



## **CABINET – 25<sup>TH</sup> JUNE 2025**

**SUBJECT: COMMON ALLOCATION POLICY 2025**

**REPORT BY: EXECUTIVE DIRECTOR OF HOUSING AND ENVIRONMENT**

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### **1. PURPOSE OF REPORT**

- 1.1 To present Cabinet with the new Common Allocation Policy.
- 1.2 To seek Cabinet approval of the new Common Allocation Policy.

### **2. SUMMARY**

- 2.1 The existing Common Allocation Policy was prepared in 2014 when the economic and housing situation was very different to today. The new Common Allocation Policy will help the Council prevent homelessness and help to alleviate the current pressures on temporary accommodation.
- 2.2 A project group was set up in November 2023 to review the existing policy and other related information. The project group put forward a series of proposed amendments to ensure all social housing in the county borough continues to be fairly and equitably allocated to those groups of people assessed to be in the greatest need.
- 2.3 A stakeholder consultation exercise on the new Common Allocation Policy received 167 valid responses from existing Common Housing Register applicants, representatives of existing applicants and third sector equality related organisations. The responses have been analysed and considered by the project group.
- 2.4 The new Common Allocation Policy, its appendices and the Integrated Impact Assessment have been finalised following completion of the stakeholder consultation exercise.
- 2.5 When the new Common Allocation Policy is approved by Cabinet, the Council will identify individuals who may be affected by the changes and outline the potential impacts. These applicants will be granted a 12-month grace period in

order to find a home before the changes take effect, with the exception of the Unreasonable Refusal criteria which will be come into effect when the new policy is implemented.

- 2.6 The introduction of the new Common Allocation Policy requires some essential updates to Abritas, the Common Housing Register IT system. The timely delivery of the updates to Abritas are vital to the implementation of the revised policy to the Council's preferred timeline.
- 2.7 A full review into the effectiveness of the new Common Allocation Policy will be undertaken 12 months after its implementation. During this period quarterly monitoring will also be undertaken.
- 2.8 With new homelessness legislation expected to be introduced in Wales by Welsh Government between 2026/27-2027/28, it is likely that the new Common Allocation Policy will need to be further reviewed and updated.
- 2.9 Minor updates to the new Common Allocation Policy will be approved by the Director of Housing, in consultation with the Executive Director for Housing & Environment and the Cabinet Member for Housing. For major updates, the approval of Cabinet will be sought.

### **3. RECOMMENDATIONS**

- 3.1 That Cabinet approves the development and introduction of the new Common Allocation Policy.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 To enable the Council to effectively respond to the challenges presented by the current housing crisis.
- 4.2 To ensure that all social housing in the county borough continues to be fairly and equitably allocated to those groups of people assessed to be in the greatest need.
- 4.3 To ensure that the Council meets its statutory duty to prevent homeless and help to alleviate the current pressures on temporary accommodation.
- 4.4 To improve the way all social housing in the county borough is let through the introduction of a Choice Based Lettings approach, which will improve the customer experience and transparency, and provide more tailored information about the properties available to let.

## **5. THE REPORT**

### **5.1 Context**

- 5.1.1 In December 2016, the Council created a single point of access for people seeking social housing in Caerphilly county borough through the introduction of the Common Housing Register and a single means of assessment through the implementation of the Common Allocation Policy. The purpose of the Common Allocation Policy is to ensure that all social housing in the county borough is fairly and equitably allocated to those groups of people assessed to be in the greatest need. This is in line with Welsh Government's Code of Guidance on Allocations and Homelessness (March 2016) and local priorities determined by the Council, e.g. people homeless or threatened with homelessness, people with disabilities, older people, Armed Forces veterans etc. The policy helps to ensure the most effective use of the housing stock and the creation of sustainable communities. Since their implementation, the Council has undertaken periodic monitoring and review of data produced by the Common Housing Register and made a series of minor amendments to the Common Allocation Policy.
- 5.1.2 Many parts of Wales are now experiencing a housing crisis with an insufficient number of homes available to satisfy the high level of identified needs. Coupled with housing costs rising faster than wages and benefits, this means that many people are unable to afford to rent or buy a home. In the Caerphilly context the Council has experienced a significant increase in the number of homelessness presentations being made over the last couple of years. There has been an increase in the number of people being placed in temporary accommodation whilst waiting for permanent accommodation to become available with a significant resultant increase in the cost of providing temporary accommodation.
- 5.1.3 The housing crisis is complex and the provision of homes is only part of the solution. As part of its homelessness prevention duties the Council continues to work continues closely with its housing association partners on a range of initiatives. This includes the provision of good quality affordable homes, buying open market properties funded via the Transitional Accommodation Capital Programme and through the development of new homes funded via the Social Housing Grant Programme. The launch of Welsh Governments Leasing Scheme Wales will also help the Council to improve access to and affordability in the Private Rented Sector, thereby helping to address unmet housing needs.

### **5.2 Project Initiation**

- 5.2.1 In October 2023, the Council agreed with its housing association partners to carry out a large scale review of the existing Common Allocation Policy (2015). The project was initiated in November 2023 and a project group was established to lead the review, consisting of those organisations below:
- Aelwyd Housing
  - Cadwyn Housing Association
  - Caerphilly Homes
  - Linc Cymru Housing Association

- Pobl Group
- United Welsh Housing Association
- Wales & West Housing

5.2.2 The Council provided secretariat to the group for the duration of the project. Meetings were carried out in person with the opportunity for people unable to attend to take part online. Due to its complexity the project was undertaken in several stages as considered below.

5.2.3 The Housing Solutions Manager has met regularly with the Cabinet Member for Housing throughout the duration of the project to provide updates.

### **5.3 Stage 1 – Review of Existing Policy and Other Information**

5.3.1 This stage lasted 9 months and involved:

- reviewing the strengths and weaknesses of the existing Common Allocation Policy;
- analysing relevant datasets produced by the Common Housing Register;
- evaluating any operational matters arising from the current housing crisis and potential solutions;
- reviewing the rehousing policy and practices of other Welsh local authorities;
- reviewing the proposed changes to Homelessness legislation being put forward by Welsh Government in the White Paper on Ending Homelessness in Wales; and
- consideration of the benefits to applicants of adopting a choice based approach to lettings.

This stage culminated in a series of changes deemed necessary by the project group being proposed, which are summarised in Appendix 1.

5.3.2 A key theme underpinning the review was a desire by the project group to improve the customer housing journey, from the point of making a housing application to being allocated accommodation, and meetings were held with colleagues from the Mobilising Team Caerphilly transformation and improvement programme to help shape thinking and understanding. A process mapping workshop event was undertaken to review the efficiency of the existing customer journey and to consider any amendments to this process. The project group proposed making the following improvements:

- the development of a new policy which is shorter in length with the use of jargon minimised or simplified;
- giving people a greater say on where they live by adopting a choice-based lettings approach;
- reducing some of the barriers people face when accessing housing through amendments to policy; and
- improving the range of information and support provided by the Council and the housing associations to ensure people make informed choices about their housing prospects and are housed as quickly as possible.

5.3.3 The proposed changes to the Common Allocation Policy are summarised at Appendix 1 and include:

- Revising the priority banding scheme;
- Increasing the number of bands from 3 to 5;
- Reducing the number of unreasonable refusals from 3 to 2;
- Introduction of a Choice Based Lettings approach (see Appendix 3);
- Removing suspensions for all applicants except for administrative purposes;
- Revising the Property Related Debt criteria in reflection of the increasing levels of indebtedness;
- Increasing the level of financial resources an applicant is permitted to have from £50,000 to £75,000;
- Introducing a threshold of £75,000 for residential property owners; and
- Providing a 12 month Grace Period for those affected by the proposed changes to policy.

5.3.4 The project group considered age designations set by the community landlords for all later living accommodation (sheltered and non-sheltered). Responsibility for setting age designations lays with the landlord, whose responsibility it is to let and manage their properties. All housing associations set age designation at 55 years plus for all later living accommodation, although this can be reduced by the landlord in special circumstances, e.g. to rehouse an applicant with a physical disability. Caerphilly Homes sets age designation at 60 years plus and similarly to the housing associations this can be reduced in special circumstances. Caerphilly Homes have agreed to reduce age designation for non-sheltered accommodation to 55 years plus. For sheltered accommodation, the age designation for Caerphilly Homes will remain at 60 years plus. This information will be shown in the appendices of the policy and the Home Search Caerphilly website.

## **5.4 Stage 2 – Preparation of New Draft Policy**

5.4.1 This stage of the project involved the Council preparing a revised policy taking into consideration the series of amendments and additions proposed by the project group. The pre-consultation draft was reviewed and agreed by the project group prior to the stakeholder consultation exercise stage being initiated.

## **5.5 Stage 3 – Stakeholder Consultation Exercise**

5.5.1 This stage of the project involved the undertaking of a stakeholder consultation exercise, which was carried out between the 20<sup>th</sup> January 2025 and the 24<sup>th</sup> February 2025. In line with Welsh Government's Code of Guidance on Allocations & Homelessness (March 2016) the Council wrote to those people who may be potentially affected by the changes, providing a background into the reason for the changes, a summary of the proposed changes, and providing details of how people could make their views known. The Council also invited those third sector organisations which represent specific groups of people such as disabled people or people in later life to respond to the consultation.

- 5.5.2 A Microsoft Forms survey was designed to collect views on the proposed changes and any equality related matters, with the latter part being used to update the integrated impact assessment. People were able to complete the form online or in writing.
- 5.5.3 Responses to each proposal were based on a standard 5 point response (Likert scale):

Do you agree or disagree with this proposal?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree

After each question respondents were asked to explain their answer.

## **5.6 Stage 4 - Analysis of Consultation Responses**

- 5.6.1 This stage of the project involved analysing the consultation responses. Responses were only sought from those people potentially affected by the proposed changes (existing Common Housing Register applicants), which satisfies the consultation criteria set out in the Welsh Government's Code of Guidance on Allocations and Homelessness (March 2016). In order to facilitate responses from older and vulnerable people responses were accepted from representatives of existing Common Housing Register applicants and third sector equality related organisations.
- 5.6.2 In total, 227 consultation responses were received. 60 responses were subsequently excluded from the analysis due to being ineligible because they were not part of the target group. No responses were received in Welsh. The breakdown of responses by group:
- existing Common Housing Register applicants (93%)
  - representatives of existing Common Housing Register applicants (5%); and
  - third sector equality related organisations (2%).
- 5.6.3 The number of responses received during this consultation was much higher than recent other housing related consultations carried out by the Council. The high number of responses shows that consultation has proved successful in providing people potentially affected by the proposed changes with an opportunity to actively engage with the process.
- 5.6.4 To protect privacy and increase the number of responses the survey was anonymised. Due to the sensitive nature of some of the responses, the supplementary information provided with each response has been omitted from this report.

5.6.5 Appendix 2 provides a full analysis of the consultation responses. A summary of the responses is shown below:

- 56% of respondents agreed or strongly agreed with revising the priority banding scheme. 26% neither agreed nor disagreed;
- 58% of respondents agreed or strongly agreed with increasing the number of bands from 3 to 5. 23% neither agreed nor disagreed;
- 61% of respondents agreed or strongly agreed with reducing the number of unreasonable refusals from 3 to 2. 14% neither agreed nor disagreed;
- 69% of respondents agreed or strongly agreed with introducing a Choice Based Lettings approach. 21% neither agreed nor disagreed;
- 59% of respondents agreed or strongly agreed with removing suspensions for all applicants except for administrative purposes. 23% neither agreed nor disagreed;
- 64% of respondents agreed or strongly agreed with revising the Property Related Debt criteria in reflection of the increasing levels of indebtedness. 17% neither agreed nor disagreed;
- 55% of respondents agreed or strongly agreed with increasing the level of financial resources an applicant is permitted to have from £50,000 to £75,000. 19% neither agreed nor disagreed;
- 49% of respondents agreed or strongly agreed with Introducing a threshold of £75,000 for residential property owners. 25% neither agreed nor disagreed;
- 45% of respondents agreed or strongly agreed with providing a 12-month grace period for those affected by the proposed changes to policy. 35% neither agreed nor disagreed;
- 41% of respondents said the introduction of the new Common Allocation Policy will not impact negatively on them because of a protected characteristic. 43% said don't know;
- 11% of respondents said the introduction of the new Common Allocation Policy would help to reduce levels of socio-economic disadvantage in the county borough. 72% said don't know;
- 27% of people said the introduction of the new Common Allocation Policy will have a positive impact on future generations living in the county borough. 59% said don't know; and

- 53% of people said the introduction of the Common Allocation Policy will ensure that the Welsh Language is treated no less favourably than the English language. 23% said don't know.

5.6.6 The table below provides a breakdown of respondents by age, excluding the third sector organisations:

Age	Percent
Under 18	0%
18-25	7%
26-39	26%
40-54	19%
55-64	19%
65-74	17%
75 and over	10%
Prefer not to say	1%

## 5.7 Stage 5 – Finalisation of Proposed New Policy

- 5.7.1 This stage of the project involved the project group reviewing the consultation responses and agreeing whether any further changes were required to the policy. Although a range of concerns were expressed around waiting times, a perceived lack of suitable accommodation, void properties being left empty, and fairness and equity, the project group determined that no changes were required to the proposed new Common Allocation Policy or appendices.
- 5.7.2 The integrated impact assessment was updated following completion of the consultation exercise. No adverse impacts were identified although a number of concerns were expressed around disability and access to appropriate accommodation, which have been noted.
- 5.7.3 The Council is a member of Tai Pawb, an organisation that promotes equalities and social justice in housing in Wales. As part of the member benefits package the Council asked Tai Pawb to carry out a review of the draft Common Allocation Policy and appendices, and the draft integrated impact assessment. The response from Tai Pawb was reviewed by the project group. No significant concerns were raised by Tai Pawb. Some minor points regarding monitoring and review of decisions were noted. Follow a recommendation from Tai Pawb the Council will provide training on anti-racism and unconscious bias for the two housing panels.
- 5.7.4 In response to a query raised during the stakeholder consultation by the Royal British Legion, the Council has carried out a review of the new Common Allocation Policy against the requirements of the Armed Forces Covenant. The review shows that the policy fulfils all requirements in relation to the provision of accommodation from a social housing and homelessness perspective.



- 5.7.5 The Housing Management Team has reviewed all consultation material and responses. It also received an analysis of the comments provided by Tai Pawb and the review of the Armed Forces Covenant.
- 5.7.6 The new Common Allocation Policy is a technical document and contains some terminology, which the Council knows that some people may struggle to understand. To improve understanding and accessibility the Council has produced a Key Terms Explained document, which will be published alongside the new policy. The document was finalised following feedback received from the Caerphilly Homes' Tenant Information Exchange.

## **5.8 Stage 6 – Approval of New Policy**

- 5.8.1 The stage of the project involves presentation of the finalised new Common Allocation Policy and associated materials to Cabinet for approval. Following consideration by the Housing & Environment Scrutiny Committee on 17<sup>th</sup> June 2025, a report will be presented to Cabinet on 25<sup>th</sup> June 2025.

## **5.9 Stage 7 – Implementation of Approved Policy**

- 5.9.1 This stage of the project involves the full implementation of the newly approved Common Allocation Policy and appendices. It is expected that the approved Common Allocation Policy and appendices will be implemented from the 31<sup>st</sup> October 2025.
- 5.9.2 Following Cabinet's approval the Council will undertake an exercise to determine those people that may be impacted by the approved changes. The Council will write to these people setting out what the impact may be and providing them the opportunity to request a review of this decision. Applicants who are impacted will receive a 12 month grace period from the date of introduction before the changes come into effect, with the exception of the criteria on unreasonable refusals, which is planned to be implemented immediately. It is envisaged that many people affected will be rehoused in this period.
- 5.9.3 The implementation of the new policy and the adoption of a choice based lettings approach is dependent on the software provider carrying out some essential updates to Abritas the existing Common Housing Register IT system. The provider was not able to carry out these updates in line with the Council's preferred timetable for implementing the new policy, meaning there will be a short delay before the policy goes live. Officers continue to work closely with Civica on this matter and will advise the Cabinet Member for Housing accordingly.
- 5.9.4 The existing staff structure for managing the Common Housing Register was agreed with housing association partners in 2015 and involved the General Fund paying 50% of the total costs and the landlords, including Caerphilly Homes, paying the remaining 50%, which was prorated stock holding as a percentage of the total social housing stock count. As part of the review of the policy the Council advised partners that both the staff structure and funding matrix would need to be reviewed.

## **5.10 Stage 8 – Post Implementation Review**

5.10.1 Following implementation the new Common Allocation Policy will be monitored to ensure that it is working as intended. 12 months after implementation a full review will be carried out to ensure that the policy is meeting its intended outcomes. This review will be carried out by the Council in partnership with its housing association partners. The outcome of the review will be presented to the Housing Management Team and the Cabinet Member for Housing.

## **5.11 Updates to Policy**

5.11.1 In line with previously agreed practices, it is proposed that any minor updates to the Common Allocation Policy are approved by the Director of Housing, in consultation with the Executive Director for Housing & Environment and the Cabinet Member for Housing, following consultation with housing association partners. Major updates to policy will need to be approved by Cabinet following consultation with affected stakeholders.

## **5.12 Standard Operating Procedures**

5.12.1 The Council intends to produce a set of standard operating procedures to provide detailed advice on various aspects of the policy, including the various types of assessment carried out by the Common Housing Register team, and advertising properties and shortlisting applications, functions carried out by partner landlords. It is proposed that all procedures, at point of implementation and review, are signed off by the Director of Housing.

## **5.13 Pending Homelessness Legislation**

5.13.1 In October 2023, Welsh Government opened a consultation White Paper on ending homelessness in Wales. The Council's understanding of the White Paper is that once the legislation is enacted the Council will need to review and update the new Common Allocation Policy. We expect changes to be implemented in stages between 2026/27 and 2027/28. Members will be advised on any changes at the right time.

## **6. ASSUMPTIONS**

6.1 It is assumed that the implementation of the new Common Allocation Policy will help the Council to prevent homelessness and to alleviate the current pressures on temporary accommodation.

## **7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

7.1 An Integrated Impact Assessment has been completed and can be viewed at:

[Click Here For Link To IIA](#)

- 7.2 This integrated impact assessment has been undertaken to ensure that the policy complies with the Equality Act, the Welsh Language (Wales) Measure, Well-being of Future Generations (Wales) Act 2015, and the Socio-economic Duty 2021, and does not indirectly discriminate against any particular groups of people. Periodic monitoring will be undertaken by the Council, using data from the Common Housing Register, to ensure that the policy continues to comply with the relevant legislation. A review of the draft policy, the appendices and IIA was undertaken by Tai Pawb highlighting some future changes to legislation and potential training opportunities.

By ensuring that people in housing need are given priority for rehousing and that all social landlords party to the policy make the most effective use of their properties when letting contributes to the promotion of sustainable and cohesive communities.

Overall, this integrated impact assessment shows that the introduction of the revised policy will in general have a positive impact from the various perspectives of equalities, socio-economic, well-being of future generations and Welsh language, albeit to varying degrees.

## **8. FINANCIAL IMPLICATIONS**

- 8.1 Some essential updates to Abris are required to facilitate the introduction of the new Common Allocation Policy and the new approach to lettings. Costs are associated with the implementation of the Choice Based Lettings model and updates to the online Common Housing Register application form. The full costs are yet to be determined and work is still ongoing to establish these. It is proposed that the Council pay 50% of the total costs with the remainder paid by all landlords signed up to the new Common Allocation Policy via existing Common Housing Register funding arrangements.
- 8.2 The existing staff structure for managing the Common Housing Register is funded 50% through the General Fund and 50% by partner landlords, including Caerphilly Homes, which is prorated by stock holding as a percentage of the total social housing stock count. As part of the policy review process the Council indicated to housing association partners that the costs associated with maintaining the Common Housing Register would need to be reviewed.

## **9. PERSONNEL IMPLICATIONS**

- 9.1 There are no specific personnel implications for the Common Housing Register Team as the review and implementation of the new policy will form part of the day-to-day service delivery.
- 9.2 The introduction of a Choice Based Lettings approach will require Caerphilly Homes to reshape their existing approach to letting homes. A new Moving Homes team has been approved and is in the process of being set up. The team will need to develop new processes to ensure all homes owned and managed by

Caerphilly Homes are let efficiently and effectively.

## **10. CONSULTATIONS**

- 10.1 Consultation with internal stakeholders and housing association partners was carried out via the project group arrangements.
- 10.2 Consultation with external stakeholders is outlined at paragraphs 5.5.1 to 5.5.3.
- 10.3 All comments received from the consultees listed below have been noted and, where appropriate, incorporated within the report.
- 10.4 The “Common Allocation Policy 2025” report was considered by the Housing and Environment Scrutiny Committee on Tuesday, 17th June 2025. Below are the questions raised by members and the officers responses:
  - 10.4.1 One Member enquired how enlarging the eligibility criteria would alleviate homelessness. The Member also asked how the choice-based lettings approach would apply to homeless people. The Director of Housing gave detail on the review of age designation and highlighted how it aligned with other social housing providers. He also mentioned that those in temporary accommodation would be in Band 2 under the new policy. The lack of one-bedroom accommodation was highlighted as an issue, as the majority of people currently in temporary accommodation require this size accommodation. The new digital system would also be supported with face-to-face guidance and assistance if required.
  - 10.4.2 The Member also sought more information on hard to let properties and the right of a homeless person to refuse unsuitable accommodation. The Director of Housing outlined that there would be two opportunities of unreasonable refusal in the new policy compared with the current system of three. It was also highlighted that the right of refusal did not apply to offers of temporary accommodation as things currently stood. The officer also gave additional information on the reasons for the small percentage of hard to let properties such as location and facilities available.
  - 10.4.3 One Member wished to know what constituted a reasonable refusal. The Principal Housing Strategy Officer advised that definitions were in the procedures that supported the policy and clarified that reasonable refusals could include hospital admissions, while unreasonable refusals might be based on personal preferences such as disliking the neighbours.
  - 10.4.4 A Member questioned the rationale behind extending the number of bands and observed that those on bands 3, 4 and 5 had no chance of getting a property. The Principal Housing Strategy Officer highlighted that transparency was the core aim of the banding system and so the small number of people who faced exceptional circumstances such as risk to life unless rehomed, now had a separate band. Band 5 has been introduced for those people previously suspended including those with unacceptable behaviour. Members heard that

there were three core bands in the current policy, and that the shortage of housing was a massive challenge. Officers advised that most allocations went to bands 1 and 2, but that even in band 3 there was an annual lettings rate of around 20%. The Member then asked about monitoring the behaviour of contract holders. The Principal Housing Strategy Officer advised that monitoring involved assessing previous tenancies and applying a test of unacceptable behaviour.

10.4.5 The Member enquired about any flexibility in debt criteria for a tenant who was in arrears but needed to be moved and had a payment plan in place for example. Officers advised that the debt criteria had been amended to remove some of the barriers to rehousing. The Principal Housing Strategy Officer confirmed that parts of the debt criteria could be waived in extenuating circumstances. The Member also asked about any proactive contact with under-occupying tenants. The Director of Housing Services highlighted current research into “right-sizing” to address the under-occupancy issue.

10.4.6 One Member queried if the review had considered the requirements of the Armed Forces Covenant. Also, how would CCBC ensure that vulnerable residents are not unintentionally disadvantaged by the CAP, and support is provided for applicants with limited digital access. Officers advised Members that the policy aligns with the Armed Forces Covenant and provided assurance that support for vulnerable residents and those with limited digital access would be provided through guidance and face-to-face assistance if required.

10.4.7 One Member enquired about prioritising residents who have identified that their home is too big for them and would like to move to a smaller property. Members heard that individual circumstances are considered and such situation could be dealt with through two priority awards - hardship or downsizing from a social rented property. It was also mentioned that efforts are being made to increase the stock of one-bedroom accommodations through acquisitions and the new build programme. The “right-sizing” research project would provide additional information on this situation.

10.4.8 The Chair enquired about provision for those with mental health issues. Officers provided information on the award process for this category under the CAP.

## **11. STATUTORY POWER**

11.1 The new Common Allocation Policy has been produced in accordance with Welsh Government’s Code of Guidance on Allocations and Homelessness (March 2016) and the following legislation:

- Part 6 (Allocations) of the Housing Act 1996
- Part 2 (Homelessness) of the Housing (Wales) Act 2014

Authors: Mark Jennings, Principal Housing Strategy Officer –  
(Email: jennim1@caerphilly.gov.uk)  
Kerry Denman, Housing Solutions Manager –

(Email: [denmak@caerphilly.gov.uk](mailto:denmak@caerphilly.gov.uk))

Consultees: Cllr Sean Morgan, Leader of Council  
(Email: [morgas@caerphilly.gov.uk](mailto:morgas@caerphilly.gov.uk))  
Cllr Andrew Whitcombe, Chair of Housing and Environment Scrutiny Committee  
(Email: [whitca@caerphilly.gov.uk](mailto:whitca@caerphilly.gov.uk))  
Cllr Shane Williams, Vice Chair of Housing and Environment Scrutiny Committee  
(Email: [willis42@caerphilly.gov.uk](mailto:willis42@caerphilly.gov.uk))  
Cllr Shayne Cook, Cabinet Member for Housing  
(Email: [cooks3@caerphilly.gov.uk](mailto:cooks3@caerphilly.gov.uk))  
Richard Edmunds, Chief Executive  
(Email: [edmunre@caerphilly.gov.uk](mailto:edmunre@caerphilly.gov.uk))  
Marcus Lloyd, Executive Director of Housing and Environment  
(Email: [willims@caerphilly.gov.uk](mailto:willims@caerphilly.gov.uk))  
Rob Tranter, Head of Legal, Democratic Services and Monitoring Officer  
(Email: [trantrj@caerphilly.gov.uk](mailto:trantrj@caerphilly.gov.uk))  
Leanne Sykes, Director of Financial Services and Section 151 Officer  
(Email: [sykesl@caerphilly.gov.uk](mailto:sykesl@caerphilly.gov.uk))  
Nick Taylor-Williams, Director of Housing  
(Email: [taylon1@caerphilly.gov.uk](mailto:taylon1@caerphilly.gov.uk))  
Fiona Wilkins, Housing Services Manager  
(Email: [wilkife@caerphilly.gov.uk](mailto:wilkife@caerphilly.gov.uk))  
Jane Roberts-Waite, Head of Development and Strategy  
(Email: [roberj9@caerphilly.gov.uk](mailto:roberj9@caerphilly.gov.uk))  
Claire Davies, Private Sector Housing Manager  
(Email: [daviec13@caerphilly.gov.uk](mailto:daviec13@caerphilly.gov.uk))

Background Papers: Code of Guidance on Allocations and Homelessness (Welsh Government, March 2016) – can be accessed using this hyperlink:

[Click Here For Link to Code of Guidance on Allocations and Homelessness](#)

Appendices:

- Appendix 1 The proposed changes to the Common Allocation Policy
- Appendix 2 A Choice Based Lettings Approach
- Appendix 3 Summary of consultation responses
- Appendix 4 Common Allocation Policy 2025 & Appendices – attached here as hyperlinks:

Link to [Common Allocation Policy 2025](#)

Link to [Common Allocation Policy 2025 Appendices](#)

## **Appendix 1: The Proposed Changes to the Common Allocation Policy**

- **A revised priority banding scheme**

The priority banding scheme has been designed to give preference to groups of people in line with the Code of Guidance on Allocation and Homelessness (Welsh Government, 2016) and any local priorities identified by the Council. No significant changes have been made to the groups of people who can be awarded preference. Changes have been made to the qualifying criteria used to assess applications, which include a revised priority banding scheme, reducing the number of unreasonable refusals, and using a different approach to letting properties. Changes have also been made to criteria relating to eligibility, debt, financial resources and people who own a property.

- **Increase in the number of priority bands**

Under the existing Common Allocation Policy, the priority banding scheme consists of 3 bands. Under the new Common Allocation Policy, it is proposed that the number of bands within the priority banding scheme increases from 3 to 5, to allow for changes in policy to the way those people with a very urgent need to move are administered, and deal with those applications where priority is reduced. For the majority of current applicants their level of priority will remain unchanged by this proposal.

Band 1	Highly exceptional circumstances	Highest level of priority
Band 2	Additional preference	
Band 3	Reasonable preference	
Band 4	No housing need	
Band 5	Reduced preference	Lowest level of priority

- **Unreasonable refusals**

Currently, offers of accommodation are based on the preferences people make on their housing application form. Common Housing Register data shows that for a variety of reasons people will often refuse an offer. Refusals are deemed as either reasonable or unreasonable and applicants are currently permitted to make 3 unreasonable refusals. On the third unreasonable refusal the application would be suspended for 12 months. The proposal is to reduce the number of unreasonable refusals from 3 to 2, as 3 was felt by the project group to be overly generous. It will ensure people are more focused on being rehoused and to minimise the void relet period for each landlord. With the adoption of a choice-based lettings approach the project group deemed that applicants will be making less unreasonable refusals because they have initially viewed a property lettings advert then made a bid for a specific property. On the second unreasonable refusal the application will be placed in band 5 for 12 months. This criterion is not subject to the 12-month grace period – see below.

On implementation of the new policy, it is proposed that all existing unreasonable refusals are cleared, and the count is started again. This is to ensure the smooth implementation of the policy and help limit the potential barriers to rehousing.

- **Choice Based Lettings**

Under the current lettings process, applicants at the top of the waiting list are contacted by a landlord when a property becomes available to let and, subject to any pre-offer checks carried out by the landlord, are made an offer of accommodation. Under a choice-based lettings approach, applicants are provided with greater choice of where they would like to live by expressing an interest in a property waiting to be let by placing a bid. The property is then allocated by the landlord to the person bidding with the highest level of priority.

The property advert and bidding processes are normally managed online and the Council plans to put in place advice and support to help vulnerable people access the IT system to ensure they don't miss an opportunity to bid.

- **Eligibility**

Under the existing policy applicants who had been found guilty of unacceptable behaviour serious enough to make them unsuitable to be a contract holder of the Council would be suspended until their behaviour had improved. Whilst suspended applicants are not considered for housing. Following the advice from the Council's Legal Team, it is proposed that suspensions will only be used for administrative purposes and such applications will be placed in band 5 and only permitted to bid on properties regarded as hard to let.

The project team is satisfied that the proposed change continues to reinforce the importance of applicants displaying behaviours associated with good tenancy management, assists the Council's homelessness prevention agenda by reducing some of the barriers people face when accessing housing, and helps landlords to let their properties.

- **Property Related Debt**

Under the existing policy applicants with a debt over £500 are suspended until such a time as they have entered into a debt repayment plan and followed the debt repayment criteria. Whilst suspended, applicants are not considered for housing. Under the new proposal the threshold for debt has been increased and applicants who cannot afford to currently repay the debt are not excluded from being considered for housing. Applicants with a debt over £2,001 will be placed in band 5 and only permitted to bid on properties regarded as hard to let. If the debt is reduced below £2,001 the applicant will be placed in a band which reflects their level of need.

The project team is satisfied that the proposed change continues to reinforce the importance of applicants displaying good money management, assists the Council's homelessness prevention agenda by reducing some of the barriers people face when accessing housing, and helps landlords to let their properties.



- **Financial Resources**

The existing policy assumes that those people with the resources to meet their own needs do-so. The financial threshold is set at £50,000. People with financial resources over this level are admitted onto the Common Housing Register and currently suspended. The criteria can be waived in a limited number of circumstances. Housing legislation currently prevents the Council from excluding such people from the register. Under the new proposal the threshold will be uprated using indexation to £75,000. People with financial resources over £75,000 will be placed in Band 5, unless an exemption applies.

The project team is satisfied that the proposed change ensures that the policy continues to prioritise the letting of homes to those in greatest need and maintains the principle that those who can afford to meet their own needs should do so whilst the requirement for social housing remains high.

- **Residential Property Owners**

The existing policy assumes that those people who own their own home and have the financial resources to meet their own needs will be admitted onto the Common Housing Register, placed in a band which reflects their needs and not considered for housing until their home is sold. The criteria can be waived in a limited number of circumstances. Housing legislation currently prevents the Council from excluding such people from the register. Under the new proposal a threshold of £75,000 has been introduced, which matches the threshold for financial resources. People with equity in a property over £75,000 will be admitted onto the Common Housing Register but placed in band 5. The waiver for older people requiring later living accommodation has been removed.

The project team is satisfied that the proposed change ensures that the policy continues to prioritise the letting of homes to those in greatest need and maintains the principle that those who can afford to meet their own needs should do so whilst the requirement for social housing remains high.

- **12-Month Grace Period**

Some of the proposed amendments will have a negative impact on existing Common Housing Register applicants. Once the proposed amendments have been approved officers will carry out an exercise to identify those people that may be impacted by the changes. The Council will write to these people explaining what the impact is and providing them with the opportunity to appeal the decision. This exercise will be completed before the new policy is implemented.

In order to mitigate against any likely impacts the project group felt it appropriate that those people affected by the proposed changes (existing applications only), with the exceptions of the unreasonable refusal criteria, are provided with a 12-month window to be rehoused before the changes come into effect. When the 12-month grace period ends all affected applications will be amended to reflect the

approved changes. All new applications from date of implementation of the policy will be assessed using the new criteria.

## Appendix 2: A Choice Based Lettings Approach

The project group has worked diligently to improve the customer journey and experience for individuals seeking rehousing via the Common Housing Register. One of the key proposals is to adopt a Choice Based Lettings approach.

Choice Based Lettings is not a recent phenomenon; being introduced in the UK in the 1990s, having originally been developed in the Netherlands. Research conducted by officers indicates that Choice Based Lettings is the preferred method for letting social housing in most parts of Wales. Many of the Council's partner housing associations also use this approach in other local authority areas.

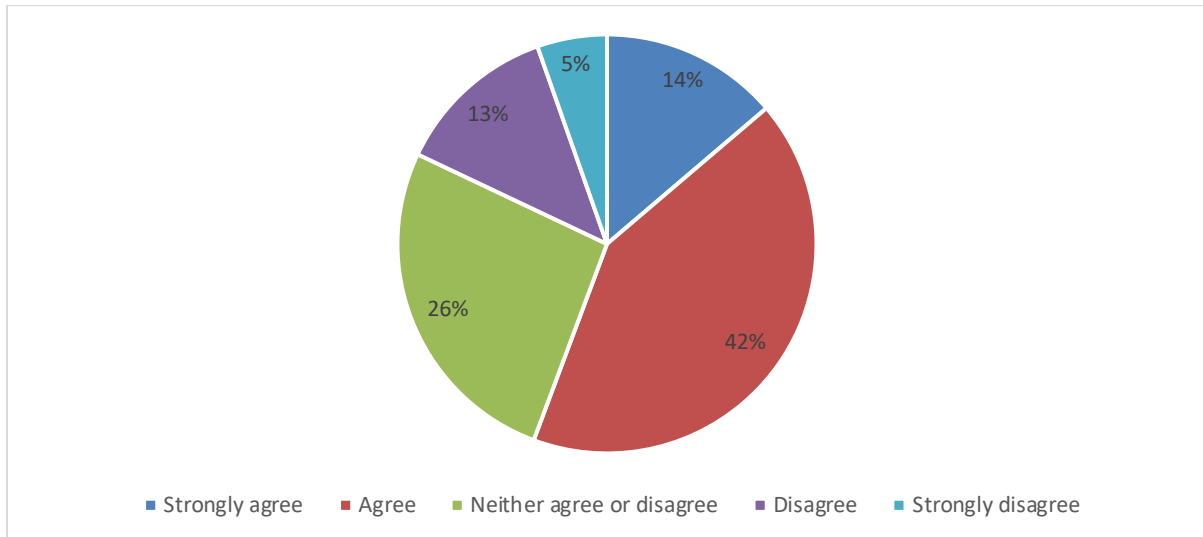
Choice Based Lettings models vary from area to area to suit local situations. In the context of Caerphilly, the following Choice Based Lettings model is proposed:

1. A range of options will be available to applicants unable to place bids, including accessing staff support, through family members/support organizations, any of the partner landlords, and by accessing one of the Council's Hubs or other offices. Vulnerable and older applicants may also make use of the auto-bidding functionality.
2. All properties available to let will be advertised on the Home Search Caerphilly website.
3. Properties will initially be advertised on a two-weekly cycle, dropping to a weekly cycle once partners have become familiar with the processes.
4. Adverts will include a photograph and summary description of the property and key features.
5. Applicants will need to log into their application during each cycle to view properties that meet their preferences and requirements, e.g., property type, number of bedrooms, accessible features, etc.
6. Applicants will be able to place bids (expressions of interest) for up to 3 properties per cycle.
7. No properties will appear on the applicant's account if there are no properties available to let that match their preferences or requirements.
8. When placing bids, applicants will be shown their current list position for that property and will be able to see their final position when the cycle closes.
9. The position on the list is determined by priority award and date of registration rather than when the bid was submitted.
10. When the cycle closes, the landlord will allocate the property in accordance with the Common Allocation Policy to the person assessed as being in greatest need.
11. The emphasis of this approach is that applicants proactively log into their accounts, review property availability, and place any bids on properties they are interested in, subject to eligibility.

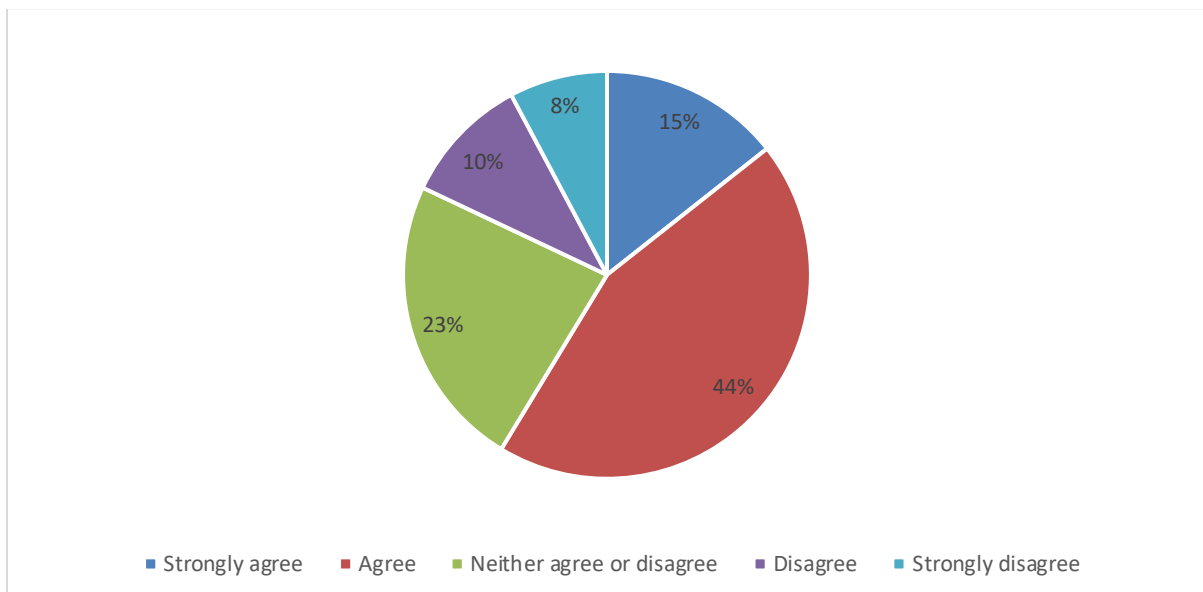
This approach aims to empower applicants by allowing them to proactively engage with the housing process, ensuring a more efficient and transparent allocation of properties.

## Appendix 3: Summary of Consultation Responses

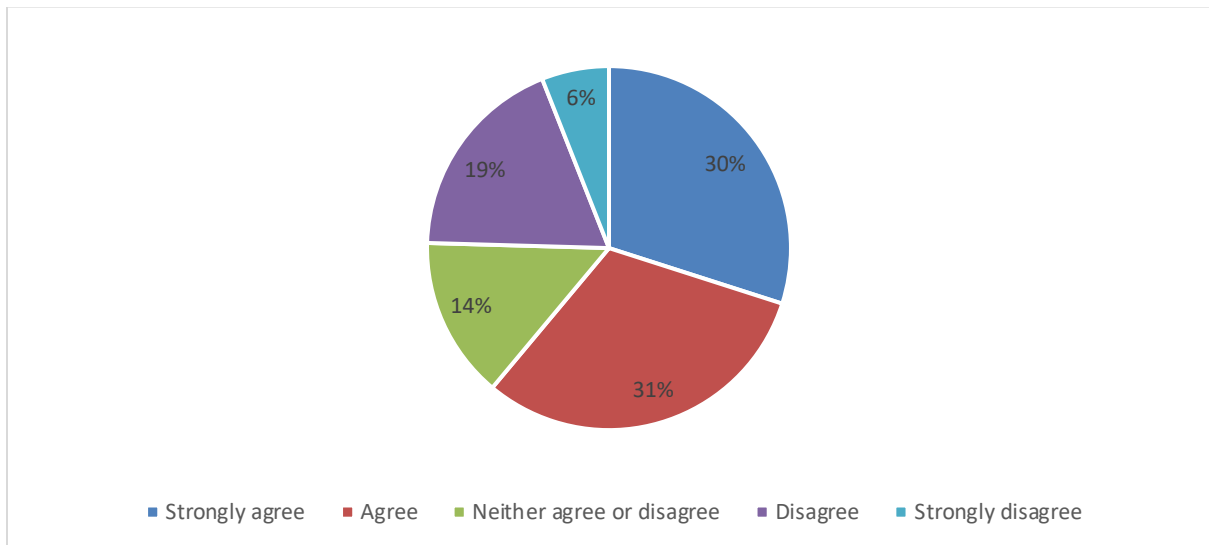
Q1. Revised priority banding scheme



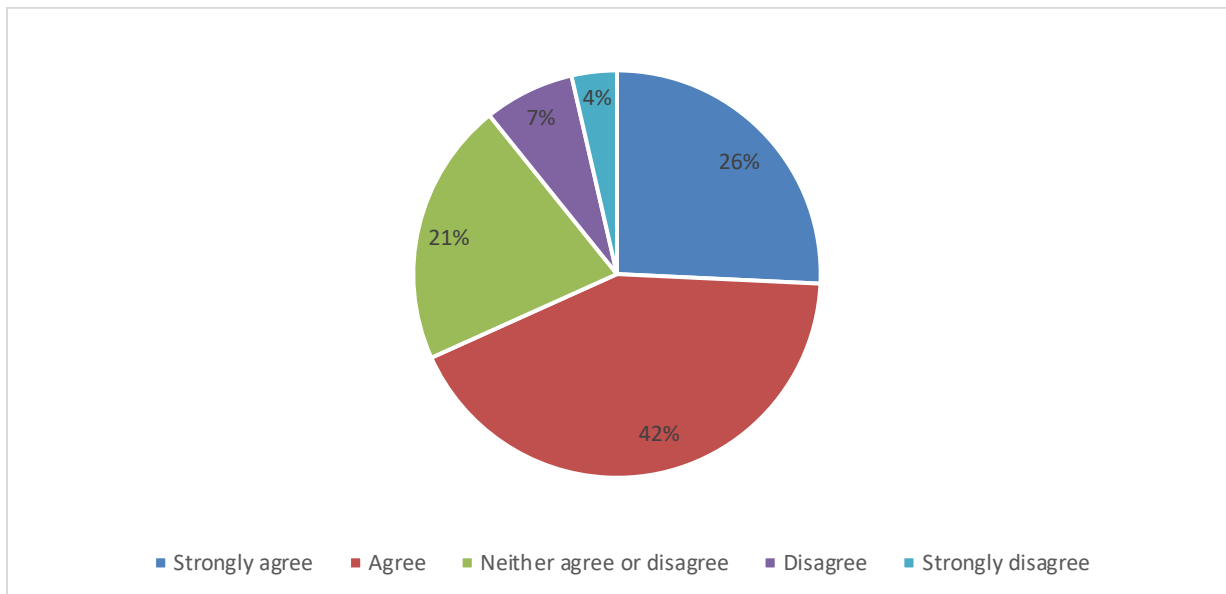
Q2. An increase in the number of priority bands



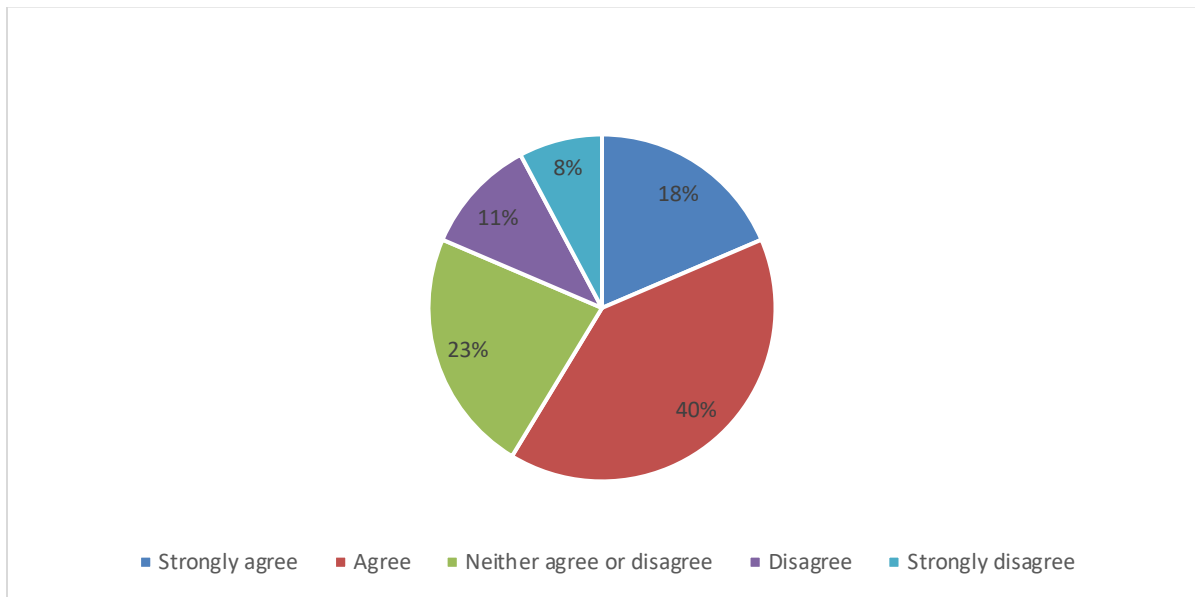
### Q3. Unreasonable refusals



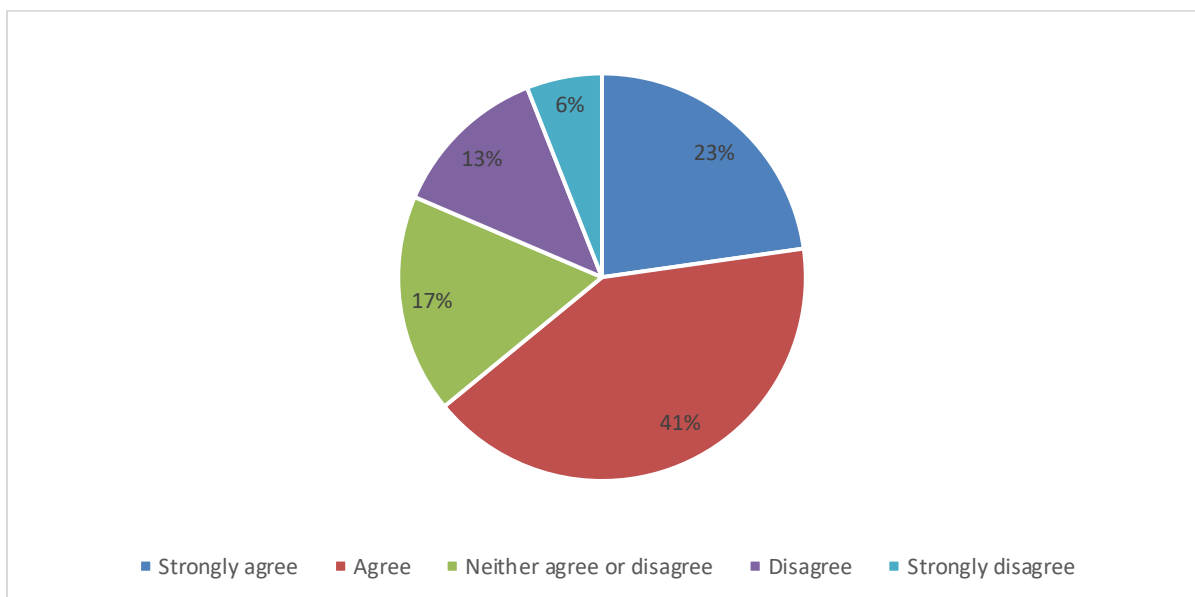
### Q4. Choice based lettings



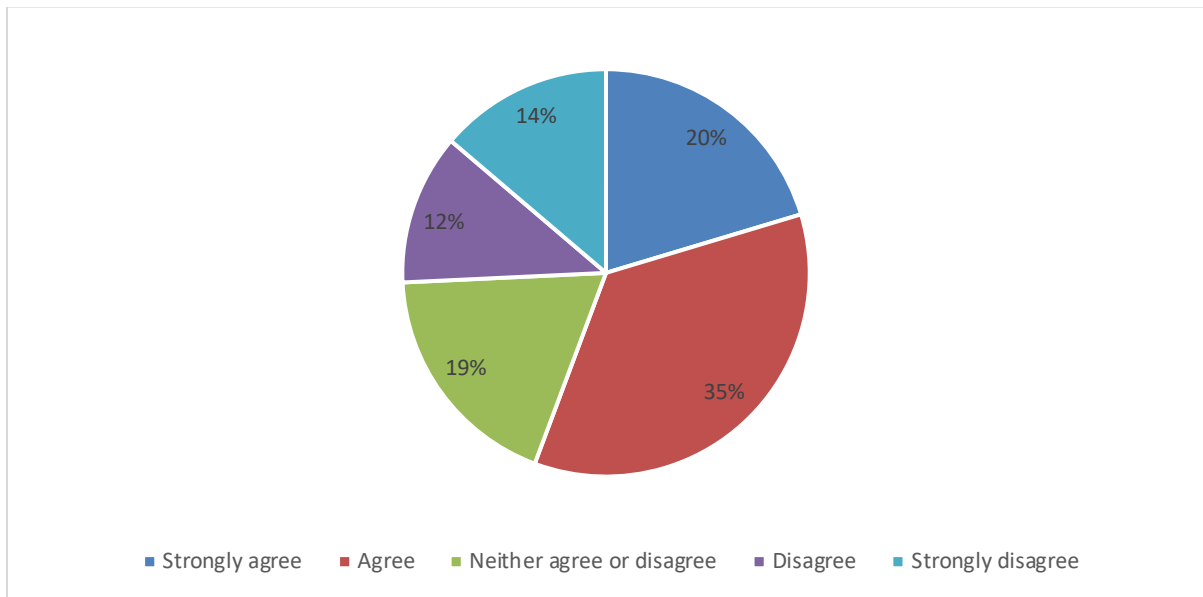
#### Q5. Eligibility



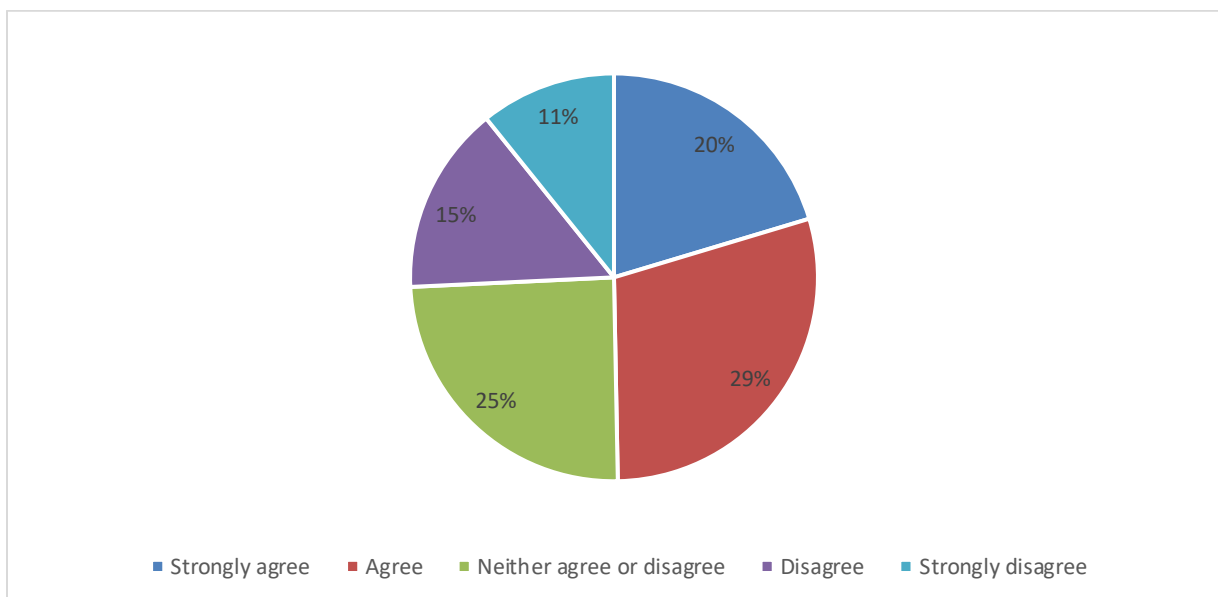
#### Q6. Property related debt



### Q7. Financial resources



### 8. Residential property owners



Q9. 12 month grace period

