

PART 1 - PUBLIC

Decision Maker: **Adult & Community Policy, Development and Scrutiny Committee**
Adult & Community Portfolio Holder

Date: **26th JANUARY 2012**

Decision Type: Non-Urgent Non-Executive Non-Key

TITLE: **SOCIAL HOUSING TENANTS: GREATER LONDON AUTHORITY PAN-LONDON MOBILITY SCHEME**

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Ward: BOROUGHWIDE

1. Reason for report

This report provides a summary of the new Greater London Authority Pan-London Mobility (PLM) Scheme designed to facilitate a level of cross-borough moves for existing social housing tenants within the Capital. It then goes on to outline the potential implications and proposal for the London Borough of Bromley to formally participate in the new scheme from April 2012.

2. RECOMMENDATIONS

2.1 The PDS Committee are asked to :-

- a) Consider and comment on the new Greater London Authority Pan-London Mobility Scheme.
- b) Consider, and agree the recommendation to the Portfolio Holder to formally participate in the scheme from April 2012.

2.2 The Portfolio Holder is recommended to:

- a) Consider any comments from the PDS Committee, particularly in response to the implications of the new scheme.
- b) Agree the proposal to participate in the scheme from April 2012, subject to the scheme being fully launched and operational at Pan-London level by this date.

Corporate Policy

Existing policy: See sections 2 and 4 explaining the proposed variation to existing policy which has Portfolio approval.

Financial

1. No cost Funded by GLA
 2. N/A
 3. Budget head Housing and Residential Services Division.
 4. Total budget for this head £N/A
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Staff

1. Number of staff (current and additional) – N/A - the scheme is managed by GLA with bulk of verification work undertaken by housing associations. It is anticipated that the LBB role will be strategic/monitoring absorbed within existing management systems.
 2. If from existing staff resources, number of staff hours – N/A
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Legal

1. Non-statutory - Government guidance: Whilst there is no statutory duty to participate in Pan-London Mobility, allocations through this scheme may fall within the Statutory framework pertaining to housing allocations and the Authority's duty to have a published Allocations Scheme within which it sets out how it will prioritise applicants and allocate to available social housing. See sections 2 & 4.
 2. Call-in is not applicable:
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Customer Impact

Estimated number of users/beneficiaries (current and projected) - PLM is based on a 5% contribution of lettings - approximately 30 properties per year from Bromley based on current lettings trends. Overall it is anticipated that around 1,400 properties will be let across London each year under the Pan-London mobility scheme. At the beginning of December 2011 there were approximately 1,100 Bromley social housing tenants registered for a transfer on the Housing Register

1. COMMENTARY

Introduction: What is the Pan-London Mobility Scheme?

- 1.1 In pursuance of policy 1.3H of the Mayor's London Housing Strategy, The Pan-London Mobility Scheme (PLM), called *Housingmoves* had been developed by the Greater London Authority (GLA) in close consultation with the London Boroughs and a number of key housing associations operating across the capital. These housing associations are the ones who have development partner status with the Homes & Communities Agency (H-C-A) and it is a condition of their grant funding that they participate in PLM. A number of these housing associations have stock in Bromley.
- 1.2 The PLM scheme is a new housing mobility service for London's social housing tenants. It is designed to facilitate cross-borough moves for social housing tenants who wish to move around the Capital. At present, whilst there are a number of more localised protocols and reciprocal arrangements for cross-borough moves, there is no single formal system or scheme in place through which social housing tenants can do this. Overall the scheme is designed to add value to existing local and sub-regional mobility schemes, offering a more consistent and transparent way for tenants to move across borough boundaries.
- 1.3 Details of the full policy framework which sets out in detail how the scheme will operate can be found at <http://www.london.gov.uk/priorities/housing/housing-need/mobility/pan-london-mobility> . The information below provides a summary of the key points within the policy framework.

Contributing and Equalisation of Property Numbers:

- 1.4 Boroughs and housing associations contribute 5% of their lettings into a Pan-London pool and tenants are then able to bid for the pooled properties. Any properties placed into the pool and not let are returned to the host borough for local allocation.
- 1.5 Overall it is estimated that there will be up to 1,400 properties per year available to the PLM scheme. Based upon current lettings trends within Bromley this would equate to a local contribution of approximately 30 properties in the first year. The system allows for adjustments to be made to take in to account increases or decreases in available supply for letting.
- 1.6 The scheme has been designed to offer boroughs as much flexibility as possible in terms of the actual homes they contribute, as long as the overall number equates to the percentage of lettings and that the mix is proportionate to the overall breakdown of bedsize of vacant properties in relation to 1, 2 and 3 bed homes and accessible homes. Whilst larger properties would be encouraged there is currently no requirement to put 4+ bed properties into the Pan-London pool.
- 1.7 The Scheme will be reciprocal, meaning that it should have no net impact on a borough's stock and lettings, irrespective of the total volume of moves to and from the borough.
- 1.8 To achieve this, there will be an automatic quarterly equalisation process and an annual equalisation process. The aim will be to start each year at zero. As an ultimate guarantee, if equalisation has still not occurred after four quarters and the above measures have not worked, boroughs will not have to put any further properties into the scheme in the following year, or permit no tenants from a certain borough to bid for properties through the scheme, until numbers have been equalised. In this equalisation arrangement, bed size will also be taken into account.

Allocation and Prioritisation of Applicants:

- 1.9 The PLM scheme will prioritise social housing tenants who are underoccupiers, in work or education/training linked to employment and those who wish to move to provide care and support to a family member or friend.
- 1.10 Most other tenants are also eligible for inclusion onto the scheme providing they have conducted their current tenancy in an appropriate and satisfactory manner, adhering to the relevant terms and conditions.
- 1.11 Tenants subject to action due to, for example, anti-social behaviour or rent arrears will not be eligible for inclusion onto the scheme.
- 1.12 The scheme will also not be open to those who currently only have an introductory or starter tenancy.

Lettings Process:

- 1.13 All processes will be fully automated, using a public website and 'back office' portal for landlords hosted by the GLA.
- 1.14 In line with established methods of advertising social housing to applicants, the PLM scheme will use a web-based choice-based lettings (CBL) system to facilitate lettings. Tenants will apply and bid through this system.
- 1.15 Upon receipt of an application, the verification and eligibility assessment for inclusion onto the scheme will be undertaken by the applicant's existing landlord. As the Council has no housing stock, this means that the verification process for all applicants from LBB will be undertaken by the respective housing association landlord.
- 1.16 Landlords will then be able to load properties for advert directly onto the PLM website. This will be done in conjunction with the LBB housing Allocations Team who will oversee which properties are placed into the pan-London pool in line with existing procedures and monitoring in relation to nomination rights and the annual lettings plan.
- 1.17 Applicants will bid for properties via PLM schemes CBL website. Their bids will be prioritised according to the PLM scheme allocations policy as summarised in paragraph 1.9. The system will match bids to properties in priority order and provide a shortlist of bids to the receiving landlord. The receiving Landlord (in the case of LBB, partner housing associations) will then facilitate the lettings process in their normal way, verifying applicants' details and allocating to the highest priority registrants who are eligible and short listed for the property.

Management & Governance

- 1.18 PLM scheme will be provided and administered by the GLA. There will be an overarching PLM board and steering group to govern policy, strategy, evaluations, reviews and funding which will include representatives from the London Boroughs, housing associations, London Councils and the National Housing Federation. A full evaluation and review is due to take place in April 2013.
- 1.19 The scheme will also be subject to close local monitoring through the established monitoring mechanisms for the existing Allocations Scheme and annual lettings plan.

Adopting the Scheme and timescales

- 1.20 Due to the current launch of the new Bromley Allocations Scheme and associated re-registration of all applicants, it is proposed that Bromley formally agree to participate in the PLM Scheme from April 2012.
- 1.21 This will enable time for the London wide scheme to be launched, training provided by the GLA for local LBB and housing association staff and for the GLA promotional material to be rolled out to social housing tenants.
- 1.22 Having the date separated from the launch of the local allocations scheme will also assist in minimising any confusion between the two schemes and assist in providing a suitable timescale for the bedding in of the local scheme.
- 1.23 The operating procedures proposed aim to minimise potential administrative implications for the Council, with verification and short listing procedures all being operated by the housing associations and GLA, and the management and monitoring overview being absorbed by the housing management team within existing arrangements for the annual lettings plan and nomination monitoring. An April launch will provide sufficient time to fully embed these mechanisms.
- 1.24 The scheme operates on a property neutral basis for each authority and so should not directly impact upon supply and demand within the Borough, the scheme is designed to enhance the range of options available to social housing tenants, especially at a time when many Allocations Schemes, including Bromley's is implementing a renewed focus on greatest need. Thus an April launch will be timely following the re-registration process and fact that a number of applicants will no longer have priority on the local scheme. In addition it is hoped that the scheme will also help to make best use of available stock and direct those wishing to move across boroughs through the PLM scheme rather than local housing registers.

2. POLICY IMPLICATIONS

- 2.1 The current Bromley Allocations scheme has been framed to take in to account both the Mayor's London housing strategy including PLM, together with increased local flexibilities arising from the latest code of guidance and also the Localism Act.
- 2.2 The scheme does already provide for cross-borough working including reciprocals and sub-regional mobility and provides levels of prioritisation for underoccupiers, those requiring a move because of work or to provide essential care or support. In addition there is a level of provision for out of borough applicants in terms of those with essential needs to move into the borough and also for tenants of participating housing associations. Based upon the legal advice received this suggests that participation in PLM constitutes a variation to existing policy as opposed to any major policy change as it does not deviate from the overall scope of existing policy or conflict with the overall aims to make best use of stock to meet housing need.

3. FINANCIAL IMPLICATIONS

- 3.1 The PLM scheme is provided, hosted and paid for by the GLA. Funding has initially been secured for the first 2 years, during which time the steering group has been tasked to assess future funding options.
- 3.2 Should, in the future, local authorities and housing association be asked for a contribution towards it's future operation, this will be reported back to the Portfolio Holder to consider

whether Bromley would wish to continue to participate and contribute towards the scheme.

4. LEGAL IMPLICATIONS

- 4.1 Legal advice regarding the legality of the PLM scheme, how it fits with the statutory allocations framework and the measures in the forthcoming Localism Act and the legal requirements for boroughs to participate in the PLM scheme has been provided for the GLA and all London Boroughs by Jan Luba QC, Garden Court Chambers, who is a specialist in housing law.
- 4.2 The GLA was advised that boroughs and social landlords should note that the Regulatory Framework for Social Housing, published by the Tenant Services Authority, maintains a specific requirement for all social landlords to participate in mobility schemes where they are available. Clause 134 of the Localism Bill also contains a duty for boroughs to have regard to the London Housing Strategy (which contains a policy in respect of sub-regional mobility) when preparing or modifying their allocation schemes.
- 4.3 Under the current Policy Framework, some PLM scheme lettings would be governed by the statutory allocations framework whilst others may fall outside of this framework, dependent upon the individual circumstances and referral routes. However the advice confirmed the lawful status of the PLM scheme within the statutory framework. A summary of this can be found in Appendix A. As some allocations fall within the statutory allocations framework it is proposed to make explicit provision for PLM within the local allocations scheme, by agreeing to include the following additional paragraph (as drafted by Jan Luba) into the introductory section of the existing scheme:

“The Council participates in Pan-London mobility (PLM) arrangements and accordingly up to five percent of properties that become available to the Council for nomination each year will be made available to transferring tenants from other boroughs under those arrangements. For more details of the PLM arrangements see [reference to PLM website and policy framework]

The decision as to which vacancies will be put forward to the operators of PLM for applicants from other boroughs will be made by the Head of Housing Needs and Group Manager Housing Solutions in line with the Annual lettings plan and in liaison with the housing association allocations lead for the respective housing association landlord.

The ultimate decision as to which PLM registrant will be let the property will be made by the allocation lead for the housing association landlord in the case of vacancies within Bromley.

As a result of our participation in PLM, existing housing association tenants in Bromley can make transfer applications through PLM to be considered for vacancies in other London local authority areas.”

- 4.4 The GLA was also advised that it would be lawful for boroughs to allocate 5% of their housing stock or their nominations.
- 4.5 The question of Pan-London Mobility and cross-borough moves was included within the recent consultation preparing for the new allocations scheme receiving overall support as a further tool to increase the housing options available to resolve housing need and make the most effective use of stock.

- 4.6 Finally an Equality Impact Assessment was completed in preparation for the new allocations scheme and updated accordingly in light of PLM, taking account of the detailed EIA and monitoring regime put in place by the GLA for the PLM scheme.

Non-Applicable Sections:	Personnel
Background Documents: (Access via Contact Officer)	Bromley Common Allocations Scheme (Sara Bowrey) Policy Framework PLM scheme: http://www.london.gov.uk/priorities/housing/housing-need/mobility/pan-london-mobility . (this includes the detailed Legal Advice provided to the GLA in relation the PLM scheme)

Appendix A;

Extract from the summary of legal advice provided by Jan Luba:

Legal status of the PLM scheme

On the issue of allocation schemes, the GLA was advised that under the Policy Framework as it stands, some PLM scheme lettings would be governed by the statutory allocations framework. Boroughs have a duty under the Housing Act 1996 to ensure that their allocation scheme is framed to give “reasonable preference” to specified categories of persons. However, allocating some social lettings through the PLM scheme to people within the statutory allocation framework but without “reasonable preference” would not necessarily prevent boroughs from fulfilling this duty. This is because “reasonable preference” does not mean a reasonable preference in respect of every house available for letting, and under the Housing Act 1996 boroughs are permitted to ring-fence or remove particular properties from the ordinary run of the allocations scheme, even if those properties are allocated to persons without reasonable preference.

The GLA was also advised that it would be lawful for boroughs to allocate 5% of their housing stock (or their nominations to other housing providers’ stock) to be exclusively available to PLM scheme registrants, based on a number of factors including the following:

- the vast majority (up to 95%) of lettings would still go to reasonable preference category tenants;
- equalisation arrangements mean that there should still be the same number of lettings available to new tenants;
- in the *Ahmad v Newham* case, the court considered that the allocation of 5% of housing to non-priority in-borough applicants was lawful; and
- Some of the PLM registrants would be in reasonable preference categories anyway.

Borough participation in PLM scheme

As some lettings under the PLM scheme will fall within the statutory allocations framework, it is necessary for boroughs to make provision for PLM within their allocations schemes.

The GLA was advised that if the Localism Bill was enacted as drafted, some of the lettings through the PLM scheme would still be governed by the statutory allocation framework (albeit fewer than under the current regime). Borough allocation schemes would still, therefore, need to make provision for the PLM scheme.