

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 22 MARCH 2006

HOUSING ALLOCATIONS POLICY

Report by the Executive Director of Neighbourhood Services

1. PURPOSE OF THE REPORT

- 1.1 To report on the outcome of the consultation with tenants and other stakeholders on a range of issues within the Allocations Policy.

2. BACKGROUND

- 2.1 At the meeting of the Housing Committee on 3 November 2004, it was agreed that consultation with tenants and other stakeholders should be undertaken on a range of issues within the Allocations Policy with a view to improving operational efficiency and maximising the use of the housing stock to meet legislative requirements and housing need within East Ayrshire.
- 2.2 The consultation comprised of a detailed presentation to the Tenant Participation Steering Group (TPSG), from which a working group comprising of 5 members of the Steering Group was formed. The group scrutinised the issues identified in the report of 3 November 2004. This process was facilitated by TIS. The views of the group with respect to each of the issues presented were thereafter presented to Housing Committee on 18 May 2005. At the meeting of the Council on 23 June 2005, it was agreed that further consultation on the Allocations Policy should be carried out with a wider audience.
- 2.3 The wider consultation took the form of presentations to seven Local Committees, two public meetings, two special meetings for the Tenants and Residents Groups and a presentation to the Tenants Participation Steering Group. At the start of each meeting a pro forma was issued to allow participants to record their views on each of the issues presented and to express whether they agreed with the recommendations of the TPSG Working Group.
- 2.4 Since the consultation process started in November 2004, other issues emerged for consideration from a variety of sources, including a review by Internal Audit and topics raised by Elected Members. These additional issues were considered by the TPSG Working Group and are included in the presentations.

3. ISSUES FOR CONSIDERATION

- Homeless Group
- Under-occupation Points

- Family Support Points
- Choice of Letting Areas
- Waiting period Points
- Properties refused 3 Times
- Medical Assessments
- Critical Medical status
- Residence and Contact
- Pregnancy Points
- Separate Transfer group
- Quota/Rota

3.1 Homeless Group

The Housing (Scotland) Act 2001 imposed a duty on Councils to provide temporary accommodation to everyone presenting as homeless, regardless of whether there is a priority need. As part of the Council's Homeless Strategy, a housing option is made available to everyone presenting as homeless. The upshot of this is that there are now many more people in temporary accommodation awaiting offers of housing. If a homeless applicant is not in priority need, he or she is placed on the Non-Householder Group to await an offer in the normal manner. The current system of placing non-priority homeless in the Non-Householder Group does not readily allow applicants to be selected for available accommodation within a short timescale. The temporary accommodation provision, despite having been increased significantly, cannot sustain this position. The recent ministerial statement requires that by 2009 local authorities halve the number of non priority homeless determinations that are made. The means by which local authorities achieve this target is left open to them; however, they are required to report on an annual basis their progress on their homeless strategies including a report on progress against the 2009 target. The group were of the view that, as the concept of priority need is to be phased out **by 2012**, starting in the current year, there is little point in creating a new group to deal with the non-priority homeless and that they should be included in the Homeless Group and treated in an identical manner to priority homeless. Such an inclusion would not detract from the Council's ability to meet its statutory obligations to priority homeless and would allow the Council to move towards achievement of its targets for dealing with non- priority homeless

Recommendation: Non-priority Homeless applicants should be placed in the Homeless Group and selected for available accommodation in accordance with their date of presentation.

3.2 Under-occupation Points

The main purpose of under-occupation points is to seek to ensure the effective re-distribution of housing stock and to assist the Council in its obligation to show reasonable preference to large families. At present, all qualifying applicants in the Householder Group are awarded under-occupation points irrespective of tenure and locality. **The Group** were of the

view that if the property being released, as a result of awarding under-occupation points, is not being returned to the letting pool, then there is no justification for awarding under-occupation points, therefore these should be awarded only to tenants from the social rented sector and not to those living in the private sector. The group were of the view that these should be awarded regardless of locality and the points value should remain at 15 per bedroom under occupied. Owner occupiers and private tenants who have previously been awarded these points would have these removed.

Recommendation: Under-occupation points to be awarded only to those householders in the social rented sector.

3.3 Family Support Points

There has been previous discussion on a proposal to award points where there was an established family connection within an area to promote the concept of family support, particularly for younger people. The Group were of the view, based on the evidence available that an award of additional points would relatively quickly lead to a stratification of the waiting list, this would not be conducive to attaining balanced communities and that the wide range of support systems currently in place was adequate for the support of younger people.

Recommendation: No additional family support points should be awarded.

3.4 Waiting Period Points

Waiting period points do not reflect housing need. They are, however, widely perceived as an equitable way to recognise housing aspiration. The alternative is to award only need points and then revert to date of application where there are numerous applicants with the same points values. The Group concluded that aspiration was an important feature in public sector housing and were of the view that the retention of waiting period points was the most equitable method of recognising aspiration. Their recommendation was therefore that waiting period points be retained at present values with the same ceiling of 20 points.

Recommendation: Status quo - retain waiting period points with an annual award of 2 points to a ceiling of 20 points.

3.5 Choice of Letting Areas

Applicants are currently restricted to 3 areas of choice. In theory, the existing IT system permits no limit to the number of areas an individual can choose. Removing the restriction on the number of areas an applicant can choose would very likely lead to an increase in the refusal rate which, in turn, would lead to houses being un-let for longer periods. Moreover, there is an expectation that list positions will be produced on demand from applicants. An unrestricted list would render this exercise unmanageable and a hindrance

on the efficiency of the letting service. Taking these points on board, the Group felt that an optimum range would be 5 letting areas.

Recommendation: Increase choice of number of letting areas to 5.

3.6 Properties Refused Three Times

After a property has been refused 3 times it can be allocated to the first person on an appropriate list who is willing to accept it and applicants who have previously refused the property will have the refusal removed from their record. Allocating houses on this basis does not readily stand up to audit scrutiny as applicants who are being by-passed may have been willing to accept the property. Moreover, as the software available allows applicants to be street specific and Lettable Standards should ensure that all houses viewed are of a habitable standard, the reasons for refusal have been minimised.

Recommendation: The three refusal rule should be removed from the policy.

3.7 Medical Assessments

Currently all applications for medical priority are assessed by the Clinical Medical Officer (CMO) on a part-time basis. The CMO does all such applications for local authority and RSL applicants throughout Ayrshire, free of charge. This being the case, there can be delays in having medical applications assessed. A further criticism is that the criteria for awarding points is not known and there is currently no appeal to an independent third party. The alternative to having the CMO assessing applications is to have in-house staff perform this function. The Group considered that the independent aspect of the CMO assessment was paramount and that the current procedure should be retained with a further recommendation that some guidelines as to assessment criteria should be requested.

Recommendation: Retain existing assessment procedures.

3.8 Critical Medical Status

The current policy states that an applicant with Critical Medical Status may lose this status if they have not received an offer within 6 months. Since the Allocations Policy was devised, Council house sales have significantly depleted the stock of suitable houses in many selected areas. The upshot is that it is no longer be feasible to be able to offer a suitable house within a 6 month period. This being the case, the Group felt that it would be inappropriate to withdraw the critical medical status at this point and that it would be fairer to apply the existing 2 refusal rule which states that if the applicant refuses 2 offers of suitable accommodation within a 6 month period then their application can be deferred for a 12 month period and their critical medical status reviewed by the Clinical Medical Officer.

Recommendation: Remove the 6 month rule from this section of the policy, apply the 2 refusal rule and review the medical status at that time.

3.9 Residence and Contact

The current policy is not specific regarding the awarding of points to partners who have separated and have shared residence and contact with any children. In considering this, the group tried to strike a balance between the needs of the children whose time is shared between partners and those who are constantly overcrowded. The recommendation of the group was that points should be awarded on a pro-rata basis to take account of the number of nights the child or children are in residence.

Recommendation: To award 2 points per night per established bedroom deficiency.

3.10 Pregnancy Points

The current policy does not allow for points to be awarded when an applicant is pregnant and will be in an overcrowding situation once the child is born. The group recognised that there may be merit in allowing for advanced planning in these circumstances, however, this was balanced with the ongoing need of existing applicants living in overcrowded circumstances. The group also considered sensitivity issues associated with pregnancies not reaching full term and the consequent deduction of points.

Recommendation: Not to award additional pregnancy points.

3.11 Separate Transfer Group

The Allocations Policy does not distinguish between tenures of existing householders. All applicants who have title to a house are currently placed on the Householder Group. In the context of increasing demand and decreasing supply, it is considered that additional flexibility would be gained from having a separate transfer group to allow more vacancies to be generated from a prime vacancy, thereby addressing the needs of more applicants. The Housing (Scotland) Act 1987 Section 19 (3) stipulates that a local authority landlord cannot treat non-transfer applicants any less favourably than its own tenants when allocating housing, therefore, a separate transfer group would be accorded the same quota of allocations as applicants remaining on the Householder Group.

Recommendation: To create a separate Transfer group.

3.12 Quota/Rota

The rota system within the Orchard Allocations Module selects applicants for houses by visiting the various groups on a regular basis. The quota for these groups has been set at:

- Non- Householders 40%
- Householders 30%
- Medical 15%
- Homeless 12%
- Miscellaneous 3%

Since these quotas were originally set, the number of homeless presentations has increased as shown in the table below:

Table 1 - Trends in Homelessness Presentations - 1998/99 to 2004/05 for East Ayrshire and Scotland

Area	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	% increase 1998/99 to 2004/05
East Ayrshire	815	662	658	703	950	1,017	1,184	45%
Scotland	45,723	46,023	45,004	46,540	51,956	56,385	57,020	25%

As the system will continually adjust to meet the quota, the outcome figures will not change significantly unless there is some intervention. The group were of the view that, particularly if the non-priority Homeless are included in the Homeless Group, it would be necessary to increase the quota for this group. The recommendation of the group was that the quota for the Homeless Group should be increased to 20%. As some of those currently on the Non-Householder Group would move across to the Homeless Group, then the quota for Non-Householders could be decreased slightly; the recommended quota is 38%. The Householder Group is of a lower priority, since these applicants are already housed, but it was recognised that this group needs to have some movement to free up appropriate accommodation and to recognise aspirations; the recommendation for this group is 26% this would be split between the existing Householder Group and the new Transfer Group. The Medical Group should remain at 15% and the Miscellaneous Group can be reduced to 1% on the basis of letting trends to this group. It is further recommended that these quotas be reviewed on a regular basis to ensure that the aims of the Allocations and Homeless Policies are being properly addressed. At present the quota is applied to all vacancies arising across East Ayrshire as a single entity. The software system will now allow for the quotas to be applied to individual letting areas. This is a recent development and the potential application of this has not been taken out to consultation, however, the TPSG Working group has recommended that this approach be adopted.

Recommendation: To amend the quotas as follows and to apply these across individual letting areas:

- **Non- Householders 38%**
- **Householders 13%**
- **Transfer Group 13%**
- **Medical 15%**

- **Homeless** **20%**
- **Miscellaneous** **1%**

4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications.

5. LEGAL IMPLICATIONS

5.1 The recommendations, as outlined, will assist the Council in meeting its statutory obligations in terms of the Housing (Scotland) Act 1987 as amended in respect of the allocation of housing.

5.2 Any changes to the Allocations Policy would require to be published.

6. CONCLUSIONS

6.1 The Allocations Policy should be responsive to changing demographics and indicators of need and demand, and strive to meet the housing needs of local people. It will, therefore, be necessary to regularly review the Allocations policy to ensure that these objectives are being met.

6.2 The adoption of the recommendations within this report would mean that there would be a quicker through-put of homeless applicants in temporary accommodation. Some householders who are not council tenants will be disadvantaged as a result of the proposed change to the award of under-occupation points. There will be more choice for applicants if they are allowed to choose 5 areas.

6.3 The policy and related procedures will enable the Housing Service to better deliver the objectives as set out in the East Ayrshire Community Plan and Local Housing Strategy.

7. RECOMMENDATIONS

7.1 It is recommended that members:

- (i) note the recommendations of the Working Group and also the feedback from the wider consultation exercise;
- (ii) recommend to Council approval of the recommendations of the Working Group in Section 3 of the report;
- (iii) subject to the above, authorise the Head of Housing to make the appropriate arrangements to implement the changes to the Allocations Policy and to amend existing applications in accordance with these changes; and
- (iv) otherwise, note the terms of this report.

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Neighbourhood Services

CMCA/LA

1 March 2006

LIST OF BACKGROUND PAPERS

- 1) Housing Allocations Policy and Procedures - 6 November 2002
- 2) Allocations Policy – 3rd September 2003

Members wishing further information should contact Gerry Darroch, Housing Services Manager on 01563 554873.

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