

**HOUSING & COMMUNITY
COHESION POLICY ADVISORY
COMMITTEE**

12 NOVEMBER 2024

Housing Allocation Scheme Review

Timetable	
Meeting	Date
Wider Leadership Team	10 September 2024
Housing and Community Cohesion Policy Advisory Committee	12 November 2024
Overview and Scrutiny Committee	13 November 2024
Cabinet Member for Housing and Homelessness	By 31 December 2024

Will this be a Key Decision?	Yes
Urgency	Not Applicable
Final Decision-Maker	Cabinet Member for Housing and Homelessness
Lead Head of Service	John Littlemore – Head of Housing and Regulatory Services
Lead Officer and Report Author	Tony Stewart – Housing Solutions Manager
Classification	Public
Wards affected	All

Executive Summary

This report proposes to amend the Allocation Scheme to support the Council's strategic objective of supporting early homelessness prevention, encouraging households to remain in their current accommodation, ensure households placed in temporary accommodation are prioritised for social housing and revise other sections of the scheme so that it remains compliant with current legislation.

The amendments are to be considered by the Housing and Community Cohesion Policy Advisory Committee before being passed to the Cabinet Member for Housing and Homelessness for final approval.

Purpose of Report

This report is detailing proposed changes to the Council's Allocation Scheme. Significant policy changes to the Allocation Scheme must be approved by the relevant Cabinet Member.

Amendments to the scheme are being proposed to support homeless households by giving greater priority to those that are placed in temporary accommodation so that an offer of suitable accommodation is achieved earlier, along with preventing homelessness.

This report asks the Housing & Community Cohesion Policy Advisory Committee to recommend: That

1. The proposed changes to the Council's Housing Allocation Scheme, as set out at Option A, be adopted.

Housing Allocation Scheme Review

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Housing Allocation Scheme assists in the delivery of the council's corporate priorities. We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aims as set out in section 4 (preferred option).	John Littlemore – Head of Housing and Regulatory Services
Cross Cutting Objectives	The report recommendations support the achievements of both the 'Health Inequalities are addressed and reduced' and 'Deprivation and Social Mobility is improved' cross cutting objectives by ensuring that the Council has an Allocation Scheme that treats all applicants fairly and that access to social housing supports the needs of residents.	John Littlemore – Head of Housing and Regulatory Services
Risk Management	The risks associated with this proposal have been set out in the body of the report	John Littlemore – Head of Housing and Regulatory Services
Financial	The proposals set out in the recommendation endeavour to move households out of temporary accommodation more quickly. If successful the new approach is likely to reduce the expenditure on temporary accommodation.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	John Littlemore – Head of Housing and Regulatory Services
Legal	The amendments to the scheme ensure that it is consistent with current Government	John Littlemore –

	Guidance and complies with the Housing Act 1996.	Head of Housing and Regulatory Services
Information Governance	Accepting the recommendations will ensure that the Allocation Scheme is compliant with current regulations.	Information Governance Team
Equalities	An Equalities Impact Assessment will be undertaken.	John Littlemore – Head of Housing and Regulatory Services
Public Health	The aim of the proposed changes is to reduce the need for, or the length of time spent in, temporary accommodation, which in turn will provide for better health and well-being for residents who find themselves homeless or threatened with homelessness.	John Littlemore – Head of Housing and Regulatory Services
Crime and Disorder	The recommendations will have a no impact on Crime and Disorder.	John Littlemore – Head of Housing and Regulatory Services
Procurement	N/A	John Littlemore – Head of Housing and Regulatory Services
Biodiversity and Climate Change	N/A	John Littlemore – Head of Housing and Regulatory Services

2. INTRODUCTION AND BACKGROUND

- 2.1 Nominations made by the Council to housing association vacancies are governed by Part 6 Housing Act 1996 (as amended). The Act requires that nominations may only come from the Council's Housing Register and the Act provides the framework that sets out who can join the Housing Register and how priority is determined between applicants. The Council's interpretation of the framework legislation must be set out in a document adopted by the Council and called an Allocation Scheme. The adopted Allocation Scheme must be published and be available upon request.
- 2.2 The Council's Housing Allocation Scheme is designed to ensure that access to subsidised housing supports the needs of residents, the corporate aims of the Council and reflects current legislation.
- 2.3 The current Allocation Scheme was introduced in April 2020 and further minor amendments were made in January 2022. The policy is designed to make best use of the limited stock available and awards additional priority to applicants in work or who assist the local community in other ways, such as serving in the Armed Forces or undertaking voluntary work. The scheme is also designed to support the Council's objectives of the Homelessness and Rough Sleeper Strategy and of the Strategic Plan in preventing both homelessness and rough sleeping.
- 2.4 Minor amendments to the Allocation Scheme can be made with the agreement of the Director of Regeneration and Place in consultation with the relevant Cabinet Member. However, more significant changes to the scheme are now required, which require the Cabinet Members approval.
- 2.5 Amendments to the Allocation Scheme in April 2020 were made to encourage applicants threatened with homelessness to stay in their current housing. This was achieved by giving such applicants additional opportunity to secure permanent housing through the Housing Register. It remains a stated objective of the Allocation Scheme to advertise the majority of vacancies through Choice Based Lettings, to promote choice for applicants and encourage stable communities.
- 2.6 However, due to an increase in the number of households approaching as homeless and being placed in temporary accommodation (TA), and a significant increase in the cost of accommodating applicants in TA, from December 2022 approximately 50% of all vacant units were allocated specifically for Direct Allocation to households placed in temporary accommodation. This action, although necessary, has reduced the number of vacancies advertised through choice based lettings.
- 2.7 The Council operates a system known as banding to reflect an applicant's housing characteristics. These bands ensure we are compliant with the reasonable preference criteria set out in the relevant legislation.

Band C – Community Contribution and Homelessness Prevention

Band H – Homeless

Band M – Medical and Health Assistance

Band R – Reasonable Preference

2.8 A quota of units is allocated to each band to ensure that the aims and objectives of the scheme are met and that the best use of the housing stock is maintained.

2.9 The tables below show the effect of introducing Direct Allocations on each band of applicants as of 21st August 2024.

Table A - Previous Allocations Scheme review – April 2020 to December 2022

	Band C	Band R	Band H	Band M
No of households on register	548	438	344	133
% of households	37%	30%	24%	9%
% Quota of vacant units	50%	30%	10%	10%
% Units - % Households	+ 13%	0%	- 14%	+ 1%

Table B – Introduction of 50% Direct Allocation – December 2022 onwards

	Band C	Band R	Band H	Band M
No of households on register	548	438	344	133
% of households	37%	30%	24%	9%
% Quota of vacant units	25%	15%	50%	10%
% Units - % Households	-12%	-15%	+26%	+ 1%

2.10 Whilst allocating approximately half of all units to households in temporary accommodation has helped many households move into a more permanent tenancy, it has also had a negative effect on the initial aim of supporting homelessness prevention and community contribution, due to the significant decrease in the number units being advertised to households within Band C.

2.11 The number of households in temporary accommodation remains high and ensuring that they are given an opportunity to move on quickly remains a priority, however giving applicants who are threatened with homelessness the opportunity to secure housing through the housing register would support Housing Officers prevention work and avoid the use of temporary accommodation in some cases.

2.12 To achieve a fairer balance of moving households on from temporary accommodation; supporting homelessness prevention to avoid the use of temporary accommodation; and recognising community contribution, a revised Allocation Scheme banding criteria and quota of units is proposed.

2.13 As the supply of social housing within the borough is limited, the Council operates a 'closed list' register, meaning that there are qualifying entry requirements to be accepted onto the register. Applicants have to meet the criteria of 'Local Connection' and 'Housing Need' as detailed with the Allocation Scheme.

2.14 The 'Local Connection' criteria to join the housing register is detailed within the Allocation Scheme but in summary, applicants need to fulfil at least one of the following criteria:

- Resident – been residing within the borough for a continuous period of 2 years prior to the application
- Family – immediate family that has been residing within the borough for a continuous period of 5 years prior to the application
- Employment – employed for a minimum of 12 months within the borough
- Returning Resident – been residing within the borough for a continuous period of at least 2 of the last 5 years

2.15 There has been a significant increase in the number of applications being received to join the housing register over the past few years which, coupled with a decrease in the number of social housing properties being built, has resulted in the number of households on the housing register rising with the likelihood that many may not receive an offer of social housing.

	Housing Register Applications Rec'd	Affordable Rent Units Completed	No of Households on Register*
2019 – 2020	2271	180	853
2020 – 2021	2665	190	840
2021 – 2022	3085	244	906
2022 – 2023	3243	240	1102
2023 – 2024	3432	152	1305

*as at 31 March of the relevant year

2.16 Maidstone Borough Council's 'Local Connection' criteria is quite generous in comparison to other local housing authorities and in order to concentrate resources on applicants who are most likely to receive an offer of accommodation, it is proposed that some amendments are made to the 'Local Connection' eligibility criteria.

2.17 Larger households who are on the housing register waiting for social housing have fewer opportunities to be successful in securing accommodation due to the significant lack of affordable three and four bedroom houses. Many of these households have indicated that they would wish to be considered for units that would not meet their eligible bedroom size but would improve their current housing situation.

2.18 It is proposed that to assist these households some amendments would be made to the Allocation Scheme but this will require the agreement of our partner social housing landlords to be able to implement the change.

2.19 There are also some further changes being proposed to other parts of the scheme to clarify and amend some points. These are intended to provide clarity for applicants and officers in applying the scheme based on feedback received from stakeholders and service users.

3. AVAILABLE OPTIONS

- 3.1 Amendments to the Allocation Scheme are proposed to:
- Encourage households to remain in their current accommodation and avoid the use of temporary accommodation whenever possible;
 - Offer applicants placed in temporary accommodation a suitable Direct Allocation of Social Housing;
 - Recognise applicants who offer a community contribution by providing more opportunity to be housed;
 - Amend access to the housing register so that households who are most likely to be successful are accepted;
 - Assist larger households accepted on the register with securing housing that will improve their current situation
- 3.2 The Housing Register bands will be renamed to greater reflect the qualifying criteria for being placed in them:
- Band C – Community Contribution
 - Band H – Homeless Duty
 - Band R – Reasonable Preference
 - Band S – Specialised Housing
 - Band T – Temporary Accommodation
- 3.3 **Option A** – In recognition of the imperative need to move households through temporary accommodation as quickly as possible, applicants who are placed in temporary accommodation will not be able to bid on properties and will be offered one suitable Direct Allocation for Social Housing. These applicants will be placed in a new band, Band T – Temporary Accommodation, specifically for households in TA and 50% of vacant units will be offered to this band.
- 3.4 Households to whom either a Homelessness Duty is owed, (Prevention, Relief or Main) and are not in temporary accommodation will be placed in 'Band H – Homeless Duty Applicants.' Applicants will be able to place bids on approximately 20% of all non-adaptable vacant properties through choice based lettings and will continue to have some choice in where they would like to be housed.
- 3.5 Households who meet the community contribution criteria as stated within the Allocation Scheme, will be placed in 'Band C – Community Contribution' and will be able to place bids on approximately 20% of all non-adaptable vacant properties. Applicants will be incentivised to be eligible for this band as twice as many properties will be advertised in this band compared to 'Band R – Reasonable Preference.'
- 3.6 'Band R – Reasonable Preference' would include households who do not meet any of the criteria to be placed in another band but are eligible for inclusion on the housing register. Approximately 10% of all non-adaptable vacant properties that will be advertised to this band.
- 3.7 The current 'Band M – Medical and Health Assistance' will be renamed 'Band S – Specialised Housing' to indicate that his band is concerned with how the property improves the person's quality of life rather than solely

that they have a medical condition. The criteria to be eligible for this band will remain the same but the change in name is proposed to more accurately reflect the properties that are advertised within the band.

- 3.8 'Band S – Specialised Housing' units will also be removed from the quota of properties allocated to each band, as the number of units advertised to this band is solely reliant on the number of adaptable properties that become vacant.
- 3.9 By applying the revised criteria for each band, a number of households would move band. Using the current housing register active applicants (as of 21st August 2024) the split of households would be as follows:

Table C – Proposed New Banding and Quotas

	Band C	Band R	Band H	Band T	Band S
No of households on register	408	496	228	198	133
% of households	28%	34%	15%	14%	9%
% Quota of vacant non adaptable units	20%	10%	20%	50%	n/a
% Units - % Households	-8%	-24%	+5%	+36%	n/a

- 3.10 The above suggested band criteria and quota would achieve the aims of offering Direct Allocations to households in temporary accommodation; encouraging Homeless Duty accepted households to remain out of temporary accommodation by giving them greater opportunities to bid on properties; and recognising applicants who offer a Community Contribution by offering a greater number of units in Band C than Band R.
- 3.11 In accordance with the Allocation Scheme, the number of properties allocated to each band (The Quota) will be reviewed on a regular basis to ensure the best use of housing stock is maintained.
- 3.12 To manage the number of households who are applying and being accepted on to the housing register, the 'Local Connection' criteria will be amended as follows:
- 3.13 The current resident criteria will be changed from 2 years to 3 years. An applicant will need to have been residing within the borough for a continuous period of 3 years immediately prior to their application.
- 3.14 The current 'Family' and 'Returning Resident' criteria will be removed and applicants will no longer be able to join the housing register through these connections.
- 3.15 The 'Employment' local connection criteria will remain as currently stated within the Allocation Scheme.

- 3.16 Amend the bedroom allocation criteria so that two children of the same gender can share a bedroom up to the age of 18 from the current age of 16.
- 3.17 The proposed amendments, as stated in paragraphs 3.12 to 3.16 inclusive, should reduce the number of applicants who would be accepted on to the housing register so resources can be concentrated on applicants who are most likely to receive an offer of accommodation. They will also bring Maidstone Borough Council in line with many of the other local authorities within Kent.
- 3.18 Households who are eligible to join the housing register and whose household type means that they are offered limited opportunities to obtain social housing, may be considered to be able to bid for units that do not match their bedroom and/or person need.
- 3.19 For example, 3 bedroom 6 person units are rarely advertised, so households who require this size of property may be considered for 3 bedroom, 5 person units. Likewise, applicants who are eligible for a 4 bedroom, 5 person unit may be considered for a 3 bedroom, 5 person unit.
- 3.20 Additional wording will be included within the revised Allocation Scheme stating that we will work with the Registered Providers of Social Housing who have stock within the borough to assist households to move into accommodation that may not meet their exact bedroom / person requirements. However, the Registered Providers of Social Housing will have the final decision.
- 3.21 Other amendments are proposed to the Allocation Scheme to provide clarification; to make other changes not associated with the above points and to ensure it remains compliant with current legislation.
- 3.22 **Option B** – Do not accept the proposed changes to the banding criteria and allocation quota as stated in paragraphs 3.2 to 3.11 inclusive but accept the other changes proposed in paragraphs 3.12 to 3.21 inclusive. This is not recommended as the current banding criteria and allocation quota does not encourage applicants to avoid temporary accommodation or incentivise applicants to meet the community contribution criteria.
- 3.23 **Option C** – Accept the proposed changes to the banding criteria and allocation quota as stated in paragraphs 3.2 to 3.11 inclusive but do not accept the other changes proposed in paragraphs 3.12 to 3.21 inclusive. This is not recommended as there is likely to be a continuing increase in applicants active on the housing register who may not be successful in securing accommodation and we will be unable to assist some larger households secure a property that will improve their current housing situation.
- 3.24 **Option D** – Do not accept any of the proposed changes to the scheme. This is not recommended for the reasons stated in paragraphs 3.22 and 3.23 and the Allocation Scheme will not be up to date with the amendments required to ensure that it remains relevant and compliant with current legislation.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended to accept the proposed amendments to the Housing Allocation Scheme as detailed under 'Option A' at points 3.2 to 3.21 above.
 - 4.2 Accepting the preferred recommendations will achieve the aims set out in paragraph 3.1 and will ensure that the scheme continues to remain relevant and up to date with current housing policy.
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5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework. We are satisfied that the risks associated are within the Council's risk appetite and will be managed as per the Policy.
 - 5.2 The proposed changes should assist homeless prevention and thereby the use and cost of temporary accommodation. This will be partly dependent on applicants understanding that their ability chose their accommodation will be removed if placed in temporary accommodation.
 - 5.3 The inherent risk is that applicants do not alter their approach to seeking a resolution to their housing through the Housing Register bidding system, or that vacancies continue to reduce.
 - 5.4 In order to mitigate against these risks, a series of engagement exercises will be undertaken with key partners to ensure a full understanding of the new approach and the benefits for applicants.
 - 5.5 Regular monitoring of the key indices of success will be undertaken and added to the dashboard on homelessness activity provided to CLT on a monthly basis.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The current Housing Allocation scheme was introduced in 2020. The scheme was devised after an extensive consultation process with both internal and external stakeholders.
 - 6.2 The proposed amendments were discussed at the Wider Leadership Team Meeting held on 10 September 2024 and no objections were made.
 - 6.3 If the recommended proposals are accepted, the Council is under a statutory duty to provide a copy of the proposed amendments to every housing association with whom the Council has a nomination agreement and to afford them a reasonable period in which to comment on the amendments
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Upon agreement of the proposed recommendations and after consultation with our main housing providers, all relevant stakeholders will be issued with the updated scheme. The updated Housing Allocation scheme will also be published on the Councils website. It is proposed that the consultation process will take 4-6 weeks.
- 7.2 A communication strategy will be agreed with the Council's Communication Team in order to make applicants aware of the changes and how they will be affected, in time for the changes to be implemented.
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8. REPORT APPENDICES

Appendix A – Allocation Scheme version 2.2 – January 2022

9. BACKGROUND PAPERS

n/a