

REPORT TO: COMMUNITIES COMMITTEE ON 19 AUGUST 2008

**SUBJECT: ALLOCATIONS POLICY ANNUAL PERFORMANCE REPORT
2007/08**

BY: DIRECTOR OF COMMUNITY SERVICES

1. REASON FOR REPORT

- 1.1 This report presents annual performance in relation to the operation of the Council's Allocations Policy in 2007/08.
- 1.2 This report is submitted to Committee in terms of the Council's Administrative Scheme relating to the allocation and letting of houses.

2. RECOMMENDATION

2.1 It is recommended that the Communities Committee:-

- (i) notes this report;
- (ii) notes that further reports on the progress of the Allocation Policy Review and developing a Common Housing Register will be presented to the Committee.

3. BACKGROUND

3.1 On 4 April 2005, the Council's revised Allocations Policy went live, following approval by the Community Services Committee on 2 June 2004 (paragraph 16 of the Minute refers). The new policy set out performance monitoring requirements for both quarterly reports and an annual report. The quarterly reports are submitted as part of the wider housing performance reporting system. The annual report provides key performance information relating to:

- Equalities monitoring
- The number of allocations carried out with analysis of points levels and needs factors, together with an analysis of trends
- The number of cases and circumstances where exceptional circumstances points were awarded
- The number of cases and circumstances where key worker points were awarded
- The operation of any agreed Local Lettings Initiatives
- The number of requests for referral to the Housing Needs Review Group and the outcomes of these
- The number of appeal requests following decisions made by the Housing Needs Review Group and the outcome of these
- The number of waiting list and transfer list allocations carried out each year
- The number of applicants rehoused using the HOMES and HOMESWAP schemes.

3.2 The objectives of the Allocations Policy are –

- i) to address housing needs in the area and where possible, to take into account applicants' housing aspirations;
- ii) to assess applications for housing in an objective, consistent and fair manner, complying with all relevant legislation and best practice;
- iii) to make best use of available housing stock;
- iv) to sustain and promote local communities as far as is possible;
- v) to monitor performance and respond to changing patterns of need as they may arise by reviewing the Allocations Policy of the Council on a regular basis;
- vi) to inform the Council's strategic planning processes;
- vii) to ensure that the Allocation Policy and practice is accessible to all applicants, by producing information in plain language that is clear and understandable;
- viii) to ensure that the principles and objectives of the Allocation Policy are consistent with and will assist the Council in the achievement of the objectives detailed within the Social Programme element of the Corporate Plan.

3.3 This is the third annual report relating to the operation of the Allocation Policy. Previous reports were presented to the Community Services Committee on 9 August 2006 and to Policy Committee on 29 August 2007 (paragraphs 17 and 36 of the Minutes refer).

3.4 This report presents a picture of performance for 2007/08 and is presented in a similar format to previous years.

3.5 **APPENDIX I** provides analysis of the level of demand for Council housing at March 2008 and the allocations carried out during 2007/08. **APPENDIX II** provides an analysis of housing stock and allocations across each of the Council's four housing management areas. This information has been extracted from the Council's Allocation database at the year end i.e. 31 March 2008.

4. **HOUSING LIST ANALYSIS : APPENDIX I**

4.1 **Table 1** indicates the Housing List at 31 March 2008. This indicates that there were a total of 2,955 applicants on the list, of whom 2,396 (81%) were waiting list applicants, 144 (5%) were waiting list (homeless priority cases) and 415 (14%) were transfer list applicants. This compares to a Housing List level in April 2007 of 2,830. The Housing List has therefore increased by 125 applications since April 2007 – an increase of 4%. As at March 2008, transfer applications accounted for around 14% of all applications for housing. This compares to 16% in April 2007 - a decrease of 2%.

4.2 As at March 2008, the number of applications for which information is awaited or which are being investigated represents 22% of all applications compared with 27.7% the previous year. The number of suspensions from receiving

offers has decreased from 121 in April 2007 to 93 in March 2008. The main reason for suspension is housing debt.

- 4.3 **Table 2** shows the needs factors for which applicants have received points. (Many applicants have a combination of needs factors.) The needs factor that features most commonly for waiting list applicants is 'sharing amenities', followed by medical needs. These are similar to the previous two years. For transfer applicants, the most common needs factor is medical needs, followed by overcrowding – again, a similar picture to that previously reported. The number of applicants on the waiting list in receipt of homelessness points has increased from 521 in April 2007 to 560 in March 2008.
- 4.4 **Table 3** identifies the current housing circumstances of applicants on the Housing List as at March 2008. The main reason for application amongst waiting list applicants is that of staying with family or friends. Overall, the percentages across all housing circumstances are remarkably similar to those reported in previous years.
- 4.5 **Table 4** shows the waiting/transfer list by size of property required. For Waiting List applicants, the commonest property size required is a one bed roomed property. Property size requirements for transfer list applicants are more evenly spread between one, two and three bed roomed properties.
- 4.6 When comparing the total demand for one bedroom properties this highlights a continued pressure on this type of property. From April 2007 to March 2008, demand has increased by 158 from 1,490 to 1,648. We also have 5 households in need of 6+ bedroom properties.
- 4.7 **Table 5** shows Waiting List applicants' first preference area for housing. Although there are slight differences in numbers and percentages since April 2007, the most popular areas remain as in previous years – Elgin, Forres, Buckie, Lossiemouth and Keith. A significant number of lettings areas show very little demand.
- 4.8 **Table 5a** shows Transfer List applicants' first preference area for housing. As in April 2007, this indicates that Elgin is the most desired area where transfer applicants would like to live although the overall percentage has reduced from 49% in April 2007 to 46% in March 2008.
- 4.9 **Table 6** shows the number of Council properties let during 2007/08 to either Waiting or Transfer List applicants and identifies the potential shortfall in housing to meet identified demand as at March 2008. This shows that the potential shortfall has increased from 2,466 in April 2007 to 2,620 in March 2008 (+153). This clearly presents the Council with a major challenge in terms of moving towards the Scottish Government target of abolishing priority need by 2012. The greatest shortfall remains one bedroom properties.
- 4.10 **Table 7** identifies the demand for specialist accommodation – ground floor, sheltered or wheelchair. Overall, reduction in demand for ground floor and wheelchair accommodation can be identified since July 2006, but this year

also shows a reduction for the first time in the demand for sheltered housing from 431 in April 2007 to 399 by March 2008 - a decrease of 32.

- 4.11 **Table 8** identifies that there were 7 cases during 2007/08 where exceptional circumstances points were awarded following referral to the Housing Needs Review Group. This is identical to 2006/07.

5. ANALYSIS OF ALLOCATIONS 2007/08

- 5.1 **Table 9** shows the reducing number of applicants housed in the Council's housing stock, since 2000/01. This reflects the decreasing Council housing stock over this period. In 2007/08, a total of 336 applicants were housed in the Council's stock. This compares to 364 in 2005/06, a decrease of 28 on the previous year.

- 5.2 **Table 10** indicates the number of applicants housed by nomination to Registered Social Landlords (RSLs) during 2007/08 was 154. This demonstrates an increase from the number housed during 2006/07 (135). The RSL with the highest level of nominations housed is Grampian Housing Association (61), followed by Moray Housing Partnership (46). Many of the nominations were for new housing developments. Nominations for 2006/07 indicated that 79 applicants with homelessness points were housed by RSLs. In 2007/08, this increased to 93. The number of transfer list applicants housed through nomination decreased from 29 in 2006/07 to 22 in 2007/08.

- 5.3 **Table 11** identifies the points levels for those housed either by the Council or through nomination to RSLs. Applicants on the Waiting List are more likely to have higher points levels than those on the Transfer List. This table also shows that of the 490 applicants housed in 2007/08, 61% had more than 500 points. This is slightly higher than the position noted for 2006/07 (58.7%).

- 5.4 **Table 12** shows the breakdown of allocations to Council properties in 2007/08 across the four housing management areas. It also indicates the breakdown of allocations by waiting/transfer list. The target for 2007/08 was 80% +/-5% waiting list and 20% +/-5% transfer list. In practice, more allocations have been carried out to waiting list applicants with performance of 83% waiting list applications and 17% transfer list applications. This is similar to the outcomes achieved during 2006/07 but significantly 48.2% of all allocations during 2007/08 were made to homeless (waiting list) applicants.

- 5.5** A total of 46 new tenancies were created as a result of mutual exchanges during 2007/08.

6. HOUSING NEEDS REVIEW GROUP

- 6.1 A total of 30 cases were presented to the Housing Needs Review Group during 2007/08. **Table 13** details the circumstances and outcome of these cases.

7. APPEALS

- 7.1 There were no appeals relating to the operation of the Allocations Policy presented to the Housing Appeals Sub Committee during 2007/08.

8. EQUALITIES

- 8.1 **Tables 14, 15 and 16** present current available information on ethnic monitoring. A more comprehensive recording of equalities information is still required but will not be possible until the implementation of the Common Housing Register.

9. LOCAL LETTINGS INITIATIVES

- 9.1 The Council has no local lettings initiatives currently operating in Moray as part of the Allocations Policy. This however will be subject to annual review.

10. THE POLICY IN OPERATION

- 10.1 This is the third full year of operation for the Council's Allocations Policy. The annual report for 2007/08 presents a similar picture to that reported for the previous two years. While numbers vary slightly, no significant variances are noted between performance in 2006/07 and performance in 2007/08.
- 10.2 On 10 June 2008, a report was presented to Communities Committee proposing interim changes to the Allocation Policy. This was in response to work completed by the Allocation Policy Review Officers Group relating to the current operation of the policy and how this resulted in different levels of point being awarded to homeless applicants dependent upon current housing circumstances. The Committee agreed interim changes to create a separate Homelessness Priority List comprising those applicants for whom the Council has accepted a duty to permanently secure accommodation. The prioritisation of this list would be based on the date order of the homeless application date, with no points awarded. A mechanism is to be developed to enable exceptional circumstances of Homelessness Priority List applications to be considered.
- 10.3 This decision will 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 will be prioritised by date order of homelessness presentation, rather than any points calculation reflecting their current housing circumstances.
- 10.4 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.
- 10.5 The target agreed for allocations to each of the three groups is –

Category	Percentage	Variance
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.

- 10.6 The development work involving the Council's housing IT system to support the above changes has now been completed and Officers are currently testing the system prior to it going "live". Revised procedures still have to be written and revised information developed for the customer but it is now expected that the new policy would not go live before 1 September 2008.
- 10.7 A review of the Nominations arrangements that operate with all RSL providers has been completed during 2007/08. A number of improvement actions have been agreed including 6 monthly meetings with all providers to discuss allocations activity in greater detail. The purpose of this is to ensure that the Council maximises the number of nominations that it receives through this process.
- 10.8 As has previously been reported to the Communities Committee, the Council is working in partnership with Aberdeenshire Council and Registered Social Landlords in Aberdeenshire and Moray to develop a Common Housing Register. This will have the effect of facilitating access to the housing lists currently maintained by each of the partners. The project is complex and delays in its anticipated implementation have been experienced as a result of the longer timescale required to effect a software solution. It now appears unlikely that the Common Housing Register will become active until April 2009. Further reports on this will be presented to the Communities Committee.
- 10.9 The Allocation Policy Review Officers Group still has work to complete with regards young people leaving care, points analysis, refusals of accommodation and the development of management reports to assist in the maintenance of the housing list. Progress on this will be reported to a future Committee.

11. **SUMMARY OF IMPLICATIONS**

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

The Moray Community Plan, Community Services Improvement Plan and Local Housing Strategy identify the shortage of affordable rented housing in Moray.

(b) Policy and Legal

The legislative framework for the Council's Allocations Policy is contained within the Housing (Scotland) Act 2001. The Scottish Housing Regulator sets out performance standards against which it assesses local authorities as part of its inspection regime.

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

There are no direct resource implications arising from this report.

(d) Consultations

Consultation on this report has been carried out with the Director of Community Services, senior managers within the Housing Service, staff within the Housing Needs Team, Margaret Wilson (Head of Finance Services) and Alasdair McEachan (Principal Solicitor).

12. CONCLUSION

12.1 The Council's Allocations Policy is a strategic housing policy that influences access to Council and Registered Social Landlords' housing in Moray. Its operation should both inform and be informed by the Council's strategic planning processes. The annual review of the operation of the Allocations Policy provides an opportunity to ensure that the overall objectives of the Council's Allocations Policy are being met, albeit within the context of a shortage of affordable rented housing identified through the Council's Local Housing Strategy.

12.2 This report has comprehensively analysed the Housing List as at March 2008 and considered allocations carried during 2007/08. Interim changes to the Policy will be implemented during this financial year. A further report on the progress of the Allocation Policy Review will be presented to a future meeting.

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Background Papers: Held by HNM
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