This briefing provides information on how houses in the social rented sector are allocated. It covers the legislative framework, housing allocation policies in practice, key statistics and future issues. This briefing updates SPICe Briefing 07/67.
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EXECUTIVE SUMMARY

There are around 595,000 properties in the ‘social rented’ sector (those owned by local authorities and registered social landlords (RSLs)).

In 2010-11, there were 55,310 new permanent lets of social housing in Scotland, of which 27,727 were RSL and 27,583 were council lets. Access to these properties is governed by social landlords’ allocation policies. With a relatively low turnover in the sector, which households are allocated to what properties can often be a concern for local communities.

Legislation sets out a broad framework governing access to housing lists and the allocation of social housing. Landlords must give “reasonable preference” to certain groups of applicants. There are also some restrictions on what factors allocation policies can take into account. Within this legislative framework landlords have discretion to develop their own allocation policies.

They face the challenge of devising policies that meet their statutory obligations while at the same time ensuring that, as far as possible, preferences are met and balanced communities are created.

Allocation policies have been typically based on a points-based or groups plus points systems reflecting applicants’ needs. Choice based letting (CBL) systems seek to expand the element of choice in allocation systems. Under CBL vacant properties are advertised on websites and in papers. Housing applicants apply for particular houses they are interested in. At the closing date properties are allocated according to the criteria set by the landlord.

Common housing registers (CHR)s have been developed in some parts of Scotland. A CHR involves a number of landlords grouping together so there is one entry point for housing applicants. Individual landlords can either develop a common allocation policy or continue to operate their own policies. CHRs have been promoted with the aim of increasing choice, access, operational efficiency and strategic planning.

Research has shown that landlords consider that there are many areas where tensions exist between allocation policy and practice. These tensions are primarily related to a lack of appropriate housing stock and the need to meet homelessness obligations. Earlier in 2011, the Scottish Government issued a revised practice guide on allocations with the aim of encouraging social landlords to use the flexibilities available to them in the legislation.

Two of the key issues likely to affect how social landlords manage their housing allocations in the future is the Scottish Government’s proposals for legislative change on housing allocations and changes to housing benefit. The Scottish Government has recently consulted on changing the legislation governing allocations with the aim of giving landlords more flexibility to decide who gets priority for their housing. Any legislative changes will be made through a future housing bill. In relation to housing benefit, the UK Welfare Reform Act 2012 contains provisions that will allow the UK Government to make regulations that would reduce housing benefit payments (from April 2013) made to working age tenants in the social rented sector, who are deemed to be under-occupying their house. This may have implications for how social landlords allocate their properties and deal with transfers of existing tenants.
INTRODUCTION

The “social rented sector” in Scotland (comprising those owned by local authorities and registered social landlords (RSLs)), accounts for about 24% of Scotland’s housing stock with around 595,000 properties. Nationally, there were 55,310 new permanent lets of social housing made in 2010-11; meaning that a small proportion of total stock, around 9%, becomes available for permanent letting each year.

Access to these available properties is determined by social landlords’ allocation policies, but with a high demand for social housing, who gets allocated to what property can often be a key concern of local communities, particularly in areas of housing pressure and low turnover.
Research on applicant’s perceptions of allocation schemes found that applicants were often not clear how the landlord’s allocation scheme worked and that there was a perception that it was unfair, as illustrated by quotes such as:

"It's easier to get a house if you're on benefits...."

"They tend to give them (properties) to alcoholics and drug addicts”

(Dudleston, A and Harkins, J 2007)

Social landlords therefore face the challenge of devising an allocations policy that is to be transparent and fair, and fulfils their statutory obligations, while at the same time makes best use of existing housing stock and meets applicant’s preferences as far as possible.

This briefing outlines the legislative framework relating to housing lists and allocations, describes housing allocation policies in practice and provides some key statistics.

LEGISLATIVE FRAMEWORK

The legislation governing housing lists and the allocation to social housing is contained in the Housing (Scotland) Act 1987 (“the 1987 Act”), as amended by the Housing (Scotland) Act 2001 (the 2001 Act).

Any person aged sixteen years or over is allowed to register on housing lists. This includes applicants from EU countries who are employed or have a right to reside in this country, or who are normally resident in this country. Admission to lists does not mean that applicants have a right to be made an offer of housing.

Landlords must make and publish policies governing admissions to housing lists and how allocations will be made. They must make these policies available to the public and must provide a free summary to members of the public on request. They are also required to consult their tenants on any changes to these policies.

The legislation sets out in broad terms the groups that are to be given “reasonable preference” in the allocation of housing, and factors that landlords cannot take into account. Guidance has also been issued by the Scottish Government to help landlords devise their allocation policies - the most recent guidance was issued in early 2011 (Scottish Government 2011a).
Reasonable preference

Section 20(1) of the 1987 Act states that "reasonable preference" must be given to:

- to persons who are
  - occupying houses which do not meet the tolerable standard; or
  - occupying overcrowded houses; or
  - have large families, or
  - are living under unsatisfactory housing conditions;

and

- to homeless persons and persons threatened with homelessness

Research published in 2007 (Craigforth 2007) identified that some landlords had difficulties in understanding what the term reasonable preference meant in practice and the interpretation of some of the categories who are required to receive reasonable preference.

Following this research, the Scottish Government issued revised guidance on allocations with the aim of encouraging local authorities to use the flexibilities in legislation that was given to them, and provided expanded advice on reasonable preference. The guidance includes this advice:

“Reasonable preference does not mean that you must allocate a house to someone in the reasonable preference groups regardless of its suitability for the applicant. Your allocation should aim for a sustainable, successful tenancy and make best use of the stock…. The law does not restrict housing providers to taking only the factors in the reasonable preference groups into account. You can add other factors of your own, such as housing key workers coming into the area or re-housing people with medical conditions. But, you must not allow your own secondary criteria to dominate your allocation policy at the expense of factors in the legal list…. "

You have to decide how much weight to give to each reasonable preference group. You could give equal weight to each group. Or you could reflect the need and demand in your area in the weighting you give to each reasonable preference group in your allocation policy. The 'Code of Guidance on Homelessness' states that "at the very least" you should not give homeless people lesser preference than the other specified groups….

Further recent research into the use of reasonable preference categories found that a range of secondary criteria were being used by landlords which they identified as falling within the “living under unsatisfactory housing conditions” category - such as housing need linked to a longstanding illness or disability, or housing need linked to harassment or domestic violence. The research also asked practitioners for their views on whether changes should be made to reasonable preference categories. The research found that:

"A larger number of respondents were in favour of the retention of reasonable preference because it provided a guiding framework, firstly as it helped to focus the attention of social landlords on the most acute forms of housing need and secondly that it created a degree of consistency in responses across social housing allocation that otherwise might not be present. Respondents differed on whether, to what extent and in what ways reasonable preference might be productively modified. With the exception of the reasonable preference category of 'large family', which was almost always seen as having little or no utility, opinions
differed on whether the other categories needed to be modified.” (Bretherton J and Pleace N 2011).

Factors that cannot be taken into account

Section 20 (2) of the 1987 Act sets out factors that landlords must not take into account in their allocation policies. These can be summarised as:

- How long an applicant has lived in the area.
- Any debt relating to a house which the applicant was not a tenant of.
- Any rent or other debt the applicant built up on a previous tenancy which has now been paid.
- Any amount which still needs to be paid where:
  - the amount owed is not more than $\frac{1}{12}$ of the yearly amount due (or which was paid) by the applicant to the landlord for the tenancy; or
  - the applicant has an agreement in place with the landlord to repay the money, has made payments in line with the arrangement for at least three months, and is continuing to make these payments.
- Any outstanding debts (including missed Council Tax payments) which do not relate to the tenancy of a house.
- The age of the applicant, as long as he or she is 16 or over except when allocating:
  - houses which have been designed or substantially adapted for a particular age group; or
  - houses for people who are, or will be, receiving housing support services for people of a particular age group.
- The income of the applicant and his or her family.
- Whether the applicant or any member of their family owns or has owned a heritable or moveable property.
- Whether the applicant is a resident in the area if they are:
  - employed or have been offered employment in the area
  - wish to move to the area for seeking employment
  - wish to move to be near a relative or carer
  - have a special social or medical reason to be housed within the area
  - being subject to harassment or runs the risk of domestic violence

HOMELESSNESS

Local authorities must also fulfil their obligations to homeless persons. Part II of the Housing (Scotland) Act 1987 (as amended) sets out the powers and duties of local authorities in dealing with homeless applications.

Local authorities must assess applications from those claiming to be homeless or threatened with homelessness. If the applicant is assessed as being unintentionally homeless, and in priority need then they must be provided with advice and assistance, and settled accommodation. The 2003 Act makes provision to end the priority need test by the end of 2012 so everyone assessed as being unintentionally homeless will be entitled to settled accommodation. SPICe briefing Homelessness: Subject Profile (Berry 2011) provides more information on the homelessness legislation.

Section 5 of the 2001 Act enables local authorities, which have a statutory duty in relation to a homeless person, to request a RSL in its area to provide accommodation for that person. A RSL
must comply with such a request by a local authority to house a homeless person unless it has good reason not to. One reason for refusing a request, may be for example, that there is no appropriate accommodation available within 6 weeks.

Recent Scottish Government policy has emphasised the need to prevent homelessness from occurring in the first place. In this context a "housing options approach" to housing advice has been developed. The Housing Options approach refocuses the way local authorities deal with housing problems, moving away from the approach of assessing clients on the basis of what they are legally entitled to receive towards one that is based on finding the most helpful solution to the client. Depending on the individual’s circumstances a range of housing options could be identified including potential home ownership, private rented accommodation, or making arrangements to help the client stay in their current accommodation, for example by providing benefits advice or mediation services. For some individuals, making a statutory homeless application may be identified as the best option.

**HOUSING ALLOCATION POLICIES IN PRACTICE**

Within the legislative framework described earlier, social landlords have discretion to develop their own allocation policies in line with local priorities. Most commonly landlords in Scotland operate either a points only, or a group plus points, allocation policy (Scottish Government 2007a).

Under a points only policy the landlord uses the information provided by the applicant to assess each application and award points. Points could be given, for example, for medical or overcrowding reasons. Normally applicants can specify the particular areas or types of properties they wish to live in. When a property becomes available, the landlord considers all applicants for whom the property would be suitable and makes an offer to the applicant with the highest points.

Under a group plus points system, most commonly used by larger landlords, applicants are awarded points and are places in different groups. These systems usually also use quotas of lets so that different groups will receive a set proportion of the vacancies which arise.

**Example: Renfrewshire Council**

The Council operates a “group plus priority” system for allocating housing. Under the new policy, all applicants for housing are assessed on the basis of housing need and placed into one of five groups. The groups and priorities are listed below. Within each group applicants will be listed in order of priority, based on level of housing need, and then in date order.

<table>
<thead>
<tr>
<th>Group</th>
<th>Group Mobility</th>
<th>Group Housing Need</th>
<th>Group Exchanges</th>
<th>Group General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless</td>
<td>Priority A Critical mobility need</td>
<td>Priority A Critical housing need</td>
<td>Current Renfrewshire council tenants with no housing need</td>
<td>Applicants with no housing need</td>
</tr>
<tr>
<td>Homeless</td>
<td>Priority B Urgent mobility need</td>
<td>Priority B Urgent housing need</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Priority C Mobility need</td>
<td>Priority C Housing Need</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory Homeless - unintentionally homeless in priority need</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Priority A Critical mobility need</td>
<td>Priority A Critical housing need</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Priority B Urgent mobility need</td>
<td>Priority B Urgent housing need</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Priority C Mobility need</td>
<td>Priority C Housing Need</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Allocation targets
Housing allocations are made according to targets set for each group. Each group will be given a target percentage of overall lettings in the year, based on the profile of housing, the waiting list profile, property types and need.

Local lettings schemes operated by some landlords, for example, in areas of low demand, also allow landlords to change the conditions for allocating houses.

CHOICE BASED LETTINGS

Some landlords have been considering a greater element of choice in their allocation policies. Choice Based Letting (CBL) systems are intended to offer a more customer-orientated approach to housing allocation systems. They have been described as:

“..a radical step change compared with traditional bureaucratic rationing approaches in offering customers greater relative choice. It can be regarded as one end of a continuum of choice in lettings with small-scale incremental changes at the opposite pole. These small-scale modifications include marketing difficult-to-let properties on a first come first served basis, and the setting up of common housing registers so that there is a single housing waiting list covering all of the social housing landlords in an area”. (Brown, T. & Yates, N. 2005)

Commonly, CBL allows applicants for social housing (and tenants who want to transfer) to apply for vacancies which are advertised widely in the neighbourhood (e.g. in the local newspaper or on a website). Applicants can see the full range of available properties and can apply for any home to which they are matched (e.g. a single person would not normally be eligible for a 3-bedroom house). Priority is given to those with urgent needs. Authorities provide feedback that helps applicants to assess their chances of success in subsequent applications.

There are 8 CBL schemes currently operating in Scotland (Scottish Housing Best Value Network 2012). An example of how Edinburgh’s scheme works is given below:

Example: EDIndex

The City of Edinburgh Council works in partnership with 24 social landlords to provide a single housing register for Edinburgh covering 95% of social rented housing in the city.

The council lets houses through a choice based letting scheme called “EH Your Key to Choice”. The City of Edinburgh Council and relevant housing associations in the area are part of a single Common Housing Register called EdIndex. This means people can apply for social housing in Edinburgh by completing one EdIndex application form.

Registering with EdIndex is the route into “EH Your Key to Choice”. All available empty homes are advertised - people who wish to be considered for an advertised property note interest against that property. Properties are then let according to set rules. Once properties are let basic details about the successful applicant are published each week on the web site with the information on the length of waiting time or tenancy time of the new tenant. In this way anyone seeking a property can check their position against current supply and demand and decide on
their best housing options. Staff can also provide advice on supply, demand and turnover and guide people towards suitable housing solutions.

Further information can be found on the website at: [http://keytochoice.scotsman.com/how.cfm](http://keytochoice.scotsman.com/how.cfm)

**COMMON HOUSING REGISTERS**

Common housing registers (CHRs) aim to make it easier for people to apply for social housing. Instead of filling in separate applications for each landlord in a specific area, applicants fill in one form and join one common housing list. Individual social landlords can then allocate properties from this list according to their own allocations policies. The size and scope of CHRs varies throughout Scotland but typically they share three main components:

- a single application form for all applicants;
- a single database for all applicants seeking housing; and
- a joined up approach to providing housing information and advice.

Some social landlords have gone even further and introduced shared procedures for assessment of need and developed common allocation policies and common health assessments.

Section 8 of the Housing (Scotland) Act 2001 includes a power for Scottish Ministers to require a local authority to submit plans as to how they would develop a CHR for their area but this power has not been used as a voluntary approach is preferred by Scottish Ministers. At the end of April 2012 there were 18 operational CHRs in Scotland and more are under development. The Scottish Government has said in its housing policy paper *Homes Fit for the 21st Century*, “a CHR in each local authority area remains an essential starting point for improving fairness and access for tenants. The evidence also shows that choice-based letting schemes, where applicants choose which vacant properties they wish to bid for, not only improve options for social tenants but lead to more sustainable tenancies, benefitting landlords too. CHRs which offer choice-based lettings should become the norm across Scotland as we move forward” (Scottish Government 2011b).

Developing a CHR can be a challenging process, for example because of incompatible allocation policies of the different landlords involved, and the Scottish Government has published a practitioner’s guide to assist the development of CHRs (Scottish Government 2009). The Scottish Government also provides funding to the Scottish Housing Best Value Network (SBHVN) to deliver the national CHR Support Service in Scotland. This service has been in place since March 2007 and is now in its final year. The recent SHBVN position study (SHBVN 2012) concludes that “progress towards the national objective of introducing and maintaining a CHR in every local authority area in Scotland has been slow but where progress has been made there has clearly been a very significant amount of work carried out by these local authorities and their RSL partners”. The report also highlights recent developments including:

“One of the most significant developments concerning the CHR model is that most CHRs report working towards linking their CHR with a housing options approach, being the first point of contact for most applicants CHRs provide the means of access to a range of housing options.”
Another significant difference between CHRs in 2012 and those just five years ago has been the voluntary development of common assessment of need and common allocation policies. Very few partnerships in 2007 opted for any commonality in this area, compared to the majority of those that responded to the 2012 survey”. (SHBVN 2012)

Example: Highland Housing Register

Highland Housing Register (HHR) is a partnership of the following registered social landlords with housing stock in the Highland Council area: The Highland Council, Albyn Housing Society, Cairn Housing Association, Lochaber Housing Association, Lochalsh & Skye Housing Association and Pentland Housing Association.

The HHR enables all applications to be assessed using a single policy which awards points for different categories of housing need. This process ensures that all applications are assessed consistently against the same measures of housing need. The HHR enables all partner landlords to produce shortlists of applicants for any vacant stock. As applications are prioritised using the categories of housing need in the HHR Allocations Policy, shortlists identify applicants with greatest need for available stock of any size in any location across Highland, at the time of any particular vacancy. Based on the points awarded under the Allocations Policy, houses are allocated to applicants with greatest need for vacancies of an eligible size and type in their preferred location.

It is possible for applicants with low levels of housing need not to be offered housing through the HHR route, particularly where they are seeking housing in areas where there is either high demand for housing or limited availability of vacant houses. Staff in any of the partner offices can provide applicants with information and advice about the supply and turnover of houses in their areas to assist them in the choices they make in their application, or in terms of other housing options, including renting privately or low cost home ownership.


INSPECTION AND STANDARDS

Social landlords in Scotland are regulated by the Scottish Housing Regulator. The Scottish Housing Regulator will use reports from landlords on how they are meeting the standards and outcomes set in the Scottish Social Housing Charter (Scottish Government 2012a) as part of their inspection regime. The following outcomes in the Scottish Social Housing Charter are particularly relevant to housing allocations:

“Social landlords work together to ensure that:

- people looking for housing get information that helps them make informed choices and decisions about the range of housing options available to them

- tenants and people on housing lists can review their housing options.

Social landlords ensure that:

- people looking for housing find it easy to apply for the widest choice of social housing available and get the information they need on how the landlord allocates homes and their prospects of being housed.”
The Scottish Housing Regulator is currently devising a set of performance measures which can be used to measure progress against each outcome.

**KEY STATISTICS**

Table 1 shows the total number of permanent social sector lets made in the year ending 31 March 2011. A local authority breakdown is provided in Appendix 1.

**Table 1: Number of Social Rented Permanent Housing Lets, 31 March 2010-31 March 2011**

<table>
<thead>
<tr>
<th>Local Authority</th>
<th>Registered Social Landlord</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>27,583</td>
<td>27,727</td>
</tr>
</tbody>
</table>

Source: Scottish Government Housing webtables Social Sector Housing Tables tab NoLetsTotal
http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/socialtables

Table 2 shows the source of lets made by RSLs and local authorities. It shows that nationally, 35% of all lets are made to applicants who have been assessed as statutory homeless by the local authority. This figure has increased over the years as changes in homelessness legislation have given greater rights to a wider range of homeless persons.

**Table 2: Permanent Lettings - Summary by source of lets 2010-2011**

<table>
<thead>
<tr>
<th>Scotland</th>
<th>Existing tenants (transfers)</th>
<th>Applicants who have been assessed as statutory homeless by the local authority</th>
<th>Applicants from own housing list</th>
<th>Nominations from other social landlords</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>by RSL</td>
<td>4,715</td>
<td>7,820</td>
<td>11,485</td>
<td>2,108</td>
<td>1,600</td>
<td>27,728</td>
</tr>
<tr>
<td>by LA</td>
<td>4,617</td>
<td>11,785</td>
<td>9,603</td>
<td>1,390</td>
<td>188</td>
<td>27,583</td>
</tr>
</tbody>
</table>

Source: Scottish Government Social Sector Housing webtables tab NoLetssource
http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/socialtables

**FUTURE ISSUES**

**LEGISLATIVE CHANGE**

In February 2011, the Scottish Government’s housing policy paper, *Homes Fit for the 21st Century* (Scottish Government 2011a) set out the Government’s plan to consult on changes to legislation to remove constraints on social landlords, giving them more responsibility to determine their own approach to meeting need. Following consultation with housing professionals later in 2011 the Scottish Government issued the consultation document,
Affordable Rented Housing Creating Flexibility for Landlords and Better Outcomes for Communities (Scottish Government 2012b) in February 2012.

The consultation document made various proposals with the aim of giving social landlords greater flexibility allowing allocations, “to be more responsive to local needs and demand for housing, and also simpler and more transparent.” The proposals include:

Proposal 1 – Create more flexibility for social landlords to decide who gets priority for their housing

- Removing the current ‘reasonable preference’ groups and replacing them with a requirement on all social landlords to give reasonable preference to people whose needs are not met by the private housing market, or to other applicants where this would release housing for such people.

- Within this constraint, giving social landlords the responsibility to decide, in discussion with their communities, who should get priority for housing.

- Scottish Ministers would have the power to determine priority groups, for example, homeless or people threatened with homelessness that every landlord must include in their allocation policy. Social landlords would still be able to decide the relative priority between groups in their allocation policy.

Proposal 2 and 3 – Create the flexibility for social landlords to consider an applicant’s income or whether an applicant owns property when deciding their priority for housing.

- Removing the current ban on social landlords taking into account the income of the applicant and their family and allow social landlords to take into account the financial resources available to an applicant and their family to meet their housing costs. Income would be taken into account at the point of allocation only and could be used, for example, by a landlord only to decide how to allocate any intermediate rented housing they have.

- Removing the current ban on social landlords taking into account whether, or to what value, the applicant or any of their family owns or has owned property in the United Kingdom.

Proposal 4 – Change the law to stop living rooms being considered as rooms available for sleeping in

- Changing the legal definition of overcrowding to stop living rooms being counted as sleeping accommodation.

Proposal 6 – Create the flexibility for social landlords to consider previous antisocial behaviour when deciding an applicant’s priority for housing

- This proposal invited views on allowing social landlords to take account of whether an applicant or a member of their household has acted antisocially, when deciding priority for housing.

The consultation also sought views on changes to the tenancy regime, particularly the Scottish Short Secure Tenancy and how landlords could deal more effectively with antisocial behaviour. The deadline for responses closed on 30 April 2012. The responses to the consultation will be used to inform provisions in a future housing bill.
IMPACT OF WELFARE REFORM CHANGES

The UK Government’s Welfare Reform Act 2012 contains provisions which UK Ministers have indicated will be used to make regulations that will reduce housing benefit for working age (below the qualifying age for Pension Credit) tenants if they are deemed to be living in a house that is too large for their needs. Pension Credit age is expected to be 61 at the time the under-occupation provisions come into effect in April 2013 and will rise in line with the women’s state pension age until equalisation with men is achieved in 2018 (Wilson 2012).

The Draft Housing Benefit (Amendment) Regulations 2012, have been published and sent to the Local Authority Associations, including COSLA in Scotland, for comment. It is proposed that reductions of housing benefit would be made at two rates depending on the number of bedrooms by which tenants under occupy their home; 14% for one bedroom or 25% for two bedrooms or more.

The definition of under-occupation largely replicates the size criteria applied to tenants in private rented housing who are in receipt of housing benefit. One bedroom will be allowed for each person or couple living as part of the household with the following exceptions:

- child of 15 or under will be expected to share with another child of the same gender; and
- child of 9 or under will be expected to share with one other child aged 9 or under, regardless of gender.

A bedroom will also be allowed for a non-resident carer where they provide overnight care for the Housing Benefit claimant or their partner. The shared accommodation rate that applies in the private rented sector (this means that for a single person under 35 the local housing allowance rate is restricted to a room in shared accommodation) will not apply in social rented housing. Some protection will be offered to ensure that tenants who are recently bereaved do not experience an immediate reduction in their Housing Benefit entitlement. It is also proposed that there are a number of social sector tenancies/licenses also exempt from application of size criteria, including certain types of “exempt” supported accommodation, tenancies under shared ownership properties and temporary accommodation (DWP 2012).

It is expected that the final regulations will be laid shortly and will be subject to the “affirmative” procedure which means that they must be approved by both the House of Commons and House of Lords before they can come into force. Subject to the usual parliamentary process all existing benefit awards will be affected from 1 April 2013 and all new claims from then on.

This proposal, which has been dubbed the “bedroom tax” has proven controversial and Scottish housing bodies, such as the Scottish Federation of Housing Associations, have been highly critical of the proposal (SFHA undated). The Scottish Government has indicated that this measure could potentially affect around 75,800 households under-occupying by 1 bedroom and 19,600 households for those under-occupying by 2 bedrooms (Scottish Government 2011b).

These reforms to housing benefit will influence how landlords manage their stock and allocate their properties. Some social landlords, particularly in areas with less demand for social housing, create under-occupation on initial allocation, i.e. they offer a household a larger property than they need. This may arise because of a mismatch between the size of properties available and households in need of housing, or the landlord may wish to support parents with children who do not reside with them permanently. The allocation policy may also anticipate increases in family size – thus reducing the pressure for future transfer requests (Wilson 2012). Social landlords may also have to reconsider their allocation policies, for example, to ensure that the initial allocation is at the bedroom standard for working-age households.
There may also be an increased need to transfer tenants who may be at risk of losing benefit to smaller properties. Some social landlords already have measures in place to encourage tenants to move out of under occupied properties but it is likely that more effort will have to be put into such measures. The Scottish Government allocations practice guide (Scottish Government 2011a) provides some advice on encouraging tenants to downsize. It advises that landlords could give priority to tenants who are under-occupying and want to move to a smaller house. As well as providing information on the benefits of downsizing, such as lower fuel bills, landlords incentivise tenants by:

- giving extra points/priority for each room under-occupied;
- paying financial incentives to the tenant; or
- providing help with removal costs for things like white goods and carpeting.”
### APPENDIX 1: PERMANENT LETTINGS OF SOCIAL SECTOR DWELLINGS BY LOCAL AUTHORITY MARCH 2010-MARCH 2011

<table>
<thead>
<tr>
<th>Authority Name</th>
<th>LA</th>
<th>RSL</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scotland</td>
<td>27,583</td>
<td>27,727</td>
<td>55,310</td>
</tr>
<tr>
<td>Aberdeen City</td>
<td>1,599</td>
<td>568</td>
<td>2,167</td>
</tr>
<tr>
<td>Aberdeenshire</td>
<td>1,321</td>
<td>598</td>
<td>1,919</td>
</tr>
<tr>
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 SOURCES


DWP (2012) Explanatory cover note to the Housing Benefit (Amendment) Regulations 2012. London: DWP Available at: http://www.google.co.uk/url?sa=t&rct=j&q=consultation%20on%20draft%20regulations%20for%20introduction%20of%20size%20criterion%20in%20the%20social%20rented%20sector%20in%20the%20housing%20benefit%20amendment%20regulations%202012&source=web&cd=2&ved=0CFIQFjAB&url=http%3A%2F%2Fwww.housing.org.uk%2Fidoc.ashx%3Fdocid%3D1d5e82ae-4c80-ac1e-914fe9e8c192%26version%3D1&ei=mF_sTbWsyDhAfe05nEBQ&usg=AFQjCNGLAk4qBr0Gpob4fXuTDTWWkdAp29g


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