



Equalities Committee

6 December 2016

Report from the Operational Director, Human Resources & Organisational Development

Wards affected:
ALL

Task and Finish Group Progress Report: Overcrowding and BAME Households

1.0 Summary

1.1 This group has been established to consider the scale and impact of overcrowding affecting Black, Asian and Minority Ethnic (BAME) households and to identify actions to address the problem. The work has been prompted by the findings of the latest report by the Runnymede Trust and other studies that evidence the disproportionate representation of BAME groups among overcrowded households across tenures. The recommendations of the working group will feed into the review of the Council's Housing Strategy.

2.0 Recommendation

2.1 The Equalities Committee is asked to note and comment on the findings and proposals outlined in the report.

3.0 Detail

National picture

3.1 The primary data of overcrowding comes from the Census and is measured by the bedroom standard¹. Census data is a snapshot that becomes increasingly out of date, especially in areas of high housing churn like London, and does not distinguish between "basic" and "severe" overcrowding. However, there is no other reliable and regular measure of the extent of overcrowding at the national, London or borough levels.

¹ The data in this report uses the bedroom standard as an indicator of occupancy. A standard number of bedrooms is allocated to each household in accordance with its composition by age/sex/marital status and the relationship of the members to one another. A separate bedroom is allocated to each married or cohabiting couple, any other person aged 21 or over, each pair of adolescents aged 10 - 20 of the same sex, and each pair of children under 10. Any unpaired person aged 10 - 20 is paired, if possible with a child under 10 of the same sex, or, if that is not possible, he or she is given a separate bedroom, as is any unpaired child under 10. This standard is then compared with the actual number of bedrooms (including bed-sitters) available for the sole use of the household. Bedrooms converted to other uses are not counted as available unless they have been denoted as bedrooms by the informants; bedrooms not actually in use are counted unless uninhabitable.

- 3.2 ONS analysis shows that overcrowding is most common among social and private rented households although the composition of households that are most affected varies between sectors: 79 per cent of social rented households have children compared to 56 per cent in the private rented sector (PRS). One-person households with dependent children are the most common household type in the social sector at 32 per cent, while 'other households' without dependent children are most common in the PRS at 39 per cent.
- 3.3 A 2013 study by the Race Equality Foundation found that overcrowding is most common among Black African and Bangladeshi groups, with over a third of households overcrowded. Bangladeshi households are 63 per cent and Black African households 75 per cent more likely than White British households to suffer 'housing deprivation' (an indicator in the Index of Multiple Deprivation including overcrowding and other measures).
- 3.4 The latest Runnymede Trust examined the changes in overcrowding in London between 2001 and 2011 Census and reported that half of the communities saw little or no change (+/- 1 per cent) in overcrowding. The White Other group had the largest increase in overcrowding, a rise of 6.6 per cent. The White Irish group had the lowest levels of housing inequality (-1 per cent), followed by Black Caribbean and Indian groups (-8.1 per cent and -8.6 per cent, respectively). While the Black African and Bangladeshi residents experienced the biggest fall in overcrowding levels in relative terms, an improvement of +3.0 per cent and +4.5 per cent respectively, they continue to experience the highest levels of overcrowding in London, where around two in five Black African (40 per cent) and Bangladeshi (36 per cent) residents live in overcrowded housing.
- 3.5 Income and poverty are important factors, particularly for certain ethnic minority groups who are more likely to be unemployed and/or live on low incomes. Some of these groups are also more likely to live in extended households and in private rented properties due to tenure shift towards PRS and scarcity of affordable housing. The position for larger families in particular has been exacerbated by the Overall Benefit Cap and Local Housing Allowance limits. There is also a growing level of overcrowding among "other" household types, mainly groups of unrelated individuals sharing accommodation and rental costs in order to reduce their cost of living. Some of these households live in very poor conditions and can sometimes be victims of rogue landlords.
- 3.6 It is also worth noting the contrasting levels of under-occupation. The data highlights considerable ethnic differences in whether a household has spare rooms. The proportion of households with at least one 'spare' bedroom varies from a third of the Arab, Bangladeshi and African ethnic groups to more than half of the White British and White Irish ethnic groups. Almost one third of White British and White Irish households (28 per cent), 11 per cent of Bangladeshis and 9 per cent of Black Africans have two or more spare bedrooms.

Local context

- 3.7 Census data showed that while there has been a small reduction in overcrowding between 2001 and 2011 Census, in 2011 Brent still had the second highest level of overcrowding in England. On this basis, 17.7 per cent of households had an occupancy rating of -1 or worse; that is, lacking one or more bedrooms.
- 3.8 Data at the local level is limited or anecdotal, particularly in relation to the private rented sector, and should be treated with caution. We know, for example, that Eastern European groups are over-represented in the overcrowding cases Private sector enforcement deals with but currently do not have strong evidence.
- 3.9 In order to inform its recommendations, the working group has looked at the available social housing stock and leasehold data and the diversity and socio-economic profile of Council's tenants and leaseholders.
- 3.10 A summary of the findings is outlined below:
- The Council's housing stock comprises 11,957 units of which 7,714 are tenanted and 3,699 are leasehold. The remainder are a mixture of miscellaneous units such as shared ownership.
 - Council homes are primarily flatted estates with 1 or 2 bedrooms. Flats are heavily concentrated in the South East of the borough. Houses tend to be 3 or more bedrooms and are spread more evenly across the borough.
 - The average number of people per household in Council owned properties is 3.3 compared to 4.8 in leasehold properties.
 - Leasehold properties tend to be more overcrowded than Council owned properties (with respectively -3 and -1.3 bedrooms on average).
 - Of leasehold properties:
 - 60 per cent (2,223 in total) have more than one person per bedroom
 - 26 per cent (847 in total) have a deficit of -5 or less bedrooms for the number of people living at the property
 - 14 per cent are under occupied (443 in total) - most of these (361) have one extra bedroom
 - It is estimated that over 960 leasehold properties are also let to private tenants and data for just over half of these properties suggests a beds to person ratio of -5.9, suggesting higher levels of overcrowding among this group.
 - When looking at the Council's tenants' and leaseholders' diversity and socio-economic profile:
 - 67 per cent of tenants are non-white, which is slightly higher than the proportion of Brent non-White population as a whole (65 per cent). There is a significantly higher proportion of black tenants and lower proportion of Asian tenants when compared to Brent's population as a whole.

- Based on the ethnicity of the Household Reference Person (HRP), Brent had the third highest percentage of households with a HRP from an Asian ethnic group in England and Wales (6.4 per cent) and the second highest percentage (3.8 per cent) with a HRP from a White ethnic group other than British.
- The religious profile tends to reflect the ethnicity of tenants, with a higher proportion of Christianity and notably lower proportion of Hinduism. There are slightly more Muslims amongst the tenant base but this is not marked – 23 per cent compared to 20 per cent in the Borough.
- The two biggest age groups in the tenant profile are 40-49 and 50-59 year olds but over one third (34 per cent) of tenants are over 60 years old.
- 59 per cent of tenants are women which means that female tenants are slightly over-represented in the tenants' profile compared to the Borough average, particularly in 30-60 age groups where women outnumber men by almost half as many.
- 31 per cent of employees living in Brent are low paid, the second highest of any London borough and ten percentage points higher than average. ONS data at the end of 2015 showed that the median salary of a Brent resident is £25,203.
- 84 per cent of tenants and 43 per cent of leaseholders claim Housing Benefit.

Brent's Housing Strategy in the wider London and national context

- 3.11 The Housing Strategy 2014-19 set the following targets, within the overall objective of 5,000 new affordable homes by 2019:
- To ensure that at least 35 per cent of new general needs affordable rented housing is three bedroom or larger.
 - To halve severe overcrowding in the social housing sector by 2019.
- 3.12 Of the 707 affordable homes delivered in 2014/15, 31.3 per cent were three bedroom or larger but this is likely to represent a high point. Expectations for 2015/16 are much lower and this is also likely to be the case for future years given the government's emphasis on owner occupation and the pressure from developers to reduce the proportion of affordable housing on viability grounds. The housing strategy review is considering options to bridge the supply gap.
- 3.13 Local allocation policy also impacts on ability to address overcrowding since an increase in the proportion of lets to homeless households has reduced capacity elsewhere, at least in the short term, although this proportion has been reduced to 70 per cent in the current year. The Allocation Scheme also prioritises households lacking two or more bedrooms but does not give high priority to households lacking one bedroom.
- 3.14 The London Assembly Planning and Housing Committee published *Crowded Houses* in 2011. The central premise of the report is that building one 6 bedroom home for an overcrowded family, and moving other overcrowded families into larger vacant homes created further down the 'chain', could solve the overcrowding problems of 36 Londoners, with the added effect of taking one or two people off the waiting list, or out of temporary accommodation. The report also supports wider use of chain lettings in conjunction with this.

- 3.15 The report also recommends better data collection by local authorities, a change to the Mayor's housing targets to reflect the number of bedrooms provided, rather than the number of units and an increase in the target for larger homes, including a target for four bedroom properties.
- 3.16 The argument for building larger homes is simplistic but compelling, although it is not yet clear how the Mayor's next programme will work or how his targets will be set. In this context, the best option may be to consider how far the Council's own development and acquisitions programme can be steered towards larger homes.
- 3.17 The London Overcrowding Board published a report in 2013, focused on increasing the options on offer to overcrowded households. Among these are a proposed roll-out of the InComE model developed by Shepherd's Bush Housing Group, which provides a two year social tenancy and intensive support to young people from overcrowded households in social housing who are not in education, employment or training.
- 3.18 The report also highlights the Choice Based Mobility scheme, providing opportunities for older under-occupiers in social housing who wish to move to sheltered housing in other parts of the country. Finally, the report recommends programmes to extend and de-convert social rented homes.
- 3.19 The review of the Housing Strategy 2014-19 provides an opportunity to consider the Council's approach to overcrowding in the context of the wider issues outlined above. The working group findings and recommendations will be incorporated as the review proceeds.
- 3.20 The first priority should be to capture any additional data, quantitative or qualitative, to obtain a more complete picture. This will include:
- Analysis of current applications from overcrowded households and of tenanted leaseholder properties;
 - Analysis of relevant enforcement action in the PRS;
 - Seeking information from Registered Providers;
 - Seeking views and data from voluntary agencies working in the PRS;
 - Seeking views from other council departments or external partners where overcrowding is a factor affecting their work.

4. Recommendations

- 4.1 The programme of acquisitions in the private sector should include a proportion of larger homes of four bedrooms and above.
- 4.2 The Council should consider opportunities to extend or de-convert – for example by returning street properties to single family use – properties in the HRA stock when they become void and encourage RPs to take a similar approach.

- 4.3 Private sector enforcement should continue to focus on making properties fit for the number of occupants rather than reducing the number of tenants.
- 4.4 The Council should assess the opportunities for and impact of chain lettings, building on work already underway to increase the number of transfers within the council stock and target a proportion of such lettings specifically at overcrowded households. Alongside this, the current incentive package for under-occupiers should be reviewed to assess how it can be made more attractive.
- 4.5 The Council should identify opportunities for increased provision for single people currently forming part of overcrowded households, including short-life uses within regeneration areas, use of fixed-term tenancies and access to advice and assistance in securing accommodation in the private sector.
- 4.6 The Council should assess the options for introducing a licensing scheme for leasehold properties within the HRA that are let in the private sector.
- 4.7 While recognising that addressing homelessness pressures and reducing temporary accommodation use are overriding priorities, the Council should keep policy in this area under regular review and identify opportunities to give additional priority to overcrowded households as they arise (e.g. via participation in London wide schemes and/or the development of a local ethical lettings service).

5.0 Financial Implications

- 5.1 There are no financial implications directly arising from this report.

6.0 Legal Implications

- 6.1 There are no legal implications directly arising from this report.

7.0 Equality Implications

- 7.1 There are no equality implications directly arising from this report.

8.0 Staffing/Accommodation Implications (if appropriate)

- 8.1 There are not staffing/accommodation implications directly arising from this report.

Background papers

None

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