



Cabinet

9 March 2022

Report of: Councillor Ronan Browne -
Portfolio Holder for Council Homes
and Landlord Services

Housing Allocations Policy

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| Corporate Priority: | All |
| Relevant Ward Member(s): | All |
| Date of consultation with Ward Member(s): | N/A |
| Exempt Information: | No |
| Key Decision: | Yes |
| Subject to call-in: | Yes |

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 developed.
- 1.3 Consultation has taken place over a six-week period to seek feedback from stakeholders, residents and current housing waiting list applicants on the proposed new policy. Feedback from the consultation has been taken into consideration.
- 1.3.1 There are no significant changes to the draft policy presented to Cabinet in January 2022 as a result of the consultation period.
- 1.3.2 Amendments as advised by the Council's legal team are incorporated into the revised policy attached at Appendix A.

- 1.4 This report presents the final policy for approval. Subject to Cabinet approval, it would take effect at the point that the new Choice Based Lettings IT system is implemented. The target date for this implementation is April 2022.

2 Recommendation

That Cabinet:

- 2.1 **Approve the revised Melton Borough Council Housing Allocations Policy**
- 2.2 **Delegate to the Director for Housing and Communities, in consultation with the Portfolio Holder for Council Homes and Landlord Services, authority to finalise the implementation plan and associated timeline**

3 Reason for Recommendations

- 3.1 The Council is required to have a mechanism to assess housing need, advertise available social housing and allocate properties to households in need. This should provide a clear and transparent framework to determine eligibility and prioritisation of applications for social housing properties.
- 3.2 The revised housing allocations scheme proposed for approval is a robust and legally compliant policy. There has been a comprehensive consultation exercise as part of its development.
- 3.3 Alongside the revised policy is the development of a new Choice Based Letting IT system. This is at an advanced stage of configuration and testing. Delegated authority to determine the implementation plan and associated timescales will allow for alignment of the policy and system changes for customers.

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. The policy required a full review as it had not been updated in the context of local housing need, current partnership arrangements and had not taken account of legislative changes that have taken place since it was last reviewed.
- 4.4 A revised policy has been developed. Further to Cabinet approval to consult on the draft policy in January 2022, it has been subject to a comprehensive consultation period. Consultation feedback has been taken into consideration and further information included within this report. An equality impact assessment is available via this [link](#).

- 4.5 This report seeks approval from Cabinet of the revised Melton Borough Council Housing Allocations Policy. Delegated authority is requested to determine the implementation plan and associated timescales, to allow for alignment of the policy and IT system changes.

5 Main Considerations

- 5.1 It has been 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 current 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.
- 5.5 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.
- 5.5.1 Advice and support will be offered to households who no longer meet the eligibility criteria as a result of the revised policy framework.
- 5.6 A project to configure a new IT solution to deliver the housing allocation scheme has been running alongside the policy development and consultation phase. It is at an advanced stage of configuration and testing. Aligning the implementation of the policy and IT system will be important.
- 5.7 **Summary of Changes**
- 5.8 The revised housing allocations policy includes a number of important changes – these were set out in the report to Cabinet in January 2022 and are detailed below:
- 5.9 **Homelessness Reduction Act 2017**
- 5.10 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.
- 5.11 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
- 5.12 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)
- 5.13 In addition, all homeless applicants will be placed on ‘auto bid’ and 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.
- 5.14 **Balancing housing demand with housing availability**
- 5.15 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.
- 5.16 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.
- 5.17 To achieve this, the policy includes three key changes 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 looked to remove priority band 4 – applicants with no housing or welfare need.
- 5.18 **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.
- 5.19 **Removal of Band 4**
- 5.20 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.

5.21 The revised policy does not offer a priority band 4 (no housing need). However, those people currently in band 4 who are only seeking older person's accommodation would be moved 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.

5.22 **Summary**

5.23 The proposed policy changes streamline the process, deliver greater alignment with the legislation and assist in managing expectations, with the overall number of applicants (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.

5.24 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.

5.25 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. Support and advice would be offered to all affected households. It is also 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.

5.26 **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 21st 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.
- 6.2.1 In January 2022, Cabinet gave approval for officers to commence a six-week consultation on the revised policy. This ran from 13th January 2022 to 25th February 2022.
- 6.3 The consultation phase has been comprehensive, meaningful and transparent and has allowed for comments and feedback on the draft policy to inform the final policy document. Officers have reviewed consultation feedback throughout the consultation period and have briefed the Portfolio Holder during this period.
- 6.4 The consultation period has included the following activity:

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| Direct contact with all current housing register applicants |
| Direct contact with stakeholders, including statutory and voluntary sector partners |
| 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 |
| Parish Council briefing session |
| Councillor briefing session |
| Direct letter to the MP |
| Article in the Melton Times |
| A policy review by the Councils Legal Team |

- 6.5 To enable meaningful feedback on the key changes proposed, a survey was made available for respondents to provide feedback on the draft policy. A copy of the survey can be found at Appendix B.
- 6.6 The Council has received 154 responses (81% residents of Melton Borough) and a range of comments. Each of the survey questions received an overall positive response. An extract of the survey analysis is included below:

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| <p><u>Changes to how we prioritise homeless applicants</u></p> <p>64% agree 19 % disagree</p> <p>Comments:</p> <ul style="list-style-type: none">- Best use of resources- Best efficiency of having less vacant properties- Concerns for those who are felling domestic violence – but this is addressed in the policy- Supports the Council's aim of seeking to house applicants assessed as homeless and in need of priority housing as swiftly as possible. Under these circumstances we agree with the Council's approach of placing these applicants in Band 1 in order to |
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match them directly with a property that meets their needs, regardless of property type

Non-priority need homeless applicants

Comments:

- This makes sense
- Nobody should be homeless
- If you are homeless, then you are exactly that! If you are homeless you NEED a home! I fail to see how someone could be officially homeless yet not have a priority need. The priority need is for a home!
- We understand that these applicants will be placed in Band 3. We support this group being awarded an extra 6 months waiting time in order to speed up the process of securing accommodation for this group (stakeholder comment)

Changes to the local connection criteria for both residency and employment

Comments

- You are making changes to reduce the waiting list, to convenience yourself, you are forgetting families and children who need help
- Makes local residents who live in the area have a realistic chance of getting on the register

Changes to residency criteria

Comments:

- Not enough housing available for local so makes sense and fairer
- The worst idea that you have suggested

Changes to employment criteria

Comments:

- Encourages people to work
- Hoping this includes self employed
- People can be made redundant at any time, the pandemic is an example

The Removal of Priority Band 4 (No housing or welfare need)

Comments:

- Seems fair
- No need no house
- Everyone is entitled to a house
- If their circumstances make it possible to stay in the accommodation they are in

Reasonable Preference for Armed forces personnel and their families

Comments:

- They have served their country so deserve to be housed

- Not if they are not local
- Because someone if from the armed forces why should they have a priority

Do you have any other comments which you would like to make about the draft allocations policy?

Comments:

- Too many people in 2 bed houses that need a one bed

6.7 The survey responses were anonymous and therefore cannot be tracked. The consultation process did elicit some case specific matters which are outside of the scope of the consultation and cannot therefore be responded to on an individual basis.

6.7.1 To ensure that case queries can be managed, applicants will be invited to contact the council to discuss any case specific queries further.

7 Other Options Considered

7.1 The Council is required to have a mechanism to assess housing need, advertise available social housing and allocate properties to households in need. This should provide a clear and transparent framework to determine eligibility and prioritisation of applications for social housing properties. The proposed policy meets this need and enables the Council to implement an up to date, legally compliant policy framework that better matches housing need and housing availability. Consultation feedback has been taken into consideration. No other options are proposed.

8 Next Steps

8.1 Subject to Cabinet approval, officers will take next steps to implement the new policy. Delegated authority to determine the implementation plan and associated timescales will allow for alignment of the policy and system changes for customers.

9 Financial Implications

9.1 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

10 Legal and Governance Implications

10.1 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.

- 10.2 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:
- 10.2.1 Selects a person to be a secure or introductory tenant of housing accommodation.
 - 10.2.2 Nominates a person to be a secure or introductory tenant of housing accommodation
 - 10.2.3 Nominates a person to be an assured tenant or assured short-hold tenant of housing accommodation held by a Private Registered Provider.
- 10.3 For allocations falling outside the requirements of Part 6 of the HA 1996, the council will need to have other policies governing those arrangements.
- 10.4 In formulating or amending their allocation scheme, a LHA must have regard to:
- 10.4.1 Its current homelessness strategy under section 1 of the Homelessness Act 2002.
 - 10.4.2 Its tenancy strategy under section 150 of the Localism Act 2011 (LA 2011).
- 10.5 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).
- 10.6 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.
- 10.7 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.
- 10.8 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.
- 10.9 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.
- 10.10 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.

- 10.11 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.
- 10.12 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.
- 10.13 The proposed changes will ensure that the Council has a legally compliant housing allocations policy.

Legal Implications reviewed by: Senior Solicitor

11 Equality and Safeguarding Implications

- 11.1 A full equalities impact assessment has been completed. There are no concerns arising from this assessment. It can be found via this [link](#).

12 Community Safety Implications

- 12.1 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.

13 Environmental and Climate Change Implications

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

14 Other Implications (where significant)

- 14.1 None.

15 Risk & Mitigation

- 15.1 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 and the risk level has been adjusted accordingly.

16 Background Papers

16.1 No background papers are included with this report.

17 Appendices

17.1 Appendix A: Melton Borough Council Choice Based Lettings and Housing Allocations Policy

17.2 Appendix B: Copy of consultation survey

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