



Cabinet

23 September 2025

Housing Allocations Policy Review 2025

Portfolio Holder: Councillor Louwella Prenter, Portfolio Holder for Housing and Homelessness

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Summary

This report introduces the draft Housing Allocations Policy 2025 which replaces current Housing Allocations Policy, last reviewed in 2019. The Housing Allocations Policy sets out how Medway Council allocates available social housing stock in the Medway area, as well as who is able to access the housing register. A summary of changes to the policy is set out in appendix 1.

The report was previously considered by the Regeneration, Culture and Environment Overview and Scrutiny Committee on 14 August 2025, the draft minutes of which are set out at section 6 of the report below.

1. Recommendations

- 1.1. The Cabinet is requested to note the comments of the Regeneration, Culture and Environment Overview and Scrutiny Committee, as set out at section 6 of the report.
- 1.2. The Cabinet is requested to agree the Housing Allocations Policy, for adoption from 1 April 2026.

2. Suggested reasons for decisions

- 2.1. The Housing Allocations Policy is a statutory document and adopting the revised policy will ensure that it remains up to date and is able to respond to pressures locally.

3. Budget and policy framework

- 3.1. The Draft Housing Allocations Policy has been developed in line with the Council Plan and sets out the Council's contribution to meeting the aims of the Council Plan with respect to Housing. The approval of the Allocations Policy is a matter for Cabinet.
- 3.2. In line with Part VI of the Housing Act 1996, it is a requirement for Local Authorities to follow statutory guidance when setting out a policy for how social housing will be allocated. This must have regard to the Local Authorities' own Homelessness Prevention and Tenancy Strategies.

4. Background

- 4.1. Medway Council's current Allocations Policy was agreed in 2019. It was recognised that an updated Allocations Policy was required to reflect the changes in local demand for social housing and incoming national legislative changes. The Housing Allocations Policy details the Council's planned response to how we let Social Housing to households on our Housing Register. The policy is designed to meet all legal requirements and support the objectives of Medway's Housing Strategy and to Provide a fair and transparent system that can be easily understood and trusted by people in the prioritisation of Social Housing.
- 4.2. To ensure that we captured a broad spectrum of views on the local picture, with its pressures and opportunities, in March 2025 we ran two pre-draft consultation workshops which included Stakeholders from a range of Registered Housing Providers, Supported Housing, and internal teams at Medway. This input has allowed us better understanding of the barriers of the current policy, and the fairest way to deal with social housing allocations. Further information relating to consultation is set out in section 8 and Appendix 4 to this report.

5. Advice and analysis

- 5.1. The draft policy has been developed based upon a comprehensive review and consideration of:
 - 5.1.1. The national and local context;
 - 5.1.2. An analysis of the numbers of people currently on the housing register and their bandings;
 - 5.1.3. Consultation with stakeholders.
- 5.2. Although much of the banding criteria has not changed, there have been some other significant changes to how the bandings are set out and eligibility to access the register.

- 5.3. Some banding changes include removing the transfer banding and the inactive banding. The banding levels also more appropriately reflect the urgency of the housing need.
- 5.4. The eligibility criteria has seen an increase of the financial cap placed on households accessing the register from £50,000 to £63,000 to reflect inflation and cost of living burdens. The residency criteria has increased from 2 years to 3 years (with exceptions to this identified). Provision for non-Medway care leavers has been introduced ahead of new regulations.
- 5.5. A more detailed summary of changes made can be found in Appendix 1.
- 5.6. A Diversity Impact Assessment has been carried out and no adverse impacts were identified for any specific group of people with a protected characteristic. Advancement of equality was identified in the categories of Age, Disability, Sex and Low Income. The Diversity Impact Assessment is included as appendix 2.

6. Regeneration, Culture and Environment Overview and Scrutiny Committee

- 6.1. The above Committee considered the report on 14 August 2025 and the draft minutes of the discussion are set out below.
- 6.2. The Chief Housing Officer introduced the report, she highlighted the principal changes proposed in the policy which had previously been agreed in 2019. The new policy proposed changes in the eligibility criteria raising the financial cap to £63,000 pa and to increase the residency criteria to three years alongside other changes which were detailed in the report.
- 6.3. The following issues were discussed:
- 6.4. Vulnerable groups – in response to a question whether changes in eligibility could negatively affect those fleeing domestic abuse, the Chief Housing Officer stated that those cases were dealt with under the homelessness criteria and would therefore be unaffected by any changes. She added that Care Leavers would also be unaffected as they were the responsibility of the placing local authority.
- 6.5. Banding – the Committee discussed the housing allocations banding criteria, the Chief Housing Officer explained that band A, the highest priority was a small cohort with medial needs or other specific criteria. She added that most residents were placed in bands B or C. Those in Band D would be a lower priority need so it was to be expected that those families to take longer to be rehoused. Another factor which affected how long people remained on the waiting list was applicant preference, for example if an applicant only applied for properties in a particular area, their choice of properties was reduced and it would consequently take longer to be placed in a suitable property.

- 6.6. Community Contribution – further information was requested in relation to the community contribution by applicants, the Chief Housing Officer stated that it was proposed that the community contribution required be increased to three years to secure eligibility, this contribution could take many forms such as employment, voluntary work or caring responsibilities.
- 6.7. It was asked whether the increase in residency would affect vulnerable groups, the Chief Housing Officer stated the consultation responses had included many requests for residency criteria to be raised to five years, however, officers felt three years was the right balance and noted a commitment to Medway. The Assistant Director Community and Culture added that proposals were based on good practice and legislative requirements, and housing allocation was always based on need. The scope of the policy allowed for some flexibility in decision making to reflect exceptional cases and if Members felt any group had been excluded or disadvantaged this could be reviewed.
- 6.8. Eligibility – a Member commented that a resident had informed him they were deemed ineligible by the service because housing was provided to asylum seekers, the Chief Housing Officer stated that whilst she could not comment on individual cases, this was not the case, to be eligible for housing applicants needed to have settled status and recourse to public funds. She undertook to discuss the case with the Member outside of the meeting.
- 6.9. Band X – the Committee discussed the removal of band X from the register. The Chief Housing Officer stated that band X referred to ineligible applicants whose details had been kept on file. Under the proposals they would be contacted and if the circumstances of these applicants changed then their case would be reconsidered.
- 6.10. Unreasonable behaviour - in response to a question regarding how unreasonable behaviour was assessed, the Chief Housing Officer stated that application forms included questions about criminality and the information provided was checked prior to the offer stage. Any Anti-Social Behaviour in the tenant's property or in the vicinity would be flagged.
- 6.11. Income eligibility – a Member welcomed the changes to income criteria and asked if there were plans to look at income criteria more regularly than the previous six year review. The Chief Housing Officer stated that a significant piece of work had to be undertaken to review how other authorities had calculated income criteria, in particular the percentage of household income related to housing costs. It was proposed that an annual review be undertaken in relation to financial criteria to ensure it remained at an appropriate level.
- 6.12. Local Government Reform – Members discussed whether the policy would be affected by Local Government Reform. The Assistant Director, Community and Culture stated that there would be some commonality with policies in neighbouring authorities due to legislation and best practice. The policy was

based on current needs in Medway and any successor authority would need to undertake a review in due course.

6.13. Decision:

- a) The Committee noted the proposed Housing Allocations Policy and submitted comments to Cabinet.
- b) The Committee requested a briefing note providing further information on the band criteria and the residents in band B and Band C.

7. Risk Management

Risk	Description	Action to avoid or mitigate risk	Risk rating
That the proposed changes will negatively impact some people who may no longer be eligible for a banding	<p>Some bandings are being removed, which will result in high numbers of households unable to access the housing register. In particular, those with a transfer banding.</p> <p>Also those who currently have a band B for community contribution may find that their banding is lowered to a b and C.</p>	<p>Medway Council will need to be clear about the reasons for change, given the current housing stock available.</p> <p>Work can be completed with promoting the mutual exchange function which is currently under-used.</p>	AIII
That the decision is made not to update the current Housing Allocations Policy.	<p>The current policy does not expire, however the policy has been written with the consideration of changes to Medway and the demand on social housing since 2019.</p> <p>We could be at risk of discriminating against those who should have reasonable preference according to legislation if our policy is not kept up to date.</p>	<p>The direction outlined in the policy is a shared vision across strategic housing and partner agencies. Should the strategy not be agreed, the work areas would continue under the aims of the previous strategy.</p>	CIII

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

8. Consultation

- 8.1. A pre-Draft Consultation initially took place as three workshops between March and April and was delivered to a range of stakeholders including internal colleagues across housing and public health, registered providers, support providers, voluntary, community sector providers and members of Cabinet.
- 8.2. A public consultation was published online which ended on 1 September 2025. Throughout August, housing staff held in person drop-in sessions at all libraries to support people in completing the consultation online. An additional focus group has been held with the HRA tenant's panel to tackle some of the more nuanced and complex issues that this policy raises. Details of the consultation are set out in Appendix 4 to the report and it is noted that in the main, consultation responses were positive and in agreement with the changes to the policy with a strong sentiment to prioritise Medway residents.

9. Climate change implications

- 9.1. Given the remit of this policy, there is predicted to be no negative impacts on climate change factors. There is likely to be a positive impact in terms of improving the throughput into better quality of accommodation for the most vulnerable groups in Medway, who would typically be housed in the lower end of the private sector and spending a higher proportion of household income on utility bills. In line with Housing Service's drive to improve the overall quality of housing in Medway, this will play its part in moving toward a higher percentage of Medway residents living in housing with better thermal efficiency, lower housing costs.

10. Financial implications

- 10.1. The draft Housing Allocations Policy does not include any budgetary commitments over and above those already planned for.

11. Legal implications

- 11.1. There is a legal requirement for Local Housing Authorities to have a Housing Allocations Policy. In delivering this policy we must have regard to the published guidance in exercising our functions under Part 6 of the Housing Act 1996.

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Appendices

Appendix 1 – Change Summary Note
Appendix 2 – Diversity Impact Assessment
Appendix 3 – Housing Allocations Policy 2026
Appendix 4 – Consultation Responses

Background Papers

None