The Scottish Government

Reasonable Preference in
Scottish Social Housing

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REASONABLE PREFERENCE IN SCOTTISH SOCIAL HOUSING

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The views expressed in this report are those of the researcher and do not necessarily represent those of the Scottish Government or Scottish Ministers.

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CONTENTS

SUMMARY

- A majority of respondents reported that reasonable preference provided a guiding framework within which to develop social housing allocation systems. However, some respondents reported that social landlords could make the best judgement as to what constituted local housing needs and that reasonable preference was a 'box that had to be ticked'.

- Social landlords were demonstrating reasonable preference in responding to the housing needs of households in three of the five categories of: homelessness; living in housing conditions below the tolerable standard, and living in overcrowded conditions.

- The reasonable preference categories of 'below tolerable standard' and 'overcrowding' were quite often viewed as too narrow by respondents.

- The 'large families' reasonable preference category was generally not employed as there was a view that being a large family did not constitute a housing need in, and of, itself and that it was adequately covered by other reasonable preference categories such as overcrowding.

- The reasonable preference category of 'unsatisfactory housing conditions' was seen as ambiguous by some respondents. However, a majority of respondents saw it as a usefully flexible category encompassing a wide range of housing needs.

- Reasonable preference was shown to homeless households across allocations and lettings systems. Respondents working for social landlords in areas of high housing stress reported perceived tensions in addressing homelessness and the housing needs of households in other reasonable preference categories equally.

- The data collected for social housing allocation and lettings systems were often collected using wider definitions of housing needs like overcrowding or poor housing conditions than those within the reasonable preference legislation. Statutory requirements meant that data collection on homeless households was uniform and extensive.

- Secondary criteria used by social landlords in allocation and lettings systems included showing priority to housing needs linked to illness or disability, harassment from neighbours, households at risk of domestic violence, local connection and community cohesion

- Views were mixed on the extension or amendment of the reasonable preference categories. There was no support for retaining the 'large family' category. Cases were made for extending the definitions used for overcrowding and tolerable standards by some respondents. Amendment of

the 'unsatisfactory housing needs category' was seen by some as undermining what was perceived as its key strength, which was flexibility of definition.

- Many respondents were in favour of some modification of the system. Revision of the existing reasonable preference categories would be complicated. Account needs to be taken of the variation in the capacity of social landlords to show reasonable preference while also addressing some acute forms of housing need.

1   INTRODUCTION

About this report

1.1   This report is divided into four chapters. This chapter provides an overview of the research, briefly describes reasonable preference and the context in which it works. The next chapter looks at the ways in which reasonable preference influenced the allocation strategies of social landlords. The third chapter explores the findings on how the reasonable preference categories are integrated into allocation of housing by social landlords, drawing on the results of all elements of the fieldwork. This chapter looks at how social landlords interpreted the different categories, how they use those categories in practice and the external factors that can influence the delivery of reasonable preference to these categories. The extent of data collection on each reasonable preference category within allocations and lettings systems is also briefly described. The fourth chapter explores the various opinions gathered through the survey and fieldwork as to whether there is a case for revising or reforming the reasonable preference categories. The final chapter presents the conclusions of the research. Appendix 1 provides further details of the methodology.

About the research

1.2   This research was conducted for the Social Housing and Affordability Team in the Scottish Government by the Centre for Housing Policy at the University of York.   The research was designed to examine the role of the reasonable preference categories in social housing allocation. The research considered the extent to which the reasonable preference categories reflect current needs for social housing and whether there was any case for modifying the reasonable preference categories.

1.3   The research took place from the beginning of January to the end of April 2011. The methodology employed included a review of previous research and consultations on reasonable preference, a brief online survey of social landlords, a series of face-to-face and telephone interviews with social landlords and housing rights groups and five focus groups with social landlords. The fieldwork explored how social landlords defined the reasonable preference categories, the data related to reasonable preference categories that social landlords collected on applicant households and the use of the different reasonable preference categories in social housing allocation. Social landlords and other participants were also asked whether reasonable preference reflected current housing need and whether they thought there was any case for reform or revision of reasonable preference. Participation in the research was in strict confidence to ensure the respondents felt they could speak freely. Please see Appendix 1 for a more detailed description of the methodology, responses received and copies of the research instruments.

1.4   Following a review of previous research and consultations, the research team distributed a request to all social landlords in Scotland to complete a short online survey. The request was distributed by the Scottish Government and the Scottish Federation of Housing Associations because previous research has suggested that this is the best way to highlight that research is policy focused and help ensure a good response rate. Multiple requests to complete the survey were distributed.   Of 189 social landlords asked to complete a survey, 61 responded (32%), the rate for local authorities[1] was lower (27%) than the rate for Registered Social Landlords (RSLs) at 33%.

1.5   Collectively, the 61 responding social landlords managed 42% of the total national social rented self-contained housing stock. The RSLs responding to the survey collectively managed 58% of the total national self-contained RSL housing stock, though the responding local authorities only managed 29% of remaining local authority housing stock.   However, while these social landlords managed significant parts of the total social rented stock, the geographical spread was uneven and there was some underrepresentation of smaller social landlords and social landlords in more rural areas. This meant that the results of the online survey were not necessarily representative of the sector and should only be seen as indicative (see Appendix 1).

1.6   It had been intended to conduct six focus groups, each centred on a local authority administrative area. Five of these six groups were conducted with the assistance of local authorities and RSLs in Aberdeen, Edinburgh, Glasgow, Highland and Perth and Kinross. Six interviews with housing rights groups and groups representing the housing profession were also conducted. The final component of the fieldwork was telephone interviews with social landlords. Contact details for these interviews were provided by the Scottish Government and the Scottish Federation of Housing Associations. In the fieldwork stage, the research team were able to redress some of the imbalance in the responses to the online survey in that responses were secured from smaller social landlords and particularly from social landlords working in rural areas.

1.7   Overall representation of the social rented sector was reasonably good. Representatives of 28 social landlords took part in the research via the telephone interviews and focus groups and a further 61 responded to the online survey. Collectively these responses represented 89 social landlords which was just under half (47%) of all the social landlords operating in Scotland.

1.8   Four factors appeared to have influenced response rates. First, the research was conducted within a quite short timetable. This meant that although the research team were able to give some notice of focus groups and telephone

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[1] Only authorities which still had social rented housing under management were surveyed as the questionnaire was focused on the day to day use of reasonable preference.

interviews, the diaries of senior individuals within social landlords asked to participate in the research were sometimes full. Second, the survey and other fieldwork had to take place in February and March, during a period when social landlords were collating and reporting various end of (financial) year figures. Third, there was an element of 'research fatigue' among some social landlords; there had, for example, been several recent research projects and the consultation exercise on the Social Housing Allocations Guide[2] had only concluded a few months before this research started. Finally, the level of interest in reasonable preference among social landlords appears to be varied. Some social landlords saw the issues surrounding the operation of the reasonable preference categories as more important than others (see Chapter One).

1.9 This research was a strictly time limited exercise with a specific remit and focus. While there was extensive consultation with social landlords the research resources and timetable did not allow for direct consultation with applicant households and tenants of social landlords to gather their views. While there were a small number of interviews with tenants' representatives and tenants' rights groups, the absence of consultation with applicant households is a limitation with the methodology employed.

An overview of reasonable preference

1.10 Reasonable preference is based around legislation that was first introduced for local authority housing allocation in 1966. At that time, the reasonable preference categories did not include homelessness, which was added in 1987. The legislation was extended to the RSL sector in 2001. Previous research and consultations on reasonable preference have raised questions about the perceived 'ambiguity' of some of the categories, concerns about reconciling responsibilities towards different household types and debate as to whether or not these categories, some of which are 45 years old, properly reflect contemporary housing need[3]. It is these kinds of questions that the research described in this report was designed to answer. However, before describing the findings of the research, it is useful to define briefly what is meant by 'reasonable preference', what the different categories cover and look at some of the statistics on social housing allocation.

1.11 Legislation requires that all local authorities and RSLs must give 'reasonable preference' to households and individuals seeking social rented housing who are within one or more of the following groups:

- are occupying houses which do not meet the tolerable standard;
- are occupying overcrowded houses;

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[2] www.scotland.gov.uk/Publications/2011/01/25144519/0

[3] See *Tensions between Allocations Policy and Practice* (2007)
www.scotland.gov.uk/Publications/2007/10/17154243/0

- have large families;
- are living under unsatisfactory housing conditions;
- are homeless persons or persons threatened with homelessness.

1.12 The 'tolerable standard' for housing is defined in a 2001 Act and centres on housing being physically habitable and having basic amenities[4]. Overcrowding is legally defined as when a household is living in accommodation that breaches the 'room' standard or the 'space' standard[5]. 'Homeless persons' and 'persons threatened with homelessness' refers to households that are homeless within the meaning of the homelessness legislation[6] (see Chapter Three).

1.13 Neither 'large families' nor 'unsatisfactory housing conditions' are defined in the legislation. Social landlords have discretion to use their own definitions for these reasonable preference categories. The most recent practice guide indicates that unsatisfactory housing conditions is a wide enough category to encompass needs linked to housing that is unsuitable for someone with medical or social needs[7] (see Chapter 3).

1.14 'Reasonable' itself is defined as giving 'due weight' to households within one or more of the reasonable preference categories. Social landlords are

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[4] Housing has to be largely free of rising or penetrating damp, have adequate heating and lighting, a clean water supply, basic bathroom facilities, working drainage, an electrical supply, basic kitchen facilities and have satisfactory access to external doors. See the Chapter 3 of this report and social housing allocations practice guide for a detailed description: www.scotland.gov.uk/allocations/

[5] The room standard is based on people of different genders not having to share a bedroom, not including siblings aged under 10 and adults in a sexual relationship. The space standard is the number of people who can occupy a house assessed according to the number of rooms and total floor area of the rooms available as sleeping accommodation. Children aged under 10 count as 'one half' of a person, while children under the age of one are not counted. See Chapter 3 of this report and social housing allocations practice guide for a detailed description of the requirements. Available at: www.scotland.gov.uk/allocations/

[6] Part II of the 1987 Act (as amended) defines someone as homeless if they have no accommodation in the United Kingdom or elsewhere, or if they have accommodation, but it would not be reasonable for him or her to occupy it. Someone is also homeless if they have accommodation but cannot secure entry to it; it is probable that occupation of it will lead to abuse; it is probable that occupation of it will lead to threats of abuse from someone who previously resided with them and who is likely to carry out the threats, it is a moveable structure, vehicle or vessel and there is no place where they are entitled or permitted to place and reside in it; it is overcrowded and may endanger the health of the occupants; or it is not permanent accommodation and the local authority has a duty to provide permanent accommodation. See Chapter 3 of this report and *Code of Guidance on Homelessness* (2005) www.scotland.gov.uk/Publications/2005/05/31133334/33366

[7] See Chapter 3 and the social housing allocations practice guide for a detailed description of the requirements. Available at: www.scotland.gov.uk/allocations/

however only expected to show 'due weight' where an allocation makes practical sense, i.e. a household or individual must not be allocated to housing that is unsuitable or unsustainable. It is not expected that reasonable preference should mean that an applicant household in a reasonable preference category should be given social housing regardless of the suitability of that social housing.

1.15   Social landlords are prohibited from taking some factors into account when considering the needs of reasonable preference groups. This includes length of residence in an area, age (if an applicant is over 16), individual or family income, any history of home ownership and whether there is any history of local residency and whether or not a household is employed[8].

1.16   The legislation requires that social landlords show reasonable preference towards the applicant households in the five categories. It also sets some limits as to what factors social landlords are able to take into account when considering the housing needs of households in the reasonable preference categories. However, social landlords have some discretion as to what level of priority to give each reasonable preference group – as long as homeless households are given at least the same level of priority as other groups - and can take into account the pattern of local housing needs when assigning priority. The social housing allocation practice guide notes[9]:

> 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.

1.17   Social landlords are not expected to restrict the assessment of housing need within their allocations and lettings systems to the reasonable preference categories. Allowance is made for additional factors, sometimes called 'secondary criteria' to be taken into account (see Chapter 3), the social housing allocation practice guide notes[10]:

> 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

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[8] See the social housing allocations practice guide for a detailed description of the requirements. Available at: www.scotland.gov.uk/allocations/

[9] www.scotland.gov.uk/allocations/

[10] Available at: www.scotland.gov.uk/allocations/

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.

An overview of social housing

1.18 In order to provide some context to the discussion that follows it is perhaps useful to outline briefly the scale and disposition of social housing in Scotland. This next section briefly overviews the number of lets, looks at the relative supply of social housing in different areas and then reviews the available data on lets to households in the different reasonable preference groups.

1.19 Graphic 1.1 summarises social housing allocation according to local authority area. Available lets in social housing are of course largely influenced by population density, so there is far more social housing in the Central Belt where population is concentrated than in the Highlands and Islands. Nationally there were 54,712 permanent lets of social housing, of which 28,462 were RSL and 26,250 were council lets in 2009/10. As some local authorities, such as Glasgow, have transferred their entire housing stock to housing associations they no longer manage social housing.

Graphic 1.1: Permanent lets of social rented housing 2009/10
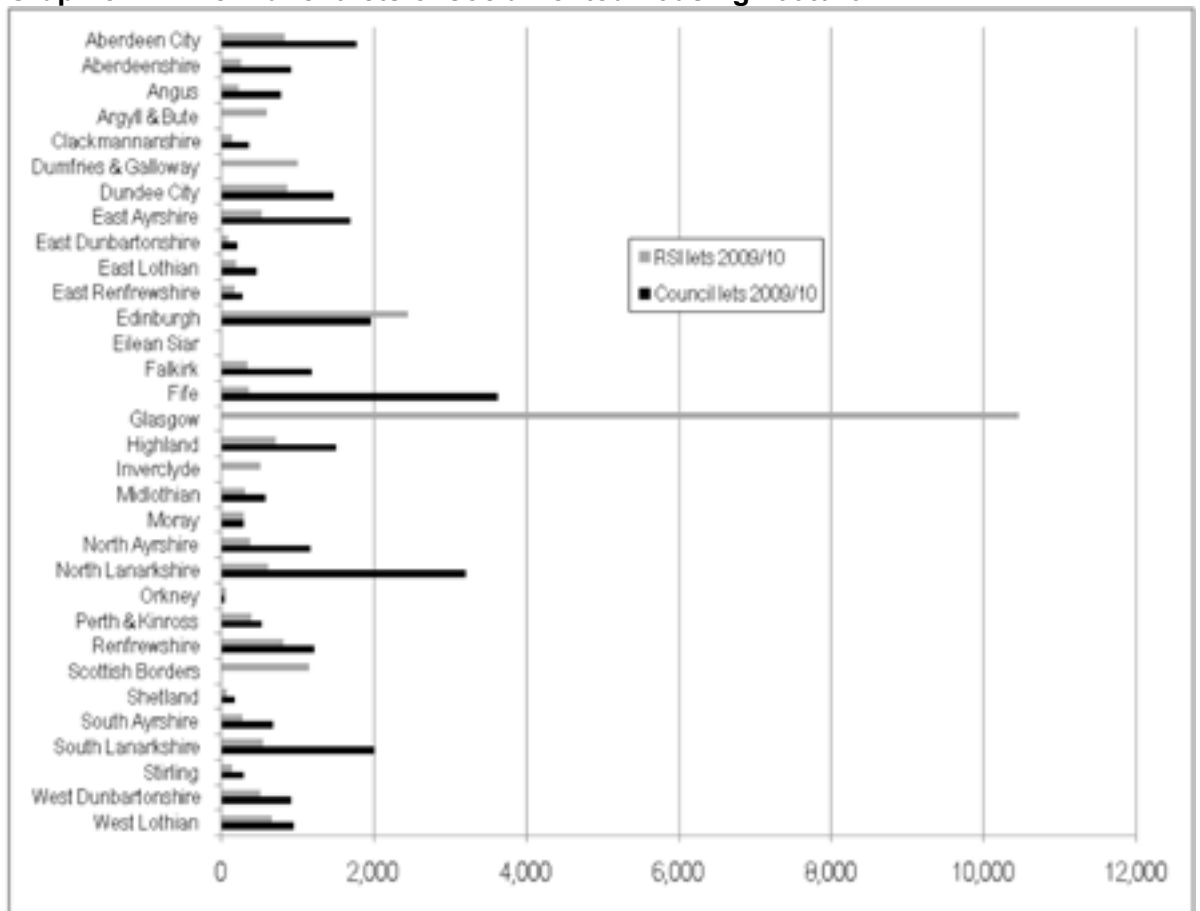
Sources: SCORE and the Scottish Housing Regulator. Data are incomplete for Eilean Siar.

1.20 Owing to the considerable differences in scale in the social rented sector in different areas, the figures in Graphic 1.1 are not necessarily that helpful in understanding what the supply of social housing is relative to other tenures. Nationally, some 11% of total housing stock is owned and managed by RSLs and another 13% by local authorities, meaning just under one quarter of the housing stock (24%) is social rented. Current detailed statistics are not available, but projections based on the 2001 Census suggest some variation in the scale of the social rented stock between local authority areas. This is partially due to historical factors. For example, cities like Glasgow built social housing on a considerable scale while some rural areas did not do so. It also reflects the uneven impact of policies like Right to Buy, i.e. social housing was sold to existing tenants at a higher rate in some areas than it was in others. The proportion of stock that is in the social rented sector varies between some 45% of total housing and some 13% of total housing stock across different local authority areas (Graphic 1.2). This shows that the relative supply of social housing compared with other tenures varies quite considerably, although it will be difficult to be precise about this current variation until data from the 2011 Census are available.

Graphic 1.2: Estimated proportion of housing stock within the social rented sector by local authority area
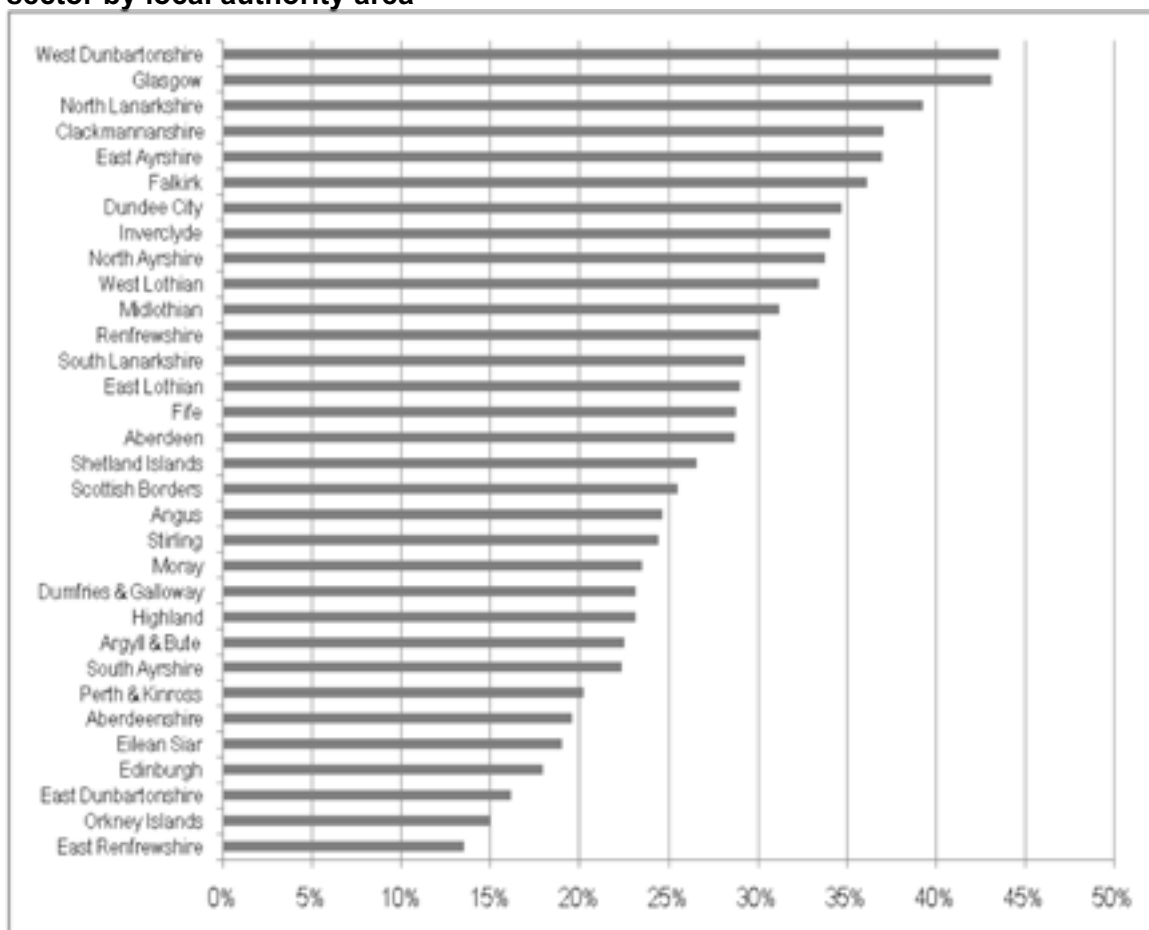
Source: Scottish Government projections for 2005 based on 2001 Census statistics.

1.21 Data on reasonable preference categories in social housing allocation are limited at the national level in respect of four of the five reasonable preference categories[11]. While information is held by individual social landlords, the extent and nature of this information is highly variable (see Chapter 3). Specific national level data are effectively non-existent in respect of **large families** and **unsatisfactory housing conditions** (though there is local recording of some types of housing need that might fit into these categories).

1.22 The SCORE statistics do give some indication of how often **overcrowded households** are housed by RSLs. The data can be imprecise in the sense that they are based on tenants' perceptions of their housing need, rather than necessarily reflecting how an RSL would have assessed housing need. In 2009/10 some 18% of RSL lets went to households that were overcrowded.

1.23 SCORE also records that another 5% of lets went to households in '**poor housing conditions**'. This is a broader category than housing being below '**tolerable standard**' and cannot be directly compared with that category. Full tables of the SCORE statistics are available online at St Andrews University[12]. Comparable statistics to those recorded in SCORE are not available on local authority lets in Scotland.

1.24 Data are available on **statutory homelessness** because there is a dedicated statistical return, the HL1, collected by local authorities and administered by the Scottish Government. This allows some analysis of the extent to which homeless households are allocated social housing which is shown in Graphic 1.3. As can be seen, while some areas had a high or very high proportion of available lets going to homeless households, others did not. Reviewing the data over the last three financial years that were available at the time of writing, it can be seen that the proportion of social rented lets going to homeless households was quite varied nationally.

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[11] The flexibility that is allowed in the definition of two of the reasonable preference categories of 'large family' and 'unsatisfactory housing conditions' which allows different social landlords to define these categories in different ways, would mean that data collected on these aspects of reasonable preference are likely to be ambiguous. This is because as different social landlords might be recording different levels and forms of housing need within these two categories (see following chapter).

[12] The SCORE statistics collected by St Andrews University see: www.scoreonline.org.uk/

Graphic 1.3: Proportion of all permanent social rented lets going to homeless households during the period 2007/8 to 2009/10
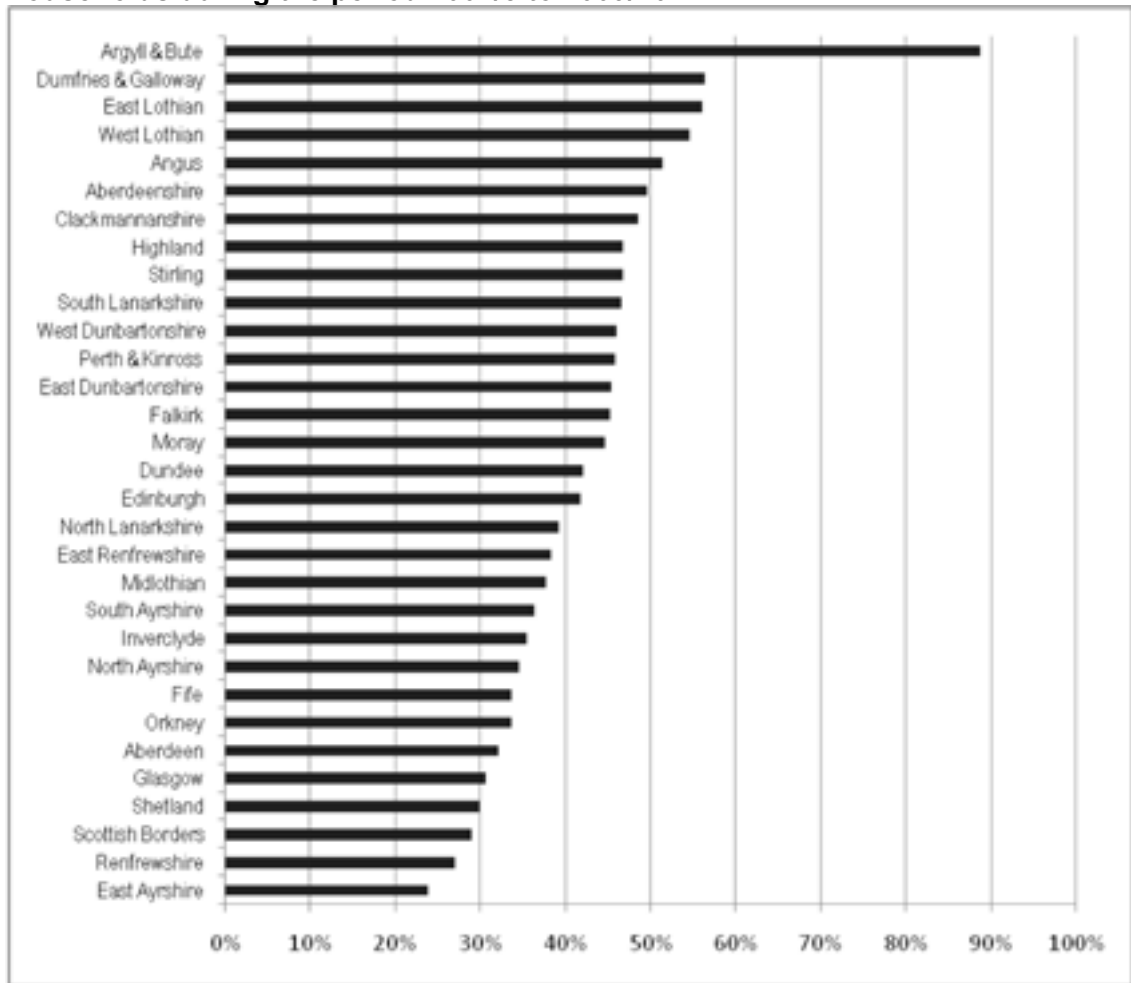
Sources: Scottish Housing Regulator, SCORE and the Scottish Government. Authors' analysis. Data were incomplete for Eilean Siar.

2 REASONABLE PREFERENCE IN THE DESIGN OF ALLOCATION AND LETTINGS STRATEGIES

Introduction

2.1 This chapter looks at the delivery of reasonable preference by social landlords. The chapter explores how reasonable preference influenced the strategic allocation priorities of social landlords.

The influence of reasonable preference on allocations strategies

2.2 Respondents had varied opinions on extent of the influence of reasonable preference on the strategic allocation priorities of social landlords. The respondents who took part in the interviews or focus groups all tended to have views that fell within one of three groups. The largest group of respondents saw reasonable preference as providing a set of broadly defined general principles that created a framework within which the detail of their organisation's allocations strategy had been developed. The second largest group thought reasonable preference was of little importance in determining strategic allocation priorities. The smallest group viewed reasonable preference as integral to strategic planning of allocations and to varying extents as a reference point that was used in the day-to-day operation of the social landlord for which they worked.

2.3 The most common view reported was that reasonable preference created a framework within which the details of allocations strategies were developed. The perception of reasonable preference among this group was that reasonable preference had created a set of general principles that reinforced good practice. Reasonable preference was seen as insufficiently detailed and as not reflecting the nuances and variations in housing need that could exist at local level, which meant it could not serve as the sole basis on which an allocation system was based.

2.4 Nevertheless, reasonable preference was seen as helping to focus the attention of social landlords on most of the acute forms of housing need. These views were found among respondents working in a variety of contexts, including situations in which allocations and lettings systems varied between housing lists operated by individual social landlords through to area-wide CHR systems. They were also held by respondents working in both the largest and among some of the smallest social landlords and among representatives of housing rights groups.

> *If it wasnae there, then maybe there would not be the good practice. I mean maybe there would be, but if there's something there continually there it can reinforce that.* LA respondent.

> *I do think it's advisable to keep a framework in place. I think it gives consistency of approach across local authorities in*

Scotland. I think, as an officer, I have no issue with it, I would just perhaps like to see it modernised. LA respondent.

I think it's better to have something in legislation than not. I think it's a good safeguard. Having lobbied for RSLs to be covered by the same framework in the 2001 Act, I think that has been very positive, because its helped to give a guide. I know RSLs like to guard their allocations policy quite carefully, but I think it has been a help in persuading the few who are reluctant to go along a path that is quite sensible. Housing rights group representative.

2.5 Respondents in the second group took the view that the local authority or RSL for which they worked had developed its allocations strategy based on the housing needs that their organisation encountered with little or no reference to reasonable preference. In their view, any prioritisation of reasonable preference categories in allocation systems happened primarily because of local assessments of housing need and not because of the reasonable preference legislation.

2.6 Respondents in the second group often reported the view that reasonable preference was a 'box that needed to be ticked'. This was expressed in terms of having to cross-check an allocations system that had been developed largely without any explicit reference to reasonable preference against the requirements of the legislation, to ensure that the allocation system was legal. In general terms, these attitudes towards reasonable preference tended to be most common in locations in which allocations and lettings systems were relatively highly developed and were employing Common Housing Register (CHR)[13] and/or Choice Based Lettings (CBL)[14] arrangements involving most

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[13] A CHR is designed to allow people seeking social housing to complete just one application form and enter a common allocation system of which several or most of the social landlords in an area participate. CHR arrangements tend to operate within the administrative boundary of a single local authority. These systems can involve a single access route for applicants, a shared database system and shared housing advice and information services and can include either points based systems that award priority based on housing need or a CBL arrangement. For more detailed see: *CHR Guide: Building a Common Housing Register: A Practitioner's Guide* www.scotland.gov.uk/Publications/2009/10/12154642/0

[14] CBL systems are designed to create a 'consumer led' approach to social housing allocation. There are various systems in operation that allow applicant households to view all the social housing that is available and apply, or more commonly 'bid' for that housing. Each applicant household is assigned a relative 'bidding strength' based on their housing need, giving them a choice between the available social housing that is within the range that is included within the bidding strength they are given. The different levels of bidding strength are sometimes referred to as 'bands'. This means that applicant households can choose from what social housing is available, rather than be offered a property by an allocations manager, which can mean applicants have a wide choice in CBL arrangements that cover entire local authority administrative areas or regions and all or most of the social landlords within those areas. Higher degrees of housing need usually result in the bidding strength or 'band' of an

or all of the social landlords in an area. Respondents in this group were more likely than others to view reasonable preference as in need of modification (please see Chapter 4). Respondents working for major social landlords also seemed to be more likely to view reasonable preference in this way.

I suppose that's the issue around reasonable preference categories. On their own they don't actually mean anything, it's only how you apply them in practice. I mean just because someone is not reasonable preference, if we've identified that locally as a housing need factor you're going to build that into your allocation policy. I wouldn't say we consciously look at reasonable preference and then try to build our allocation policy around that. You identify the issues and then you link them back to reasonable preference to satisfy yourself that you're ticking the box. LA respondent.

We knew what we were going to have as our policy, it was then a question of how do we demonstrate to the regulator that we are taking account of all the reasonable preference categories. We needed to be sure in our own mind what our arguments were. RSL respondent.

When we rewrote our allocations policy, we didn't sit down and say "Right here are the categories we have to meet, let's make sure we meet them". LA respondent.

2.7   The third, smallest, group of respondents thought that reasonable preference had been integral to strategic thinking about allocations and to the development of allocations and lettings systems. For these respondents reasonable preference also tended to act as more of a reference point for the day to day operations of their social landlord. It is something of a generalisation, but this group of respondents appeared to be more likely to be working for smaller social landlords that were not involved in CHR or CBL arrangements.

You know the reasonable preference categories are there and when we are working out the number of points…we are saying, ok, overcrowding has to be, we need to make sure folk are housed because of the reasonable preference category, so the points awarded under our allocation system reflect that need. So

applicant household being enhanced. CBL can operate as a freestanding system, but it can also be employed as the basis on which allocation of the housing list of an individual social landlord is handled (i.e. a single social landlord can use a CBL system that applies only to its own stock) and can also be the basis on which a whole or a part of a CHR is organised.

we are awarding more points for overcrowding rather than isolation because in fact it's a reasonable preference category. RSL respondent.

I think it has been very significant in acting as a sort of foundation stone for how we've built our policy. Previously we had waiting time and other elements within our policy and we've managed to sweep all that away, because we've focused on housing need and used reasonable preference to explain why we are focusing on that. LA respondent.

The role of reasonable preference in the design of allocation strategies

2.8   Reasonable preference appeared to be used more frequently as a reference point by smaller social landlords that were operating in relative isolation. The most common view saw reasonable preference as creating a broad framework of 'good practice' that helped focus the attention of social landlords on the most acute forms of housing need. For those who viewed reasonable preference as of limited relevance to the development of allocations strategies, there was a belief that social landlords did not require reasonable preference in order to know what housing needs they should be addressing.

3 REASONABLE PREFERENCE WITHIN ALLOCATION AND LETTING SYSTEMS

Introduction

3.1 This chapter looks at the role that reasonable preference played within allocations and lettings systems for social housing. For the purposes of this report 'allocations and lettings systems' are defined as including housing lists, Common Housing Registers (CHR) and Choice Based Lettings (CBL) systems. Based on the research findings, it seems most common for different allocations and lettings systems to be running in parallel with one another in most local authority areas. For example, it may be that a Common Housing Register predominates in an area, but alongside this, a few RSLs may also maintain their own housing lists. The online survey of social landlords conducted for this research, which was not a fully representative sample[15], reported that 67% of responding social landlords had their own housing lists, 46% were involved in one or more CHR arrangements and 16% were involved in one or more CBL arrangements. It was possible for an RSL responding to the survey to be involved in multiple CHR or CBL arrangements if that RSL was operating across several local authority administrative areas or throughout the country.

3.2 This chapter looks at the role of each reasonable preference category in the day-to-day allocation of social housing by drawing on the results of the online survey, the interviews and the focus groups[16]. The chapter begins by looking at the category of 'Below Tolerable Standard', moves on to look at 'Overcrowding', then 'Large Family' and 'Unsatisfactory Housing Conditions' and concludes by looking at the reasonable preference category of homelessness. The chapter then explores the secondary criteria that social landlords employed when allocating social housing and the interrelationships between these criteria and reasonable preference categories.

Living below the tolerable standard

Interpretation

3.3 Housing is within the tolerable standard[17] if it has the following characteristics:

- is structurally stable;
- is substantially free from rising or penetrating damp;

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[15] See Appendix 1

[16] See Appendix 1

[17] See social housing allocations practice guide for more details www.scotland.gov.uk/allocations/

- has satisfactory provision for natural and artificial lighting, for ventilation and for heating;

- has satisfactory thermal insulation;

- has an adequate piped supply of wholesome water available within the house;

- has a sink provided with a satisfactory supply of both hot and cold water within the house;

- has a water closet (flushing toilet) or waterless closet available for the exclusive use of the occupants of the house and suitably located within the house;

- has a fixed bath or shower and a wash-hand basin, each provided with a satisfactory supply of both hot and cold water and suitably located within the house;

- has an effective system for the drainage and disposal of foul and surface water;

- in the case of a house having a supply of electricity, complies with the relevant requirements in relation to the electrical installation for the purposes of that supply;

- has satisfactory facilities for the cooking of food within the house; and

- has satisfactory access to all external doors and outbuildings.

3.4   There was no evidence that social landlords found the definition of tolerable standard to be ambiguous or that there were any issues in incorporating the reasonable preference category within allocations and lettings systems. Allocations and lettings systems had specific provision within them for households within this group, i.e. if an applicant household was found to be within this group then a consistent and specific response was built into the allocations and lettings systems.

Use in allocations and lettings systems

3.5   The legal definition was employed within allocations and lettings systems and households and individuals seeking social housing would be awarded points (in points based systems) or a higher banding (in some CHR and CBL systems) if their current housing was below the tolerable standard. In most instances, allocations and lettings systems tended to award maximum points or banding available to a household that was in this situation, meaning they were prioritised on the waiting list or CHR and were given the maximum capacity to bid for housing within a CBL system.

3.6   Many respondents reported that few households were within this reasonable preference category. The main reason for this was that relatively little housing was actually below the tolerable standard in the areas in which they operated, which meant households that were seeking social housing were unlikely to be

experiencing this specific form of housing need. The recent consultation on the social housing allocation practice guide also found that some social landlords viewed the tolerable standard definition as out-dated[18].

I suppose too that that is a historical definition and things have moved on quite a bit since that was put in place. So I would imagine within [area] *there would be very, very few properties anywhere that kind of fell under that definition.* Local authority respondent.

3.7   One operational issue with the use of the tolerable standard was reported by social landlords working in rural areas. This related to the use of park homes, caravans and other semi-permanent structures.   Conditions within these forms of accommodation could be highly variable, ranging from extremely poor through to more than adequate. It was sometimes reported that the Tolerable Standard, based as it was on "bricks and mortar" did not necessarily allow for this form of accommodation sometimes being of more than an adequate standard.

3.8   A wider definition of 'poor housing conditions' than that contained within the tolerable standard was employed within many allocations and lettings systems. This meant that while priority was greatly enhanced if an applicant household was living in accommodation below the tolerable standard, the priority given to those applicant households in relatively poor housing conditions, who were not living below the tolerable standard, also tended to receive some, more limited, enhancement.

3.9   Some allocations and lettings systems employed the repairing standard that uses broader criteria, i.e. that housing must be wind and water proofed, fixtures, fittings are in proper working order, and there is adequate fire alarm provision.   Other allocations and lettings systems awarded priority or enhanced banding based on other criteria, in a few instances linking up with Environmental Health services to provide an assessment.

So we're using both still, we're using BTS [Below Tolerable Standard] *but we're also using low level repairing standard issues too and awarding points.* LA respondent.

We give greater priority to the statutory definition. So if someone was within the statutory definition of BTS they would get the highest priority. Within our policy we also allow for different elements where we give points, the property does not need to be BTS for us to give points for poor conditions. RSL respondent.

3.10   There was good evidence that reasonable preference was being given to households living below the tolerable standard within allocations and lettings

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[18] www.scotland.gov.uk/Publications/2011/01/25144519/0

systems. Maximum priority or capacity to bid for social housing was routinely awarded to an applicant household in this living situation. However, social landlords were frequently interpreting their duties towards households living in substandard housing in a more generous way than would have been the case if they were strictly following reasonable preference and using the tolerable standard.

3.11 Some allocations and lettings systems looked at the interaction between relatively poor housing conditions and the well-being of the people in an applicant household. What this amounted to was an assessment of whether or not living conditions in an applicant household were having a detrimental effect on that household. This was a more nuanced approach than an assessment of whether or not housing was within a certain standard, because it looked at the impact of housing conditions on applicant households.

> *…we look at accumulative effect of it. So you don't have to have a closing order for example to get into the top end of banding at the top level, we'll weight each factor. We'll also look at social circumstances as well, because if there's something wrong with your accommodation there's invariably something wrong with you, with your household, because of having to occupy that accommodation.*
> LA respondent.

3.12 The Tolerable Standard was viewed by some respondents as rather out-dated. The point has already been made that it was seen as applying to relatively few households, though there were some areas in which the issue of very poor quality housing was more prominent than it was in others. Many allocations and lettings systems were operating on the basis that a more generous definition of poor housing conditions should be employed in order to reflect more fully local housing need.

3.13 Allocations and lettings systems were entirely consistent in respect of how they defined and responded to applicant households that were living in housing below the tolerable standard. However, the often more generous definition of 'poor housing' which was employed within many allocations and lettings systems was not necessarily consistent. All the allocations and lettings systems agreed on what it meant to be below the tolerable standard, but did not agree as to what else should be regarded as 'poor housing conditions' that should enhance an applicant household's chance of securing social housing. This meant inconsistency between areas in terms of which aspects of the condition of applicants' housing were viewed as counting towards the priority they were awarded.

> *Certainly when we were reviewing our poor housing condition category…looking at how it was being implemented across other Common Housing Registers for example, there was a lot of*

difference in terms of the detail of what would be considered. LA respondent.

3.14   These findings strongly suggest that allocations and lettings systems are routinely designed to employ a more extensive definition of what constitutes poor housing conditions than the tolerable standard. In effect, social landlords were routinely interpreting their duties towards this reasonable preference category in a more generous way than is required by legislation. Allocations and lettings systems were using a progressive 'scale' of poor repair and standards in which more priority was awarded to an applicant household according to the degree to which their existing housing was substandard. The worse the condition of an applicants' existing home, the greater the priority or the bidding strength they would be given within an allocation system.

3.15   The online survey of social landlords conducted for this research[19] asked social landlords whether households in the different reasonable preference categories were viewed as equally 'important' when allocating social housing. Social landlords were asked to rate the 'importance' attached to this reasonable preference category with '1' being the lowest priority and '5' being the highest priority. Overall, 79% of social landlords reported that the highest or second highest priority was given to households living below the tolerable standard.

Data collection

3.16   Data collection on whether or not an applicant household was living below a tolerable standard when they applied for social housing was found to be limited. As noted, allocations and lettings systems often used a broader definition of what constituted poor housing conditions than the tolerable standard and assigned relative priority to households on that basis. Information systems were naturally designed to serve each specific allocation system and therefore to provide the operational data needed to allow the system to work.

3.17   The data held centred on what the relative priority or banding of an applicant household was and the reason for that expressed in terms of how an allocation system defined poor housing conditions. As logic dictated that the databases underpinning the allocations and lettings systems entirely reflected the operation of those systems, they had the same, often broader, definition of poor housing conditions as the allocations and lettings systems they supported. There was a high degree of variation in the level of detail collected within allocation system databases. Some databases could provide very detailed breakdowns of housing need while others recorded the relative

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[19] See Chapter 1 and Appendix 1. Only one third of social landlords responded to this survey so results may not be representative.

priority given to a household and only very limited data on the nature of their housing needs.

3.18   The online survey of social landlords showed that only 20% could report the number of applicant households living below the tolerable standard in their allocations and lettings systems. The fieldwork suggested that most allocation system databases could have reported a figure for applicant households whose housing needs were linked to the definition of poor housing conditions used within that allocation system.   However, the definitions of what constituted 'poor housing conditions' varied between allocations and lettings systems.

Overcrowding

Interpretation

3.19   The legislative definitions of overcrowding are the space standard and the room standard.   The room standard is broken when children of different genders aged over 10 sleep in the same room or if two adults of different genders who are not in a sexual relationship sleep in the same room. The space standard is more complex, relating sleeping space in terms of rooms and floor area to the number of household occupants. For example, a two bed-roomed house or flat should not contain more than three persons and a bedroom sized between 70 to 90 square feet (6.5 square metres to 8.4 square meters) should not contain more than one person[20].

3.20   Social landlords reported no difficulty in interpreting the room or space standard. Specific provision was made for enhancing the priority or bidding positions for households that were overcrowded, i.e. if an applicant household was found to be within this reasonable preference category, allocations and lettings systems had a specific response built in.

Use in allocations and lettings systems

3.21   A wider definition of overcrowding than that contained within the legislation was employed within some allocations and lettings systems. This meant that while priority or bidding position within allocations and lettings systems was considerably enhanced if an applicant household was overcrowded in terms of the room or space standard, the position of those applicant households who were overcrowded according to a wider definition was also enhanced.

3.22   The broader definitions of overcrowding used in some allocations and lettings systems tended to focus on the number of rooms and sharing. One of the ways in which the definition of 'overcrowding' was broadened was to discount any rooms that might be available as sleeping accommodation (such as a living room) but which were not designed to offer sleeping accommodation.

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[20] See social housing allocations practice guide for more details www.scotland.gov.uk/allocations/

However, the most common approach to broadening the definition of overcrowding employed within allocations and lettings systems was to lower the ages at which children of different genders should be expected to share a bedroom. The legislation said it was acceptable for children aged under 10 to share a room with a sibling of a different gender, but in several instances allocations and lettings systems reduced this to six or eight years old. There were also other examples of ways in which allocations and lettings systems employed wider definitions of overcrowding than those within the legislation.

We are slightly more generous. Families with a two or more bedroom deficit have the highest banding, those with a one bedroom deficit get the second highest priority. We don't count sharing up until age eight, but after that we do count it, irrespective of gender. LA respondent.

We do recognise the generation gap as well. So if you have two males sharing a room, one's a two-year old, one's 52, we would recognise that, we would be more flexible. LA respondent.

We use the statutory definition, except that a living room is not counted as space to sleep and two children of the same sex need not share a room when one of them reaches the age of 8. RSL respondent (online survey written answer)

3.23 There was some evidence that in areas of high housing stress[21] allocations and lettings systems sometimes gave higher priority only to households who were overcrowded in terms of the room or space standard. In a few cases, allocations and lettings systems in these highly pressured environments employed what might be termed a 'chronic' or 'extreme' overcrowding category which would be used to differentiate between households that were overcrowded and those whose level of overcrowding made their living circumstances intolerable. While statutory overcrowding would always mean that an allocation system enhanced priority or banding, a special status would sometimes be awarded to households living in extreme forms of overcrowding. This approach was not confined to urban areas.

3.24 One operational issue identified by social landlords in relation to overcrowding centred on access to children among divorced or separated parents. The approaches taken by different social landlords varied, but some allocations and lettings systems awarded priority linked to what in some senses was 'overcrowding' if an applicant household had insufficient space to allow for the children to whom they had access rights to stay overnight. This was viewed as a sensitive and difficult area of allocation policy by some respondents, because it could mean that some applicant households secured access to social housing that, from the perspective of their neighbours or local media,

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[21] i.e. in which affordable rented or owner occupied housing was scarce relative to housing need.

appeared to 'exceed' their needs. Not all allocations and lettings systems made allowance for this and the policies of social landlords differed in respect of what size of property they would allocate to someone with access rights to children.

> *The feedback we get from residents…they are sometimes puzzled as to why someone who maybe requires a one or two bed-roomed property is maybe getting a bigger property, because of access rights, we would allow for that in allocation policies.* LA respondent.

3.25 There was evidence that social landlords were sometimes in a position in which it was only possible to improve the situation of some applicant households by reducing the extent to which they were overcrowded. This was not an issue that was confined to particularly large households. The availability of family sized social housing was reported as relatively restricted within the social rented sector in some areas. A number of social landlords had far fewer three bedroom properties than they had two bedroom properties and would sometimes have to make an offer that while it would reduce the overcrowding being experienced by an applicant household, it would not bring that overcrowding to an end.

3.26 These findings suggest there were differences in what would be regarded as overcrowding between different allocations and lettings systems. An applicant household might or might not be determined to be 'overcrowded' and the severity of any overcrowding (where priority was linked to relative levels of overcrowding) might also be assessed according to differing criteria. An overcrowded applicant household in one area might be given a higher priority or banding than a similarly overcrowded household in another area. At least some of these differences appeared to be linked to the levels of housing stress within which allocations and lettings systems were operating.

3.27 Some social landlords also noted that the expectations of applicant households were out of step with the standards specified in the legislation. Many households containing children had an expectation that there would be one bedroom for each child in the household and did not expect two siblings to have to share a bedroom, regardless of the age or gender of those siblings. In a context in which some social landlords reported that it was sometimes only practical to reduce the level of overcrowding an applicant household was experiencing, these expectations could be difficult to meet. Social landlords also reported that they had to make the best use of their stock, maximising the housing outcomes for applicant households to whatever degree was possible. Again, this could mean the space standards an applicant household expected could not always be provided.

> *In terms of best use of stock, we have to improve housing conditions where the applicant is overcrowded, rather than the*

best case scenario, because we don't have the stock to match that, if it was one bedroom for each child and there is a particular issue in [area] *around availability of larger sized properties.* LA respondent.

3.28   Allocations and lettings systems quite often defined overcrowding in a wider way than was specified in the legislation. As was the case with the tolerable standard, the closer an applicant household got to the statutory definition; the higher the relative priority or banding that would be given to that household. There was again a 'scale' of overcrowding and the points or banding given by an allocation system would tend to get higher the more overcrowded an applicant household was.

3.29   Reasonable preference was given to overcrowded households and there was no evidence to suggest that social landlords neglected this form of housing need. However, there were issues in relation to reported resource constraints that meant that some allocations and lettings systems used a 'chronic' overcrowding classification to differentiate the applicant households in the most need due to overcrowding from a larger overcrowded group. In addition, there was some evidence that social landlords were sometimes mitigating the level of overcrowding experienced by an applicant household because family sized social rented housing was not available.

3.30   The online survey of social landlords conducted for this research asked social landlords whether households in the different reasonable preference categories were viewed as equally 'important' when allocating social housing. Social landlords were asked to rate the 'importance' attached to this reasonable preference category with 1 being the lowest priority and 5 being the highest priority. Overall, 87% of social landlords reported that the highest or second highest priority was given to overcrowded households.

Data collection

3.31   Data collection on statutory overcrowding varied between allocations and lettings systems. The nature of what was regarded as overcrowding and the differential ways of categorising the severity of overcrowding employed in some allocations and lettings systems meant that data collected within allocations and lettings systems were not necessarily comparable.

3.32   As was the case with respect to data collection on applicant households that were living below the tolerable standard, the databases employed by allocations and lettings systems reflected the logic, operation and definitions used by those systems. This meant that the data collected could not necessarily be directly related to the room or space standard. Again, databases were highly varied in the level of detail they collected, with some providing very detailed breakdowns of housing need while others recorded the relative priority given to a household and only limited data on the nature of their housing needs. The online survey of social landlords conducted for this

research found that 31% of social landlords could report the number of applicant households who were overcrowded.

Large families

Interpretation

3.33   Large families are not defined in the legislation.   The social housing allocations practice guide[22] notes that:

> The law does not define "large families". You can exercise your own judgement on what makes a large family. You should consider your stock and the needs of your community and set out what "large families" means for you in your allocations policy.

3.34   Many respondents reported that their allocations and lettings systems had no working definition of what constituted a 'large family'. The relationship between this reasonable preference category and housing need was often seen as unclear and it was widely thought that the fact that a household was a large family was not in itself indicative of any housing need. Many respondents took the view that a 'large family' would only be in housing need if the household were living in housing that was not within the tolerable standard or otherwise substandard, if they were overcrowded, homeless or if their housing was unsuitable for other reasons such as being not appropriate for someone with a health care or social need.

3.35   It was not clear to many respondents why this category existed when it was the case that all the forms of housing need that a large family could experience were covered by other reasonable preference categories, the homelessness legislation and the secondary criteria within allocations and lettings systems. Among the social landlords responding to the online survey conducted for this research, 59% strongly or broadly agreed with the statement that the 'large family' reasonable preference category was 'difficult to define'[23].

> *I can never get my head around large families and overcrowding. I mean what defines a 'large family' and if someone has a large family but they're adequately housed, why do we, you know, need to give them preference for moving?* RSL respondent.

> *I mean that's a reasonable preference category and nobody knows what that means*. LA Respondent.

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[22] www.scotland.gov.uk/allocations/

[23] See Chapter 1 and Appendix 1. Only one third of social landlords responded to this survey so results may not be representative.

We just use overcrowding because we don't know what 'large families' means. RSL respondent.

What is this about? Large families get recognised within the overcrowding rules, within the social welfare rules, what else is there that is so specific to a large family? LA respondent.

3.36   Some respondents viewed the category as reflecting a very different pattern of housing need that had existed in the 1960s. These respondents drew attention to demographic change with evidence of more single person and single parent households. Some of these respondents reported their perception that the need for social housing among genuinely 'large' families with three or more children, or several generations living under one roof, was not particularly high because such households were relatively unusual.

3.37   These findings closely reflect those of earlier examinations of reasonable preference which have suggested that the 'large family' category is unclear and difficult to operationalise. The recent consultation on the Social housing allocation practice guide reported near identical findings with responding social landlords describing the 'large family' category as difficult to interpret[24]. In 2007, Scottish Government commissioned research on social housing allocation reported that social landlords had particular difficulties in interpreting the meaning of the 'large families' reasonable preference category[25].

Use in allocations and lettings systems

3.38   There was considerable evidence from the fieldwork that this reasonable preference category was very often not employed within allocations and lettings systems. Some of the reason for this was because it was seen as difficult to define and because its relationship with housing need was viewed as unclear. The overwhelming reason given for not employing the 'large families' reasonable preference category was that all the potential housing needs of large families were viewed as covered by existing allocations and lettings systems. If a large family were overcrowded, in substandard housing or had a social or health related need that made their housing unsuitable, both the operation of the allocations and lettings systems and the other reasonable preference categories were seen as covering that housing need.

3.39   For many respondents, the main issue they perceived in relation to housing need among large families was overcrowding. Many reported that the arrangements for prioritising overcrowding within their allocation system

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[24] See: www.scotland.gov.uk/Publications/2011/01/25144519/0

[25] See *Tensions Between Allocations Policy and Practice*,
www.scotland.gov.uk/Publications/2007/10/17154243/0

meant that this aspect of housing need among large families was adequately catered for within their systems.

3.40   However, while allocations and lettings systems did not overtly recognise 'large families' as a distinct category of housing need, it would be quite wrong to suggest that those systems took no account of household size. Every system, without exception, would reserve whatever large properties were available to let exclusively for larger households. No allocation system was failing to take into account the needs of larger households in the sense that no social landlord would allocate a small household to large property, nor would a small applicant household be allowed to bid for a larger property.

3.41   In this sense, allocations and lettings systems paid a great deal of attention to the housing needs of large families, because they simply would not allow access to larger properties for applicant households that were not of sufficient size to require a larger property. In effect, an element of preference was being shown to large families within allocations and lettings systems. However, the operational logic of those systems was so well established that the possibility that a social landlord might theoretically opt to give a much bigger house than was needed to a small household, or to deny access to its larger available housing to large families, was not even considered by respondents.

> *Like I say the way we would deal with it is in terms of the occupancy standards...if I have a larger property, a three or four bed-roomed property, I'm not going to allocate that property to a single person, it's going to go to a larger family.* LA Respondent.

3.42   It is important to note that housing needs of these applicant households did not stem from the fact that a family was large, those needs stemmed from one or more the various forms of housing need covered by the other reasonable preference categories and within allocations and lettings systems. While being a large family did not in itself constitute any form of housing need from the perspective of the respondents, social landlords were recognising that large families who were overcrowded, homeless or had some other housing need, had specific requirements and had adapted their allocations and lettings systems to allow for this.

3.43   The online survey of social landlords conducted for this research asked social landlords whether households in the different reasonable preference categories were viewed as equally 'important' when allocating social housing. Social landlords were asked to rate the 'importance' attached to this reasonable preference category with '1' being the lowest priority and '5' being the highest priority. Overall, 30% of social landlords reported that the highest or second highest priority was given to 'large families'. This may have been because the category was regarded as 'redundant' by those designing allocations and lettings systems as the housing needs of large families were

covered by other reasonable preference categories and the secondary criteria used in those systems.

3.44 It is possible to interpret these results as indicating that allocations and lettings systems and social landlords were in some senses 'subconsciously' showing reasonable preference to applicant households that were large families by reserving what larger stock they had exclusively to this group. There is no doubt that the category itself, which was not explicitly related to a form of housing need, was viewed as ambiguously defined and hard to operationalise.

Data collection

3.45 Most allocations and lettings systems did not use 'large families' as a category of applicant household and consequently the database systems were not designed to collect specific data on this group of applicant households. Many allocations and lettings systems did have database systems that could report the number of applicant households that were above a certain size or contained more than a certain number of children, but this was not data that tended to be extracted or analysed. The online survey of social landlords conducted for this research found that 15% of social landlords could report the number of applicant households that were large families.

Unsatisfactory housing conditions

Interpretation

3.46 In respect of 'unsatisfactory housing conditions', The Social Housing Allocations Practice Guide notes:

> The law also does not define "unsatisfactory housing conditions". The term is wide enough to cover the physical condition of the house as well as its unsuitability as a result of a medical condition or the disability of the occupant. It can also cover other aspects of an applicant's circumstances, such as unsatisfactory living arrangements, problems with neighbours, harassment and domestic abuse. You should set out what this means for you in your allocations policy.

3.47 Opinions differed on how clearly defined and useful this reasonable preference category was. A few respondents perceived it to be ambiguous and unhelpful. Most took the view that this category was intentionally designed as a broad 'catch all' that enabled allocations and lettings systems to take account of a wide range of housing need that was related to health and social needs.

> *Medical points in relation to their housing circumstances, or social need because they have to be near a family member who provides care. We award travel to work points because we cover a huge area. Isolation. I suppose all these things come under it.*
> RSL respondent.

> *…we use it to cover a multitude of circumstances, they tend to be that type, your accommodation is unsatisfactory because of the environment you live in, because of your neighbours, because of the access arrangements…so we do recognise it and say these are the kinds of circumstances that define unsatisfactory housing.*
> LA respondent.

3.48   Among the social landlords responding to the online survey conducted for this research 44% agreed with the statement that the 'unsatisfactory housing conditions' reasonable preference category was 'difficult to define' while another 41% disagreed that this category was 'difficult to define'[26]. These results do tally with those of the fieldwork in that both exercises suggested very mixed views on the extent to which this category was difficult to define.

3.49   These findings reflect those of some earlier research and consultations on reasonable preference. This work suggested that the 'unsuitable housing conditions' category can be viewed as ambiguous by some social landlords[27].

Use in allocations and lettings systems

3.50   Some allocations and lettings systems viewed a wide array of housing needs related to medical need, social need and a variety of other factors as within this category. However, most of these systems operated by using several subcategories of housing need that were viewed as within this reasonable preference group. Allocations and lettings systems would, for example, have a procedure in place for defining a housing need linked to a health care need and for awarding priority or banding based on a specific set of procedures developed explicitly for that type of housing need. Another example would be a housing need linked to social need, such as an applicant household that was experiencing harassment from neighbouring households, where again, a specific set of definitions and systems for awarding priority would be in place.

3.51   What this amounted to was allocations and lettings systems breaking down the sets of housing need that fell within the broadly defined category of 'unsatisfactory housing conditions' into a series of more clearly defined

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[26] See Appendix 1.

[27] See *Social Housing Allocations Guide: An Analysis of Consultation Responses* (2011) www.scotland.gov.uk/Publications/2011/01/25144519/0 and *Tensions Between Allocations Policy and Practice* (2007), www.scotland.gov.uk/Publications/2007/10/17154243/0

housing needs. Thus the category of unsatisfactory housing conditions might have been broken down into a several specifically defined forms of housing need for which the allocations and lettings systems had specific procedures.

3.52 A few allocations and lettings systems did not follow this approach. These systems used this reasonable preference category as a way of processing a wide range of housing needs linked to health related and social factors. These systems processed applicant households on the basis that they were experiencing unsatisfactory housing conditions and awarded points or banding according to how severe the issue was seen to be.

3.53 In summary, the fieldwork indicated that allocations and lettings systems processed applicant households within the unsatisfactory housing conditions category one of two ways:

- Employing the category as a 'catch all' that encompassed a wide variety of housing need linked to health and social needs. Priority or banding would be awarded based on how the allocation system defined the severity of these forms of need.

- Employing a series of specific processes for housing need related to health care needs, disability and social needs such as harassment or risk of violence, with procedures governing how these needs were to be defined and what level of priority or banding should be assigned to households with each type of housing need.

3.54 Some allocations and lettings systems had a 'special circumstances' committee or panel that considered very unusual forms of housing need that it was difficult to process using the normal systems. Decisions to allocate or allow a bid for social housing under unusual sets of circumstances were seen by some respondents as also falling within this reasonable preference category.

3.55 It is difficult to be precise about the extent to which these approaches should be regarded as giving reasonable preference to applicant households within this category. It appeared to be the case that allocations and lettings systems tended to give extra priority or enhance the banding of applicant households whose housing need was linked to health and social factors. This might be seen as broad evidence that allocations and lettings systems were showing reasonable preference to applicant households that were in unsatisfactory housing conditions.

Data collection

3.56 Data collection on this category varied between allocations and lettings systems. Databases were, as noted, designed to serve each specific allocation system and to provide operational data. What this meant in practice was that because the allocations and lettings systems had varied responses to applicant households in the unsatisfactory housing category, the data

collected on this group also varied. In most cases, allocations and lettings systems did not explicitly recognise this category but did recognise various forms of housing need that were linked to health and social factors. The databases underpinning these systems often collected separate data on these various forms of housing need linked to health and social factors. In a few cases, allocations and lettings systems did record data on this reasonable preference category, but that data generally covered a widely defined group of applicant households with varied sets of housing need related to health and social factors. Again, the information collected in the allocations and lettings systems that employed this category was not necessarily consistent.

Homelessness

Interpretation

3.57   The (amended) 1987 Act defines a homeless person as someone who has no accommodation in the United Kingdom or elsewhere[28]. In addition, if someone has accommodation but cannot reasonably be expected to occupy it, they are also defined as homeless. This would include someone who has accommodation but:

- cannot secure entry to it;

- it is probable that occupation of it will lead to abuse;

- it is probable that occupation of it will lead to threats of abuse from someone who previously resided with him or her and who is likely to carry out the threats,

- it is a moveable structure, vehicle or vessel and there is no place where he or she is entitled or permitted to place and reside in it;

- it is overcrowded and may endanger the health of the occupants; or

- it is not permanent accommodation and the local authority has a duty to provide permanent accommodation. Permanent accommodation includes accommodation owned by him or her or in which he or she is a tenant with a secure or assured tenancy. It also includes a short Scottish Secure Tenancy where such a tenancy has resulted from previous anti-social behaviour or from any prospective tenant or resident being subject to an anti-social behaviour order.

3.58   Local authorities administer the homelessness legislation. Authorities owe a legal duty to homeless households who are within this group where their homelessness is not intentional and, where there is not a risk of violence or harassment, where someone has a local connection to the local authority area.

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[28] See *social housing allocations practice guide* www.scotland.gov.uk/allocations/ for full details.

3.59 At the time of writing, the duty of a local authority to provide accommodation depends on whether or not a homeless household is in a defined 'priority need' group. This aspect of the legislation is planned to be phased out next year[29]. RSLs are expected to take two roles in meeting the needs of homeless households. The first role lies in responding to what are termed 'Section 5' referrals from local authorities which enable a local authority to refer a homeless household to an RSL in its administrative area, with that RSL expected to house the homeless household unless there is a 'good reason' not to[30]. The second role is RSLs' own remit to address housing need in their areas of operation. This can include providing accommodation to homeless households that a local authority does not have a duty to accommodate.

3.60 Homelessness is unlike other reasonable preference categories. Social landlords have legally specified duties to homeless people that must be followed in addition to the legal requirement that they show reasonable preference to households who are homeless.

3.61 There was no evidence that this reasonable preference category was viewed as hard to define or as ambiguous. A few RSLs running their own housing lists reported that they were sometimes uncertain whether or not to regard a household that applied directly to them as in a situation that might constitute 'priority need', because that decision could only be taken by a local authority.

3.62 Overlaps with the other reasonable preference categories were noted by some respondents in respect of overcrowding or if an applicant household

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[29] 'Priority need' groups include a pregnant woman or a person with whom a pregnant woman resides or might reasonably be expected to reside; a person with whom dependent children reside or might reasonably be expected to reside; a person who is vulnerable as a result of old age; mental illness; personality disorder; learning disability; physical disability; chronic ill health; having suffered a miscarriage or undergone an abortion; having been discharged from a hospital, a prison or any part of the regular armed forces of the Crown; or other special reason; a person who is homeless or threatened with homelessness as a result of an emergency such as flood, fire or any other disaster; a person aged 16 or 17; a person aged 18 to 20 who by reason of the circumstances in which the person is living, the person runs the risk of sexual or financial exploitation or involvement in the serious misuse of alcohol, any drug or any volatile substance; a person aged 18 to 20 who, at the time when the person ceased to be of school age or at any subsequent time, was looked after by a local authority (in the care of a Social Work department) and the person is no longer being so looked after; a person who runs the risk of domestic abuse/violence; a person who, by reason of that person's religion, sexual orientation, race, colour or ethnic or national origin runs the risk of violence, or is, or is likely to be, the victim of a course of conduct amounting to harassment. See the *Code of Guidance on Homelessness* (2005) www.scotland.gov.uk/Publications/2005/05/31133334/33366 and also see *Towards 2012: Homelessness Support Project* (2008) www.scotland.gov.uk/Publications/2008/03/27152416/0

[30] See *Review of Section 5 of the Housing (Scotland) Act 2001* (2009) www.scotland.gov.uk/Publications/2009/04/16093411/0

was living below the tolerable standard. Some overlaps were noted between the unsatisfactory housing conditions category and the priority need categories within the homelessness legislation that would be phased out in 2012, for example, in relation to housing need that arose due to domestic violence or physical and mental health problems.

Use in allocations and lettings systems

3.63   Allocations and lettings systems tended to use the legislative definition of homelessness. In all instances, allocations and lettings systems automatically gave maximum priority or the highest available banding to a household that a local authority had found to be homeless and within a priority need group defined by the homelessness legislation. Other homeless households that were not in a priority need group would also be given some additional priority, but they would generally not receive the same degree of priority as households that were homeless and in priority need.

> *We have points if homeless applicants are a priority need case that's been accepted by the council, so we award a higher number of points for those cases. And for those who are no fixed abode, or non priority cases, or intentionally homeless families, or whatever, we again award a high number of points, but not as high as the statutorily homeless households.* RSL respondent.

3.64   There was strong evidence that reasonable preference was shown to homeless households across allocations and lettings systems. The expectation was that when the priority need requirements in the homelessness legislation are phased out in 2012 that all households found to be homeless by a local authority will receive the maximum priority or highest banding within allocations and lettings systems.

3.65   The question of whether the degree of preference shown towards homeless households, who were by definition in the most extreme form of housing need, influenced the capacity of social landlords to show reasonable preference to other groups was often raised by respondents. Opinions varied on the extent to which responding to homelessness had an effect on capacity to show reasonable preference to groups of households in other categories. Both the supply of social housing and the relative levels of homelessness acted as variables, with respondents in the areas with the highest levels of housing stress being most likely to report that there was a tension. Some respondents reported that the pressure to house homeless households could create local tensions, with media, local politicians and existing tenants viewing the social housing sector as 'only' housing people who were homeless and 'not recognising' other forms of housing need.

> *Only homeless applicants ever get re-housed from the general waiting   list   and   transfer   applicants   who   are*

overcrowded…occasionally someone with a whole stack of medical points, overcrowding, whatever, might come to the top of the waiting list, but the majority would be homeless. RSL respondent.

Homelessness is probably the biggest, the dominant category, and the only one where there is an additional duty. I mean we've got the reasonable preference categories, but within that set of categories, homeless people have, we have legal obligations towards them, that we don't have towards the other reasonable preference groups. So I think that changes the dynamics of the way we allocate and often changes public perceptions of the way we allocate as well, in a negative way. LA Respondent.

It's difficult, in terms of council lets over 60% of our lets go to people who are priority homeless. That's quite high. From time to time there will be a community or a political group questioning that…similarly high proportions of RSL stock go to homeless people. Managing that can be quite difficult. LA respondent.

3.66 This experience was not universal. Respondents working in some areas – including those with higher as well as lower relative levels of housing stress – did not take the view that homelessness predominated in social housing lets. Sometimes this was the result of a conscious policy to promote balance and ensure that reasonable preference was shown to other categories as well as to homelessness. In other cases, it appeared to result from homelessness being relatively less prevalent or the supply of social housing being relatively higher than in other areas. As the research was an overview of the operation of reasonable preference it was not possible to explore why this variation in the interaction between homelessness and the other reasonable preference categories arose in great detail, but it was the case that variation did exist and homelessness did not predominate in all allocations and lettings systems. There is statistical evidence (see Graphic 1.3, Chapter 1) that the proportion of available permanent social housing lets given to homeless households in priority need varies between local authority administrative areas.

I think we are achieving a balance. When Section Five referrals were first mooted and came on line I think the feeling was that we would be inundated and would never house someone who was not homeless again. But that has in fact not been the case. RSL respondent.

3.67 Sometimes the achievement of what some respondents viewed as a 'balance' in showing reasonable preference to all categories of housing need was not seen as a 'balance' from the perspective of other respondents. A few

respondents described the pattern of allocations as 'balanced' between homelessness and other forms of housing need, but when asked about the proportions of lets going to homeless households, they described a situation in which homelessness accounted for the great majority of social housing lets. What was seen as a 'balance' could sometimes mean that homelessness did not entirely dominate social housing allocation. For example, one respondent described a 'balanced' response as one in which 80% of available social rented lets went to people who were homeless or at risk of homelessness.

> *We didn't set a specific target, we tried to house everyone in highest priority within a year. Wanted to set realistic expectations…at the moment its 50% on general needs stock lets go to priority need homelessness, 30% on at risk* [of homelessness] *groups, the remainder to other groups.* LA respondent.

3.68   What represents a proper 'balance' in respect of the proportion of social housing lets made to homeless households is not a straightforward question and the guide to the allocation legislation[31] notes that it must be determined locally (see Chapter 1). If social landlords making more lets to applicant households in other reasonable preference categories in a context where homelessness is relatively high, questions would need to be asked about why the most acute form of housing need – the unique distress of being without accommodation – was not receiving more priority. Equally, if homelessness predominates in social housing lets and other forms of housing need are often not being addressed, questions arise about equity and about the extent to which reasonable preference is being shown to applicant households in other categories.

3.69   Perceptions could also vary between local authorities and RSLs. While RSLs could sometimes describe themselves as not being overwhelmed with homeless applicants, from the perception of local authorities this could sometimes be viewed as reflecting a 'reluctance' to accept Section 5 referrals. This issue has been investigated in depth by other research[32].

3.70   The capacity of social landlords to meet all the forms of housing need with which they are presented also needs to be taken into account. Supply of affordable housing varies between areas, but there are cities and rural areas where the supply of adequate and affordable social rented and private rented housing is low relative to the level of need for affordable housing. Social landlords are sometimes trying to produce a balanced response, trying to show reasonable preference to different forms of housing, in contexts in which

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[31] See *social housing allocations practice guide* for more details www.scotland.gov.uk/allocations/

[32] See *Review of Section 5 of the Housing (Scotland) Act 2001* (2009) www.scotland.gov.uk/Publications/2009/04/16093411/0

they could theoretically expend all their available lets on just one reasonable preference group, such as overcrowded or homeless households.

Data collection

3.71   Data collection on homelessness is extensive and detailed. Local authorities are required to deliver a statistical return on their duties under the homelessness legislation known as the HL1[33]. Allocations and lettings systems universally recorded whether a household was homeless and at the time of writing, whether or not that household had been found to be in priority need by a local authority. There is good quality and consistent data on the allocation of social housing to homeless households at local, regional and national level.

Responding to the needs of households in two or more reasonable preference categories

3.72   The research investigated the extent to which allocations and lettings systems encountered issues in determining how to prioritise households in two or more reasonable preference categories. An example would be a household that was living below the tolerable standard and which was also statutorily overcrowded. This was not reported to be an issue by any social landlord responding to the online survey or to the fieldwork. In practice, social landlords awarded priority and banding on the severity of housing need and a household in multiple reasonable preference categories would simply be given the maximum level of priority or placed in the highest band.

Secondary criteria and reasonable preference

3.73   The legislation requires that allocations and lettings systems for social housing show reasonable preference towards applicant households living below the tolerable standard, that are overcrowded, that are large families, living in unsatisfactory housing conditions or who are homeless. However, as noted in Chapter 1, allocations and lettings systems are allowed to take other 'secondary criteria' in account when assessing housing need, providing the use of these other criteria does not interfere with showing reasonable preference to the five groups specified in the legislation. These 'secondary criteria' are determined either by individual social landlords or by mutual consent between social landlords in situations where multiple social landlords use CHR or CBL arrangements.

3.74   The relationship between some secondary criteria and reasonable preference is ambiguous. One issue centres on what is encompassed by the reasonable preference category of unsatisfactory housing conditions. From the perspective of some respondents, there were in effect no 'secondary criteria'

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[33] See *Operation of the homeless persons legislation in Scotland: quarters ending 30 June and 30 September 2010* (March 2011) www.scotland.gov.uk/Publications/2011/03/07155415/0

within their allocations and lettings systems because reasonable preference was sufficiently broadly defined as to mean that almost any form of housing need could be classified as within the unsatisfactory housing conditions category. Other respondents tended to see secondary or additional categories of housing need as existing alongside reasonable preference rather than being within it. From their perspective, while some of the secondary criteria employed could be defined as within the unsatisfactory housing conditions category, other secondary criteria were less easy to encompass within reasonable preference and were distinct forms of housing need that existed outside the reasonable preference groups.

3.75 The research found a range of 'secondary criteria' being employed within allocations and lettings systems[34]:

- **Housing need linked to a longstanding illness or disability.** This was often seen by respondents as within the unsatisfactory housing conditions reasonable preference category but was often defined and administered as a discrete category of housing need.

- **Housing need linked to external harassment from neighbours.** Again, this was often seen by respondents as within the unsatisfactory housing conditions reasonable preference category but often defined and administered as a discrete category of housing need. This included experiencing anti-social behaviour, racism or homophobia.

- **Housing need linked to the risk of domestic violence.** Overlaps existed with the homelessness legislation and this was again sometimes regarded by respondents as within the unsatisfactory housing conditions category but often defined and administered as a discrete category of housing need.

- **Housing need linked to a need to reside in a specific area (local connection).** There were two aspects to this form of secondary criteria. The first aspect was the use of local lettings plans to attempt to promote local homes for local people in rural areas. The intent behind these policies was to promote economic growth and social cohesion in villages with high housing costs, essentially by creating conditions in which it was not necessary for young people to leave their villages in order to find affordable housing. Local lettings arrangements with this specific intent were seen as having a slightly tense relationship with reasonable preference by some respondents in rural areas. For example, it was thought that a social landlord could not prioritise the housing need of a local young person to sustain the social cohesion of a village over the needs of an overcrowded or homeless household and also demonstrate reasonable preference. The relationship of a second form of local connection/requirement to live in a particular area to reasonable preference was viewed differently by respondents. If an applicant

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[34] This list includes all the secondary criteria found by the research.

household needed to live in a specific area because of access to paid work, caring responsibilities, access to children living with a former partner, proximity to required medical treatment or other social or medical needs, this was seen as encompassed by the unsatisfactory housing conditions reasonable preference group.

- **Using allocation policy to promote 'balanced' communities in social housing.** The use of this secondary criteria centred on the concern to avoid what are sometimes called 'negative area effects' or 'workless places'. This refers to spatial concentrations of unemployed and benefit reliant households, which are seen as having negative socioeconomic consequences for the people living within an estate or neighbourhood in which they occur. Allocations policy can be used to attempt to counteract this effect by trying to encourage a social mix in an area, for example by ensuring that some new tenants are employed. Social landlords can also pursue this policy by developing mixed tenure housing that offers a mix of housing that is for sale at market rates, low cost home ownership, private rented and social rented housing[35]. Such policies were not viewed by respondents as entirely compatible with reasonable preference, as these secondary criteria were concerned with area cohesion and economic conditions, rather than simply on addressing housing need.

- **Under-occupation among existing social rented tenants.** This essentially resulted from attempts at effective housing management. Where a household with an existing social tenancy in a family sized home had become smaller and wanted to move, allocations and lettings systems gave priority to these households in order to free up family sized housing which tended to be a scare resource. Some social landlords encouraged older people and couples whose children who had left home who were living in family sized homes to move into smaller housing. This policy was viewed by respondents as facilitating fairer access to social housing and as thus directly promoting reasonable preference, but it was seen as good housing management, not as something encompassed within a reasonable preference category.

- **Time spent awaiting housing or in temporary accommodation**. Some allocations and lettings systems gave additional priority or enhanced the banding of an applicant household after that household had spent significant time waiting for housing. The amount of additional priority received was often small and not enough to give households that had experienced long waits for social housing a priority over a household that was within a reasonable preference group. Respondents reported the view that the legislation was clear that households awaiting housing for long periods should not receive priority over reasonable preference groups.
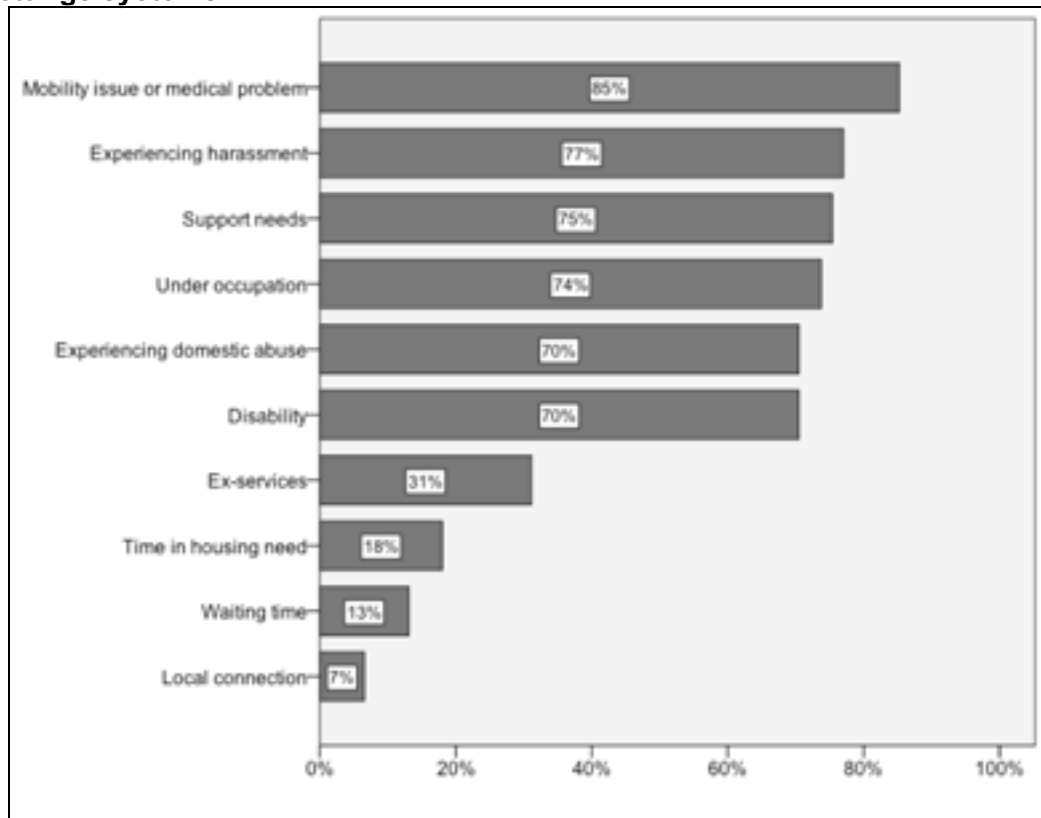
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[35] See Bretherton, J. and Pleace, N. (2011) 'A Difficult Mix: Issues in Achieving Socioeconomic Diversity in Deprived UK Neighbourhoods' *Urban Studies*
usj.sagepub.com/content/early/2011/03/08/0042098010396233.abstract

- **Additional priority for existing tenants seeking to move to another social rented property.** Respondents reported that this additional priority could take two forms. First, existing tenants could be given enhancements to their banding or priority simply because they were an existing tenant of a social landlord. Second, a social landlord could set aside a quota of its available social rented lets and make them exclusively available to existing tenants. There was some evidence that this practice had often come to an end where CHR/CBL arrangements were in place, as these allocations and lettings systems tended to treat existing tenants the same as new applicants. However, there was some evidence from the fieldwork that some RSLs were still following this practice. While there are some caveats about the representativeness of the results[36], 40% of social landlords responding to the online survey of social landlords conducted for this research reported there was 'no difference' in how existing tenants were treated, while the remainder reported differential treatment of existing tenants.

- **People with a history of military service.** This involved additional priority being given to ex-service personnel. Just under one third of the 61 social landlords responding to the online survey (31%, 19 social landlords) reported using this criteria, but it was very rarely mentioned during the fieldwork. In the view of the very small number of respondents who talked about this secondary category, health and social needs linked to housing that arose because of military service would place households in the unsatisfactory housing conditions reasonable preference category. However, a history of military service was not seen as constituting a housing need in and of itself.

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[36] See Appendix 1.

Graphic 3.1: Secondary criteria employed in social housing allocations and lettings systems

Mobility issue or medical problem — 85%
Experiencing harassment — 77%
Support needs — 75%
Under occupation — 74%
Experiencing domestic abuse — 70%
Disability — 70%
Ex-services — 31%
Time in housing need — 18%
Waiting time — 13%
Local connection — 7%

Source: Online survey.

3.76   Graphic 3.1 summarises the results of the online survey when social landlords were asked what 'secondary criteria' beyond the reasonable preference categories were employed the allocations and lettings systems they used. Table 3.1 summarises the broad relationships between the secondary criteria and reasonable preference. The table is an overview, rather than an attempt to pronounce on the fit between all the circumstances of households in the secondary criteria groups and the reasonable preference categories. As noted, housing need related to health and social issues appeared to fit well within reasonable preference, but the fit between some other secondary criteria and showing reasonable preference was less clear.

Table 3.1: Relationships between secondary criteria used in allocations and lettings systems and reasonable preference

Secondary criteria	Perceived relationship with reasonable preference according to respondents	Views of respondents as to whether within a reasonable preference category
Housing need linked to a longstanding illness or disability	Guidance and practice in social housing allocation place housing need linked to longstanding illness or disability as within unsatisfactory housing conditions.	Yes, widely regarded as within unsatisfactory housing conditions.
Housing need linked to external harassment from neighbours.	Guidance and practice in social housing allocation place housing need linked to harassment within unsatisfactory housing conditions.	Yes, widely regarded as within unsatisfactory housing conditions.
Housing need linked to the risk of domestic violence	Guidance and practice in social housing allocation place housing need linked to risk of domestic violence within unsatisfactory housing conditions.	Yes, widely regarded as within unsatisfactory housing conditions.
Housing need linked to a need to reside in a specific area	Local lettings plans are allowed for in the guidance, but this is sometimes seen as linked to wider social and economic policies rather than reflecting reasonable preference. Where a need to live in a specific area was for social or economic reasons then it was often viewed as encompassed by unsatisfactory housing conditions.	Partially, depending on interpretation and specific reasons for needing to live in a particular area.
Using allocation policy to promote 'balanced' communities in social housing.	Primarily an economic and social policy, but also has potential benefits for housing management. Not within reasonable preference.	No. Regarded as facilitating better housing outcomes, but questions arise about equity of allocation that systematically selects on the basis of economic status.
Under-occupation among existing social rented tenants	Not within reasonable preference.	No. But regarded as facilitating reasonable preference by promoting best management of stock and may free up family size homes for large families.

Time spent awaiting housing or in temporary accommodation	Not within reasonable preference.	No.
Additional priority for existing tenants seeking to move to another social rented property	Not within reasonable preference.	No.
Additional priority for ex services personnel	If specific housing needs arise due to social or medical reasons linked to military service this could be regarded as within unsatisfactory housing conditions.	Whether or not it was viewed as within reasonable preference might have depended on the extent to which housing needs arise for medical or social reasons linked to military service.

3.77   There was no evidence from the fieldwork that the use of secondary criteria within allocations and lettings systems impeded the delivery of reasonable preference. Social landlords were generally very conscious of the need to demonstrate that they were showing reasonable preference (see Chapter 4).

3.78   Where additional priority or enhancement to banding was given to applicant household based on secondary criteria, the amount given was always less than would be awarded to an applicant household that was in a reasonable preference category. There was no evidence of households not within reasonable preference groups ever having greater priority of access to social housing than households within reasonable preference groups.

Reasonable preference in the operation of allocations and lettings systems

3.79   The research showed strong evidence that allocations and lettings systems and social landlords were focused on delivering on reasonable preference. While social landlords did not view the 'large families' category as being something that could be made operational, there was strong evidence that they prioritised the needs of large families in housing need by ensuring exclusive access to whatever larger housing they had available. Households whose housing needs arose for health or social reasons were widely regarded as within the reasonable preference category of unsatisfactory housing conditions and given a high priority. Social landlords had often extended the definitions of what constituted poor housing conditions beyond the tolerable standard and were also often using a wider definition of what constituted

overcrowding than was contained in the legislation. Social landlords were not merely showing reasonable preference, they were also following what might be termed the spirit of the original legislation and moving beyond what it specified.

3.80 Three factors were identified by respondents as influencing the capacity of social landlords and allocations and lettings systems to show reasonable preference:

- Issues in defining large families and applicant households in unsatisfactory housing conditions. This was potentially an issue because if a category of housing need cannot be clearly defined it is then problematic to show reasonable preference to that category;

- Issues in matching the housing needs of some reasonable preference groups with the range of social housing that was available to an allocation system. Particular issues could exist in meeting the needs of some overcrowded households in areas that had an available stock that was mainly two bed-roomed properties;

- Variable pressures on social housing supply that resulted from relative levels of housing stress and the additional duties social landlords had towards homeless households.

4 VIEWS ON MODIFYING REASONABLE PREFERENCE

Introduction

4.1 This chapter explores the perspectives of respondents on the possible revision of reasonable preference. The chapter begins by looking at arguments for amending the existing reasonable preference categories and then moves on to explore respondents' views on whether additional categories of need might be added to reasonable preference. The chapter then considers respondents' views on the wider role of reasonable preference.

Amending the existing reasonable preference categories

Overcrowding and the tolerable standard

4.2 As was described in the last chapter, social landlords and allocations and lettings systems are often taking into account a wider range of housing needs related to poor housing conditions and overcrowding than are specified within the legislation. Some respondents thought that both the tolerable standard and the definitions of overcrowding were out of date and needed to be revised in order to better reflect how housing needs is currently understood.

4.3 As noted in Chapter 3, a few respondents were concerned that there was inconsistency in how allocations and lettings systems were defining and responding to poor housing conditions and overcrowding. There was thought to be a case for using a standard definition for these two categories to ensure that there was consistency and fairness between different areas.

> *…we have got a set of standards that depends on the age of the children that is not necessarily the same as* [area]*'s or anywhere else's. So it's confusing for applicants, we know what it is for us, but it may be different for another local authority or an RSL.* LA respondent.

4.4 Some arguments were being made in favour of looking at an extended, uniform, standard of what constitutes poor housing conditions and overcrowding. However, not all allocations and lettings systems operated on the basis of using more generous definitions. Some allocations and lettings systems still employed the tolerable standard to assess poor housing conditions and the room or space standards to assess overcrowding and this was linked to the supply of social housing in the areas these systems covered. It was the case that some social landlords were already operating on the basis that they sought to mitigate overcrowding among applicant households because they lacked the stock to actually bring it to an end (see Chapter 3). Respondents working in such circumstances did not view the extension of the tolerable standard or overcrowding definitions as practical.

Large families

4.5   As noted in Chapter 3, the large families category was viewed as difficult to define and as not representing a specific form of housing need. Respondents repeatedly said that being a 'large family' did not in, and of itself, represent a form of housing need and that applicant households in this group with legitimate housing needs were already catered for in allocations and lettings systems.

> *I can never even guess what large families means. I mean you could have a large family staying in a large mansion.*   RSL respondent.

4.6   Most respondents regarded the category as being of little use because it could not be adequately defined and thus could not be made operational. A few respondents argued that it should simply be abolished and only a very few spoke in defence of the category as being one that ensured that the needs of larger households were not neglected.

4.7   As noted in Chapter 3, social landlords had long been locked into processes that restricted access to larger social rented properties to larger families. This practice ensured that preferential access to larger stock was ensured for large families in housing need.

4.8   Opinions varied about the extent to which social landlords needed to make specific provision for large families experiencing forms of housing need such as overcrowding or homelessness. While several social landlords reported the need for more three and sometimes four bed-roomed properties, there was generally not thought to be a shortfall of social housing for large families with three or more children or which contained several generations. Some respondents took the view that housing need among larger families had fallen because of wider demographic changes that meant there were significantly fewer such households than had been the case thirty or forty years ago.

Unsatisfactory housing conditions

4.9   Opinions were divided on whether the unsatisfactory housing conditions category should be reformed or replaced. A few respondents viewed the category as nebulous which meant that it was unhelpful in prioritising acute housing need.   One criticism from these respondents was that the unsatisfactory housing conditions category was so vague that it gave social landlords what was in effect a capacity to justify almost any allocation decision.

> *I suppose unsatisfactory is the one that is the least helpful in terms of the definition and probably the one that any RSL can use to justify any assessment under their allocation policy. But*

certainly from our point of view we would not class unsatisfactory as the same as BTS. LA respondent.

It is ambiguous. Is that to do with housing condition? I mean what's unsuitable housing? That could be to do with medical, you know it's unsuitable for your medical needs. So you could actually attach lots of things to that. RSL respondent.

4.10   As noted in Chapter 2, most respondents took the view that this category served as an important 'catch all' that enabled social landlords to respond to housing need linked to social and health factors. For these respondents there were arguments against narrowing this category by making it more precise because the strength of unsatisfactory housing conditions as a category was the flexibility it enabled, allowing social landlords to interpret what constituted acute housing need linked to health and social needs within the reasonable preference system.

The problem with defining it more strictly, that definition has been used for thirty odd years and can still be used effectively. If you define it in a more strict and constrained way, you may end up with changing demographics or a changing profile of housing need that are not met by the definition. You could say it's so broad as to be meaningless, but I think that it is helpful in saying that unsatisfactory housing is important. Housing Rights Group Representative.

Certainly what we've got at the minute we can work with. In the sense that it's so vague, you know, unsatisfactory housing conditions. But what I would be against would be having that narrowed down, so it would exclude certain groups, at the moment it's broad enough that we can accommodate local needs factors. My concern would be if we went down the route of narrowing it down, saying these are the only categories, then you might keep some people out. LA respondent.

4.11   This was an aspect of reasonable preference where there was no agreement as to whether or not there was a case for reform. The majority of opinion appeared to rest on retaining the category as it was, as the breadth of what it could encompass was viewed as more an aid than a hindrance. However, some did view this category as ambiguous and as potentially creating the capacity for social landlords to make what might be quite arbitrary allocations decisions and as allowing inconsistency between allocations and lettings systems.

Homelessness

4.12 The reasonable preference category of homelessness was about to be extended through the planned removal of the priority need requirements in 2012. As noted in Chapter 3, it was anticipated that the high priority and banding given to homeless households in priority need would be extended to all households in 2012. Perhaps because a change to this category was imminent and planning was in place to accommodate that change, there was no real discussion among respondents about whether there was any case for changing how homelessness was defined.

4.13 A small number of respondents reported the view that national level changes to homelessness policy were likely to lead to changes in the level of homelessness in the medium term. The greater emphasis on the prevention policies and the Housing Options model was viewed by this group as likely to reduce the level of pressure on allocations and lettings systems from homeless households.

4.14 A few respondents reported the view that reasonable preference could reduce the potential impact of the forthcoming changes to the homelessness legislation. It was a minority opinion, but reasonable preference was sometimes viewed as a safeguard that would prevent allocations and lettings systems in some areas from becoming almost exclusively focused on homelessness.

> *I know there's been a concern about the proportion of lets that may have to go to homeless people and the duty to house homeless people who are not intentionally homeless is very strong. I am in two minds as to whether giving reasonable preference is necessary given that. But actually if you were taking the point of view that you were giving a high number of lets to homeless people, the reasonable preference thing might well come into play, to bolster your argument to say, 'we don't want to give an unreasonable proportion of lets to homeless people'…it could be a balancing factor.* Housing rights group representative.

Adding to the reasonable preference categories

Housing need related to health care needs

4.15 Some respondents thought there was a case for adding a reasonable preference category covering households who had a housing need related to a limiting illness, disability or other health problem. There was a view that medical need in and of itself did not constitute a housing need, i.e. that because someone was in poor health or disabled this should not mean they had any priority over other groups in housing need. Instead, priority should be given to people whose housing exacerbated the effects of a health care need

or disability, i.e. whose life was restricted or whose condition was worsened because they were within housing that was not suitable.

4.16 For other respondents, these forms of housing need were already catered for within the scope of the unsatisfactory housing conditions category. Some thought there might be case for clarifying that health and disability related housing need was within this category. Again there tended to be an emphasis on focusing on housing need that arose because of a health issue or disability.

> *It's about how the medical priority links into your housing need, rather than because you have a limiting illness, having reasonable preference…in a sense the unsatisfactory housing conditions deals with that quite well. Whether a tweaking of the wording or a subsection, would be helpful on that, open to persuasion. But I think the key thing is not that a medical condition by itself that gives priority, its how it links to your housing.* Housing rights organisation representative.

Affordability

4.17 Some respondents discussed the possibility of adding housing affordability to the reasonable preference categories. This essentially encompassed households who, while adequately housed, were spending so much of their available income on housing costs that they had insufficient resources to meet their other needs. Housing costs were much higher in some areas than in others and in some of these areas respondents took the view that an assessment based solely on the adequacy of housing was insufficient. This was because, from their perspective, rents and other housing costs could be so high relative to the available income of poorer households that those households were being impoverished by their housing costs.

4.18 This was not necessarily always an argument for the expansion of access to the social rented sector by adding an 'unaffordable housing' group to reasonable preference. Instead, it could sometimes be an argument against stipulations in the existing legislation that financial status should not be taken into account in relation to the assessment of reasonable preference[37] (see Chapter 1).

> *That does not get taken into consideration, I don't think, that someone could be spending a huge amount of their disposable income into private rented accommodation and they would prefer to come into the public realm.* RSL respondent.

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[37] See *social housing allocations practice guide* for more details www.scotland.gov.uk/allocations/

It [reasonable preference] *purely looks at housing need and yet financial need is becoming increasingly important. We have grave concerns in this authority that we need to look at this group now, because otherwise we are going to be excluding a very needy group, who may have moderate housing need but financially they are a growing need.* LA respondent.

4.19   It would be a radical reform of the reasonable preference system to introduce what in effect would be a means test for social housing (see Chapter 5). The possible inclusion of affordability as a reasonable preference category also raises questions about the role of reasonable preference in wider social and economic policy. Two other areas of possible reform, the inclusion of reasonable preference categories that relate to promotion of community sustainment and the avoidance of spatial concentrations of benefit reliant households are also relevant to this broader question and are considered below.

Sustaining and balancing communities (local lettings plans and local connection)

4.20   Community sustainability was identified by some respondents in more rural areas as being something that might be considered as a reasonable preference category. As was described in Chapter 3, this referred specifically to local lettings policies that were intended to retain social cohesion in villages and other localities by enabling young people to find affordable housing in their place of birth rather than having to move away. It could also relate to specific policies that were intended to redress imbalances in local population, for example to encourage families with young children into villages with an ageing population or to allocate housing to the groups of people from which local businesses needed to recruit.

4.21   As noted in Chapter 3, there were some tensions between a policy that was primarily social and economic in intention and the focus of reasonable preference on recognising and meeting the housing needs of individual households. This is a potentially contentious area that relates to the strategic policy links that can exist between housing, social and economic policy and the balance that needs to struck between local economic development, community sustainment and meeting the most acute housing needs in society.

There's always been a feeling, particularly in [area] *that - it is a difficult area - that there should be some ability for local people to remain in a local community because that's the lifeblood of that community, and there's a feeling that young people have to leave small communities because they can't get housing, so there's a relationship between housing and economic sustainability of small communities.* LA respondent.

4.22   A similar possibility for reform was raised in relation to the use of allocation policies to promote social and economic mix to prevent concentrations of benefit reliant households that are sometimes known as 'workless' neighbourhoods. While the exact impacts are disputed, it is widely regarded as detrimental to an area, and the people within it, if an area has a high spatial concentration of workless households[38]. A few respondents talked about modification of reasonable preference to allow allocation policies to take greater account of the social mix in neighbourhoods. Again, this related to fundamental questions about the role of social housing in relation to social and economic policy and the extent to which this could be reconciled with a focus on the most acute housing need.

> *That's something we are putting into the new allocations policy…a very dense site with a lot of smaller properties on it, so rather than have mostly like homeless unemployed people, to try and balance the community we're going to try to put a percentage in, so that people that are incoming workers will get priority to try to encourage them to come into the area and bring their disposable income with them.* RSL respondent.

Overall views on the case for reforming reasonable preference

4.23   As was evidenced in Chapter 2, there were a minority of respondents who thought there was little need for reasonable preference. These respondents took the view that social landlords and local authorities were best placed to assess the nature of housing need and provide the most appropriate response. They were more likely to view reasonable preference as a 'box that had to be ticked' and to varying degrees, as a constraint on developing an allocations policy and strategy that fully reflected local need.

> *If they scrapped the categories tomorrow, probably with the exception of homelessness, our policy wouldn't change…We've identified what we think to be housing need.* LA respondent.

4.24   A few respondents viewed reasonable preference as 'heavy handed' and as something that discouraged professional discretion. There was also sometimes a belief that the need to do what was perceived as 'demonstrating compliance' with reasonable preference to the Scottish Housing Regulator acted a brake on innovation in allocations policy.

4.25   A larger number of respondents were in favour of the retention of reasonable preference because it provided a guiding framework. This framework had two elements. The first was that reasonable preference helped to focus the

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[38] See Fletcher *et al* (2008) *Social housing and worklessness: Qualitative research findings* (DWP) research.dwp.gov.uk/asd/asd5/rports2007-2008/rrep521.pdf

attention of social landlords on the most acute forms of housing need. The second element was that reasonable preference created a degree of consistency in responses across social housing allocation that otherwise might not be present. Some respondents had a concern that if the reasonable preference system were removed, allocations and lettings systems would rapidly become inconsistent and access to social housing for some groups might become uneven.

> [if reasonable preference ceased to operate]…*everyone is an armchair expert on allocations, and that is exactly what would happen, you'd have fifty different opinions across all the different parties and you would not get anywhere.* LA respondent.

> *It has been around for so long and it's so much part of the psyche for local authorities, and it's now been around for sort of ten years for RSLs, that it is probably not actively referred to that much. But the fact that it's there has influenced how allocation policies go and I think if it was taken away it might well result in things we haven't expected.* Housing rights group representative.

Changes to reasonable preference

4.26 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. The findings were similar in respect of adding new categories for reasonable preference. Opinions differed as to whether an additional category was actually necessary for housing need related to health and social issues. Respondents drew attention to multiple roles that social landlords can have by highlighting what they perceived as tensions between meeting acute housing need and promoting community sustainability and social mix.

5   CONCLUSIONS

Introduction

5.1   This chapter reviews the evidence collected for the research and draws three broad conclusions. The first conclusion is that reasonable preference creates an operational framework that focuses the attention of social landlords on acute housing need. Drawing briefly on experience from other countries it is argued that it is not safe to assume that all social landlords would still operate according to this principle if the reasonable preference legislation were not in place. The second conclusion is that there are some arguments in favour for revising reasonable preference, both in the sense that some categories do not seem to fully reflect contemporary housing need and also that reasonable preference may in some instances be restricting the capacity of social landlords to help address issues around community sustainment and cohesion. However, it is also argued that any revision to reasonable preference needs to very carefully bear in mind the strengths that the existing system has derived from using flexible definitions of acute housing need. It is also argued that the role of social landlords in tackling social and economic problems has to be very carefully balanced against their core role in tackling acute housing need. The third conclusion is that improving national level data on allocations and lettings is difficult in a context where some reasonable preference categories are broadly and inconsistently defined between allocations and lettings systems.

Reasonable preference as a framework encouraging good practice

5.2   The balance of opinion from the fieldwork was that reasonable preference created a framework which focused the attention of social landlords on overcrowding, people living in housing that was in poor repair, homelessness and housing need linked to health and social issues. From the perspective of some respondents reasonable preference was not necessary because detailed assessments of housing need were something that were best conducted by social landlords and local authorities for themselves. For this group, reasonable preference was a 'tick box' that an allocation system had to checked against to ensure it was legal and not necessary or useful as a guide to what forms of housing need social housing should be addressing. But for a larger group of respondents reasonable preference provided guidelines that had shaped allocations and lettings systems and focused those systems on the most acute forms of housing need.   These respondents thought reasonable preference served a more significant role, creating a broad consistency in what social housing across the country did and helping to ensure that social landlords operated in a way that reinforced good practice across the sector.

5.3   An argument in favour of retaining reasonable preference suggests that it is necessary in that at least some social landlords would behave differently if it were not in place. This argument might be seen as unfair as it assumes at

least some social landlords would cease to follow good practice without reasonable preference as guidance. It might be countered that, as this research has clearly demonstrated, social landlords in Scotland often interpreted their responsibilities towards households in housing need in a more generous way than was required by the reasonable preference legislation.

5.4   The English reasonable preference legislation differs in the categories of need it identifies and applies only to local housing authorities, not to RSLs[39]. Research in England has found inconsistent responses to referrals of statutorily homeless households among RSLs in England in recent national level research. These inconsistencies were in part due to conflicting policy imperatives being placed on RSLs to both promote neighbourhoods without spatial concentrations of benefit reliant households, while those RSLs were at the same time being expected to house large numbers of benefit reliant households including many homeless people. However, other factors were also found to be important. Some housing associations were reluctant to house some groups of homeless people with health and social care needs because these groups were perceived as likely to cause housing management problems. Some housing associations were increasingly following a 'social enterprise' model and focusing their activities on providing homes for lower income households in paid work[40]. Research evidence from North West Europe also shows that that access to social housing can be uneven for homeless people for very similar reasons[41].

5.5   It is important to be clear that this is not an argument that the removal of reasonable preference would result in much of the social housing sector becoming less focused on acute housing needs than is currently the case. Many social landlords would continue to operate as they do at the time of writing, but the removal of reasonable preference would also create the possibility for some social landlords to move in new directions. It is arguable

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[39] Reasonable preference in England does not follow the same structure as in Scotland, it is more focused on statutorily homeless households and includes households with housing needs linked to medical conditions. RSLs are usually expected to participate in CBL and CHR schemes (or publish the reasons why they are not doing so) and CHR/CBL arrangements tend to be led by local housing authorities which will tend to refer to make some reference to English reasonable preference rules when designing those systems. While RSLs are not required to follow reasonable preference, RSLs will often be in allocation systems that follow the 'spirit' of reasonable preference, which means the regulatory framework for RSL allocations is best described as 'looser' than in Scotland. See: www.communities.gov.uk/documents/housing/pdf/1403131.pdf and www.tenantservicesauthority.org/upload/pdf/Regulatory_framework_f rom_2010.pdf

[40] See: *Tackling homelessness - Housing associations and local authorities working in partnership* (2007) The Housing Corporation www.york.ac.uk/inst/chp/publications/PDF/Tacklinghomelessnesspartnershipworking.pdf

[41] See: *Homelessness and Homeless Policies in Europe: Lessons from Research* (2010) Feantsa www.feantsa.org/files/freshstart/Consensus_Conference/Research/FEA%20020-10_EN_final.pdf

that greater diversity of roles within the social rented sector might be at least partially beneficial, in that there may be arguments in favour of having some RSLs that are, for example, primarily concerned with developing low cost home ownership and rented housing for lower income working households like keyworkers. It must also be noted that what happens elsewhere would not necessarily occur in Scotland if the reasonable preference legislation were removed. Reasonable preference has been a part of the fabric of social housing allocation for so long it might have a lasting cultural legacy, even if the law itself were removed or substantially altered.

Making the case for retention and reform

5.6   If the argument that reasonable preference creates a framework that promotes good practice is accepted, the question then arises as to whether it requires any modification. The research results suggest that there is some case for modification in two respects:

•   Amendment or alteration of the existing reasonable preference categories.

•   Including additional categories of housing need as reasonable preference groups.

5.7   The tolerable standard and to a lesser extent the room and space standards were quite often viewed as relatively narrow and as not reflecting all dimensions of housing need linked to poor repair and overcrowding. There was evidence of differences in how poor repair and overcrowding were treated by allocations and lettings systems. Some systems stuck to the statutory definitions, while other allocations and lettings systems effectively extended those definitions to varying degrees and in varied ways. While more priority would always be given to households that were living below the tolerable standard or who were statutorily overcrowded, priority for social housing was also influenced by whether or not an applicant household was within the broader definitions of housing need and overcrowding that were being used by some allocations and lettings systems.

5.8   There is a case for modifying the definitions of housing need arising from poor repair and from overcrowding that should be given reasonable preference. This is both because the existing definitions are viewed as too narrow by many in the social housing sector and because those definitions are, in effect, being extended in various ways.

5.9   However, there is also good reason for exercising caution and devoting time and effort to considering whether and in what ways the definitions of housing need related to poor repair and overcrowding might be best extended. The risk in introducing wider definitions than the tolerable standard, the room standard and the space standard within reasonable preference centres on the interrelationship between housing need and supply of social housing at local level. The level at which some allocations and lettings systems determined what constituted housing need linked to poor repair or overcrowding was

sometimes related to relative housing stress in an area. For example, the social landlords that had introduced a category of 'chronic' overcrowding which was described in Chapter 3 were also among the social landlords that were operating in a context in which housing stress was relatively high. It would be difficult to require social landlords to use more generous definitions than the tolerable standard, the room standard and the space standard in a context in which they had only a limited amount or range of social housing stock available.

5.10   It is clearly the case that the large families category is not very often employed in allocations and lettings systems. The reason for this is not because a 'large family' is something that is difficult to define - a household requiring five or more bedrooms is 'large' - it is because being a large family does not, in itself, constitute a form of housing need. A large family that is overcrowded, living below the tolerable standards, has housing needs linked to health or social reasons, or is homeless, is a large family in housing need. A large family that is not in those situations is not in housing need.

5.11   One response to the lack of utility in this category is simply to delete it from the legislation. As noted, allocations and lettings systems and social landlords limit access to their larger stock to large families by default and the possibility that larger social housing be used for smaller households is never considered. The secondary criteria that social landlords built into their allocations and lettings systems also often included prioritising existing tenants in situations of under occupation in order to free up family sized housing that was being underutilised.

5.12   Whether there should be any requirement to pay specific attention to the housing needs of large families is debatable. However, it was noteworthy that some social landlords viewed large families as a disappearing group because of demographic trends. There may be some case for ensuring that the housing needs of this shrinking group of households that might be in housing need is not discounted by allocations and lettings systems. The falling numbers of large families in housing need should not be confused with a reduced need for family sized housing, as many respondents reported shortfalls in social housing supply for households containing two children.

5.13   The debates about the utility of the 'unsatisfactory housing conditions' category have been discussed in some detail above. A minority thought the category too nebulous and as potentially open to being used to justify almost any allocation decision. On the other hand, a larger group reported the view that the flexibility of this category was its strength. Opinion was divided on whether or not a specific reasonable preference category focused on housing need that arose for health reasons was necessary or not, as many thought that this category already encompassed housing needs that arose for health reasons.

5.14   Again, while there may be a case for looking at the operation of this category there is also a need for caution. While there may be gains from revising this category and making it more precise, there are risks attendant from making it more narrow and less flexible, which might mean that some forms of acute housing need that are currently receiving reasonable preference may cease to do so.

5.15   Allocations and lettings systems and social landlords were in the process of preparing for the phasing out of priority need from the homelessness legislation.   No views were expressed on the possible revision of the homelessness category within reasonable preference.   As noted, it was anticipated that all households found homeless by a local authority would receive the highest priority or banding within allocations and lettings systems.

5.16   Households living in unaffordable housing may be an area into which reasonable preference could be extended, but there are important questions about how this might work in practice and about whether it is desirable. The first issue is that it would introduce what was in effect a means test for social housing and there are questions about where the levels could be set in a way that was fair. The second issue is that there are arguments about the extent to which the homelessness system already provides a safety net to households for whom owner occupation and private renting become unaffordable. Within this, there may be a question as to whether or not it is reasonable preference or the homelessness system that might be the best way to look at how to define and respond to households whose housing costs are placing them in a situation of poverty. The third issue is choice. Decisions would need to be made about when a household that had unaffordable housing costs had deliberately taken an informed decision to place itself in housing it could not afford and those situations in which unaffordable housing had been the only viable option. The fourth issue relates to the interaction between the Housing Benefit/Local Housing Allowance system and the provision of specific policies centred on affordability. Social security is still a reserved power at the time of writing and the interaction between reasonable preference being shown to households that were in 'unaffordable' housing and the wider social security policy would need careful development and management.

5.17   Whether or not reasonable preference might include local lettings plans designed to promote community viability and prosperity in villages in rural areas or the allocation of social housing with a view to promoting social and economic mix in 'workless' areas is a complex question. This essentially links to what social housing is for and how far its functions as the tenure that primarily exists to address acute housing need and homelessness can and should be balanced against the role it may take in addressing the social and economic problems of the people in some of the housing it manages.

5.18   There is no simple answer to this question. The relative priorities in the roles of social landlords should probably be a matter for local authorities, social

landlords and other concerned agencies, including the Scottish Housing Regulator, to determine. One point that is worth making here is that compromises may be possible, i.e. there may be special circumstances under which community sustainability and social and economic cohesion have to be prioritised in relation to the allocation of some social housing stock. The risk attendant in allowing such exceptions is that focusing the use of even just a proportion of available social housing stock on issues other than the most acute housing need means that there may be delays or other limits in the extent to which acute housing need is met. The role of other agencies in promoting social and economic cohesion and fostering community sustainment also has to be born in mind. There are arguments in favour of policy interventions that try to address issues like spatial concentration of worklessness through focusing assistance on these populations rather than attempting to disperse them. Issues around housing affordability relative to household incomes in villages can also relate to the economic development of those villages, i.e. if earning power and employment levels increased this would influence housing supply and relative affordability.

5.19 One limitation with the employed methodology was noted in Chapter 1, which was the absence of detailed consultation with applicant households and existing tenants within social housing. It is recommended that any possible review or revision of the operation of reasonable preference that may take place should include extensive consultation with applicant households and existing tenants in order to gather the views of people living in social housing.

Improving national level data on social housing allocations and lets

5.20 Improving data on the use of reasonable preference in allocations and lets is not straightforward. Many social landlords could generate information on the five reasonable preference categories but this would often involve extra administrative work. This is because the databases underpinning their allocations and lettings systems are designed to record the data that those systems collect in order to operate. Housing needs are recorded, responded to and processed in ways that, while they are broadly similar, are not directly comparable across allocations and lettings systems. For data collection on the use of reasonable preference in allocations and lettings systems to be improved, social landlords would have to complete a standardised return which defined how they were to classify applicant households. This would allow cross comparison between social landlords and give government and the Scottish Housing Regulator an overview of reasonable preference.

5.21 One concern with using such a statistical return would be that it might not reflect the full range of social landlords' activities. For example, if a social landlord was using a broader definition of overcrowding than the room or space standard, its additional work in meeting the needs of overcrowded households would not be properly represented in a statistical return that asked only about how many applicant households were overcrowded in terms of the room or space standard. This problem of not accurately representing

what a social landlord was doing would become more of a concern in a context in which any official centralised return on reasonable preference in allocations and lets used a narrower definition of unsatisfactory housing conditions than that employed by a landlord. The difficulty in collecting statistics that allowed social landlords to employ their own definitions would be that data from different allocations and lettings systems would not necessarily be directly comparable.

APPENDIX 1: RESEARCH METHODS

A.1   Table A1 shows the research methods employed for this research.

Table A1: Elements of the Reasonable Preference research

Element	Methodology	Key issues considered	Role in relation to the research as a whole
1	Rapid evidence assessment of all previous research on reasonable preference	Identify all issues around the interpretation and implementation of reasonable preference found by previous research.	Inform questionnaire design for subsequent stages. Test the extent to which previously identified issues remain current.
2	Analysis of secondary data on social housing allocations in Scotland to include SCORE, HL1 and APSR data.	Look at patterns of social housing allocation in Scotland. Look for variation in behaviour of social landlords in respect of allocation.	Understand wider context in which research is taking place.
3	Online survey of Scottish Social Landlords	Data on interpretation and operation of reasonable preference and how it influences allocation. Review of data held on Reasonable Preference.	Identify patterns of interpretation of and responses to reasonable preference. Inform selection of case study areas and topic guide design for elements 4 and 5.
4	Visits to five areas to conduct focus groups and telephone interviews with social landlords	Collect detailed qualitative data on how social landlords interpret and administer reasonable preference and information on how useful they feel the categories are and whether they remain fit for purpose.	Provide detailed and nuanced information on the interpretation of reasonable preference and the assessments of social landlords as to its value to social housing allocation.
5	Interviews with housing rights and tenant representative groups conducted as part of fieldwork in Edinburgh and Glasgow	Collect detailed qualitative data from agencies that act on behalf of individuals and households seeking to access social housing and their views and interpretation of the value of reasonable preference in enhancing access for groups in particular need of social housing.	Extend understanding of the operation of reasonable preference from the perspective of agencies acting as advocates for groups seeking to access social housing.

A.2   The responses to the online survey were less than anticipated and while the responding social landlords managed a significant proportion of the national total social rented housing stock (42%), only one third of all social landlords responded (Table A2). There was an underrepresentation of social landlords working in rural areas and also of smaller social landlords. The results of the

survey were therefore not necessarily representative of the views of social landlords in Scotland and are best viewed as indicative.

Table A2: Response rates to the online survey

Type of social landlord	National total	Of which responded to survey	As %	National self contained units	Of which managed by survey respondents	
Registered Social Landlords	163	54	33%	272,401	157,424	58%
Local authority housing services managing housing	26	7	27%	323,138	93,526	29%
All social landlords	189	61	32%	595,539	250,950	42%

* Sources: Scottish Housing Regulator, Scottish Government

A.3 In total, representatives of 28 social landlords took place in focus groups and telephone interviews conducted for the research. Some of the imbalances in the response to the online survey were addressed by concentrating effort on smaller social landlords and rural areas in these interviews. Focus groups with local authority and RSL representatives were held in Aberdeen, Edinburgh, Glasgow, Highland and Perth and Kinross.

A.4 Overall representation of the social rented sector in the research was reasonably strong. Respondents of 28 social landlords took part in the research via the telephone interviews and focus groups and a further 61 responded to the online survey. Collectively these responses represented 89 social landlords which was just under half (47%) of all the social landlords operating in Scotland.

A.5 Additional interviews were held with six representatives of housing rights organisations and representatives of social landlords in Scotland.

A.6 While there was extensive consultation with social landlords the research resources and timetable did not allow for direct consultation with applicant households and tenants of social landlords to gather their views. While there were a small number of interviews with tenants' representatives and tenants' rights groups, the absence of consultation with applicant households is a limitation with the methodology employed. As noted in Chapter 5, it is recommended that if any possible revision or modification of reasonable preference results from this research that extensive consultation occurs with social housing tenants and applicant households.

A.7 The interviews were recorded and analysed using thematic grid analysis. Respondents were guaranteed anonymity on four levels. The University

undertook to disclose no information that might possibly identify an individual, the organisation for which they worked or the area in which that organisation worked. In compliance with the Social Policy Association Guidelines and the Data Protection legislation, the University undertook to delete the recordings once the research was complete.

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