



Dacorum Borough Council

Follow-up Review of Housing Allocations and Homelessness

August 2024

Final



Executive Summary

OVERALL ASSESSMENT






ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Inability to manage and deliver safe and good quality affordable homes.


SCOPE

Undertake a follow up review to assess the Council's effectiveness on dealing with Housing Allocations and Homelessness.

KEY STRATEGIC FINDINGS

-  219 Homelessness Applications are currently classed as in 'triage', this is due to delays in the service area caused by team capacity and increased workload.
-  There has been an underspend of £50,058 on staff expenditure, the previous audit identified an £8,000 underspend.
-  Information in Quarterly Housing Needs Reports is outdated.

GOOD PRACTICE IDENTIFIED

-  A framework has been put in place that limits Agency Staff usage, the forecast for Agency spending in 24/25 is £0.00.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	1	2

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	Cases in Triage are awaiting further actions, they are either, allocated to the Triage (Housing Advice) team for initial assessment, have been passed for allocation to a Homeless Prevention Officer, or have been allocated to Homeless Prevention Officers but not yet moved over to the prevention/relief stage. A review of the current cases classed as 'triage' revealed that there are now 219 cases outstanding. Discussions with the Housing Options Manager confirmed that this was caused by issues in team capacity and a larger workload due to a consistent increase in homelessness applications. The team is now at full capacity has also been expanded to include an additional two Homeless Prevention Officers (filled as of June 2024). A review of the cases classed as triage is now being picked up as ongoing service improvement work.	Create a formal action plan focussed on the progression of cases classed as 'triage'. Review process at regular intervals, adjusting resources given to the project accordingly. Once brought down to a suitable level implement a target for cases in 'triage' with processes in place to ensure this target isn't exceeded.	2	<p><i>In regard to the Homeless Applications that are classed as triage, this is not solely due to delays in the service and includes: - increased demands due to applicants approaching stating they are or are threatened with homelessness. Compared with data from the same Quarter last year we have seen an increase of 50% in approaches.</i></p> <ul style="list-style-type: none"> - <i>Triage/casework enquiries</i> - <i>Information pending to verify eligibility or circumstances.</i> <p><i>When an applicant approaches a new case is opened and placed in triage state, pending enquiries. Once an initial triage assessment is completed, identifying/verifying: Eligibility for assistance, homelessness or threat with homelessness the case is then assigned to a Homeless Prevention Officer for enquiries to determine any duties owed. Cases are only referred to a Homeless Prevention Officer where resolution isn't achieved in triage assessment process.</i></p> <p><i>As at 08/08/2024 there are 21 cases in triage that are allocated to a HPO, which need to be progressed to Prevention or Relief state.</i></p>		

PRIORITY GRADINGS

1 URGENT Fundamental control issue on which action should be taken immediately.

2 IMPORTANT Control issue on which action should be taken at the earliest opportunity.

3 ROUTINE Control issue on which action should be taken.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					<p>When allocated, triage cases must be progressed to prevention or relief state within 5 days of the Officer being allocated the case.</p> <p>The following actions are proposed to improve effectiveness of the triage process:</p> <ul style="list-style-type: none"> - Review allocation process and target set. - Review case closure process, in instances where applicant does not engage or provide information. - Review dashboard and cases by state monitoring arrangements. 		
2	Delivery	All three Quarterly Housing Needs Team Performance Reports Provided stated that the 'team have assessed on average 191 Housing register applications and 188 Medical submissions per month'. The Service Pressures and details concerning these also remained the same across the Q1 and Q2 23/24 Reports. This suggests that the information for certain sections in these reports is often carried over rather than updated to meet the current state of the service.	Ensure that service pressures, and average applications assessed are reviewed and updated on a quarterly basis for the Housing Needs Team Performance Reports.	3	<p>The primary data collected for our performance reports centres on the demand for advertised properties, the number of bids received, and the number of advertisement cycles each property undergoes.</p> <p>This data is crucial for accurately assessing the true demand reflected in our Housing Register. It also provides real-time updates that are essential for the Strategy Housing, Investment, and Regeneration teams.</p> <p>By analysing this data, we can effectively influence registered providers during the planning stages of their housing developments, ensuring that these developments align with the actual demand identified in the Housing Register</p>		

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					<p>Performance data is used to help shape the service delivery in regards to staffing demands and projects being delivered is uploaded to the central KPI Inphase system.</p> <p>Assurance can be taken that performance data is being collected and reported on elsewhere and not in the performance reports that were submitted. The performance reports submitted focused on property demand and not the wider service. Apologises, this should have been removed from the report.</p>		

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
1	Directed	The Housing Allocations Policy provided was last updated in September 2023 and is reviewed on an annual basis, it does not state by whom it was reviewed and approved by.	Expand on version control of the Housing Allocations Policy to include the author and who approved the document.	<p><i>Our policies and procedures have the version numbers included as these go through a systematic approval chain for instance with the policies: Service Manager – Head of Service – Assistant Director – Strategic Director/SLT – Committee / council leaders. Following feedback, the opportunity will be taken to consider a review of this approach corporately.</i></p> <p><i>Housing Allocations Policy is programmed in to be updated to new policy document later this year. Upon completing this, relevant authors and version control will be added to the policy document.</i></p>
2	Directed	The DBC Homeless Toolkit provided was last updated in June 2023, it does not state how often it is reviewed or who it was approved by.	Implement version control into the DBC Homeless Toolkit detailing date of next review and approval.	<i>Housing Options Manager will review by the end of Q2. The toolkit will be reviewed yearly with approval by Head of Service before submitting.</i>

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	1, & 2
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	1	-

Other Findings



In the previous Audit two findings were raised pertaining to delays at different points in the homeless applications process. Additionally, it was found these delays had led to a backlog of 66 cases, which had been classed as 'triage'. The management comments received at the time explained that this was primarily due to long-term sickness absence & Officer vacancy which impacted effectiveness in respect of case management. It was ensured that a review of outstanding cases would take place, additional resources would be given to do this, and more regular monitoring would be undertaken to lower the number of cases in 'triage'.



The Housing Allocations Policy was last updated in September 2023 and is reviewed on an annual basis, it does not state by whom it was reviewed and approved by. Related legislative frameworks guiding the policy are detailed as the Housing Act 1996, as amended by the Homelessness Act 2002, Civil Partnership Act 2004, Housing and Regeneration Act 2008, Localism Act 2011, and the Homelessness Reduction Act 2017. Further guidance supporting the policy is listed at the end of the document.

The Policy's primary focus is Dacorum Borough Councils (DBC) commitment to allocating all social and affordable housing within their jurisdiction to those who most need it, and how applications for council and housing association homes are prioritised dependent on applicants' individual circumstances. This aligns with corporate aims laid out in the Corporate Plan 2020-2025, available via the council's website, which includes a section dedicated to providing good quality affordable homes, in particular for those most in need.

Five statements are listed within the Policy, explaining the key elements of the Councils Allocation process as follows:

Other Findings

- 1) 'Applicants will need to meet eligibility and any applicable qualification requirements in order to be active on the housing register'. The policy details this criteria for eligibility and provides a link to the Council website where further guidance and contact information can be found. Should the applicant lack the capacity to do this themselves the housing services liaise with an appointed representative to ensure housing needs are fully assessed.
- 2) 'We will administer the housing register and allocate homes by adhering to a fair and transparent process'. The process for application and allocation is explained. Once confirmed eligible, applicants can bid on properties via Moving with Dacorum, which is linked in the Policy. Alternatively, bids can be made through phone calls, text and in person at The Forum in Hemel Hempstead. The Policy notes that, as this is a choice-based lettings system, it is expected that applicants accept their first successful offer, should they not they will be suspended from applications for six months. Exceptional circumstances for withdrawal of an offer, advertisement of properties, types of rents offered, and the checks and assessments carried out prior to occupation are comprehensively detailed.
- 3) 'Points will be awarded to applicants based on their housing need and priority group status'. The Policy goes on to explain that applications are assessed by a Housing Needs Officer, who allocates points to applicants, these points are used to bid on properties. Appendix 1 of the Policy comprehensively details the point system used at the council, showing exactly how many points are awarded dependent on circumstances.
- 4) 'We will offer additional priority to applicants who fit specialist criteria'. These specialist criteria are included within appendix 1. This additional criterion typically applies to high-risk applicants, they may be classed as this due to being involved in witness protection or being an individual identified through multi-agency groups.
- 5) 'There are several exemptions and exceptions to the guidelines laid out in this Policy'. These are detailed within the Policy with links to further guidance relating to changing or ending tenancies.



Comprehensive procedures were provided for the Housing Allocations Team, this included flow charts and system user guides for each step throughout the housing allocation process. Guidance on case specific procedures were also provided, these relate to situations where specific circumstances are listed in the application form, this may be an applicant who is experiencing domestic abuse, or an applicant who is homeless. These procedures ensure that there are no gaps in the process for housing allocations and further support the corporate aims of ensuring those in need are always considered.



The current Preventing Homelessness & Rough Sleeping Strategy and Rough Sleeping (NSNO) Policy are under review and were not provided, although discussions with the Housing Options Manager and procedural documentation provided an overview of the process and legal frameworks adhered to. The process of managing a homeless application is guided by the legal framework and Homeless Code of Guidance, and associated caselaw. Primarily this relates to the Housing Act 1996, Part 7, Homeless Reduction Act 2017, Domestic Abuse Act, Suitability of Accommodation Order and Housing Act 1996, Part 6. In addition, consideration is given to the Public Sector Equality Duty.

Officers are provided with a toolkit, which provides guidance in case management processes. This is further supported by legislative materials that are available online and in hard copy format in the office. Officers will be expected to draw on specific policies for certain activity e.g. Domestic Abuse Policy, Safeguarding policy to ensure that in addition to the legal framework they are undertaking actions in line with these policies.

Other Findings



The corporate plan for 2020-25 is available on the Council's website. An entire section is dedicated to providing affordable homes for those most in need. The steps taken thus far towards this goal are listed, this includes continuous development and investments for affordable housing, consulting residents on housing services, and conversions of properties into temporary accommodation for those in need. These efforts show clear efforts towards the council's core goals, and the involvement of resident builds further trust within the community.

The plan for 2020 through 2025 is also detailed. This includes the construction of 5,000 new homes, 400 of which will be council homes, to provide further support to tenants in relation to tenancy sustainment and accessing affordable housing and reviewing the provision of housing for older residents. This further demonstrates a focus on allocation of housing to those in need, and a concern for tenant well-being.



The Strategic Risk Register states a key risk is the inability to manage and deliver safe and good quality affordable homes. The Housing and Property Operational Risk Summary notes more specific risks related to allocation of properties and homelessness. These risks are stated as:

- 1) Failure to satisfy the statutory function of Part VI of the Housing Act.
- 2) Increased homeless approaches due to Cost of Living and Ukraine/Asylum pressures.

Both note what controls are in place to mitigate these risks. In relation to homelessness, the Risk Summary ensures robust processes and procedures for case management, move-on pathways and plans identified, cross service working both in house and across the district and County to alleviate pressures. To ensure allocation of housing as per the Housing Act in place is the ICT system, staff structure with regular training, review of the Allocations Policy and monitoring of Team KPIs to ensure a quality service.







Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Partially in place	2, & 3	-
S	Sustainability The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	Out of scope	-	-

Other Findings

-  Performance reports for the Housing Needs Team are carried out on an ad hoc basis and are reviewed by the Housing Allocations Team. Reports are occasionally provided to the Overview and Scrutiny Committee should issues be noticed within the service area.
-  The previous audit report noted that there were no performance metrics in place to monitor the time taken to allocate properties once being ready to let, it was suggested this be implemented. It was stated by the Housing Needs Manager that having targets for allocation isn't necessarily suitable as formal allocation can be held back by other departments and refusals of offers. The current KPIs include the percentage of General Needs properties that were offered before the property was Ready to Let, the target for this is 95%. This has been consistently at 100%, other than November and December when the rate was at 95%. This suggests strong management of allocations, ensuring that offers are made as soon as possible to appropriate residents.
-  Three of the recommendations made in the previous audit report pertained to the allocation sample testing that took place, which highlighted delays in allocations, absence of formal allocation approval, and differences between monitoring information and source data.

10 sampled allocations were selected to review these same areas, the information pertaining to them was selected from the Property Data Sheet and compared with the source data via screenshare. The 10 sampled allocations had all the necessary dates recorded, had been made within targets, formal allocation approval could be provided, and all of the information concerning the samples aligned across the monitoring information (Property Data Sheet), and the source data on the various systems used at the Council.
-  The previous audit identified an overspend on agency staff of £51k, which would be unsustainable going forwards. Agency spending was not provided, although it was noted by the Housing Options Need Manager that a new agency framework has been introduced organisationally, which limits agencies available for use. The framework was the Crown Commercial Services (CCS) Framework that was implemented by HR in early 2023. The Allocations Team has not used agency staff since this was implemented and the Homelessness Team have not used agency staff since the team was brought to full capacity in February 2024. Because of this the forecast for agency spending in 2024/25 is £0.00. This provides suitable assurance that the agency spending issue is now resolved.

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	20 th May 2024	21 st May 2024
Draft Report:	30 th July 2024	16 th August 2024
Final Report:	29 th August 2024	