# WIRRAL COUNCIL

## ECONOMY AND REGENERATION SCRUTINY COMMITTEE

### 16 JANUARY 2013

SUBJECT:	UPDATE ON TRANSFER OF CHOICE BASED LETTINGS SERVICE FROM WIRRALHOMES TO PROPERTY POOL PLUS
WARD/S AFFECTED:	ALL
REPORT OF:	KEVIN ADDERLEY
RESPONSIBLE PORTFOLIO HOLDER:	GEORGE DAVIES
KEY DECISION?	NO

## **1.0 EXECUTIVE SUMMARY**

- 1.1 The report seeks to provide an update for members on the transfer from Wirralhomes to the sub-regional Property Pool Plus Choice Based Lettings Service.
- 1.2 Wirralhomes, the partnership between Wirral Council and 12 Registered Providers (RPs) of social housing in Wirral ceased to operate as the choice based lettings service on 2 July 2012 at which point the service transferred to the sub-regional scheme Property Pool Plus, a joint collaboration between the 5 Merseyside housing authorities Halton, Knowsley, Liverpool, Sefton and Wirral and over 25 RPs. At the time of writing this report the service had been "live" for five and a half months.
- 1.3 Property Pool Plus comprises a joint allocations policy, a joint housing register and a shared web-based IT system provided by a third party provider Abritas. The project has been developed under the leadership of Knowsley Council with £160,000 grant from the CLG Regional Choice Fund awarded in 2008. The system gives applicants for social housing and existing tenants who wish to move, access to most of the social housing in Merseyside in one place and enables them to register and bid for available properties electronically.
- 1.4 Each local authority has responsibility for deciding on the administration arrangements for the service in their own local authority area and different models are in operation: in Halton, Knowsley and Sefton the service is operated centrally by the stock transfer landlord; in Liverpool the service is dispersed throughout the Liverpool partner landlords and in Wirral the service is operated by a team in the Department of Regeneration, Planning and Housing with a financial contribution of £250,000 being made by the Wirral partner landlords which represents approximately 70% of the running costs.
- 1.5 The transfer of Wirralhomes to Property Pool Plus has been completed although the reregistration of Wirralhomes applicants has taken longer than anticipated and is ongoing. All applicants who have indicated a wish to bid have been enabled to do so. Financial savings through increased efficiency and automated processes have been realised and a reduction in the staff team of three and a half FTEs has been made through redeployment, voluntary redundancy and natural wastage.

- 1.6 The new scheme recognises the housing need of a greater number of applicants than the previous scheme and there is a finer distinction between types of housing need through the use of 6 priority bands (A to F) compared with 3 under the previous system. Of the lettings reported to date, 69% have been to applicants in housing need and 31% to transfer applicants (ie those already living with a partner landlord). Most of these transfer applicants were also in housing need. The new policy gives high priority to under-occupying social tenants who may be affected by the welfare reforms.
- 1.7 The register is open to anyone in housing need but access to a priority band in Wirral is only available to applicants with a local connection to Wirral. 95% of people on the Wirral register have a full Wirral postcode. The policy imposes a cap of 4% of lettings which can be made to applicants from outside the area and to date 4% of lettings have been to this group. The net movement in and out of Wirral through the scheme is negligible.

## 2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Council's Housing Allocations scheme, which is common to the five partner local authorities and RP members of Property Pool Plus, was approved by Cabinet on the 17<sup>th</sup> March 2011 and implemented with effect from the 2<sup>nd</sup> July 2012 when the new Choice Based Lettings scheme 'Property Pool Plus' (PPP) went live in Wirral, replacing Wirralhomes.
- 2.2 All Wirralhomes applicants were contacted personally by letter with information about the new system and notices were placed in the weekly Wirralhomes advert telling applicants that the system would be changing. All applicants were advised that their details would be transferred automatically to Property Pool Plus and that they should log-on using the information provided or go to a One Stop Shop to provide the additional information required by the new system. Following provision of the additional information, their application would be re-assessed and activated on Property Pool Plus.
- 2.3 There were 21,055 applications on the Wirralhomes register whose details were transferred to the Property Pool Plus system. Of these, 6,155 applicants have provided the additional information required by the new system with 4,341 of these applications activated. A further 1,952 new applicants have registered and been made active making a total of 6,293 applications activated since the introduction of the system. At the time of writing this report the number of active applicants has reduced slightly to 5,776 due to applicants having been re-housed via the Property Pool Plus Scheme or requested their applications are closed. A total of 1,140 applications have been closed for reasons such as their mail has been returned by the post office, they no longer wish to move or they have been re-housed. In addition there are a further 3,407 applicants who have provided information and are waiting to be activated. This consists of 1,814 applicants who have transferred from Wirralhomes and a further 1,593 new applications. The Property Pool Plus team have prioritised the activation of
  - Applicants who wish to bid for a property
  - Applicants who had urgent need status on the Wirralhomes system, including those who were registered with the Disabled Persons' Housing Register (DPHR)
  - Applicants who are already tenants of social housing partners and who wish to move
  - Applicants who are working

- 2.4 Approximately 65% of former Wirralhomes applicants whose details have been transferred to Property Pool Plus have not yet made any contact to update their details. To spread out the workload for the team, applicants were given until the end of November to update their details. The re-registration process has taken longer than anticipated and the deadline has now been extended. All applicants who have not yet updated their details will be reminded to do so during 2013 if they wish to remain on the housing register. At the last Wirralhomes renewal in 2010, 44% of applicants did not renew their application.
- 2.5 The new allocations policy places applicants into 6 Priority Bands A to F which enables the authority to better distinguish between levels of housing need and economic status compared with the Wirralhomes system which had, in effect, only 3 preference Bands: Double Urgent Need, Urgent Need and No Assessed Need. Of the 5,776 applicants who have been assessed under the new criteria and currently have active registrations 34% (1,961) of them now have a priority because of housing need and fall within Band A, B or C and a further 7% (420) have a priority because they have no housing need but have a household member in employment (Band D). The remaining applicants either fall into Band E (58%) as they have no housing need but would like to move or under Band F (1%) have reduced priority due to unacceptable behaviour. This is shown in the table below. Under the Wirralhomes scheme, on 2<sup>nd</sup> April 2012, there were 21,280 applicants on the housing register of which only 7% (1,470) had a priority status where 1% (131) had Double Urgent Need status and 6% (1,339) had Single Urgent Need status.
- 2.6 There are therefore a greater number and proportion of applicants whose housing need is recognised under the new scheme than the previous one. It is likely that because activation of Wirralhomes applicants with Urgent need has taken precedence in the reactivation process, the proportion of applicants with priority status will decrease as the number of activated applications increases.

	Band	Sub bands	Total applics	% applics
Band A	Urgent priority to move	<ul> <li>✓ Health/Welfare (Urgent)</li> <li>✓ Statutory Homeless (Not intentional, in priority need)</li> <li>✓ Regeneration</li> <li>✓ Overcrowded (2 or more bedrooms)</li> </ul>	97	2%
Band B	High priority to move	<ul> <li>✓ Health / Welfare (High)</li> <li>✓ Overcrowded (1 bed)</li> <li>✓ Disrepair</li> <li>✓ Under occupation (social rented sector)</li> </ul>	1094	19%
Band C	Medium priority to move	<ul> <li>✓ Health/Welfare (Medium)</li> <li>✓ Homeless (no priority need)</li> <li>✓ Homeless (intentional with priority need)</li> <li>✓ Living with fam&amp;friends</li> </ul>	770	13%
Band D	No housing need but at least one member of the applicant's household is in employment	No assessed need and in employment with a local connection	420	7%

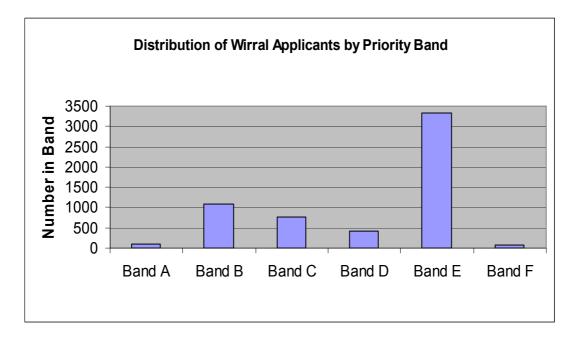
2.7 As at 12 Dec 2012, applicants had been assessed into priority bands as follows:

Band E	No housing need but would like to move either now or in the future	<ul> <li>✓ No assessed need and not in employment</li> <li>✓ No local connection</li> </ul>	3333	58%
Band F	Reduced priority for a move because of unacceptable behaviour	Reduced preference status due to unacceptable behaviour	62	1%
	Total		5776	100%

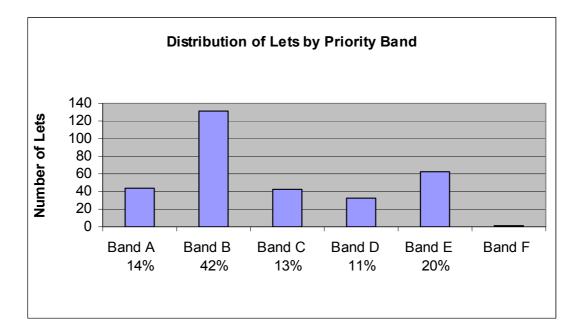
- 2.8 The sub-bands with the greatest proportion of applicants are as follows:
  - Band B Under occupied: 12%
  - Band C Medium Health and Welfare: 9%
  - Band B Overcrowded 1 bedroom: 5%
  - Band C living with family and friends: 5%
  - Band B High Health and Welfare 4%

All the other sub-bands contain fewer than 1% of the applicants on the register.

2.9 A graph showing the distribution of the Bands of applicants is shown below.



- 2.10 Keeping Bands A and B for people with an Urgent or High need to move should ensure that they are able to move more quickly than those for whom the need to move is less urgent.
- 2.11 To date the lettings results for 313 properties have been published by the Wirral RPs. Most properties have been advertised so that any band can apply, but preferences are given to certain groups eg those with resident children or those who are working. A graph showing the distribution of the Bands of the successful applicants is shown below:



- 2.12 The graph in 2.11 shows that one fifth of properties were allocated to people without any assessed housing need (Band E) and another 11% were allocated to people with no assessed housing need but who are working, giving a total of 69% of properties allocated to people in housing need. In general, accommodation is only allocated to an applicant with no housing need if there is no suitable applicant in a higher Band interested in the property. Wirralhomes had a target that two thirds of properties would be advertised giving priority to people with an Urgent need. In the financial year 2010/11 the percentage of lettings to people with priority need status through Wirralhomes was only 42%. Property Pool Plus does not target particular properties at people with or without Urgent Need, but anyone whose needs match an advertised property can apply for it. In this way people in housing need have the greatest choice of the available property and their housing needs can be met more quickly.
- 2.13 On average there have been 29 bids per property although there have been a number of properties with no bids. Those properties where no bids are received are then advertised again via the Property Pool Plus scheme on an 'available now' basis where all applicants can apply directly to the landlord.
- 2.14 In general any application through Property Pool Plus is managed by the administering body where the applicant lives, but if the applicant is from outside the area, they can choose who administers their application.
- 2.15 The policy places a cap of 5% on the number of lettings which can be made to any applicant living outside their local authority area. A total of 95% of applicants on the Wirral housing register have an address with a full Wirral postcode. Any other single postcode group represents fewer than 1% of the applications, for example 0.3% of applications have a Chester postcode. Any applicant who does not live in Wirral can only gain entry to Band A, B, C or D if they have a local connection with Wirral.
- 2.16 Of the 313 properties reported as let by Wirral RPs to date, 10 have been let to applicants living in one of the other four Local Authority areas participating in the scheme. There have been a further 3 lets to applicants from outside the sub-regional area. This is a total of 13 lets to applicants from outside Wirral, equating to 4% of the total, which is within the 5% limit set within the Property Pool Plus Policy. There were a total of 12 applicants registered with Wirral who have been re-housed via the Property

Pool Plus Scheme to a property within one of the other four participating Local Authority areas, meaning the net movement in and out of the Wirral area is negligible.

- 2.17 The Disabled Persons' Housing Register (DPHR) which operated as part of the Wirralhomes Scheme is still operational under the Property Pool Plus Scheme. Prior to the introduction of Property Pool Plus there were 506 households registered with the DPHR; there are currently 280 active DPHR applications on Property Pool Plus. Those DPHR applicants who have not re-registered are being contacted to offer assistance, if required with the re-registration process. It is anticipated that all DPHR applicants who have not re-registered by the end of January 2013.
- 2.18 When registering with Property Pool Plus applicants are requested to select their top five areas of preference where they would choose to be re-housed. The following table shows the number of households who selected each of the areas as their first preference. This table includes applicants whose application has not yet been activated. This information will prove very useful in informing future development decisions. This information can also be used to assist vulnerable applicants with the bidding process as their applications can be set up to automatically place bids on suitable properties in their areas of choice.

First Area of Preference	Number of Households	Percentage of total
Bebington	929	10.0%
Beechwood	144	1.6%
Bromborough	321	3.5%
Bromborough Pool	20	0.2%
Central Birkenhead	1011	10.9%
Claughton	182	2.0%
Eastham	257	2.8%
Egremont	103	1.1%
Greasby	128	1.4%
Heswall	181	2.0%
Hoylake	172	1.9%
Irby	63	0.7%
Leasowe	137	1.5%
Liscard	305	3.3%
Meols	20	0.2%
Moreton	794	8.6%
Mount Estate	91	1.0%
New Brighton	385	4.2%
New Ferry	121	1.3%
Noctorum	62	0.7%
North Birkenhead	144	1.6%
Overchurch	36	0.4%
Oxton	266	2.9%
Pensby	137	1.5%
Port Sunlight	61	0.7%
Poulton	64	0.7%
Prenton	336	3.6%
Rock Ferry	403	4.3%
Saughall Massie	41	0.4%
Seacombe	113	1.2%
Thingwall	35	0.4%
Tranmere	317	3.4%

Upton	147	1.6%
Wallasey	487	5.3%
Wallasey Village	206	2.2%
West Kirby	338	3.6%
Woodchurch	314	3.4%
Preference Outside Wirral	131	1.4%
No Preference Logged	395	4.3%
Total	9266	100%

- 2.19 Partner RPs are keen to ensure that their own tenants, known as transfer applicants are able to access the Property Pool Plus Scheme and successfully bid for suitable properties via the scheme, if required. This is particularly relevant currently due to the welfare reforms around under-occupation due to be introduced in April 2013. Transfer applicants currently account for 33% of all active registrations. Of the 313 lets reported in table 2.11, 31% were let to transfer applicants which correlates with the percentage of transfer applicants registered. In addition to being able to register with the scheme and bid for advertised vacancies transfer applicants are also able to register their details on the Mutual Exchange Module of the system which is linked to a National Scheme. Working procedures for this module of the system are being developed by the partner RPs as they must approve their tenants' Mutual Exchange Adverts. It is envisaged that the use of the Mutual Exchange Module will be further explored in the early part of 2013.
- 2.20 Applicants with a Black and Minority Ethic (BME) background are better represented on the register under Property Pool Plus (7.3%) than they were under Wirralhomes (2.3%) and are more highly represented on the housing register than they are in the Wirral population as a whole using the 2011 Census figures (5%). The following table shows the percentage of applicants currently registered with Property Pool Plus from each ethnic group compared to those registered with Wirralhomes as at 2<sup>nd</sup> April 2012. The reason for the difference may be due to the re-registration process and more advanced IT system which means that the data collected is more complete and more accurate.

Ethnic Origin of Main applicant	Wirralhomes % of Total as at 2/4/2012	Property Pool Plus % of Total as at 21/12/12	Wirral Census 2011 %
White British	96.4	92.7	95%
White Irish	0.3	0.5	0.8
White Any Other	0.9	1.9	1.2
Mixed: White and Black Caribbean	0	0.3	0.3
Mixed: White and Black African	0	0.1	0.2
Mixed: White and Asian	0.1	0.1	0.3
Mixed: Any Other	0.2	0.4	0.3
Asian or Asian British: Indian	0.1	0.1	0.4
Asian or Asian British: Pakistani	0	0	0.1
Asian or Asian British: Bangladeshi	0.1	0.1	0.3
Asian or Asian British: Any Other	0.2	0.3	0.3
Black or Black British: Caribbean	0.1	0.1	0.1
Black or Black British: African	0.2	0.3	0.1
Black or Black British: Any Other	0.1	0.1	0
Chinese	0.2	0.2	0.5
Other Ethnic	0.3	2.4	0.1
Arab	0	0	0.1
Total Non-white British	2.3	7.3	5.0

Not stated	0.8	0	
Total	100	100	100

- 2.21 There has been a reduction in the number of disabled people registered on the scheme and those previously registered who have not re-registered are being offered assistance in updating their application if they wish to do so.
- 2.22Property Pool Plus is being used to advertise Accredited Private Rented properties alongside Social Housing as was the case with Wirralhomes. The feedback received from landlords advertising their properties via the system to date indicates that they are very enthusiastic about the modern and professional way that properties are advertised, which is similar to web sites such as Right Move. The Landlord Accreditation Team will be using the system as one means to attract landlords to consider becoming accredited, as this is obviously a major benefit.

## 3.0 RELEVANT RISKS

3.1 There are no relevant risks associated with this report which is a status update on the operation of Property Pool Plus.

## 4.0 OTHER OPTIONS CONSIDERED

4.1 No other options were considered in relation to this report which is a status update on the operation of Property Pool Plus.

## 5.0 CONSULTATION

5.1 The Property Pool Plus allocations policy was subject to an extensive consultation period in accordance with Government guidelines.

## 6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 Voluntary, Community and Faith groups, particularly those who advocate for and support applicants for Social Housing will find the information contained in this report useful.

## 7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 7.1 Property Pool Plus uses a shared computer system which uses more automated IT than the previous Wirralhomes system. This has enabled the staff team to be reduced by 3.5 FTEs through redeployment, voluntary redundancy and natural wastage.
- 7.2 There are no direct resources implications associated with this report, however members should note the cost to run the Property Pool Plus service in 2012-13 is £353,000 with Wirral's partner landlords contributing £250,000 of this and the remaining balance of £103,000 met from the Council's budget.

#### 8.0 LEGAL IMPLICATIONS

8.1 The Allocations policy is subject to legislative requirements and social housing allocations must be made in accordance with the published Property Pool Plus allocations policy.

#### 9.0 EQUALITIES IMPLICATIONS

9.1 This report carries no requirement for an EIA.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 None.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 None.

#### **12.0 RECOMMENDATION/S**

12.1 It is recommended that members note the contents of this report and indicate what further information, if any, they would like to see reported in the 6 monthly and/or annual reporting figures.

## **13.0 REASON/S FOR RECOMMENDATION/S**

13.1 The reasons for the recommendations are outlined in the report.

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#### APPENDICES

REFERENCE MATERIAL

#### SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet Approval of Council Allocation Policy	17 March 2011