



Housing Allocations Policy Refresh

Report Author:	Rachel Chubb , Strategic Lead for Housing Options and Homelessness (rchubb@melton.gov.uk) Aysha Rahman , Assistant Director for Customers and Communities (arahman@melton.gov.uk)
Chief Officer Responsible:	Michelle Howard , Director for Housing and Communities (Deputy Chief Executive) (mhoward@melton.gov.uk)
Lead Member/Relevant Portfolio Holder	Leader of the Council & Portfolio Holder for Housing, Leisure & Landlord Services

Corporate Priority:	Theme 1: Healthy Communities and Neighbourhoods
Wards Affected:	All
Date of consultation with Ward Member(s):	None
Exempt Information:	No
Key Decision:	Yes (Significant impact on persons living or working in an area comprising two or more wards in the Borough.)
Subject to call-in:	Yes

1 Summary

The report provides an overview of the updated Housing Allocations Policy and seeks approval of the policy.

2 Recommendations

That Cabinet:

- 2.1 **Note the changes made and approve the refreshed Melton Home Search Housing Allocations Policy**
- 2.2 **Delegate authority to the Director for Housing and Communities, in consultation with the Portfolio Holder for Housing, Leisure and Landlord Services to make minor amendments to ensure the policy remains up to date and in line with best practice.**

3 Reasons for Recommendations

- 3.1 The policy has been updated to bring it up to date, and to respond to learning and recommendations arising from casework, internal audit and complaints.

4 Background

- 4.1 Applications for and allocations to social housing in Melton (including both social and affordable rent) are administered through a Choice Based Lettings (CBL) scheme known as Melton Home Search.
- 4.2 The allocations policy, outlines how the scheme works, sets out how properties are advertised, who can apply to join the housing register and bid for housing, how bids are made and how lettings and offers of accommodation are made.
- 4.3 The policy has been refreshed to bring it up to date and to incorporate learning and recommendations arising from casework, complaints and internal audit. A draft version of the policy is included at Appendix 1 and an overview of the changes to the policy are outlined at Appendix 2.
- 4.4 The policy does not cover the allocations of social housing made outside the Melton Home Search CBL system for example mutual exchange, right to buy, succession of tenancies or temporary decants pending repairs.
- 4.5 The format and content of the housing allocations policy is detailed within this report.
- 4.6 **The Allocations Policy**
- 4.7 The Melton Home Search housing allocations policy details the criteria for how someone can be accepted onto the housing register. The allocations policy is a set of rules that decide who can apply for rented accommodation through the Council. The policy takes account of the Council's statutory duties and ensures that priority is given to applicants in the greatest housing need and makes best use of the homes available to let.
- 4.8 **Applications to the housing register**
- 4.9 To apply for social housing in the Melton borough the following must apply:
 - There must be a housing need. This could range from affordability in their current property, overcrowding, trapped in a house due to medical reasons, to fleeing domestic

abuse. Anyone who is deemed as adequately housed would not be permitted to apply. Adequately housed would mean secure, financially viable, meets guidelines for space requirements and free of Category 1 hazards.

- The applicant must not have been engaged in unacceptable behaviour which has caused them or would have caused them to lose a tenancy.
- The applicant needs to have paid their rent on previous addresses or provided reasons why this was not possible.
- The Council owe a statutory homeless duty which means they have not made themselves intentionally homeless from their last address and have a local connection as stated in the Homelessness Act 2002.
- Local Connection – a person can only be accepted onto the housing register if they have lived in the borough for 2 years OR been employed in the borough for 12 months OR need to provide or receive support to/from someone in the borough.

4.10 Banding Criteria

4.11 The banding criteria stands currently as below. Applicants are placed into these bands based on their circumstances.

Priority	High	Medium	Low
Urgent medical priority	Owed a Homeless relief duty and likely to be owed Main duty	Homelessness Prevention with a Local Connection and likely to be owed main duty	Only those aged over 60 who are adequately housed but want to move to a hard to let MBC sheltered scheme
Home is subject to a demolition order or regeneration scheme	Personal protection/Harassment	Homeless Prevention without local connection and unlikely to be offered a main duty	
Home is subject to Environmental Health action	Move on from supported accommodation when referred by MBC	General overcrowding	
Flood or fire	Transfers affected by the under-occupancy housing benefit restrictions	Moderate medical - Home seeker whose household includes a person whose illness or disability is made worse by their present home, and who need to move to improve their condition, but a move is not essential	
Statutory overcrowding	Severe Overcrowding incl gender overcrowding	Welfare need to move - Home seeker who experience hardship in their current accommodation and who need to move to improve	

		their situation, but a move is not essential	
Urgent management cases for MBC tenants	Under-occupation – Tenant of partner RP and live in Melton Borough	Insecure accommodation – living as a licensee/lodge or sharing accommodation and no security of tenure	
Under occupation by 2 or more bedrooms as an MBC tenant	High medical priority	Home seeker aged under 50 with no children and with no other housing need	
Adaptations which are no longer required	Foster carers		
Succession where the property is not suitable	Care leavers (time permitted)		

4.12 **Bedroom Requirement**

4.13 Applicants can only bid for properties with a specified number of bedrooms. To determine the bedroom requirements for a household the following are considered:

- a) Age and sex of children
- b) Specific medical issues of any member of the household which require a separate bedroom
- c) The need for an overnight carer
- d) Permanent residency of dependents. If the child is not living with the parent for over 70% of a week they will not be considered as a permanent member of the household. The parent would need to be claiming child benefit or other associated benefit for a child. They would not be considered unless evidence was provided confirming residency.

4.14 **A Bid Cycle**

4.15 Properties are advertised every week in a “bid cycle” and for applicants to be successful a bid must be placed. This can be done automatically via the system, online or by ringing the Council. Properties are advertised from Thursday 00:02 – Tuesday 23:59.

4.16 Whilst properties from other housing providers are advertised via the system, they do have their own criteria which can be outside of the MBC allocations policy. This is largely in relation to level of income, number of people in a property and requirement for adaptations.

4.17 **Shortlisting**

4.18 When the property cycle finishes the bids are sorted in the following order:

- a) By band (housing need)
- b) Date of when application was placed into the band
- c) Date of when application was registered

- 4.19 If a bid has not been placed for a property, an applicant will not be considered.
- 4.20 Applicants will be bypassed for properties and not considered if the property has specific adaptations, they have an auto-bid which has placed a bid for property on the wrong floor or the applicant has requested specific criteria which is deemed reasonable.
- 4.21 **Changes to the Allocations Policy**
- 4.22 The allocations policy was completely refreshed in May 2022 and enabled a new IT system to be configured and implemented. Since this date, minor changes have been made to wording within the policy in response to complaints upheld and in one instance, a decision from the Local Government and Social Care Ombudsman (LGSCO) in relation to medical banding.
- 4.23 The main changes arising from the policy review and refresh are outlined below.
- 4.23.1 **To move people owed a homeless prevention duty into the same band as those in a homeless relief duty.** At present people owed a homeless prevention duty are placed in a medium band. Those owed a homeless relief duty are placed in a high band.
- a) People owed a prevention duty are people who have been served a notice and could be from no fault of their own. Relief duty is someone who's notice has expired.
 - b) The uplifting of bands for a prevention duty means that people will spend longer in a high band which will give them more opportunity to be successful for a property. At present, we focus more on the crisis and a reactive approach. Placing people owed a prevention duty on a level band with those owed a relief duty moved the focus back to preventing homelessness
 - c) The proposed changes mean that someone who has been served a notice would be on the same band as someone who's notice has expired. This is proposed to encourage people to approach earlier. A longer waiting time on the housing register can increase an applicant's chances of being successful for a property and can reduce the need for temporary accommodation once a relief duty has ended.
- 4.23.2 **Reclassification of properties, meaning that properties are now classed under bedroom and household size rather than just bedroom size and are allocated according to household size.**
- a) This would mean that properties with a separate reception room downstairs and bigger bedrooms would be prioritised for bigger families of 3+ children.
 - b) Properties would be still allocated under banding priority, but we would only allow families of certain sizes to be considered.
- 4.24 Other changes to the policy are listed in Appendix 2. They include:
- a) A reordering of wording to make it easier to read for customers. The sections will now follow the process of applying- bidding-shortlisting – allocation. This would make it easier to understand the process and why decisions are made.
 - b) Sections pertaining to unacceptable behaviour and rent arrears are now much clearer and provide information as to what is and isn't relevant and why some behaviours may lead to exclusion from the housing register.
 - c) Further guidance has been issued in relation to household members with a neuro diversity need. This aligns with guidance from the LGSCO.

- d) Detailed criteria for the low banding which was not previously included following advice from an internal audit.
- e) Clarification on how medical priority is assessed. This is following banding appeals related to medical priority.

5 Main Considerations

5.1 Demand to the housing options service

5.2 As of 18th October 2024, there were 763 people on the housing register broken down into the following band and bedroom need:

Bedroom Need and Banding	1	2	3	4	5	Total
Priority	19	6	7	3	0	35
High	105	26	15	9	6	161
Medium	261	132	87	28	1	509
Low	44	8	4	2	0	58

5.3 Moving people owed a prevention duty into a high band would increase the number of people in a high band. However it would also mean that the number in a priority band would decrease as households would be accommodated in a high band rather than waiting to get into a priority.

5.3.1 It would prevent an applicant waiting 56 days in a medium band where they would not be near the top of a list for a property and then moving into a high band. To have a prevention duty and relief duty on an equal measure would mean people would stay longer in a high band which would mean they would be considered for properties earlier and would mean they wouldn't all move into a priority band.

5.4 Outcomes

5.5 No of properties allocated by band per year:

	22/23	23/24	24/25 (to 18/10/24)
Priority	46	57	47
High	44	63	23
Medium	17	29	9
Low	2	2	0

5.6 Main reasons for homeless approaches

Reason for approach	22/23	23/24	24/25 (as of 18/10/24)
Total no of approaches	385	351	211
Departure from custody	7	3	2
Departure from Hospital	2	2	1
Domestic abuse (alleged perpetrator)	10	10	3
Domestic abuse- victim	30	40	36
End of private rented tenancies	118	124	69
End social rented	20	17	10
Eviction from supported housing	7	5	5
Family and friends asked to leave	130	91	55
Emergency – fire/flood/war	1	5	0
Home no longer suitable due to disability/ill health	11	6	0
Left HM Forces	2	1	2
Mortgage repossession	1	0	0
Non racially motivated violence	7	5	4
Property disrepair	4	4	1
Racially motivated violence	1	0	0
Breakdown of relationship	34	34	20
Required to leave Home Office accommodation	0	4	6

- 5.7 To have a positive outcome resolved as early as possible and maintain sustainable accommodation is the best result for the long term health and wellbeing of an applicant. Whilst people are owed a prevention or relief duty they have the flexibility of choice of where they live or to stay in their own home if possible.
- 5.8 Once applicants are owed a relief duty, they often move into temporary accommodation which can be unsettling for an applicant and can often have long lasting consequences in the wellbeing of children, and this places pressure on the Council's homelessness budget.
- 5.9 Once applicants are owed a full homelessness duty, they are then waiting for the next available property to come available and, depending on the availability and suitability of alternative accommodation, can lead to long periods of time in temporary accommodation. For larger households, who require larger properties, this can be over 12 months due to housing availability and suitability.

6 Options Considered

- 6.1 To not make any changes to the banding criteria. This would retain the existing banding positions. This is not recommended.
- 6.2 To move a prevention banding above a relief banding. This gives more focus to preventing homelessness but would be a risk to any temporary accommodation budgets as it would be difficult to forecast the impact this would have on emergency homelessness. This is not recommended.

7 Consultation

- 7.1 A 30 day consultation was carried out to communicate the proposed key changes to the allocations policy. The consultation was sent to tenants, placed on the Council's website, to external stakeholders, to members and to colleagues working within the Council.
- 7.2 Consultation responses were received. Overall, those responding agreed with the proposed changes.

7.3 Responses to the Housing Allocations Policy Consultation

Question	Agree	Disagree
Do you agree that those awarded a prevention duty should have the same status on the housing register as those awarded a relief duty? This means placing people in a prevention duty in a high band rather than medium	14	2
Do you agree that households with a larger family size should be prioritised for larger 3 bed houses?	15	1

- 7.4 There was also opportunity for people to provide other feedback, which has been considered as part of the process. Feedback from the consultation has been looked at and further clarity has been provided in sections relating to bedroom need and eligibility.
- 7.5 The Council's Scrutiny Committee considered social housing allocation and as part of that, the refreshed policy on 30th November 2024. There were no concerns raised regarding the proposed policy arising from this process, however, a number of observations were raised by the committee regarding applicant and member understanding of the policy and associated processes, and some policy considerations regarding the need to reduce the use of temporary accommodation and increase supply and availability of suitable accommodation to meet housing need in the borough.

8 Next Steps – Implementation and Communication

- 8.1 It will be necessary to ensure that applications to the housing register are reviewed in line with the revised policy criteria.
- 8.2 Briefings will be provided to teams to ensure that the process for reviewing applications and banding are clear.
- 8.3 It will be necessary to ensure that the IT system can correctly assess and shortlist applications. Any system changes will be tested before implemented to ensure they are working effectively.
- 8.4 It is expected that affected applications will be considered during December 2024 and January 2025, with changes to the banding criteria being implemented by the end of January 2025 for new and existing applications.

9 Financial Implications

- 9.1 Like councils across the country, increased demand for social housing and complexity of casework means that the homelessness and housing options service is under pressure.
- 9.2 An overspend is projected for the current financial year, as detailed within the [quarter 2 budget report](#). There are a number of reasons for this; increased demand and complexity of cases, increases in void turnover costs, through to the availability of move on accommodation and the County Council decision to decommission homelessness services.
- 9.3 Officers are working to mitigate in-year cost pressures as far as possible, and consideration must be being given to longer term policy options to increase housing supply and reduce the need to use costly temporary accommodation. It is anticipated that the changes within the refreshed housing allocations policy will have a positive impact on the requirement for temporary accommodation and the high costs associated with this. The cost pressures impacting this service area will remain under review as a corporate risk.

Financial Implications reviewed by: Director for Corporate Services

10 Legal and Governance Implications

- 10.1 There is a wide range of legislation which is relevant to a local authority's Social Housing Allocations Policy. The principal obligations are created by Part VI of the Housing Act 1996 which has been amended at various points to refine those requirements. The Allocation of Housing and Homelessness (Eligibility) (England) Regulations 2006 are made under the 1996 Act and specify certain categories of person who are or are not eligible for allocation of local authority housing.
- 10.2 In addition, the 1996 Act requires local authorities to have regard to Guidance issued by the Secretary of State when exercising its housing allocation functions. The latest amendment to that Guidance was issued in June 2024. The Guidance highlights specific legal obligations which are relevant to allocation of housing for example the duties applying to certain people who left Afghanistan since 2021 or those who left Ukraine after the Russian invasion.

- 10.3 The Council must ensure that its Allocation Policy does not prevent those who may be eligible for allocation of housing from registering and being considered under the scheme.
- 10.4 The additional legislation and guidance which has amended or is relevant to housing allocation includes the Homelessness Reduction Act 2017, Homelessness Code of Guidance 2018, Domestic Abuse Act 2021, Localism Act 2011, National Rough Sleeping Strategy 2018, Children Act 2004, Equality Act 2010, Care Act 2014 and Armed Forces Act 2021. The proposed policy has been drafted having regard to these provisions.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

- 11.1 Under the Equality Duty (set out in the Equality Act 2010), public authorities must have 'due regard' to the need to eliminate unlawful discrimination and consider the potential impact decisions and actions on each of the protected characteristics. The Council must have due regard to the Public Sector Equality Duty as part of its work.
- 11.2 The housing allocations policy has been refreshed and the changes are outlined in the report. An equality impact assessment has been undertaken and submitted to the internal Check and Challenge group for consideration. Feedback has resulted in some additional clarity being added to the policy. No negative impacts are identified that require further mitigation. The policy changes respond positively to feedback and recommendations arising from complaints (including an finding from the LGSCO) and internal audit, all of which support continuous improvement.
- 11.3 Additionally, in making changes to the allocations policy, consideration has been given to social and economic living conditions. Changes have been proposed to ease pressure on larger families as well as reduce the need for temporary accommodation.

12 Data Protection Implications (Mandatory)

- 12.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons. Appropriate data management arrangements in place for the service area.

13 Community Safety Implications

- 13.1 The housing allocations policy makes specific reference to checks for applicants in relation to unacceptable behaviour. Persons deemed to have shown unacceptable behaviour in line with the policy will not be permitted onto the register.
- 13.2 The policy seeks to support appropriate allocations to support community cohesion. In some circumstances, Local Lettings Policies may be used within the parameters of the policy to achieve this.

14 Environmental and Climate Change Implications

- 14.1 None arising from this report.

15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Failure to fulfil statutory duties in relation to Housing Act 1996	2	3	Low
2	Failure to follow procedures set out in allocation policy leading to inappropriate applications on the housing register	3	3	Medium
3	Lack of staff resilience, competence and expertise exposes the Council to risk of poor management and administration of allocations / associated reputational risk	3	3	Medium
4	Policy does not respond to need, leading to households presenting as homeless rather than the housing register supporting a homelessness prevention opportunity. This will impact on homelessness demand, temporary accommodation usage and budget pressures.	4	3	Medium
5	Failure to incorporate learning from casework and consultation feedback into the policy review process.	2	3	Low

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant			4	
	3 Low			2, 3	
	2 Very Low			1, 5	
	1 Almost impossible				

Risk No	Mitigation
1	Quarterly audit of homeless applications and checks made during monthly 121's to ensure applications are investigated thoroughly. Staff training.
2	Quarterly audit of homeless applications and checks made during monthly 121's to ensure applications are investigated thoroughly. Staff training – including to raise awareness of policy changes.
3	Quarterly audit of homeless applications and checks made during monthly 121's to ensure applications are investigated thoroughly. Staff training – including to raise awareness of policy changes. Procedure notes to support staff awareness and operational procedures.
4	Revised policy reflects a change that will help to mitigate this risk by allowing households in the following category to be assessed as a high band: Households who may be owed a homeless prevention duty and believed to be in a priority need
5	Learning from casework and consultation has supported the policy review. Consultation has been undertaken. The Council's Scrutiny Committee have also considered the refreshed policy.

16 Background Papers

16.1 None

17 Appendices

17.1 Appendix 1: DRAFT Melton Home Search Allocations Policy (updated November 2024)

17.2 Appendix 2: List of changes made to allocations policy