

**Manchester City Council
Report for Resolution**

Report To: Executive – 24 November 2010
Subject: New Housing Allocations Scheme
Report of: Director of Housing

Summary:

This Report is further to the Executive approval and adoption of the new Allocation Scheme on 10 March 2010.

It seeks approval of additional policy in relation to applicants who deliberately worsen their circumstances and various other minor amendments to the approved Scheme.

It also seeks delegations from the Executive to the Director of Housing and the Executive Member for Neighbourhood Services in relation to the development and incorporation into the new Allocation Scheme of a “Transfer of Applicants Policy” and an “Operational Manual”. This is in addition to the delegation approved by Executive on the 10th March 2010 - To note and approve the ongoing work required to implement the scheme, and to delegate authority to the Director of Housing, in consultation with the Executive Member for Neighbourhood Services, to allow for a smooth implementation upon advice from the City Solicitor.

Recommendations

The Executive is requested to:

1. approve an additional policy required to address the issue of applicants who deliberately worsen the circumstances of their household thus gaining priority on the new Allocation Scheme, and
 2. approve and adopt minor amendments by way of clarification to the Scheme as adopted by the Executive on 10 March 2010, and
 3. delegate authority to the Director of Housing in consultation with the Executive Member for Neighbourhood Services to develop and adopt a “Transfer of Applicants Policy” that will form part of the new Allocation Scheme and that will determine the transfer of applicants between the current 2007 Allocations Scheme and the new Allocations Scheme when it goes live, and
 4. delegate authority to the Director of Housing to develop and adopt an “Operational Manual” that will also form part of the new Allocation Scheme.
-

Wards Affected: All Wards

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	The scheme will contribute to balanced communities and is part of a Greater Manchester approach to Allocation Schemes
Reaching full potential in education and employment	The scheme supports initiatives that contributes to Manchester Residents securing employment and training
Individual and collective self esteem – mutual respect	Discourages applicants for re-housing from inappropriately claiming and potentially being awarded a higher level of priority for re-housing due to their intentional worsening of their circumstances.
Neighbourhoods of Choice	The scheme will contribute to the balanced communities and is part of a Greater Manchester approach to Allocation Schemes

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences

Revenue Implications – There are no direct revenue implications arising from the report, any additional staffing resources required to implement the proposed changes in policy, will be met from within existing resources.

Capital Implications – There are no implications on the Capital budgets.

Contact Officers:

Name: P. Beardmore
Position: Director of Housing
Telephone: 234 4811
E-mail: p.beardmore@manchester.gov.uk

Name: G. Heath
Position: Head of Housing Strategy
Telephone: 234 4837
E-mail: g.heath@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

MCC Report for Resolution of Executive 10 March 2010 Allocations Scheme that includes a copy of the Allocation Scheme adopted by Executive.

The Housing Act 1996 (as amended)

Allocation of Accommodation: Code of Guidance for Housing Authorities 2002

Allocation of Accommodation: Choice Based Lettings Code of Guidance for Housing Authorities 2008

Fair and Flexible: Statutory guidance on social housing allocations for local authorities in England 2009, issued by the Communities and Local Government Department.

1.0 Introduction

1.1 The City's Housing Allocations Scheme operates within a tight statutory and legal framework and from within this framework aims to contribute to Manchester's Community Strategy.

1.2 This report informs Executive on work arising from the Executive Report of 10 March 2010 to deal with the situation where an applicant intentionally worsens their circumstances. It proposes the adoption of new policy and text to add to the new Allocations Scheme to address this specific issue.

1.3 It also requests approval to adopt minor changes (by way of clarification in drafting) to the Scheme as adopted by the Executive on 10 March 2010.

1.4 It also seeks delegated authority for the drafting and adoption of a "Transfer of Applicants Policy" and "Operational Manual" both of which will form part of the new Allocation Scheme.

1.5 There has been formal consultation with the Registered Providers of Social Housing on the change in relation to the worsening of circumstances and concerning the clarifications necessary to write the Transfer of Applicants Policy and amendments to the 10 March 2010 version of the Part VI Allocations Scheme. Consultation on the "Transfer of Applicants Policy" and "Operational Manual" is continuing.

2.0 Background

2.1 The Allocation Scheme is a key component of the City's housing strategy, which seeks "to lead and co-ordinate activity to enhance access to a higher quality more balanced housing offer across the City to support economic growth and inclusion" and in particular it is working to do so by "improving the access to affordable homes for all residents and communities". This in turn contributes to creating neighbourhoods of choice, a key aim of Manchester's Community Strategy. It has been widely welcomed both locally and nationally.

3.0 Deliberate worsening of circumstances

3.1 The Executive Report on 10 March 2010 on the new Housing Allocations Scheme promised an additional report on the policy implications of applicants who deliberately worsen their circumstances and as a result gain priority on the housing waiting list. Research with other local authorities confirms there will be a small number of applicants each year who carry out deliberate acts, the consequences of which lead to the claiming and awarding of a higher level of priority in relation to their housing need. Whilst these acts are not common-place, they are addressed in the drafting of the Allocations Policies of some other local authorities. Consultation responses provided almost universal agreement to the revision and addition to the approved Scheme as stated below.

3.2 The proposal

The proposal is to insert a further bullet point in the policy in Section 3, Part 4 under 'Reduced Preference' Criteria:

"An applicant will be given reduced preference if the council is satisfied they deliberately did or failed to do something which, in consequence, led to a worsening of their housing circumstances. The household will be placed into Band 6. The situation will be reviewed every 12 months or upon a material change of circumstance within the household."

Examples of which could include:

- *A family, with young children, moving from an overcrowded house to an overcrowded upper floor flat (additional priority is normally given where young children are living in upper floor flats).*
- *A family giving up an affordable and suitable private rented tenancy which they are able to maintain, to move in with other relatives, creating a situation of overcrowding and sharing of bathroom/kitchen and a split household.*
- *An applicant requesting or colluding with a landlord or family member to issue them with a Notice to Quit.*
- *an applicant gives up settled accommodation in order to move into less settled or overcrowded accommodation*
- *an applicant deliberately overcrowds their property by moving in friends and/or other family members who have never lived together previously and/or have not lived together for a long time, then requests rehousing to larger accommodation*

The above list is not exhaustive.

4.0 Clarifications within the Scheme presented to Executive 10 March 2010

4.1 A number of clarifications have been made to the approved Scheme where through testing and preparations for use it has come to officers attention that the sense of the document could be improved by minor amendments, for example by using the phrase "award date" to replace the use of "queue date" and other phrases.

Details of the clarifications are explained in Appendix 1.

5.0 Transfer of Applicants Policy

5.1 In considering the complex process of transferring from the current 2007 Scheme to the new 2011 Scheme, further advice has been taken from the City Solicitor who advises that the new Scheme should address the transfer of applicants from the old to the new Scheme dealing with how they will given priority in the new Scheme and giving wherever possible credit for their previous award dates and qualifications on the old Scheme. This will ensure that equitable transition from the current Scheme to the new Scheme is both transparent and consistently applied.

5.2 It will also describe where an applicant's status in the 2007 Allocation Scheme is not recognised in 2011 Scheme, where a new applicant status has been created in the 2011 Scheme, and where the applicant status is similar in both Schemes.

5.3 This is to ensure that transferring applicants are treated as fairly and equitably as possible and will clearly show how they will be treated when the new Scheme comes into force.

5.4 Executive is therefore requested to approve that a new title and new text should appear in a new Section 4, Part 1.

Transfer Arrangements from Old to New Allocation Scheme.

The previous (2007) Allocation Scheme will cease to operate upon the implementation of this Allocation Scheme. This Allocation Scheme will commence on 21 February 2011 (the commencement date). In order to assess and transfer where relevant live applications from the previous Allocation Scheme to this Allocation Scheme the Council will operate a Transfer of Applications Policy which is contained in Appendix 7. This is a unique Policy within the Allocation Scheme exclusively designed to manage the transfer from the previous Allocation Scheme to this Allocation Scheme.

5.5 Furthermore, the Executive is requested to delegate authority to the Director of Housing in consultation with the Executive Member for Neighbourhood Services to prepare and adopt the "Transfer of Applicants Policy" of the new Scheme This Policy will form part of the new Scheme and be published on the Councils Choice Based Lettings website and be available to all households who request a copy of the same.

5.6 The reasons for requesting this delegation are that project activity in terms of the planning and preparation for implementing the new Allocations Scheme has focussed upon the significant logistical exercise of the collection of new information required to determine the new awards from applicants that is described in the Allocation Scheme. Preparation of the specific transfer arrangements from the old to the new Allocation Scheme is a complex matter. It is underway but will not be fully tested until January 2011, immediately prior to communications with applicants to make the Scheme go live in February 2011.

6.0 Operational Manual

6.1 The operating guide or manual will state how they should operate the Scheme and describes processes etc. It will not compete with "policy" as determined by the Allocations Scheme. The advice of the City Solicitor is that the Operational Manual should be made part of the Scheme.

6.2 It is proposed that a new title and new text should appear in a new Section 6 Part 1.

Operational Manual

The Council will use an Operational Manual that describes for the purpose of the

staff of the Council and its Partners an explanation of how the Part VI Allocations Scheme will be operated and implemented. It will describe what officers should do, how decisions are made and will describes processes. Its purpose is to guide the operation and implementation of the policy as described in the main body of the Part VI Allocations Scheme. The Operational Manual may from time to time be modified, for example, to update it in relation to administrative or ICT improvements/changes that may take place.

6.3 Furthermore, the Executive is requested to delegate authority to the Director of Housing to prepare and adopt the "Operational Manual" on the basis that the Manual will not consist of any policy or criteria that will affect any applicants ranking or prospects on the new Scheme.

The reasons for requesting this delegation are that project activity in terms of the planning and preparation for implementing the new Allocations Scheme has focussed upon the significant logistical exercise of the collection of new information from applicants that is required to determine the new awards described in the Allocation Scheme. Preparation of the specific Operational Manual has begun but will not be fully tested to ensure integrity in use until January 2011. Training based upon the operational manual will begin from January 2011.

7.0 Contributing to the Community Strategy

(a) Performance of the economy of the region and sub region

7.1 The scheme will contribute to balanced communities and is part of a Greater Manchester approach to Allocation Schemes

(b) Reaching full potential in education and employment

7.2 The overall scheme awards priority for households that may not be in need but who are making a positive contribution to their communities through employment and gives incentive to working households through the housing offer..

(c) Individual and collective self esteem – mutual respect

7.3 The scheme encourages applicants to seek their own housing solutions and offers informed choice to assist this.

(d) Neighbourhoods of Choice

7.4 The scheme has criteria to help tackle neighbourhoods that are not succeeding and gives (subject to availability) choice in rehousing.

8 Key Policies and Considerations

(a) Equal Opportunities

8.1 The Scheme was subject to an Equality Impact Assessment in March 2010

and the outcomes of the scheme will be monitored following the go live date of 21 February 2011. The impact of the amendments proposed have been considered and the Equality Impact Assessment has been updated with minor amendments to reflect the proposals in this report.

(b) Risk Management

8.2 Risk was considered in the Equality Impact Assessment.

(c) Legal Considerations

8.3 Legal considerations have been incorporated into the report.

Appendix 1

Clarifications made within the Part VI Allocations Scheme presented to Executive 10 March 2010 and adopted under the delegated authority to implement the Scheme given to the Director of Housing in consultation with the Executive Member for Neighbourhoods.

The clarifications described below are matters of administration and do not involve policy.

1. Clarification of which Reasonable Preference category domestic abuse victims are allocated. The clarification to read as follows;

Need to move due to abuse, violence or harassment

Applicants who need to move due to domestic abuse, violence or harassment but who are not in immediate danger will be awarded reasonable preference and will be placed in band 2 or 3 depending on whether the applicant has a Community Contribution or Working Household Award. Those victims of domestic abuse, violence or harassment who are in immediate danger if they continue to occupy their current accommodation will be awarded additional preference and will be placed in band 1(Page 40)

2. Clarification in relation to priority awarded for under-occupancy, namely tenants of Landlords within the Manchester Housing Register Partnership who release a 3 bedroom or larger family type and move to a smaller non-family type are placed in band 1. Tenants of Landlords within the Manchester Housing Register Partnership who are under-occupying a property by one or more bedrooms, and are prepared to move to a smaller sized property, will be awarded Reasonable Preference. They will be placed in band 2 or 3 depending on whether the household has a Working Household or Community Contribution award. (Page 35)
3. The priority table (Pages 20-24) has been amended as it contained a duplication, was in need of clarification and described priorities in relation to Unsatisfactory Housing Conditions that have been changed significantly elsewhere in the text. (Referenced at paragraph 4 below)
4. The descriptions of priority awarded for *Unsanitary or unfit Private Sector Accommodation* have been replaced by descriptions of priority awarded in accordance

with the regulations concerning the Housing Health and Safety Rating System in the Housing Act 2004. The replacement text describes *Unsatisfactory housing conditions in the Private Sector where there is one or more Category 1 Hazard. (excluding overcrowding) and where there has been service of Prohibition Orders or Suspended Prohibition Orders.* The outcome is the same as originally intended, i.e. applicants who occupy private sector property where conditions presents an immediate threat of serious injury or threat to life are placed in Band 1. Applicants who occupy private sector property where conditions are not as serious but still significant will be placed in Band 2 or 3.(Pages 34 and 46)

5. Clarification made that applicants' bidding will be restricted to 3 bids per advertising cycle. Cycles will be fixed and will last no more than 8 days. The restriction of bidding is designed to ensure that applicants make informed choices and select to bid only for properties they are genuinely interested in occupying.(Page 14)
6. Amendment of text made in relation to Criterion 3 of the definitions for Community Contribution to provide additional guidance (Page 50)
7. Clarification made in relation to the process description for Reduced *priority due to rent arrears/housing related debt* (Page 52-56)
8. Considerable expansion of the reduced priority section as there were several categories described elsewhere but not in full in the appropriate section (Section 3 Part 4).(Pages 52-61)
9. Clarification in relation to Applicants who are intentionally homeless as a result of their behaviour and explaining when an applicant will be placed in band 6a or otherwise deemed ineligible.(Page 60)
10. Ensuring the consistent use of the words *award date* and clarifying that if there are multiple bids for a property from one particular band then the applicant closest to the top of the band (with the earliest date) will be made the first offer of the property. (Page 90 and elsewhere)
11. Amendments made to improve the accuracy in the text concerning *Assessing Applications - our customer service standard,* (Page 90).
12. Changes made to '*Review of Applications*' section to cover methods in use in relation to Choice Based Lettings (Page 93)
13. The wording of the *Review of Band 6 Applicants* has been re-ordered to give more clarity

in relation to applicants on the Rehousing Registration List (page 101)

14. Statement of policy concerning reduced priority due to refusal of three reasonable offers of accommodation in a twelve months period (Page 57) reproduced incorrectly elsewhere (Pages 60 and 97)

NOTE: Page references relate to the Part VI Allocation Scheme adopted 10 March 2010