

Policy Template



Title: Allocation & Letting Policy
Originator: Communities Director
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1. Introduction

This Policy sets out how Magenta Living will make the best use of available housing, making allocations and lettings which are compatible with the purpose of the housing, contribute to local authorities' strategic housing function and create sustainable communities. The policy ensures properties that become available for rent are allocated in a fair, consistent and transparent manner that meets housing need.

2. Statement of Intent

This policy ensures we comply with the regulatory framework and all relevant legislation including the Equality Act 2010, make the best use of properties, contribute to the creation of 'communities full of life' and assist the local authority partners to meet their statutory duty in relation to allocation of homes.

3. Regulatory Context

- 3.1 The Regulator of Social Housing (RSH) regulates Magenta Living (and all PRPs, plus local authority providers of social housing) to promote a viable, efficient and well-governed social housing sector so that it is able to deliver homes that meet a range of needs. The RSH is an executive non-departmental public body, sponsored by the UK Government's Department of Levelling Up, Housing & Communities (DLUHC).
- 3.2 The objectives of the RSH are set by the UK Parliament. One such objective is to set consumer standards and act if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants. One such standard is to ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection.
- 3.3 Regulatory standards contain specific expectations and the outcomes that PRPs are expected to achieve. There are four consumer standards which

Magenta Living (and all PRPs) must comply with, one of which is a Tenancy Standard¹².

- 3.4 First published in 2012 and re-published in 2024, The Tenancy Standard sets expectations for Magenta Living and all RPSH to let their homes to tenants in a fair, transparent and efficient way. The Tenancy Standard sets out required outcomes and specific expectations concerning allocation and mutual exchange (matters relating to tenure are also covered by the Tenancy Standard, as is tenancy sustainment and eviction).
- 3.5 The Housing Ombudsman (HO) is established by statute and provides a free and independent service to tenants of Magenta Living (and all PRPs). If the complaint procedure of Magenta Living does not resolve a matter and a tenant has a continuing grievance, they can pursue the complaint with the HO. This extends to applicants applying to Magenta Living for an allocation of social rented housing.
- 3.6 The COntinuous REcording of lettings and sales in social housing in England (referred to as CORE) is a national information source that records information on the characteristics of new social housing tenants and the home they rent. Regulations require Magenta Living (and all PRPs) to submit data to CORE. The UK Government publishes an annual statistic release of social housing lettings statistics.

¹ Tenancy Standard, Homes & Communities Agency, April 2012

² The Tenancy Standard does not apply to intermediate rent nor to less than 100% owned low-cost home ownership.

4.0. Principle rules, responsibilities and rights when allocating social rented housing

4.1 Magenta Living (and all PRPs) are considered a public body when allocating social rented housing³, to applicants applying to be tenants, tenants instigating a transfer, management instigated transfers⁴ and mutual exchanges⁵. When allocating social rented housing, Magenta Living shall have full regard to the statute governing the allocation of social rented housing, as set-out in:

- i. Housing Act 1985
- ii. Housing Act 1996
- iii. The Housing and Regeneration Act 2008
- iv. Equality Act 2010
- v. Immigration Act 2014, part 3, chapter 1
- vi. Data Protection Act 2018
- vii. The Local Authorities (Contracting Out of Allocation of Housing Accommodation and Homelessness Functions) Order 1996

4.2 Magenta Living has published rules showing how applicants and tenants seeking a transfer (transfer applicants) will be prioritised for an allocation of social rented housing⁶ and has a full set of their procedures for allocating social rented housing⁷. These are available free of charge to any member of the public, regardless of whether or not they wish to make an applicant for an allocation of social rented housing. These are available via our website, [here](#), and also via websites for specific housing allocation schemes for which Magenta Living is a member of:

- i. For homes available to rent in the Cheshire East local authority area – [Cheshire Homechoice](#)
- ii. For homes available to rent in the Cheshire West & Chester local authority area – [West Cheshire Homes](#)
- iii. For homes available to rent in the Wirral & Halton local authority area – [Property Pool Plus](#)

4.3 Magenta Living's procedures for allocating social rented housing when making management transfers⁸ (i.e., when we decide a tenant needs to move to another property), these are available in sections 5.6 to 5.7 of this document.

³ R(Weaver) v London Quadrant Housing Trust [2009] EWCA Civ 587; [2010] 1 WLR 363; [2009] HLR40, CA

⁴ R (TRX) v Network Homes Limited [2022] EWHC 456 (Admin)

⁵ R (A McIntyre) v Gentoo Group Limited [2010] EWHC 5 (Admin)

⁶ Housing Act 1985, Part 4, section 106 (1), (3), (4)

⁷ Housing Act 1985, Part 4, Section 106 (2), (3), (4)

⁸ Housing Act 1985, Part 4, Section 106 (2), (3), (4)

- 4.4 Magenta Living's procedures for tenants seeking a mutual exchange, are available in section 5.36 to 5.38 of this document.
- 4.5 Magenta Living has shared its procedures for making decisions about the allocation of social rented housing (to applicants and transfer tenants), management transfers and mutual exchanges, with the RSH, the HO and LAs where we hold stock.
- 4.6. When allocating social rented housing, Magenta Living will:
- i. Rely on relevant evidence and facts.
 - ii. Follow the law (as it relates specifically to PRPs) in relation to social housing allocations.
 - iii. Give applicants the benefit of the doubt when the facts about their circumstances was uncertain and/or allow them an opportunity to defend themselves when an adverse decision is likely to be made against them.
- 4.7 Magenta Living will advise applicants of their right to pursue judicial review whenever they believe we have made an adverse decision about the allocation of social rented housing, that they believe to be unlawful. Information will be provided about on organisations that might be able to offer free independent advice, for example:
- i. [Citizens Advice Wirral](#)
 - ii. [Liverpool John Moores University Legal Advice Centre](#)
 - iii. [Merseyside Law Centre](#)
 - iv. [Shelter Merseyside](#)
- 4.8 Magenta Living will co-operate with reasonable respond to requests from any LAs where we own and/or manage stock in their area, to offer accommodation to applicants with a priority for an allocation of social rented housing, under the rules of their housing allocation scheme⁹. This duty is triggered only when an LA makes a request for co-operation, either generally or for a specific purpose, such as to rehouse a particular applicant or for a particular type of property. Magenta Living has responded to this duty to co-operate by entering into nomination arrangements with all three local authorities where we have stock in their area that we own and/or manage and also by agreeing to be a member of the Liverpool City Region common housing allocation scheme, known as Property Pool Plus.
- 4.9 In addition to the aforementioned duty to co-operate in regards to the allocations of social rented housing, Magenta Living has a separate duty¹⁰ to co-operate with any LA, to help fulfil public law homelessness functions. It is under this latter duty, that an LA, might make a request to Magenta Living, for use of it housing stock to fulfil temporary accommodation duties. Magenta Living will distinguish between the two duties to co-operate. In respect of the former (part 6 housing allocation duty), any person provided with accommodation by Magenta Living, will be allocated social rented housing,

⁹ Housing Act 1996, Part 6, section 170

¹⁰ Housing Act 1996, Part 7, Section 213

under an assured shorthold or assured tenancy, directly between Magenta Living and tenant. Whereas under the latter (part 7 homelessness duty), any person accommodated by Magenta Living as a result of this type of request, will not be allocated social rented housing, simply temporary accommodation, occupied under a non-secure licence or tenancy with the LA which made the request for co-operation (this remains the case regardless of whether or not Magenta Living has leased a property to an LA for the purpose of it being used as temporary accommodation). The two duties to co-operate result in occupants have significantly differing occupancy rights. In respect of the part 6 housing allocation duty, Magenta Living will seek formal arrangements any LA in which we own and/or manage stock, in the form of a nomination agreement. Whereas, in respect of the part 7 homelessness duty, Magenta Living will enter into a contractual arrangement with an LA to supply housing stock for the use of temporary accommodation (typically under a leasing or licensing arrangement). Although, this will not always be the case and even when it is, Magenta Living might well agree ad hoc request for co-operation made outside of any contract in force. When receiving a request to co-operate from an LA, Magenta Living shall always seek clarity as to which duty this request is being made under, either part 6 (housing allocations) or part 7 (homelessness) of the Housing Act 1996. Magenta Living have entered into a lease with WMBC for 25 properties to be used by the LA as temporary accommodation for households who are homeless or owed a homelessness duty.

- 4.10 Social rented housing, is defined in law as low-cost homes to rent to people whose housing needs cannot be met by the commercial housing market¹¹. To comply with this regulatory definition, Magenta Living does not allocate social rented housing to any person with a sufficient level of savings or assets, that would enable them to secure accommodation via the commercial housing market at market rate or perhaps even higher, depending on the particulars of their financial circumstances See Appendix A for details of persons or circumstance when exemptions might apply. An allocation of social rented housing would not usually be made to applicants (or a member of their household) who:
- I. Are homeowners, encompassing anyone who has a mortgage for the whole or part of their home).
 - II. Have an income, defined in this context as at least £60,000 taxable income in the most recent tax year ending prior to them making application to join the scheme and/or being made an offer of accommodation, as per the definition set out in UK Government's policy statement on rents for social housing¹².
 - III. Has savings consistent with the UK Government's upper limit for savings set out in the common rules of the DWP Benefit and Pension Rates (£16,000 as of the date of this policy being published).

- 4.11 Magenta Living is subject to the requirements of the Equality Act 2010, due it the allocation of social rented housing being a public law function (see section

¹¹ Housing & Regeneration Act 2008, Part 2, Chapter 1, Sections 68-69

¹² Policy statement on rents for social housing, Department for Levelling Up, Housing & Communities, February 2019, updated December 2022

4.1). Magenta Living shall advise any person who considers that there has been unlawful discrimination or infringement of a human rights, in regards to a decision we make about the allocation of social rented housing (extending to tenant instigated transfers, management transfer and mutual exchanges) has the right to seek assistance from the Equality and Human Rights Commission. Magenta Livings shall advise people that they are entitled to request a copy of an equality analysis completed for an allocations policy used by Magenta Living to allocate its social rented housing. Information on assistance from the Equality and Human Rights Commission, can be viewed [here](#). Magenta Living shall comply with guidance on the human rights of social housing tenants, published by the Equality and Human Rights Commission¹³.

4.12 Magenta Living shall carry out checks to determine whether person can legally rent a residential property in England¹⁴. Magenta Living understands that failure to comply can result in a civil penalty. Magenta Living is aware that it is an offence punishable with up to five years in prison if the organisation (including a director, manager or secretary) lets a property knowing or having reasonable cause to believe the applicant does not have the right to rent. A right to rent check shall be carried out for each adult occupier not just the prospective tenant(s). Magenta Living are required to make repeat checks on occupants where they are known to have a time-limited right to rent. Magenta Living shall record the date the eligibility period ends and conduct a repeat check in the one-month period before it expires. Magenta Living shall update its procedures to carry out right to rent checks whenever the UK Government amends legislation or regulations. The checks do not apply to any new letting or transfer made directly by or through an LA (such as from a LA waiting list, via a nomination agreement or arising from a homelessness or social services duty). In relation to nominations, Magenta Living can rely on nominating LAs to perform their own checks on the eligibility of any nominee, so if there is an error it shall be clearly outside the responsibility of Magenta Living.

4.13 Magenta Living is subject to legislative information disclosure requirements. This extends to allocation of social rented housing. Magenta Living shall advise applicants and tenants of their right to make a complaint to the Information Commissioners' Office (ICO), if they believe we have failed to fulfil our obligations and responsibilities set out in data protection legislation, when allocating social rented housing. Information how to make a complain to the ICO can be viewed [here](#).

4.14 All persons making an application to Magenta Living, have the right to confidentiality. Magenta Living understands that the details of an application must not be divulged to any other party without an applicant's consent.

¹³ Human Rights at Home: guidance for social housing providers, March 2011

¹⁴ Immigration Act 2014, Part 3, Chapter 1

Magenta Living shall ask applicants to give consent to share relevant details of their application, with relevant third-party organisations, such LAs, other public bodies, other PRPs, voluntary organisations and others. Where consent is given, this shall only extend to organisations that can provide evidence that will help Magenta Living to determine whether or not to allocate social rented housing to a person. Magenta Living shall ensure all relevant correspondence with housing applicants, informs them of their rights under the Data Protection Act 2018, especially at the initial application stage and again at the offer stage. Magenta Living shall ensure it has data protection sharing agreements with all relevant LAs and PRPs with which it receives and/or makes nominations to and another public body, voluntary organisation or other person that it might need to share information with, when allocating social rented housing.

5.0 Specific requirements when allocating social rented housing

- 5.1 Magenta Living shall allocate homes in a fair, transparent and efficient way. All of our policies, procedures and practices are intentionally designed to foster such an approach. Magenta Living shall take account of the housing needs and aspirations of tenants and potential tenants, undertaking consultative exercises to inform decisions about how we allocate social rented housing (i.e. semi-structured interviews, guided focus groups, surveys, etc, prior to making any changes to housing allocation policy, procedure or practice). Magenta Living shall:
- i. Make best use of available housing, working with LAs to allocate home via common housing allocation schemes, whilst also operating our own initiatives to promote the availability of hard to let properties.
 - ii. Make allocations in accordance with legal definition of social rented housing and take account of any stipulations placed on any given property when it was built.
 - iii. Contribute to LA strategic housing functions, by seeking strong partnerships with LAs, enabling us to make best use of existing stock and also increase supply of new housing.
- 5.2 All of the local authority housing schemes of which Magenta Living is a member of (see section 4.2), have clear application processes, specifying how applications can be made and the type of information applicants should provide when making an application. Each of the schemes explains how applicants will be notified of any requirement to renew their application. Details are provided as to which officers have a power to instigate discretion when an applicant has been unable to renew the application.
- 5.3 Likewise, the common housing allocation policies that Magenta Living has entered into (see section 4.2 for details) have clear decision-making processes. Each scheme policy explains what constitutes exceptional circumstances for departing from the usual process and how discretion will be applied. A savings threshold is clearly shown in, making clear that anyone with savings or assets over a specified threshold will be disqualified from being allocated social rented housing. There is clarity about how many reasonable offers any given applicant will receive, including explanations that instances when an applicant who requires adaptations, who is offered a property that is subsequently deemed to be unable to be adapted, this shall not be deemed as a refusal.
- 5.4 Any allocation is contingent on an applicant being able to pay any charges levied for occupying a dwelling. Any amount an applicant is charged for occupying a dwelling, must demonstrated to be affordable for them. What an applicant can afford to pay will vary according to the type of dwelling and their individual financial circumstances. Following an applicant being allocated a

property, either by nomination via an LA or being offered a property directly by Magenta Living, we shall consider affordability as part of our processes for allocating a property. When determining affordability, Magenta Living shall consider whether an applicant can afford the housing costs of the property they have been allocated, without being deprived of basic essentials, such as food, clothing, heating, transport and other essentials specific to their circumstances. All income shall be taken account of when determining an applicants' reasonable living expenses, having regard to expenses incurred as result of any children that might be financially dependent on them. If an applicant is unable able to pay any or all of the housing costs, Magenta Living might arrange for another source of funding (i.e. a Discretionary Housing Payment). Where an applicant has a child that resides with them, Magenta Living might contact an LAs Children's Service and request for a payment under Children Act 1989 under section 17. Magenta Livings seeks for an applicant to be left with insufficient income to pay all other reasonable costs, after housing costs. Magenta Living shall advise applicants that they have a right to request a review of an affordability assessment, this shall extend to the right to request a review of any charges levied for occupying a dwelling. Should an applicant remain dissatisfied, Magenta Living shall inform an applicant of their right to make a complaint to the HO and/or pursue judicial review.

- 5.5 Magenta Living shall provide applicants of details of what is involved in a determining an applicant's ability to pay their rent. This shall include all the relevant matters that will be considered by Magenta Living and any evidence that the applicant might need to provide to us by third parties. There shall be a clear threshold for successfully passing or failing such a determination. An applicant shall pass an affordability test when, excluding housing costs, the applicant shall have sufficient income equal to (or greater than) the prevailing rate of Universal Credit. This level of detail will help an applicant to understand whether Magenta Living has decided in accordance with its own policies, which in turn will aid an applicant to decide whether or not to pursue a review of such a decision. Appendix B for details of the steps to be taken to determine whether or not a property might be affordable.
- 5.6 Magenta Living will wish to make a management let to former tenants or other occupiers for accommodation which would otherwise be available to-let in, the following circumstances:
- i. An applicant has married an existing tenant and they both seek the grant of a fresh tenancy in their joint names.
 - ii. An applicant is a former joint tenant and the joint tenancy has ended.
 - iii. An applicant is a relation of the previous tenant who has died without there being a right of succession.
 - iv. An applicant has otherwise occupied the particular property for a considerable time.

- v. An applicant was placed in accommodation under a non-secure tenancy but now wishes to be granted a secure introductory tenancy of the same property.
- vi. An applicant formerly had a joint tenancy with a preparator of domestic abuse, but now will be allocated a sole tenancy, equal to the terms of the previous tenancy.

5.7 In regards to management lets, Magenta Living will:

- i. Provide tenants/applicants with information of their right to request a management let, setting out the types of circumstances when this might be applicable, at the outset of their tenancy and periodically thereafter
- ii. Explain to tenants/applicants the necessary steps for making an application for a management let, which shall require them to provide details about:
 - a. Who is making the request.
 - b. What the reasons is them requesting a management let.
 - c. Which property they wish for the management let to be applied to
 - d. When they wish for the management let to take place.
 - e. With whom else they wish to live with at their desired property.
- iii. Magenta Living will make decisions will be made by based on an assessment of the information provided by the tenant/applicant, along with any additional information that might need to be obtained from relevant third parties, to verify the facts of their circumstances.
- iv. Carry out checks determine if the main tenant/applicant seeking a management let, and anyone else who wishes to be a joint tenant with them, has the right to rent.
- v. Tenants/applicants will be disqualified from being made a management let, if they:
 - a. Do not satisfy the criteria set out section 5.5 of this policy
 - b. have unspent convictions of a serious offence in the locality of a Magenta Living property or against an employee of Magenta Living (or an agent acting on their behalf)
 - c. are subject to a non-molestation order, injunction order or restraining order due to being a perpetrator of domestic abuse and/or due to anti-social behaviour
 - d. have unspent convictions due to noise nuisance
 - e. have unspent convictions due to fraudulently seeking to obtain social rented housing
 - f. have outstanding rent arrears or other property related debts owed to Magenta Living which exceeds eight weeks (2 months)
 - g. own a home, have savings above £16k or had a taxable income of £60k in the most recent tax year (see section 4.10)
- vi. Tenants/applicants will be prioritised based on the date they first applied for a management let
- vii. Properties will be allocated based on size of the tenants/applicant's household and the number of bedrooms in the home which is being proposed to be let. Tenants will not be allocated a property that would result in under-occupation or overcrowding.

- 5.8 The common allocation policies Magenta Living has adopted with LAs, all have clear appeals processes, which will be followed when applicants and transfer tenants (including management transfer tenants and tenants seeking mutual exchange) wish to pursue a review or an appeal of a decision.
- 5.9 Magenta Living will inform applicants tenants of their right to seek a review, including rights to seek a judicial review on any point of law. Magenta Living shall explain what matters an applicant can request a review of. These shall be decisions relating to:
- i. Excluding an applicant from joining Magenta's housing register, or excluding from them seeking a tenant-led transfer, a management-led transfer, or a mutual exchange
 - ii. Removing an applicant from Magenta's housing register, otherwise than at their request
 - iii. Any other decision about the facts of an applicant's case which is likely to be, or has been, taken into account in considering whether to allocate social rented housing to them, or permitting a management transfer, tenant-led transfer or a mutual exchange to take place.
- 5.10 Any review carried out by Magenta Living will be a reconsideration of all relevant facts and legal requirements at the date the review is considered (rather than what the case might have been at the date of the original decision). An applicant must submit a request for a review within 21 days of receiving the decision. Magenta Living will complete the review and issue a decision within 56 days. A designated senior officer, who was not previously involved in making the original decision, will make the appeal decision. Magenta Living will also inform tenants/applicants of other recourse to appeal, such judicial review, making a complaint to the EHRC (see section 4.11), the HO (see section 3.5), or the ICO (see section 4.13).
- 5.11 Magenta Living shall inform tenants/applicants of their right to make a complaint if they think one of our employees (or a third-party agent acting on our behalf) has:
- i. done something wrong;
 - ii. behaved unfairly or not politely;
 - iii. not carried out a service to an agreed standard; or
 - iv. not responded to a request for a service within our stated timescale.
- 5.12 Complaints should relate to conduct or timescales, rather than the substance of any decision. See Magenta Living complaints policy for more information.
- 5.13 Magenta Living shall provide information to tenants and applicants about the difference between appealing a decision and making a complaint. Such information shall include rights to make a claim for maladministration³ to the HO (see section 3.5), submit a complaint to the ICO (see section 4.13) and/or seek assistance from the EHRC (see section 4.11).

- 5.14 An allocation is defined as occurring when Magenta Living selects an applicant to be as assured shorthold, or assured tenant of social rented housing. The type of tenancy an applicant might be given is outside the scope of a housing allocation policy. Magenta Living deal with this matter tenure in a separate Tenancy Policy, which also include rules in respect of devolution, assignment, vesting or disposal of tenancy pursuant to a court order, transfer and surrender and re-grant between two tenants. Magenta Living has published a Tenancy Policy, covering:
- i. Approach to tenancy management.
 - ii. Interventions to;
 - a. sustain tenancies.
 - b. prevent unnecessary evictions, and
 - c. tackle tenancy fraud.
 - iii. Types of tenancies that will be granted.
 - iv. Circumstances in which any particular type of tenancy will be granted.
 - v. Length of terms and when a further tenancy will be granted when an existing one ends.
 - vi. Appeals or complaints processes.
 - vii. How the needs of vulnerable adults and children will be taken account of when granting tenancies.
 - viii. Advice and assistance given to tenants to fund alternative accommodation when another tenancy is not granted.
 - ix. Granting of discretionary succession rights.
- 5.15 Magenta Living shall review and amend as necessary its Tenancy Policy. Following publication of a new Tenancy Strategy by any of the LAs in which Magenta Living owns and/or manages stock, we shall consider whether the priorities set down in a Tenancy Strategy, necessitate any revisions to our Tenancy Policy.
- 5.16 Magenta Living shall continue to assist LAs to administer and discharge homelessness duties. Magenta Living has signed-up to National Housing Federation's Commitment to Refer¹⁵ and the 9 commitments published by the Homes for Cathy initiative¹⁶, alongside a wide range of other actions, such as:
- i. Working in partnership with LAs.
 - ii. Working towards sustainable, cohesive and balanced communities where people want to live.
 - iii. Preventing homelessness by promoting coherent and seamless housing allocation and management support for tenants.
 - iv. Making best use of existing stock.
 - v. Directing investment towards improving access to housing where there is housing need.

¹⁵ <https://www.housing.org.uk/our-work/homelessness/commitment-to-refer/>

¹⁶ <https://homesforcathy.org.uk/wp-content/uploads/2018/07/commitments-one-pager.pdf>

- vi. Promoting good practice to help raise performance standards.
- 5.17 To demonstrate how Magenta Living assists LAs to administer and discharge homelessness duties we shall report annually on allocations made to homeless households, showing:
- i. A breakdown of households we are housing, to show how this is meeting local housing need and our organisational aims.
 - ii. The percentage of lettings made as a result of nominations, to show how we are satisfactorily contributing to meeting housing need and tackling homelessness.
 - iii. The percentage of lettings made to those who homeless or are owed a homelessness duty, to show how we are contributing to meeting housing need and tackling homelessness.
 - iv. Ensure that nominations arrangements effectively identify homeless households.
 - v. The number of people disqualified from the transfer/the waiting lists, due to rent arrears.
- 5.18 Magenta Living shall meet conditions set down in nomination agreement in force with LAs in whose areas we own and/or manage stock.
- 5.19 Nomination agreements in force between Magenta Living and LAs shall include details about nominations made to any given applicant. The arrangements governing stock transfers from Wirral Metropolitan Borough Council (WMBC) to Magenta Living expressly state that ministerial consent for transfer of stock was granted on the condition of the transferring LA having adequate nomination rights with us¹⁷ ¹⁸. This requirement results in Magenta Living having a perpetual contractual commitment to agree to a nominations arrangement with WMBC. Outside of this, Magenta Living has agreed to take nominations from other LAs where we own and/or manage stock, for specific properties. Based on the stipulations of each nomination agreement, Magenta Living shall make available portion of lettings available to each LA, adhering to any criteria agreed for accepting or rejecting nominations and how complying with resolutions agreed for resolving any disputes between us and LAs. Nomination arrangements will involve Magenta Living supplying details of its properties to be advertised as available to nominees under a LA housing allocation scheme. To comply with data protection legislation, LAs will need to secure written consent from any applicant who joins a housing allocation scheme, for their information to be shared with Magenta Living, prior to a nomination being made. This consent shall be secured from an applicant at the point of application, to expedite processes. LAs shall provide details about nominated households to Magenta Living, that are clear, comprehensive and

¹⁷ Housing transfer manual: period to 31 March 2016.

¹⁸ Housing allocation, homelessness and stock the transfer-a guide to the key issues. Office of the Deputy Prime Minister. 2004

up-to-date, including any available information about vulnerability, support needs and arrangements for support. Magenta Living is entitled to have the final say as to whether a nomination is accepted or rejected. However, any such decision shall be based on the rules of the housing allocation scheme operated by the nominating LA, rather than any separate allocations or lettings policy that we might have in force by Magenta Living. Therefore, decisions concerning an applicants' eligibility, qualification, choice, reasonable preference, additional preference and prioritisation for an application, will be have to dictated by the legislative requirements LAs are beholden to under the Housing Act 1996, part 6.¹⁹ These shall override any separate policy that Magenta Living might have on these matters. In areas where evidence of local housing need is reflected in local planning criteria for affordable housing provision, agreement shall provide for 50% or more of true voids for nominations (agreed percentages may be considerably higher in areas of housing stress)²⁰. An applicant who disagrees with a decision made by Magenta Living to reject a nomination, shall have the right to seek redress from either the nominating LA or from us. If the rejection is as a result of a decision made by a nominating LA, an applicant shall be advised to pursue a complaint via the LAs own procedures or via the Local Government and Social Care Ombudsman or the courts. However, if the rejection has arisen as a result of a decision made by Magenta Living, an applicant shall be advised of their right to pursue a complaint via our own complaints policy, or via the Housing Ombudsman and/or the courts.

5.20 Magenta Living shall ensure any nomination agreement we adopt protects our own interests and preserves our independence. Therefore, Magenta Living shall ensure the objective set out in our governing instrument are reflected in any nomination agreement we adopt with any LA. The governing body of Magenta Living shall approve any nomination agreement proposed by an LA. Magenta Living shall carry out regular and timely reviews of any nomination agreement adopted and shall seek to ensure a nomination agreement runs for a term that will allow exit from it, should circumstances or requirements change.

5.21 Any nomination agreement Magenta Living enters into with an LA shall cover the following matters²¹:

- i. Definition of a 'net let' (or 'true void').

¹⁹ HHJ Luba QC, J., Davies, L., Johnston, C., Buchanan, T. (2018). Housing allocation and homelessness: law and practice (fifth edition). Lexis Nexis. London

²⁰ Effective cooperation in tackling homelessness: nomination agreements and exclusions. Office of the Deputy Prime Minister, Housing Corporation, National Housing Federation, Local Government Association. 2004

²¹ Housing allocation, homelessness and stock transfer-a guide to the key issues. Office of the Deputy Prime Minister. 2004

- ii. Nomination entitlement figure (or range of figures applicable to different circumstances) expressed as a percentage of net lets (or true voids).
- iii. The respective roles of Magenta Living and an LA for selecting and prioritising applicants.
- iv. Confirmation that it will be an LA housing allocation policy under which nominations will be made and that the LA has a responsibility for any changes to this policy.
- v. The agreed method for identifying and counting referrals to Magenta Living as a nomination and for counting lettings.
- vi. Grounds for refusal of the nominations by Magenta Living and a dispute resolution mechanism where we and an LA disagree about a nomination.
- vii. Whether the nomination process will be applicant lead or vacancy lead (i.e. does the nominations process begin with an LA nominating an applicant to Magenta Living or with us informing an LA about a vacancy we have available)
- viii. The number of nominees to be referred for each notified vacancy (under a vacancy lead a system).
- ix. Information about vacancies and nominees to be supplied by the respective parties.
- x. Agreed procedures for accepting and rejecting nominees.
- xi. Agreed timescales for each stage of the process.

5.22 Magenta Living shall address under-occupancy and overcrowding when allocating social rented housing. This shall involve giving priority to overcrowded households and giving priority to under occupying tenants who are willing to move to smaller properties, via the common housing allocation schemes we participate in with LAs, also via any other lettings we might make outside of common housing allocation schemes.

5.23 Magenta Living shall take the following additional action to addressing under-occupancy and overcrowding when allocating social rented housing:

- i. Reviewing all overcrowded case to fully assess their housing needs, for example by looking at medical issues that may be exacerbated by overcrowding.
- ii. Setting targets for the number and percentage of under-occupancy and overcrowded cases planned to be rehoused annually and monitoring progress against any targets set.

5.24 These actions shall form part of an organisational-wide strategy for tackling overcrowding and under-occupation within the stock we own and/or manage.

- 5.25 Magenta Living has a regulatory obligation²² to explain in a published allocation policy, how it is making use of common housing registers and common allocation policies. Magenta Living is a founding member of the sub-regional common housing allocation scheme, Property Pool Plus. This scheme involves five local housing authorities and more than 20 private registered providers. Members of the scheme have agreed to use a common database and a common set of rules for administering housing allocations. The scheme uses the choice-based lettings method for allocating homes. Magenta Living has the right to withdraw from any common registers or policies we are involved with (terms of membership for such arrangements should stipulate conditions for withdrawal). In the event of a decision to withdraw, Magenta Living would continue to fulfil nomination agreements and quota. For any stock available to-let not subject to nomination arrangements, Magenta Living would administer the registration of applications and make decisions about allocations, separately from any similar activities being carried out by LAs in which it hold stock and other PRPs.
- 5.26 Magenta Living is also a member of other LA specific housing allocation schemes (Cheshire East Homechoice, West Cheshire Homes), where it holds a small number of newer properties built by the organisation in recent years. Members of these schemes have agreed to use common database and a common set of rules for administering housing allocations.
- 5.27 Magenta Living shall use local lettings schemes to achieve a wide variety of housing management and policy objectives. The following list is intended to be illustrative and in no way prescribed or definitive:
- i. Allocating accommodation in rural villages and giving priority to applicants with a connection to a particular parish.
 - ii. Creating more mixed and/or sustainable communities.
 - iii. Dealing with a concentration of deprivation.
 - iv. Ensuring properties that are particularly suited to being made accessible (e.g. ground floor flats) are prioritised for those with access needs.
 - v. Relocating essential workers such as teachers, nurses and police officers within a reasonable travelling distance from their work.
 - vi. Supporting people in work/volunteering or who are seeking work or seeking volunteering opportunities.
 - vii. Dealing sensitively with lettings in rural areas to sustain communities by giving priority to those with a local connection of more than two years.
 - viii. Where a child to adult ratio could be lowered on an estate where there is high child density or, conversely, young single people could integrate into an estate where there is high ratio of older persons.

²² Tenancy Standard. Regulator of Social Housing. 2012

- ix. Where there are reasons to positively discriminate due to age, for example accommodation is only suitable for applicants under the age of 25 years, or over the age of state pension entitlement.
 - x. To combat anti-social behaviours in certain areas.
- 5.28 Upon identification of particular types, clusters or locations of housing for particular types of applicants, Magenta Living will use a local lettings scheme to deal with letting those homes. Local letting schemes shall have clear evidence of need for the approach being taken. A local lettings scheme shall not dominate any of the common allocation policies Magenta Living has signed-up to. A local lettings scheme adopted shall set out the following:
- i. A clear definition of the objective(s) to be achieved, backed up by evidence.
 - ii. A method which is likely to achieve the objective(s).
 - iii. An equality impact assessment.
 - iv. How the scheme will be monitored and who will be involved.
 - v. Mechanisms of reporting and reviewing the scheme.
 - vi. How the views of local communities have shaped the scheme.
 - vii. A clear exit strategy.
- 5.29 Local lettings schemes shall be adopted by Magenta Living to set aside a portion of properties for letting of new build properties for the first time, to be determined in accordance with the local plan for an LA area in which we have built a property. A local lettings scheme shall also be adopted for each supported housing scheme (e.g. extra care housing), where the method used by Magenta Living to such types allocates properties might vary from the procedures used to allocate general needs properties. A local letting scheme shall be adopted for sheltered housing intended for persons aged over 55 years. A index of local lettings schemes in force at the date this document was adopted, can be found at Appendix C.
- 5.30 For properties that are hard-to-let, in the first instance Magenta Living shall attempt to allocate these via the common housing allocation schemes which we are member of. If after the first round of advertising, no suitable applicant has been selected to be offered the property, then Magenta Living shall, do any or all of the following:
- I. Offer it to an applicant who had been unsuccessfully shortlisted for another property of a similar type and tenure in the past two months.
 - II. Advertise the dwelling
 - a. via any other common scheme that the organisation might be involved in, or
 - b. via our own website, or
 - c. via another property lettings website.

5.31 The prevailing arrangements Magenta Living has in place with existing common housing allocation schemes, means that criteria used to disqualify a person for an allocation of social rented housing is comprehensively detailed in the respective policies. These policies have been independently scrutinised by specialist housing law barristers and formulated by local government officers and external consultants with relevant expertise. The criteria set out in the policies should not result in a person being discriminated against due to any characteristics defined in the Equality Act 2010. Furthermore, the criteria used are based on a person's actions or inactions that are relevant at the time of their application being considered (arising from current or previous behaviour) and avoid making forecasts of actions or inactions that might (or might not) occur in the future. Only unspent convictions serious enough that a court might issue an outright possession order if the person had been a tenant at the occurrence of the unacceptable behaviour, are included as a criterion for disqualification in the policies. Each of the policies provides clarity as to whether there is an intention to suspend an applicant/tenant or disqualify them. The term suspension can be interpreted as an applicant's application being postponed, delayed or deferred until sometime after which their unacceptable behaviour is no longer relevant. Whereas the term disqualification can be interpreted as an applicant being ineligible until such a time that their behaviour is no longer unacceptable. A suspension allows an applicant to remain on a housing register, whereas a disqualification would result in an applicant failing to join the housing register. In the former circumstances, people are entitled to re-apply at any time when they believe their unacceptable behaviour is no longer relevant.

5.32 Magenta Living provides support to any person who needs help to apply for an allocation of social rented housing, are seeking a transfer, management let, or mutual exchange. The assistance offered by Magenta Living shall extend to being offered help to understand any decision issued by us and to be aware of any appeal a person might be entitled to make. The support Magenta Living shall provide will include to information, advice and assistance about the allocation of social rented housing, making an application for an allocation of social rented housing, expressing any choice they might be entitled to in relation to the type or location of property, assistance to view a property and make a decision as to whether to accept and reject an offer of a letting, understanding their rights to seek a review of their cases (including appealing to the courts, and/or making a complaint to the HO). As a result of its membership of several common housing allocation schemes, Magenta Living benefits from the provision of information available via dedicated scheme websites, where a variety of information is provided in a mixture of formats. Each scheme allows applicants to set-up a dedicated user-account, through which advice and assistance is also provided. Magenta Living shall provide advice and assistance via the telephone and in-person.

- 5.33 When seeking to minimise the time a property is empty between lettings, the circumstances of any person, shall be taken account of by Magenta Living. The personal circumstances of each applicant, especially those who are vulnerable, unfamiliar with the property being offered or the location it is in, in hospital, need to arrange a support worker to be present at the viewing, are working, or have childcare commitments, shall be given longer to consider the property being offered. Any additional time allowed for an applicant view a property should be based on a realistic timescale based on the specifics of their circumstances. Following a viewing taking place, the amount time an applicant will be allowed to decide whether or not accept an offer will be based on standard times, unless an applicant can demonstrate expectational circumstances (i.e. sometime outside the ordinary).
- 5.34 Magenta Living shall record all lettings and sales as required on the Continuous Recording of Lettings (CORE) system. A separate procedure exists to explain which postholders are responsible for recording this information and how it should be done.
- 5.35 Magenta Living shall provide advice and assistance via the telephone and in-person. to tenants wishing to move about their housing options, covering the key facts about:
- i. social rented sector (including transfers and mutual exchange)
 - ii. private rented sector
 - iii. staying with family/friends
 - iv. owner occupation (including low-cost home ownership)
 - v. Supported housing (including older persons housing and other specialist supported housing for vulnerable adults or people at risk of homelessness)
- 5.36 For each housing option there shall be information about security of tenure, types of accommodation, costs, supply and demand. Housing options information shall be made available via online or receive via email or text message, so tenants can download, view and save the information. The information shall be in format that tenants can print if they wish.
- 5.37 Magenta Living has separate arrangements for mutual exchanges²³, facilitated via HomeSwapper, for which there is plenty of good information available via our own website [Move homes with the mutual exchange scheme | Magenta Living](#) and also via the Property Pool Plus website [Mutual Exchanges - Property Pool Plus](#)

²³ Regulator of Social Housing, Tenancy Standard, section 2.1.8 to 2.1.10

- 5.38 Magenta Living will advise tenants that a mutual exchange is permissible for tenants occupying general needs housing (at either a social rent rate or an affordable rent rate) on an assured tenancy.
- 5.39 In regards to mutual exchange, Magenta Living will:
- i. Provide tenants/applicants with information of their right to request a mutual exchange, setting out the types of circumstances when this might be applicable, at the outset of their tenancy and periodically thereafter
 - ii. Explain to tenants the necessary steps for making an application for a mutual exchange, which shall require them to provide details about:
 - a. Who is making the request.
 - b. What the reasons is them requesting a mutual exchange.
 - c. Which property they wish for the mutual exchange to be applied to
 - d. When they wish for the mutual exchange to take place.
 - e. With whom else they wish to live with at their desired property.
 - iii. Magenta Living will make decisions will be made by based on an assessment of the information provided by the tenant, along with any additional information that might need to be obtained from relevant third parties, to verify the facts of their circumstances.
 - iv. Carry out checks determine if the main tenant seeking mutual exchange, and anyone else who wishes to be a joint tenant with them, has the right to rent
 - v. Tenants will be disqualified from being making a mutual exchange, if they:
 - h. Do not satisfy the criteria set out section 5.38 of this policy.
 - i. have unspent convictions of a serious offence in the locality of a Magenta Living property or against an employee of Magenta Living (or an agent acting on their behalf).
 - j. are subject to a non-molestation order, injunction order or restraining order due to being a perpetrator of domestic abuse and/or due to anti-social behaviour.
 - k. have unspent convictions due to noise nuisance.
 - l. have unspent convictions due to fraudulently seeking to obtain social rented housing.
 - m. have outstanding rent arrears or other property related debts owed to Magenta Living which exceeds eight weeks (2 months).
 - vi. Tenants will not be allowed to proceed with a mutual exchange that would result in their property being overcrowded or under-occupied.

6.0 General administrative matters when allocating social rented housing

- 6.1 Magenta Living employees shall demonstrate user focus in their work, who treat people with respect when assisting applicants/tenants through the process of allocation, transfer, lettings and mutual exchange.
- 6.2 Magenta Living employees shall demonstrate good knowledge about a wide range of enquiries they receive in connection with allocation, transfer, lettings and mutual exchange or know who or how to access the necessary information to help applicants/tenants with their queries. Employees shall regularly receive training on the key topics involved with allocating social rented housing.
- 6.3 Magenta Living offers a range of ways for applicants/tenants to contact us – by telephone, in person or electronically – all of which shall be dealt with efficiently and effectively.
- 6.4 Magenta Living shall adopt services standards for the administration of housing allocations, focus accuracy and appropriateness of the services provided by us to applicants/tenants.
- 6.5 Magenta Living shall actively canvass the views of applicants and tenants to review and improve how we go about making allocations. Applicants/tenants shall be consulted and involved in major decisions that affect housing allocations, transfers, lettings and mutual exchanges. We shall publish feedback from consultation activities, so applicants/tenants they feel confident that their input is valued and acted upon.
- 6.6 Magenta Living shall signpost applicant/tenants to other organisations and service providers, when necessary and in the best interests to applicants, for example, in providing them with a choice of PRPs in the area and how to access their housing stock.
- 6.7 Magenta Living shall regularly assess the satisfaction levels applicants/tenants have with their ability to contact and use our allocations service.
- 6.8 Magenta Living shall have a clear understanding of our local communities and know the profile of our applicants/tenants, making necessary adjustments where this is out of step in meeting the needs of those that require allocations services.
- 6.9 Magenta Living shall know, record, analyse and monitor information about the ethnicity, vulnerability and disability of applicants and uses it to ensure our services are delivered appropriately and to prioritise resources.

- 6.10 Magenta Living shall maintain an accessible property housing database, featuring details of properties we own and/or manage that are accessible for disabled people and also sheltered housing for older people. We shall use the information held on this database to make use of properties that have already been adapted for disabled people or is sheltered housing for older people and prioritise the allocation of them to disabled people who require accessible homes or older people who require sheltered housing.
- 6.11 Magenta Living shall provide information about housing allocation services in a range of languages and formats appropriate to applicants' needs e.g. large print, Braille, other languages etc.
- 6.12 Magenta Living shall work with its component communities to ensure fair representation and service take-up.
- 6.13 Magenta Living shall not discriminate against any person or other organisation on the grounds of race, ethnic origin, disability, nationality, gender, sexuality, age, class, appearance, religion, responsibility for dependants, unrelated criminal activities, being HIV positive or with AIDS, or any other matter which causes a person to be treated with injustice.
- 6.14 Magenta Living shall have clear registration policies (held in common with local housing authorities where it owns stock) that shall be widely publicised and made accessible to all potential applicants.
- 6.15 Magenta Living shall publish procedures to ensure applications are processed efficiently and effectively. Verification of an applicant's eligibility, qualification and priority for re-housing, shall be checked at application stage and again at the offer stage.
- 6.16 Magenta Living shall adopt clear performance standards, with quality assurance and monitoring processes, to ensure applicants are treated fairly.
- 6.17 Magenta Living shall keep applicants/tenants fully informed of their position on the register, including the outcome of bids made (e.g., the number of overall bids made for any given property and the rank of their bid) and provide an easily accessible indication of the likelihood and timeframe of them being re-housed. This shall be accomplished via the common housing allocation schemes of which we are a member of.
- 6.18 Magenta Living shall fully review at an appropriate period of time its housing registers (held in common with LAs).

- 6.19 Magenta Living shall provide right first-time allocations/nominations to partner organisations on request within agreed service standard timescales.
- 6.20 Magenta Living shall, collect and take accounts of applicant/tenants needs and support requirements in order to match their needs with appropriate housing. We shall ensure that appropriate support is available for vulnerable applicants/tenants at the start of their tenancy. We shall carry out an initial assessment of support needs at the time an offer is considered, so that a support plan and services are in place when an offer is accepted. We shall set, and regularly meet or exceed, targets
- i. for lettings to applicants to the waiting list with housing support needs
 - ii. for move on from supported housing services for applicants who are ready for permanent housing
- 6.21 Magenta Living shall carry out risk assessments on allocation, transfers, lettings and mutual exchanges, where appropriate and make effective use of local lettings policies where appropriate, to balance housing needs against policies promoting balanced communities.
- 6.22 Magenta Living shall have clear policies in place aimed at maximising choice for applicants in accordance with the allocation policies holds in common with the three LAs where we own and/or manage stock

7. Implementation

The policy will be effective from March 2025. Relevant staff were made aware of this approved policy and copies were shared with local authorities, are available on insite and can be found on the Magenta Living Website.

8. Consultation

The policy has been subject to consultation through a range of Magenta Living colleagues (including strategic partners, Head of Legal & Governance, Allocation & Lettings, Specialist Housing, Income and Neighbourhood Management Teams) and Wirral Borough Council. Customer views have been sought through Magenta Connect in July 2024 and MCCC in September 2024. All views have been fully considered and incorporated where applicable within this policy.

9. Equality Analysis (EA)

We believe all people should be treated with dignity and respect regardless of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including, nationality, ethnic or national origins), religion, belief or non-belief, sex, or sexuality or by association with someone with any of these characteristics or perception of having any of these characteristics.

The EA was undertaken on Rachel Bennett, Sarah Keenan and Alan Barnish on 10th February 2025 and was rated as green.

10. Monitoring Performance

The effectiveness of this policy will be measured by performance data, CORE returns, customer feedback/reviews/surveys, customer insight, statistical data from Property Pool Plus (or equivalent) where available, stakeholder feedback and regular local authority liaison meetings.

11. Scheme of Delegation

The responsible authority for approving this policy is Board and was approved on 21st March 2025.

The Responsible Director for formulating this policy and ensuring its effective implementation is Interim Customer Director.

The Responsible Officer for reviewing and monitoring the implementation and performance against this policy is Pre Tenancy Service Lead.

12. Policy Review

The policy will be reviewed every 3 years or earlier if deemed necessary though the performance monitoring process.

13. Amendment Log

Highlight (in red) any changes to existing policies that have been reviewed to provide effective version control and easy access to reviewed policies with only minor amendments.

Date of revision:	Record of amendments:	Reason for revision:
March 2025	Full Policy Rewrite	

Appendix A – Exemptions from Allocations Exclusion Criteria

A.1. Social rented housing, is defined in law as low-cost homes to rent to people whose housing needs cannot be met by the commercial housing market²⁴. To

²⁴ Housing & Regeneration Act 2008, Part 2, Chapter 1, Sections 68-69

comply with this regulatory definition, Magenta Living does not allocate social rented housing to any person with a sufficient level of savings or assets, that would enable them to secure accommodation via the commercial housing market at market rate or perhaps even higher, depending on the particulars of their financial circumstances

- A.2. An allocation of social rented housing would not usually be made to applicants (or a member of their household) who:
- I. Are homeowners, encompassing anyone who has a mortgage for the whole or part of their home)
 - II. Have an income, defined in this context as at least £60,000 taxable income in the most recent tax year ending prior to them making application to join the scheme and/or being made an offer of accommodation, as per the definition set out in UK Government's policy statement on rents for social housing²⁵.
 - III. Has savings consistent with the UK Government's upper limit for savings set out in the common rules of the DWP Benefit and Pension Rates (£16,000 as of the date of this policy being published).
- A.3. Applicants who are homeowners will be exempt from an exclusion of an allocation of social rented housing in the following circumstances:
- i. Property has been valued as having negative equity (or limited equity in respect of disabled adaptation to be made).
 - ii. Where the property has not been let, but the owner cannot secure entry to the property, for example due to it not being safe to enter the property due to severe structural faults, or there are squatters living in the property.
 - iii. Where it is probable that occupying the property will lead to abuse from someone living in the property.
 - iv. Where it is probable that occupying the property will lead to abuse from someone who previously resided with the Applicant whether in that property or elsewhere.
 - v. Where the Local Authority has issued a Prohibition Order under the Housing Act 2004 due to continued occupation of the property may endanger the health of the occupants and there are no reasonable steps that can be taken by an Applicant to prevent that danger (e.g. where it is not possible to adapt a property due to the physical arrangements of a dwelling, or the cost of adaptations is prohibitive, or an Applicant is in negative equity). The Applicant or a member of their household does not have the financial resources in respect of the value or sale of the property as set out in 4.17. below.
- A.4. On a case-by-case basis, an Applicant who is a victim of domestic abuse or threats of domestic abuse, or escaping domestic abuse or harm, will have their application assessed on a case-by-case basis in regards to

²⁵ Policy statement on rents for social housing, Department for Levelling Up, Housing & Communities, February 2019, updated December 2022

homeownership, income and savings. Property ownership conditions, plus thresholds for savings and earnings will be assessed.

- A.5. Any compensation for an injury or disability sustained on active service with the Armed Forces or Reserve Forces will be disregarded when calculating savings or income. Any mesne profit debts accrued by occupants of service family's accommodation will be disregarded, subject to them providing a copy of their notice to vacate or a Certificate of Cessation of Entitlement to Service Families Accommodation (the Local Authority may contact the Ministry of Defence Loss of Entitlement team by emailing DIORDAccn-LOETeam@mod.gov.uk with any queries about the status of such Applicants).

Appendix B – Affordability criteria

This criterion has been formulated in accordance with good practice published by the National Housing Federation²⁶.

- B.1. An Applicant will be excluded from being allocated social rented housing if they have outstanding rent arrears or other property related liabilities above a specified cap.
- B.2. Property related liabilities shall be limited to outstanding current or former rent arrears, service charge arrears and recharges for property related damage. Any liabilities that are statute barred, were not accrued by the Applicant, or were accrued as result of financial abuse shall be wholly disregarded.
- B.3. The following criterion will be used when determining whether to disqualify an Applicant with outstanding property related liabilities:
 - a. An Applicant's liabilities exceed more than 1/12th the annual repayment amount, and
 - b. they have failed to make three monthly or 12 weekly consecutive payments.
- B.4. Notwithstanding the above, any allocation is conditional on an Applicant being able to pay any charges (e.g. rent and/or services charges) levied for occupying a dwelling.
- B.5. Any amount an Applicant is charged for occupying a dwelling e.g. rental charges must be demonstrated to be affordable for them.
- B.6. What an Applicant can afford to pay will vary according to the type of dwelling and their personal circumstances.
- B.7. Following a property being allocated, the Local Authority will wish to consider affordability as part of their processes for allocating a property.
- B.8. When determining affordability, the Local Authority shall consider whether an Applicant can afford the housing costs of the property they have been allocated, without being deprived of basic essentials, such as food, clothing, heating, transport and other essentials specific to their circumstances.
- B.9. All income should be taken account of when determining an Applicants' reasonable living expenses, other than rent, having regard to any children who might reside with them (local authorities have a duty to promote and

²⁶ <https://www.housing.org.uk/resources/allocating-social-rented-housing-affordability-checks/>

safeguard the welfare of children under Children Act 1989, which is relevant in the matter of determining affordability). The following will be considered income for the purpose of an affordability assessment:

- a. Salary
- b. Compensation, including fees, commissions, fringe benefits, etc
- c. Gains derived from dealing in property
- d. Interest
- e. Rents
- f. Royalties
- g. Dividends
- h. Annuities
- i. Income from life insurance and endowment contracts
- j. Shares
- k. Income from a trust

B.10. If an Applicant is unable to pay any or all of the housing costs, the Local Authority registered provider might arrange for another source of funding (e.g. Discretionary Housing Payment). In cases involving a child, this might be from the Local Authority's Children Services under Children Act 1989 section 17. After housing costs, a tenant should be left with sufficient income to pay all other reasonable costs.

B.11. An Applicant shall have the right to request a review of an affordability assessment, this should extend to the right to a review of any charges levied for occupying a dwelling. Should an Applicant remain dissatisfied, they shall be informed of their right to make a complaint to the relevant ombudsman and/or pursue judicial review.

B.12. The following formula shall be followed to determine whether charges for a dwelling are affordable

B.13. Evidence for an Applicant:

- a. Total income from all sources, including earnings, fees, other payments, savings, welfare benefits they are in receipt of or would be entitled to claim
- b. Total debts, including priority and non-priority debts

B.14. Ignore any:

- a. tenancy related debts that are statute barred
- b. not accrued by the tenant
- c. accrued as a result of financial abuse

B.15. Once the above factors have been ignored, take note the total amount of outstanding income.

B.16. To determine whether a prospective tenant can afford the housing costs of the property that has been allocated to them

- A. Take note of their total income
- B. Deduct from the total income received, housing costs (including rental charge and any service charge)
- C. Deduct from the total income received, other reasonable living expenses, equal to Universal Credit standard allowances, for items such as,
 - i. food,
 - ii. clothing,
 - iii. heating,
 - iv. transport,
 - v. other essentials, specific to the circumstances of the prospective tenant (and any other person that lives with them, or might be reasonably expected to live with them)
- d. Deduct from the total income received, relevant expenditure to nurture and keep safe any child that lives in the household
- e. Deduct from the total income received any priority debts, such as,
 - vi. court fines,
 - vii. council tax,
 - viii. TV licence,
 - ix. child maintenance,
 - x. gas and electricity bills,
 - xi. Income Tax, National Insurance and VAT,
 - xii. mortgage and any loans secured against a home owned by the Applicant (and any other person that lives with them, or might be reasonably expected to live with them),
 - xiii. hire purchase agreements if what has been purchased is essential

B.17. From the remaining amount of income, a calculation can be made as to whether the

prospective tenant can afford the housing costs of the property that has been allocated to them.

B.18. Where two or more people will hold a tenancy jointly, income and debts from all tenants should be taken account of.

Appendix C – Index of Local Lettings Schemes

Listed here is the local lettings scheme in operation as of the date of this policy.

Sunningdale Sheltered (Over 55s)

Brackendale Sheltered (Over 55s)

Barncroft Sheltered (Over 55s)

Fieldway Court

Liscard House

Hartley Place Extra Care Nomination Agreement

Sycamore Place Extra Care Nomination Agreement

Barncroft Extra Care Nomination Agreement