

**REPORT TO: COMMUNITIES COMMITTEE ON 10 JUNE 2008**

**SUBJECT: REVIEW OF HOUSING ALLOCATIONS POLICY**

**BY: DIRECTOR OF COMMUNITY SERVICES**

**1. REASON FOR REPORT**

1.1 This report presents progress in reviewing the Council's Housing Allocations Policy. It proposes interim measures to address urgent issues identified during the review.

1.2 This report is submitted to Committee in terms of the Council's Administrative Scheme relating to the allocation of Council housing.

**2. RECOMMENDATION**

**2.1 It is recommended that the Communities Committee:-**

- (i) notes the progress in reviewing the Council's Housing Allocations Policy;**
- (ii) agrees the interim measures proposed;**
- (iii) agrees the proposed quotas; and**
- (iv) notes that a further report on the Allocations Policy Review will be presented to the Committee.**

**3. BACKGROUND**

3.1 The Council introduced a revised Allocations Policy in April 2005 following extensive consultation. Annual review reports have been presented to Committee in 2006 and 2007. The latter review, covering 2006/07, was presented to the Policy Committee on 29 August 2007 (paragraph 40 of the Minute refers).

3.2 The 2007 Annual Review report presented a revised Action Plan to address several issues – covering policy, procedural and operational issues – in relation to the allocations activity. Two immediate areas for policy review relating to the calculation of overcrowding and inconsistent wording of the policy relating to suspensions were addressed in that report. The report also identified particular aspects of the operation of the policy which required review. Specifically, these were –

- the approach to refusals
- the approach to 'looked after' children

In addition to a requirement to generally review the points weighting of needs factors within the policy.

#### **4. PROGRESS**

- 4.1 Progress has been achieved since August 2007 in addressing the procedural and operational issues previously identified. **APPENDIX I** provides details of the progress in addressing the agreed workplan.
- 4.2 On 5 March 2008, the Policy Committee considered a report on the Council's approach to the Scottish Government's target for the abolition of priority need by 2012 (paragraph 49 of the Minute refers). The Committee agreed that, given the pressures on the availability of permanent accommodation options, any decision to expand the priority need definition should be deferred until the Allocations Policy review was completed.
- 4.3 One of the key issues identified by the Allocations Policy Review Officer Working Group has been the prioritisation given to homeless applicants, the interface between the Council's Allocations Policy and outcomes for homeless applicants in Moray. The importance of this issue is emphasised by the level of homelessness applications that the Council receives, the number of priority need acceptances in comparison to the level of relets within the Council's own stock and the level of nomination opportunities arising from relets in the Registered Social Landlord (RSL) housing stock in Moray. In 2007/08, a total of 336 Council properties were let. In addition, 146 RSL properties were let to a Council nomination. Over the same period, 391 households were assessed in accordance with the Code of Guidance under homeless legislation as being 'unintentionally homeless and in priority need'.
- 4.4 In particular, the review has identified that the current operation of the policy results in differential levels of points being awarded to homeless applicants, dependent upon current housing circumstances. While this might appear logical, in effect it means that homeless applicants 'at home' (who do not require the Council to provide temporary accommodation) will nearly always have higher points levels than those in other forms of temporary accommodation provided or deficit funded by the Council. Applicants in self contained temporary accommodation are likely to have the lowest level of points, in comparison with 'homeless at home' and those in shared temporary accommodation eg. bed and breakfast. This has the effect of creating a bottle neck in the through-put of homeless applicants from self contained temporary accommodation to a permanent tenancy.
- 4.5 The operation of the current policy results in homeless applicants being placed on the same list as other waiting list applicants. In some lettings areas, this results in a greater proportion of lets being made to homeless applicants who have higher points levels than other applicants. The proportion of lets across Moray to homeless applicants has increased from 44.4% in 2006/07 to 48.2% in 2007/08. However, the proportion of lets to homeless applicants in some lettings areas (particularly in Elgin) is much higher. This inevitably leads to tensions within the Allocations Policy in terms of the relative priority given to homelessness in comparison with other needs factors.

- 4.6 It is important to emphasise that the underlying issue in Moray is that the number of social rented housing opportunities available is insufficient to meet the current level of homelessness and other need for social rented housing. The number on the Council's Housing list at 1 April 2008 amounted to 2,952. Officers have therefore come to the conclusion that interim measures are required pending completion of a fuller consideration of the wider Allocations Policy.

## 5. **INTERIM MEASURES PROPOSED**

- 5.1 The interim measures proposed, pending the completion of a wider review of the operation of the current Allocations Policy points awards, are as follows –

- the creation of a Homelessness Priority List, comprising those applicants for whom the Council has accepted a duty to permanently secure accommodation;
- the prioritisation within the Homelessness Priority List based on the date order of the homelessness application date, with no points awarded;
- a mechanism being developed to enable exceptional circumstances of Homelessness Priority List applications to be considered.

- 5.2 This proposal would result in the Council's Allocations Policy effectively being a 'groups plus points' system based on three groups rather than the existing two groups. Homeless applicants would be prioritised by date order of homelessness presentation, rather than any points calculation reflecting their current housing circumstances. This would have a dual advantage – firstly, it would mean that homeless applicants would appear on a separate list from other waiting list applicants. Secondly, it would mean that those applicants who had been homeless for longer periods of time would be at the top of the proposed 'homeless' list. This will assist in achieving movement from temporary accommodation to permanent tenancies with the consequential impact of being able to move households from bed and breakfast accommodation. Achieving this movement also has the potential to impact positively on the costs currently incurred by the Council to deficit fund bed and breakfast placements.

- 5.3 The proposal also seeks to ensure some balance between the percentage of homeless applicants housed and those applicants who are not homeless but have other housing needs – for example, overcrowding, medical etc.

- 5.4 It is proposed that the target for allocations to each of the three groups be expressed as –

Homelessness – 60% +/-5%

Waiting List – 30% +/-5%

Transfer list – 10% +/-5%

As is the case with the current quotas for the Waiting and Transfer Lists, the proposed quotas would apply across the Moray wide stock, as opposed to within each of the Council's Letting Areas.

- 5.5 Some consultancy work to the Council's housing IT system would be required to effect the necessary changes to enable the interim measures proposed to be implemented. It is currently anticipated that the change could be achieved no later than 1 August 2008, but could be sooner if the necessary work can be carried out and tested. It is suggested that the change should be implemented as soon as is practicably possible.

## **6. SUMMARY OF IMPLICATIONS**

### **(a) Corporate Development Plan/Community Plan/Service Improvement Plan**

The Community Plan, the Local Housing Strategy and the Homelessness Strategy identify a priority to address homelessness in Moray.

### **(b) Policy and Legal**

The policy implications of the proposals in this report are considered in the report.

### **(c) Resources (Financial, Risks, Staffing and Property)**

The proposals in this report do not create risks to the Council in terms of finance, staffing and property. It is expected that the proposals might positively impact on the level of financial burden borne by the Council in fulfilling its statutory duties to homeless households.

### **(d) Consultations**

This report has been developed through detailed discussion in the Officer Allocations Working Group. The report has been the subject of consultation with the Chief Executive, the Director of Community Services, the Chief Legal Officer, the Head of Children and Families, the Head of Community Care, senior managers within the Housing Service and the Head of Financial Services.

## **7. CONCLUSION**

- 7.1 **This report has considered the progress made in addressing issues identified in the Annual Allocations Review in 2007. The policy review work carried out to date has identified particular issues in the way the current Allocations Policy deals with homelessness. Interim measures, pending completion of a wider policy review, are proposed to address the issues identified in this report.**

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Background Papers: Held by HNM  
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