

REPORT TO: Cabinet

MEETING DATE: 12 March 2013

BY: Executive Director (Services for Communities)

SUBJECT: Council House Allocations Targets for 2013/2014

1 PURPOSE

- 1.1 To seek approval for Council House Allocation targets for the period 1 April 2013 to 31 March 2014.
- 1.2 To seek approval for a review of the targets within six months if required.
- 1.3 To explain the context, legal position and rationale for the proposed targets.

2 RECOMMENDATIONS

- 2.1 That Cabinet approves the recommended targets detailed in section 3.23 of this Report.
- 2.2 That Cabinet approves a review of the targets within six months if required subject to the review of the allocations policy and the possible requirement for local lettings plans.
- 2.3 That Cabinet notes that performance against these targets is reviewed on a weekly basis and that such review forms part of the analysis in setting future targets in 2014/15 and beyond.
- 2.4 That Cabinet notes that ongoing regular monitoring of performance has been embedded within the Community Housing Performance Management Framework.

3 BACKGROUND

- 3.1 The Council operates a Groups and Points Allocations Policy, which has been operational since its introduction in July 2007 following a major review of the previous Policy. The new Policy has also been subject to an impact review, which was the subject of another Report submitted to Cabinet in June 2009. A further and full review is now underway, further

detail of which can be found in the Report submitted to Cabinet in October 2012.

- 3.2 The main objective of the Allocations Policy is to meet the Council's legal obligations specified in the Allocations and Homelessness Legislation. The Policy, along with other associated actions will also help the Council make best use of Council housing stock. In addition, the Policy also assists the Council to achieve, along with other complimentary actions, balanced and sustainable communities through Local Lettings Plans.

Legal Obligations

- 3.3 In setting any targets against each group the Council must give reasonable preference to certain statutory groups when allocating Council houses. These include applicants living in overcrowded or unsatisfactory housing conditions and those applicants who are homeless or threatened with homelessness.
- 3.4 Most of the statutory groups are found in the General Needs Group, although some applicants may fall into the Transfer Group, such as those who need re-housing because of overcrowding or whose health is being negatively impacted upon in their current accommodation.

The Homelessness etc (Scotland) Act 2003 – Abolition of Priority Need

- 3.5 The above Act which has taken effect from 1 January 2013 has abolished the "priority need" test and now places a duty on local authorities to provide settled accommodation to anyone found to be unintentionally homeless. This in turn places further demands on the Council's housing list.

Target Principles

- 3.6 Scottish Government Allocations Guidance (2011) states that all targets should contain sufficient flexibilities to allow the landlord to continue to meet significant housing need when a target has been reached. The functionality to review targets against changing housing demand forms part of a responsive allocations policy.
- 3.7 With this in mind, the allocations targets will be reviewed within six months to ensure that they continue to reflect the greatest housing demand. If, after analysis, a change to the targets is deemed necessary, a paper outlining the change will be submitted to Cabinet for approval.
- 3.8 In addition the Council is currently undertaking a review of the existing Allocations Policy with a view to complete in the summer of 2013. This in turn may also require a review of the targets set out in this report.
- 3.9 The recommended targets in this Report are set against both existing stock and new build properties. Originally new build properties were let through separate Bespoke Lettings Plans, as and when new developments came forward.

- 3.10 The Council had provision through the Allocations Policy to set separate Allocations Targets, where appropriate, for initial new build lets.
- 3.11 This provision allowed the Council to set high transfer targets within Bespoke Lettings Plans for each new development to help maximise transfer activity and make best use of stock. However, this has led to transfer demand being exhausted in some areas and reduced to those with no housing or low housing need in others. This practice has been identified by the Scottish Housing Regulator (SHR) as disadvantageous for those who have a higher priority for housing in their recent on-site inspection of East Lothian Council. The SHR inspection report and the Council's response will be the subject of another committee report to members.
- 3.12 This coupled with the need to address the abolition of priority need impact means it is not sustainable to set higher transfer allocation targets for new build developments.

Making Best Use of Council Stock

- 3.13 In addition to the previous new build Bespoke Lettings Plans transfer targets, significant effort has been made in the last few years to maximise transfer activity in order to make best use of stock i.e. by creating vacancy chains, which free up additional houses to those initially let to transfer applicants.
- 3.14 To help facilitate this, the Council has also 'incentivised' transfers for existing tenants in larger family-sized properties to move to smaller and more appropriately sized accommodation.
- 3.15 New housing benefit changes taking place in April 2013 affecting those who have a "spare" bedroom mean that some tenants will want to downsize perhaps creating greater demand for smaller sized accommodation. It is too early at this point to determine how many tenants are able or desire to consider this option but any new transfer activity target should be reviewed at the mid-year point to ensure that overall allocation activity targets allow the local authority room to manoeuvre to meet this possible emerging need.
- 3.16 As at 18 February 2013, 27% of allocations against these reported groups have gone to transfer applicants as against the target of 32% previously agreed by Cabinet.
- 3.17 As of the same date, 35% of new build allocations have gone to transfer applicants.

Sustainable Communities

- 3.18 Good practice states that landlords should not exclude any prospective tenants from accessing housing. Local Lettings Plans therefore, can only be used when there is demonstrably good reason to do so e.g. high turnover, anti-social behaviour etc., and to promote and enable balanced and sustainable communities.

- 3.19 The Council must set appropriate targets for those with low housing need at such a level that make sufficient material and positive impact to Local Lettings Plans, but will also allow the Council to meet its overriding legal obligations to the reasonable preference groups.
- 3.20 At this time, there are no proposals for further lettings plans in development. However, this flexibility within the lettings targets to positively and materially impact on housing allocations should be retained. As a result, the local lettings plan position will be reviewed in six months time to allow a possible target to be set predicated on proposals for Local Lettings Plans being developed and agreed.

2013/2014 Allocations against reported groups

- 3.21 The following table shows the numbers and percentages of allocations for the following groups from the start of the financial year to date i.e. 1 April 2012 to 18 February 2013.

Type	Number	Percentage	Targets 2012/2013	Targets adjusted to reflect no Sust Com lets
General Needs	352	73%	65%	67%
Transfers	131	27%	32%	33%
Sustainable Communities	0	0%	3%	0%
Total	483	100%	100%	100%

- 3.22 The attached Appendix 1 shows additional performance against new build lets and a consolidated table against all lets (both reported and new build).

2013/2014 Allocations Targets

- 3.23 Taking account of the 2012/2013 data, legal obligations such as the increased homelessness duties in 2012, optimum stock utilisation and sustainability objectives, senior management within Housing and Environment propose the following percentage targets for 2013/2014 as set out in the table below.

Group	Proposed Targets
General Needs	65%
Transfers	35%
Sustainable Communities	0%

4 POLICY IMPLICATIONS

- 4.1 The proposed targets should enable the Council to meet its legal obligations under the Housing (Scotland) Act 2001 and Homelessness etc (Scotland) Act 2003.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 An Equalities Impact Assessment was undertaken as part of the implementation of the new Allocations Policy and was separately lodged in the Members' Library.
- 5.2 A review of this Equalities Impact Assessment has found these proposals to be impact neutral.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – None.
- 6.2 Personnel - None.
- 6.3 Other - None.

7 BACKGROUND PAPERS

- 7.1 Attached Appendix 1 – Consolidated Allocations Activity 2012/2013 (1 April 2012 to 18 February 2013).
- 7.2 Cabinet Report – Review of the Housing Allocations Policy – October 2012
- 7.3 Housing Allocations Policy available in the Members' Library.
- 7.4 Members' Library Report – Housing Allocations Policy: Equalities Impact Assessment – March 2007.

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DATE	4 February 2013

Appendix 1

Consolidated Allocations Activity 2012/2013 (1 April 2012 to 18 February 2013)

New Build Lets (Individual targets for each new development)

Type	Number	Percentage
General Needs	41	65%
Transfers	22	35%
Total	63	100%

All Lets (Reported Groups and New Build)

Type	Number	Percentage
General Needs	393	72%
Transfers	153	28%
Sustainable Communities	0	0%
Total	546	100%