

EAST AYRSHIRE COUNCIL
HOUSING COMMITTEE – 3 NOVEMBER 2004
ALLOCATIONS POLICY

Report by the Executive Director of Neighbourhood Services

1. PURPOSE OF THE REPORT

- 1.1** To recommend proposals to amend existing procedures to improve operational efficiency, and to begin consultations with tenants and other stakeholders, on a range of related issues, to ensure that the Council's Housing Allocation Policy continues to meet housing need in the context of changes to legislation and a diminishing local council housing stock.

2. BACKGROUND

- 2.1** The Housing (Scotland) Act 2001 introduced some significant changes which affect the way Local Authorities and Registered Social Landlords (RSLs) deal with allocations and admissions to Housing Waiting Lists. These changes were reported to Committee on 6th November 2002, and incorporated within the current Allocations Policy approved by Committee on 3rd September 2003.
- 2.2** In addition to the above, the 2001 Act also introduced the system of regulation and inspection of local housing authorities by Communities Scotland. A number of councils, elsewhere in Scotland, have now been inspected and the outcome reports published. These have highlighted a number of issues for councils to consider in respect of housing allocation policies and procedures.
- 2.3** This report identifies matters of local relevance and recommends action to improve operational performance and commence a wider discussion with tenants and other stakeholders, on related issues, with a view to bringing forward detailed proposals to a future meeting to amend the Council's Housing Allocation Policy.

3. ISSUES FOR CONSIDERATION

3.1 Daily Lets

At present, when properties are let, the tenancy begins on the Monday following the issue of keys to the new tenant. At the end of the tenancy, the termination notice period runs to the Sunday following the expiry of the 28-day notice period irrespective of the actual termination date. The reasons are historical and in part, due to previous IT system limitations. The net effect is that current methods of reporting performance in letting houses do not reflect actual performance and moreover, since tenancy start dates are deferred, the Council is not maximising rental income. New IT interfaces have now been established between Orchard and the Civica benefits system, which will

support the introduction of “daily lets”. This would result in all lets commencing on the date of keys being issued and all lets terminating immediately on expiry of the 28-day notice period where this is appropriate. Guidance would be issued to area teams incorporating management discretion which could be applied in individual cases where it might be justified to either defer tenancy start dates or advance termination dates depending on the particular circumstances involved. Subject to members’ approval, it is recommended that this procedure be introduced with early effect.

3.2 Below Tolerable Standard (BTS) Housing Points

Under the terms of the existing policy, points associated with BTS properties are awarded only to householders living in the private sector. It is recommended that, subject to member’s approval, the award of these points be extended to applicants in the non-householders group where it is established that their present housing falls below the tolerable standard.

3.3 Review of Groups

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, the Council are committed to offering a housing option 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 will be placed on the Non-Householder Group to await an offer in the normal manner. The temporary accommodation provision, despite having been increased significantly, cannot sustain this position and it is therefore suggested that all homeless applicants be placed on the Homeless Group. It is recommended that this matter be referred for discussion with tenants and other relevant stakeholders.

3.4 Review Quota/Rota

The Rota system within Orchard 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 by 54.25%. As the system will continually adjust to meet the quota, the outcome figures will not change unless there is some intervention. Given the significant increase in homeless presentations and the Council’s requirement to give ‘reasonable preference in the allocation of housing to

homeless people', it is suggested that the quotas set for each group be reviewed and the percentage of properties to be let to the Homeless group be increased. It is recommended that this matter be referred for discussion with tenants and other relevant stakeholders.

3.5 Under-occupation Points

The 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 applicants in the Householder group are awarded under occupation points irrespective of locality. It is suggested that a more targeted approach to the award of these points is appropriate with a view to freeing up larger accommodation where there is a shortage in a particular area, and where there is an established demand. This could be achieved by means of a Local Lettings Initiative. It is recommended that this matter be referred for discussion with tenants and other relevant stakeholders.

3.6 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 (notwithstanding the position with 3.5 above) and then revert to date of application where there are numerous applicants with the same points values. This is an issue which has featured in some inspection reports and it is recommended that this matter be referred for discussion with tenants and other relevant stakeholders.

3.7 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, although this is not part of the current Housing Allocations Policy. It is recommended that this matter be referred for discussion with tenants and other relevant stakeholders.

3.8 Extending Areas of Choice

Applicants are currently restricted to three areas of choice. In theory, the existing IT system permits no limit to the number of areas an individual can choose. However, the current facility of providing list positions for applicants would have to be discontinued if there was a significant increase in the number of areas of choice, as this process would become unmanageable. It should be noted that none of the main RSLs operating in the area and none of the neighbouring authorities provide this facility. It is recommended that this matter be referred for discussion with tenants and other relevant stakeholders.

4. FINANCIAL IMPLICATIONS

4.1 The adoption of Daily Lets has the potential to increase rental income.

5. LEGAL IMPLICATIONS

5.1 All the recommendations, as outlined, are in accordance with the relevant legislation pertaining to the allocation of houses.

6. CONCLUSIONS

6.1 The implications of the Housing (Scotland) Act 2001 and the Homeless etc., (Scotland) Act 2003 have had a significant impact on the way people apply for housing and the way we deal with applicants. It is essential to ensure that the Allocations Policy and processes reflect changing trends to ensure that we can continue to meet our obligations.

6.2 There is a duty on Councils to consult with tenants on key issues affecting housing. The areas highlighted are suitable to enter into discussion with tenants' and residents' groups to gauge their feelings on these issues and thereafter to report back to Committee.

7. RECOMMENDATIONS

7.1 It is recommended that members:

- (i) approve the proposals for daily lets as outlined in Paragraph 3.1 of the report;
- (ii) agree to recommend to Council approval of the proposals for the award of points to housing applicants in respect of BTS housing as outlined in Paragraph 3.2 of the report;
- (iii) Agree to authorise the Head of Housing to consult with tenants and other relevant stakeholders on the other issues identified in Paragraphs 3.3 to 3.8 and report back findings and recommendations for change to a future meeting of this committee;
- (iv) Otherwise note the terms of this report.

William Stafford
Executive Director of Neighbourhood Services

18 October 2004

LIST OF BACKGROUND PAPERS

1) Housing Allocations Policy and Procedures - 6 November 2002

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

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