



Draft Housing Allocations Policy – Approval to Launch Consultation

Corporate Priority:	All Corporate Priorities
Relevant Ward Member(s):	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No

1 Summary

- 1.1 Councils are required to have a mechanism to assess housing need, advertise available social housing and allocate properties to households in need. This is known as the Housing Allocation Scheme. The Housing Allocation Scheme determines who can join the housing register for social housing and the level of priority that will be awarded based on an applicant's circumstances. It provides a framework to determine eligibility and prioritisation of applications for social housing properties via the Housing Register (Choice Based Letting Scheme).
- 1.2 A revised housing allocations scheme for Melton Borough Council has been drafted. This report seeks approval from Cabinet to enter a consultation phase to seek feedback from stakeholders, residents and current housing waiting list applicants on the proposed new policy. A further report detailing the outcome of the consultation, equalities impact assessment, final policy and timeline for implementation would be considered by Cabinet in March 2022.

2 Recommendation

That Cabinet:

- 2.1 **Note and endorse the contents of the draft Choice Based Letting and Housing Allocations Policy.**
- 2.2 **Approve the commencement of a 6-week period of consultation from 13th January 2022 to 25th February 2022**

3 Reason for Recommendations

- 3.1 The revised housing allocations scheme will make changes to the way in which applications for social housing are assessed and prioritised to determine who can join the housing register and the criteria to determine the priority banding of each application. Making changes to the Housing Allocations Scheme requires a period of consultation.
- 3.2 The Council is legally required to consult with other Housing Providers operating within the Borough, but it is also important to seek views and feedback from other partners, stakeholders, residents and current housing register applicants. The feedback received will enable amendments to be considered for inclusion within the policy ahead of a final version being considered by Cabinet in March 2022. The feedback will also enable the completion of a thorough equalities impact assessment, which will be considered by Cabinet alongside the revised policy.

4 Background

- 4.1 Councils are required to have a mechanism to assess housing need, advertise available social housing and allocate properties to households in need. This is known as the Housing Allocation Scheme.
- 4.2 The Housing Allocation Scheme determines who can join the housing register for social housing and the level of priority that will be awarded based on an applicant's circumstances. It provides a framework to determine eligibility and prioritisation of applications for social housing properties via the Housing Register (Choice Based Letting Scheme).
- 4.3 Melton Borough Council currently operates a Housing Allocation Scheme that was last updated in 2014. It requires a full review as it has not been updated in the context of local housing need, current partnership arrangements and has not taken account of legislative changes that have taken place since it was last reviewed.
- 4.4 A new housing allocations scheme for Melton Borough Council has been drafted. A copy is provided at Appendix A.
- 4.5 This report seeks approval from Cabinet to open a consultation phase, to seek feedback from stakeholders, residents and current housing waiting list applicants on the proposed new policy.
- 4.6 A further report detailing the outcome of the consultation, equalities impact assessment, final policy and timeline for implementation would be considered by Cabinet Members in March 2022.

5 Main Considerations

- 5.1 It is necessary to progress this work at pace to enable the development of an up to date, legally compliant and local relevant housing allocations policy.
- 5.2 The Allocations Policy was last reviewed in 2014. Since then, there have been some significant legislative and national policy changes including the introduction of the Homelessness Reduction Act in 2017. It is necessary to change some of the priority banding criteria to reflect the requirements of the Homelessness Reduction Act 2017, Public Sector Equality Duty and legislation / statutory guidance in relation to Care Leavers, Domestic Abuse and Armed Forces Veterans.
- 5.3 Previously, Leicestershire Councils operated a shared (sub-regional) housing allocations scheme. All other districts have since moved away from this shared arrangement and have developed separate allocations policies. Melton Borough Council's current policy has therefore fallen out of alignment with the current partnership context.
- 5.4 Demand for social housing remains high across the country. Social housing is a scarce resource, and it is important that the housing allocations policy provides a genuine route to access housing for households in need. The criteria to determine access to the housing register and priority banding are important. The policy has been reviewed in the context of local housing need. The changes proposed may mean that some households who do not have a housing need are no longer eligible to access social housing via the Melton Housing Register. A full impact assessment will be carried out as part of the consultation phase.
- 5.5 A project to configure a new IT solution to deliver the housing allocation scheme has been placed on hold pending this policy review, to ensure that when launched, the new case management system facilitates effective delivery of housing allocations in line with an effective, up to date and legally compliant allocations policy. Configuration of the new IT system will re-commence during the consultation phase in preparedness for implementation and will reflect any policy changes required as a result of the consultation.
- 5.6 **Summary of Proposed Changes**
- 5.7 The main changes to the new draft allocations policy incorporate the following areas:
- 5.8 **Homelessness Reduction Act 2017**
- 5.9 This legislation provided an opportunity to transform the way Local Housing Authority (LHA) services are provided to homeless people. The Homelessness Reduction Act (HRA) effectively bolted two new duties to the original statutory rehousing duty:
- a) The duty to prevent homelessness
 - b) The duty to relieve homelessness.
- 5.10 The additional provisions introduced by the HRA included:
- a) Duty to prevent and relieve homelessness
 - b) Requirement to carry out an assessment and personalised housing plan
 - c) Public bodies now have a duty to refer people whom they know are threatened with homelessness
 - d) Applicants have the right to ask for a review of any points of the legislation

- 5.11 To ensure greater alignment with the legislation the three stages of a homeless application have been reflected in the 3 bands proposed in the draft allocations policy
- a) **Band 1 Priority – Main Duty**
 - b) **Band 2 High – Relief Duty**
 - c) **Band 3 Medium – Prevention duty** (option to add an additional 6 months waiting time)
- 5.12 In addition, the draft policy proposes that all homeless applicants will be directly matched to suitable properties which, whilst reducing applicants' choice, will speed up the process of securing accommodation, and assist in the reduction of the Council's use of B&B and temporary accommodation.
- 5.13 **Options which will refine the number of eligible applicants on the register**
- 5.14 The process to develop a new allocations policy provides Melton Borough Council with the ideal opportunity to better match the number of applicants on the waiting list with the annual number of properties which become available.
- 5.15 The purpose of this is threefold:
- a) To ensure that eligible applicants have a realistic prospect of being housed
 - b) Not to raise people expectations unrealistically
 - c) By refocussing the overall number of applicants on the list, we are able to offer a more bespoke supportive service to enable people to access suitable accommodation.
- 5.16 To achieve this, the draft allocations policy includes the following three options which will both refocus the total number on the waiting list to a more balanced figure, and also support the allocation of much needed social housing on those with the strongest connection to the borough, though there are rightly exceptions to the local connection criteria, for example for people who work in the borough or who are fleeing violence or harassment etc. The proposals also look to remove those band 4 applicants with no housing or welfare need.
- 5.17 **Changes to the local connection criteria for both;**
- a) **Residency:** A move from the current definition which is – “ 6 out of the last 12 month or 3 out of the last 5 years (old homeless definition).” to 2 years residency within the borough and the removal of moving into the borough due to a family connection, unless to give or receive care / support etc.
 - b) **Employment:** A proposed change from 1 year's employment within the borough to 2 years.
- 5.18 **Removal of Band 4**
- 5.19 Band 4 currently includes applicants with no housing need for example:
- a) Private tenants and tied tenants adequately housed with no medical or welfare or exceptional need to move
 - b) A new applicant with security of tenure and no welfare or medical need
 - c) A transfer applicant who requires a move to the same bedroom size property and has no medical or welfare or exceptional need to move.
- 5.20 The proposal is to remove applicants without a housing need, but to move those people currently in band 4 who are only seeking older person's accommodation to band 3, as we

need to retain those applicants to assist with the allocation of older person's accommodation, for which there is less demand.

5.21 **Summary**

5.22 The proposed policy changes will streamline the process, deliver greater alignment with the legislation and assist in managing expectations, with the overall number of applicants (currently 680 as at 21.12.21), better matched to the average number of lets. Last year 155 properties were allocated. It is also important to note that the majority of properties allocated were older persons accommodation, whereas the majority of applications are from families / single people. Hence the need to retain those band 4 applicants who are eligible for older persons accommodation, but to place them in band 3 instead.

5.23 Having this out of balance can raise expectations and generate a lot of redundant work for officers. Reducing the number on the waiting list, will provide more capacity to focus on those applicants in the priority bands and help them to secure suitable affordable accommodation. This will also support the Council's objective of reducing the use of temporary accommodation, including B&B and deliver an even more comprehensive and proactive service.

5.24 An analysis of the current waiting list would suggest that if all of the above proposals were implemented, there are potentially 90 applicants (13% of the waiting list) who would no longer be eligible. However, it is important to note that there is necessary flexibility within the draft policy to consider all cases on their own merits and use officer discretion in exceptional circumstances.

5.25 This is coupled with an undertaking from the team that anyone who is no longer eligible will be offered advice and assistance to help them to access suitable accommodation.

5.26 **Housing Register (Waiting List) data:**

5.27 There are currently 680 households on the housing register. In the last 12 months, 155 households have accessed social housing via the housing register.

5.28 Of the 155 households who have accessed social housing via the housing register, around 42% were housed through a registered provider (housing association).

5.29 The current waiting list is split into four priority bands. The number of people in each priority band is set out in the table below:

Priority Band	Definition	Number of Households
1	Priority Housing Need	59
2	High Housing Need	249
3	Medium Housing Need	217
4	Low Housing Need	153
Correct at 21 st December 2021		

6 Consultation and Engagement

- 6.1 The revised housing allocations scheme will make changes to the way in which applications for social housing are assessed and prioritised to determine who can join the housing register and the criteria to determine the priority banding of each application.
- 6.2 Whilst there is no statutory timeline for consultation, the Council must provide reasonable opportunity for feedback / response to the consultation draft.
- 6.3 This report seeks approval from Cabinet to begin a consultation phase which will commence on 13th January 2022 and will close 25th February 2022. This is a period of six weeks.
- 6.4 The consultation phase will be meaningful and transparent and will allow for comments and feedback on the draft policy which will inform the final policy document. Officers will review consultation feedback throughout the consultation period and will compile a record of all feedback, along with details of any changes that are made to the draft policy in response to the feedback. Officers will ensure that the Portfolio Holder is briefed throughout the consultation period.
- 6.5 The Council is required to consult with other Housing Providers operating within the Borough. This is particularly important as many of them allocate properties via the Council's housing register.
- 6.6 It is also important to seek views and feedback from other partners, stakeholders, residents and current housing register applicants.
- 6.7 Consultation will include:
- Direct contact with all current housing register applicants
 - Direct contact with stakeholders, including statutory and voluntary sector partners
 - Direct contact with groups / partners that represent applicants who may have protected characteristics to ensure the council seeks views on any equalities considerations
 - Use of the Council's website, social media channels and a link added to the email signature of housing staff emails to draw attention to the consultation exercise
 - Opportunities for Councillors to be fully briefed and to provide feedback, including a member briefing in February 2022
- 6.8 A survey will be made available for respondents to provide feedback on the draft policy. The feedback received will enable amendments to be considered for inclusion within the policy ahead of a final version being considered by Cabinet in March 2022.
- 6.9 The feedback will also support the completion a thorough equalities impact assessment, which will set out any equalities implications and mitigating actions. This will be considered by Cabinet alongside the revised policy in March 2022.
- 6.10 It is possible that some current housing register applicants will be directly affected by the proposed policy changes, for example, through a change to priority banding or eligibility to remain on the housing register. For every applicant affected, an assessment of the individual circumstances and housing options available would be carried out on a case-by-case basis to ensure any affected applicants are given housing options advice and support that is appropriate to their circumstances. Initial analysis based on the proposed changes suggests that approximately 90 current applicants may become ineligible for the housing register.

7 Indicative Timeline

7.1 The indicative timeline is set out below:

	Activities include:
December 2021	Housing Allocations Policy draft developed
January 2022	Seek Cabinet approval to consult on draft policy Commence consultation Contact housing register applicants and stakeholders Initial draft of equalities impact assessment Review consultation feedback (ongoing throughout consultation) IT system configuration (at risk – subject to final policy changes) Liaison with portfolio holder (ongoing throughout consultation)
February 2022	Member briefing / consultation session Review consultation feedback (ongoing throughout consultation) Close consultation Record policy amendments Update equalities impact assessment IT system configuration (at risk – subject to final policy changes) Liaison with portfolio holder (ongoing throughout consultation) Seek legal comments on draft policy
March 2022	Finalise responses to consultation feedback Record policy amendments Finalise equalities impact assessment Seek Cabinet approval of revised policy and implementation arrangements Implement case management support for impacted applicants as required Finalise IT system configuration and go live arrangements
April 2022	Implement revised policy and ICT system

8 Other Options Considered

8.1 Councils are required to have a mechanism to assess housing need, advertise available social housing and allocate properties to households in need. The current scheme operated by Melton Borough Council is out of date. It is no longer fit for purpose and needs to be updated to incorporate significant changes to legislation and statutory guidance. For these

reasons, no other options have been considered. However, the draft policy may change in response to consultation feedback.

9 Next Steps

- 9.1 Subject to Cabinet approval, the proposed consultation phase will commence as set out at Section 7. Consultation feedback will be reviewed, and a final policy developed for consideration by Cabinet in March 2022. A full Equalities Impact Assessment will be completed. A project group will oversee the progress of the actions required (see indicative timeline at Section 8).

10 Financial Implications

- 10.1 There are no financial implications arising from this report. However, the policy changes will need to be reflected as part of the reconfiguration of the Northgate Choice Based lettings configuration. The costs associated with system configuration are separate to this report.

Financial Implications reviewed by: Director for Corporate Services

11 Legal and Governance Implications

- 11.1 The allocation of housing accommodation by local housing authorities (LHAs) is regulated by Part 6 of the Housing Act 1996 (HA 1996). The council is required to have a scheme for determining priorities and the procedure to be followed in allocating housing accommodation, including all aspects of the allocation process and the persons or description of persons by whom decisions are taken.
- 11.2 Generally, a LHA must not allocate housing accommodation except in accordance with its allocation scheme. Subject to certain statutory exceptions, a LHA must allocate accommodation in accordance with its scheme of allocation when the LHA:
- 11.2.1 Selects a person to be a secure or introductory tenant of housing accommodation.
 - 11.2.2 Nominates a person to be a secure or introductory tenant of housing accommodation
 - 11.2.3 Nominates a person to be an assured tenant or assured short-hold tenant of housing accommodation held by a Private Registered Provider.
- 11.3 For allocations falling outside the requirements of Part 6 of the HA 1996, the council will need to have other policies governing those arrangements.
- 11.4 In formulating or amending their allocation scheme, a LHA must have regard to:
- 11.4.1 Its current homelessness strategy under section 1 of the Homelessness Act 2002.
 - 11.4.2 Its tenancy strategy under section 150 of the Localism Act 2011 (LA 2011).
- 11.5 LHAs must also have regard to guidance issued by the Secretary of State. This is currently Department for Communities and Local Government: Allocation of accommodation: Guidance for local housing authorities in England 2012 (Allocation of Accommodation Guidance). LHAs should also have regard to the Ministry of Housing, Communities and Local Government's Homelessness Code of Guidance for Local Authorities (February 2018).

- 11.6 Although the HA 1996, as amended by the LA 2011, gives LHA's broad discretion to determine what classes of person will be considered as qualifying under the scheme and to determine relative priorities between qualifying applicants, there are requirements to give reasonable, and in some defined cases, additional, preference to certain categories of people. A LHA cannot disqualify persons who fall within one of the classes of person for whom a reasonable preference must be secured under the scheme.
- 11.7 LHA's may also frame the scheme so as to give "additional preference" to other particular descriptions of persons with urgent housing needs. Where the council makes provision for additional preference going beyond legal requirements, this must be justified.
- 11.8 This report sets out a number of proposed changes to the current Housing Allocations scheme. Section 167(7) of the HA 1996 requires a LHA to send a copy of proposed alterations of a scheme that reflect major policy changes, before taking a decision on the proposals, to every private registered provider of social housing and registered social landlord with which it has nomination rights and afford those persons a reasonable opportunity to comment on the proposals.
- 11.9 Consultation should also be carried out with those likely to be affected by the proposed changes to the allocation scheme. The broader consultation with wider residents of the Borough of Melton will also provide an opportunity for other residents to engage.
- 11.10 To meet legal requirements consultation must be undertaken when proposals are still at a formative stage; it must include sufficient reasons for the proposals to allow interested parties the opportunity to consider the proposal and formulate a response; it must allow adequate time for interested parties to consider proposals and formulate their response and the outcome of consultation must be conscientiously taken into account when the ultimate decision is taken. The proposed consultation period is 6-weeks which will provide adequate time for the proposals to be considered.
- 11.11 Due regard must also be given the public sector equality duty (PSED) in section 149 of the Equality Act 2010 that requires the council to consider all individuals when carrying out their functions; this includes changes to policy. The duty requires that due regard be given to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people. Specifically, the following protected characteristics must be given due regard - age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The PSED also applies to marriage and civil partnership, but only in relation to the need to eliminate discrimination, harassment, discrimination.
- 11.12 It is therefore important that a robust equality assessment is undertaken to enable the council to identify and address any adverse impact on those with protected characteristics. When considering the recommendations in this report, cabinet members should keep the PSED in mind and actively consider the information set out in the community impact statement in this report.
- 11.13 The proposed changes will ensure that the Council has a legally compliant housing allocations policy.

Legal Implications reviewed by: Monitoring Officer

12 Equality and Safeguarding Implications

- 12.1 A full equalities impact assessment will be completed and will be provided alongside the final version of the policy for consideration in March 2022.

13 Community Safety Implications

- 13.1 There are no specific Community Safety implications arising from this report. The draft policy addresses matters of community safety, antisocial behaviour and the Rehabilitation of Offenders Act in relation to access to the housing register.

14 Environmental and Climate Change Implications

There are no specific Environmental and Climate Change implications arising from this report.

15 Other Implications (where significant)

- 15.1 None.

16 Risk & Mitigation

- 16.1 The Housing & Communities Directorate risk register includes the risk of not having an up-to-date housing allocations policy. This was assessed as high risk and added to the strategic risk register. The development and implementation of the new policy is significant to mitigate this risk.

17 Background Papers

- 17.1 No background papers are included with this report.

18 Appendices

- 18.1 Appendix A – CONSULTATION DRAFT Melton Borough Council Choice Based Lettings and Housing Allocations Policy

Report Author:	Michelle Howard , Director for Housing & Communities
Report Author Contact Details:	mhoward@melton.gov.uk
Chief Officer Responsible:	Michelle Howard , Director for Housing & Communities
Chief Officer Contact Details:	mhoward@melton.gov.uk