

REPORT TITLE: UPDATE ON THE HOUSING TENANCY ALLOCATION AUDIT

Meeting	Corporate Governance & Audit Committee
Date	24 th April 2026
Cabinet Member	Cllr Moses Crook Deputy Leader and Transport and Housing
Key Decision Eligible for Call In	No No – Information Update Only
Purpose of Report	
This report has been prepared as requested by the Corporate Governance and Audit Committee on 25th April 2025 for a further update in 2026.	
Recommendations	
The Corporate Governance and Audit Committee is asked to note the contents of the report and the progress made against the recommendations made from the Tenancy Allocation internal audit, undertaken in July 2024 (Ref: KC/08251). All outstanding recommendations have now been completed.	
Reasons for Recommendations	
No recommendations are made as the report is for update purposes only.	
Resource Implications	
N/A.	
Date signed off by <u>Executive Director</u> & name	1 April 2026 - David Shepherd
Is it also signed off by the Service Director for Finance?	13 April 2026 - Kevin Mulvaney
Is it also signed off by the Service Director for Legal Governance and Commissioning?	14 April 2026 - Samantha Lawton

Electoral wards affected: All

Ward councillors consulted: No

Public or private: Public

Has GDPR been considered? Yes

1. Executive Summary

- 1.1 Demand for council housing continues to exceed the availability of properties. At the end of Q3, just over 21,500 applications were logged on the housing register. Applications are reviewed annually to establish if the applicant wishes to remain on the housing register. If an applicant's circumstances change, a further review of their application is undertaken to ensure the banding award is correct.
 - 1.2 This level of scrutiny to keep the housing register up to date, places pressure on housing resources but is necessary to ensure tenancies are allocated in accordance with Kirklees Councils, Allocations Policy.
 - 1.3 Expanding the original scope of the internal audit as outlined in Paragraphs 1.6 and 1.7 supported this level of scrutiny. Although the audit identified risks, it enabled the implementation of controls and measures to ensure that existing tenancies are also allocated in accordance with the Allocations Policy.
 - 1.4 The audit of Tenancy Allocations was undertaken as part of the Homes and Neighbourhoods (H&N) 2024/25 Audit Plan undertaken in July 2024 (Ref: KC/0825). The focus of the audit included:
 - Compliance with the Allocations Policy in respect of successions, introductory tenancies, choice-based lettings, transfers, mutual exchanges and discretionary lets (e.g. management, hard to let, decants)
 - The efficiency and effectiveness of service performance and key controls,
 - The reasons for any discretionary changes in banding if found during testing, and
 - that a documented audit trail is in place for all lettings and investigate any disparities where this is not the case.
- The scope of the audit included:
- Review of service arrangements in place,
 - Review systems and processes currently in place and are consistent, transparent, fair and timely,
 - Ensure Council houses are allocated in line with the Council's Allocation Policy,
 - Ensure a clear audit trail for all lettings,
 - Assess overall internal control environment for any associated risks financial/non-financial,
 - Review fraud risks and mitigations.
- 1.5 All audit work was undertaken through discussions with key officers, the review of procedures, training documentation, data reporting and relevant internal and external data.
 - 1.6 The additional areas of tenancy allocation incorporated successions, introductory tenancies, choice-based lettings, transfers, mutual exchanges and discretionary lets (e.g. management, hard to let, decants).

- 1.7 This was requested by Homes and Neighbourhoods senior management due to concerns relating to a lack of both management oversight and scrutiny of processes. It was shared by the service that these areas were open to control risks and were critical to this review.
- 1.8 The audit report made findings in four areas where a "Limited Assurance" opinion was given (Succession, introductory tenancies, Mutual exchange, Management Lets) 'Substantial Assurance' opinion was given for Choice Based Lettings, giving an overall limited assurance opinion. Tenancy transfer was not subject to audit as a part of this assessment as it was incorporated into the 2025/26 audit plan independently.
- 1.9 The overall audit opinion was of 'Limited Assurance' and twenty-six recommendations made. It was agreed that most recommendations made in the audit findings would be completed by October 2024, a small number by December 2024, and several that would be addressed when the new Housing IT computer system CX was implemented. The outstanding recommendations are outlined in the table below:

Status	26 Recommendations Made
Completed Actions	22
Outstanding/Partially Completed Actions	4 (Rec 4, 5.1, 5.2 & 12) All relate to the implementation of CX

1.10 As the audit opinion was of 'Limited Assurance' a report was tabled at the Corporate Governance and Audit Committee (CGAC) on the 25th of April 2025. An update was provided of progress made against the audit recommendations. The report advised that because of the delays in implementing the new CX Housing system some recommendations could not be fully implemented, and manual processes had been implemented to mitigate risks. The CGAC requested an update on the outstanding actions the following year.

2. Current Position & Overall Progress

2.1 The outstanding recommendations presented to CGAC in April 2025 are now complete. The updates below highlight the action taken against each of those recommendations.

2.2 **Recommendation 4** - Housing Management should keep a log of declined management let requests (often linked to succession/U&O cases) and review this weekly to ensure follow-up where further evidence or action is required (subject to evidence required) which should be reviewed by HOs on a weekly basis for properties within their patch and serve as a reminder to ensure a timely account review and administration.

Response: This process is now mapped within the CX Housing Management System. To provide additional assurance all succession and use and occupations cases can also be manually tracked via a Microsoft t-card system. **Action Completed.**

2.3 **Recommendation 5.1** - Housing Management Officers should encourage occupants to bid more frequently (reiterate maximum bids per week entitlement) and consider private rental accommodation or housing associations to ensure bidding actively in line with the Allocations Policy.

Response: This process is now mapped within the CX Housing Management System and alerts are sent to the housing management officer and housing manager to prompt a review of the case. To provide additional assurance all succession and use and occupations cases can also be manually tracked via a Microsoft t-card system, and a monthly case review meeting is chaired by a strategic housing manager. **Action Completed.**

- 2.4 **Recommendation 5.2** - A regular review of choose n move activity through a report monitoring all temporary use and occupation accounts and durations would provide more effective oversight and make the service more efficient in taking timely action on accounts with inactive bidders.

Response: This process is now mapped within the CX Housing Management System and alerts are sent to the housing management officer and housing manager to prompt a review of the case. To provide additional assurance all succession and use and occupations cases can also be manually tracked via a Microsoft t-card system, and a monthly case review meeting is chaired by a strategic housing manager. **Action Completed.**

- 2.5 **Recommendation 12** - Names of Housing Management Officers (printed and signed on key forms/checklist and approval documentation e.g. Tenancy Agreements/decisions forms) should match on all agreements and forms requiring authorisation and date input accuracy as a key control.

Response: Adding individual housing management officer names on CX produced documents means that the document templates within the system would need to be changed each time an officer either left the service or changed patch area. As there are a number of letters and documents linked to the management of a tenancy, it is not feasible to update the number of documents frequently and this will impact on providing correct information to our tenants.

The service has however, reviewed documents produced from other IT systems including Granicus. It has identified documents where it is possible to include housing officer's details in a 'live' environment as the officer is completing a web-based page. One of the most important documents (the Tenancy Agreement) can be amended to reflect the details of the housing officer who signs the new tenant up for a tenancy.

As CX moves into Phase 2 of the project, any previous audit recommendations that have not been possible in Phase 1 will be considered in the Phase 2 scoping exercise. **Action Completed.**

- 2.6 In May 2025 a further audit was commissioned to review progress against the recommendations made in July 2024.
- 2.7 The audit was welcomed by the service as it identified actions that needed further work to fully embed process changes. The amount of work undertaken by the service to improve issues identified was recognised in the audit feedback. The audit rating also improved from '**Limited Assurance**' to '**Adequate Assurance**'.
- 2.8 A further audit will take place during 2026/27. This audit will test processes built into the CX Housing IT system that now steer core housing management functions.
- 2.9 Homes and Neighbourhoods has been on a significant journey of change and continual improvement during the last 18 months.
- 2.10 The service acknowledges that it wants to be in a position where future audit ratings are at a '**Substantial Assurance**' level. This will ensure our compliance with the Regulatory Consumer Standards are met and that we deliver the best possible services to our tenants.

3. Information required to take a decision

3.1 Implications for the Council

3.2 Council Plan

Completion of the actions against the recommendations made supports the Council Plan and will ensure that we operate efficiently and effectively, and get the basics right with robust systems, processes, and governance.

3.3 Financial Implications

Kirklees Council must ensure that it is making the best use of its housing stock. If properties are not allocated in line with the Allocations Policy, there is a risk that those in the most need may need temporary accommodation at a significant cost to the Council.

3.4 Legal Implications

We are under a legal duty to only allocate housing to 'eligible persons' as set out in chapter three of the Governments 'Allocation of Accommodation – Guidance for Local Authorities.

3.5 Climate Change and Air Quality

Efficient housing management supports wider programmes to improve the quality, safety, and energy efficiency of council housing. In turn this helps reduce household energy consumption, carbon emissions, and exposure to poor air quality.

3.6 Risk, Integrated Impact Assessment (IIA) or Human Resources

N/A.

4. Consultation

4.1 N/A.

5. Engagement

5.1 N/A.

6. Options

6.1 This report is to provide an update on the Tenancy Allocations Audit (KC/0825) actions against the recommendations made.

6.2 Reasons for recommended option

No options recommended.

7 Next steps and timelines

7.1 A further internal audit will be undertaken in 2026/27 to complete an assessment of all recommendations that relate to the implementation of the CX IT system.

8. Contact officer

Lisa Ramsden, Head of Housing Management and Partnerships.
Tel: 07734435026 or Email: lisa.ramsden@kirklees.gov.uk

9. Background Papers and History of Decisions

9.1 Internal Audit Review:



Internal Audit
Report_Tenancy Allo



ActionPlanTenancy
Allocation KC0825 (C

9.2 [Tenancy Allocations.pdf](#) report presented to Corporate Governance Audit Committee on 25 April 2025.

9.3 [Housing Allocations Policy](#).

10. Appendices

10.1 None.

11. Service Director responsible

Philip Jones for Homes & Neighbourhoods

Tel: 01484 221000 ext. 75312 - Email: philip.jones@kirklees.gov.uk