rent deposit payment or rent in advance.

Where an Applicant has made and sustained a repayment plan to settle the debt for a continuous period of 6 months the Applicant will not be treated as unsuitable to be a tenant.

Applicants who can demonstrate that they can manage their tenancies with support from an agency with whom they are engaging will not be treated as unsuitable to be tenants. Applicants will need to demonstrate this by providing supporting evidence from the support agency;

or

ii. Are guilty of Anti-Social Behaviour:

Where the Applicant:

- Has been found to have behaved in an anti-social manner by their current or former landlord, or by the Courts within 2 years of them submitting their Application.

Anti-social behaviour will include any acts that interfere with a landlord's ability to carry out its management functions, nuisance, annoyance, violence against others and using a property for immoral purposes.

4. Each case will be determined on its individual facts and the Council will take into consideration the full circumstances of an Applicant's case when deciding whether an Applicant should be non-qualifying due to their behaviour; including, but not limited to, the reasons for the Applicant's behaviour and/or any steps that the Applicant has taken to address their issues.

APPENDIX 3: SCHEME BANDS

1. Band 1: Emergency Need to Move

Applicants will satisfy the criteria for Band 1 if they need to move on an emergency basis. There are very few cases that are likely to be placed in Band 1.

(a) Management Move:

Where a Senior Officer has assessed an Applicant as having an exceptional need to move to ensure the best management of the Council or other landlord's housing stock. Applicants will be assessed as having an exceptional need to move if their need for housing is so urgent that they should take priority over all other Applicants. Each case will be determined on its own merits; however, the following will be placed in Band 1:

Those:

- Who need to move for community safety, for example re-housing under the Multi-Agency Protection Panel Arrangements (MAPPA) or Witness Protection scheme.
- Whose accommodation is unsuitable for their assessed medical needs and they are being discharged from hospital or who need to go into supported or sheltered housing;
- Major works, where a social housing tenant requires permanent rehousing because major works need to be carried out on their property.
- Are occupying a "high need" property, for example an adapted property where the Applicant no longer has a need for that type of accommodation.
- Where the Council has an urgent need to re-house an Applicant to meet statutory or other time limits, for example flexible tenants whose tenancy is due to expire and who need to be secured re-housing in alternative accommodation, under-occupying successors or Vulnerable Occupants in Council accommodation where the Council is rehousing them.

(b) Urgent health and/or wellbeing: Please refer to: 4: Health and Wellbeing Assessment at page 52.

(c) Emergency Disrepair: Please refer to: Appendix 5: Housing Conditions at page 55.

(d) Violence or Threats of Violence:

Where a Household, including existing social housing tenants, need to move because they are at risk of violence or serious harassment. An Applicant will only be placed in Band 1 for violence or threats of violence where a Senior Officer has assessed there is no other housing available (ie temporary accommodation, Sanctuary scheme, refuge) and where the risk can be managed in the Applicant's current accommodation. Applicants

who are at imminent risk of violence or threats of violence may be referred to the Council's homelessness team for assessment under the Part VII of the Act

A management move will only be made for neighbour problems or issues of anti-social behaviour, if there is a serious risk of physical or psychological harm to the Applicant due to anti-social behaviour. The Applicant will need to provide supporting evidence from appropriate agencies. It will also need to be shown that the landlord, or another appropriate agency, has tried all approaches to prevent such behaviour within their anti-social behaviour policy.

When an Application has been placed in Band 1, the Housing Options team may take decisions on which property is suitable for them to bid for. The Housing Options team may also make bids on behalf of the Applicant or make a direct offer to increase the prospects of the Applicant securing rehousing; please refer to Automatic Bidding at paragraph 6.1.6 and Direct Offers at paragraph 6.3.2.

As Applicants who have been placed in Band 1 are in need of urgent re-housing, their circumstances will be kept under review to ensure that the Applicant is still entitled to Band 1. Applicants who fail to make bids where there has been a vacancy that meets their assessed needs may have their Application moved into a lower Band. The Council will move an Applicant into a lower Band if the Applicant's reasons for failing to bid on a vacancy demonstrates that the Applicant does not have a genuine emergency need for re-housing.

2. Band 2: Serious Need to Move

(a) Accepted Full Housing Duty:

- Where an Applicant has been accepted as being owed the Full Housing Duty under Part VII of the Act and the Council has been assessed that discharge cannot be achieved by a Private Rented Sector Offer of accommodation.
- The Council will not be able to achieve a Private Rented Sector Offer discharge if the Applicant's circumstances prevent them from being able to secure or sustain a tenancy in the private sector due to vulnerability, property size required, affordability and/or where there is a lack of suitable private rented accommodation available with tenancies of at least 12 months.
- In considering whether a discharge with a Private Rented Sector Offer is achievable the Council will also take into consideration whether the Applicant would be able to sustain a tenancy with appropriate support and/or whether the Applicant's circumstances are likely to change within a reasonable period of time.

(b) Under-Occupying Social Housing by 2 or more bedrooms:

This will include Applicants who have had a change in Household membership or successors to a tenancy.

(c) Severely Overcrowded

- Where, in accordance with the Scheme's Bedroom Need Assessment, an Applicant lacks 2 or more bedrooms given the size of their Household; or
- lacks 1 bedroom but has 2 children who lack a bedroom. This will include a single parent with 2 children where one is over 1 in a 1 bedroom house or a couple with 4 same sex children in a 2 bedroom house.
- Where the Council's has assessed the Household as a Category 1 hazard under the Housing Act 2004 due to overcrowding.

In assessing overcrowding the Council will treat a second lounge or dining room that is situated in the accommodation as a bedroom.

(d) High Health and/or Wellbeing: Please refer to Appendix 4: Health and Wellbeing Assessment at page 52.

(e) High State of Disrepair: Please refer to Appendix 5 Housing Conditions at page 55.

(f) Assessed Move On

Where an Applicant is in supported housing within the Council's district area and has been assessed as ready to move on. This will include young people leaving care who have been assessed by Children's Services as ready for independent living.

There is no standard definition of supported accommodation. The Council will determine whether accommodation is to be treated as supported accommodation for the purposes of the Scheme.

Applicants who are not assessed as ready to move on will not qualify for this Band, but may qualify for another Band depending on their Housing Need. Applicants whose supported accommodation is being decommissioned will only have their Application placed in Band 2 if they have been assessed as ready to move on.

As Applicants who have been placed in Band 2 have a serious need for re-housing, their circumstances will be kept under review to ensure that the Applicant is still entitled to Band 2. Applicants who fail to make bids where there has been a vacancy that meets their assessed needs may have their Application moved into a lower Band. The Council will move an Applicant into a lower Band if the Applicant's reasons for failing to bid on a vacancy demonstrates that the Applicant does not have a serious need for re-housing.

3. **Band 3: Need to Move**

(a) Overcrowded and lack 1 bedroom

Where in accordance with the Scheme's Bedroom Need Assessment, an Applicant lacks 1 bedroom given the size of their Household.

In assessing overcrowding the Council will treat a second lounge or dining room that is situated in the accommodation as a bedroom.

- (b) Applicants that have been assessed as having medium health and/or wellbeing need caused or substantially worsened by their home circumstances: Please refer to Appendix 4: Health and Wellbeing Assessment at page 52.
- (c) Any serving or former serving members of the Regular Forces, or their spouse or civil partner, stated below will have their Application placed in Band 3:

An Applicant who:

- Is a serving member in the Regular Forces and who is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's service;
- Is a formerly serving member in the Regular Forces,
- has recently ceased, or will cease to be entitled, to reside in accommodation provided by the Ministry of Defence following the death of the Applicant's Partner who has served in the Regular Forces and whose death was attributable (wholly or partly) to that service, or
- is serving or has served in the Reserve Forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the person's services.

Any Applicant who satisfies the criteria listed above and who has an urgent need for rehousing will be given additional priority under the Scheme in Bands 1 or 2 as may be appropriate.

- (d) Applicants that are homeless, to whom the Council owes a Relief or Prevention Duty under Part VII of the Act;
- An Applicant will be owed the Relief duty if the Council is satisfied that they are homeless and eligible for assistance as defined under Part VII of the Act. The duty will last for a minimum of 56 days; thereafter an Applicant whose homelessness has not been relieved will be able to remain in Band 3. However, if an Applicant is found to be owed the Full Housing Duty, they will be moved into Band 2 if a Private Rented Sector Offer discharge cannot be achieved or will remain in Band 3 if it can. An Applicant who is no longer homeless will be removed from the Register.
 - An Applicant will be owed the Prevention Duty if the Council is satisfied that the Applicant is eligible for assistance and is threatened with homelessness within 56 days as defined under Part VII of the Act. If an Applicant's homelessness is not prevented within the 56 days, they may be owed the Relief Duty and will remain in Band 3. If however, their homelessness is prevented; their Application will be removed from the Register.
 - If an Applicant who was owed either the Prevention or Relief Duty ceases to be threatened with homelessness or is no longer homeless, they will be removed

from the Register, unless they have another Housing Need that qualifies them to remain on the Register. If this is the case the Applicant's circumstances will be re-assessed and they will be given a new Band Start Date in accordance with paragraph 5.4.1 (b) above.

(e) Applicants who need to move under the Right to Move provisions:

This applies to existing social tenants who the Council is satisfied are seeking a transfer from another local authority district in England and who need to move because they:

- work in the Council's district; or
- have been made an offer of work in the Council's district and the Council is satisfied that the Applicant has a genuine intention of taking up the offer of work.

and they would suffer hardship if they were not able to move to the Council's district.

In order to qualify under this heading, the Council must be satisfied that the work is not ancillary to work in another district, voluntary (in that it is undertaken for expenses only or no remuneration at all) or short-term or marginal in nature.

In determining whether an Applicant qualifies under this heading, the Council will take into consideration the following:

i. Hardship:

- The distance and/or time taken to travel between work and home;
- The availability and affordability of transport, taking into account levels of earning;
- The nature of the work and whether similar opportunities are available closer to home;
- Other personal circumstances relating to the Applicant including: medical conditions or child care, which would be affected if the Applicant could not move.

ii. Qualifying work:

- Whether the work is regular or intermittent;
- The period of employment (for example a contract that is intended to last for less than 12 months will be considered short term);
- The number of hours worked (less than 16 hours per week will be considered marginal);
- Where the Applicant's main place of work is (if the Applicant main place of work is in a different local authority, even if the pattern of work in the Council's district is regular, the Applicant's work is to be considered ancillary to work in another district.);

(f) Are existing social landlord tenants under-occupying their accommodation by 1 bedroom

This will include Applicants who have had a change in Household membership or successors to a tenancy

(g) Have been assessed as not having a permanent home, or are at risk of becoming homeless and are not owed a duty under Part VII of the Act:

- This will include any Applicant who does not have a permanent address; including those who are staying with friend/relatives where it is not reasonable for them to continue to occupy that accommodation, homeless Applicants that are not owed any duties under Part VII of the Act, those in hostels or occupying accommodation under a licence and Vulnerable Occupants of Council accommodation;
- Applicants occupying temporary accommodation within the Council's stock (other than under s.193(2) of the Act).

(h) Have been accepted as being owed the Full Housing Duty under Part VII of the Act and where it is possible to discharge duty with a Private Rented Sector Offer of accommodation:

This refers to any Applicant who is owed the Full Housing Duty but who has been assessed as being able to secure and sustain a tenancy in the private sector; including in relation to affordability and where there is suitable private sector accommodation available with at least a 12 month tenancy.

(i) Are key workers where the Council identifies that there is a critical need for the key worker to be rehoused to ensure the availability of an essential public service for the Council's community. Decisions as to whether a key-worker should be placed in this Band is reserved to a Senior Officer.

4. Band 4: Lower Need to Move

(a) Where an Applicant has been assessed as having a lower health and/or wellbeing need caused or substantially worsened by their home circumstances; Please refer to Appendix 4: Health and Wellbeing Assessment at page 52.

(b) Where an Applicant has to share essential facilities with other Households or lack essential facilities in their accommodation.

- Essential facilities include: a toilet, bath, shower or kitchen.
- An Applicant's Household will be defined as set out at paragraph 5.2.

This will include Applicants who are lodging or renting a room in a shared house with communal facilities.

(c) Where an Applicant is sharing with relatives or friends and it is reasonable for the Applicant to continue to occupy the accommodation; otherwise they will be placed in Band 3.

In considering whether accommodation is reasonable for the Applicant and their Household to continue to occupy, the Council will take into consideration the guidance of the Secretary of State as set out in Chapter 6 of the Homelessness Code of Guidance 2018.

- (d) Where an Applicant is living in supported accommodation where the Applicant has not been assessed as ready for move on from supported housing in the Council's district area.

There is no standard definition of supported accommodation. The Council will determine whether accommodation is to be treated as supported accommodation for the purposes of the Scheme.

- (j) Applicants that are assured shorthold tenants in the private sector who do not have the financial means to purchase a property. Please refer to Appendix 2: Eligibility and Qualification on page 40.
- (k) Applicants that have been assessed by the Council under Part VII of the Act as not in priority need or are intentionally homeless and are still statutory homeless at the point of offer.

The Applicant will need to be statutory homeless at the point of any offer being made otherwise their Application will be removed from the Register unless they have another Housing Need that qualifies them to remain on the Register. In which case their Application will be re-assessed and given a new Band Start Date in accordance with paragraph 5.4.1 (b).

APPENDIX 4: HEALTH AND WELLBEING ASSESSMENT

1. An Applicant who needs to move because their health and/or wellbeing is being affected by their home circumstances will need to complete a Health and Wellbeing Assessment form. This can be obtained from the Housing Options team by emailing: housing.options@nfdc.gov.uk.
2. An Applicant will only be assessed as needing to move after the Medical and Welfare Panel has considered their Health and Wellbeing Assessment form and any supporting evidence submitted with it and determined that an Applicant has a need to move on a health and/or wellbeing ground. Please see paragraph 7.2 Medical and Welfare Panel for further details.
3. Health and wellbeing grounds **will not** be awarded in the following circumstances:
 - a. Health problems that are not affected by housing or cannot be improved by housing;
 - b. Housing defects that can be rectified (see also Annex 5: Housing Conditions at page 55);
 - c. Neighbour disputes and anti-social behaviour (if the issue cannot be resolved, the Applicant may be eligible for a management move, see paragraph 5.1 and Appendix: 3 Scheme Bands, paragraph 1(a) at page 45).
 - d. Homeless Households who have been provided with temporary accommodation (if an Applicant's temporary accommodation is affecting their health or wellbeing, they should seek a suitability review);
 - e. The disability or health issues of someone who is not a member of the Applicant's Household under the Scheme;
 - f. Time related medical issues (such as pregnancy related problems or a broken leg).
4. An Applicant who has been assessed as having a need to move on health and/or wellbeing grounds, will be placed in one of the 4 Bands (see paragraphs 5.1 above) depending on the assessed level of need. Applicants will normally only be placed in Band 1: Emergency or Band 2: Serious Need to Move if there is supporting evidence from a relevant health professional.
5. Applicants will be informed in writing of the outcome of their health and/or wellbeing assessment, and reasons explaining why the decision was made. If they disagree with the outcome, they have a right of review. Please refer to Request for a Review at 7.5 for the reviews process.
6. Each individual in an Applicant's Household will be assessed if they have a health or wellbeing issue. If more than 1 member of the household is affected by their housing, the Application will be assessed with reference to the Household member with the severest problem. Where an Applicant (or a Household member) has more than 1 health and wellbeing need (for example both mental

and physical), an assessment will be made of whether the combination of these factors should result in the Application being placed in a higher band.

7. When considering whether to place an Applicant into one of the Bands for health and wellbeing, the Medical and Welfare Panel will take into consideration the following factors:

(a) Band 1: Urgent Health or Wellbeing Need

Where the Applicant's accommodation is so unsuitable that should the Applicant remain or return to it the effect on their health would be critical. The only solution would be a move to alternative accommodation in the shortest time possible. Examples of when an Applicant might be placed in Band 1 include:

- Where there is a significant threat to life;
- Where there is a significant risk of serious and permanent disability;
- Where someone cannot be discharged from hospital because their home is, and will remain permanently impossible to live in;
- Where the Applicant requires essential equipment such as respiratory, which they are prevented from having due to the housing circumstances.

(b) Band 2: High Health or Wellbeing Need

Where the Applicant's accommodation is so unsuitable that it has resulted in the Applicant being completely housebound, at risk of injury, relapse or unable to live independently. Alternative housing is required to prevent serious risks to the Applicant's health and wellbeing. Examples of when an Applicant might be placed in Band 2 include:

- Someone whose housing has rendered them housebound and where they have no support in place;
- Applicants who have escaped Domestic Abuse and who are being accommodated in a refuge or other temporary accommodation whose mental health has deteriorated as a consequence; there will be a need for not only GP but also secondary mental health intervention;
- Where it is impossible for an Applicant to use essential facilities in the home and adaptation is not possible;
- An inability to cope is solely and directly linked to the housing situation and is causing relationship breakdown or the need for secondary mental health intervention.

(c) Band 3: Medium Health or Wellbeing Need

Where the Applicant's accommodation is unsuitable and it is having an unacceptable impact on the Applicant's ability to live independently. Alternative housing is needed to prevent a deterioration in the Applicant's health and wellbeing. Examples of when an Applicant might be placed in Band 3 include:

- Someone who without the support that is in place would be housebound;

- Applicants who have escaped Domestic Abuse and who are being accommodated in a refuge or other temporary accommodation;
- Applicants who are able to access their home but are unable to access essential normal day-to-day facilities within it without significant difficulty, pain or discomfort;
- Applicants who suffer from a mental health issue which is exacerbated by their housing situation; normally there will be a need for not only GP but also secondary mental health intervention.

(d) Band 4: Lower Health and Wellbeing Need

Where the Applicant's housing is unsuitable and is having a negative impact on the Applicant's health and wellbeing but is not causing serious deterioration to their health or ability to live independently. Alternative housing is desirable but not necessary. Examples of when an Applicant might be placed in Band 4 include:

- Mobility issues where the current housing is suitable but the location means the Applicant can access but with some difficulty, public transport and other services;
 - Mental health where the location, environment around the home is a contributory factor. They may have been prescribed medication but are not be in receipt of on-going support from their GP.
8. The above are examples of how assessments will be made and do not form an exhaustive list. A reference to the impact of health or wellbeing on an Applicant should be read as also referring to any member of the Applicant's Household. Each Application will be considered on a case by case basis.
 9. Applicants who need to move to receive support or where a family member/carer needs to move to provide support to them will also be able to apply for a health and/or wellbeing need to move. If a family member/carer needs to move, they will have to join the Register and complete the Health and Wellbeing Assessment form. Their application will be placed in one of the 4 bands depending on the assessed need to move.

APPENDIX 5: HOUSING CONDITION

1. The Council's Home Health and Safety Surveyor, or an Environmental Health Officer may be asked to investigate the defects that are reported by an Applicant where the problem might lead to an award of Band 1 or Band 2 for housing condition.
2. Where housing defects exists Applicants are expected to have already raised the problem with their landlord. This will have given the Applicant's landlord the opportunity to carry out the necessary improvements before involving the Council to take possible enforcement action. Applicants should be made fully aware that if an officer of the Council visits and identifies emergency or high disrepair it will be under an obligation to notify the landlord and where appropriate to take enforcement action under Part 1 of the Housing Act 2004 ("the 2004 Act).
3. Applicants will be awarded Band 1 or Band 2 depending on the assessment carried out by the Council's Home Health and Safety Surveyor, or if appropriate, Environmental Health Officer following an inspection of the Applicant's property. Applicants will not be placed in Band 1 or Band 2 if remedial action is planned to rectify the issues. In such circumstances, and if it is necessary and appropriate, Applicants may be re-housed temporarily until any works are complete.
4. Applicants will only be placed in Band 1 or Band 2 if the housing condition inspection results in one of the actions stated in the table below being taken and where the Council's Home Health and Safety or Environmental Health Officer states that remedial action is not possible, or if possible, that it cannot be undertaken within a reasonable period of time.
5. In considering whether remedial action is possible within a reasonable period of time, the Council will take into consideration the time scales involved in having to take any enforcement action against a landlord who is failing to co-operate or undertake necessary works.
6. The table below sets out when Emergency and High Disrepair will be awarded:

BAND	HOUSING CONDITION ASSESSMENT
Band 1:Emergency Disrepair	Where the Council's Home Health and Safety Surveyor, or where appropriate, an Environmental Health Officer, determines that the Council should serve a Demolition Order, Prohibition Order, Emergency Prohibition Order or carry out emergency remedial works under the 2004 Act.

BAND	HOUSING CONDITION ASSESSMENT
Band 2: High Disrepair	Where the Council's Home Health and Safety Surveyor, or where appropriate an Environmental Health Officer, has assessed a property as suffering from either a Category 1 or 2 hazard as set out under Part 1 of the 2004 Act and the Housing Health and Safety Rating System.

7. An Applicant's who has been awarded Emergency or High Disrepair will have their Application periodically reviewed. An Applicant's Emergency or High Disrepair Banding will be removed if the disrepair is rectified. The Applicant's Emergency or High Disrepair Banding will also be removed if the Applicant is preventing the landlord from undertaking necessary works. An Applicant who is found to be behaving in this way may be removed from the Register, as no longer qualifying as they will be deemed to be someone who is deliberately worsening their circumstances to be able to join the Register (please see paragraph 4.5.1 and Appendix 2: Eligibility and Qualification above).
8. Any Applicant who has had their Application removed or placed into a lower Band will be notified and will be able to seek a review of the decision. Please refer to paragraph 7.5 for the reviews process.

APPENDIX 6: ALLOCATION OF GARAGES

1. To be considered for a Council garage, applicants must be 18 years or older and submit an application to the Council on the appropriate form.
2. Garages are normally allocated on a date order basis from when the application form is received; however,
 - Preferences may be given to applicants living in the same street as the void garage.
 - Preference will be given to applicants who do not currently hold a Council garage tenancy over an applicant who already has a tenancy of 2 or more garages.
3. Applicants may not be allocated a garage if the applicant:
 - Owes former or current arrears on a Council property or garage;
 - Owes former or current recharges on a Council property or garage;
 - Owes any other housing related debt (ie court costs);
 - Has previously been evicted or has poor past payment history of a garage tenancy.
4. A review of the garage waiting list will be carried out at least once a year.
5. Succession of a garage may take place depending on a number of factors:
 - Demand in the area;
 - The successor tenant's address;
 - Payment history
6. Charities or non-profitable organisations are able to apply for a garage to be held on a free of charge basis. Only hard-to-let garages may be let free of charge (ie where there are 2 or more garages available to let in the same street and where there are no eligible applicants on the garage waiting list for them).

APPENDIX 7: BRIEF SUMMARY OF STATUTORY PROVISIONS

1. The Act states an allocation of housing takes place when:
 - A person is selected to be a secure or introductory tenant of the Council or is nominated by the Council to be an assured tenant (including assured shorthold) of a private registered provider of social housing in the Council's district; or
 - When there is a transfer of housing accommodation where a Council or a private registered provider of social housing tenant is in a Reasonable Preference Group and the transfer was made on the tenant's Application.

2. The following do not constitute an allocation of housing:
 - A succession under the Housing Act 1985 (including for an introductory succession);
 - An assignment in accordance with the provisions of the Housing Act 1985 or to an introductory tenant;
 - A mutual exchange in accordance with the Housing Act 1985;
 - A transfer in accordance with s.158 of the Localism Act 2011;
 - A transfer of an existing social housing tenant where the tenant does not fall within the Reasonable Preference Group and the transfer is not instigated by the tenant's application;
 - An introductory tenant becoming a secure tenant.

3. The Act prohibits the Council from allocating housing accommodation other than in accordance with the provisions of its allocations policy.

Equality Analysis

Relevant Data, Research

The Council has used the data available from its current housing register as set out in the table below to assess the impact of the proposed changes to the Council's housing allocation policy on those with a protected characteristic.

As at the 20th September 2018, there were 3262 households registered on the Council's housing register. Of those the following information is known:

Age Groups	Numbers
40+	70
45+	266
55+	153
60+	175
65+	398

Ethnic Groups	Numbers
African	13
Asian	10
White Anglo	3131
Caribbean	4
European	60
Irish	3
Middle Eastern	4
Mixed	3
Oriental	7
Non White (Other)	19

Household Make Up	Numbers
Families (Not Single Parent)	1624
Single Parent Families	703

The Council is committed to ensuring that it monitors its compliance with its duties under the Equality Act 2010; in particular, it notes that there is a need to ensure that data is collected to enable the Council to identify how the provisions within its housing allocation policy are impacting on certain protected characteristic groups, particularly reference to gender, those disability and race (specific BME categories not restricted to colour).

Equality Analysis

In assessing the potential equality implications, the Council will consider the impacts (both positive and negative) on the groups with protected characteristics and any mitigating actions to be taken, or where appropriate, the reason why a provision is the most proportionate means of achieving the Council's objectives.

Equality Analysis

The aims and objectives of the Council's housing allocation policy are:

To ensure the allocation of social housing in a fair and transparent manner, with the aim of using the Council's scarce housing resources appropriately, and in particular, to enable the Council to meet:

- a. Its prevention and homelessness statutory duties;
- b. the housing needs of those that are most vulnerable;
- c. the need to allocate housing with reference to the prevailing housing conditions and needs within its district; and
- d. its statutory obligations as set out in Part VI of the Housing Act 1996

This strategy is for the benefit of all of the Council's residents as set out in the key objectives above but will need to be regularly monitored to ensure that residents with a protected characteristic are able to take advantage of the strategy's key objectives.

Consideration has been given to the following:

Online Application Process:

Age (elderly) and Disability (mental health issues):

The Council's objective in this provision is to provide for the efficient processing of applications for social housing within its district area. There is an indication that elderly applicants, particularly those who are aged 75+ will have the least access to internet facilities¹; however, the Council notes that age group will likely be seeking extra care housing and will have the support in place to ensure that online applications can be made. Furthermore, the Council has installed computers in both its main and satellite offices to provide for greater access to internet facilities. There are also free internet facilities in libraries and most elderly applicants will likely to have family or friends to assist them in making applications. The Housing Options team's contact details are accessible to members of the public and can be found on the allocation policy. The Housing Options team can be contacted for support or to make a referral to a support agency, such as Age UK who provide significant support to elderly applicants. Applicants aged 65 and over represent 12% of all applicants on the housing register. The Council recognises the need to monitor applications being made, and if necessary, will ensure that appropriate steps are taken if there is evidence of a decline in representation of applications from those in these age groups as compared to the current representation.

Whilst there is likely to be a neutral impact on those with a physical health disability (as they will still be able to access internet facilities at home and in public spaces (library and at the Council offices) it is likely that there will be a negative impact on those with mental health disabilities. However, as indicated above, the Housing Options team's contact details are accessible to members of the public and applicants can also be referred to an advice agency, such as Two Saints, and where appropriate, advocacy services through Solent Mind.

¹ <https://www.ons.gov.uk/businessindustryandtrade/itandinternetindustry/bulletins/internetusers/2017>

Equality Analysis

Incentive to Work

On Women, Disability and Age (elderly and young)

The government has made clear that it wishes local authorities to provide incentives for applicants to work or make a positive contribution to the local community². The Council has introduced this provision to achieve this objective and whilst it recognises that there might be a negative impact on those with a disability, women and the elderly and young applicants (as they are less likely to be engaged in work), it is considered that by ensuring that this provision can be satisfied by those who are making a community contribution, for example by voluntary work, it is striking a proportionate balance between its identified objective and minimising the adverse impact on those with these protected characteristics. Further, the provision only relates to 10-20% of the Council's annual general needs allocations. The Council has recognised within the allocation policy that it will need to keep this provision under review to ensure compliance with its duties under the Equality Act 2010.³ The Council will monitor the impact of this provision on those who identify with these protected characteristics and if necessary, will take appropriate steps to ensure that equality of opportunity is maintained.

Local Connection

Race (including non-BME ethnicities) and Women:

Whilst the Council acknowledges that its local connection criteria will likely impact on those of a BME background (including travellers and those who arrived in the country as refugees) and women who are more likely to be fleeing domestic abuse and may need to relocate to an area to which they do not have a local connection, the local connection criteria for residence is set at only 2 years.

Further, local connection can be recognised through employment within the Council's district and the Council has set exceptions to those who will have to satisfy the local connection criteria; particularly those to whom the Council owes certain duties under Part VII of the Housing Act 1996. Women fleeing domestic abuse will ordinarily fall within this category. The Council's approach is a proportionate means of enabling the Council to achieve the objective of promoting local priorities when allocating social housing within its district whilst minimising negative impacts on those who have these protected characteristics. Furthermore, the Council has a residual discretion as set out in the policy to enable it to dispense with any of the provisions of the policy in exceptional circumstances, and in particular, where failing to do so would be in breach of the Council's duties as contained in the Equality Act 2010⁴. Accordingly, when making decisions as to whether discretion should be exercised, the Council will be focused on the need to ensure compliance with its duties under the Equality Act 2010 to those who fall within these protected characteristic groups.

² Paragraph 4.27 of the Allocation of Accommodation: Guidance for Local Housing Authorities in England.

³ Paragraph 6.2.2.3 (c) of the draft Housing Allocation Policy.

⁴ Paragraph 7.6 .2 of the draft Housing Allocation Policy.

Equality Analysis

Further Action

The Council will need to collect full and accurate data for those who are applying to join its housing register and also for those being allocated accommodation. In particular, in relation to areas surrounding the Incentive to Work, Local Connection and Online Applications. It will also need to ensure that it undertakes an Equality Analysis whenever it sets Local Lettings Policies or it applies sensitive lettings provisions.

NEW FOREST DISTRICT COUNCIL'S PROPERTY HOLDING COMPANY– BUSINESS PLAN 2018

1. INTRODUCTION

- 1.1 The purpose of this report is to seek approval for the business plan for a new property holding company, wholly owned by the Council, through which to implement the Council's Residential Property Investment Strategy. Approval is also sought for the company's operating arrangements and articles of association.
- 1.2 On 6th December 2017, Cabinet approved the Residential Property Investment Strategy to invest in residential property, whether as existing private sector rental producing units or with vacant possession for letting to private sector tenants, and to develop sites that the Council owns or acquires to build dwellings to deliver a range of housing and tenures including private rental, sales and affordable housing under a range of different tenures.
- 1.3 A property investment task and finish group (comprising councillors A O'Sullivan, M Steele, W G Andrews, S Bennison, A McAvoy, M Harris, J Heron) have overseen the development of strategies for commercial and residential property investment, and to complete their work, have considered the proposed business plan for the new local housing company together with the associated arrangements, and support the proposals.

2. BUSINESS PLAN CONTENTS

- 2.1 The business plan sets out the following;
 - Vision objectives and culture
 - Business environment, market and competition
 - Operational arrangements
 - Financial assumptions
 - Risks
- 2.2 The Business Plan envisages a company structure comprising a new property holding company with two subsidiary companies, a lettings company and a development company, to implement the strategy. The Council will be the sole shareholder in the company. The lettings company will own and manage properties suitable for letting in the residential sector and also mixed use residential and commercial properties. The development company will develop out sites for a variety of housing tenures either for sale or rent. Suitable sites will either be acquired from third parties or procured at arm's length from the Council.
- 2.3 The proposed articles of association (see page 39) confirm in full the governance arrangements. In summary, each company will have its own board which will initially consist of the same 4 directors. The board make up will

consist of 2 officers, with one acting as company secretary, and 2 members with one acting as chairman. The chairman will have a casting vote.

- 2.4 It is anticipated that the company will commence trading during the 2019/20 financial year.

3. FINANCIAL IMPLICATIONS

- 3.1 Full details of the financial implications to the Council (as the shareholder) were set out in the original strategy document as presented to [Cabinet in December 2017](#). It confirms proposed initial capitalization of the company of £10m, funded through a mix of debt and equity. The return to the Council comes via the interest charges levied on the debt finance issued, plus dividend payments, when the availability of cash allows. The financial implications to the company group are set out in the business plan and are vitally important to establish the financial viability from the company's point of view.
- 3.2 The Business Plan at Appendix 1 demonstrates that over the initial period of investment, the company expects to be profitable by year 11 (loan interest payments will commence by year 2), building to annual profits before interest and tax in excess of £400k thereafter.
- 3.3 The Business Plan anticipates shareholder equity return over the 50 year business plan in the region of £41.806m, at an internal rate of return of 5.54% and a positive net present value of £2.45m. The initial losses in the company accrue to a peak of £205k in year 11 but then it has sufficient profit available for dividend distribution by year 18. Whilst a business owned by shareholders expectant of dividends may struggle to make this appear viable, the shareholder in this instance is receiving an income in the form of loan interest payments from year 2, and the Group has a healthy balance sheet with gearing of 67%, and long term assets of £10m by the end of year 4.
- 3.4 It is proposed that initial tranche funding of £2m be made available to the company, with further drawdown being made available subject to scrutiny of the initial tranche, and the company and Council objectives being met.

4. HUMAN RESOURCE IMPLICATIONS

- 4.1 The company will not employ any staff initially. The board of directors will be responsible for procuring the services it needs and will look to manage its property portfolio through a series of service level agreements with the Council, and will support the services provided to it by the Council with specialist services from third party suppliers when needed.
- 4.2 The board of directors will comprise 2 officers of appropriate seniority and 2 Council members initially. The Council's indemnity to members and officers will apply in respect of their activities as directors of these companies. Additionally, the company will take out its own directors and officers liability insurance policy, likewise to cover the activities of the directors of the company.

5. CORPORATE OVERVIEW AND SCRUTINY PANEL'S COMMENTS

- 5.1 The Panel considered the proposed Business Plan for the new property holding company, wholly owned by the Council, through which the Council's residential property investment strategy would be implemented.
- 5.2 In supporting the proposed Business Plan, the Panel suggested that the Cabinet should consider using external specialist non-executive positions on the board of directors of the company where appropriate.
- 5.3 In addition, Members felt that the financial gearing ratio (the ratio of capital funding versus funds borrowed by the Authority) should be less prescriptive in the debt to equity mix and evaluated as opportunities arose to ensure the maximum return. Members also wished to have regular updates, at least annually, but more often in the initial stages of the formation of the company. These comments have been reflected in the recommendations below.
- 5.4 Some members felt that a more "dynamic" name might be required for the property company and officers were asked to consider this.

6. PORTFOLIO HOLDER'S COMMENTS

- 6.1 This business plan had been carefully considered by both officers and the Task and Finish Group over many months. It brings together the need for this Council to generate its own income, provide housing (which may include social, affordable and shared ownership) and to support the local economy, particularly in out towns and villages.

I fully support this important initiative.

7. ENVIRONMENTAL AND CRIME AND DISORDER IMPLICATIONS

- 7.1 There are none

8. EQUALITY AND DIVERSITY

- 8.1 This strategy is for the benefit of all of the Council's residents as set out in business plan and will have a positive impact by increasing the availability of housing within the Council's district.

9 RECOMMENDATIONS

That it be a recommendation to the Cabinet and the Council:

- 8.1.1 that the business plan for the new company together with the proposed articles of association for the company and its subsidiaries be approved.
- 8.1.2 that the appointment of 2 members and 2 officers of appropriate seniority to the board of directors of the company and its subsidiaries

be approved, such individuals to be agreed by the Chief Executive in consultation with the Leader of the Council, and that the Panel suggests that consideration be given to use of external, specialist, non-executive positions where appropriate.

- 8.1.3 that authority be delegated to Cabinet in respect of those matters set out in paragraph 4.4 of the company's proposed articles.
- 8.1.4 that the property investment task and finish group be discontinued, but that regular progress updates be brought to the Corporate Overview and Scrutiny Panel as required, and at least every 12 months.
- 8.1.5 that the Council's indemnity to members and officers applies to the activities as directors of the company and the Executive Head Governance and Regulation to arrange for the company to have additional directors and officers liability insurance likewise to cover the activities of the directors of the company.
- 8.1.6 That the gearing of the company not be fixed at 67%, but instead the debt to equity mix be fluid and evaluated as opportunities arise, to ensure the maximum return to the Shareholder.

Further Information:

Grainne O'Rourke
Executive Head of Governance & Regulation
Tel: (023) 8028 5588
E-mail: grainne.orourke@nfdc.gov.uk

Alan Bethune
Head of Finance (S151)
Tel: (023) 8028 5588
E-mail: alan.bethune@nfdc.gov.uk

Andrew Smith
Service Manager Estates and Valuations
Tel: (023) 8028 5588
E-mail: andrew.smith@nfdc.gov.uk

Background Papers:

Business plan
Articles of association

New Forest Property Holdings Limited
Business Plan 2018

1. EXECUTIVE SUMMARY

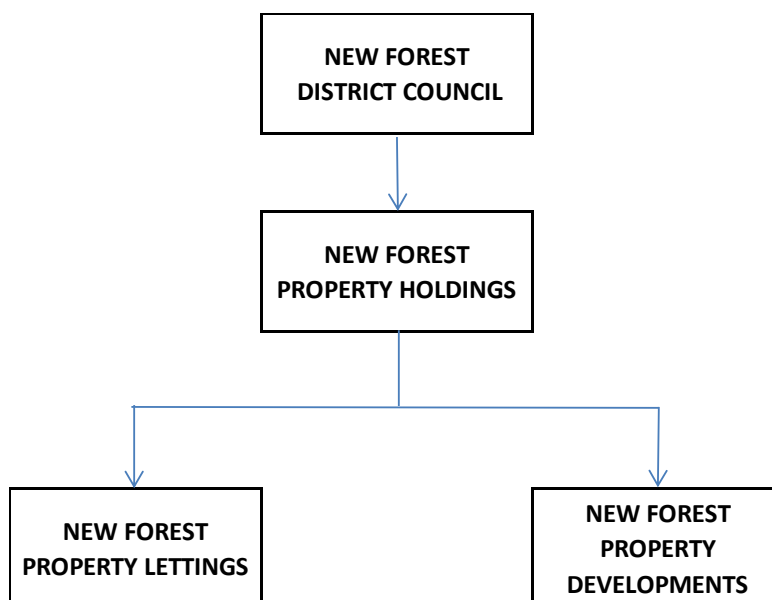
- 1.1 NFPH is the housing trading arm of New Forest District Council. The company and its subsidiaries have been set up by the Council, and the group wholly owned by New Forest District Council. The NFPH group of companies are separate legal entities, each managed by a Board of Directors.
- 1.2 This document sets out the NFPH group Business Plan for the immediately foreseeable future, with an emphasis on the next 5 years. It provides the overarching vision and broad strategic objectives, as well as the summary financial forecasts that sit behind the Business Plan.
- 1.3 The Business Plan has been produced on the basis of a £10m investment being made over a 4 year period to acquire and develop properties. It is anticipated that the group will retain ownership of around 40 properties by the end of this initial investment period. The financial forecasts should be taken as indicative if it is felt appropriate for the company to grow beyond this.
- 1.4 Broadly the Business Plan sets out;
- The group structure and background as to the purpose of each company
 - The vision, broad strategic objectives, and culture
 - The business environment that the companies will operate in, including a summary of the market and the competition
 - The operational arrangements of the companies, including management arrangements and procurement of services
 - The financial assumptions, requirements, capitalisation, projected income and expense account, viability assessment and sensitivity analysis
 - An understanding of the risks, including financial, operating, supply/demand, independence and political influence.
- 1.5 The Business Plan demonstrates that over the initial period of investment, the company expects to be profitable by year 11 (loan interest payments will commence by year 2), building to annual profits before interest and tax in excess of £400k thereafter.
- 1.6 The anticipated shareholder equity return over the 50 year business plan is £41.806m, at an internal rate of return of 5.54% and a positive net present value of £2.45m. The initial losses in NFPH accrue to a peak of £205k in year 11 but then has sufficient profit available for dividend distribution by year 18. Whilst a business owned by shareholders expectant of dividends may struggle to make this appear viable, the shareholder in this instance is receiving an income in the form of loan interest payments from year 2, and the Group has a healthy balance sheet with gearing of 67%, and long term assets of £10m by the end of year 4.

- 1.7 Investment in property is not without risks, however identifying, understanding and keeping an up to date risk register with will minimise the possibility of these occurring.

2. GROUP STRUCTURE

2.1 The NFPH group has been established by NFDC to purchase privately owned properties, either as existing private sector rental income producing units or with vacant possession for letting to private sector tenants, and to develop acquired sites to build dwellings to deliver a more diverse range of housing and tenures.

2.2 NFPH is wholly owned by New Forest District Council. There are 2 subsidiaries sitting below NFPH; NFPL and NFPD.



New Forest Property Holdings

The BoD for the parent company will have overall responsibility for ensuring the subsidiaries fulfil the group aims and objectives. The performance of the subsidiaries will be consolidated into group accounts, and in turn, these consolidated with NFDC. The 2 subsidiaries have been established under the parent company in line with best practise as seen in the private sector.

New Forest Property Lettings

This company will own and manage properties suitable for letting in the residential sector and also mixed use residential and commercial properties, for example commercial unit below and residential accommodation above (covers mixed use as the Council can own 100% commercial premises directly). It will be responsible for the sourcing and procurement of suitable properties, and also the procurement of necessary tenancy management services.

New Forest Property Development

This company will develop out sites acquired for a variety of housing tenures and types either for sale or rent. Properties will be procured at arm's length by NFPL, or by other third parties (which could, for example include the Council's own HRA). A fully detailed and costed business case would be produced and evaluated for each potential development project, ensuring that the development in question meets the vision, objectives and culture expected by the NFPH group.

2.3 The Articles of Association are included at annex 1, and confirm in full the governance arrangements. In summary, each company will have its own board which will initially consist of the same 4 Directors. The board makeup will consist of 2 senior Council Officers, with one acting as Company Secretary, and 2 members, with one acting as Chairman.

3. VISION, OBJECTIVES AND CULTURE

VISION	<ul style="list-style-type: none"> • The absolute requirement to build a commercially sustainable business which will offer its shareholder a worthwhile return on funds invested • NFPH will make a positive contribution to the District Councils corporate plan objectives and will generate a source of income to NFDC to protect the delivery of front line services • It will be known for acquiring and developing quality properties and services which meet the needs of its customers • NFPH will establish a strong reputation that stands for quality, integrity and good value for money • NFPH will be landlord and partner of choice within the New Forest
OBJECTIVES	<ul style="list-style-type: none"> • To provide a range of high quality housing and commercial properties to the people of New Forest District, and beyond • To ensure high quality landlord services are received by its tenants • As a housing developer, increase the number of new homes being delivered in the District • NFPH will maintain and manage its assets in such a way as to maximise their useful life expectancies and protect their capital values • To grow beyond the initial £10m funding commitment from NFDC with a view to building the company's asset base, and so income return to the Council as shareholder
CULTURE	<ul style="list-style-type: none"> • NFPH will be a group that people wish to do repeat business with • The board will adopt a can-do attitude, whilst still analysing risks and declining bad business • All customers will be treated with the utmost respect and integrity and provided with high quality services • NFPH is trusted by NFDC and is offered significant opportunities of partnership working and investment

	<ul style="list-style-type: none"> • NFPH will understand that mistakes can be made, but will learn and also acknowledge successes • NFPH will establish and build close relationships with a variety of departments within NFDC in order that the group can achieve its objectives
--	---

4. BUSINESS ENVIRONMENT, MARKET AND COMPETITION

- 4.1 New government targets on house building and Councils’ local plans mean more opportunities for new housing exist across the Country. This does however mean there is likely to be strain on the trades required to build high quality new housing. NFPH will need to be careful who it decides to do business with.
- 4.2 NFPH will initially be operating within the New Forest District Boundary. The local housing market is strong and demand for good quality accommodation is high, and set to increase in the future. Mixed use property (i.e. commercial premises with residential property above) is also a suitable source of property acquisition for NFPL, and so will also be considered for ownership within the group.
- 4.3 The market for private rented residential property is likely to remain strong over the long term with increasing numbers of households living in the rental sector. NFPH will primarily seek 2 and 3 bedroom houses and flats in the district for rental or development to generate the necessary returns as anticipated by this business plan.
- 4.4 New taxation changes also mean for individuals, the private rented sector as a means of generating in income return is less attractive than it once was and which may also mean a movement by some private landlords out of the residential property market. However, this may generate opportunities to acquire residential property for let if private landlords exit the market and also offers the NFPH the opportunity to be an attractive landlord for tenants to deal with.
- 4.5 There are a number of Council policy developments to support the proposition that the market for private rented residential property in the District is likely to remain strong. The Council’s recently adopted Economic Development Strategy 2018 - 2023 will seek to promote key strategies in the District to increase the skilled workforce, to increase growth and productivity and to facilitate vibrant towns and villages all of which are likely to promote the market for residential accommodation.
- 4.6 The Council’s recently published draft Local Plan 2016 – 2036 seeks to provide around 10,500 additional homes within the plan area to help meet the needs of the District within the Southampton, Bournemouth and Salisbury housing market areas. The draft Local Plan also seeks to provide a range of good quality new homes by type, size, tenure and location to address local housing needs, in particular homes that are more affordable for younger households.

- 4.7 Over the long term, residential property prices have consistently risen in real terms. Whilst the level of historic house price rises cannot be guaranteed, there is likely to be an under supply of housing. It is estimated of a need for new housing in England in the region of 300,000 per annum, a level of building not reached since the late 1970's.
- 4.8 The demand for differing tenure types is changing, with shared ownership schemes becoming a more popular choice for people who want to own their own home, but cannot necessarily afford the high level of deposit required and ongoing mortgage repayments. NFPL will need to carefully consider the market it will operate within, and offer a range of tenure and ownership options, not limited purely to market rent. As the Company expands, it may also be in a position to offer landlord management services itself to small landlords.

5. OPERATIONAL ARRANGEMENTS

- 5.1 NFPH will not initially employ any staff directly. The BoD will be responsible for procuring the services it needs and will look to manage its property portfolio through a series of SLA's with the Council and will support the services provided to it by the Council with specialist services from third party suppliers, when needed. Charges levied between the Council and NFPH will be made at arm's length and on commercial terms, and will be reviewed by the BoD annually.
- 5.2 NFPH will ensure all necessary legal requirements and policies are in place prior to the commencement of trading, for example dealing with deposits, client account, data protection and GDPR.
- 5.3 NFPH will be wholly owned and under the control of the Council as sole shareholder. Although NFDC will be able to award contracts to the NFPH without being subject to the EU procurement regime, the NFPH will need to comply with Public Contract Regulations when awarding its own tenders, for example for housing development works.
- 5.4 The NFPH group board members have a legal duty to act in the best interests of the company. NFPH will report regularly to the Council. NFPH's constitution and agreements will detail the governance arrangements, manage potential conflicts of interest, set out dividend policy and other parameters for the board.

6. FINANCIAL ASSUMPTIONS

- 6.1 The Group will be financed through a series of loans and equity investments.
- 6.2 The Council has agreed to provide initial financing of up to £10m, on the basis of up to 33% equity. An initial drawdown of £2.0m is made available to the Company (£660k equity and £1.34m debt), with a further drawdown being made

available subject to shareholder scrutiny of the initial tranche, and the company and Council objectives being met.

- 6.3 The loans will be on a drawdown facility basis and the intention is to use this facility when individual properties are acquired and/or developed. Loans will be secured against the net assets of the Group.
- 6.4 Loans will be issued on variable repayment basis at an interest rate compliant with meeting state aid requirements. It is expected this will be in the region of base rate + 4.75%. The repayment of the loans will be agreed by the Board of Directors and the Councils Head of Finance (in consultation with the Councils Portfolio Holder for Finance).
- 6.5 NFPH will need to provide security to the Council for its loans in the form normally expected by a commercial lender. These are likely to include a debenture over the assets and undertaking of the holding company (including a charge over shares in the subsidiaries), and a guarantee and a debenture from each of the subsidiaries, which would include fixed charges over all the property held by the development company. It is also expected there will be intragroup loan agreements between NFPH and its subsidiaries which deals with the money being on lent by NFPH onto the subsidiaries.
- 6.6 In the event the company has insufficient funds to meet a loan repayment after the 50 year period, the company has the option to sell assets to enable outstanding loans to be repaid should shareholder support not be forthcoming.
- 6.7 The actual incurrence of costs and collection of revenues due will differ for each property acquired. To inform the indicative financial model for NFPL, the assumptions as set out below have been used:

Item	Assumption
Borrowing Rate	Base Rate + 4.75%
Repayment Method	Interest Only assumed
Equity Investment	33%
Inflation - CPI	2%
Rental Inflation	CPI
Expenditure Inflation	CPI
Ave. Monthly Rent	£670 (1 B Flat) - £1,050 (3 B Semi)
Ave. Purchase Price	£140k - £318k
Ave. Void PA	60 days at start + 2% PA thereafter
Ave. Bad Debt	2% PA
Management Fee / Unit	£800 PA
Insurance Cost / Unit	£400 PA
Ave. Annual Maintenance	5% of income
Ave. Annual Marketing	1% of income

- 6.8 The shareholder recognises that the company will not be in a position to pay dividends on its investment for quite some time, however, taking into consideration the income to be received through loan interest and management

fees, and of course the longer term capital growth expectations, the shareholder is comfortable with this position.

6.9 In order to inform the projected I&E account position, an indication of timings of acquisitions and the indicative equity / loan ratio based on 33/67 is as follows;

Fin. Year	Year 1	Year 2	Year 3	Year 4
Purchases	4	16	15	7
Loan	£604,000	£2,512,000	£2,299,000	£978,000
Equity	£298,000	£1,237,000	£1,132,000	£482,000
Total	£902,000	£3,749,000	£3,431,000	£1,460,000

6.10 The board will be responsible for making an assessment on each potential acquisition and/or development, to ensure the annual returns are sufficient to cover the annual direct costs, including; the loan interest and annual maintenance, insurance and management fees. Whilst NFPH propose to hold the properties for the long term it will review its holding on an annual basis to ensure they are performing adequately.

6.11 Based on the assumptions as included in section 6.7 and 6.9, the high level Income and Expense Account for NFPL would appear as follow:

	Yr1 £	Yr2 £	Yr3 £	Yr4 £	Yr5 £	Yr 6 - 15 £
Total PRS Income (Net of Voids/Bad Debt)	1,731	102,037	266,434	404,164	445,165	4,971,925
Management Cost	(142)	(8,187)	(21,387)	(32,833)	(36,370)	(406,203)
Insurance Cost	(71)	(4,093)	(10,694)	(16,416)	(18,185)	(203,102)
Reactive Maintenance Cost	(45)	(2,657)	(6,938)	(10,525)	(11,593)	(129,477)
Planned Maintenance Cost	(45)	(2,657)	(6,938)	(10,525)	(11,593)	(129,477)
Marketing Cost Cost	(18)	(1,063)	(2,775)	(4,210)	(4,637)	(51,791)
Total Operating Costs Irrecoverable VAT	(64)	(3,731)	(9,747)	(14,902)	(16,476)	(184,011)
Total Operating Costs	(386)	(22,389)	(58,479)	(89,412)	(98,853)	(1,104,066)
Net Operating Income	1,345	79,648	207,955	314,753	346,312	3,867,859
Interest on Cash	-	57	183	289	(369)	(15,183)
NFDC Loan Interest	-	(92,120)	(238,568)	(355,813)	(383,230)	(3,832,299)
Profit/(Loss) Before Tax	1,345	(12,415)	(30,430)	(40,771)	(37,287)	20,377
Corporation Tax Charge	(256)	-	-	-	-	-
Profit/(Loss) After Tax	1,089	(12,415)	(30,430)	(40,771)	(37,287)	20,377
Dividends	-	-	-	-	-	-
Net Profit/(Loss) In Period	1,089	(12,415)	(30,430)	(40,771)	(37,287)	20,377
Cumulative Profit/(Loss)	1,089	(11,326)	(41,756)	(82,527)	(119,813)	(99,436)

6.12 Year 5 best represents 'steady-state' with the rental income and operational expenses increasing annually from this point in line with CPI and the loan interest payment to the Council capping at £383,230 PA. Although at year 5 the

company still shows an operating loss, by year 11 the company begins to turn a profit, at which point the retained losses carried forward begin to reduce until they are cleared by year 17. Whilst a business operating under commercial terms with shareholders expectant of dividends may struggle to make this business model appear viable, the Council is all the while making a return on its investment through the loan interest charges, and the Group has a healthy balance sheet with gearing of 67%, and long term assets on its Balance Sheet of £10m.

6.13 The anticipated shareholder return over the 50 year business plan is £41.806m, at an internal rate of return of 5.54% and a positive net present value of £2.45m. The initial losses in NFPH accrue to a peak of £205k in year 11 but then has sufficient profit available for dividend distribution by year 18.

6.14 The long term nature of the business makes it susceptible to a number of market and operational risks. It is anticipated that the company would be most sensitive to changes in the following areas;

- **Rate of Inflation** – This is the greatest risk, should rent increases be lesser, or remain static over the period. Conversely, it is also the area that most increases the viability of the company if rents increases were higher than projected.
- **Increase in Loan Interest** – Due to the tight rental yields and gearing at 67%, increases in the cost of debt will have a significant impact on the company's ability to generate a profit.

The following table summarises the impact of a series of changes in the assumptions that have been made (for avoidance of doubt, the base position on rent is +2% PA, so a sensitivity of -1%, equates to +1% PA):

Shareholder Return:	Base Position	Rent Inflation			Borrowing Rate		
		+1%	-1%	-2%	+2%	+1%	-1%
Over 50 yrs (£'000)	£41,807	£65,783	£25,891	£21,522	£41,813	£42,242	£41,101
Over first 5 yrs (£'000)	£1,199	£1,199	£1,199	£1,199	£1,624	£1,409	£1,031
IRR over 50 yrs	5.54%	6.57%	4.59%	4.12%	6.21%	5.79%	5.44%
NFPH Peak Operating Loss (£'000)	£205	£94	£794	£8,578	£3,514	£1,297	N/A
NFPH Peak Loss Yr	11	7	29	50	32	22	N/A

6.15 The board will need to be prepared to consider renegotiating with the Council the group's gearing as a potential mitigation against the results of the sensitivity analysis. At present 67% is assumed in the financial modelling. Gearing of 60% is still reasonable, and is still likely to be considered feasible for the Council as shareholder.

7. RISKS

7.1 NFPH, whilst operating in an established market and using a similar model faces a series of risks. Property Markets are prone to unconnected financial shocks and are subject to political interference nationally.

7.2 The risks and their impacts on NFPH business plan are set out in summary below. All have actions which monitor and minimise the possibility of these risks occurring within the risk register.

- Development risk including a failure to secure planning permission for schemes, developing inappropriate dwellings, unforeseen costs such as ground conditions, construction cost overrun, defective design or construction, contractor insolvency etc.
- Capital values and rental values can fall as well as rise.
- Inability to find tenants and/or sell properties, leading to loss of income and delay in WOC repaying debt.
- Disputes with tenants and tenant default.
- Financial risks including that financing costs could rise.
- External factors. Property investment, whether direct or through pooled funds, is subject to factors the Council cannot control, e.g. failure of tenants, changes in perception of what is a good location, economic downturn etc.
- Changes in government policies which inhibit the delivery of the business plan
- Standards expected through SLA's or third party service providers not met
- Management, Insurance and Maintenance fees are higher than expected
- Rent margins are tighter than anticipated meaning the ability to cover expenses through income is restricted
- Skills and experience of the board fails to meet the necessary requirements
- The company through its directors and the Council will need to respect each other's boundaries and understand the differing responsibilities.
- Central government has the ability to affect the Company's ability to meet its objectives through changes in housing policies. Changes to SDLT rates are an example of how national policy will impact NFPH.

This page is intentionally left blank

Please note: Pages 39 – 120 of the Business Plan contain lengthy and detailed legal documents which are not part of the printed Cabinet report pack (for reasons of economy), but can be found with the main report on the Council's website, or can be obtained from the Committee Administrator.

This page is intentionally left blank

ICT INVESTMENT UPDATE

1. PURPOSE

- 1.1. The purpose of this report is to detail ICT investment since April 2017 and provide the medium term financial plan implications for delivering the ICT Strategy 2018-22.

2. BACKGROUND

- 2.1 Council agreed in February 2017 to a £1.5 million ICT Protect and Maintain budget over the following 3 years, with the majority of costs falling within 2018/19.
- 2.2 This fund was to supplement our ongoing replacement of our frontline and desktop equipment, which equated to £715k over 4 years, which has since been accelerated to enable Smarter Working to be implemented in 2019.
- 2.3 Cabinet agreed a further investment of £750k as part of the Smarter working programme to cover the replacement of Exchange 2010 with Office 365 (phase 1), the replacement of the Avaya telephone system with Skype for Business (phase 2), and the replacement of Meridio EDRMS with SharePoint (phase 3) between 2018 and 2020.

3. PROTECT AND MAINTAIN ICT BUDGET

- 3.1 The key strands of investment have been as follows:
 - 3.1.1 Replacement of the aged and 'out of support' ICT infrastructure (covering circa 650 individual items including servers, storage, networks, remote working software, security management software, new data centre provision in a 'private cloud', virtualisation software, and all necessary licensing).
 - 3.1.2 Replacement of the 'out of support' Agresso Finance Application with an up to date and industry standard Business World Application.
 - 3.1.3 Replacement of the 'out of support' Agresso HR/Payroll Application with an up to date and industry standard MHR Application.
 - 3.1.4 Implementation of site-wide Wifi at ATC and MLD, enabling staff and members to work from any part of the building without the need for network cables.
 - 3.1.5 Upgrade of ATC conference rooms with modern large monitors connected via Wifi to any personal device.

- 3.2 All of these projects will be completed by September 2019.
- 3.3 Completion of the above strands will combine to a total estimated cost of £1.6m. The additional £100k required will fall into the 2019/20 financial year, and so is being sought for approval as part of this report.
- 3.4 Additional running costs - Suppliers are moving away from perpetual licenses more towards subscription based. There is no intention to increase revenue budgets, but instead mitigate these through cost efficiencies.

4. REPLACEMENT OF OUR EQUIPMENT

- 4.1 In 2017, we determined that moving all staff to mobile devices would offer the council the most flexibility for the future. This approach was supported by the decision of EMT and Cabinet to implement Smarter Working at NFDC. As a result the migration of all staff from desktop equipment to hybrids (light-weight laptops with touch screens) was accelerated and aligned with the rollout of Smarter Working. This programme will complete by end May 2019.
- 4.2 The accelerated roll out requires the bringing forward of future years' replacement budgets into 2018/19 and 2019/20. This will total £300k, and was reported and agreed within the recent Smarter Working 'Case for Change' report.

5. SMARTER WORKING

- 5.1 The aim of Smarter Working is to enable our staff to work from the most convenient, effective and efficient location to deliver the right service to our residents and customers. In practical terms, the appropriate technologies for the future are 'hybrids' combining the best features of laptops with the touch-screen ease of use of tablets, rather than desktop computers. These are then combined with new ICT infrastructure, together with a new communications network, new ways of remotely connecting into it, and new in-office Wi-Fi.
- 5.2 At the heart of Smarter Working is Microsoft's Office 365 and its various components. NFDC will, over time, implement the full capabilities of Office 365 to revolutionise the way officers collaborate and communicate from anywhere at any time. The project will be divided into three phases to be implemented between April 2019 and September 2020:
 - (i) Phase 1 - the replacement of Exchange 2010, our current on-premise email/calendar system, with Office 365 core functionality;
 - (ii) Phase 2 - the replacement of the Avaya telephone system, supplied by HCC but being decommissioned by them in August 2019, with Skype for Business; and,
 - (iii) Phase 3 - the replacement of Meridio EDRMS, our 'out of support' document management system, with SharePoint to provide an integrated document sharing, management and storage solution.

- 5.3 With the right technology choices, staff can work more effectively in the office and away from it, using internet, broadband and wireless communications to work at the most effective times and locations. The focus is on empowering employees wherever they work with productivity tools, collaboration tools and access to systems and data.
- 5.4 Cabinet approved use of £750k from the Smarter Working fund, to be spent on delivering the outcomes as expressed in 5.1 and 5.2. The anticipated phasing of this funding will be; £150k in 2018/19, £450k in 2019/20 and £150k in 2020/21.

6. FUTURE REQUIREMENTS

- 6.1 Cabinet agreed the ICT Strategy 2018-2022 in July 2018, which details the requirements for the next 4 years. It is proposed that we put in place a further 4 year transformation funding plan for ICT. The plan will cover the following aspects.

6.1.1 **Resilience and Security.** This will deal with ongoing infrastructure protect and maintain needs as follows. The Council must sustain its focus on ensuring that software and hardware is refreshed and maintained in line with current versions to avoid security vulnerabilities and the need in the large future replacement programmes. The guiding principle for future ICT sustenance should be 'little and often' rather than 'rarely but major'. For example, Microsoft are withdrawing their Server 2008 operating system at the end of 2019 and the Council need to move to Server 2016 once our new Infrastructure is in place. This involves upgrading all servers and then upgrading all applications that reside on those servers. It is estimated this will cost in the region of £100k during 2019/20. It is anticipated that similar small upgrades and some hardware replacements, will be required each year in the future and annual budget provision of circa £100k should be made for such work. This will be used to upgrade either hardware, software or applications as necessary.

6.1.2 **Members' ICT.** To support members in the better use of available ICT, an expert will be resourced. This is anticipated to cost around £40k per annum. This resource will be part of Democratic Services and will provide ongoing support and training for Members in liaison with ICT.

6.1.3 **Digital residents and Customer engagement.** We have seen many changes in how customers want to interact with the Council, and the increased use of online tools, whether that is using a website, app or webchat. Our current website is no longer being developed by its product vendor, Goss, and requires replacement. There will also be opportunities for internal efficiency gains, cost savings, and income generation opportunities if we create the right digital platform. It is proposed that we commence with the replacement of the website during 2019, with key essential transactions being undertaken as part of Phase 1. Then Phase 2 in 2020 will focus on creating the more complex customer interactions where the business case to do so

stacks up. One-off funding requirements are estimated at £50k in 2018/19, £250k in 2019/20 and £100k in 2020/21.

6.1.4 **Replacement of other applications moving out of support.** As we have seen with Meridio and Agresso, there is a continual cycle of applications being upgraded, replaced, withdrawn or simply changed by vendors. In addition there is the need to market test and potentially replace applications which the council has run for many years, to ensure we are still getting best value and functionality. We have a number of applications which must either be replaced entirely (e.g. Acolaid, CRM) or that need to be fully market tested (e.g. Northgate, Gladstone) in the next 2 years. This will be a constant feature in the future, especially as Government procurement portals like G-Cloud are encouraging central and local government authorities to enter into increasingly short contract lock-ins with vendors (e.g. 2+1+1 year contract durations rather than 5 to 10 years). For these reasons, this is not a discretionary item. Based on an assessment of individual business cases it is proposed to make an annual transformation fund of £250k available for each of 2019/20, 2020/21 and 2021/22.

6.1.5 **Next generation ICT solutions.** This will bring the Council up to date with the growth of automation, internet of things (IOT), artificial intelligence (AI), and robotics. Business cases will need to be made by Services for implementation of new technologies that can radically change the way services are delivered. These could range from, for example, 'chat-bots' which automate real time customer interactions using artificial intelligence, through to smart IOT devices out in the community linked to the internet to monitor car park utilisation or public conveniences. As and when opportunities arise, individual business cases will be drawn up and the relevant funding requests made through the appropriate route. This may include working in partnership with other organisations.

7. CRIME AND DISORDER, EQUALITY & DIVERSITY AND ENVIRONMENTAL IMPLICATIONS

7.1 None directly, although Smart Working has the potential to reduce the carbon footprint for staff travelling less miles by car.

8. FINANCIAL IMPLICATIONS

8.1 The Protect and Maintain fund, requiring a supplementary budget approval of £100k (on the original £1.5m) in 2019/20 has enabled the Council to invest in the right ICT foundations. We now need to build on these foundations. This will ensure the Council has up to date ICT solutions to deliver services into the future in the most efficient and effective way.

- 8.2 Previous reports have provided the required approvals for the release of funds to progress with the accelerated Hybrid device replacement and use of the Smarter Working fund. This report now confirms the expected profiling of this spend, and will necessitate some rephrasing of budgets. These will be quantified in the next Financial Monitoring Report.
- 8.3 This report is seeking approval for the following future requirements, noting that these future requirements will then form part of the updated Medium Term Financial Plan and Budget 2019/20, when reported to Cabinet and Council during February 2019.

Para	Description	2018/19	2019/20	2020/21	2021/22	TOTAL
		£'000	£'000	£'000	£'000	£'000
6.1.1	Resilience & Security		100	100	100	300
6.1.2	Members ICT Support		40	40	40	120
6.1.3	Digital residents and Customer engagement *	50	250	100		400
6.1.4	Other Applications *		250	250	250	750
		50	640	490	390	1,570

* Business cases for these items will be agreed by EMT, along with any other business case driven ICT initiatives that may emerge.

9. CONCLUSION

- 9.1 The Council is taking some very big strides to transform its ICT, moving from an ICT environment more reminiscent of the late 1990s to an up to date one that is delivering improvements today. In doing so, the Council has also positioned itself for tomorrow and beyond.
- 9.2 The investments made in Protect and Maintain, Smart Working and Replacement Devices are yielding real benefits across the council. For example, Hybrid devices and Wifi have transformed mobility around ATC and the new screens, installed in all meeting rooms and the council chamber, are making presentations much easier and meetings more efficient and effective.
- 9.3 The Council has grown its technical and project management capabilities, in order to deliver a complex programme of projects. High quality partnerships have been forged with new ICT suppliers to make sure projects deliver what they promise.
- 9.4 When the current projects complete during 2019, the Council will be very well positioned to move ahead and benefit from the exciting technology opportunities and the next generation of ICT solutions described in section 6. For this reason

investment in ICT continues to be essential for the Council as described in the ICT Strategy 2018-2022 and in this report.

10. CORPORATE OVERVIEW AND SCRUTINY PANEL'S COMMENTS

- 10.1 The Panel was pleased to note the progress being made to update the Council's key ICT infrastructure and supported the recommendations.

11. PORTFOLIO HOLDER'S COMMENTS

- 11.1 We continue to deliver on challenging issues, however this is an area where we cannot relax the pressure.

12. RECOMMENDATION

- 10.1 That an additional budget requirement of £100,000 be approved in order to complete the delivery of the Protect and Maintain Frontline Services programme; and
- 10.2 That the ICT strategy future requirements detailed in section 8, be approved for inclusion in the Medium Term Financial Plan, subject to the approval of individual Business cases.

For further information contact:

Rob Beere
Service Manager – ICT
Tel: 023 8028 5588
Email: Rob.beere@nfdc.gov.uk

Manjit Sandhu
Executive Head of Resources
Tel: 023 8028 5588
Manjit.sandhu@nfdc.gov.uk

HEALTH AND LEISURE REVIEW

1. INTRODUCTION

- 1.1 In March 2018, the Community and Leisure Overview and Scrutiny Panel established a Health and Leisure Task and Finish group to consider the most efficient and effective way of managing and delivering the Health and Leisure provision.

The following Terms of Reference were agreed:

- To achieve an outcome that will significantly reduce the cost of the Council's five health and leisure centres;
- To objectively assess the management options, based upon an assessment of value, judged against a range of criteria of importance to this Council's objectives, to include an understanding of the risks associated with different operating models; and
- To make recommendations on future management options based upon the outcome of the assessment process.

- 1.2 The Task and Finish group is made up of 9 cross-party elected members, providing geographic representation across the District, and the Portfolio Holder for Health and Leisure. The group has been supported by the Executive Head of Resources, Service Manager (Business Improvement), Head of Finance and Service Manager (Health and Leisure).

The Task and Finish Group consists of:

- Cllr Steve Clarke (Chair) – Milton
- Cllr Steve Rippon-Swaine – Ringwood South
- Cllr Mark Steele – Bransgore & Burley
- Cllr Christine Ward – Becton
- Cllr Kate Crisell – Furzedown & Hardley
- Cllr Sue Bennison – Marchwood
- Cllr Alex Wade – Hythe West & Langdown
- Cllr Alan Penson – Lymington
- Cllr Derek Tipp – Ashurst, Copythorne South & Netley Marsh

And the Portfolio Holder for Health and Wellbeing – Cllr James Binns

- 1.3 This report details the work of the group to date and makes recommendations as to the future operation of the Council's five health and leisure centres.

2. STRATEGIC OBJECTIVES AND KEY DRIVERS

- 2.1 The task has been undertaken in response to the identified need to make a £1 million reduction in the cost of the Health and Leisure service by the year 2020/21.
- 2.2 Additionally, whilst members of the group highly value and commend the quality of the existing service, they recognised the Council's limited opportunities for investment and development, alongside the constraints on capacity to meet future demand. These

factors, combined with the changing leisure market, including the emergence of low cost gyms and leisure centres as much wider 'destinations', required an appropriate response to ensure the future sustainability of the service.

- 2.3 Given this context it was agreed that any alternative model would need to deliver the agreed vision for the service of '*Working with partners to create active communities by providing affordable, accessible leisure facilities, dedicated to improving physical and mental health and wellbeing and establishing a sustainable healthy lifestyle legacy for future generations*'.

Supported by the desired outcomes of:

- Reduced cost to the taxpayer
- Improved physical wellbeing
- Improved mental wellbeing
- Supporting individual and family development and learning
- Social and community benefits
- Economic benefits

- 2.4 In support of the financial target the service itself has an operational plan in place which will deliver £600,000 of the £1 million target by 2020/21. The plan includes activities which will reduce costs or increase income as follows:

- A review of management and operational staffing;
- Introduction of kiosks in centre to develop self-service options and enhance on line bookings and payments;
- A review of fees and charges against market; and
- A focus on core leisure activities and a more streamlined programme of activities.

3. WORK OF THE GROUP

- 3.1 In response to the terms of reference the group undertook a number of key tasks including:

- Considering and articulating the vision and desired outcomes for the service based on an understanding of the community need and the local authority's wider outcomes;
- Visiting all of the five health and leisure centres;
- Agreeing key assessment criteria for delivery models based on Sport England guidance;
- Identifying alternative delivery model reference sites and, based on the key assessment criteria, establishing a key set of questions for these reference sites;
- Making a number of visits/calls to reference sites;
- Evaluating delivery options; and
- Undertaking an early market engagement exercise to help inform the potential interest in the opportunity and any subsequent approach to procurement.

- 3.2 In order to determine the best approach for future delivery of the service the group considered:

- The deliverability/viability of the authority's strategic vision under each option;
- The wider outcomes that the management option must deliver;
- Level of cost reduction and revenue savings required and in what timescales;
- The condition of the current facility stock and the opportunities to invest;

- Attitude to risk and the level of risk transfer being sought through the process;
- The amount of control that the Council wishes to retain; and
- The sustainability for the service.

4. EVALUATION OF DELIVERY OPTIONS

- 4.1 The group undertook an evaluation of each option against the key assessment criteria (based on Sport England guidance) to provide an initial assessment and enabling an informed decision on the preferred solution to meet future needs. The evaluation adopted a traffic light system in order to rank the models in terms of greatest potential advantages from the authority's perspective (Appendix 1).
- 4.2 On the basis that all centres are dual use, Asset Transfer was not seen as feasible option and did not meet the council's strategic objectives. Similarly the Public Sector Mutual was ruled out on the basis that it does not offer a sustainable future solution. A District Council trust model was also explored, but scored less well than a wholly owned trading company on its influence over strategic decision making due to the necessary independent nature of a charitable trust. The potential time and cost complexities were also considered as a factor.
- 4.3 In September 2018 the Community Overview and Scrutiny Panel was advised that the partnership option was evaluated as having the greatest potential benefits, followed by the local authority trading company, both of which having the ability to deliver fiscal advantages in terms of Tax.

Partnering

- ✓ Financial savings through Tax advantages
- ✓ TUPE transfer of staff on broadly similar terms including pensions
- ✓ Some operational risk transfer
- ✓ Protection from local authority funding cuts
- ✓ Greater access to external funding and experience in the market

NFDC New Company

- ✓ Financial savings through Tax advantages
- ✓ TUPE transfer of staff on broadly similar terms including pensions
- ✓ Some operational risk transfer
- ✓ Strategic control retained by LA

- 4.4 The group recognised the strengths of an external partner in terms of economies of scale, access to funding, commercial skills and expertise, although the establishment of a local authority controlled trading company continues to be viewed as a viable option.

5. MARKET ENGAGEMENT EXERCISE

- 5.1 In order to further evaluate the partnership model as the preferred approach the Panel agreed that additional information would need to be obtained to ascertain the market interest in operating the health and leisure centres and a market engagement exercise was approved by Panel to enable this.
- 5.2 A market engagement document was produced setting out the context and current operating position for the Council's five health and leisure centres and posed a number of questions to leisure operators to help inform any future approach.
- 5.3 Three leisure providers operating in or around the local area were asked to take part in the exercise, respond to the questions in the market engagement document and meet

with the Council to further discuss what the market could offer over and above the Council's current in-house service provision.

5.4 The response to this exercise was positive and concluded that the opportunity, if formally advertised, would be of interest to the market confirming that savings, over and above those identified in the operational review, of £4 million over the life of a 10 year contract could be achievable under this option. The exercise has been successful in understanding the market view on the key issues to inform the way forward in relation to management and procurement options. In summary the conclusions from the questionnaire and the discussions with each of the operators were:

- All leisure operators would be interested in the opportunity;
- Consensus on a 10-year operating contract plus optional 5-year extension, with the operation of all centres being tendered together as one lot;
- Consensus that the Council should use Sport England's standard contract documents;
- Condition surveys will need to be undertaken for the sites;
- The preferred procurement approach would be "Competitive Procedure with Negotiation" (dialogue); and
- All leisure operators are likely to achieve the £400,000 savings target.

6. CONCLUSIONS

6.1 Members are committed to ensuring the long term health and wellbeing of our communities through the provision and accessibility of quality and affordable leisure facilities. They acknowledge that securing the sustainability of the health and leisure service to achieve the vision and associated outcomes takes precedence over who provides the service.

6.2 To support this objective the Task and Finish Group undertook a thorough and formal evidence-based review of delivery options and has concluded unanimously that the partnership option should be pursued by formally tendering the opportunity to operate the Council's five health and leisure centres. In the event that the procurement response is unable to deliver the objectives set then the establishment of a local authority trading company for the operation of the centres should be explored. Regrettably the current in-house model is not sustainable in the longer term given the benefits of the alternative delivery models.

6.3 The Task and Finish Group also recognised the valuable input that the Council's stakeholders will need to have in the process moving forward and is committed to the ongoing dialogue with the trade unions and partner schools and colleges to ensure the best outcomes are achieved.

6.4 It is proposed that the Task and Finish Group will continue to work with the Portfolio Holder and Officers throughout the procurement process.

7. FINANCIAL IMPLICATIONS

- 7.1 In October 2017 the Council approved a budget for independent external expertise to support the consideration and establishment of alternative delivery models. It is anticipated that up to £100,000 will need to be drawn from these funds for this procurement exercise.

8. COMMENTS OF THE COMMUNITY AND LEISURE OVERVIEW AND SCRUTINY PANEL

- 8.1 After a detailed discussion the Panel was satisfied that the recommendations put forward by the Task and Finish Group were evidence-based and sound, representing the best way forward to protect the Council's health and leisure centres into the future. The Panel thanked and commended the Task and Finish Group and the supporting officers for the detailed research that they had undertaken and the careful way in which they had reached their conclusions and recommendations. The Panel unanimously supported the recommendation that the Council should start a procurement exercise to seek a partner for the future operation of the health and leisure centres.

9. PORTFOLIO HOLDER'S COMMENTS

- 9.1 The aim of the partnering approach is to ensure that we continue to have an excellent leisure service for our community and customers, protected for future generations as the Council is not in a position financially to continue to provide the services that customers require.

By retaining the current model, we do not secure the leisure services' future but make the department susceptible to the possibility of further central government funding reductions. Add to that, our centres are ageing and many of them are at capacity so we cannot offer a comprehensive service to the wider community, unless we look at partners and alternative funding streams. This option enables us to do that. If we do not, our centres risk falling behind our competitors.

This is the beginning of the process, not the end. If the paper is approved, a formal procurement exercise will begin and this will give the Council the opportunity to have detailed conversations with leisure providers so that we can understand how a partnership would achieve our aims; social and community wellbeing, a quality service, affordability, reduced cost to the taxpayer and investment for the future.

If, however, no partner comes forward that satisfies our criteria then the Council will look at setting up an arms-length NFDC Trading Company. Again, this will remove some of the financial and bureaucratic burdens that currently constrain the service and I commend the Task and Finish Group for acknowledging this secondary option.

This Council, its Councillors and the Cabinet, passionately believe in our excellent Health and Leisure Centres, but in order to protect and enhance them we must consider alternative operating models. I am certain that this is a decision that will achieve those two primary objectives.

Finally I would like to thank the cross-party Task and Finish Group, which was made up of Conservative and Liberal Democrat members, for their extensive work on this matter and for the unanimous decision that they reached after much research and discussion. I commend this paper to the Cabinet.

10. EMPLOYEE SIDE COMMENTS

10.1 A series of briefing sessions have been held for the affected staff. No formal written comments have been received from the Employee Side following consultation on this report.

11. RECOMMENDED:

11.1 That a formal tendering process be undertaken to identify a preferred partner for the future operation of the Council's five health and leisure centres.

For further information contact:

Manjit Sandhu
Executive head Resources
Tel: 023 8028 5588
E-mail: manjit.sandhu@nfdc.gov.uk

Background Papers:

Health & Leisure Review - Community &
Leisure Overview & Scrutiny Panel 18
September 2018

Rebecca Drummond
Service Manager Business Improvement and
Customer Services
Tel: 023 8028 5588
E-mail: Rebecca.drummond@nfdc.gov.uk

APPENDIX 1: Appraisal Criteria

Criteria	In-House	Partnership	NFDC New Company			Asset Transfer
			Trust	Trading Co.	Mutual	
1. Financial Impact – Income	●	●	●	●	●	●
2. Financial Impact – Subsidy (aim to reduce/remove current subsidies)	●	●	●	●	●	●
3. Potential to contribute towards the vision and outcomes for the service	●	●	●	●	●	●
4. Control and influence over strategic decision making	●	●	●	●	●	●
5. Impact on directly employed staff	●	●	●	●	●	●
6. Impact on support service costs	●	●	●	●	●	●
7. Risk Transfer	●	●	●	●	●	●
8. Potential for investment opportunities	●	●	●	●	●	●
9. Cost to implement/set up	●	●	●	●	●	●
10. Likely timescales	●	●	●	●	●	●
11. Impact on long-term sustainability of the service	●	●	●	●	●	●

● Low potential benefit
 ● Medium potential benefit
 ● High potential benefit

This page is intentionally left blank

CABINET – 5 December 2018
COUNCIL – 10 December 2018

COUNCIL TAX 2019/20 SETTING THE TAX BASE

1. INTRODUCTION AND BACKGROUND

- 1.1 The purpose of this report is to enable Members to approve the tax base for 2019/20.
- 1.2 This tax base is an important step towards setting the basic amount of Council Tax. The other key steps are determining the surplus/deficit on the Collection Fund for the previous year and setting the actual budget requirements.
- 1.3 Members may recall that each dwelling falls into one of eight valuation bands (A to H) for tax purposes. Different proportions of tax are payable by each band.
- 1.4 The tax base is, in essence, the estimated number of dwellings in the District, modified to take account of the different proportions payable, discounts and other reductions.
- 1.5 The calculation of the tax base for tax setting also includes an allowance for non-collection.
- 1.6 Separate tax bases have to be made for each Parish.
- 1.7 The tax base calculation has to be made between 1 December and 31 January. The approved tax base must be notified to the County Council by 31 January.

2. THE CALCULATION PROCESS

- 2.1 Detailed calculations are required to set the tax base for tax setting purposes.
- 2.2 Firstly, if appropriate, it is necessary to adjust the number of dwellings in each valuation band to cater for:
 - 2.2.1 The number of properties estimated as active exempt
 - 2.2.2 The number of demolished dwellings due to be removed
 - 2.2.3 The reduction and addition to the number of dwellings in the band due to disabled relief. Disabled relief to dwellings in Band A (shown as Disabled A) pay 5/9th of the Band D charge instead of 6/9th.

- 2.3 The above process produces the number of chargeable dwellings. Further adjustments then have to be made to cater for:
- 2.3.1 The estimated number of dwellings where a 25% discount will apply (i.e. due to single person discount or a discount disregard).
 - 2.3.2 The estimated number of dwellings where a 30% discount will apply to holiday chalets where occupation is restricted by a planning condition.
 - 2.3.3 The estimated number of dwellings where a 50% discount will apply due to structural repairs work being undertaken for first 12 months, or two adults disregarded e.g. living away to receive or provide care etc.
 - 2.3.4 The estimated number of dwellings where a 100% discretionary discount will apply for one month only, due to unoccupied and unfurnished ('void') dwellings.
- 2.4 The number of total discounts is multiplied by an appropriate percentage to arrive at the discount deduction. The resultant net number of dwellings is multiplied by the relevant proportions to band D. The relevant proportions are shown in Appendix 1. This process produces the number of band D equivalents.
- 2.5 The value of council tax reductions (CTR) awarded to pensioners and those of working age are aggregated to arrive at the total council tax reduction. These values are converted into the tax base and band D equivalents. The value of the reductions awarded takes account of the Council's localised Council Tax Reduction Scheme. Although some minor changes may be made to the Local Scheme for 2019/20, these are not material for the tax base.
- 2.6 The next step of the calculation is to assess the likely collection rate and thereby make an appropriate allowance for non-collection. Contributions in lieu for Ministry of Defence dwellings are then added. The whole calculation process is shown in Appendix 2.
- 2.7 The figures used in the calculation process are predominantly based on latest actuals. Appendix 3 shows 2019/20 tax bases compared to 2018/19.
- 2.8 Although there may be some growth in the tax base in the forthcoming year, it is advisable to take a prudent approach. If dwellings are improved and extended, bandings only normally change after a subsequent sale or the granting of a lease of 7 years or more.

3. ENVIRONMENTAL AND CRIME AND DISORDER IMPLICATIONS

3.1 None arising directly from this report.

4. CONCLUSION

- 4.1 The Council should approve formally the tax base for tax setting purposes. The regulations require that the tax base be formally approved for each parish/town Council area, with the calculations being approved by Members.
- 4.2 A prudent approach has to be taken in forecasting the tax base. Clearly, there is an obligation to ensure that sufficient funds are realised to meet the Council's expenditure.
- 4.3 A realistic collection rate has to be determined. It is important that the tax base is not overstated, as any shortfall will result in interest costs falling on the Council's General Fund.
- 4.4 Any Council Tax surplus/deficit on the Collection Fund will be shared between the Principal Authorities, pro rata to the demand/precept on the fund for the year concerned.

5. RECOMMENDED

That it be a recommendation to the Council that:

- 5.1 The calculation of the Council's tax base for the year 2019/20 be approved.
- 5.2 Pursuant to this report and in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by this Council as its council tax base for the year 2019/20 be as follows and as detailed in Appendix 1.

PARISH/TOWN	TAX BASE 19/20
Ashurst & Colbury	932.6
Beaulieu	515.5
Boldre	1064.1
Bramshaw	342.8
Bransgore	1812.6
Breamore	182.5
Brockenhurst	1862.4
Burley	792.1
Copythorne	1214.2
Damerham	242.2
Denny Lodge	158.2
East Boldre	377.9
Elingham, Harbridge & Ibsley	610.7
Exbury & Lepe	116.8
Fawley	4571.1
Fordingbridge	2281.6
Godshill	227.2
Hale	262
Hordle	2416.1
Hyde	514.2
Hythe & Dibden	7404.5
Lymington & Pennington	7355.5
Lyndhurst	1459.6
Marchwood	2069.2

Martin	198.4
Milford on Sea	2820.4
Minstead	374.8
Netley Marsh	819.5
New Milton	10486.4
Ringwood	5285.2
Rockbourne	163.4
Sandleheath	279.6
Sopley	403.4
Sway	1709.3
Totton & Eling	9394
Whitsbury	102
Woodgreen	252.4
Whole District	71074.4

Further Information:

Ryan Stevens
Service Manager Revenues and Benefits
Tel: 023 8028 5588
E-mail: ryan.stevens@nfdc.gov.uk

Background papers:

The Local Authorities (Calculation of
Tax Base) (England) Regulations
2012

VALUATION BANDS

All dwellings have been valued by the Inland Revenue for the purpose of Council Tax. Valuations are based on property prices at April 1991. There are eight valuation bands and each dwelling has been placed into one of these bands according to its assessed value at that time. Band A is the lowest. The higher the band, the higher the charge will be. See the table below:-

BAND	RANGE OF VALUES	PROPORTION
A	Up to £40,000	£1.00
B	Over £40,000 - £52,000	£1.17
C	Over £52,000 - £68,000	£1.33
D	Over £68,000 - £88,000	£1.50
E	Over £88,000 -£120,000	£1.83
F	Over £120,000 -£160,000	£2.17
G	Over £160,000 -£320,000	£2.50
H	Over £320,000	£3.00

For every £1.00 of Council Tax for a band 'A' property, a band 'B' property will be charged £1.17 - and so on. Any discounts and reductions would make the difference less than this.

SUMMARY										
	DIS. A	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
TOTAL DWELLINGS ON THE VALUATION LIST	0	7047	12005	17922	19313	13413	6959	4535	607	81801
ACTIVE EXEMPTIONS	0	398	194	233	318	168	75	31	7	1424
DEMOLISHED DWELLINGS BAND TO BE REMOVED	0	4	1	0	1	3	1	1	0	11
CHARGEABLE DWELLINGS	0	6645	11810	17689	18994	13242	6883	4503	600	80366
NUMBER OF CHARGEABLE DWELLINGS SUBJECT TO DISABLED REDUCTION	0	24	72	139	187	151	68	58	23	722
NUMBER OF DWELLINGS EFFECTIVELY SUBJECT TO CTAX FOR THIS BAND BY VIRTUE OF DISABLED BAND	24	72	139	187	151	68	58	23	0	722
NUMBER OF CHARGEABLE DWELLINGS ADJUSTED FOR DISABLED RELIEF	24	6693	11877	17737	18958	13159	6873	4468	577	80366
NUMBER OF DWELLINGS ENTITLED TO 25% DISCOUNT	8	3835	5094	5592	5471	2887	1301	672	70	24930
NUMBER OF DWELLINGS ENTITLED TO 30% DISCOUNT	0	79	0	0	0	0	0	0	0	79
NUMBER OF DWELLINGS ENTITLED TO 50% DISCOUNT	0	116	33	38	73	56	64	51	9	440
NUMBER OF DWELLINGS ENTITLED TO 100% DISCOUNT FOR ONE MONTH	0	26	48	41	24	15	4	5	0	163
TOTAL DISCOUNTS	8	4170.64	5176.32	5681.94	5625.16	3004.1	1430.36	775.7	88	25960.22
DISCOUNT DEDUCTION	2	1042.66	1294.08	1420.485	1406.29	751.025	357.59	193.925	22	6490.055
NET DWELLINGS	22	5650.34	10582.92	16316.515	17551.71	12407.975	6515.41	4274.075	555	73875.945
BAND D EQUIVALENTS	12.2	3766.6	8231.2	14503.6	17552.1	15165.7	9410.9	7123.6	1110	76875.96
CTR PENSIONERS	4341.63	770621.44	1185955.44	1208164.82	874715.48	383401.74	127636.14	23180.91	0	4578017.6
CTR WORKING AGE	4070.84	794916.36	1338243.17	1214901.62	348292.62	105822.89	22456.39	9683.58	2488.56	3840876.03
TOTAL CTR	8412.47	1565537.8	2524198.61	2423066.44	1223008.1	489224.63	150092.53	32864.49	2488.56	8418893.63
REDUCTION IN COUNCIL TAX BASE DUE TO PENSIONERS CTR	4.53047	678.065405	891.571899	798.89498	516.080479	186.73502	52.880475	8.403456	0	3137.162183
REDUCTION IN COUNCIL TAX BASE DUE TO WORKING AGE CTR	4.27881	697.126411	1003.48667	800.77315	205.983271	51.270122	9.1904036	3.465461	0.75462	2776.328915
TOTAL REDUCTION IN TAX BASE DUE TO CTR BAND D EQUIVALENTS	4.89444	916.793333	1473.94333	1421.92889	722.07	290.88889	89.671111	19.76667	1.5	4941.408889
ADJUSTED BAND D EQUIVALENTS	7.3	2849.8	6757.3	13081.7	16830	14874.8	9321.2	7103.8	1108.5	71934.4
COLLECTION RATE										98.50%
SUB-TOTAL										70855.4
CONTRIBUTIONS IN LIEU										218.7
TAX BASE										71074.4

TAX BASES FOR 2019/20 COMPARED TO PREVIOUS YEAR 2018/19

PARISH/TOWN	TAX BASE 18/19	TAX BASE 19/20
Ashurst & Colbury	926.8	932.6
Beaulieu	511.8	515.5
Boldre	1066.1	1064.1
Bramshaw	346.5	342.8
Bransgore	1814.5	1812.6
Breamore	179.2	182.5
Brockenhurst	1861	1862.4
Burley	791.3	792.1
Copythorne	1209.3	1214.2
Damerham	234.9	242.2
Denny Lodge	154.8	158.2
East Boldre	381.1	377.9
Elingham, Harbridge & Ibsley	606.7	610.7
Exbury & Lepe	116.1	116.8
Fawley	4548.9	4571.1
Fordingbridge	2279	2281.6
Godshill	224.7	227.2
Hale	261.4	262
Hordle	2393.6	2416.1
Hyde	518	514.2
Hythe & Dibden	7390	7404.5
Lymington & Pennington	7177.4	7355.5
Lyndhurst	1442.5	1459.6
Marchwood	2061.2	2069.2
Martin	197.4	198.4
Milford on Sea	2783.3	2820.4
Minstead	370.3	374.8
Netley Marsh	815.6	819.5
New Milton	10457.9	10486.4
Ringwood	5257.3	5285.2
Rockbourne	164.4	163.4
Sandleheath	278.9	279.6
Sopley	370.5	403.4
Sway	1700.8	1709.3
Totton & Eling	9373.4	9394
Whitsbury	103.6	102
Woodgreen	250.8	252.4
Whole District	70621.0	71074.4

This page is intentionally left blank

CABINET– 5 DECEMBER 2018

PORTFOLIO: FINANCE, CORPORATE
SERVICES & IMPROVEMENT / ALL

FINANCIAL MONITORING REPORT (based on Performance to October 2018)

1. INTRODUCTION

- 1.1 This report provides an update on the 2018/19 General Fund, Capital and Housing Revenue Account budgets, adjusting for any budget changes required, taking into account the performance of the Council since the previous monitoring report, and including new items up to the end of October.

2. BACKGROUND

- 2.1 The Council's financial strategy of a continuous review of activities and services to identify opportunities for savings in expenditure alongside opportunities to generate income has been successful in addressing the significant reductions in government funding whilst at the same time maintaining key service levels. Budget monitoring reports form an important part of this process and support the ongoing development of the Medium Term Financial Plan (MTFP).
- 2.2 Financial Monitoring Reports also act as a means of collating the financial implications applicable to the current financial year from other reporting that takes place within the Council.

3. GENERAL FUND REVISED PROJECTION

- 3.1 A General Fund budget of **£17.243m** for 2018/19 was agreed by Council in February 2018. Net positive variations reported to Cabinet in August amounted to £475,000 (£577,000 savings/income and £102,000 new requirements/income shortfalls) and rephasings reported totalled £606,000, funded from earmarked reserves set up in 2017/18. These previously reported variations resulted in an updated budget total for 2018/19 of £16.768m.
- 3.2 This report identifies new savings / additional income totalling £351,000, new requirements / income shortfalls of £50,000, and rephasings from future years of £240,000 (future budget provision being brought forward). These changes result in an updated General Fund budget of **£16.707m**. Table 1 provides an overview of the variations and full details are provided in sections 3.4 to 3.5.

Table 1	Para.	Savings £'000	New Req. £'000	Rephasing £'000	Total £'000
Original Budget April 2018/19					17,243
Variations agreed in August	3.1	-577	102	606	131
Transfer from Reserves in August	3.1	0	0	-606	-606
Updated Budget August 2018/19		-577	102	0	16,768
Portfolio / Committee Items	3.4	-297	50	240	-7
AMG / Asset Replacement	3.5	-54	0	0	-54
Business Development / Third Party		0	0	0	0
		-351	50	240	16,707
Transfer from Reserves					0
Updated Budget October 2018		-928	152	240	16,707

3.3 The overall net level of savings identified across this report and the previous monitoring report (August Cabinet) now totals £776k (-£928k + £152k). This figure consolidates nicely with the £720k saving that has been allowed for in the MTFP for 2019/20, although the make-up of the reported variations in the current year doesn't necessarily correlate exactly to the MTFP savings.

3.4 PORTFOLIO ITEMS

Savings; £297k

- £133k – The Council has received a positive outcome to a review of the rateable values on a few of its Car Parks, resulting in a saving on bills to 2018/19 of £133,000. There is also an expectation that a one-off refund will be received, but as this will also have an impact the Councils collection fund, it will need to be considered in the round when received, and so isn't being reported as a Portfolio variation at this time (P&I)
- £65k – The contributions from CIL receipts that the Council can use to offset its admin costs has exceeded the budget by £65k (P&I)
- £40k – Savings have occurred in the Council's Civic Facilities Team due to a Vacancy. In order to ensure appropriate levels of project delivery, Project management support is currently being procured, but these costs will be charged and covered by the relevant project budgets, and not the central business unit (F,CS&I)
- £34k – A review of budgets across the corporate cost centres within Finance, Corporate Services and Improvement has identified savings of £34,000 (F,CS&I)
- £25k – Further savings have accrued within the Streetscene budgets as a result of vacancies and fuel savings (ENV & REG)

New Requirements; £50k

- £50k – Land Charges income is expected to be below the budget by a further £50,000, resulting in a total variation for the year of £100,000, equivalent to 24% of the original budget (P&I)

Rephasings; £240k

- £240k – Budgets allowed for in 2019/20 and 2020/21 for the replacement of ICT have been brought forward to enable the accelerated roll out of hybrid devices, as the Council prepares for Smarter Working (F,CS&I)

3.5 ASSET MAINTENANCE & REPLACEMENT

Savings; £54k

- £54k – The AMR programme has been reviewed and savings are forecast at £54,000 (All)

4. CAPITAL EXPENDITURE (General Fund and Housing Revenue Account)

- 4.1 The Capital Programme agreed in February amounted to **£26.225m**. This was increased to a revised capital budget of £27.985m in August to reflect rephasings from 2017/18 of £1.760m.
- 4.2 This report identifies rephasings into future years of £2.855m (transferred to earmarked reserves). These changes result in an updated capital budget of **£25.130m**. Table 2 provides an overview of the variations and full details are provided in section 4.2.

Table 2	Savings £'000	New Req. £'000	Rephasing £'000 Para. 4.2	Total £'000
Original Budget April 2018/19				26,225
Previously Reported				
Public Sector Housing (HRA)	0	0	1,564	1,564
Other Services (General Fund)	0	0	196	196
Updated Budget August 2018	0	0	1,760	27,985
New Variations				
Public Sector Housing (HRA)	0	0	-815	-815
Other Services (General Fund)	0	0	-2,040	-2,040
Total New Variations	0	0	-2,855	-2,855
Updated Budget November 2018	0	0	-1,095	25,130

4.2 Rephasings; £2.855m

- £815k – Some delay has occurred in setting out the contractual requirements and working arrangements for the procurement of new 4 year Frameworks, namely Roofing, Bathrooms and Windows. These have now recently been awarded and are due to start imminently. The door replacement contract includes for the provision of fire doors, which are under national fire house testing reviews forming part of the Grenfell enquiry. The Council is currently awaiting testing certificates to enable the procurement, manufacture and installation to proceed. The budget for 2019/20 will be enhanced to include this value of works originally intended for 2018/19. (HRA)
- £2.040m – Feasibility and design works are well underway on the Hardly Depot project, but it is now highly unlikely that any significant expenditure will be incurred during the current financial year. The majority of the budgets therefore will be rephased. (F,CS&I and LE,P&I)

5. HOUSING REVENUE ACCOUNT

5.1 A break-even HRA budget for 2018/19 was agreed in February 2018. A variation of £250k was reported at August. New variations now being reported totalling £847k are shown within table 3 and are explained within the narrative at 5.2.

Table 3	Original Budget	Previously Reported Variations	New Variations (Para. 5.2)
	£'000	£'000	£'000
Income	27,667	0	
Revenue Maintenance	4,144	-250	
Supervision & Management	5,391	0	-32
Rents, Rates, Taxes & Other Charges	38	0	
Provision for Bad Debt	150	0	
Capital Financing Costs	8,528	0	
Contribution to Capital	9,416	0	-815
	27,667	-250	-847

5.2 The minor variation of £32k is in relation to the review of the Asset Maintenance and Replacement programme and the element of the net savings being apportionable to the HRA. The £815k is a direct replication of the variation as reported within the Capital section, as the Revenue Account funds this particular element of the Capital programme.

6. CRIME AND DISORDER / EQUALITY AND DIVERSITY/ENVIRONMENTAL IMPLICATIONS

6.1 There are no Crime & Disorder, Equality & Diversity or Environmental implications arising directly from this report.

7. PORTFOLIO HOLDER COMMENTS

- 7.1 As we move past the mid point in this financial year we are on target to deliver on our financial strategy.

8. RECOMMENDATIONS

- 8.1 It is recommended that Cabinet notes the latest budget forecasts of the General Fund (para 3.2), Capital (para 4.1) and HRA (para 5.1)

For Further Information Please Contact:

Alan Bethune

Head of Finance (S151 Officer)

Telephone: (023) 8028 5588

E-mail: alan.bethune@nfdc.gov.uk

This page is intentionally left blank