

Report to the Board

18 September 2014



Title: Lettings Report 2013/14

Report of: Director of Customers and Communities

Purpose of Report

1. To advise the Board of lettings activity in 2013/14.

Background

2. 2013/14 was the first full year of homes being let through the Tyne and Wear Homes scheme. (The sub-regional scheme was introduced midway through the previous year, in September 2013). Properties are let in line with Gateshead Council's lettings policy, with the provision for some direct letting of properties to applicants with specific urgent housing needs.
3. Customers and Communities Committee previously received a report in May 2013 relating to the year 2012/13 which noted that estate regeneration activity in Gateshead had contributed to changes in the supply of housing. There had been a considerable reduction in properties available for letting in 2012/13 which was linked to the clearance and demolition of properties across several sites.
4. An increase in turnover was predicted for 2013/14 as a consequence of the implementation of welfare reforms, and in particular the new rules relating to under-occupation of social housing. An amendment had been made to Gateshead Council's lettings policy in December 2013 to include an award of priority for those tenants affected by benefit reductions for under-occupation.
5. This report will show that there was a large increase in tenancy terminations in 2013/14 and a new emergence of difficult to let properties. Together these have led to an increase in vacant properties, despite a backdrop of increased numbers on the Housing Register.
6. This report was submitted to Customers and Communities Committee held on 11 September 2014 and is also presented to the Board for information.

Housing Register

7. At the start of April 2013 there were 9,671 applicants on the Tyne and Wear Housing Register that had requested assessment for housing in Gateshead (out of 32,052 applicants across the whole scheme.)

8. By the end of March 2014, this had increased to 12,778 applicants requesting Gateshead (out of 38,319 on the whole scheme). Appendix 1 contains a breakdown of the applicants requesting housing in Gateshead.

Properties Let

9. 1,746 properties were let to applicants on the Housing Register in 2013/14, compared to 1,451 in 2012/13. A large increase in tenancy terminations (from 1,579 to 1,926) meant that many more properties became available to let. Lettings did not keep pace with this increase, and so levels of vacant properties rose from 234 at the start of the year to 440 by year end (and have continued to increase in the first quarter of 2014/15)
10. Around two-thirds of properties were let to new tenants (“waiting list”) and one-third to existing tenants (“transfer list”). Appendix 2 shows a breakdown of properties let in 2013/14.
11. 1,531 properties let were as a result of an advert on Tyne and Wear Homes, with 221 as a direct let. Appendix 3 shows the breakdown of properties let as “direct lets” and Appendix 4 the reasons for these direct lets. 154 homes were let to tenants moving into Gateshead from other areas.
12. 179 tenants were rehoused during the year with the additional priority award linked to benefit reductions for under-occupation, and a further 337 tenants were registered for a transfer with this award at year end (187 with a single “substantial” priority award, and 150 with the higher “urgent” award given when the property requested is in lower demand than the one given up).
13. The number of properties being refused has increased by 24% this year. There were 3,706 refusals in 2013/14 compared to 2,818 in 2012/13. Low numbers of bidders and high refusal rates result in properties having to be re-advertised and the number of always available properties is increasing. Two years ago a flat in Low Fell was offered out just under twice before being accepted, a year later this increased to nearly three times, and last year the refusal rate was 3.7, which means flats were offered to nearly four people before being accepted.
14. Details of refusal reasons are shown in the appendix. The most common refusal reasons are “Do not want area” at 24%, “Did not attend viewing” at 18% and “Property Type” at 7%.
15. Whilst numbers of new applications remains high, the increase in refusals has resulted in properties becoming more difficult to let. In general applicants are getting housed with less waiting time and lower priorities, and more properties have to be re-advertised. This trend of increased numbers of refusals has been mirrored by the other Tyne and Wear authorities.

Mutual Exchanges

16. Mutual exchanges are an alternative and sometimes quicker way of tenants resolving their housing need. 165 exchanges took place in 2013/14, which was an increase from 140 the previous year. We have promoted mutual exchanges during the year and hosted a “swap-it” event at the civic centre in April this year which was attended by 62 tenants.

Link to Values

17. This report relates to the company values of: -
- Being honest, accountable and transparent
 - Being customer focused, innovative and professional

Impact on tenants

18. Lettings to existing tenants accounted for 35% of all lettings in 2013/14 (compared to 40% of lettings in 2012/13).

Risk Management Implications

19. This report relates to the strategic risks around “Reduction in stock / stock availability” and around the impact of welfare reform.

Financial Implications

20. There are no direct financial implications arising from this report.

Equality and Diversity Implications

21. The lettings advice team help ensure that all applicants are able to access the Tyne and Wear Homes scheme, by way of advice, support and assisted bids. Information gathered at the application stage helps with this, and contact is also made with any applicant who does not appear to be making bids.

Value for Money Implications

22. There are no direct value for money implications arising from this report

Health Implications

23. The Gateshead lettings policy includes a range of priority awards to recognise medical conditions and other housing needs that may otherwise affect health

Environmental Implications

24. Making best use of housing stock by tackling under-occupation and overcrowding has positive environmental implications.

Consultation carried out

25. There has been no specific consultation for this report. We have led on the establishment of the customer group for the implementation and operation of Tyne and Wear Homes, and Gateshead customers attend this group.

Recommendation

26. The views of the Board are sought on whether it is satisfied with the information on lettings activity in 2013/14.

Housing Register (applicants requesting Gateshead)

Category	Award Reason	31/03/13	31/03/14
Critical Need (Single Awards)	Medical	1	2
	Child protection	0	1
	Total Critical Need (Single Award)	1	3
Urgent Need (Two awards)	Medical & Best use of stock	8	7
	Medical & Homeless Prevention	0	5
	Demolition & Overcrowding	1	0
	Total Urgent Need (Two awards)	9	12
Urgent Need (Single Award)	Homeless	27	52
	Homeless Prevention	63	47
	Domestic Violence	10	20
	Single Gateway	10	14
	Medical	124	84
	Leaving Care	3	5
	Demolition	258	68
	Best use of stock	140	143
	Overcrowding	13	16
	Imminent Tied Tenants	0	1
	Imminent Armed forces	4	16
	Total Urgent Need (Single Award)	652	466
Substantial Need (Two awards)	Children in flats & Overcrowding	8	6
	Children in flats & Under Occupation	4	2
	Overcrowded & Medical	6	4
	Medical & Under Occupation	14	13
	Non Priority Homeless & Medical	1	1
	Total Substantial (Two awards)	33	26
Substantial Need (Single Award)	Medical	233	178
	Non Priority Homeless	134	181
	Overcrowded	277	263
	Tied Tenants	7	6
	Children in Flats	26	14
	Leaving armed forces	4	5
	Intentional homeless	1	1
	Under-occupation	160	172
	Total Substantial (Single award)	842	820
General Needs	(No qualifying additional need)	7,105	9,712
“Demoted”	Demoted (for arrears/ ASB)	1,029	1,739
Total applicants requesting Gateshead		9,671	12,778

<i>Total applicants on Tyne and Wear scheme</i>	32,052	38,319
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Properties Let 2013/14

Property Type	Size	'Transfer List' (existing tenants)	'Waiting List' (new tenants)	All
Bungalows	1 Bedroom	85	76	161
	2 Bedroom	55	51	106
	3 Bedroom	2	3	5
All Bungalows		142	130	272
Flats	Bedsit	5	41	46
	1 Bedroom	93	161	254
	2 Bedroom	67	274	341
	3 Bedroom	9	19	28
	4 Bedroom	0	1	1
All Flats		174	496	670
Houses	1 Bedroom	9	9	18
	2 Bedroom	99	274	373
	3 Bedroom	129	182	311
	4 Bedroom	19	7	26
	8 Bedroom	1	0	1
All Houses		257	472	729
Maisonettes	2 Bedroom	1	5	6
	3 Bedroom	0	18	18
	4 Bedroom	0	1	1
All Maisonettes		1	24	25
Sheltered	1 Bedroom	10	13	23
	2 Bedroom	23	4	27
	(Extra Care) 2 bedroom	1	5	6
All Sheltered / Extra Care		34	22	56
TOTAL		608	1,144	1,752

Properties let as a “direct let”

Type	Beds	Properties available to let	Of which - direct lets
Bungalow	1 bedroom	161	7
	2 bedroom	106	3
	3 bedroom	5	1
All bungalows		272	11
Flat	Bedsit	46	10
	1 bedroom	254	48
	2 bedroom	341	39
	3 bedroom	28	5
	4 bedroom	1	1
All flats		670	103
Houses	1 bedroom	18	3
	2 bedroom	373	41
	3 bedroom	311	38
	4 bedroom	26	4
	8 bedroom	1	0
All houses		729	86
Maisonettes	2 bedroom	6	1
	3 bedroom	18	0
	4 bedroom	1	0
All maisonettes		25	1
Sheltered	1 bedroom	23	1
	2 bedroom	27	19
	(Extra care) 2 bedroom	6	0
All Sheltered / Extra Care		56	20
TOTAL		1,752	221

Reasons for direct let

Reason	Number
Domestic violence	2
Emergency (fires, floods etc)	10
Exceptional Circumstances (Protection of vulnerable adults etc)	21
Homeless	115
Threat or fear of life	14
Demolition or new build	36
Warden / caretaker	9
Release of housing	1
Key Ring property	2
Discretionary succession, transfer to other property	11
Totals	221

Refusal Reasons by Property Type

Bungalows & Sheltered flats (Pensioner) 623 refusals

Numbers	Percentage	Reason	Examples
190	31%	Property Type	Too large, too small, garden, layout etc
180	29%	Area	Too far from requirements, dislike of area, perceived ASB etc
150	24%	Change in circumstances or no contact	Already housed, did not attend viewing, no response to letter, has another offer etc
62	10%	Medical	Not adaptable, too hilly, unable to move due to ill health etc
27	4%	Financial	Rent arrears, unable to afford etc
14	2%	Misc	

Flats (Couples/Singles) 1415 refusals

Numbers	Percentage	Reason	Examples
522	37%	Change in circumstances or no contact	Already housed, did not attend viewing, no response to letter, has another offer etc
374	27%	Property Type	Too large, too small, garden, layout etc
314	22%	Area	Too far from requirements, dislike of area, perceived ASB etc
115	8%	Financial	Rent arrears, unable to afford etc
90	6%	Misc	

Houses & Maisonettes (Families) 969 refusals

Numbers	Percentage	Reason	Examples
351	36%	Area	Too far from requirements, dislike of area, perceived ASB etc
277	29%	Change in circumstances or no contact	Already housed, did not attend viewing, no response to letter, has another offer etc
224	23%	Property Type	Too large, too small, garden, layout etc
48	5%	Financial	Rent arrears, unable to afford etc
69	7%	Misc	