

## MANCHESTER SOCIAL HOUSING ALLOCATIONS SCHEME REVIEW

### BRIEFING PAPER #1: BACKGROUND TO THE REVIEW

#### Background and legal position

Part 6 of the Housing Act 1996 requires local authorities to have an allocations scheme that describes how social homes should be allocated in the authority's area and to give "reasonable preference" on the scheme to certain groups of applicants:

- People who need to move on welfare or medical grounds,
- People who need to move to a particular area of the borough to avoid hardship,
- People living in overcrowded, insanitary, or otherwise unsatisfactory housing, and
- People who are homeless within the meaning of Part 7 of the Housing Act 1996

The Manchester Housing Allocation Scheme sets out the principles and rules by which people apply for social housing, including who qualifies to join the housing register and how the council prioritises who gets a home. In simple terms, Manchester's current allocations scheme operates in this way:

Band 1	is applicants in need (reasonable preference) who are in very urgent or emergency need to be rehoused
Band 2	is applicants in need (reasonable preference) who make a contribution to their community
Band 3	is applicants in need (reasonable preference) who do not contribute to their community
Band 4	is applicants not in need (not in the reasonable preference groups) but who make a contribution to their community
Band 5	is applicants not in need (not in the reasonable preference groups) and who do not contribute to their community
Band 6	is comprised of applicants demoted from bands 1-5

Manchester's current allocation scheme was introduced in 2011. There have been some minor amendments since but the scheme has remained fundamentally the same for the last 9 years.

Manchester's housing situation has changed significantly since 2011. There has been a significant rise in homelessness and the associated cost of the rising number of households in temporary and supported accommodation is unsustainable. Welfare reforms and rising private sector rents are huge challenges for people seeking new homes.

Alongside these issues of increasing homelessness, the turnover and availability of social homes has reduced significantly while the demand for social homes has increased.

## Supply and demand

The council and partners maintain a housing register of applicants for social homes. The register holds nearly 16,000 applications (including those in process and classed as “ineligible” until verified). At the end of December 2019, over 6,500 of the live applications were in the reasonable preference categories showing that they have urgent need to be rehoused. These applications were in bands 1-3. All other applications were in bands 4 and 5, with demoted applications in band 6.

**Table : DEMAND - the Manchester Housing Register as at end December 2019**

Band	Bedroom need													
	1		2		3		4		5		6+		Totals	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%
1	362	2.5	157	1.1	49	0.3	57	0.4	19	0.1	18	0.1	662	4.5
2	401	2.7	713	4.9	833	5.7	310	2.1	48	0.3	7	0.0	2,312	15.8
3	1,100	7.5	1,128	7.7	847	5.8	316	2.2	49	0.3	7	0.0	3,447	23.6
4	862	5.9	763	5.2	410	2.8	38	0.3	3	0.0	1	0.0	2,077	14.2
5	2,075	14.2	1,188	8.1	592	4.1	84	0.6	3	0.0	1	0.0	3,943	27.0
6a	81	0.6	65	0.4	45	0.3	25	0.2	5	0.0	0	0.0	221	1.5
6b	1,003	6.9	594	4.1	274	1.9	49	0.3	9	0.1	1	0.0	1,930	13.2
Totals	5,884	40.3	4,608	31.6	3,050	20.9	879	6.0	136	0.9	35	0.2	14,592	100
Ineligible / in process													(1,246)	

Almost three quarters of the register needed 1 or 2 bedroom properties (71.9% = 10,492 applicants). 4,007 applicants (27.5% of the register) were in the highest bands 1-3 (+6a) and needed 1 or 2 bedroom properties. Adding in 3 bedroom need takes the total to 92.8% of the register, or 13,542 applicants. Of these, applicants in the highest bands 1-3 (+6a) who needed 1, 2 or 3 bedroom properties totalled 5,781 (39.6% of the register).

Once we look at 4, 5 and 6+ bedroom properties, the greatest demand is from applicants in the reasonable preference categories (the highest bands 1-3 +6a). At the end of December 2019 there were 1,050 (7.1%) applicants who needed larger family homes. Of these, 861 (5.9% of the register) were in urgent need bands 1-3 (+6a). Only three homes of 6 or more bedrooms became available and were let in 2017/18 and prior to that none were let in 2016/17. Only one 5-bed property was let in 2017/18 and only two 5-bed properties were let in 2016/17.

There are just under 68,000 social homes in Manchester. The turnover of all sizes of properties has been falling for the last five or more years. Total lets for 2018/19 were 2,458, which was 32% down from 3,620 lets in 2013/14. The percentage of lets to applicants in

highest need (the reasonable preference categories and bands 1-3) was 85% in 2018/19. Nevertheless, the majority of applicants will take a very long time to make a successful bid.

### **Key Facts**

- The number of applications on the Manchester Housing Register is rising: 14,592 as at the end of December 2019, an increase of more than 27% from 11,438 since March 2016.
  - The number of applications in reasonable preference (urgent housing need) is increasing and is currently over 6,600.
  - There were around 2,458 lets last year, compared with 3,620 in 2013/14.
  - There are now over 2,200 households in TA.
  - The cost of the council providing temporary and supported accommodation (TA & SA) for homeless households is rising and is unsustainable.
  - 8,135 households presented as homeless in 2018-19 - almost 3,000 more than in 2014-15
  - £20.6M was spent on temporary housing in 2018-19 (three times higher than in 2015-16)
  - Manchester's rate of people sleeping rough has more than doubled since 2014
  - Only 2% of two bedroom listings in 2018-19 in the private rented sector (PRS) are within £30 of Local Housing Allowance (LHA)
  - At February 2020 there were 1,572 homeless families and 644 homeless single people in temporary accommodation
  - It is the case that large numbers of applicants in real need will not successfully bid for a social home in any reasonable period.
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