



REPORT TO: HOUSING AND COMMUNITY SAFETY COMMITTEE ON 25 JUNE 2024

SUBJECT: ALLOCATIONS POLICY ANNUAL PERFORMANCE REPORT 2023/24

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

1. REASON FOR REPORT

- 1.1 To inform the Committee of the performance of the Council's Allocations Policy during 2023/24.
- 1.2 This report is submitted to Committee in terms of Section III (G) (11) of the Council's Scheme of Administration relating to the preparation and implementation of strategic housing plans.

2. RECOMMENDATION

2.1 It is recommended that the Committee:

- (i) **considers and notes the performance identified within the report; and**
- (ii) **agrees the allocations quotas for 2024/25 detailed at paragraph 5.4 of this report.**

3. BACKGROUND

- 3.1 The Communities Committee approved a revised Allocations Policy on 5 February 2019 (Paragraph 9 of the Minute refers) for implementation on 1 May 2019. On 13 February 2024, this Committee approved further changes to the Policy but for implementation from 1 April 2024 (Paragraph 8 of the Minute refers).
- 3.2 The Communities Committee approved Moray's Local Housing Strategy (LHS) 2019-2024 on 2 April 2019 (Paragraph 6 of the Minute refers). The LHS sets out the Council's approach to addressing housing need and homelessness, property condition and fuel poverty. The operation of the Allocations Policy is a key factor in the delivery of LHS outcomes.

3.3 Performance monitoring information on the operation of its Housing Allocations Policy has been considered annually by this Committee and its predecessors since 2005. The most recent report was presented to this Committee on 27 June 2023 (Paragraph 8 of the Minute refers).

4. **ANALYSIS OF HOUSING LIST ALLOCATION AND DEMAND TRENDS**

4.1 Statistical information on the operation of the policy is presented in **APPENDIX I**. The statistics for 2020/21 and 2021/22 should be viewed in the context of the national response to the COVID-19 pandemic and associated restrictions in activity.

4.2 **Table 1** provides details of the housing list for the last 5 years. Since 2019/20, the housing list has reduced by 9.7%. This decrease should be considered within the context that the Grampian wide common housing register Apply4Homes disbanded in 2021. Applicants were invited to re-register on the Council's new online system if they still required housing. Since 2022/23, the total number of applications on both the waiting and transfer lists has increased, resulting in a 13.6% rise to the overall housing list, however both remain down when compared with 2021/22. Some of these variations can be attributed to the transition from the previous common housing register to our current allocations system.

4.3 Housing List trends are considered in depth as part of the 2023 Housing Needs and Demand Assessment (HNDA) and reflected as part of the revised Allocations Policy implemented from 1 April 2024. This will also be a consideration within the forthcoming Local Housing Strategy (LHS) 2025-2030.

4.4 **Table 2** details the size and type of housing required by applicants on the housing list. Over the past 5 years, there has been significant increases in demand for housing suitable for larger families, as well as an increased need for amenity and accessible housing.

4.5 The increased demand for accessible housing is consistent with the projected demographic changes in Moray and the ageing population. Despite this, demand for sheltered housing decreased by 11% over the past five years but increased by 25% in the past year. This will continue to be monitored to establish whether this is a changing trend and there is ongoing strategic engagement with Health & Social Care Moray in relation to meeting future needs.

4.6 Approaches to increasing the supply of affordable housing detailed in the Local Housing Strategy and Strategic Housing Investment Plan are aligned with changes in demand.

4.7 **Table 3** provides summarised information on the first area preference of current housing list applicants. This shows that the first area preference is broadly in proportion to the number of dwellings available (across all tenures) within each Housing Market Area, except for the Elgin Housing Market Area which has an 8.4% difference.

- 4.8 Applicants who apply for housing can select the areas where they want to live. This allows them the choice of any, or all, of the 63 lettings areas across Moray. These choices can be driven by urgency and availability, rather than the applicant's desire to live in a particular area. To support strategic planning for affordable housing, applicants are asked separately to state their first, second and third areas of preference (i.e. where they would ideally choose to live). This second strategic question is the source used to inform the Council's approach to delivery of new affordable housing across geographical areas and is reflected in the Strategic Housing Investment Plan (SHIP).
- 4.9 **Table 4** provides details of the number of re-lets from Council stock in 2023/24. When this is compared to the housing list as at 31 March 2024, it shows that there were 8.6 applicants on the list per re-let (8.7:1) during 2023/24. However, this pressure varies greatly across house types and sizes:
- 1 bedroom general needs (32:1);
 - 2 bedroom general needs (5:1);
 - 3 bedroom general needs (7:1); and
 - 4 bedroom (37:1).
- 4.10 The table also shows that there is no evidence of significant migration between Housing Market Areas (HMA).
- 4.11 **Table 5** shows a decreasing trend in re-let rates over the five years. The decrease in re-lets during 2020/21 can be associated with the pandemic restrictions on house moves in all tenures for part of 2020. In 2023/24, re-lets reduced by 17.5% in comparison to the previous year. This was the outcome of a slight reduction in Council tenancy terminations (6%) but a further contributing factor was reduced tenancy turnover arising from tenants moving out of the Moray area or taking up a new tenancy with a Registered Social Landlord (RSL). This will add further pressure to the housing list should this trend continue.

5. **ALLOCATIONS QUOTAS FOR THE HOUSING LIST**

- 5.1 The housing list consists of three separate lists: Waiting, Transfer and Homeless. The Homeless List includes those assessed as statutorily homeless, the Waiting List contains applicants who are waiting for a Council house including current RSL tenants; and the Transfer List which includes current Council tenants who need or want to move. The proportion of allocations made to each list is determined annually by the Committee.
- 5.2 **Table 6** shows the proportion of allocations made to applicants from the three housing lists over the past five years. This table includes new lets arising from the acquisition programme, 35 which were acquired in March 2023 and let during 2023/24.
- 5.3 The Rapid Rehousing Transition Plan aims to minimise the use of temporary accommodation and provide permanent housing options to homeless households as quickly as possible. The Homeless List quota proposed below is intended to strike an appropriate balance between the need to implement the Rapid Rehousing Transition Plan, and the need to minimise any unintended consequences of an increased quota i.e. that the Homeless List

would be viewed by applicants as the quickest route into permanent housing, and would significantly increase as a result.

- 5.4 Historically, this Committee has taken a pragmatic approach, agreeing quotas intended on striking an acceptable balance between all lists. Significant challenges lie ahead including implications associated with the increased cost of living, a reduced budget for affordable housing delivery and the declaration of a national housing emergency. Therefore, it is proposed that the quotas for 2024/25 remain unchanged from the 2023/24 targets, which are set out in the table below:

List	Target	Tolerance
Homeless List	50%	+/- 5%
Waiting List	30%	+/- 5%
Transfer List	20%	+/- 5%

- 5.5 Despite these challenges, there has been success in increasing tenancy turnover by 16% within Moray Council's housing stock in the past financial year, achieving a 16% increase as intended by the Allocations Policy.

6. NEW BUILD LETTINGS PLAN AND ACQUISITION PROGRAMME

- 6.1 The new build lettings plan was introduced in 2015. The Plan sets out how the Council will deviate from the Allocations Policy in identifying the first tenant in new build properties, with the aim of establishing successful, sustainable new communities, and this includes deviation from Housing List quotas.

- 6.2 **Table 7** shows there were 41 properties added to the Council's stock profile during 2023/24 from the Council's new build programme in the Elgin and Keith Housing Market Areas.

- 6.3 **Table 8** shows the proportions of allocations from each List, and that 33% of new lets for the Council's new build programme were allocated to Transfer List applicants and 55% to Waiting List applicants.

7. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The Corporate Plan and the 10 Year Plan both identify the need to address the shortage of affordable housing and tackle homelessness. The Allocations Policy seeks to make the best use of the Council's housing stock and promote healthier citizens and more people living well in their communities.

(b) Policy and Legal

The primary legislation governing allocations of Council housing is contained within the Housing (Scotland) Act 1987 as amended by the Housing (Scotland) Act 2001, the Homelessness etc. (Scotland) Act 2003 and the Housing (Scotland) Act 2014. This legislation provides the Council with the discretion to develop allocation and local letting policies in line with local priorities.

The Scottish Social Housing Charter sets out standards against which the Scottish Housing Regulator will assess local authorities as part of its inspection regime.

(c) Financial implications

There are no financial implications arising from this report.

(d) Risk Implications

There are no risk implications arising from this report.

(e) Staffing Implications

There are no staffing implications arising from this report.

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

There are no impacts in relation to equal opportunities or the socioeconomic duty as the purpose of the report is to inform Committee on performance.

(h) Climate Change and Biodiversity Impacts

There are no climate change and biodiversity implications arising from this report.

(i) Consultations

Consultation on this report has taken place with the Depute Chief Executive (Economy, Environment and Finance), Head of Housing and Property, Housing Needs Manager, Housing Services Manager, Housing Strategy and Development Manager, Chief Financial Officer, Equal Opportunities Officer, Senior Solicitor, Georgina Anderson and Committee Services Officer, Lissa Rowan.

8. CONCLUSION

8.1 This report presents the annual review of the operation of the Council's Housing Allocations Policy. It also includes proposed allocations quotas for 2024/25. The quotas proposed are intended to complement implementation of the Rapid Rehousing Transition Plan.

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Background Papers: with author
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