

**MUNICIPAL YEAR 2017/2018 REPORT NO.**

**REPORT OF: Assistant Director of Assessments, Gateway and Library Services**

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**Subject: Enfield's outturn performance for Housing Allocations 2016/17 and Enfield's Lettings forecast and Plan for 2017/18**

**Wards: All**

**Non-Key Decision**

**Cabinet Member consulted:**

**Cllr Ahmet Oykener  
Cabinet Member for Housing and Housing Regeneration**

## 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 outcomes for lettings in 2016/17 and the lettings plan for 2017/18.

## 2. Recommendation

2.1 The outturn performance for lettings in 2016/17 in section 3.3 is agreed

2.2 The lettings targets proposed for Groups 1, 2, 3 and 4 in section 3.5 are agreed.

### 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 Demand Group is 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

- 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 and Housing Regeneration.

This report is concerned with lettings to applicants in the following Demand Groups:

- **Group 1** – Council and housing association tenants 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
- **Group 5** – Mobility applicants
- **Group 6** – Older applicants

### **3.1 Lettings in 2016-17**

Estimates for the number of general needs Council and housing association homes likely to become available for letting is informed by two main factors:

- The percentage of existing Council and housing association homes becoming vacant based on past experience
- The number of new affordable and social rented homes expected to be handed over during the year. New supply mainly comes from Enfield's housing association partners.

The apportionment between different groups of housing applicants is based on Council priorities set out in the Allocations Scheme.

#### **The report covers:**

- Performance against targets for 2016/17 lettings to general needs affordable and social rented homes
- Proposed lettings targets for 2017/18 general needs homes, together with a rationale for the proposed targets.
- Outcomes of lettings for 2016/2017 for Group 5 - Mobility applicants and Group 6 – Older applicants.

### **3.2 Lettings targets for 2016/17**

The supply of lettings forecasted during 2016/17 split by Council and housing associations is set out in the following table:

|                              | Council owned re-lets | Housing association re-lets | New build homes | Total |
|------------------------------|-----------------------|-----------------------------|-----------------|-------|
| <b>Total number of homes</b> | 407                   | 100                         | 119             | 626*  |

\* this includes sheltered housing and disability adapted homes

### 3.3 Lettings outturn for 2016/17

The outturn for general needs lettings is shown in the table below. 526 lettings were predicted compared with the actual number of 456 (70 less).

| Applicant Category                              | Group 1 |        | Group 2 |        | Group 3 |        | Group 4 |        | Total  |        |
|---|---------|--------|---------|--------|---------|--------|---------|--------|--------|--------|
|   | Target  | Actual | Target  | Actual | Target  | Actual | Target  | Actual | Target | Actual |
| <b>Homes with 1 Bedroom</b>                     | 29      | 21     | 10      | 22     | 116     | 122    | 39      | 16     | 194    | 181    |
| <i>% of lettings to this group</i>              | 15%     | 12%    | 5%      | 12%    | 60%     | 67%    | 20%     | 9%     | 100%   | 100%   |
| <b>Homes with 2 Bedrooms</b>                    | 29      | 45     | 30      | 21     | 14      | 8      | 101     | 86     | 174    | 160    |
| <i>% of lettings to this group</i>              | 17%     | 28%    | 17%     | 13%    | 8%      | 5%     | 58%     | 54%    | 100%   | 100%   |
| <b>Homes with 3+ Bedrooms</b>                   | 32      | 27     | 20      | 20     | 11      | 7      | 95      | 61     | 158    | 115    |
| <i>% of lettings to this group</i>              | 20%     | 24%    | 13%     | 17%    | 7%      | 6%     | 60%     | 53%    | 100%   | 100%   |
| <b>Total</b>                                    | 90      | 93     | 60      | 63     | 141     | 137    | 235     | 163    | 526    | 456    |
| <i>% apportionment across each demand group</i> | 17%     | 20%    | 11%     | 14%    | 27%     | 29.5%  | 45%     | 36.5%  | 100%   | 100%   |

The outturns of lettings for Group 5 and 6 are as below:

|                      | 1<br>beds | 2<br>beds | 3<br>beds | Total |
|----------------------|-----------|-----------|-----------|-------|
| Group 5<br>Mobility  | 8         | 5         | 5         | 18    |
| Group 6<br>Sheltered | 70        | 7         |           | 77    |

Group 1 Council and housing Association Tenants Requesting a Transfer

- Overall there were 3 more lettings to Group 1 applicants than planned.
- There were more 2 bedroom homes let and less 1 and 3 bedroom homes let.

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

- There were 3 more lettings to Group 2 than planned

Group 3: special Quotas and application

- Overall there were 4 fewer lettings to Group 3 applicants than planned.
- There were 6 more 1 beds but less 2 and 3 bedroom properties let.

Group 4 Applicants: Homeless households living in Enfield's Emergency Accommodation

- There were 72 fewer lettings to Group 4 applicants than planned across all bedroom sizes.

### **3.4 Reasons for variances in lettings against the forecast**

General Comments

Overall 70 less properties became available for letting than was forecast. 119 new builds were forecast by the Regeneration Team but of these 80 were let due to delayed completion dates.

Most properties becoming available for letting are advertised through Home Connections, Enfield's Choice Based Lettings System. When advertising properties, preference is given to a particular Demand Group and outcomes

depend on applicants in those Demand Groups placing bids.

Applicants in Group 1 and 2 are generally reluctant to give up their existing Council Secure tenancy 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.

#### Group 1 Council and housing Association Tenants Requesting a Transfer

The lettings to Group 1 were close to the predicted forecast for total lettings. The figure for one bedroom lettings was lower than in the forecast. Applicants in this group are less likely to bid for 1bed RSL properties, high rise and have a location preference.

The figure for the 2-bedroom lettings was higher than the forecast. The main reason for this is that Group 1 applicants are more willing to bid for the high-rise properties or RSL properties that provide an opportunity to move out into larger homes.

#### 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 forecast their need for properties at the start of the year. They work closely with all tenants to support them with a move.

#### Group 3: Special Quotas and Applications

This group 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.

Housing pathways are in place to address housing need and there was an increase in demand for 1 bedroom properties in Group 3 resulting in more allocation of 1 bedroom properties to this group.

#### Group 4: Applicants: Homeless households living in Enfield's Emergency Accommodation

Less properties were allocated to this group than forecasted.

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. However, there is evidence that Group 4 applicants who made their homelessness applications prior to the introduction of the Localism Act 2012 are less likely to bid on housing association properties with affordable rents and want low rise Council properties which are in short supply. Group 4 applicants living in houses are less likely to bid for high rise properties.

Work is underway to support Group 4 applicants to place more bids and Direct Offers will be made in accordance with the Allocations Scheme to improve allocations to this group.

### **3.5 Proposed targets for lettings for 2017/18 of general needs affordable and social rented homes in Enfield**

The number of lettings of general needs homes forecasted for Groups 1, 2, 3 and 4 for 2017/18 is set out below:

|   | Council owned re-lets | Housing association re-lets | New build homes | Total      |
|---|-----------------------|-----------------------------|-----------------|------------|
| <b>Forecast No. Homes for letting 2017/18</b> | <b>319</b>            | <b>67</b>                   | <b>135</b>      | <b>521</b> |

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 Group**

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.

### **Approach taken to developing the 17/18 Lettings Forecast**

A Multi-Agency Housing Allocations Steering Group has informed development of the Lettings Forecast and Plan. It will review letting outcomes on a quarterly basis.

Members of the group include Council Housing Services, Estate Regeneration and Development Services, Assessments & Allocations Services, Adult Social Care, Mental Health Services, Leaving Care Services, Corporate Strategy, Legal Services, Data Management and Performance Teams.

### Proposal

521 properties are expected to become available for letting and these will be apportioned to the Demand Groups as set out in the table below:



|  | <b>Group 1</b>  | <b>Group 2</b>  | <b>Group 3</b>                         | <b>Group 4</b>  |              |
|--|---|---|--|---|--------------|
|  | <b>Tenants living Council and Housing Association Homes</b> | <b>Estate Regeneration Tenants with Decant Status</b> | <b>Special Applications and Quotas</b> | <b>Households in Accommodation provided by Enfield under the homelessness Law</b> | <b>Total</b> |
| Homes with 1 Bedroom                     | <b>28</b>   | <b>15</b>   | <b>137</b>                             | <b>29</b>   | <b>209</b>   |
| Proposed % of lettings to this group     | 15%   | 5%  | 60%                                    | 20%   |              |
| Homes with 2 Bedrooms                    | <b>34</b>   | <b>15</b>   | <b>9</b>                               | <b>131</b>  | <b>189</b>   |
| Proposed % of lettings to this group     | 18%   | 8%  | 5 %                                    | 69%   |              |
| Homes with 3 or more bedrooms            | <b>30</b>   | <b>10</b>   | <b>11</b>                              | <b>72</b>   | <b>123</b>   |
| Proposed % of lettings to this group     | 24.4%   | 8.1%  | 9%                                     | 58.5%   |              |
| <b>Total</b>                             | <b><u>92</u></b>  | <b><u>40</u></b>                                      | <b><u>157</u></b>                      | <b><u>232</u></b>   | <b>*521</b>  |
| % apportionment across each Demand Group | <b>17.6%</b>  | <b>7.7%</b>   | <b>30.1%</b>                           | <b>44.5%</b>  | <b>100%</b>  |

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

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

Group 6: Specialist homes for older people will be allocated to applicants in this group.

#### 4. **Alternative options considered**

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

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

The allocations scheme intends to create moves to social housing for 232 applicants who are currently occupying nightly paid accommodation. This will result in annual cost avoidance to the Council of £2,550 per household, totalling £591,600 and will help mitigate the budget pressure created by housing tenants in the highly expensive nightly paid accommodation.

Other allocations will not have any further financial impact on the Council's budgets

### 6.2 Legal Implications

The Housing Act 1996 requires every local authority to have a housing allocation scheme for determining priorities and procedures for allocating housing accommodation. Each aspect of the scheme, including how the council will ration its housing must explained in the scheme. The council can only allocate accommodation in accordance with its scheme.

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 rationing of housing accommodation within the various demand groups is detailed in the council's annual lettings plan and forms a key part of the scheme. The information in the lettings plan is important because it gives an applicant an idea of their chances of being allocated housing. Because this information forms part of the scheme and it has not been updated since 2015/16, the council is in breach of its allocation scheme.

**There is a high risk of legal action if the council does not publish a lettings plan for this year.** The 2015/16 lettings plan was published following drawn judicial review proceedings. The council is currently under threat of judicial review from two housing applicants regarding the non-publication of the lettings plan for

this year. The council has so far been able to hold the challenges at bay on the basis that we have assured the respective solicitors that a lettings plan will be published by the end of July 2017. Given this background, there are likely to be further challenges and court proceedings if the lettings plan is not published by the end of July 2017.

### 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.

### 6.4 **RISKS**

**Enfield Council may not be able to meet the targets set out in the lettings forecast and proposal set out in section 3.5 for reasons beyond its control. For example, a particular Demand Group may not place bids through the Choice Based lettings system and the expected number of properties 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 targets will be mitigated substantially by regularly monitoring of lettings, reviewing variances and taking timely corrective action. Outcomes will be reported to a Housing Allocations Steering Group quarterly

## 7. **IMPACT ON COUNCIL PRIORITIES**

### 7.1 **Fairness for All**

Having an annual letting 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 2017/18 lettings forecast will be monitored and published regularly.

### 7.2 **Growth and Sustainability**

The 2016/17 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

### 7.3 **Strong Communities**

The 2017/18 Lettings Forecast assists with:

- Regenerating Council-owned estates and neighbourhoods in Enfield
- Addressing severe overcrowding in social rented homes in Enfield

- Preventing and addressing homelessness

#### **8. 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.

#### **9. PERFORMANCE MANAGEMENT IMPLICATIONS**

Lettings will be regularly monitored by the Assessments and Allocations Team. Outcomes will be reported to the Housing Allocations Steering Group monthly. Information will be published on the Council's website about the applicants housed and the homes let.

#### **10. HEALTH AND SAFETY IMPLICATIONS**

Not applicable

#### **11. HR IMPLICATIONS**

Not applicable

#### **12. PUBLIC HEALTH IMPLICATIONS**

The 2017/18 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. 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**

#### **Enfield's Allocations Scheme**

