

APPENDIX 1

REVIEW OF ONE OFFER ONLY POLICY

1. Summary

Housing Committee has requested that officers undertake a review of the offers policy associated with the Council's Housing Allocations Scheme, in particular comparing the impact of a single offer policy, against a two offer policy.

The one offer only policy was introduced in September 2013 because a significant number of households were refusing their first offer of accommodation; in 2012/13 181 households refused their first offer, creating delays in letting homes at a time of high demand.

Prior to this the Allocations Scheme allowed some applicants to refuse the first suitable offer of a property regardless of whether they appealed successfully against it and then have a further choice from the available properties. Applicants who also refused a second suitable offer were removed from the banding system (cancelled) for 12 months, unless changes to their circumstances merited a full review of their housing needs.

The two offer policy ended in September 2013. Applicants were now offered only one property and were expected to accept this offer or be removed from the banding system (cancelled) for 12 months. Since February 2015 applicants are removed from the banding system (cancelled) for 2 years if they refuse a suitable property.

The reason for this change was that there is still a very limited supply of housing available to allocate to, meaning that realistically households can only expect to be offered one suitable property that is affordable and meets their fully assessed needs.

The change was also intended to discourage applicants from refusing offers of accommodation that are suitable, affordable and meet their assessed needs because they think they might be offered something else in the future that they might prefer. They also may be staying in unsuitable or temporary accommodation while they are waiting to accept an offer.

2. Analysis

Table 1 below compares the number of refusals when there was a two offer policy in operation and when there was a single offer policy in operation.

Table 1: Refusals of suitable offers

Approach	Two offers then cancellation for 12 months	One offer then cancellation for 12 months	One offer then cancellation for 2 years
Timeframe of analysis	April 2012 to September 2013	September 2013 to February 2015	February 2015 to December 2015
Refusal of first offer	181	29	62
Refusal of second offer	22	N/A	N/A

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An analysis of the data has found that the number of applicants refusing the first suitable offer reduced substantially when the one offer only policy was introduced. However, the number of refusals has increased in the past year; suggesting that the extension of the period of time an applicant is removed from the banding scheme has not deterred applicants from refusing suitable offers of accommodation.

Although the total number of refusals has doubled in this period, from 29 to 63, there have been more temporary accommodation offers in the past six months, particularly through the rehousing of households on the regeneration estates. However, the number of cancellations as a result of not accepting secure council and housing association offers has also increased over this period.

All applicants are entitled to a review of the offer of accommodation if they feel that the offer is unsuitable. If the review agrees that the offer is not suitable then the applicant will be offered a further property that fully meets their assessed needs. Applicants can also move into the allocated property while they have their case reviewed.

Recent case law has placed an increased responsibility on Barnet Homes to ensure that they are tailoring each offer of accommodation to the individual circumstances of each case. This ensures that offers are of a high quality and that they meet the fully assessed needs of the housing applicant. This includes the impact that moving a household out of the borough has on the welfare of any children. As part of this Barnet Homes also considers the disruption of any move on a child's social and educational development as well as to promote, and safeguard, their welfare.

Where applicants have requested a review of an offer, the majority of offers have been found to be suitable, again suggesting that Barnet Homes is making offers of a high quality that meet the needs of applicants. There is also discretion in the scheme meaning that when it is appropriate applicants can receive more than one offer, for example, when there is a need for more specialised and adapted housing.

Given that there is still a lack of affordable housing supply available for Barnet Homes to let to, it is recommended that the one offer only policy remains in place and is reviewed again in two years.

3. Background to the one offer only policy

Barnet is an area of high demand for housing. As can be seen from Table 2, below, the number of households presenting as homeless and the number of households being accepted as homeless has increased significantly over the past five years. The number of new temporary accommodation admissions has also risen.

The key reasons for the increased demand on services include:

- Increased housing costs combined with restrictions on housing benefit has resulted in more households moving out of Central London to Outer London boroughs, including Barnet. This is evidenced by a significant increase in the number of households claiming housing benefit in Barnet and a fall in housing benefit claims in Central London.

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- The number of households seeking help with their housing has been increasing throughout London because of the high cost of owning or renting a home.
- Private sector rents have increased faster in Barnet than in other parts of London and they are the 4th highest out of 16 Outer London boroughs, meaning that more low-income households may approach the Council for assistance with their housing.
- Some households have found it difficult to manage welfare reforms, particularly the overall benefit cap, and have had to move into more affordable accommodation.

Table 2: increased total demand on housing services

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Homeless presentations	643	867	1,113	1,131	1,097	1,592
Homeless acceptances	231	252	339	591	671	673
New temporary accommodation admissions	364	509	692	846	823	892

As demand has increased, there has been a reduction in the supply of affordable homes available to people facing homelessness, particularly in the private rented sector where the level of support provided through housing benefit has not kept pace with increases in private rents. In addition to this new applicants are competing with long-standing tenants in long-term temporary accommodation for a limited supply of properties.

Barnet has started to build new council homes to increase the overall supply of affordable homes that are available to housing applicants. Consideration is also been given to procuring accommodation in more affordable locations outside of London.

Given that there is a scarcity of subsidised accommodation in the borough, including council and housing association homes, the Council's Housing Allocations Scheme operates a policy of restricted offers of accommodation. Rather than having two opportunities to bid for, view and then refuse suitable properties, applicants are expected to accept the first suitable property that becomes available that meets their assessed needs.

This is to ensure that households in need are rehoused in suitable accommodation in the most efficient way and is based upon a full assessment of housing need, as well as a financial assessment to ensure that a property is affordable. It also takes into account an applicant's needs including size and location of accommodation as well as access to any required employment, education, health and welfare support.

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4. Void times

One of the key reasons for moving from a policy of two offers to a single offer was to prevent delays in letting properties. Given the high demand for housing in the borough it is important to ensure that applicants are rehoused in suitable accommodation as soon as is practical.

Table 3 below shows that routine void performance has improved over time. In 2011/12 the average void time was 33.90 days. This was when the Council operated the two offers policy meaning that applicants could refuse the first suitable property that met their assessed needs because they might be offered a further property that they prefer. Since 2013/14, when applicants have been expected to accept the first suitable offer of a property that meets their assessed needs, average void times have been around 10 days shorter. Properties are being let and households are having their housing needs met more quickly.

Table 3: Average routine void times 2011/12 to 2015/16

Year	Void time
2015/16 to December 2015	20.60
2014/15	23.00 ¹
2013/14	24.70
2012/13	23.80
2011/12	33.90

It is difficult to measure individual cases and compare waiting times for a second property during the operation of the two offers policy due to the banding system. This is because cases change within the Allocations Scheme on a weekly basis and many variables influence how quickly an offer is made and accepted. However, in general the void turnaround performance has improved since the one offer only policy was introduced and wider changes implemented along with the Allocations Scheme has certainly led to reduced waiting times for higher banded cases.

5. Reviews of suitability of accommodation offers

There have been no Judicial Reviews on the suitability of accommodation offers, either when applicants could receive two offers or a single offer of accommodation.

Housing applicants have the right to request a review of an offer of accommodation and this is explained to them when an offer is made. Since the one offer policy was introduced there have been 43 reviews completed to assess the suitability of accommodation. Only five of these reviews have been successful for the applicant in that it has been determined that the offer of accommodation was not appropriate because it did not meet their assessed needs. This suggests that in the majority of cases, Barnet Homes has been making appropriate decisions on the suitability of offers of accommodation.

¹ In the 2014/15 benchmarking Barnet Homes standard void times were just behind the upper quartile and were in the upper quartile for major and all voids (standard and major). This was an improved performance to previous years.

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It should be noted that a lot of work is put into assessing the suitability of any property, particularly in light of recent case law. All assessments of suitability are based on the individual circumstances of each applicant, having full consideration of issues such as schooling, work commitments and support networks as well as an assessment of the affordability of the rent.

Recent analysis of the rehousing of non-secure tenants in the last two quarters has suggested that 80% have been rehoused in the borough, including 44% that have been rehoused in secure tenancies within the borough. This also suggests that the one offer policy is being applied reasonably and fairly.

6. What happens to applicants who refuse

Barnet Homes does not track what happens to all applicants who refuse a suitable property and then have their application cancelled. It can be assumed that many of them find alternative arrangements elsewhere without the help of Barnet Homes. Applicants can also reapply if there are material changes in their circumstances that warrant a full reassessment. Only 15 applicants have gone onto reapply for housing having had a previous application cancelled because they refused a suitable offer. These applicants will still be expected to accept the first property that becomes available and fully meets their assessed needs.

7. Conclusions

Given that there continues to be a shortage of supply of affordable accommodation, it is recommended that the one offer only policy remains in place and that it is reviewed again when it has been operational for two years. At this time there will be more data on the number of cancellations in order to make a more substantial judgement on whether it is reasonable to expect applicants to accept the first suitable property that becomes available and meets their needs.

It is also considered to be a reasonable approach because there is the opportunity for every applicant to request a review of the suitability of their offer of accommodation. In the majority of reviews that have been made to date the decisions have been upheld in favour of Barnet Homes, suggesting that the systems are in place to ensure that officers are making high quality offers of accommodation, that fully meet assessed needs of housing applicants.

Finally, there is discretion in the system allowing more offers to be made when this is appropriate, for example, a household requires specialist adapted accommodation.