

Agenda Item	11
Report No	HP/24/26

The Highland Council

Committee: **Housing & Property**

Date: **12 August 2026**

Report Title: **Highland Housing Register – Review of Allocations Policy**

Report By: **Assistant Chief Executive – People**

1 Purpose/Executive Summary

- 1.1 On 15 May 2025, Council agreed that a review of the Highland Housing Register (HHR) Allocations Policy should be undertaken. The scope of the review was subsequently approved by Housing & Property Committee on 13 August 2025.

An officer review group was subsequently established, chaired by the Service Lead for Housing and Homelessness, with representation from all Registered Social Landlord partners within the Highland Housing Register.

- 1.2 The most recent review prior to this took place in March 2023. This was a comprehensive and robust exercise carried out by an external social housing research organisation, including policy modelling and detailed auditing. The review confirmed that the HHR Allocations Policy was compliant with current legislation and in April 2023 the following changes were approved and implemented:-

- Equal priority for homeless applicants and applicants threatened with homelessness;
- Reduced weighting for general private renting;
- Significant increase in priority for care leaver, carers and kinship carers, foster and adoptive households;
- Enhanced accessibility priority bands;
- Stronger weighting for unsuitable housing conditions; and
- Stronger targeting of highest need households.

- 1.3 The purpose of the current review was to ensure that the policy remains legislatively compliant, aligned with good practice, and continues to respond effectively to housing need and demand across Highland. The review was also to ensure that the policy continues to be applied consistently and remains fair and transparent.

- 1.4 It is recognised that an allocations policy alone cannot meet all levels of housing need and demand, but forms one part of a wider system addressing unmet need. Members will note the [Highland Housing Challenge Update to Council](#) on 14 May 2026, which considered ongoing initiatives to increase the supply of housing across all tenures across Highland.

2 Recommendations

Members are asked to:-

- i. **Note** the findings of the HHR Policy Review and the work undertaken to date;
- ii. **Note** that the review confirms the HHR Allocations Policy is in line with national legislation and guidance such as the Housing (Scotland) Act(s) 1987, 2001, 2014, 2025 and Social Housing Allocations Legal Framework: Statutory Guidance for Social Landlords;
- iii. **Agree** to enhancing the Rightsizing Scheme, including revised and enhanced incentives;
- iv. **Agree** that Accessible Housing provision is progressed as a separate, partnership-led workstream and will be reported back to this Committee; and
- v. **Note** that any future proposed policy changes will be subject to discussions with the HHR partnership group, must be legislatively compliant and will be subject to a full Integrated Impact Assessment.

3 Implications

- 3.1 **Resource** - There are no resource implications arising as a direct result of this report. The proposed changes as a result of the policy review can be delivered within existing resources.
- 3.2 **Legal** -. the review confirms the HHR Allocations Policy is in line with national legislation and guidance such as the Housing (Scotland) Act(s) 1987, 2001, 2014, 2025 and Social Housing Allocations Legal Framework: Statutory Guidance for Social Landlords.
- 3.3 **Risk** – the allocations policy must comply with a range of legislative duties, as detailed at 3.2. Any change to policy must be considered and assessed in light of these duties but also must ensure that the needs of key vulnerable groups, including those with protected characteristics, are taken into account.
- 3.4 **Health and Safety** (risks arising from changes to plant, equipment, process, or people)
- There are no implications arising as a direct result of this report.
- 3.5 **Gaelic** - There are no implications arising as a direct result of this report.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

- 4.3 An initial assessment has been undertaken to consider the potential impact of the policy review. As no substantive changes to the policy are proposed at this stage it has been determined that a full integrated impact assessment is not currently required. The current policy balances the needs of different groups and people with different needs e.g. those with disabilities, people experiencing domestic abuse, and ensures that allocations are based on need.
- 4.4 However, it is recognised that any future amendments, particularly any relating to prioritisation within the Allocations Policy, may have implications for specific groups and communities. In these circumstances a full integrated impact assessment will be undertaken.

5 Background

- 5.1 In May 2025, the Housing and Property Committee agreed that a review of the Highland Housing Register (HHR) Allocations Policy should be undertaken. A review group was subsequently established, chaired by the Service Lead for Housing and Homelessness, with representation from all Registered Social Landlord partners within the Highland Housing Register.
- 5.2 The most recent review prior to this took place in March 2023. The outcome of this review is detailed at section 1.2 above.
- 5.3 The purpose of the current review is to ensure that the policy remains legislatively compliant, aligned with good practice, and continues to respond effectively to housing need and demand across Highland. It is recognised that an allocations policy alone cannot meet all levels of housing need and demand, but forms one part of a wider system addressing unmet need. The review will also ensure that the policy continues to be applied consistently and remains fair and transparent.
- 5.4 The scope of the review was subsequently approved by Housing & Property Committee on 13 August 2025:-
1. Ensure the HHR Allocations Policy aligns with current legislation and anticipates future changes.
 2. Assess whether the existing policy consistently prioritises applicants with the greatest level of housing need.
 3. Evaluate whether the 'Need to Reside' points category supports community cohesion without compromising housing need prioritisation.
 4. Review the key worker definition to ensure it supports sustainable communities and aligns with the housing strategy.
 5. Restore the Operational Working Group to ensure consistency of application and sharing of best practice.
- 5.5 In order to progress the review, an officer review group was chaired by the Service Lead for Housing and Homelessness. This group included representation from all Registered Social Landlord partners within the Highland Housing Register. This paper reports on the conclusions from the review, which have been agreed by all HHR RSL partners.

6 Engagement

- 6.1 A housing options workshop was held with elected Members at the end of March 2026 to review the HHR Allocations Policy. In addition, housing officers attended all Area Business Meetings across Highland, presenting local data and information to gather Member views and identify any proposed changes to policy. The data shared included allocations and Need to Reside figures, applicant demographics, demand by property size and type, and demand for accessible housing.
- 6.2 Engagement has also taken place with partner organisations including NHS Highland, Police Scotland, business groups and Highland Council services with identified housing need including Education and Social Work.

This engagement has also linked with the emerging findings of the Housing Need and Demand Assessment which will be published in Summer 2026. This has included discussions not just on client and community needs but also concerns that public agencies and businesses have around the supply of housing to assist with recruitment and retention.

- 6.3 The review group has committed to expanding efforts to provide housing options advice, including several communications to raise awareness of housing options, housing rights and – where appropriate – how to apply for social housing in Highland.

From the agency discussions many views relate to the supply of private rented and owner-occupied housing in communities rather than specifically with the legislative and supply restrictions of an allocations policy which must be weighed heavily to prioritise housing need.

- 6.4 Tenants have been made aware of the review through the tenant newsletter. Formal engagement with tenants was scheduled towards the end of the process, to be based on any of the changes identified and proposed. However, given that no significant changes have been identified through the review process, it is not considered necessary to formally consult with tenants on the policy.

7 Actions and Key Findings

- 7.1 **1. Ensure the HHR Allocations Policy aligns with current legislation and anticipates future changes.**

Actions completed

- A short desk-based review was conducted to ensure that the policy continues to be legislatively compliant.
- Relevant sections of the Housing (Scotland) Act 2025 were reviewed.
- Legislative changes were identified and assessed.

Key Findings

The HHR Allocations Policy remains compliant with current legislation. A review of the relevant provisions within the Housing (Scotland) Act 2025 indicates that forthcoming legislative changes, including those relating to homelessness prevention and domestic abuse, will not fundamentally alter the operation of the Allocations Policy. A separate Domestic Abuse Policy is in place and aligns with the Allocations Policy.

While some legislative changes will impact tenancy agreements and the processing timescales for homelessness applications, these do not materially affect the Allocations Policy itself.

Next Steps

Policy documentation will be refreshed to ensure that terminology and language remain consistent with current statutory requirements. There are ongoing efforts to communicate any changes to applicants and ensure they are aware of their statutory housing, tenancy and homelessness.

7.2 2. Assess whether the policy consistently prioritises applicants with the greatest level of housing need.

Actions completed

An overview of the allocations information from all areas was looked at to determine which applicants were being allocated houses. This was combined with engagement with key stakeholders, including Members.

Key Findings

The evidence and data gathered demonstrate that housing is being allocated to applicants with the highest levels of housing need across Highland. While points thresholds vary between areas due to differences in demand, the overall data clearly shows that the policy prioritises those in greatest need. This includes applicants with homelessness priority, significant medical needs, or those assessed as being at risk. This is illustrated in the HHR Annual Allocations Report to this Committee, which provides the annual breakdown of allocated housing against identified housing need.

In addition, there is unanimous agreement among HHR partners that the policy effectively prioritises applicants with the highest level of housing need. It is recognised, however, that this does not mean all housing need in Highland is met. This was highlighted in engagement with Members, particularly around the needs of key workers within communities.

The purpose of any allocations policy is to prioritise and allocate a limited supply of housing to those in the greatest need, while ensuring the most effective use of available housing stock. In May 2026, the [Highland Housing Challenge Update](#) outlined the efforts to increase housing supply, including meeting the housing needs and expectations in the private rented sector, owner-occupied housing and increasing the provision of mid-market housing to support key workers, amongst others, within local communities.

7.3 3. Evaluate whether the ‘Need to Reside’ points category supports community cohesion without compromising housing need prioritisation.

An applicant is awarded 20 Need to Reside points for a lettings area if their existing main residence is within the area, if they are permanently employed, or have been offered permanent employment in the area.

Actions Completed

Each lettings area has been looked at individually to determine the ‘Need to Reside’ needs. This was combined with engagement with key stakeholders, including Members.

Key findings

It is important to note that Scottish legislation does not permit residency alone (for example, the length of time an applicant has lived in an area) to be used as a determining factor in housing allocation. However, councils may take account of “local connection” — such as living, working, or having family links in an area — either within their allocations policy or through local lettings plans.

Highland is currently the only local authority in Scotland that awards Need to Reside (NTR) points. Other local authorities in Scotland may take local connection into account but they do not award specific points.

NTR points cannot override housing need as specified in legislation. It is also important to note that current performance data indicates that applicants with the highest levels of housing need will, in most cases, also meet the NTR criteria.

The review found that allocations made in recent years confirm that housing is predominantly allocated to applicants who have both the greatest level of housing need and a connection to the area the property is in. In addition, feedback from Members, HHR partners and key stakeholders, highlighted the importance of the NTR criteria and points.

The review therefore concluded that the inclusion of NTR points within the Allocations Policy should be retained as it aims to support tenancy sustainment and community cohesion, while remaining compliant with legislative requirements.

Next Steps

Staff guidance has been refreshed and issued to all staff who manage housing applications.

7.4 4. Review the key worker definition to ensure it supports sustainable communities and aligns with the housing strategy.

Actions Completed

The definition of a keyworker is outlined in the Strategic Housing Investment Plan (2025–2030) and was re-assessed by the review group. This was informed by engagement with key stakeholders, including Members.

Key findings

The review concluded that the key-worker definition was correct and agreed it maintained flexibility for the differing needs across Highland and is adaptable for both current and future workforce needs.

In addition, during the engagement with members at recent Area Business Meetings, and in previous years, members have requested Local Lettings Initiatives (LLIs) be applied. Local Lettings Initiatives were discussed as part of the review, it is important to note that LLIs can only be implemented where there is clear and specific justification, and they must operate within strict legal and policy constraints. Importantly, the legislation specifies that they cannot override housing need.

Applications of Local Lettings Initiatives were considered as part of the review. It has been agreed that the option of LLIs should continue to be included within the allocations policy but only when LLIs have met the criteria set out in the legislation. Each request for an LLI must be determined on its own merits and with the evidence to support that it meets the criteria and would require to be reviewed and agreed by the HHR Partnership Group. To date, there have only been a small number of cases that have met the criteria.

Next Steps

A new question has been added to the HHR Application Form for partners to be able to extract key worker data. This has been completed and data is being collected.

Local Lettings Initiatives would continue to be an option, but each must be considered on its own merits and supported by evidence.

8 Further Findings

8.1 Although outwith the original scope of the review, a number of key additional areas were highlighted that could assist in enhancing and supporting the Allocations Policy.

8.2 Rightsizing

8.2.1 Rightsizing refers to supporting someone to move into a home that better matches their current housing need. This includes people who reside in a property which is too large for them or a property which is too small. This helps to meet individual housing need and helps HHR partners to make best use of the social housing stock.

8.2.2 Although there has been a Rightsizing Policy for a number of years, the review concluded that the policy requires updating with a particular focus on enhancing both financial and practical incentives for tenants who wish to downsize. It is anticipated that this could have a positive impact on allocations within Highland. The revised policy has now been developed, and HHR partners are proactively reviewing their housing stock and applying rightsizing principles and incentives.

8.2.3 Information about the updated scheme, along with promotional materials, will be issued to tenants in due course. The enhanced rightsizing approach will better reflect local housing pressures and support all partners in making the most effective use of available housing stock.

8.3 Accessible Housing

8.3.1 An Accessible Housing application is used to assess whether an applicant has a medical condition or disability that requires a home with specific features or adaptations. It enables the HHR partners to match individuals to properties that are suitable for their needs, ensuring they can live safely, comfortably, and independently. This has direct links to the housing adaptations policy and housing options approach.

8.3.2 Engagement undertaken as part of the review, including feedback from elected Members, highlighted the increasing level of need in this area and the important link with allocations. In addition, a motion agreed at Council in March 2026 commits the Council and partners to develop a Highland Accessible and Adaptable Housing Strategy.

- 8.3.3 In light of this, the review group recognised that the Accessible Housing application and assessment process requires review and updating to ensure it effectively meets the needs of applicants. Given this includes partnership working with NHS it was agreed that this should be progressed as a separate workstream and aligned to the development of the Accessible and Adaptable Housing Strategy.

8.4 Restructure of Operational Working Group

- 8.4.1 All partners agreed the officer Operational Working Group was required and should be restructured to ensure consistency of application and sharing of best practice. This restructure has been completed, and the Group has been meeting regularly to ensure consistency across the partnership and address any issues.

9 Impact Assessment & Partnership Working

- 9.1 An initial assessment has been undertaken to consider the potential impact of the policy review. As no substantive changes to the policy are proposed at this stage it has been determined that a full integrated impact assessment is not currently required.
- 9.2 However, it is recognised that any future amendments, particularly any relating to prioritisation within the Allocations Policy, may have implications for specific groups and communities. In these circumstances a full integrated impact assessment will be undertaken.
- 9.3 The Allocations Policy is a partnership policy governing the Highland Housing Register. The continued involvement of HHR partners will therefore remain essential in informing the review and shaping future proposals.

Designation:	Assistant Chief Executive - People
Date:	30 June 2026
Authors:	Debbie Delonnette, Service Lead Housing & Homelessness
Background Papers:	Scottish Government Guidance on Allocating Social Housing in Scotland (updated 2019)
Appendix 1:	Rightsizing Scheme – Guidance – (for staff)

Rightsizing Scheme – Guidance (for staff)

Purpose

The Rightsizing Scheme helps tenants move to a home that better suits their needs. It aims to:

- free up high-demand homes (including larger homes and accessible homes)
- support tenants who are under-occupying or overcrowded
- make best use of available housing stock across the partnership

Who can apply

Applicants must:

- be a Highland Housing Register (HHR) tenant with a Scottish Secure Tenancy
- have lived in their current home for at least 12 months (exceptions may apply)

They must also meet at least one of the following:

- have one or more spare bedrooms
- need more bedrooms
- live in an accessible/adapted home they do not need

Applicants must agree to move to a suitable HHR property.

Incentives

Payments are based on the size of the home they are moving from:

- £3,000 for 4+ bedroom homes and 1 bedroom homes
- £1,500 for 2 bedroom homes and 3 bedroom homes

Assisted move support

Up to £600 practical support may be available for vulnerable customers, which could include:

- removal costs (packing/unpacking)
- disconnecting/reconnecting appliances
- flooring for one room
- small decoration works
- mail redirection

Accessible homes

- Tenants living in adapted properties they no longer need will be supported to move.
- A discretionary £300 top-up may be approved.
- Legal action will only be considered as a last resort where a suitable offer is refused.

Application and process

1. Tenant applies to the scheme
2. Housing officer assesses eligibility and housing need
3. Property suitability and demand are checked
4. Home inspection is carried out (valid for 6 months)
5. If accepted applicant receives offers for up to 6 months (starting from the first offer) and can receive multiple offers

If no offer is accepted within 6 months, the tenant must reapply.

Payments

- Payment is confirmed before the move
- Payment is made after the tenancy transfer is complete

Rent arrears

Applicants may still qualify if:

- they have an agreed repayment plan
- there is no court decree

Deductions may be made:

- up to 25% (arrears up to £1,500)
- up to 50% (£1,500–£2,500)
- up to 75% (over £2,500)

Partnership working

- Cases can be discussed through the HHR working group where there are barriers to rehousing
- Focus should be on long-standing cases, high-demand stock release and accessible property turnover (where there is high demand)