

LONDON BOROUGH OF BRENT**Executive - 12th April 2005****Report from the Director of Housing**

For action

Wards affected:
ALL**Report Title: Supply & Demand and Temporary Accommodation**

Forward Plan Ref: HSG-04/05-40

1.0 Summary

- 1.1 This report seeks Members' approval of the lettings targets for 2005/06, and provides Members with an updated supply and demand analysis for housing, including lettings performance in 2004/05.

2.0 Recommendations

- 2.1 That Members approve the lettings targets for 2005/06, as detailed in paragraph 3.4.1 and Appendix E.
- 2.2 That Members note the updated supply and demand analysis for housing, including lettings performance in 2004/05.

3.0 Detail**3.1 Supply & Demand Projection**

- 3.1.1 A summary of the Supply and Demand projection for social housing is provided in the table, with a full version given in Appendix A.

	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008
DEMAND FROM ALL GROUPS	18061	18939	18613	19601	20406	21287
PERMANENT SUPPLY (RSL's & Brent)	1023	1039	960	1040	1030	1030
ALL LETTINGS (Incl Private Sector)	1147	1179	1050	1130	1120	1110
UNMET DEMAND (After Lettings)	16982	17760	17720	18471	19286	20177
ALL TEMPORARY ACCOMMODATION	4157	4238	4546	4525	4476	4399

3.1.2 This model brings together information regarding the demand for housing from the homeless, Council tenants seeking a transfer and applicants to the Housing Register. This demand is mapped against likely supply levels. The distribution of lettings across the different groups will impact on the remaining demand from the different groups.

3.1.3 The level of unmet demand in the Borough is expected to continue to rise – by 2007, as the table shows, we expect there to be around 20,000 households with an unmet housing need.

3.2 Housing Register and Transfer Demand

Appendix B provides a breakdown of live applications on the Housing Register and Transfer list by demand group and the number of bedrooms needed. Total demand on these lists is currently 19,600 households.

3.3 Homeless Applications and Decisions

3.3.1 The Temporary Accommodation Update report, presented to the Executive in January 2005, provided members with a detailed analysis of trends in homeless applications and decisions. In summary, the upwards trend in homeless applications is expected to continue in 2005/06 and beyond.

3.3.2 However the percentage of homeless applications which are accepted has decreased in comparison to previous years, whilst the number of cases which are closed, either because homelessness has been successfully prevented or the case is rejected, has risen. In 2004/05, 30% of all homeless applications received will be accepted; this is a reduction from 35% in 2003/04.

3.3.3 There are a number of reasons for the drop in accepted homeless cases. In particular there is the continued good performance of the Homeless Prevention Team, who are part of the Private Housing Information Unit. Their early intervention in cases which are threatened with homelessness has meant that many are prevented from becoming homeless, for example through negotiation with landlords. In cases where the team can not prevent homelessness, they will seek to provide other housing solutions for the households, such as assisting them to secure alternative accommodation in the private rented sector.

- 3.3.4 Officers expect that homeless acceptance rates will continue to drop with the launch of the in-house Advice Service in early 2005/06. This service will seek to intervene as early as possible in cases of potential homelessness, and offer appropriate advice and alternatives where-ever possible.
- 3.3.5 The work of the in-house Housing Benefit Team also continues to contribute to the reduction in homeless acceptances. This team was originally set up to fast track all new Housing Benefit applications for Temporary Accommodation providers and direct lettings into the private sector (under the Assured Lettings Scheme). The team also helps to prevent homelessness in around 250 cases per year, where the landlords, whether private sector or a Housing Association, are seeking to evict a household due to rent arrears.

3.4 Permanent Lettings against Targets 2004/05

- 3.4.1 Final lettings figures for the year are still being collated at the time of writing, however the table summarises actual lettings performance to the end of February against the targets set at the beginning of the year.

Lettings Variance from Targets **To Month = 11**

		Full Year Actuals 2003/04	Targets 2004/05	Pro Rata Target	Actuals 2004/05	Var	% Var
<i>Target Group</i>	Homeless	562	680	623	392	-231	-37%
	Register	275	266	244	281	37	15%
	Transfer	190	235	215	178	-37	-17%
	Total	1027	1181	1083	851	-232	-21%
<i>Lettings Source</i>	Council	418	664	609	506	-103	-17%
	RSL	609	517	474	345	-129	-27%
	Total	1027	1181	1083	851	-232	-21%

- 3.4.2 Overall, lettings are currently 21% below the pro rata targets. However officers anticipate that this shortfall will reduce to around 15% by the end of the financial year, although the original targets will not be met.
- 3.4.3 A detailed analysis of lettings performance to date, including a breakdown by bedsize and category is provided in Appendices B and C.

3.5 Lettings Targets 2005/06

- 3.5.1 From an analysis of the trend in local authority and RSL lettings it is anticipated that there will be 1,080 lettings made in 2005/06. The table below

summarises the distribution of these lettings across the different bedroom categories.

BRENT AND HOUSING ASSOCIATION - Projected Lettings 2005 / 06

	BSR	1 BED	2 BED	3BED	4 BED+	Total
Brent	101	266	132	60	8	567
RSL	9	175	192	100	37	513
Total	110	441	324	160	45	1080

In addition officers expect to make around 60 lettings directly into the private rented sector through the Breaking the Chain scheme.

3.5.2 Projected lettings can only meet a small proportion of the housing need in the Borough. In 2005/06 we will be able to provide lettings to less than 6% of current applicants on the Housing Register and Transfer List. Given that we can meet so little of the need in the Borough, the prioritisation of lettings is crucial. Members are therefore asked to approve the lettings targets set out in Appendix E. This lettings scheme supports a number of policy and strategic objectives, including the following:

- Half of the available lettings are targeted to the homeless (a total of 535 properties). The borough has the third highest number of homeless households in temporary accommodation in London. The Housing Strategy, which is informed by government policy, commits the Authority to aim for an ongoing reduction in temporary accommodation, especially in hotel type accommodation.
- 20 of the lettings to the homeless are targeted for Children Leaving Care.
- 12 lettings are targeted to aid in the regeneration programmes on Church End (8 lettings) and Stonebridge HAT (4 lettings).
- 85 lettings are provided for move-on accommodation for Voluntary Organisations. These applicants will generally be leaving hostel type accommodation. A flow-through of applicants in this type of accommodation is essential, to provide better housing solutions when people are ready for independent living and to free up specialised accommodation for those who require it. This is a key theme in our Homelessness Strategy.
- 33 lettings are provided to deal with urgent management transfers. In addition, 25 lettings are provided for instances where a transfer is required due to major works.
- 25 lettings are provided for the Intra-Estate transfer scheme.
- A number of smaller targets have been set to meet specific objectives, such as the target for the Rough Sleepers Initiative and Probation Services. These client groups are highlighted in the Homelessness Strategy as requiring support, which is in line with central government policy, and also compliments our approach to working with other Council services and agencies.

- 50 lettings are provided for the Underoccupation Scheme. This allows those who no longer need family sized Council accommodation to move, therefore freeing up much needed larger size properties.

3.5.3 Under the Locata scheme applicants are now expected to bid for properties, rather than have properties allocated to them. This could impact on lettings performance against targets for particular groups. Officers will therefore continue to closely monitor bidding for properties and if applicants who have a high priority are not bidding for properties, officers will seek to assist them.

3.5.4 The Supply and Demand report presented to the Executive in April 2004 indicated that the allocations policy was under review, and that the outcome of this review would be reported to members. Some initial exploratory work was carried out on this, however officers' view was that a full review was not necessary at present. The existing allocations policy therefore remains as previously presented.

4.0 Financial Implications

4.1 The total budget for expenditure on Temporary Accommodation for 2005/06 is £6,342,000. There are wider supply and demand factors which could impact on the ability to control this budget. The lettings targets proposed in paragraph 3.5 are designed to assist the Council in addressing the issues around demand from various priority groups and therefore minimise the use of temporary accommodation for homeless households.

5.0 Legal Implications

5.1 There are no legal implications arising from this report.

5.2 The primary legislation that governs the allocation of new secure tenancies is given in Part VI of the 1996 Act, as amended by the 2002 Act. As enacted, the 1996 Act introduced a single route into council housing, the Housing Register, with the intention that the homeless have no greater priority than other applicants for housing. Councils were required to adopt an allocations policy that gave certain categories of applicants (set out in section 167) a "reasonable preference", and to allocate strictly in accordance with that policy.

5.3 Brent has adopted Locata, a choice-based Allocations Scheme, working in partnership with other local authorities and RSLs in the West London Alliance. Initially piloted on one-bed cases, the scheme was extended to all bed-sizes in December 2002. Establishing priority under Locata is accomplished by placing applicants in one of 4 broad bands of priority; within each band, priority is established by time in that band (or a higher one). In effect, the highest priority bidder gets the property.

5.4 Locata applies to all categories of applicant, including those seeking a transfer within Council housing. It is however both convenient and useful (not least because it permits comparison with previous statistics) to continue to

analyse demand and lettings by reference to (i) homelessness, (ii) Housing Register and (iii) transfer demand; but members must bear in mind that there is now no legal difference in the duties owed to each of these categories.

6.0 Diversity Implications

6.1 The most recent census data shows that Brent has the second highest ethnic minority population in London. The lettings targets, which are set annually, could potentially have a disproportionate impact on a particular ethnic group or groups. It is important therefore that this area continues to be closely monitored.

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 None specific.

Background Papers

Housing Scrutiny Committee

Supply & Demand and Temporary Accommodation (03/01)

Temporary Accommodation: Trends and Costs (10/01)

Cabinet

Supply & Demand and Temporary Accommodation (06/02)

Executive

Supply & Demand and Temporary Accommodation (04/03)

Supply & Demand and Temporary Accommodation (04/04)

Temporary Accommodation Update (01/05)

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Appendix A – Supply & Demand Model

	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008
DEMAND						
Transfers	2241	2224	1921	1807	1677	1551
Register (Non-homeless)	10984	11766	13724	12598	13583	14666
Homeless Applications	2450	2700	2800	3000	3000	3000
Acceptance Rate	43%	35%	30%	27%	28%	25%
Acceptances	1054	945	840	810	780	750
Fall Out Rate	-202	-153	-152	-161	-159	-157
Total New Demand	852	792	688	649	621	593
Families in T.A. Brought Forward	3984	4157	4238	4546	4525	4476
Net Homeless Demand	4836	4949	4926	5195	5146	5069
DEMAND FROM ALL GROUPS	18061	18939	18613	19601	20406	21287
PERMANENT SUPPLY						
Brent lets	457	426	565	500	480	480
Housing Association	566	613	395	540	550	550
PERMANENT SUPPLY (RSL's & Brent)	1023	1039	960	1040	1030	1030
LETTINGS						
Chalkhill Decants	0	0	0	0	0	0
Transfers	165	187	200	210	200	190
Register (Non-homeless)	235	281	313	250	250	250
Homeless	636	571	447	580	580	580
ALL PERMANENT LETTINGS	1036	1039	960	1040	1030	1020
Direct Lettings in the Private Sector	91	100	50	50	50	50
Out of Borough Lettings	20	40	40	40	40	40
ALL LETTINGS (Incl Private Sector)	1147	1179	1050	1130	1120	1110
RESIDUAL DEMAND						
Transfers	2076	2037	1721	1597	1477	1361
Register (Non-homeless)	10749	11485	11453	12348	13333	14416
Homeless (In T.A.)	4157	4238	4546	4525	4476	4399
UNMET DEMAND (After Lettings)	16982	17760	17720	18471	19286	20177
T.A. BREAKDOWN						
AST / HALS / PSL	2792	2772	2879	2859	2951	2894
B&B, incl. annexes	462	104	129	100	80	80
PLA	0	218	281	290	250	250
ALS	316	520	516	580	580	579
BDL	0	100	251	250	150	150
Hostel	188	188	85	85	85	85
Emergency RSL Hostel	30	30	30	30	30	30
Homeless At Home	141	100	96	100	140	140
Stonebridge HAT	87	65	46	46	46	46
Short-Life Lettings (Chalkhill, Church End etc)	106	106	198	150	130	110
Mother & Baby	35	35	35	35	35	35
ALL TEMPORARY ACCOMMODATION	4157	4238	4546	4525	4476	4399

Appendix B – Current Housing Demand – by list and bedrooms needed

Housing Register	Bedsit	1	2	3	4	5	6+	Total
CHILDREN LEAVING CARE	10			2				12
CHURCH END QUOTA (APPROVED)	1				1	2		4
CONTRIBUTION TO MOBILITY	19	2	23		22			66
FORMER SERVICE TENANT					2			2
HOUSING REGISTER	6,680	869	5,942	2,737	627	103	22	16,980
MEDICAL A (HOU REG)	34	39	52	47	15	6	1	194
OUT OF BOROUGH APPLICANTS	193	26	83	36	6	2		346
PROBATION SERVICE QUOTA	7							7
ROUGH SLEEPERS	1							1
SOCIAL SERVICES (HOU REG)		1			5			6
STONEBRIDGE HAT	1		2	3	3			9
SUCCESSION (UNDEROCCUPATION)	21	2	5					28
VOLUNTARY ORGANISATION QUOTA	39							39
Total	7,006	939	6,109	2,853	653	111	23	17,694

Transfer List	Bedsit	1	2	3	4	5	6+	Total
£1000 UNDER OCCUPATION	77	15	12					104
DECANT	6	1	6	5	3			21
INTRA-ESTATE TRANSFER	12	2	15	14				43
MANAGEMENT TRANSFER	17	3	16	18	17	2		73
MEDICAL A (TRANSFER)	30	13	23	19	3	1		89
TENANCY SEPARATION	4		2	1				7
TRANSFER LIST	351	62	508	541	103	17	2	1,584
Total	497	96	582	598	126	20	2	1,921

Total Demand	7,503	1035	6,691	3,451	779	131	25	19,615
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Appendix C - Lettings Performance 2004/05 (April – February)

BRENT LETS

	TOTAL	BSR	1 BED	2 BED	3BED	4 BED+
	ACT	ACT	ACT	ACT	ACT	ACT
HOUSING REGISTER						
HOUSING REGISTER (HMLSS)	188	13	90	61	19	5
HOUSING REGISTER (OTHER)	62	27	21	11	2	1
SUB-TOTAL	250	40	111	72	21	6
MEDICAL 25 (HOMELESS)	4	0	1	2	0	1
MEDICAL 25 (REGISTER)	2	0	2	0	0	0
VOLUNTARY ORGANISATIONS	55	11	44	0	0	0
CONTRIBUTION TO MOBILITY	45	4	14	22	5	0
SOCIAL SERVICES/CHILDREN IN NEED	4	0	0	1	2	1
CHILDREN LEAVING CARE (HMLSS)	11	2	9	0	0	0
STONEBRIDGE HAT	0	0	0	0	0	0
ROUGH SLEEPERS INITIATIVE	2	1	1	0	0	0
PROBATION SERVICE	2	1	1	0	0	0
CHURCH END	1	0	0	1	0	0
FORMER SERVICE TENANTS	2	0	0	2	0	0
SUB-TOTAL	128	19	72	28	7	2
TRANSFERS						
DECANTS	18	0	6	3	5	4
TRANSFER LIST	31	1	6	16	8	0
MEDICAL 25 (TRANSFERS)	9	0	5	3	1	0
TENANCY SEPARATION	3	0	2	1	0	0
MANAGEMENT TRANSFER	15	0	4	3	7	1
INTRA-ESTATE TRANSFER	21	0	9	8	4	0
£1000 UNDER OCCUPATION	31	0	27	3	1	0
SUB -TOTAL	128	1	59	37	26	5
TOTAL	506	60	242	137	54	13

HOUSING ASSOCIATION LETS

	TOTAL	BSR	1 BED	2 BED	3BED	4 BED+
	ACT	ACT	ACT	ACT	ACT	ACT
HOUSING REGISTER						
HOUSING REGISTER (HMLSS)	168	2	57	82	22	5
HOUSING REGISTER (OTHER)	70	10	45	9	6	0
SUB-TOTAL	238	12	102	91	28	5
MEDICAL 25 (HOMELESS)	8	0	0	2	2	4
MEDICAL 25 (WAITING LIST)	4	0	2	1	1	0
VOLUNTARY ORGANISATIONS	20	2	18	0	0	0
CONTRIBUTION TO MOBILITY	6	0	1	4	1	0
SOCIAL SERVICES/CHILDREN IN NEED	2	0	0	1	0	1
CHILDREN LEAVING CARE (HMLSS)	13	1	10	2	0	0
STONEBRIDGE HAT	0	0	0	0	0	0
ROUGH SLEEPERS INITIATIVE	0	0	0	0	0	0
PROBATION SERVICE	1	0	1	0	0	0
CHURCH END	2	0	2	0	0	0
FORMER SERVICE TENANTS	1	0	1	0	0	0
SUB-TOTAL	57	3	35	10	4	5
TRANSFERS						
DECANTS	4	0	3	1	0	0
TRANSFER LIST	17	0	7	5	3	2
MEDICAL 25 (TRANSFERS)	5	0	2	1	0	2
TENANCY SEPARATION	0	0	0	0	0	0
MANAGEMENT TRANSFER	9	0	0	5	4	0
INTRA-ESTATE TRANSFER	1	0	0	0	1	0
£1000 UNDER OCCUPATION	14	1	11	2	0	0
SUB -TOTAL	50	1	23	14	8	4
TOTAL	345	16	160	115	40	14

Appendix D – Lettings Performance 2004/05 (April – February)

BRENT AND HOUSING ASSOCIATION

Note: The monthly targets are calculated on a pro rata basis. Rounding errors may result on the 'TAR' and 'VAR' columns.

	TARGET	PRO RATA	TOTALS		BSR				1 BED				2 BED				3BED				4 BED+			
	P.A.	TAR	ACT	VAR	TAR	PR	ACT	VAR	TAR	PR	ACT	VAR	TAR	PR	ACT	VAR	TAR	PR	ACT	VAR	TAR	PR	ACT	VAR
HOUSING REGISTER																								
HOUSING REGISTER (HMLSS)	625	573	356	-217	25	23	15	-8	195	179	147	-32	275	252	143	-109	100	92	41	-51	30	28	10	-18
HOUSING REGISTER (OTHER)	100	92	132	40	20	18	37	19	54	50	66	17	20	18	20	2	5	5	8	3	1	1	1	0
MEDICAL 25 (HOMELESS)	35	32	12	-20	1	1	0	-1	10	9	1	-8	6	6	4	-2	6	6	2	-4	3	3	5	2
SUB-TOTAL	760	697	500	-197	46	42	52	10	259	237	214	-23	301	276	167	-109	111	102	51	-51	34	31	16	-15
MEDICAL 25 (REGISTER)	15	14	6	-8	0	0	0	0	10	9	4	-5	6	6	1	-5	5	5	1	-4	3	3	0	-3
VOLUNTARY ORGANISATIONS	60	55	75	20	20	18	13	-5	40	37	62	25	0	0	0	0	0	0	0	0	0	0	0	0
CONTRIBUTION TO MOBILITY	50	46	51	5	2	2	4	2	20	18	15	-3	16	15	26	11	10	9	6	-3	2	2	0	-2
SOCIAL SERVICES/CHILDREN IN NEED	10	9	6	-3	1	1	0	-1	5	5	0	-5	2	2	2	0	1	1	2	1	1	1	2	1
CHILDREN LEAVING CARE (HMLSS)	20	18	24	6	5	5	3	-2	12	11	19	8	3	3	2	-1	0	0	0	0	0	0	0	0
STONEBRIDGE HAT	4	4	0	-4	0	0	0	0	1	1	0	-1	2	2	0	-2	1	1	0	-1	0	0	0	0
ROUGH SLEEPERS INITIATIVE	4	4	2	-2	3	3	1	-2	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
PROBATION SERVICE	8	7	3	-4	4	4	1	-3	4	4	2	-2	0	0	0	0	0	0	0	0	0	0	0	0
CHURCH END	10	9	3	-6	0	0	0	0	3	3	2	-1	3	3	1	-2	2	2	0	-2	2	2	0	-2
FORMER SERVICE TENANTS	5	5	3	-2	0	0	0	0	1	1	1	0	2	2	2	0	2	2	0	-2	0	0	0	0
SUB-TOTAL	186	171	173	2	35	32	22	-10	97	89	106	17	34	31	34	3	21	19	9	-10	8	7	2	-5
TRANSFERS																								
DECANTS	20	18	22	4	0	0	0	0	7	6	9	3	8	7	4	-3	4	4	5	1	1	1	4	3
TRANSFER LIST	75	69	48	-21	5	5	1	-4	22	20	13	-7	25	23	21	-2	18	17	11	-6	5	5	2	-3
MEDICAL 25 (TRANSFERS)	30	28	14	-14	0	0	0	0	10	9	7	-2	8	7	4	-3	10	9	1	-8	2	2	2	0
TENANCY SEPARATION	5	5	3	-2	0	0	0	0	3	3	2	-1	2	2	1	0	0	0	0	0	0	0	0	0
MANAGEMENT TRANSFER	35	32	24	-8	0	0	0	0	5	5	4	-1	15	14	8	-6	10	9	11	2	5	5	1	-4
INTRA-ESTATE TRANSFER	25	23	22	-1	0	0	0	0	8	7	9	2	10	9	8	-1	7	6	5	-1	0	0	0	0
£1000 UNDER OCCUPATION	45	41	45	4	0	0	1	1	40	37	38	1	5	5	5	0	0	0	1	1	0	0	0	0
SUB-TOTAL	235	215	178	-37	5	5	2	-3	95	87	82	-5	73	67	51	-15	49	45	34	-11	13	12	9	-3
TOTAL	1181	1083	851	-232	86	79	76	-3	451	413	402	-11	408	374	252	-121	181	166	94	-72	55	50	27	-23

Appendix E – Lettings Targets 2005/06

BRENT AND HOUSING ASSOCIATION - Projected Lettings 2005 / 06

	BSR	1 BED	2 BED	3BED	4 BED+	Total
Brent	101	266	132	60	8	567
RSL	9	175	192	100	37	513
Total	110	441	324	160	45	1080

	BSR	1 BED	2 BED	3BED	4 BED+	TOTAL
HOUSING REGISTER (HOMELESS)						
HOUSING REGISTER (HMLSS)	20	175	200	85	20	500
MEDICAL 25 (HMLSS)	0	3	5	3	4	15
CHILDREN LEAVING CARE	5	13	2	0	0	20
SUB-TOTAL	25	191	207	88	24	535
HOUSING REGISTER						
HOUSING REGISTER (OTHER)	30	70	20	8	2	130
MEDICAL 25 (REGISTER)	0	4	2	1	1	8
VOLUNTARY ORGANISATIONS	40	45	0	0	0	85
CONTRIBUTION TO MOBILITY	4	18	20	7	1	50
SOCIAL SERVICES/CHILDREN IN NEED	0	5	3	2	1	11
STONEBRIDGE HAT	0	1	2	1	0	4
ROUGH SLEEPERS INITIATIVE	4	0	0	0	0	4
PROBATION SERVICE	4	4	0	0	0	8
CHURCH END	0	2	3	2	1	8
FORMER SERVICE TENANTS	0	1	2	2	0	5
SUB-TOTAL	82	150	52	23	6	313
TRANSFERS						
DECANTS	0	8	8	6	3	25
TRANSFER SCHEME	3	24	25	20	5	77
MEDICAL 25 (TRANSFERS)	0	8	5	5	2	20
TENANCY SEPARATION	0	2	0	0	0	2
MANAGEMENT TRANSFER	0	5	10	13	5	33
INTRA-ESTATE TRANSFER	0	8	12	5	0	25
£1000 UNDER OCCUPATION	0	45	5	0	0	50
SUB-TOTAL	3	100	65	49	15	232
TOTAL	110	441	324	160	45	1080