

**REPORT TO:** Cabinet

**MEETING DATE:** 10 September 2024

**BY:** Executive Director for Place

**SUBJECT:** Homelessness Action Plan – Response to National Housing Emergency

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## **1 PURPOSE**

- 1.1 To seek Cabinet approval for the East Lothian Homelessness Action Plan 2024-26 and associated interim amendments to the Council's Housing Allocations Policy in recognition of the national housing emergency.
- 1.2 The plan will be subject to strict monitoring with reporting through Policy & Performance Review Committee.
- 1.3 A formal review will be undertaken half-way through the project plan, with any further changes brought to Cabinet as appropriate.

## **2 RECOMMENDATIONS**

- 2.1 Cabinet approves the East Lothian Homelessness Action Plan prepared in response to the National Housing Emergency.
- 2.2 Cabinet agrees interim amendments to the Council's Housing Allocations Policy, to assist with identified homelessness pressures, with an implementation date of 1 October 2024.
- 2.3 Cabinet notes that East Lothian Tenant's & Resident's Panel has been consulted in relation to the proposed amendments and fully support the Action Plan and associated amendments to the Allocations Policy.
- 2.4 Cabinet agrees that the policy amendments will be reviewed and brought back to Cabinet in 6 months to monitor the impact of the changes.

## **3 BACKGROUND**

- 3.1 On 15 May 2024, the Scottish Parliament declared a national Housing Emergency<sup>1</sup>, following five of Scotland's 32 local authorities declaring housing

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<sup>1</sup> [Scotland's Housing Emergency – SPICe Spotlight | Solas air SPICe \(spice-spotlight.scot\)](https://www.spice-spotlight.scot)

emergencies in their areas since June 2023 (this number has now risen to ten). There is no standard definition of what constitutes a housing emergency and while the reasons for this are complex and varied, common themes include pressures on homelessness services, high levels of people in temporary accommodation, high need and demand for affordable housing and a lack of affordable homes. The lack of affordable homes is likely to decrease significantly as a result of reduced investment from Government.

- 3.2 In April 2024, the Scottish Housing Regulator named eight local authorities as being at heightened risk of systemic failure regarding the delivery of homelessness services<sup>2</sup>. It is recognised that some local authorities are now at, or are approaching, the limits of their capacity to do more, and the demands on some local authorities could shortly exceed their capacity to respond. East Lothian Council is one of the local authorities named, with a particular focus on high levels of breaches in respect of the Unsuitable Accommodation Order and use of temporary accommodation.
- 3.3 The Council is committed to working closely with the Scottish Government and Scottish Housing Regulator to discuss its homelessness service and monitor and assess risks, to ensure we continue to do all we can to prevent, tackle and mitigate homelessness pressures. An Action Plan has been prepared, for 2024/26, as per Appendix 1.

### **Housing Allocations Policy**

- 3.4 The Council operates a Group and Points Allocations Policy, which has been operational since its introduction in July 2007. A review of the Policy took place in 2018/2019 with full implementation on 1 May 2019.
- 3.5 The main objective of the Allocations Policy is to meet the Council's legal obligations specified in the Allocations and Homelessness legislation. The policy assists the Council to make best use of Council housing stock and achieve balanced and sustainable communities via local lettings plans.
- 3.6 The current Allocations Policy continues to deliver positive outcomes for many households on the housing list, provides choice to applicants, supports high tenancy sustainment levels and at the same time has reduced refusal rates, in turn assisting with the quicker turnaround of empty houses.
- 3.7 Notwithstanding these positive outcomes, the level of homelessness generally (795 homeless applications in 2023/24 compared with 695 in 2022/23) and the demand for temporary accommodation remains high. Waiting times for single homeless applicants for rehousing continues to increase significantly with a concomitant increase in the length of time single homeless applicants are spending in temporary accommodation (average length of time in temporary accommodation by single homeless households was 452 days in 2022/23<sup>3</sup>, compared with the Scottish average of 207 days). Accordingly, breaches of the Unsuitable Accommodation Order remain high at circa 125 rolling breaches.

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<sup>2</sup> <https://www.housingregulator.gov.scot/landlord-performance/the-risks-we-will-focus-on/our-risk-assessment-of-social-landlords-summary-outcomes-april-2024/>

<sup>3</sup> Table 39. Homelessness in Scotland 2022-2023. Scottish Government Statistics

## Legal Obligations

- 3.8 The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014 (amended) stipulated that no household comprising children, or a pregnant person should be accommodated in 'unsuitable accommodation for more than seven days. The Order has since been extended from 1 October 2021 and no homeless households are permitted to remain in 'unsuitable accommodation' for more than seven days, with this constituting a breach of duties under the extended Order.
- 3.9 Homeless households continue to be placed in 'unsuitable accommodation' on a regular basis, with most households being single applicants. The Council reports breaches of the Order to the Scottish Government monthly.

## Homelessness Demand and the Council's Allocations Policy

- 3.10 The Scottish Housing Regulator has queried the number of homelessness cases still outstanding by year of application, as part of their engagement plan discussions with the Council. Analysis shows that 93% of those waiting for more than a year are single households, reflecting low availability of one bedroomed (2apt) accommodation in East Lothian.
- 3.11 This extended period has a detrimental impact on the wellbeing of homeless households; increases the use of temporary accommodation; contributes to a context of breaches of the Unsuitable Accommodation Order; and has financial implications for the Council, as single households are more likely to be accommodated in costly non council temporary accommodation.
- 3.12 Within the current Allocations Policy, the bedroom entitlement for single households is one-bedroom (2apt) properties. However, assessing both supply and demand for one-bedroom properties, it is evident that there are fewer one-bedroom properties in Council stock (1,938 properties) relative to two and three-bedroom properties and demand for these properties is greatest (57% of the general waiting list and 77% of the homelessness priority list) as per Tables 1 – 3.

Studio flat	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	Total
43	1938*	4733	2366	273	9353**

\*Not all stock is accessible to single person homeless households i.e., there are approximately 670 sheltered/amenity properties within 1-bedroom stock.

\*\*Not all stock is available/ready to let.

	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms
<b>Transfer</b>	261 (30.9%)	271 (32.15%)*	231 (27.36%)	81 (9.59%)

<b>General Needs</b>	1,727 (57.03%)	888 (29.32%)	364 (12.02%)	49 (1.61%)
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\*Only 11.4% of transfer applicants requesting 2 bedrooms are in a smaller property.

<b>Table 3. Homelessness Demand - Homeless Households by Bedroom Requirements at 01 July 2024</b>				
	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms
Households*	77.2%	16.6%	4.3%	1.9%

Applications from homeless households are included in general needs figures (Table 2). However, single applicants comprise over 77% of households to whom the Council owes a rehousing duty under homelessness legislation.

- 3.13 As an interim measure, and in response to homelessness pressures, changing the bedroom entitlement regarding the Council's Allocations Policy for qualifying single homeless households in order that they can access two-bedroomed (3apt) properties, would significantly increase their opportunities for an offer of permanent housing, and reduce time spent in temporary accommodation.
- 3.14 For a single homeless household to qualify for this interim action, checks would be undertaken to ensure rent accounts are being managed appropriately and there are no tenancy management issues.

#### **Areas of Choice & Property Types - Six Month Policy**

- 3.15 The Allocations Policy currently states: -

*There are no restrictions placed on the minimum number of areas an applicant can select. In addition, an applicant can also choose as many towns/villages as they wish as well as housetypes.*

*However, applicants who have been accepted for rehousing under homelessness legislation and who have not received an offer of housing within 6 months of acceptance, will be required to meet with their Housing Options Officer to review their application where existing areas and house types are not realistic.*

*This will result in a mandatory widening of areas of choice (to include a main town), property size (in accordance with existing occupancy levels) and include all property types (unless there is a relevant health assessment to indicate otherwise) to enable an offer of housing being made. This is to allow the Council to meet its statutory obligations.*

- 3.16 In East Lothian, the average total time spent in temporary accommodation for all homeless households in 2022-23 was 423 days compared with a Scottish average of 223 days<sup>4</sup>. Households accepted for rehousing in East Lothian

<sup>4</sup> Table 39. Homelessness in Scotland 2022-2023. Scottish Government Statistics

require to maximise their opportunities for an offer of permanent housing from the date of their statutory homelessness decision.

- 3.17 The six-month policy delays the widening of areas of choice to one main town and the consideration of all suitable house types. In order to reduce time spent in temporary accommodation and maximise the opportunity for rehousing the six-month policy requires to be removed and all homeless households asked to select a minimum of one main town, with all suitable property types added from the date rehousing priority is decided.
- 3.18 The interim measures above have the support of East Lothian Tenants and Residents Panel who concur that a wider consultation with tenants and housing applicants is not required given the context described above and elsewhere in this report. These measures will be closely monitored and revisited at various points pending the wider review of the Allocations Policy referenced in the Council's Local Housing Strategy.

### **Homeless Action Plan – other measures**

- 3.19 The other measures in the action plan are centred around:
- Working with RSL partners to allow nomination of single households to two-bedroom properties in line with the proposed interim allocations policy changes described above.
  - Implement a programme of tenancy conversions from temporary to permanent
  - Reviewing the voids process and implementing a performance framework to reduce the relet times for our void properties
  - Reducing use of temporary accommodation generally and unsuitable accommodation specifically, whilst aiming to get homeless households into secure accommodation more swiftly and without the need to enter temporary accommodation where it can be avoided.
  - Reviewing and transforming the Housing Options Service to improve processes and procedures.
  - Exploring all options to help maximise the supply of new affordable housing.

## **4 POLICY IMPLICATIONS**

- 4.1 The proposed Action Plan and associated amendments to the Council's Allocations Policy will assist the Council to meet its legal obligations under the Housing (Scotland) Act 2001, the Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014 (as amended) and the Homelessness etc. (Scotland) Act 2003

## **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report has been through the Integrated Impact Assessment process and no negative impacts have been identified.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial - A combination of the removal of the Council's six months' policy and allocating 3apt properties to single person households will assist in reducing financial strain on the provision of temporary accommodation by improving throughput via the housing system to settled accommodation. It is difficult to put a figure on savings at this early stage, however this change should see a reduction in the current backlog of single person households resulting in a saving from the B&B budget.
- 6.2 Personnel - None
- 6.3 Other - None

## **7 BACKGROUND PAPERS**

- 7.1 Cabinet Report - New Housing Allocations Policy – March 2019
- 7.2 Cabinet Report – Council House Allocations Targets for 2024/25 – March 2024
- 7.3 Integrated Impact Assessment – March 2019.

<b>AUTHOR'S NAME</b>	Wendy McGuire
<b>DESIGNATION</b>	Head of Housing
<b>CONTACT INFO</b>	James Coutts [REDACTED]
<b>DATE</b>	29 August 2024

## Appendix 1 – Homelessness Action Plan 2024-26

Action	Baseline position	Agencies	Outcome	Timescale
Change bedroom entitlement re Council's Allocations Policy for qualifying single homeless households	Bedroom entitlement as agreed 2019	Community Housing & Housing Options Team	Increase flow through housing system	Commence 01 Oct 2024 for new applicants, review Mar, 2025
Remove six-month policy re Council's Allocations Policy for all homeless households	Policy as agreed 2019	Community Housing & Housing Options Team	Increase flow through housing system	Commence 01 Oct 2024 for new applicants, review Mar 2025
Explore potential changes to nominations with RSL partners	Informal discussions ongoing	RSLs & Housing Options Team	Increase flow through housing system	Formal meetings held by 31 Oct 2024
Return 15 units of temporary accommodation to RSLs	38	RSLs and Housing Options Team	Reduction in temporary accommodation stock	31 March 2025
Convert a maximum of 15 temporary accommodation units	142	Community Housing and Housing Options Team	Reduction in temporary accommodation stock	31 March 2025
Return 5 units of PSL temporary accommodation to private landlords	12	Housing Options Team and private landlord	Reduction in temporary accommodation stock	31 March 2025
Cease use of 10 emergency accommodation units		Housing Options Team and providers	Reduction in temporary accommodation stock	31 March 2025
Roll out new case management system to Accommodation Officers		Housing Options Team	More efficient ways of working and alleviate staff pressures	31 March 2025

