

MUNICIPAL YEAR 2015/2016 REPORT NO.

REPORT OF:

Assistant Director of Community Housing
Services

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Subject: Enfield's outturn performance for lettings of general Needs Affordable and Social rented homes for 2014/15 including apportionment between housing groups on Enfield's Housing Register and 2015/16 lettings forecast

Wards: All

Key Decision: *KD 4225*

Cabinet Member consulted:

Cllr Ahmet Oykenen
Lead Member for Housing

1. Executive Summary

1.1 Allocations of vacant Council and housing association-owned homes in Enfield are made in accordance with:

(a) Enfield's current Allocations Scheme and

(b) Guidance on the apportionment of lettings to each housing demand group decided at the beginning of each year based on a forecast of the number of Council and housing association homes likely to become available for letting in Enfield.

1.2 Enfield's current Allocations Scheme states that:

- The Council will provide guidance annually on the number of households on its Housing Register to be housed from each Demand Group.
- The guidance will be recommended by a CHS Head of Service and ratified by the Lead Member for Housing.

1.3 This report sets out the performance against targets for 2014-15 general needs lettings and sets out the lettings targets for 2015-16 general needs lettings, together with the rationale for the targets proposed.

1.4 This report does not examine lettings to households on the Housing Register in Group 5 (needing level access, ground floor, mobility or wheelchair adapted homes) or Group 6 (needing homes for older people).

2. Recommendation

2.1 The outturn performance for lettings in 2014/15 in section 3.3 is note.

2.2 Request that the lettings targets proposed for Groups 1, 2, 3 and 4 in section 3.5 are agreed by the Lead Member for Housing.

2.3 Background

Allocations of vacant Council and housing association-owned home in Enfield are made in accordance with:

- a) Enfield's current Allocation Scheme, and
- b) Guidance on the apportionment of letting to each housing demand group decided at the beginning of the year based on a forecast of the number of Council and housing association homes likely to become available for letting in Enfield

Enfield's Current Allocation Scheme states that:

- The Council will provide guidance annually on the number of households on its Housing Register to be housed from each Demand Group.
- The guidance will be proposed by the CHS Head of Service and ratified by the Lead Member for Housing.

This report is concerned with letting of general needs homes to applicants in the following groups:

- **Group 1** – Council and housing association tenant applicants who need to move
- **Group 2** – Estate Regeneration tenants with Decant Status
- **Group 3** – Special Applications and Quotas
- **Group 4** – Households in accommodation provided by Enfield Council under the homelessness law

3. Lettings in 2014-15

3.1

Estimates of the number of general needs Council and housing association homes likely to become available for letting is informed by two factors: one is a percentage of existing Council and housing association homes becoming vacant based on past experience and the other is the number of new affordable and social rented homes expected to be handed over during the year. The supply of the latter comes from Enfield's housing association partners. The apportionment between different groups of housing applicants is based on Council priorities and applicants we must provide housing for, such as Enfield's young people leaving care or people living in Enfield's supported housing schemes who have been assessed as ready for independent living

The report covers:

- Performance against targets for 2014-15 lettings to general needs affordable and social rented homes to the above groups is examined
- Proposed lettings targets for 2015-16 general needs homes, together with the rationale for the targets.

3.2 Lettings targets for 2014/15

The supply of lettings forecasted during 2014/15 split by Council and housing associations is set out in the following table:

	Council-owned lettings	Housing association re-lets	New housing association homes	Total
Homes with 1 bedroom	244	43	15	302
Homes with 2 bedrooms	143	47	27	217
Homes with 3 or more bedrooms	97	18	32	147
Total number of homes	484	108	74	666

3.3 Lettings outturn for 2014/15

The out turn for general needs lettings is shown in the table below. 557 lettings were predicted compared with the actual number of 524 (33 less).

Group 1 Council and housing Association Tenants Requesting a Transfer

- There were 8 fewer lettings to Group 1 applicants than planned
More 1 bedroom homes were let to this group than planned

Group 2: Tenants of Enfield Council affected by Estate Renewal Schemes

- There were 43 fewer lettings to Group 2 than planned

Group 3: special Quotas and application

- There were 43 more lettings to Group 3 applicants than planned

Group 4 Applicants: Homeless households living in Enfield's emergency accommodation

- There were 25 less lettings to Group 4 applicants than planned. There were more 2 bedroom lettings than planned.

Allocations by Bedroom Sizes

There were variances in all 4 groups for lettings against bedroom sizes.

There were less 1 bedroom homes let to Group 4 than planned. Group 4 applicants received fewer homes with 3 or more bedrooms because Group 1 and 2 applicants were prioritised for them.

Applicant Category	1 Bed Homes		2 Bed Homes		Homes with 3+ bedrooms		Total	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Group 1 - Council and housing association Tenants (Transfers)	15	22	33	29	42	31	90	82
% of lettings to this group							16.2%	15.6%
Group 2 - Estate Regeneration Tenants with Decant Status	43	26	48	41	39	20	130	87
% of lettings to this group							23.3%	16.6%
Group 3 - Special Applications and quotas	105	139	11	18	4	6	120	163
% of lettings to this group							21.5%	31.1%
Group 4 - Households in accommodation provided by Enfield under the homelessness law	57	29	105	114	55	49	217	192
% of lettings to this group							39.0%	36.6%
Total	220		197	202	140		557*	524*
% of lettings	39.5%		35.4%	38.5%	25.1%		100%	100%

*Total number of lettings less Group 5 and Group 6 lettings

3.4 Reasons for variances in lettings against the forecast

Context

Most properties becoming available for letting are advertised through Home Connections, Enfield's Choice Based lettings website

Applicants in Group 1 and 2 are generally reluctant to give up existing Council tenancy terms in favour of housing association homes which are increasingly offered on fixed term tenancies and at a higher rent than similar Council-owned homes, particularly for new homes.

For Group 4 applicants, the level of rent is less of an issue as housing association fixed term tenancy rents are usually lower than rents charged in Enfield's temporary accommodation.

Group 1 Council and housing Association Tenants Requesting a Transfer

The lettings to Group 1 were close to the predicted forecast. Group 1 applicants do not generally bid on housing association properties for the reasons stated above. However, it appears that they were attracted to the housing association new build properties advertised during the year. Twenty six out of eighty two lettings to Group 1 were to housing association properties accounting for 32% of the total lets.

Group 2: Tenants of Enfield Council affected by Estate Renewal Schemes

The Council's estate regeneration plans are the top priority in Enfield's Allocations Scheme. Group 2 applicants (estate regeneration tenants) were prioritised for suitable Council-owned homes that became available for letting during the year.

The Housing Development and Estate Renewal Team were involved in setting the target at the start of the year. They work closely with all tenants to support them with a move. The team reported that Group 2 applicants are 'holding out' for the best quality homes that meet their needs. Where homes are advertised to Group 2 applicants there has been less take up. As a result the target of lettings to Group 2 were less than planned. Out of eighty seven lets to Group 2 only four were to housing association properties.

Group 3: special quotas and applications

Group 3 contains a wide range of special needs and quota group applicants including those leaving care, moving from supported housing schemes, emergency housing cases, armed services personnel and vulnerable single

homeless people. The increase demand in Group 3 was for 1 bedroom properties. There was an increase in demand to this group. There can be increases in demand which are not planned. As a result there was an under-estimate of lettings to this group. During the year there were 36 more one bedroom properties let to Group 3 than proposed.

Group 4 Applicants: Homeless households living in Enfield's emergency accommodation

During the year 54% of housing association owned homes or existing ones becoming available for letting again (relets) were let to Group 4.

Work is being done to increase the number of bids placed by Group 4 applicants assessed for one bedroom homes who are not bidding effectively for properties. Only twenty seven one bedroom households were moved from emergency accommodation to permanent housing out of proposed fifty nine lettings.

3.5 Proposed targets for lettings for 2015-16 of general needs affordable and social rented homes in Enfield

Estimated lettings of general needs homes for Groups 1, 2, 3 and 4 for 2015/16 are as follows:

	Council-owned lettings	Housing association re-lets	New housing association homes	Total
Homes with 1 bedroom	247	52	29	328
Homes with 2 bedrooms	141	47	47	225
Homes with 3 or more bedrooms	80	17	115	212
Total number of homes	468	116	191	775

The rationale for apportioning lettings between Groups 1, 2, 3 and 4 takes into account the following:

- The rules set out in Enfield's Allocations Scheme
- Other Council priorities

Enfield's Allocation Scheme states the following:

“Deciding how many homes will go to each Demand Groups”

Before the start of each financial year the Council will estimate the number of Council and housing association homes in Enfield likely to become available for letting in the coming 12 months.

Homes for older people will be allocated to applicants in Group 6.

Level access, ground floor, mobility and wheelchair adapted homes will be allocated to applicants in Group 5.

When sharing out the remaining Council and housing association homes:

- The Council will estimate the percentage of general needs homes required for Group 2 applicants who need to move under the Council's estate regeneration plans and the number of homes required for care leavers in Group 3. A percentage of homes will be allocated to these groups.
- The Council will give a percentage of the remaining homes to each group of applicants in Groups 1, 3, and 4.
- A maximum of 5% of relets will be put forward for Group 1 applicants under the Mayor of London's pan-London Mobility Scheme called "Housing Moves". A reciprocal arrangement is in place for this scheme.
- In 2015/16 the Government introduced Right to Move. Enfield is legally required to set aside 1% lettings to the scheme.

Other priorities

Many households in Group 4 (in accommodation provided by Enfield under the homelessness law) are affected by the Government's changes to welfare benefits, particularly households needing larger accommodation. Enfield can best assist these households by offering them cheaper Council- or housing association-owned homes. In addition, the costs to the Council of supporting these households would be reduced.

It is recommended

Group 1.

The number of proposed percentage of lettings to Group 1 is increased slightly.

Group 2

The number of proposed percentage of lettings to Group 2 is in line with the predicted number of required properties following consultation with the Housing Development and Estate renewal team.

Group 3

The number of proposed percentage of lettings to Group 3 is increased. This is mainly 1 bedroom need which is in line with the increase in demand last year.

Group 4

The percentage number of proposed lettings for larger properties is increased to enable households where a homeless duty has been accepted to move from emergency accommodation.

Proposal

It is proposed that the 659 expected lettings be apportioned between Groups 1-4 in the following way:

	Group 1 Council and housing Size of Homes Allocation (Council Homes)	Group 2 Private Homes with Special Status	Group 3 Special Appliances and Amenities	Group 4 Homes with Special Appliances and Amenities in Homes with low rent	Total
Homes with 1 Bedroom	33	29	130	50	242
Proposed % of lettings to this group	13.6%	12.0%	53.7%	20.7%	
Homes with 2 Bedrooms	38	36	18	123	216
Proposed % of lettings to this group	17.6%	17.1%	8.3%	56.9%	
Homes with 3 or more bedrooms	49	17	10	125	201
Proposed % of lettings to this group	24.3%	8.5%	5.0%	62.2%	
Total	120	83	158	298	659*
% apportionment across each group	18.2%	12.6%	24.0%	45.2%	

*Total number of lettings less Group 5 and Group 6 lettings

The above proposals for lettings takes into account Enfield's corporate priorities and essential commitments towards rehousing tenants from Enfield's estates being regenerated (Group 2 applicants), young people leaving Enfield's care and people leaving Enfield's supported housing schemes to live independently (both in Group 3).

Suitable Council owned homes will be identified for Group 2 applicants and where these are not taken up by this group, they will be offered to applications in Groups 1 and 4 in accordance with the proposed lettings forecast for 2015/2016.

Lettings during 2015/2016 will be monitored on a monthly basis. Any variances will be noted and adjustments made as soon as possible so that lettings targets are achieved as planned.

4. Alternative options considered

- 4.1 None. The lettings forecast is a planning tool for managing the predicted supply and demand for council and housing association homes in Enfield

5. Reasons for recommendations

- 5.1 Enfield's current Allocations Scheme states that:

- The Council will provide guidance annually on the number of households on its Housing Register to be housed from each Demand Group.
- The guidance will be recommended by a Head of Service in Community Housing Services and ratified by the Lead Member for Housing.

6. Comments of the Director of Finance, Resources and Customer Services and Other Departments

6.1 Financial Implications

This lettings forecast intends to offer Council or housing association homes to 248 applicants in Group 4, households in accommodation provided by Enfield under the homelessness law. A small number of these households are currently occupying expensive nightly paid accommodation. For Group 4 applicants who occupy nightly paid accommodation move to Council or housing association homes, an average annual saving to the Council of £4,340 per household occupying a two bedroom property would result. The budget pressure created by housing Group 4 applicants in nightly paid accommodation will be reduced as a consequence.

The allocation of Council and housing association homes to other housing groups will not have any further financial impact on the Council's budgets.

6.2 Legal Implications

Under the Housing Act 1996 Part 6 every local authority must have a housing allocation scheme for determining priorities and procedures for allocating housing accommodation. Local authorities have a statutory duty to give a 'reasonable preference' to certain groups of person who have a particular need to move i.e. a person who needs to move because of a medical reason or if they are homeless.

Enfield councils housing policy at page 14 says that the council will review its priorities annually and publish the information online. Page 14 also says that the council will report on the outcomes every year and publish the information on the council's website. Appendix 1 provides some of this information but only for 2012. Not having this information published is a potential breach of the scheme and the council is open to legal challenge.

Given the statutory duties outlined above the council by reference to its published scheme has agreed to keep its allocation outcomes under review and publish the information. What is therefore being proposed and recommended in this report is in accordance with the law and provided for in the allocations policy.

Enfield's Allocations Scheme provides guidance on the apportionment of lettings to each housing demand group and states that this will be decided at the beginning of each year based on a forecast of the number of Council and housing association homes likely to become available for letting in Enfield.

The statutory reasonable preference categories are all represented within Enfield's housing groups 1 to 4. This lettings forecast covers lettings to applicants in groups 1 to 4. It is therefore in conformity with Part 6 of the Housing Act 1996. The apportionment of predicted lettings set out in the forecast also conforms to the guidance set out in Enfield's Allocations Scheme.

6.3 Property Implications

None. All lettings of vacant Council and housing association homes will be made according to the rules set out in Enfield's Allocations Scheme.

7. KEY RISKS

- 7.1 Enfield Council may not be able to meet the targets set out in the lettings forecast and proposal set out in section 3.4 for reasons beyond its control. For example, expected lettings may not become available. Not meeting the target for housing applicants may have an impact for the Council. For example, not housing enough applicants in Group 2 may result in delays to the Council's estate regeneration programme.

The risk of not meeting the targets set out in section 3.4 will be mitigated substantially by monitoring lettings during 2015/6 on a monthly basis. Any variances will be noted and adjustments made as soon as possible so that lettings targets are achieved as planned.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

Having an annual lettings forecast contributes to one of the key objectives of Enfield's Allocations Scheme which is to enable everyone to understand how social rented housing in the borough is allocated. Outcomes from the 2015/16 lettings forecast will be monitored and published regularly.

8.2 Growth and Sustainability

The 2015/16 lettings forecast will enable the best use of social rented homes by:

- Addressing under occupation
- Assisting with the regeneration of Council-owned estates
- Supporting households back into work or to sustain existing jobs if they are living in homes with affordable rents

8.3 Strong Communities

The 2015/16 lettings forecast assists with:

- Addressing severe overcrowding in social rented homes in Enfield
- Regenerating Council-owned estates and neighbourhoods in Enfield
- Enabling homeless households currently in accommodation provided by Enfield under the homelessness law to access available Council and housing association homes

9. EQUALITIES IMPACT IMPLICATIONS

Enfield collects data on all the protected characteristics set out in the Equalities Act 2010 for many aspects of the Council's housing activities including lettings of Council and housing association homes. Analysis of the data is published in an annual Housing Equalities Report (AHER). The AHER contains an action plan to address and remedy any equality issues identified. The proposed apportionment

10. PERFORMANCE MANAGEMENT IMPLICATIONS

All lettings will be monitored on a monthly basis by housing Group and bedroom size to ensure that targets are likely to be met. Information will be published on the Council's website and Enfield Homes website about the applicants housed and the homes let.

11. HEALTH AND SAFETY IMPLICATIONS

11.1 Not applicable

12. HR IMPLICATIONS

12.1 Not applicable

13. PUBLIC HEALTH IMPLICATIONS

13.1 The 2015/16 lettings forecast will positively contribute to health and well-being in a number of ways including the mental and physical health of individual households who obtain a Council or housing association home and contribute to building socially cohesive neighbourhoods. Examples include:

- Prioritising existing tenants in social rented homes who are severely overcrowded through lacking 2 more bedrooms. Being severely overcrowded can impact on the educational outcomes for children in these situations if they do not have a quiet place to study and can also have implications for the mental health of some people.
- Giving priority to housing applicants who are working. Being employed or engaged in training or volunteering has positive effects on a person's mental health and well-being and raises aspirations. It is particularly important to encourage young people into work or training to boost their self-esteem. The lettings forecast will give priority to young people leaving Enfield's care who are working and also people moving from supported housing to independent living who are working. A limited number of working adult children of existing Council tenants are catered for within the 2015/16 lettings forecast. Working age under-occupying social rented tenants and households in accommodation provided by Enfield under the homelessness law will also be prioritised for a move to cheaper Council or housing association homes.
- Prioritising the moves of tenants on estates that are going to be rebuilt to more suitable and better quality homes will significantly improve the well-being of the households involved.

Background papers