

TITLE OF REPORT: Allocations Policy and Tenancy Strategy Consultation

Purpose of the Report

1. To provide an update on our Homelessness, Allocations and Tenancy Review and seek the views of the Health & Wellbeing Board on proposed changes to our Allocations Policy, Tenancy Strategy and Tenancy Management Policy.

How does the report support Gateshead's Health & Wellbeing Strategy?

2. When drafting our proposed new Allocations Policy, Tenancy Strategy and Tenancy Management Policy, we have aimed to deliver on both our Thrive vision and the following aims set out in our Health and Wellbeing Strategy:
 - Giving every child the best start in life
 - Enable all children, young people and adults to maximise their capabilities and have control over their lives.
 - Ensure a healthy standard of living for all
 - Create and develop sustainable places and communities
 - Strengthen the role and impact of ill health prevention
3. Housing can play a huge role in improving health and wellbeing and we hope the proposed changes to these documents and our wider review ambitions will help us to enable long term, affordable and decent homes that better meet the needs of our residents, within sustainable places and communities.
4. We have worked closely with cross department colleagues within both Adults and Children's Social Care, Public Health and Community Safety to try and deliver an approach that tackles some of the key issues and pressures that can have an impact on delivering our Health and Wellbeing Strategy. Some of the changes proposed will also enable delivery of some of our aims within our Homelessness and Rough Sleeping Strategy 2022-27.

Background

5. In 2021 we undertook the following two reviews:
 - A **Homelessness Review**, which resulted in a new Homelessness and Rough Sleeping Strategy/Delivery Plan and a new Homelessness Charter being approved by Cabinet in January 2022. We also established our Homelessness Forum.
 - An **Allocations and Tenancy Review**, which resulted in a detailed report containing the following findings and recommendations:

- i. Gateshead should create its own 'Gateshead Housing Model' – including Registered Providers (RP's), Support Commissioners and Private Landlords.
 - ii. Our allocation policies and processes should be focused on delivering solely to meet the needs of Gateshead
 - iii. There should be a digital marketplace that enables self-service and a coordinated approach to assessing housing and support needs.
 - iv. There should be improved formalised partnership working through a new Tenancy Strategy
 - v. We should aim for a single allocations scheme/policy with registered providers working with us collaboratively
6. In 2022 we aligned these two reviews to become a broader 'Homelessness, Allocations and Tenancy Review', which now sits under our wider Housing Improvement Programme. Key milestones of this review include:
- Remodeling and recommissioning homelessness accommodation and support and developing a 'Homelessness Gateway' by March 2023
 - Developing a Gateshead Marketplace for Allocations by March 2023
 - A new Allocations Policy by September 2022
 - A new Tenancy Strategy and a new Tenancy Management Policy by September 2022
7. With the support of consultancy firm Campbell Tickell, we have been working on revisions to our Allocations Policy, Tenancy Strategy and Tenancy Management Policy over recent months. Consultation has so far taken place with internal officers and elected members to enable us to develop drafts of the documents which can be found in appendix 1. Formal consultation on the documents began on 30th June 2022 and includes:
- Applicants on the Gateshead Housing Register
 - Registered Providers
 - External Stakeholders
 - Internal Stakeholders
 - Gateshead Residents

A further consultation session with Elected Members is also planned for 14th July 2022 before the documents are taken to the Strategic Housing Board on the 1st September 2022. A link to the current consultation can be found at [Consultation Link](#).

Proposal

8. Recognising the potential Health and Wellbeing implications of the documents, we wish to consult the Health and Wellbeing Board on the proposed changes to our Allocations Policy, Tenancy Strategy and Tenancy Management Policy. Outlined below is a summary of the key changes/requirements for each document.
9. **Allocations Policy** (currently our Lettings Policy) – this sets out the rules by which we allocate homes, including how people qualify and how we prioritise applicants based on need and waiting time. The Housing Regulator states that we must be fair, transparent and efficient when allocating homes. The key proposed changes are:

- **Armed Forces** – we wish to disregard whether the applicant is honourably or dishonourably discharged.
- **Financial Exclusion** - we will exclude applicants who have savings, equity, income or investments above a certain threshold as we deem them able to solve their housing situation. We will however make exceptions where someone is vulnerable or needs specialist accommodation such as that which is for older people.
- **Exclusion from the Housing Register**- we are proposing not to exclude such applicants, allowing all to join the housing register (although a demotion may apply). There will however be circumstances where we would place additional requirements on applicants to fully engage in support before rehousing.
- **Demotions** - we are proposing to continue to treat applicants under reduced preference. We propose however that instead of demoting an applicant to the end of the whole list, they will be demoted to the end of their band. If they are willing to enter into an arrangement to address the reasons for the demotion and complete that to our satisfaction, the demotion will be removed. We are also proposing not to demote applicants who qualify for the critical band 1 or the urgent band 2.
- **Homeless Priority Need** – the proposals have adjusted existing priority banding levels to reduce the time spent in bed & breakfast or temporary accommodation. We have also recognised all intentionally homeless including those with no priority need. They now sit in the bands as follows:
 - i. **Critical:** Statutorily homeless and those we have to place in bed & breakfast or temporary accommodation.
 - ii. **Urgent:** Those threatened with homelessness.
 - iii. **Substantial:** Intentionally homeless.
- **Overcrowding** – we are proposing that if an applicant needs 1 bedspace they will get a substantial priority, 2 bedspaces an urgent priority and 3 or more a critical priority.
- **Out of borough applicants** - all out of borough applicants with or without a connection will be able to accrue waiting time.
- **Change of Tenancy** - this whole section has been removed with the proposed changes. Instead we will refer applicants to their own landlords tenancy management policy. If an applicant is a Council tenant and we have agreed to rehouse them under our succession rules, we will award urgent priority.
- **Tenancy Determination** - we have proposed a section on granting tenancies as follows:
 - i. Anyone who does not hold a lifetime tenancy will be issued an introductory tenancy for 12 month which converts to a secure tenancy.
 - ii. Anyone on a lifetime tenancy will be issued another lifetime tenancy.
 - iii. Flexible tenancies will be granted in adapted properties usually for 5 years, when the need for an adapted property will be assessed again. If you need something different or no longer need the adaptations, you will be rehoused.
 - iv. Flexible tenancies may be granted for some homeless applicants, usually for 3 years and if all goes well they will be granted a secure tenancy once this expires.

10. The proposed revisions to the Allocations Policy also ensure the document is up to date in terms of relevant legislation, such as the Homelessness Reduction Act and meets the regulatory requirements of the Housing Regulator. This includes ensuring fairness and transparency, an example of which is seen in the changes regarding how and when we allocate via a direct let and usage of assisted bidding. We have also reviewed the priority banding based on levels of risk and pressures to health and social care, there are ongoing discussions with colleagues in social care for further consultation on this. We have also worked with colleagues in both housing and social care to ensure we are fully embedding mental health within the policy, when considering applicants medical needs.
11. **Tenancy Strategy** – this sets the Councils position on all tenancy related matters and clarifies our expectations from Registered Providers. We are aiming to strengthen our relationships with the Registered Providers that operate in the borough, particularly as we come to establish a Gateshead Allocations Model over the coming year.
12. The Tenancy Strategy provides the foundation for stronger partnerships, so we can all work together to deliver on our Thrive and Health and Wellbeing ambitions. The delivery of the strategy will be through the Gateshead Providers Partnership. A copy of the newly drafted Tenancy Strategy can be found in Appendix 2 Some of the key points/requirements outlined include:
- Increasing the supply of affordable Social Rented Homes. The strategy confirms that affordable homes should be no more than 80% of Market Rent and to be truly affordable rents should be no more than 30% of 'take home' pay. The strategy also requests that RP's have a more flexible approach to new tenants, who may not have savings to pay rent upfront, enabling them to instead build credit over time.
 - The Council will work together with RP's to ensure we have a clear picture of stock levels within the borough to inform strategic decisions. This would include disposals and any sales through Right to Buy/Right to Acquire and there are specific accommodation types the Council asks are exempt from purchase i.e., specialist and supported.
 - There is an expectation set out that RP's will maintain their homes to decent homes standard or higher.
 - The strategy proposes that the Council will discharge its homelessness duty via the private sector, where there is suitable accommodation at the right cost. This may include the use of incentives and grants for Private Landlords, where there is the budget to do so, to help improve properties and maintain safe standards.
 - The strategy sets out our position on the granting of tenancies, which includes our strategic objective to provide residents with long term, genuinely affordable homes. Lifetime tenancies are the preferred tenancy type in most circumstances and in our view, this should be the default offer to tenants.
 - To meet the requirements of the Domestic Abuse Act 2021, victims of domestic abuse will always be reissued a lifetime tenancy, where they have left one.
 - The strategy clarifies that we expect lifetime tenancies to be issued to vulnerable tenants with long term support or care needs. This may include those with enduring mental health needs, a learning disability, some types

of physical disability, older people in supported accommodation/specialist housing and those needing specialist care

- The strategy also supports the use of flexible tenancies, which are for less than 5 years, in limited circumstances – including for some types of supported housing, where there is a link to employment or for properties which have been purpose built or substantially adapted for disabled applicants.
- The Council wants to support tenants to maintain their tenancy and our expectation is that RP's do the same. This may include targeted visits, rehousing to prevent further financial hardship, an available housing support service and support to tackle anti-social behaviour and problematic tenants.
- The strategy also includes our support for Safe Surrender Agreements to enable a coordinated approach to Homelessness Prevention, that reduces the likelihood of someone being intentionally homeless.
- Tenant Mobility – The Council needs family sized accommodation and expects all landlords to provide incentives and assistance to any tenants who wish to move to a smaller property. They should be encouraged to join the housing register and their application will be awarded a priority that reflects the demand for larger properties. It is also important for tenants who wish to move for employment, or for support and welfare reasons, to be able to do so easily. Applicants on the housing register wishing to transfer for these reasons will be awarded suitable priority.

13. The Tenancy Strategy will be subject to a light touch review once the Gateshead Allocations Model and Marketplace is established in March 2023.

14. **Tenancy Management Policy** – this sits under the Tenancy Strategy and is an operational policy that sets out the following:

- What happens at the beginning of a tenancy
- The reviews and appeals processes for introductory and flexible tenancies
- Changes to a tenancy, including assignment and succession
- Decants
- Tenancy sustainment
- Tenancy enforcement
- What happens at the end of a tenancy

This policy has also been reviewed, in line with the drafted Tenancy Strategy and a copy can be found in appendix 3.

15. **Proposed next steps include:**

- Concluding formal consultation on all three documents 28th July 2022
- Strategic Housing Board Approval 1st September 2022
- Cabinet Approval 13th September 2022
- Remodeling and recommissioning homelessness accommodation and support and developing a 'Homelessness Gateway' by 31st March 23
- Developing a Gateshead Marketplace for Allocations by 31st March 23

Recommendations:

16. The Health and Wellbeing Board is asked to consider the drafted new Allocations Policy, Tenancy Strategy and Tenancy Management Policy and:

- i. Provide any comments and feedback
- ii. Share details of the consultation within their organisations and encourage feedback.
- iii. Agree the proposed next steps as outlined within this report

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