

**REPORT TO: HOUSING, DUNDEE CONTRACT SERVICES AND  
ENVIRONMENT SERVICES COMMITTEE -- 9 MAY 2011**

**REPORT ON: LETTING POLICY – THE THREE OFFER RULE**

**REPORT BY: DIRECTOR OF HOUSING**

**REPORT NO.: 218-2011**

**1. PURPOSE OF REPORT**

- 1.1. The purpose of this report is to evaluate the impact of the three offer rule in the current letting policy.
- 1.2. The Department undertook to review the three offer rule after the letting policy had been in place for six months, following concerns expressed by the Scottish Housing Regulator that the rule was restrictive.

**2. RECOMMENDATIONS**

It is recommended that the Committee agree:

- 2.1. That the three offer rule is removed since the number of applicants whose application for housing is suspended under the rule is small and there is little evidence of its effectiveness.
- 2.2. That the effects of removal of the Three Offer Rule is evaluated after 12 months.

**3. FINANCIAL IMPLICATIONS**

- 3.1. There are no financial implications arising from this report.

**4. BACKGROUND**

- 4.1. In its inspection report, the Scottish Housing Regulator (SHR) suggested that the three offer rule restricted the choice of housing applicants. As a result we agreed to review this as part of the Improvement Plan. In January 2010, a report to the Housing Committee (No 18 - 2010) recommended review of the three offer rule after a full six months of data became available. The Letting System went live in April 2010. At that time it was unclear whether the three offer rule was having a significant impact.
- 4.2. The intention of the three offer rule was to cut down on time spent on the letting process by discouraging people from receiving and refusing multiple offers.
- 4.3. The current Letting Policy provides for all applicants to be given a maximum of three offers of suitable housing. When a third refusal has been received, applicants will remain on the waiting list but will be excluded from having further offers of housing made to them for a period of six months.

Applicants are given the opportunity to appeal against each offer of housing they receive if they feel that it has been unsuitable.

- 4.4. Automated letters are produced by the Letting System after each refusal. These keep applicants informed about the number of offers they have received, and the consequences of this and/or any subsequent refusal.
- 4.5. For applicants in the homeless group, an automated e-mail is created within the Letting System after a second refusal of suitable housing, and sent to the Homeless Services Unit for action. This is to ensure that such applicants are aware of their position regarding their next offer of housing. After a third refusal, homeless services officers make the final decision regarding whether or not an applicant loses their homeless priority.
- 4.6. Two important features of the current letting policy are the regular review of applicants' circumstances, and the gathering of specific detailed information about Council stock. This allows for much better matching of applicants to properties offered, and leads to fewer refusals.
- 4.7. Between 1 April 2010 and 30 November 2010, 4,531 current application reviews have been carried out. This amounts to 55% of the waiting list.
- 4.8. Overall offers per let averages out at 2.55 with performance being particularly good in the redevelopment and homeless groups where the number of offers per let is less than 2. During the same period in 2009 the average number of offers per let was 3.48.
- 4.9. The number of offers made between 1 April 2010 and 30 November 2010 using the new letting system is 2042.
- 4.10. The number of refusals from these offers is 1107.
- 4.11. The number of houses let between 1 April 2010 and 30 November 2010 using the new letting system is 798.
- 4.12. During the same period the number of applications which have been suspended under the three offer rule is 36.

## 5. **CONCLUSION**

- 5.1. The number of applicants who are regularly being suspended from receiving offers of housing is very small when compared to the total number of offers made.
- 5.2. Since the introduction of the new letting policy, the number of offers per let has reduced. It is suggested that this is due to better matching and more proactive reviews.
- 5.3. The three offer rule was brought forward from the old policy into the new. There is no clear evidence that the three offer rule significantly affects the reasons for refusal.
- 5.4. It is recommended that the three offer rule is removed since the number of applicants whose application for housing is suspended under the rule is small and there is little evidence of its effectiveness. It is also recommended that the effects of removal of the Three Offer Rule is evaluated after 12 months.

**6. POLICY IMPLICATIONS**

- 6.1. This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

**7. CONSULTATIONS**

- 7.1. The Chief Executive, Depute Chief Executive (Support Services), Director of Finance and all other Chief Officers have been consulted on this report. No concerns have been expressed.

**8. BACKGROUND PAPERS**

- 8.1. None.

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**APRIL 2011**