

**ANGUS COUNCIL**

**COMMUNITIES COMMITTEE – 26 SEPTEMBER 2017**

**REVISED COMMON ALLOCATIONS POLICY**

**REPORT BY HEAD OF HOUSING, REGULATORY AND PROTECTIVE SERVICES**

**ABSTRACT**

This report seeks approval for the proposed revised Common Allocations Policy. The revised policy takes account of the changes to be introduced by the Housing (Scotland) Act 2014 in the allocation of social housing, and also adopts a Choice Based Lettings (CBL) approach to the allocation of housing, replacing the current groups plus points matching system.

**1. RECOMMENDATIONS**

It is recommended that the Committee:

- (i) approves the Common Allocations Draft Policy as detailed in **Appendix 1**.
- (ii) notes the consultation which has been undertaken with stakeholders and communities in preparing the Common Allocations Draft Policy as detailed in **Appendices 2 and 3**.

**2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN**

This report contributes to the following local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Angus is a good place to live in, work in and visit
- Individuals and families are involved in decisions which affect them
- Individuals are supported in the own communities with good quality services

**3. BACKGROUND**

3.1 Angus operates a Common Housing Register (CHR). This is a single housing register, application process and allocation policy operating across four social landlords: Angus Council; Hillcrest Housing Association Ltd; Caledonia Housing Association Ltd; and Blackwood Homes.

3.2 Access to social housing is governed by legislation and guidance, and who should receive the greatest priority for housing is set out under reasonable preference categories. The Housing (Scotland) Act 2014 will make several changes to the allocation rules for social landlords and replace the current reasonable preference categories with three groups:

- Social housing tenants who are under occupying their home;
- Homeless persons with unmet housing needs; and
- Persons who are living in unsatisfactory housing conditions with unmet housing needs.

3.3 The 2014 Act will also introduce new provisions covering the allocation of social housing and the granting of short Scottish secure tenancies. The legislative basis for suspending applicants from receiving an offer of housing will also be amended by the new Act.

3.4 As a result of the consumer led society we now live in, allocation of social housing is becoming increasingly choice led with the growing adoption of CBL by social landlords. In this

approach, landlords advertise their vacancies, and applicants are invited to make a bid on a property of their choice. Applicants are grouped into broad categories of priority, and where there is more than one bid, the applicant with the highest priority will be offered the property.

- 3.5 It is envisaged that a CBL approach will encourage a broader range of people to access social housing and give people more choice over their housing outcomes. By empowering and placing the initiative on the applicant, it is hoped that CBL will improve demand for low demand stock, reduce refusal rates, and improve applicant satisfaction. It is also anticipated that this will lead to more sustainable and balanced communities where tenants in turn are more committed to their community, with less abandonments, crime and anti-social behaviour.
- 3.6 There are around eight CBL schemes operating in Scotland and the Scottish Government supports CBL lettings, indicating that this approach to allocation maximises choice for applicants, increases tenancy sustainability and reduces bureaucracy.

#### **4. CURRENT POSITION**

- 4.1 Angus CHR currently operates a traditional points based allocations system – categorising applications and further prioritising applications by category points and date of application. Applicants are matched with available properties that are deemed suitable by the allocating landlord and faced with the choice to either accept or reject the offer of housing. This has proved to be complicated for applicants to understand, and time consuming to process applications and offers of housing.
- 4.2 In the period between 1 April 2016 and 31 March 2017, there were 1,413 offers made. 41% of offers were refused. The primary causes for refusals were ‘no reply’, ‘location unacceptable’ and ‘type unsuitable’, accounting for around 66% of refusals. In the same period it took on average 42 days to re-let a property. This is higher than the Scottish average of 33 days. Average void loss as a percentage of rent due for all local authorities in Scotland was 0.8% and Angus was 1%. A number of factors contribute to void times, but the refusal rate in Angus is likely to be a major contributory factor. Advertising available properties for people to bid on, would help ensure we meet people’s preferences, and attract active waiting list applicants.

#### **5. PROPOSALS**

- 5.1 Angus CHR recently adopted a CBL approach for immediately available to let properties where difficult to let properties are advertised online and applicants note their interest. This has proven to be successful and is the 20th most accessed web page on the council’s website. Our Common Housing Register partners are also supportive of adopting a more customer led approach to allocations.
- 5.2 An evaluation of CBL as an alternative to a traditional points based allocations policy was completed in 2016, drawing on evidence papers, government guidance and site visits to Edinburgh City Council and Wheatley Group. Both these major housing providers operate CBL with an established Common Housing Register and use Northgate’s housing management system. The evaluation explored the potential for introducing real choice, while ensuring that the council continues to meet its legal duty to give reasonable preference to those in housing need. It also explored the benefits of a CBL; any potential access and support issues; and the tensions between creating balanced communities by making social housing accessible for a variety of people and providing housing for those in greatest need.
- 5.3 The research demonstrated that for a CBL to be successful, there needs to adequate advice, information and support available to empower people to make informed choices. A robust allocations policy is also needed to provide an element of control and regulation in order to have a fair system that continues to meet housing need and create balanced communities. These conclusions and recommendations are supported by the Housing Management team, and the proposed policy reflects the conclusions drawn from the evaluation of CBL as an alternative to our current allocations system.
- 5.4 Committee are therefore asked to approve the Common Allocations Draft Policy as detailed in **Appendix 1**, including migration to CBL. If these proposals are approved by committee members and our partner RSL boards, we will implement the proposed changes during 2018.

#### **6. FINANCIAL IMPLICATIONS**

- 6.1. A full tendering exercise is required to procure the advertising and bidding system to support CBL. Based on a costing exercise completed, the build and implementation of a CBL system is expected to be approximately £25,000 with additional annual support and maintenance costs of approximately £3,750 per annum. This cost will be shared across the CHR partners who adopt the CBL approach.
- 6.2 Other costs involved in the development and operation of CBL will be met within current resources.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

- Appendix 1 - Common Allocations Policy Draft
- Appendix 2 - Common Allocations Policy Consultation Report
- Appendix 3 - Common Allocations Policy Survey Summary
- Appendix 4 - Equality Impact Assessment