

COMMITTEE	Communities, Housing & Infrastructure
DATE	8 November 2017
REPORT TITLE	Smithfield Court Lettings Policy
REPORT NUMBER	CHI/17/258
INTERIM DIRECTOR	Bernadette Marjoram
REPORT AUTHOR	Martin Smith

1. PURPOSE OF REPORT:-

This report seeks Committee approval to expand the letting policy for Smithfield Court to permit allocations from the housing lists in addition to key worker allocations.

2. RECOMMENDATION(S)

It is recommended that the Committee:

Approve allocation of vacant flats at Smithfield Court to our existing transfer and waiting list applicants in addition to key workers.

3. BACKGROUND/MAIN ISSUES / OTHER HEADINGS AS APPROPRIATE

- 3.1 Smithfield Court is a multi-storey block which is located in the Middlefield area of the city. It comprises fifty seven one bedroom flats and one two bedroom flat and was once used for sheltered housing. The property was not in high demand as sheltered housing and on 18 March 2015, the Communities, Housing and Infrastructure Committee approved a recommendation to refurbish the block and use Smithfield Court for providing temporary accommodation for Key Workers.
- 3.2 For some time the City Council and other external organisation have had difficulties in recruiting and retaining certain “Key Worker” posts such as teachers, police officers and university staff. Lack of affordable housing was perceived as part of the problem. Subsequently our Services and two external agencies requested and were allocated flats in the building.
- 3.3 **The University of Aberdeen**

Although they have experienced some void periods in the first 12 months the University wish continue to rent their allocation of 10 one bedroom flats until the expiry of their existing lease on 31 July 2018.

3.4 Police Scotland

The Police did not let their full allocation of 10 one bedroom flats and the downturn in the housing market has exacerbated this situation and they subsequently declined to renew their lease.

3.5 Aberdeen City Council Internal Services

As part of recruitment advertising and procedures for relevant posts we have highlighted the availability of housing at Smithfield Court. However, this has not generated the tenancies that we had anticipated.

Currently there are currently 21 empty flats within the building and we don't expect to let these properties to key workers in the short term.

3.6 Alternative Options

Despite a concerted effort with various North East Alliance partners and external contractors, although there has been interest in the concept and the revised rental structure, there has been neither confirmation of genuine interest nor any offer of rental guarantee. NHS Grampian has agreed to include the option of 'Key Worker' housing as part of their recruitment exercise; however we have only seen minimal impact through this initiative.

Consideration has been given to converting properties to comply with the Amenity Housing standard, but these costs were considered prohibitive at £492,800. In addition, there is reasonable availability of amenity standard housing in other areas.

3.7 Proposal

It is proposed that in addition to letting to existing 'Key Worker's' we are also seeking approval to let to mainstream applicants.

There are advantages of progressing this option given the ease of implementation, the fact all properties are furnished and have a supply of white goods which would incentivise any prospective applicants. There is currently a shortage of one bedroom properties in the city and although there is currently no waiting list since the property was originally sheltered we could start by offering the flats to other applicants who have expressed an interest in living in the vicinity and the use the successful Choice Based Letting initiative, until a waiting list has been established. We could also allow any current tenants of our own services to convert their SSST tenancy to a secure tenancy, if they choose.

The local Housing Team will retain a flat within the building and the local Housing Officer will take full use of smarter working techniques to have

increased visibility and oversight in the building to monitor any transition to mainstream letting.

4. FINANCIAL IMPLICATIONS

- 4.1 We will increase rental income by implementing the recommendation in this report. Rent levels will be levied at a weekly charge of £69.83 for a one bed flat and £75.46 for a two bed with an additional £9.60 weekly heating charge. Any void rent loss is contained with 17-18 targets.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications resulting from the recommendations within this report.

6. MANAGEMENT OF RISK

- 6.1 Financial – Our current allocations policy is adversely impacting on rental income. This is considered low risk and is mitigated by implementing the recommendation we will maximise rental income.
- 6.2 Employee – No significant risk.
- 6.3 Customer/Citizen – A mix of tenures may increase the risk of antisocial behaviour in the building. This is considered low risk and mitigated against by applying a sensitive letting policy as well as the building having 24/7 CCTV coverage which is monitored by our control room.
- 6.4 Environmental – No significant risk.
- 6.5 Technological – No significant risk
- 6.6 Legal – No significant risk.
- 6.7 Reputational – No significant risk.

7. IMPACT SECTION

Economy

- 7.1 The provision of good quality affordable housing continues to be an important factor in encouraging people to live and work in Aberdeen city.

People

- 7.2 The addition of these additional units to our housing stock will result in an increased supply of affordable housing to help meet the housing needs of residents of the city.

Place

- 7.3 Increased supply of affordable housing contributes to the place making and Infrastructure of the city.

Technology7.4 Not applicable

8. BACKGROUND PAPERS

- 8.1 Short term housing for key workers – CHI – 18 March 2015

9. APPENDICES (if applicable)

- 9.1 Not applicable

10. REPORT AUTHOR DETAILS

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