

REPORT TO: Cabinet

MEETING DATE: 20 October 2015

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: Council House Allocations Targets for 2015/16

1 PURPOSE

- 1.1 To seek approval to change council house allocation targets for the period 1 November 2015 to 31 March 2016.
- 1.2 To explain the context, legal position and rationale for the proposed change to targets.

2 RECOMMENDATIONS

- 2.1 That Cabinet approves the recommended targets detailed in section 3.23 of this report.
- 2.2 That Cabinet note 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 2016/17 and beyond.
- 2.3 That Cabinet note that ongoing regular monitoring of performance has been embedded within the Community Housing Performance Management Framework.
- 2.4 That Cabinet note that other complementary action is needed to address the housing pressures being faced by the Council and in the county generally. This includes increasing the supply of temporary and permanent accommodation, increasing the supply of other alternative affordable housing tenures, the further development of the housing options and advice service etc. all of which will be the subject of further reports to Council.

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. Some small changes have been made to this policy over the last few years. The most recent ones are referred to in the report to East Lothian Council dated 25 February 2014.
- 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 its 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 and Responsibilities

- 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.
- 3.5 The Homelessness etc (Scotland) Act, which took 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.
- 3.6 The Children and Young People (Scotland) Act 2014 specifically impacts on the provision of accommodation to young people leaving the care system. The Council "Starter Flat" approach, which allocates these tenancies within the General Needs Group has already helped the Council deliver its corporate parenting objectives.

Target Principles

- 3.7 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.
- 3.8 With this in mind, the allocations targets will be reviewed at the end of March 2016 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.

Making Best Use of Council Stock

- 3.9 Significant effort has been made in the last few years to encourage 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.
- 3.10 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.
- 3.11 New housing benefit changes with effect from April 2013 affected those who have a "spare" bedroom. This has led to some tenants wanting to downsize, in turn creating greater demand for smaller sized accommodation.
- 3.12 Full mitigation of the Housing Benefit under-occupancy reduction through Discretionary Housing Payments has helped ease this pressure but this may not be a long-term solution and is the subject of various committee reports.
- 3.13 More recently there have been a number of zero point transfer allocations which has led to those with no housing need being re-housed before those with housing need. This in turn is placing greater strain on supply for those in real housing need as well as causing delays to the throughput of temporary accommodation, which has associated negative financial impacts for the Council. As such senior management are proposing a small reduction in the transfer target and a corresponding increase in the General Needs target where most of the reasonable preference groups' applicants can be found not least those who are homeless.
- 3.14 As at the end of March 2015, 33% of allocations against these reported groups have gone to transfer applicants as against the target of 30% that was agreed by Cabinet in October 2014.
- 3.15 Performance is similar at the end of August 2015, with 33% of allocations to the Transfers Group and 66% to the General Needs Group (with two allocations to the Sustainable Communities Group).

Sustainable Communities

- 3.16 Good practice states that landlords should not exclude any prospective tenants from accessing housing.
- 3.17 Good practice also dictates that Local Lettings Plans 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.
- 3.18 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 at the same time continue to allow the Council to meet its overriding legal obligations to the reasonable preference groups as

defined in housing legislation. As such, this flexibility within the lettings targets to positively and materially impact on housing allocations should be retained.

- 3.19 Each local housing team has been asked to consider potential local lettings plans to help achieve balanced and sustainable communities. These plans will then be taken to their respective Local Housing Partnerships (LHP) for further consideration and support.
- 3.20 On support from their respective LHPs, Local Lettings Plans will be submitted to the Members Library. It is anticipated that the total target for Sustainable Communities will not exceed 5% but again will be subject to strict monitoring.

2014/15 and 2015/16 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 1 April 2014 to 31 March 2015

Type	Number	Percentage	Targets 2014/15
General Needs	359	66%	65%
Transfers	181	33%	30%
Sustainable Communities	4	1%	5%
Total	421	100%	100%

- 3.22 The below table shows the numbers and percentages of allocations for the same groups from the start of the financial year 1 April 2015 to the end of August 2015.

Type	Number	Percentage	Targets 2015/16
General Needs	116	66%	65%
Transfers	59	33%	30%
Sustainable Communities	2	1%	5%
Total	177	100%	100%

2015/16 Allocations Targets

- 3.23 Taking account of the 2014/15 and 2015/16 data, legal obligations such as the increased homelessness duties in 2013, increasing pressure on the provision of temporary accommodation, optimum stock utilisation and sustainability objectives, senior management within Housing propose the following percentage targets for the remainder of 2015/16 as set out in the table below.

Group	Proposed Targets
General Needs	75%
Transfers	20%
Sustainable Communities	5%

- 3.24 The introduction of these targets should be seen in the context of a range of measures required by the Council and its partners to increase the supply of affordable housing, temporary accommodation and to help provide those in housing need explore a fuller range of housing options, the detail of which will be the subject of further Council reports.

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 A Combined Impact Assessment was undertaken as part of the implementation of the new Allocations Policy and was separately lodged in the Members' Library.
- 5.2 The Combined Impact Assessment has found no negative impacts.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – This change to targets will help reduce the overall financial strains on the provision of temporary accommodation by assisting throughput from all forms of temporary accommodation to settled accommodation.
- 6.2 Personnel – None.

6.3 Other – None.

7 BACKGROUND PAPERS

7.1 Council Report –Housing Allocations Policy Review 2013/14 – February 2014

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