

		Report to: Northwards Housing Board 2 nd July 2019		Item No: <h1>10a</h1>	
Title:		MCC allocations scheme consultation			
Date:		18 th June 2019			
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Confidential:		No			
For: (Please tick action required)		NOTING <input checked="" type="checkbox"/>		DISCUSSION <input type="checkbox"/>	
		APPROVAL <input type="checkbox"/>			
PURPOSE OF REPORT					
To update the Board about proposed changes to the Council's allocations scheme.					
RECOMMENDATION					
The Board is asked to note the report.					
IMPLICATIONS					
Risk Management		Changes in lettings outcomes have implications for our ability to run tenancy management services in accordance with tenants' expectations.			
Regulatory & legal compliance		We are obliged under the terms of our management agreement with the Council to let all our homes using the Council's allocations scheme.			

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	N/A		
Task Groups:	N/A		
Ward Councillors:	N/A		

1. The Council is required by law to publish an allocations scheme setting out who is eligible for social rented homes and how applications are prioritised. The scheme has to have due regard to relevant legislation and guidance, and must give "reasonable preference" to certain classes of person in housing need, but otherwise gives local authorities considerable scope to draw up a scheme which reflects local circumstances and priorities.
2. Northwards is obliged under the terms of its management agreement with the Council to let all its homes using the Council's scheme.
3. The current scheme in Manchester has been in operation since February 2011. Although it generally works well, the Council has decided to carry out a review to ensure that the scheme remains relevant.
4. The main change since the current scheme was introduced is the substantial increase in homelessness in the city. Board members have noted in previous reports that this is one of the key challenges facing the city.
5. Northwards currently lets 30% of homes to people coming out of temporary or supported accommodation. Prior to the increase in homelessness noted above, this averaged around 15%.
6. The Council wants to see more homeless people rehoused, and this is a key motivation for wanting to review the scheme.
7. Having undertaken a number of discussion groups with housing providers via the Housing Access Board, the Council is now consulting on a revised scheme. The Council is asking housing providers to respond to the consultation by Friday 30th August 2019. The Council is obliged by law to carry out such consultation.
8. At the same time the Council has posted a questionnaire on its website offering members of the public the opportunity to comment on the proposed changes. The consultation can be seen at https://secure.manchester.gov.uk/info/200024/consultations_and_surveys/7791/our_proposed_changes_to_the_social_housing_rules
9. The main changes being proposed are as follows.
 - Anyone wanting to join the register will have to have been resident in the city for a continuous 2-year period (subject to some exceptions, such as people owed a homelessness duty by the Council)
 - The amount of savings someone can have and still be considered for social housing will reduce from £75,000 to £30,000 in most cases
 - Most homeowners will no longer qualify
 - People who qualify because of overcrowding will get different priority based on the level of overcrowding – people who are overcrowded by just one bedroom (except people overcrowded in one-bedroomed accommodation and people overcrowded and living in someone else's

home) will get less priority than other people in housing need (including homeless people and people overcrowded by 2 or more bedrooms).

- People will no longer get extra priority based on being a working household or making a community contribution – priority will be based on need alone
10. The changes are expected to come in in 2020 and will apply to all applicants including people already on the register. So people already registered will move up or down the banding system (or more accurately be allocated to the appropriate band in the new system). People already in the system won't be "protected" in any way. This is because we can only operate one register with one set of rules, meaning that people already in the system have to be re-assessed in accordance with the new rules.
 11. The most significant (and potentially controversial) change is that concerning overcrowding. This will lead to a substantial increase in the number of homeless applicants rehoused, at the expense of most people overcrowded by one room (including people already on the list who have the same level of priority as other in need applicants, including homeless people).
 12. In this regard the Council is in effect removing what amounts to a "level playing field" for applicants who are in housing need for different reasons. The main impact of this will be to benefit homeless applicants relative to most people overcrowded by one bedroom.
 13. For Northwards this will mean additional challenges in managing a substantially increased number of tenancies of people coming out of homelessness, whilst at the same time managing the rehousing applications and tenancies of people living in unsuitable accommodation (in some cases our tenancies) whose prospects of rehousing will have significantly reduced. We expect this to generate a significant amount of extra work and pressure on our front line teams, which we will have to find ways of dealing with.
 14. We are currently undertaking consultation with our involved tenants and applicants for rehousing living in our homes. We will take into account any comments received in drawing up our response to the Council's request for comment.
 15. We will bring a more detailed report to the Board strategy meeting in August, reporting back on the consultation outcomes and presenting a draft response for consideration by the Board. In the meantime, Appendix 1 provides a table setting out in summary form the current and proposed new priority bandings.
 16. The Board is asked to note the report.

Appendix 1 – Table showing comparison of old and new banding systems

Qualification Criteria	Qualification Criteria
<p>Current policy</p> <p>An address in Manchester will allow an applicant to join the register (with some exclusions).</p> <p>An applicant could have up to £75k in savings/assets.</p> <p>Homeowners can join the register, although most will be in Band 6 (with some exceptions around requirements for Extra Care/sheltered/adaptations).</p>	<p>Proposed policy</p> <p><i>An applicant will have to have lived in Manchester for a continuous period of 2 years (with some exemptions for homelessness applicants).</i></p> <p><i>An applicant could have up to £30k in savings/assets.</i></p> <p><i>Homeowners will not qualify to join the register (with some exceptions around requirements for Extra Care/sheltered/adaptations).</i></p>
Banding in current policy	Banding in proposed policy
<p>Band 1 (urgent need to move due to Reasonable Preference Plus additional preference)</p> <p>Hospital discharge</p> <p>Urgent medical needs</p> <p>Acute Overcrowding (3 beds short)</p> <p>Urgent DV cases Urgent violence and harassment cases</p> <p>Under-occupation of social housing (household is releasing a 3 bed or bigger family home and moving to a non-family home).</p> <p>Release of an adapted social home.</p> <p>Applicants who are or were in the Armed Forces and have a Reasonable Preference award.</p> <p>Prohibition Order served on a private rented home and there is an immediate threat to life.</p> <p>Risk to a child. “Our Children” leaving care</p>	<p>Band 1 (Reasonable preference and additional preference)</p> <p>Hospital discharge</p> <p>Urgent medical needs</p> <p>Acute overcrowding (3 beds short <i>and lodgers who are 2 bedrooms short</i>)</p> <p>Urgent DV cases Urgent violence and harassment cases</p> <p>Under-occupation of social housing (household is releasing a 3 bed or bigger family home and moving to a non-family home <i>or is releasing any home where a move will mean there are no spare bedrooms</i>)</p> <p>Release of an adapted social home.</p> <p>Applicants who are or were in the Armed Forces and have a Reasonable Preference award.</p> <p>Prohibition Order served on a private rented home and there is an immediate threat to life.</p> <p>Risk to a child. “Our Children” leaving care.</p>

<p>Foster or adoptive carers and lacking a bedroom.</p> <p>Managers Discretion for exceptional cases.</p>	<p>Foster or adoptive carers and lacking a bedroom.</p> <p>Managers Discretion for exceptional cases.</p>
<p>Band 2 (Reasonable preference plus Community Contribution or is a Working Household)</p> <p>People that are owed an historic, main, relief or prevention homelessness duty within the meaning of the relevant Homelessness Acts.</p> <p>Overcrowding – all cases where an applicant is 1 or 2 bedrooms short according to the bedroom standard.</p> <p>Prohibition Order served on a private rented home and there is no immediate threat to life.</p> <p>Under-occupancy where an applicant has 1 bedroom more than they need.</p> <p>Need to move on medical grounds but does not meet a band 1 threshold.</p> <p>DV/Violence/Harassment where it does not meet a band 1 definition.</p> <p>Move on from Supported Accommodation.</p> <p>Children living at height where the child is 16 years old or younger with no access to a garden.</p> <p>Hardship/welfare/child protection that does not meet the band 1 threshold.</p>	<p>Band 2 (Reasonable Preference and urgent need to move)</p> <p>People that are owed an historic, main or relief duty within the meaning of the relevant Homelessness Acts <i>but not including Prevention Duty cases (these didn't exist when the current Scheme was written).</i></p> <p><i>Overcrowding:</i></p> <ul style="list-style-type: none"> - Applicant household is overcrowded in current accommodation and requires 2 bedrooms more than it currently has. - Applicant household lives in 1 bedroom accommodation and is overcrowded, requiring 1 additional bedroom according to the bedroom standard - The applicant is a lodger and is living in overcrowded conditions requiring 1 additional bedroom according to the bedroom standard. <p>Prohibition Order served on a private rented home and there is no immediate threat to life.</p> <p><i>*All under-occupiers are now in band 1.</i></p> <p>Need to move on medical grounds but does not meet a band 1 threshold.</p> <p>DV/Violence/Harassment where it does not meet a band 1 definition.</p> <p>Move on from Supported Accommodation.</p> <p>Children living at height <i>where the child is 10 years old or younger</i> with no access to a garden.</p> <p>Hardship/welfare/child protection that does not meet the band 1 threshold.</p>
<p>Band 3 (Reasonable Preference) As band 2 but with no working household or</p>	<p>Band 3 (Reasonable preference) People that are owed a Prevention Duty</p>

<p>community contribution award.</p>	<p>within the meaning of the relevant Homelessness Acts.</p> <p><i>Applicant households who are overcrowded in their current accommodation and require 1 bedroom more than they currently have according to the bedroom standard (other than where they are in one of the 2 exempt groups as per Band 2 criteria) .</i></p> <p><i>Applicants who are lodgers (whether or not any other “in need” criteria are met).</i></p>
<p>Band 4 (No reasonable preference but have a working household or community contribution award)</p> <p>Applicants without a need to move as per criteria for Bands 1-3 (currently includes lodgers who don't meet any other “in need” criteria)</p> <p>Currently these applicants can bid even though in the vast majority of cases they have no realistic chance of success</p>	<p>Band 4 (no reasonable preference and no housing need)</p> <p>Applicants without a need to move as per criteria for Bands 1-3</p> <p><i>These applicants will not normally be allowed to bid ie other than in targeted instances where it is considered that they have a realistic chance of success</i></p> <p><i>*(Lodgers who don't meet any other “in need” criteria are in Band 3)</i></p>
<p>Band 5 (No reasonable preference and no working household or community contribution award)</p> <p>Applicants without a need to move (currently includes lodgers who don't meet any other “in need” criteria)</p> <p>Currently these applicants can bid even though in the vast majority of cases they have no realistic chance of success</p>	<p>Band 5 (Reduced Priority)</p> <p>This is mainly applicants who would have been in band 6 under the current policy.</p> <p><i>These applicants will not normally be allowed to bid ie other than in targeted instances where it is considered that they have a realistic chance of success</i></p> <p><i>*(Lodgers who don't meet any other “in need” criteria are in Band 3)</i></p>
<p>Band 6 (reduced priority)</p> <p>Applicants who would have been in a higher band but have had priority reduced for one of a number of reasons set out in the Scheme)</p>	<p>There is no band 6 in the proposed policy.</p>