

To: City Executive Board

Date: 9th March 2011

Item No: **12**

Report of: Head of Service, Community Housing & Community Development

Title of Report: Annual Lettings Plan – Allocations Percentages 2011/12

Summary and Recommendations

Purpose of report: To recommend the approval of the proposed percentage targets for the allocation of social housing in 2011/12.

Key decision? No

Executive lead member: Councillor Joe McManners

Policy Framework:

Corporate Plan strategic priority of “More housing, better housing for all” through “reducing the use of temporary accommodation for the homeless below 75 households by March 2013”

Recommendation(s):

- 1. Note the performance against the Lettings Plan in Appendix 1 for 2010/11 (April – December)**
- 2. Recommend the proposed Annual Lettings Plan in Appendix 2 for 2011/12 for approval by Full Council**

Appendices to report:

Appendix 1: Community Housing – Allocation Percentages & Performance April to December 2010

Appendix 2: Proposed Lettings Plan for 2011/12

Appendix 3: A *guide* of the Housing Need Priority Bands

Appendix 4: Risks reviewed

Introduction & background

13. **The Annual Lettings Plan** is designed to set allocation percentages, which are targets, set by the Council, to determine the proportion of social housing offered to different lists within The Council's Housing Register. The current Lettings Plan was agreed on 31/3/2010, and the targets are shown in Appendix 1 (including performance up to the 31/12/10).
13. The performance against the annual lettings plan is monitored each month by the Allocations Manager. These figures are reported quarterly to the Communities and Partnership Scrutiny Committee with an explanation of any variance from expected performance.
13. Factors taken into account in setting the targets for the Annual Lettings Plan for 2011/12 include:

Supply:

- The number of properties that are expected to become available to let during the year (consisting of re-lets and new build properties)
- The proportion of properties expected to become available to let for single-applicants and couples, including designated elderly and sheltered accommodation
- The proportion of two-bedroom, three-bedroom and four-bedroom properties or larger that are expected to become available to let

Demand:

- The number of applicants in assessed housing need on each Housing List waiting for one-bed, two-bed, three-bed and four-bedroom properties or larger

The Council's Corporate Priority of:

- "More housing, better housing for all"

The Council's Objective of:

- "Reducing the use of temporary accommodation for the homeless to below 75 households by March 2013"

13. Although the Annual Lettings Plan does not produce more affordable housing stock it is concerned with the effective allocation of social housing. The total stock expected to become available to let during 2011/12 is estimated to be around 590 properties (see Appendix 2). This total consists of the expected number of re-lets, based on past lettings performance over the last three years, and the total number of new properties expected to be built during the forthcoming year. There will be less new properties built during 2011/12, particularly family properties, compared with this year and this has been reflected in the number of properties expected to become available next year.
13. Based on the estimated number of properties expected to become available in 2011/12, approximately:
- 50% of the properties will be allocated to families in housing need
 - 20% of the properties will be allocated to single applicants or couples in housing need who are under 40
 - 30% of the properties will be allocated to single applicants or couples in housing need requiring designated elderly accommodation (for applicants aged 40+) or requiring sheltered accommodation

Demand – Housing Register Waiting Lists

13. During 2010/11, over 600 households in housing need will be re-housed by the Council through the Allocations Scheme. However, despite this success, the number of new households joining the Housing Register still remains very high and the number of applicants on the Housing Register has increased since last year.

The Housing Register consists of three-separate housing lists:

- **The Homeless List** for applicants to whom Oxford City Council has accepted a statutory homeless duty and placed in temporary accommodation who are waiting an offer of permanent accommodation
 - **The Transfer List** for Council and eligible Housing Association Tenants living in Oxford applying for a move to alternative accommodation
 - **The General Register List** for all other households applying for social housing in Oxford
13. The table overleaf compares the total number of applicants on the Housing Register currently compared to the same time last year by housing list and shows the number of applicants on the Housing Register has increased. However, the number of applicants on the homeless list has decreased due to the number of homeless applicants re-housed during 2010/11 and the homeless prevention work undertaken by the Housing Needs Team and other stakeholders.

	General Register List	Homeless List	Transfer List	Total
January 2010	3634	214	1421	5269
January 2011	3710	126	1515	5351

13. The table below shows a profile of the Housing Register by waiting list and minimum housing requirement and shows the number of:

- Single applicants and couples under 40 waiting for one-bedroom (non-family) accommodation
- Single applicants and couples aged 40 years or older eligible for one-bedroom (non-family) designated elderly or sheltered accommodation
- Families requiring a minimum of a two-bedroom, three-bedroom or four-bedroom or larger property

Minimum Bedroom Size*	General Register List	Homeless List	Transfer List	Total
Non-Family (Singles/Couples)				
One-Bed	1242	26	89	1357
One-Bed Designated Elderly/Sheltered	1033	2	422	1457
Family Accommodation				
Two-Bed	968	76	510	1554
Three-Bed	347	19	367	733
Four+Bed	120	3	127	250
Total	3710	126	1515	5351

Minimum Bedroom Size*

13. The figures above are based on the minimum bedroom size a household requires. For example households shown as requiring a minimum of a two-bedroom property often have two children and so are eligible to request a move to a three-bedroom property. So although the Transfer List shows 510 tenants as requiring a minimum of a two-bedroom property, around 140 are also eligible for a three-bedroom property.

Demand V Housing Need

13. The demand for social housing in Oxford continues to greatly exceed the number of properties that will become available. Despite there being over 5000 households on the Housing Register waiting lists only around 590 properties will become available to let during 2011/12. Consequently, many

applicants on the housing register are unlikely to be allocated a property in the foreseeable future and are actively encouraged to consider other housing options such as securing alternative accommodation in the private sector.

13. Although the number of applicants on the Housing Register clearly demonstrates there continues to be a high demand for affordable housing in Oxford these figures cannot be looked at without considering the degree of housing need on each waiting list.

Housing Need

12. Due to the high demand for affordable Housing in Oxford and the limited amount of properties that become available it is necessary for the Council to prioritise applications for housing based on applicants housing need. The Council's Allocations Scheme uses Priority Bands, to assess applicants housing needs and to prioritise applicants for housing. There are five priority Bands, ranging from Band 1 (high housing need) down to Band 5 (low or no housing need). The table below shows a summary of the number of applicants in each priority band on each Housing List. Appendix 3 shows a guide to the housing need priority bands (full details are shown in the Allocations Scheme).

Housing Need Priority Band	Number of Applicants In Each Band By Housing List		
	General Register List	Homeless List	Transfer List
Band 1	6		58
Band 2	79	126	257
Band 3	765		402
Band 4	50		103
Band 5	2810		695
Total	3710	126	1515

Homeless List

13. Applicants to whom Oxford City Council has accepted a statutory homeless duty and placed in temporary accommodation, waiting an offer of permanent accommodation, are all considered to be in high housing need. The Council currently has 162 households in temporary accommodation (as of 31st December 2010) and has accepted a statutory homeless duty to 126 of these households.
14. The Corporate plan for 2010-13 states by March 2013, the Council will reduce the use of temporary accommodation for the homeless to below 75 households. The Housing Needs Team is currently on track to meet this target and has successfully reduced the number of households in temporary accommodation by over a 100 households since the 31st December 2009 producing further budget savings through reductions in temporary accommodation costs.

Allocation Percentages to the Homeless List

15. As part of a planned reduction, the number of properties allocated to the homeless list has been gradually reduced over previous years as the numbers of households in homeless temporary accommodation have been reduced. However, although the number of applicants on the Homeless List has decreased it is still necessary to ensure that sufficient properties are allocated to this list. The council must ensure that the housing needs of the applicants remaining in temporary homeless accommodation are met and sufficient properties will be available for applicants who cannot be prevented from becoming homeless over 2011/12, and this is reflected in the recommendations of this report.

The Transfer List

16. There are over 1500 tenants on the Transfer List applying for re-housing and although almost half are considered to be in little or low housing need and are adequately accommodated, there are still a number of households in high housing need that would benefit from a move to more suitable accommodation.

Allocation Percentages to the Transfer List

17. The majority of tenants with a one-bedroom housing need on the Transfer List, over 80%, are 40 years or older and the current percentage of allocations (split between the Transfer List and General Register List) of 80% reflects this housing need already. However, there are also other single applicants/couples under 40 who would benefit from a move, normally due to health or welfare reasons or because they are seeking to downsize from their current accommodation which they are under-occupying. An increase by 5% in the allocation of accommodation to this group would go some way to meeting this housing need and help free up more family accommodation that could be offered to another family in housing need. This change would complement the programme of de-designation agreed by CEB on 12/1/11.

18. There are over 140 households on the Transfer List considered to be in high or significant housing need (Bands 1 to 3) waiting to move to a two-bedroom property because their current accommodation no longer meets their housing requirements. This number includes 30 households needing to move due to social or welfare reasons, 27 households suffering significant overcrowding and over 70 households seeking to downsize to smaller, more suitable accommodation. An increase in the number of two-bedroom properties allocated to the Transfer List would help meet this need and help free up some three and four bedroom accommodation that can be offered to another family in need.

19. Overcrowding is an issue for many families on the Transfer List, particularly those waiting for larger three and four-bedroom family accommodation. There are currently over 250 families waiting to move to a three-bedroom property and over 100 families waiting for a four-bedroom property who are considered to be in high or significant housing need (Bands 1 to 3). However, this level of

need is already reflected in the current targets of allocating 45% of all three-bedroom properties and 50% of all four-bedroom properties to Transfer applicants. It is therefore proposed that the percentages of such properties offered to the Transfer list remain unchanged.

The General Register List

20. There are currently over 3700 households on General Register waiting list. Although around 75% are considered to be in moderate or low housing need (Bands 4 and 5) currently, there are still a number of households considered to be in high housing need (Bands 1 and 2) who would benefit from being housed by the Council.

Allocation Percentages to the General Register List

21. The General Register List currently has the highest proportion of single applicants and couples who are under forty and waiting for a one-bedroom (non-designated elderly) property. This includes over 200 single applicants & couples who are in significant or high housing need (Bands 1 to 3). The proposed 5% increase in allocations to this group would go a small way in helping meet this demand and help prevent homelessness.
22. There are a large number of single applicants, and some couples, who are aged 40 years or older in housing need on the General Register List. However, the current target of allocating 80% of all one-bedroom designated elderly properties to the Transfer and General Register Lists already accurately reflects the housing need on the Housing Register at this time.
23. The General Register List has over 250 households, in significant or high housing need (Bands 1 to 3), waiting for two-bedroom accommodation. However, the current allocation target of 50% accurately reflects the proportion of such households on the General Register when compared to the housing need across all three waiting lists, and consequently we are not proposing to alter these percentages in 2011/12
24. The demand for three and four-bedroom accommodation remains high across all three housing lists. Officers believe that the current allocation percentages for such properties accurately reflect the spread of need across the three lists, and are therefore proposing no change to the existing arrangements.

Sub-Regional Allocations

25. Since July 2009, The Council, in partnership with The Vale of the White Horse, Cherwell and South Oxfordshire District Councils, has participated in a Sub-Regional Allocations Scheme called Oxfordshire Home Choice. The aim of the partnership is to give households in housing need more choice about where they can live within the Sub-Region. Through Choice-Based Lettings, applicants in each District can bid for some properties advertised as available from outside of their own District.

26. Each participating Council, uses the same priority bands to assess applicants' housing needs, to ensure that applicants in similar circumstances will have their housing needs assessed in a consistent way, irrespective of which Council's Housing List an applicant is registered on.

27. The sub-regional partners have previously agreed to advertise a proportion of available properties through the scheme each year, and it is proposed that this proportion remains unchanged in 2011/12 (see appendices 1 & 2). The number of households being housed by each District through sub-regional moves is reviewed regularly, and where necessary, the number of properties advertised sub-regionally can be reduced to ensure that a balance is kept between the number of households moving into Oxford compared with the number being housed elsewhere in the Sub-Region.

Summary of Recommended Changes to Allocations Percentages

- (1) To reduce the percentage of properties allocated to families in temporary accommodation on the Homeless List waiting for two-bedroom properties by 5% and increasing the percentage of properties allocated to applicants on the Transfer List by 5%.
- (2) To reduce the percentage of one-bedroom non-designated properties allocated to single applicants (and couples) on the homeless list by 10% and increasing the allocation to applicants in housing need who are on:
 - The Transfer List by 5%.
 - The General Register List by 5%.
- (3) To leave the remaining percentage targets unchanged from the annual lettings targets set in 2010/11 as shown in appendix 2.

See Appendix 2 for the full 2011/12 Lettings Plan.

Level of risk

Climate change/ environmental impact

28. It is expected around 40 new units of affordable housing will be built during 2011/12 (a large proportion will be social housing) to help meet the demand for affordable housing in Oxford. The Development Team has confirmed all the new build properties will achieve the standard of required by the Housing and Communities Agency to secure funding for affordable housing and some housing associations will achieve a higher level than required (Sustainable Homes Level 4).

Equalities impact

29. The Housing Needs Team will continue to seek to identify housing applicants within BME groups and with disabilities that are in high housing need. Effective monitoring systems will ensure any shift in allocations do not indirectly discriminate against BME groups and/or applicants with disabilities. Currently,

23% of the households on the Housing Register state they are in a BME group and this percentage is similarly reflected across all three housing lists.

30. The Allocations Team will continue to monitor applicants in high housing need who are “not bidding” to ensure they receive the support necessary to use the Choice-Based Lettings (CBL) scheme. The development team will continue to seek to ensure that when new properties are built within Oxford that a proportion, are suitable for applicants with disabilities. Actions identified in the Equalities Impact Assessment for Allocations and CBL will continue to be progressed in accordance with that plan

Financial implications

31. An increase in the percentage of allocations to the Transfer List will increase the amount of social housing becoming available to re-let each year. Although there will be associated costs with turning around an increased amount of void properties, as tenants move to more suitable accommodation and vacate their current accommodation, these will be offset by the additional properties becoming available and reducing the cost of private sector alternatives.
32. An increase in the percentage of allocations to the General Register List will help meet previously unmet housing need, including allocations to households who might otherwise have become homeless and been placed in homeless temporary accommodation provided by the Council. However, despite homeless prevention measures that are being put in place the likelihood of an increase in the number of applicants presenting as homeless, and subsequently being accepted as homeless and placed in temporary accommodation, cannot be totally discounted resulting in increased costs. Should this be the case, the Lettings Targets can be reviewed during the year to respond to the new situation.

Legal implications

33. Whilst a Council can decide its own allocations policy it must give ‘reasonable preference’ to certain groups such as homeless people, people in temporary or insecure accommodation, people in overcrowded or unsanitary conditions, and those with medical/welfare needs). (See Housing Act 1996 S.167). How it meets these ‘reasonable preferences’ and the mechanics of the scheme are up to each Council.
34. Allocations can only be made in accordance with the published policy. The annual lettings plan forms part of Oxford City Council’s overall allocations policy.

Conclusion

35. Due the acute shortage of social housing becoming available and the high demand for Social Housing in Oxford, there remains a large difference between the number of applicants applying for housing and the number of households being housed each year. However, despite measures taken to obtain the best

use out of existing stock and new properties being built the number of applicants on the housing register still currently exceeds 5000 and only around 590 households are likely to be housed during 2011/12. The proposed recommendations reflect this by requesting most of the allocation percentage targets remaining the same as in 2010/11 for the forthcoming year.

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Background papers:

None

Version number:

Final Draft

Appendix 1: Community Housing – Allocation Percentages & Performance (1) or (2)

April to December 2010 Family and Non-Designated Accommodation

Family Accommodation							
Property Size		Homeless	Move-on	Transfer	General	TOTAL	
Two Bed	Percentage	30.0%	0.0%	22.7%	47.3%		
	Target	35%	0	15%	50%		
	Let	45	0	34	71	150	
	Expected lets	68	0	29	98	195	
Three Bed	Percentage	38.3%	0.0%	41.5%	20.2%		
	Target	30%	0	45%	25%		
	Let	36	0	39	19	94	
	Expected lets	33	0	50	27	110	
Four Bed+	Percentage	40.0%	0.0%	50.0%	10.0%		
	Target	30%	0	50%	20%		
	Let	4	0	5	1	10	
	Expected lets	3	0	5	2	10	
Non-Family (Non-Designated) Accommodation							
Property Size		Homeless	Move-on 1	Move-on 2	Transfer	General	TOTAL
Studio flat / One Bed	Percentage	10.7%	12.5%	6.3%	8.9%	61.6%	
	Target	35%	30%	10%	5%	20%	
	Let	12	14	7	10	69	112
	Expected lets	38	32	11	5	22	108

Appendix 1: Community Housing – Allocation Percentages & Performance (2) or (2)

April to December 2010: Designated Elderly and Sheltered Accommodation

Designated Elderly Accommodation								
Property Size		Homeless	Move-on 1	Move-on 2	Transfer	General	TOTAL	
Any Size	Percentage	4.6%	3.7%	0.0%	91.7%			
	Target	5%	15%	0%	80%			
	Let	5	4	0	99		108	
	Expected lets	6	18	0	96		120	
Sheltered Accommodation								
Property Size		Homeless	Move-on	Transfer	General	TOTAL		
Any Size	Percentage	3.4%		96.6%				
	Target	no target		no target				
	Let	2		56			58	
	Expected lets	0		60			60	
Total allocations:		532	+17 CBL sub-regional* = 549					
Expected allocations:		603	at year end					

Summary of the Target for Properties Advertised Sub-Regionally* through Oxfordshire Homechoice:

- Up to 10% of all general needs housing vacancies
- Up to 100% of sheltered vacancies
- Most properties adapted for disabled people (Including up to 100% of all properties with adaptations to mobility 3 or 4 levels)

Appendix 2: Proposed Lettings Plan for 2011/12 (1) of (2)

Family Accommodation						
Property Size	Expected Lets	Proposed Target % (Expected households housed)				
		Homeless	Move-on	Transfer	General	
Two Bed	190	30% (57)	0	20% (38)	50% (95)	
Three Bed	94	30% (28)	0	45% (42)	25% (24)	
Four Bed+	10	30% (3)	0	50% (5)	20% (2)	
Non-Family (Non-Designated) Accommodation						
Property Size	Expected Lets	Proposed Target % (Expected households housed)				
		Homeless	Move-on	Move-on 2	Transfer	General
One Bed	108	25% (27)	30% (32)	10% (11)	10% (11)	25% (27)

Appendix 2: Proposed Lettings Plan for 2011/12 (2) of (2)

Designated Elderly Accommodation & Bungalows					
Property Size	Expected Lets	Proposed Target % (Expected households housed)			
		Homeless	Move-on	Transfer	General
Any Size	115	5% (6)	15% (17)	80% (92)	
Sheltered Accommodation					
Property Size	Expected Lets	Proposed Target % (Expected households housed)			
		Homeless	Move-on	Transfer	General
Any Size	75	0%		100% (85)	

Summary Target for Properties Advertised Sub-Regionally through Oxfordshire Home Choice:

- Up to 10% of all general needs housing vacancies
- Up to 100% of sheltered vacancies
- Most properties adapted for disabled people (Including up to 100% of all properties with adaptations to mobility 3 or 4 levels)

Appendix 3: A guide of the Housing Need Priority Bands

BAND 1

- 1.1 Exceptional circumstances, where there is an immediate risk to health and safety, complex needs, 'place of safety' cases or other emergency needs
- 1.2 Council or housing association tenants in the sub-region under-occupying by two or more bedrooms
- 1.3 Decants and other housing management moves
- 1.4 Successor tenants who need to move to a more suitable property
- 1.5 A Prohibition/demolition notice has been issued by the Environmental Health department
- 1.6 Households where the level of overcrowding exceeds the statutory limit

BAND 2

- 2.1 Urgent social or welfare needs
- 2.2 Urgent health or disability needs
- 2.3 Council or housing association tenants in the sub-region under-occupying by one bedroom
- 2.4 Applicants who have been assessed as ready to move on from supported accommodation
- 2.5 Applicants found to be homeless, in a priority need group and a duty to offer housing has been accepted
- 2.6 Families assessed as being 2 or more bedrooms short of their needs
- 2.7 Any applicant with two or more compoundable categories in Band 3

BAND 3

- 3.1 Significant social or welfare needs
- 3.2 Significant health or disability needs
- 3.3 Applicants living in unsatisfactory housing: Level 1
- 3.4 Families assessed as being one bedroom short of their needs
- 3.5 Insecure tied accommodation
- 3.6 Insecure private rented accommodation
- 3.7 Homeless and not in a priority group*
- 3.8 Any applicant who qualifies for at least two categories in Band 4

BAND 4

- 4.1 Moderate social or welfare needs
- 4.2 Moderate health or disability needs
- 4.3 Applicants living in unsatisfactory housing: Level 2

BAND 5

- 5.1 Applicants who are adequately housed
- 5.2 Applicants who have sufficient income or other financial resources
- 5.3 Nil priority (Applicants who are the subject of sanctions because of their behaviour)

For further details see the full allocation scheme, available on the internet or from our offices

(for a small charge).

**This category is not compoundable*

(The details listed above are only intended as a guide – full details are shown in the Allocations Scheme).