


DECISION

	Sanctuary Scotland Housing Association North East Area Committee		
	16/05/2024	Item 10	No. of appendices: 0
	Subject: Lettings Strategy 2024/2025		
	Tamara Forgie-Watt Housing Manager		
Group Corporate Strategy - Strategic Objectives: Customers first <input checked="" type="checkbox"/> Investing in our assets <input type="checkbox"/> Growing our services <input type="checkbox"/>			
Executive Summary To provide the North East Area Committee with the outcome of targets set in the 2024/2025 lettings strategy. North East Area Committee approval is sought for the local letting strategy for the North East of Scotland for 2024/25 Recommendation: The Area Committee is requested to note the contents of this report and to approve the proposed Letting Strategy for Aberdeen and Aberdeenshire for 2024/2025.			
Customer Considerations There are no direct customer or employee considerations.			
Risk Management RM 3 Cost and Income Pressures; the allocation of Sanctuary Scotland houses and flats remains one of the most important aspects of our business. Ensuring that properties are allocated in a fair and transparent manner and in accordance with legislation and guidance is very important. The Lettings Strategy therefore contributes to the management of risks associated with low demand for properties and regulatory compliance.			
Value for Money Providing effective guidance on lettings promotes balanced communities, reduces turnover and minimises void loss which has a positive impact Sanctuary Scotland Housing Association Limited's cash flow and financial position.			
Freedom of Information: For publication <input checked="" type="checkbox"/> Not for publication <input type="checkbox"/> Partial publication <input type="checkbox"/>			

1. Strategic Context

The aim of the letting strategy is to assist in the creation and maintenance of balanced communities. This approach complies with the Scottish Federation of Housing Associations (SFHA) Performance Standards for Registered Social landlords and Section 20(1) of the Housing (Scotland) Act 1987 as amended by the Housing (Scotland) Acts 2001, 2010 and the Housing (Scotland) Act 2014.

2. Analysis/Proposal

This paper proposes the Lettings Strategy for Sanctuary Scotland Housing Association's properties in the Aberdeen and Aberdeenshire area of Scotland for 2024/2025 for general needs housing in accordance with the Lettings Policy.

Sanctuary Scotland Housing Association's Lettings Policy's primary aim is to provide affordable and well managed rented accommodation to those in housing need, and at the same time contribute to providing balanced and sustainable communities. Sanctuary Scotland Housing Association aims to achieve this, using the Lettings Strategy, by pursuing the following objectives:

- Allocating homes to people with high levels of housing need including applicants under-occupying properties, homeless persons and those living in unsatisfactory housing conditions
- Ensuring that access to the allocations process is open at all times to all sections of the community
- Making the best use of available stock and using the allocations process to assist in the creation and maintenance of balanced and sustainable communities
- Establishing comprehensive and clear targets for the allocation of properties

Review of Letting Strategy

During 2023/24 we had a total of 140 general needs or sheltered re-lets (up from 120 during 2022-23). There were 123 re-lets for general rented housing (up from 108 during 2022/23). There were also 17 sheltered re-lets (27 for 2022/23). Four supported tenancies were created. In addition to this we allocated 194 new first time lets for our new build properties; of which eight were supported.

Allocations are made by priority first and as such there are no defined targets for housing people in each category below Gold priority. Below is a guide to aim for:

- 50% to gold or silver plus passes

- 35% to go to silver passes
- 10% to applicants with Bronze; and
- 5% to those with No Award.

Table below shows the one hundred and twenty three general need properties allocated, by priority pass.

Band	Total	% Actual	Comments
Gold	33 (down from 17 during 2022-23) (Medical 0; Homeless 32; Overcrowding 1; Personal Circumstances 0)	32%	This is below the target of 50%
Silver+	6 (agreed with the Aberdeenshire Council that this category be included in homeless allocation figure)		This pass was introduced to help those who were pending homelessness gain priority above silver but not as high as gold priority.
Silver	37 (21 in 2022-23) (Impending Homeless 1; Lacking Facilities 1; Medical 6; Overcrowding 3; Personal Circumstances 17; Under Occupancy 1)	30%	The highest category in silver passes was equal for Personal Circumstances and Medical.
Bronze	32 (27 in 2022-23) (Lacking Facilities 0; Medical 7; Overcrowding 17; Personal Circumstances 7; Under-occupied 1).	26%	
No pass	9 (22 in 2022-23)	7%	
Transfer	6 (0 in 2022-23)	5%	

Table above shows the number of general needs allocations to homeless applicants has increased to thirty-two percent. Thirty percent of general needs re-lets went to applicants with Silver priority – up from twenty four last year. Applicants being housed with bronze priority has dropped from thirty percent to twenty six. The majority in both silver and bronze award continues to be applicants with an Overcrowding pass (both with 17). Applicants with No Priority pass awarded have dropped dramatically from twenty-five percent to seven percent.

Table below shows the seventeen sheltered properties allocated, by priority pass. Medical remains the highest category, which is expected. However, there is an equal balance between silver and bronze passes.

Band	Total	%	Comments
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		Actual	
Gold	2 (Homeless 1; Medical 1).	12%	
Silver	5 (Medical 3; Personal Circumstances 2; Under Occupancy 0).	29%	This category is usually highest when allocating sheltered housing
Bronze	5 (Personal Circumstances 2; Medical 2; & Lacking Facilities 1)	29%	
No pass	2 No award	12%	
	3 Management Transfers	18%	

Table below shows the one hundred and ninety four new build properties allocated, by priority pass.

Band	Total	% Actual	Comments
Gold	73 (Medical 9; Homeless 63; Overcrowding 1; Personal Circumstances 0)	38%	Homeless figure alone is 32% which is below the target of 50%
Silver+	0 (as all new builds are in Aberdeen City) (agreed with the Aberdeenshire Council that this category be included in homeless allocation figure)		This pass was introduced to help those who were pending homelessness gain priority above silver but not as high as gold priority.
Silver	53 (21 in 2022-23) (Impending Homeless 5; Lacking Facilities 1; Medical 13; Overcrowding 6; Personal Circumstances 28; Under Occupancy 1)	27%	The highest category in silver passes was equal for Personal Circumstances and Medical.
Bronze	57 (Lacking Facilities 2; Medical 11; Overcrowding 26; Personal Circumstances 14; Under-occupied 4).	29%	
No pass	9	5%	
Transfer	2	1%	

When considering allocation of new builds it can be seen that there was a high

level of gold passes that were housed. This is due to the level of one bed room properties that were available. Then there is a higher percentage of lets to bronze award rather than silver. This is generally due to the demand for flats and the high number that have been built. A further breakdown can be provided if required.

Analysis of Housing Supply and Demand

Housing Stock

In the Northeast (Aberdeen & Aberdeenshire), Sanctuary Scotland Housing Association owns 1,681 houses and flats. Table 4 below details the composition of the Association’s stock as of 31 March 2024 and therefore our ability to accommodate demand from the waiting list.

Table below provides Stock Composition by Size

<u>Aberdeen & Shire</u>	2 APT	3 APT	4 APT	5 APT+	Total
General Needs	181 flats 99 cottages	267 flats 304 houses	16 flats 488 houses	71	1426
Sheltered, Disabled	79 flats 124 cottages	16	3	0	222
Supported Tenancies	46 supported bed spaces (26 of which are individual flats)				46
Total	492	587	507	71	1695

In order to calculate waiting list pressure Sanctuary Scotland Housing Association must take the number of applicants for our area and divide it by the number of allocations (new build properties and re-lets). However, in the Northeast, participating in the Choice Based Letting Partnership means that simply counting the number of applicants on the waiting list would not provide accurate figures as it is not possible to determine the areas and property types an applicant is considering. Therefore, in order to calculate the number of applicants on the waiting list the number of bids for each property has been used. Please note, that if a property has been advertised more than once this has not been possible to count – this is more relevant to sheltered tenancies.

Of the 203 properties (109 last year) that were advertised and closed on the system, a total of 29,088 bids were received (up from 10,403 during 2023-24). This provides a ratio of 266 applicants, which shows demand has increased considerably, from a ratio of 95 applicants per property during 2022-23. It is believed this is due to the new builds with some having over 1000 applicants bidding, against some older stock only receiving around 10 bids. General needs voids consistently remained high during 2023-24; although there has been a decrease in sheltered voids. With an average of 266 applicants bidding for every available property, demand far exceeds supply in many areas.

Criteria to distinguish areas of low demand have been set by the Scottish

Housing Regulator to include: a small or non-existent waiting list; tenancy offers for dwellings which are frequently refused and higher than normal rates of tenancy turnover. Sanctuary Scotland Housing Association areas in Aberdeenshire that potentially fall into these categories include sheltered properties in Burnside Court, Mintlaw; Caledonia Court, Fraserburgh; and Roanheads, Peterhead. Two-bedroom flats in both the Clerkhill Estate of Peterhead and Garthdee also are classed as low demand. Sanctuary Scotland Housing Association will consider properties which have been re-advertised several times as low demand when there is no one on the list or those no one meeting criteria. In order to allocate some low demand stock alternatives have been sourced. This has included seeking nominations and also providing some stock to the local authority for refugee asylum seekers.

Lettings Strategy 2024/2025

Anticipated Turnover

As of 31 March 2024, Sanctuary Scotland Housing Association owned 1,681 properties throughout Aberdeen and Aberdeenshire.

Based on current trends and future stock, turnover in General Rented and Sheltered Housing it is anticipated to remain at the increased turnover level of approximately 8.1 per cent. Due to the continued development of new build property by other landlords and a wide choice of properties available to choose from this turnover is not expected to decline during 2024-25. In addition, allocation of flats with no garden, specifically older properties, has become more difficult. With the increase in one bedroom properties through the new builds this has also resulted in an increase in voids already. Therefore, it is anticipated turnover will remain at the higher level of approximately 140 re-let voids. The number of voids has remained at the higher level for three consecutive years and increased this year.

Obligations to Local Councils

Under the terms of the Choice Based Lettings Protocols partners have agreed to contribute to the homeless allocations and agreeing to Section 5 referrals. The Housing (Scotland) Act 2001 and the Homelessness etc. (Scotland) Act 2003 have placed obligations on housing associations to assist the local authority in housing homeless persons and families. The 2014 Act introduced changes with homelessness and given the Scottish Government strategic policy objective of Rapid Rehousing, we will co-operate with Local Authorities. More emphasis on Section 5 referrals of statutory homeless households is key in the next stage of Rapid Rehousing Transition Plan. This is with a view to increase current homeless let figures and achieve the target of fifty percent of allocations going to homeless households. Sanctuary is currently working with local authorities and other landlords to find a suitable way forward for all.

Partnership shared protocol with the Council covers re-let properties and new

build. It allows that 'all homeless Gold priority pass applicants who successfully bid for a property will be recorded as Section 5 homeless'. With the addition of a new Silver Plus pass for applicants who are Impending Homeless it has been agreed that they will be considered towards our Homeless target for Aberdeenshire. The target is to allocate at least 50 per cent of allocations to those registered as statutorily homeless. Due to stock profile the local authorities have agreed this will be broken down by property size as homeless priority is for one-bedroom properties. During 2023-24 thirty-three percent of homeless applicants were successful for one bed properties; thirty-four percent for two beds and twenty-six percent for three bed properties. As per review of Section 5 referrals, the protocol will be reviewed during 2024.

Accommodation for refugees - The Board of Management has agreed to the provision of accommodation of housing for refugees where local authorities request this. In Aberdeenshire three refugee households were housed. In the 2024/25 reporting year a further six properties have been agreed. We will continue work with local authorities to identify the demand for accommodation from refugees aiding where required, either through direct lets or by leasing accommodation to the local authority. Further details will be provided to the relevant governing bodies throughout the year.

The protocol requires that our CBL office provide local authorities with copies of void property publications within 24 hours of the publication being printed, ensuring that a wide range of applicants can be informed about the vacancies.

Following the move on 1 July 2023 from sheltered properties to retirement living (properties with an emergency alarm system) allocations have been more difficult. Allocations are currently prioritised to those over 55 with a need for community alarm. This will be reviewed during 2024-25. The three schemes affected are in Mintlaw, Peterhead and Fraserburgh.

Two hundred and three new build properties were received during 2023-24. During 2023/2024 a further 126 properties will be added to our overall stock figure with the remaining properties being handed over. A close relationship has been established with Aberdeen City Council for the new builds and receiving nominations. It is intended to continue the regular meetings throughout the allocation of Persley Den.

Taking into account the information contained in this report and the issues outlined above, the proposed Letting Strategy for 2024/2025, is to continue with the use of CBL to allocate existing properties. Ensuring that those with the highest need are housed and the properties allocated on best use. However, a change is expected in the nominations received by the council and more Section 5's will be provided. In addition, requests for nominations from the local authority will be sought for at least fifty percent of new build allocations.

If there are exceptional circumstances, occasionally a property may be

allocated out with the CBL system. Approval will be required from the Head of Housing. There has been an increase during 2023-24. This will be closely monitored during 2024-25.

Where a property is adapted for special needs, or waiting lists have been exhausted, then a referral will be sought from the council or another agency specific to the needs of the property.

3. Conclusion / Recommendation

The Area Committee is requested to note the contents of this report and to approve the proposed Letting Strategy for Aberdeen and Aberdeenshire for 2024/2025.