

Findings of the Overcrowding Sub-group of the Housing Forum for the South East

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This document contains information and policies that were correct at the time of publication.

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1. Introduction and Executive Summary

1.1 This report contains a final overview of the findings and recommendations of the Overcrowding Sub-group of the Housing Forum of the South East.

Remit and work of the Sub-group

1.2 The remit of the Sub-group was to examine the scale of overcrowding in the South East region and make recommendations for the necessary steps to address this.

1.3 It was not the intention of the Sub-group, nor did it have the resources, to undertake or commission a large-scale programme of research. The findings set out in the report are those established through existing research, limited research by individual members of the Sub-group, and the knowledge and expertise of individual members.

1.4 The Sub-group is grateful to the employing organisations for their willingness to allow those members to commit time to support the work.

1.5 Some of the underlying evidence base remains incomplete. In addition, some work carried out by the Sub-group and existing research has to an extent served only to uncover gaps in information and as in the interim report, anecdotal evidence and practical experience of members of the Sub-group has generated many of the recommendations. Others are directed at the actions needed to achieve the necessary evidence base, beyond the resources available to the Sub-group.

1.6 The Overcrowding Sub-group's interim report offered an extensive array of recommendations aimed at addressing the broad spectrum of issue areas associated with overcrowding. To focus its programme of work and to produce this final report, the Sub-group has responded to the feedback received from the Housing Forum following their review of the interim report. This final report focuses on three headline recommendations, which are supported by a number of additional recommendations addressing specific issues.

A background to the final report

1.7 In October 2006 the Overcrowding Sub-group of the Housing Forum for the South East produced a report of their interim findings and recommendations and presented it to the Housing Forum. The report provided Housing Forum members with a comprehensive overview of the causes and extent of overcrowding in the South East and highlighted the consequences of overcrowding on wider social policy. It also documented the wider national policy drivers that are linked to overcrowding and it suggested a role for the Regional Housing Board to produce policies capable of responding to the Government's focus on overcrowding, while also addressing the pervasiveness of the problem in the region.

1.8 The publication of this final report of the Sub-group was timed to coincide with consultation on the review of the South East Housing Strategy for 2008-2011 and it was suggested that specific recommendations were taken into account in this review as these were drawn from the feedback provided by the Housing Forum on the interim report.

Current limitations to measuring overcrowding and recommended interim solution

1.9 An authoritative evidence base is an essential requirement for determining a target for larger social rented homes in the Regional Housing Strategy.

1.10 The Strategic Housing Market Assessment (SHMA) process in the South East has just concluded its pilot stage and is yet to roll out to the rest of the region. Substantive guidance from Government was only published in March. As such, region-wide robust

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evidence of overcrowding is currently incomplete and what exists cannot be relied upon to determine a regional target for the provision of larger homes.

1.11 The Sub-group believes that an interim measure is needed to enable the Regional Housing Board to recommend to Government the percentage of the Regional Housing Pot to be aligned to larger homes during 2008-11. In response to this, a proposal on the principle of this interim measure has been included in the consultation on the review of the Regional Housing Strategy.

1.12 It will be shown later in this report that this allocation of resources can provide a supply chain that will also contribute to meeting the acute housing needs of smaller households across the region.

1.13 A target for the delivery of larger homes is also intended to ensure that the mismatch between the demand for larger social rented homes in the region (evidenced by the housing register) and the supply of larger affordable homes (evidenced through the bids received by the Housing Corporation) can be directly addressed. The Sub-group therefore also suggests that the Housing Corporation be invited by the Housing Board to determine the range of percentages to be consulted upon.

Key Recommendations

1.14 The report identifies three key recommendations but to support these, the recommendation identified in the Sub-group's interim report is retained:

Interim Report Recommendation:

A single overcrowding measure to be adopted by Strategic Housing Market Assessments (SHMA) that are conducted in the South East sub-regions. This is to ensure regional consistency.

The regional measure recommended is the bedroom standard, at least until a new legal definition is decided upon by national government.

1.15 Evidence gathered from Housing Needs Surveys across the region, suggests that although the use of the bedroom standard is explicitly used in many cases, in others it appears that the individual's own perceptions of whether they are overcrowded are used, without any apparent reference to any specific standard. If the region is to determine a target for larger social rented homes in the Regional Housing Strategy, reference to a specific standard is essential for the establishment of a consistent, authoritative evidence base across the region.

1.16 The three key recommendations of the Sub-group are set out below. The arguments that led to them are set out in more detail later in this report, under the respective chapter headings. The recommendations were reviewed by the Regional Assembly's Housing Advisory Group in July 2007 to reflect information known to local planning authorities. Recommendations have been amended accordingly.

Chapter 3 – A Regional Target for the Delivery of Larger Affordable Homes:

Key Recommendation 1:

The Regional Housing Strategy should include a target for the provision of affordable homes with varying bedroom sizes that reflect identified housing need and aims to deliver a specific number of two bedroom, three bedroom and four bedroom + homes and funding to support this target sought through the Housing Corporation National Affordable Housing Programme (NAHP) 2008 - 2011.

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Chapter 4 – Overcrowding Among Black and Minority Ethnic Communities in the South East:

Key Recommendation 2:

An audit should be undertaken of local authority data and research relating to the housing needs of the region's black and minority ethnic (BME) population, their disproportionate representation in overcrowding statistics and measures taken to redress this.

Local authorities lacking data should be approached to establish how they propose to address this.

Chapter 5 – Addressing the Wider Social Aspects of Overcrowding and its Impacts:

Key Recommendation 3:

Effective approaches to alleviating the wider social impacts created by overcrowding should be established between housing and other stakeholders. These should be based on a comprehensive understanding of the impacts that living in overcrowded homes can have on health, education, wellbeing and life chances and should bring together key stakeholders from across these sectors.

Good practice should be promoted through existing mechanisms such as the Housing Corporation Gold Award scheme.

1.16 This last recommendation is intended as an interim measure to respond to the wider social impacts caused by overcrowding, and be in place in the period between investment in larger homes and their delivery. The recommendation is proposed in order to facilitate a comprehensive understanding of the impacts that living in overcrowded homes can have on health, education, well-being and life chances and should bring together key stakeholders from across these sectors.

Supporting Recommendations

1.17 The report also makes further recommendations where issues need to be addressed, further research is needed and existing good practice disseminated. These key areas are identified in the following chapter headings in the report:

- Chapter 6 – Identifying Need
- Chapter 7 – Overcrowding in Rural Communities
- Chapter 8 – Overcrowding in the Private Sector
- Chapter 9 – Examining Under-occupation - Making the Best Use of the region's Housing
- Chapter 10 – Lifetime Homes Standards
- Chapter 11 – Good Practice in Addressing Overcrowding

2. Overcrowding in the South East

Current position

2.1 Government statistics estimate the South East contains approximately 57,000¹ overcrowded households and it is estimated that 109,000² children in the region live in an overcrowded household.

2.2 These statistics also indicate that the highest rates of overcrowding are found in the social-rented sector where 6.2% of households live in overcrowded conditions, meaning that nearly half (26,000) of the overcrowded households in the South East live in the social sector.

2.3 Right to Buy has also had a significant impact on overcrowding levels in the social-rented sector in the region. Over 200,000 social rented properties have been lost from the social sector through the Right to Buy initiative, since its introduction in the Housing Act 1980. This represents 32% of the South East's total social housing stock. Right to Buy sales continue; in 2004-2005, 2,110 houses were sold in the region - data showing breakdowns of the size and type of properties lost via Right to Buy is unavailable. Shelter's report on reforming the Right to Buy³, showed that although higher discounts were introduced in 1987 to encourage the sale of flats, houses still make up around 80% of sales, with three- or four-bedroom homes and those with gardens being particularly popular. In Reading, for example, between 1980 and 1995, over 40% of the council's stock of houses was sold, including nearly 60% of its four bedroom houses⁴.

2.4 The former ODPM identified Slough, Southampton, Medway, Sutton, Reading, Richmond upon Thames and Buckinghamshire to be within the top 60 overcrowded sub-regional areas in England. Brighton and Hove, Surrey, Kent, Milton Keynes, East Sussex, Portsmouth and Oxfordshire also contain significant levels of overcrowding according to this measure⁵.

2.5 Research⁶ shows that living in cramped conditions can have a detrimental effect on children's health, education and general well being. Overcrowding can increase the spread of illness, make it harder for children to find a quiet space to read or do their homework. It can cause unsettled sleep patterns, particularly if different age siblings have to share rooms with each other or with their parents. It can also have a detrimental impact on the quality of relationships between parents and children, and between siblings

Housing supply

2.6 There has been a trend for the provision of smaller homes in response to regional demographic trends and locally defined affordable housing needs.

¹ Survey of English Housing 2004-05

² ODPM data from Survey of English Housing 2000-2003 combined, figures rounded to nearest hundred. Figures for children in regions other than London are derived estimates, and proportions are calculated using Census data.

³ Patrick South, *Time for Change: Reforming the Right to Buy*, Shelter report, 2002

⁴ Jones C and Murie A, *Reviewing the Right to Buy*, Joseph Rowntree Foundation, 1999

⁵ *Overcrowding by sub-regional area*, ODPM, 2004

⁶ *Full House? How overcrowding affects families*, Shelter, London, 2004

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2.7 Recent work undertaken by DTZ ⁷ on behalf of the Assembly has analysed the size and type of housing being produced in the region. This identified a number of causes for smaller properties being developed that can be summarised from the report as:

- The operation of the market:
 - The growth of the buy to let market
 - The decline in affordability – fuelled by the growth of the Private Rented Sector which has sustained buy to let investment
 - As a consequence first time buyers are able to buy less for their money
 - Competition for available land, rising costs of land and Section 106 agreements, leading to higher development densities
- Planning influences:
 - Focus of brownfield land development leading to an increased proportion of sites where higher densities are acceptable
 - Policy thrust to increase densities and acceptance of schemes with a high proportion of flats and small units
 - Greater acceptance of higher densities interacting with market forces to increase land values making lower densities no longer viable
 - Escalation of land values in a rising market
- Affordable housing:
 - RSL output directly tied to the market sector through Section 106 agreements
 - Developers need to obtain best value for land purchased, this creates an incentive to build more smaller homes
 - Local authorities wanting to maximise provision of affordable housing units, accepting their main requirement is for small units
 - Rents and grant levels not being high enough to make developing family sized housing economically viable for RSLs.

2.8 In the South East 2006-08 National Affordable Housing Programme (NAHP), the Housing Corporation received 31,175 individual bids for funding. The breakdown of this and allocations of funding were as follows:

Property Size	Bids (%)	Allocations (%)
Less than two bedroom	26.3%	27%
Two bedroom	57.2%	56%
Three bedroom and over	16.5%%	17%

In six local authorities 100% of bids were for two bedroom homes.

Statistics published by the Housing Corporation predict that only 10.24% of affordable housing provision in the South East will be three bedroom or more over the life of the 2006/8 NAHP (1,865 homes out of a total of 18,211).

⁷ Housing Type and Size in the South East – DTZ Feb 2007

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2.9 There is clearly a need for detailed research in this area as there is some disparity between the bids received and the data on local authorities' housing registers. For example, in 2004-05, there were 30,000 households requiring homes with three or more bedrooms, but as investment allocations were aligned with bids, less than 700 units of social housing with three or more bedrooms were completed in the region in the same year. It is accepted that housing register data cannot be used as an accurate predictor of the level of overcrowding. It does however give a sense of the amount of demand-led pressure there is on social housing.

2.10 Currently the supply of larger affordable housing is mainly derived from vacancies within the existing housing stock. However, between April and September 2006 only 22% of all general needs lettings in the South East region, recorded through CORE, were homes with three bedrooms or more (see also para. 3.9).

A Key role for the Regional Housing Strategy

2.11 The Regional Housing Strategy is the opportunity to develop the strategic policy approach to overcrowding that effectively targets resources to reduce its occurrence in the region and reduce the negative impact of overcrowding upon other key policy outcomes.

2.12 The aim of this strategic policy framework would be to reduce overcrowding in the South East by meeting housing need across the communities and households most likely to experience it. The policy framework should also address the wider social impacts that overcrowding has, and ease the problems faced by those households that cannot be rehoused in the short term (see chapter 5).

2.13 The housing investment strategy for the region has already begun to reverse the decline in social housing construction that has been partly responsible for the overcrowding occurring in this tenure in the South East. It must now reverse the other housing policies responsible for overcrowding, namely the trend towards smaller units, and it must seek to redress the region's loss of larger social homes through Right to Buy by setting a target for a regional provision of larger homes.

2.14 Clearly the Government's focus on overcrowding, illustrated by the consultation undertaken on a future definition of statutory overcrowding, (as outlined in the Overcrowding Sub-group's interim report) as well as the pervasiveness of the problem in the region, requires that the policies needed to address it be in place soon.

3. A Regional Target for the Delivery of Affordable Larger Homes

Introduction

3.1 This chapter contains the sub-group's key recommendation, fundamental to addressing overcrowding in the South East.

3.2 The evidence supporting this has been highlighted in earlier chapters of this report.

- The highest rates of overcrowding in the region are found in the social-rented sector where 6.2% of households live in overcrowded conditions
- There is a clear mismatch between the demand for larger social rented homes in the region, evidenced by housing registers, and the supply of larger homes evidenced through the bids received and funding allocations made by the Housing Corporation
- Right to Buy has substantially eroded the region's existing stock of larger social rented homes (paragraph 2.3).

3.3 The Sub-group's recommendation for a target for larger affordable homes to be contained in the Regional Housing Strategy and reflected by funding made available through the National Affordable Homes Programme (NAHP), is intended to incentivise the development of increased quantities of affordable larger homes.

3.4 The Sub-group has been mindful to support the implementation of this target and has worked in the region with key stakeholders to identify the tools needed to address the barriers to delivering larger affordable homes. This process began by developing an understanding of the issues that have led to the current undersupply through a questionnaire (See Annex D) distributed to 187 key stakeholders across the region.

3.5 In addition, the Sub-group has reproduced work undertaken by London Councils (formerly the Association of London Government) and the London Housing Federation into the barriers to the delivery of larger homes. Finally, the Sub-group provides evidence to show how the barriers to the delivery of larger affordable homes can be overcome in the South East and also illustrates the benefits that a supply of larger homes in the social sector will bring to the region.

Regional research – the findings

3.6 A questionnaire was sent to 187 local authorities represented on the Regional Housing Forum, housing associations represented on the South East region's development forum and members of various chief housing officer groups throughout the region.

3.7 The Sub-group received 27 responses (14%). Whilst this represents a small sample, its aim is to be a precursor to further in-depth research to formulate a fuller picture. The conclusions deriving from the responses to this questionnaire are:

- Provision of larger affordable homes has been patchy, with some areas producing upwards of 60% of development made up of larger affordable homes down to a 0% build in some instances
- The percentage of families on housing waiting lists is equally as varied, with numbers ranging from over 1,200 families to as low as 10
- Demand for larger affordable housing appears to be spread across the region
- Even in areas where there is a comparatively low demand, families are waiting for considerably longer than other sized households due to the lack of availability of this

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type of accommodation. The end result is that these families are being forced to live in over-crowded conditions or stay in temporary accommodation longer than is either acceptable or experienced by other household types

- When respondents were asked why larger affordable homes were overlooked in the overall development process, the need to achieve higher densities required through Planning Policy Guidance 3 (Housing) (PPS3) and individual local requirements, featured high on the list, combined with value for money measurements based on the number of dwellings achieved in any given hectare or development
- The need to ensure economies of provision, in terms of the most efficient use of land and highest numbers of units produced for the allocated funds was also deemed to be a major factor in higher provision of smaller units resulting in a reduction of larger affordable homes
- Finally, housing needs surveys were seen to be problematic by local authorities as all indicated that proportionally there were higher numbers of families requiring smaller homes than larger homes. The direct result of this leads to higher provision of smaller, flatted developments. Whilst it is expected that the requirement for smaller homes will be higher, the impact is that larger affordable homes are either not being developed, or are being developed in such small quantities that families requiring them are forced to wait on housing lists and live in temporary accommodation for long periods of time as their needs are not being met.

3.8 Evidence to support some of the conclusions from this survey is contained in a response from Yvette Cooper MP to a recent Parliamentary Question (PQ). The PQ asked for the proportion of all social housing starts in each English region that have been three bed units or larger in each of the last 15 years. The reply revealed that in 2003/4, in the South East region this had stood at 30%, but had declined to 21% by 2006/8.

3.9 Alongside this clear decline in the supply of new larger homes it must be recognised that the relets of existing properties currently provide the bulk of affordable housing supply. An analysis of CORE data on total general needs lettings (new build and relets) in the South East from 1 April to 30 September 2006 showed out of a total of 9,350 lettings registered with CORE 19% were three bedroom and 1.5% were four bedroom or more. As with new provision across the region there are wide variations between authorities. Three bedroom lettings ranged from 5.1% of lettings to 37.5% and four bedroom from nil in seven authority areas to 6.3%⁸

3.10 The issues raised by this evidence base of housing need are discussed further in Chapter 7.

The barriers to delivering larger homes in London

3.11 London Councils in conjunction with the London Housing Federation has recently produced a report, "Think Big – Delivering family homes for Londoners". It identified a number of barriers to producing the larger homes needed to address London's overcrowding problem. This study was undertaken with reference to new housing provision overall but the Sub-group believes this can be of value to their work in respect of the provision of larger affordable homes in the South East.

3.12 Its findings closely align to feedback that the Sub-group received to its South East region questionnaire. However, by comparison, and of benefit to a wider understanding of the barriers to delivering larger homes, the research carried out in connection with the London report identified and listed twelve key factors that inhibit the delivery of more

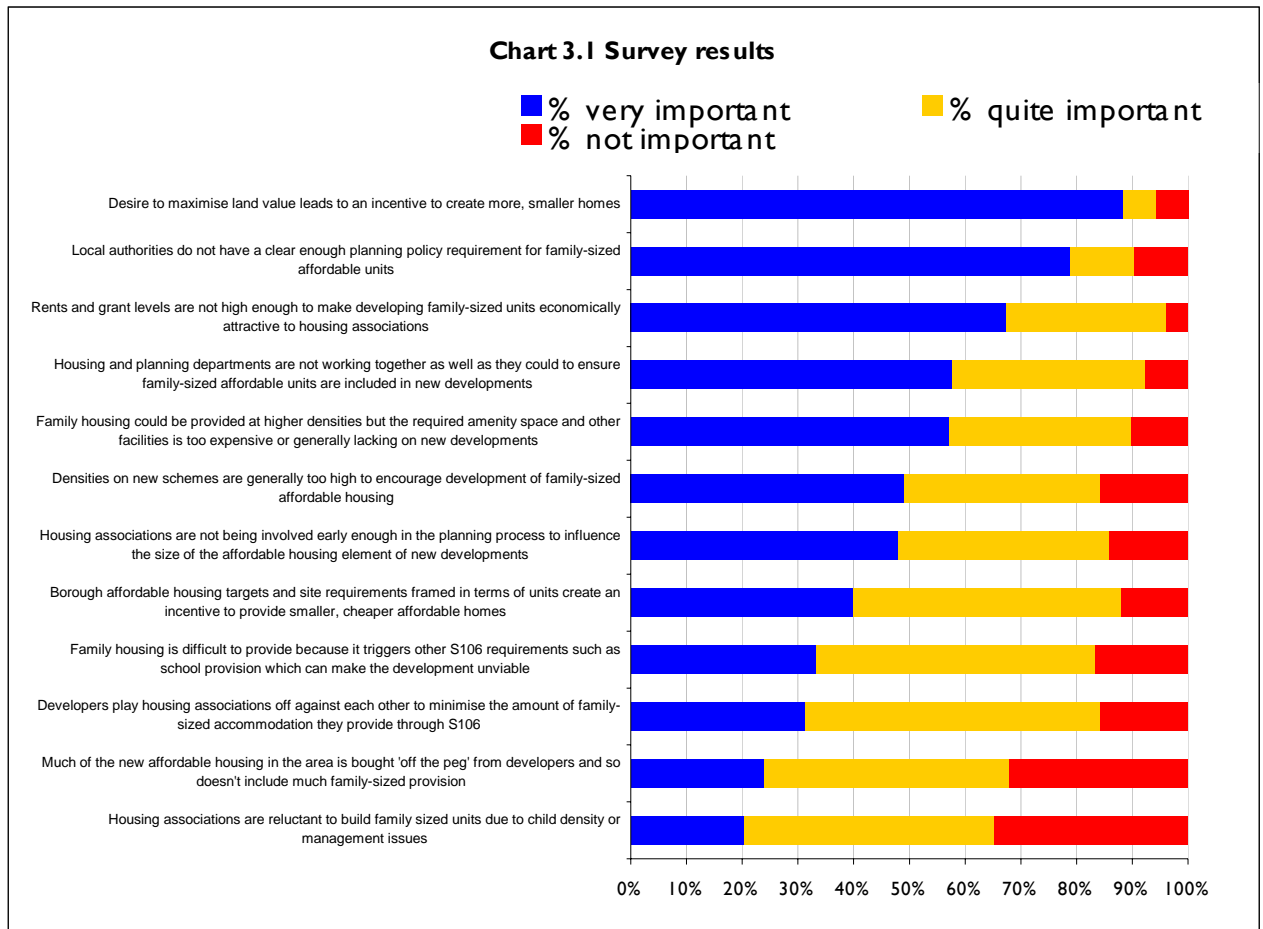
⁸ Continuous Recording System – CORE – Housing Corporation/CLG

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family homes. Although all were considered either very or quite important three were identified to be significant:

- Developers of new housing need to get the best value for the land they purchase; this creates an incentive to build more, smaller homes
- Local authorities do not make the requirement for family-sized homes clear enough in their planning policies
- Rents and grant levels are not high enough to make developing family-sized homes economically viable for housing associations.

3.13 The table below shows the overall results of this research.



(Source: Think Big – Delivering family homes for Londoners – London Councils /London Housing Federation)

Addressing the barriers and delivering larger affordable homes

3.14 The Sub-group believes that the report produced by London Councils and the London Housing Federation provides a good starting point to addressing the barriers to delivering larger affordable homes. This is because it identified five 'key messages' in terms of increasing supply, which the Sub-group believe can also be applied to the South East region:

- It is vital that planning frameworks are consistent and robust in insisting that developers include family homes on new schemes
- The rent and grant system should recognise the impact on costs, including service charges, of larger homes

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- Local authorities and housing associations should take the lead, on both the political and executive levels, in ensuring that larger homes are built
- Creative approaches to partnerships and funding could produce more family homes
- A greater supply of affordable land is crucial. A more strategic and joined-up approach to land assembly and disposal that is based on housing requirements and works from this to constrain land values will deliver results.

3.15 In the South East, some local authorities already encourage or stipulate the development of larger homes through the Local Development Framework (LDF) process, Section 106 agreements and particularly through the use of Design Briefs and Affordable Housing Development Plan Documents. However this is by no means common practice across the region. The Regional Housing Strategy could be a tool for encouraging this best practice in all local areas.

Basingstoke and Deane Borough Council – Housing Mix Policy

As part of its Supplementary Planning Guidance the Council in 2002 developed a Housing Mix Policy, which sets out the Council's expectations regarding the size of properties in three categories of development relating to their size and location. This was in response to concerns about the mismatch between housing stock and household formation. Because of the history of the development of the area this currently emphasises the need for smaller accommodation but is due for review.

Whether developers will be as accepting of a requirement to develop larger affordable units remains to be seen but taken with the opportunities provided by PPS3 and Strategic Housing Market Assessments that provide a robust evidence base (see Chapter 6) such an approach could potentially address local need for larger accommodation.

Access to the Housing Mix Policy is available through the following link:

http://www.basingstoke.gov.uk/NR/ronlyres/4AB572BA-3470-43EF-98EC-E0791DB75180/0/revise_d_housing_mix_spg_b.pdf

3.16 In addition, the Sub-group believes that the following actions would enable wider replication of this example of good practice across the region:

- Regional and Local Housing Strategies can address the need for larger affordable homes through realistic targets to address local and regional affordable housing needs. This guidance could build on the conclusions of the study commissioned by the Regional Assembly "Housing, Type and Size in the South East" (DTZ – 2007)
- The use of dwellings per hectare was seen as a disincentive to the development of larger homes. It is hoped that robust Housing Market Assessments supporting local planning policies following the requirements in PPS3 may help to address this.

3.17 Although there is concern that there must be a trade-off between the quest for densities, which use land efficiently, and the supply of larger dwellings (which are in shortage), this could be resolved by density objectives, which use habitable rooms per hectare rather than just dwellings per hectare. This measure does not penalise formats, which include larger proportions of bigger dwellings. This approach has been used very successfully in The London Plan at Policy 4B.1 'Density location and parking matrix'. This policy specifies densities in both formats, giving a density range for dwellings provided in central, urban and suburban areas.

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The benefits achieved from a supply of larger affordable homes

3.18 The table below has been provided by Shelter. It uses the Survey of English Housing to estimate the distribution of households living in social rented housing in the South East, according to the size of the home they currently live in (read across from left hand side) and the size of home they should live in to meet the bedroom standard (read down from the top). So, for example, it is estimated that 3,000 households live in one bedroom homes, but should, according to the bedroom standard, have two bedrooms.

3.19 The table shows that, in theory, a programme of social house building, mainly of four bedroom homes (and to a lesser extent, homes with five or more bedrooms) in the region of 8,000 units, could both tackle overcrowding, and free up smaller units of existing stock for those on waiting lists and in newly arising need.

2) South East Social Rented sector	1 bed	2 bed	3 bed	4 bed	5+ bed
Currently lives in / need to reach Bed Std	→	→			
↓					
1 bed	139,000	3,000	0	0	0
2 bed	83,000	52,000	6,000	0	0
3 bed	58,000	50,000	43,000	7,000	1,000
4 bed	3,000	1,000	4,000	2,000	500
5 bed or more	0	0	0	500	500
New units need to build	0	0	0	6,500	1,500
Total units freed	3,000	6,000	8,000	500	0
Of which open to non-overcrowded households	3,000	3,000	2,000	0	0
				Cost estimate	
Cost estimate (£) 1				£302.9m	£69.9m
Cost per year over 13 years	£28,676,923				
Total cost	£372,800,000				
Notes					
1) Cost estimates based on Housing Corporation grants per unit to RSLs					
2) Figures for households in relation to bedroom standard are rough estimates derived from					

(Source – “Overcrowding in England”, ODPM 2004 – based on data from Survey of English Housing)

3.20 This is clearly an over-simplification of what can be achieved in practice. It takes no account of whether the location of development opportunities co-incide with the prevalence of overcrowding and that local allocation schemes will result in only a proportion of larger homes going to overcrowded families already in social rented housing. It does however demonstrate the potential of establishing a supply chain.

3.21 In order to give this a local context the potential impact on the supply chain of developing larger homes and applying local policies and lettings plans, within a Choice Based Lettings scheme, is illustrated below.

Illustrative Case Study:

The case study assumes a development of 24 homes, (eight x four bedroom, 16 x three bedroom)

Live data from Guildford Borough Council Housing Needs Register was used and it was assumed that anyone with a need for the size of properties would have submitted a bid under the Choice Based Lettings scheme.

In selecting successful bids, within the flexibility allowed for within the Council's Allocation Scheme, community sustainment issues are taken into account, in this case by trying to achieve a distribution of household profiles e.g. economic activity, children's ages.

Of the 24 household allocated the "new" properties nine were transfer cases from overcrowded social housing and of those housed from the "waiting list" three were living with family and it is likely also were overcrowded. The nine transfer cases housed led to the housing needs of a further 15 households being met through the supply chain established of which a further four were concealed households living with family.

3.22 These examples are intended only to demonstrate the concept, rather than provide concrete recommendations for actual house building numbers. This is because it presumes no progress will be made on freeing up under-occupied social housing in the region. However, it serves to illustrate the potential access to the region's existing stock that the supply chain provided by larger homes opens up. This is therefore being used by the Sub-group to make the case for a percentage of the NHAP to be specifically earmarked to the delivery of larger social rented homes in the region.

3.23 Without this target, the Sub-group believes that there will be little or no increase to the number of larger affordable homes being delivered in the social housing sector. The plight of families currently living in over-crowded conditions and on housing waiting lists will continue and increase as the aspirations of families currently living in one and two bed properties changes and their families grow.

Key Recommendation 1:

The Regional Housing Strategy should include a target for the provision of affordable homes with varying bedroom sizes that reflect identified housing need and aims to deliver a specific number of two bedroom, three bedroom and four bedroom + homes and funding to support this target sought through the Housing Corporation National Affordable Housing Programme (NAHP) 2008 - 2011.

Supporting Recommendations:

A number of supplementary recommendations have been made throughout this chapter and the Regional Housing Strategy should develop a policy framework that includes them:

- Housing Corporation funding support for larger home provision through grant rates based on number of people housed
- Planning and housing authorities be encouraged to take advantage of the increased flexibility offered by PPS3 to increase dwellings per hectare and to stipulate the need to meet specific larger homes targets, identified through Housing Market Assessments (HMAs)
- Planning and housing authorities applying best practice to achieve affordable housing that meets local needs, including introducing Supplementary Planning Documents in connection with their Local Development Frameworks that recognise numbers of people housed through Section 106 affordable housing requirements as well as the numbers of homes provided through Local Development Frameworks

The Regional Assembly should:

- Monitor progress on delivery of affordable homes that meet identified housing need across tenures and bedroom sizes and identifying the number of units provided as well as the number of people housed
- Encourage the use of Design Briefs and Affordable Housing Development Plan Documents
- Consider measuring development density in both the current 'dwellings per hectare' and 'habitable rooms per hectare' as used currently in The London Plan.

4. Overcrowding among Black and Minority Ethnic communities in the South East

4.1 To provide an overview of the overcrowding among black and ethnic minority communities in the South East, members of the Sub-group made enquiries across the Region, through existing black and minority ethnic (BME) groups to locate pieces of work and information about overcrowding in the sector. National overcrowding statistics were also investigated as they can be broken down across individual ethnic groups and can provide an insight into the differing levels of overcrowding among these groups. It is not possible to replicate this for the South East because the sample size of BME households contained in the Survey of English Housing is too small.

4.2 In the absence of reliable data by individual ethnic group at regional level this report has reproduced data put together for Shelter by the former Office of the Deputy Prime Minister (ODPM). This is to enable the region to gain an insight into overcrowding levels among different ethnic groups at a national level so that it can begin to develop an understanding of the causes of BME overcrowding regionally.

4.3 The table below shows the results of the former ODPM analysis. It shows that nearly a third (30.5%) of Bangladeshi households are lacking at least one room on the bedroom standard, and a Bangladeshi household is close to 18 times more likely to be overcrowded than a white household. The rate of severe overcrowding appears to be even higher amongst Pakistani households than Bangladeshi households.

Number and proportion of households overcrowded and severely overcrowded by individual ethnic group, bedroom standard in England.		
Ethnic group of household reference person	Overcrowded: lacking one room or more on bedroom standard	Of which severely overcrowded: lacking two or more rooms on bedroom standard
Bangladeshi	19,100 (30.5%)	2,600 (4.1%)
Pakistani	37,200 (21.2%)	8,700 (5.0%)
Black: African	23,100 (13.5%)	2,600 (1.6%)
Indian	27,200 (8.8%)	4,300 (1.4%)
Chinese	4,500 (7.7%)	300 (0.5%)
Other or mixed	33,600 (7.6%)	3,400 (0.8%)
Black: Caribbean	17,000 (6.8%)	2,100 (0.8%)
Black: Other	2,700 (6.4%)	-
White	327,100 (1.7%)	22,100 (0.1%)

Figures rounded to nearest hundred.

(Sources: ODPM data from Survey of English Housing 2000-2003 combined)

4.4 Although these are national statistics they can be used to indicate a likely position for the different BME communities in the South East and can help to inform a regionally robust assessment of BME housing need.

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4.5 Statistics that show the BME population in the region can also provide a snapshot of the overcrowding experienced by BME communities in comparison to their prevalence in the South East:

- BME groups make up 7.4% of the population of the South East
- They are five times more likely than white households to be overcrowded
- This equates to one in 16 BME households in the South East being overcrowded, compared to one in 85 white households
- Overcrowding affects BME communities in both the public sector and private sector housing.

4.6 The precise reasons why overcrowding is more prevalent among BME communities are not known. However government research has found that it is not purely down to BME households being, on average, larger. Indeed, data shows that Afro-Caribbean household size is the same as that of white British, but overcrowding is more common among the former⁹.

4.7 These findings are a starting place for a robust assessment of regional BME housing need. To form a more complete picture, there is also a need to consider the issue of concealed households, which is families within families, who do not appear on the housing register, and who could be part of a cultural extended family.

4.8 Recent research into the housing advice needs of BME communities undertaken by Shelter in its report, "The Advice Gap", confirms that people from BME communities face a high volume of serious housing problems including overcrowding, disrepair, homelessness and exploitation by private sector landlords.

4.9 The Sub-group did not have the capacity to conduct in-depth regional research into BME housing need. However from the statistical overview that it undertook, the Sub-group concluded that the reasons for overcrowding among BME groups are complex as they will be different for different communities and individuals. Further work is needed to understand the complexities so as to be better able to find appropriate solutions.

Key Recommendation 2:

An audit should be undertaken of local authority data and research relating to the housing needs of the region's black and minority ethnic (BME) population, their disproportionate representation in overcrowding statistics and measures taken to redress this.

Local authorities lacking data should be approached to establish how they propose to address this.

⁹ Overcrowding in England – ODPM 2004

5. Wider Social Impacts of Overcrowding

5.1 In its interim report the Overcrowding Sub-group undertook a literature review of the research into the impacts of overcrowding on families that has been undertaken by Shelter and the former ODPM. This research was appraised and assessed to correlate findings and to develop appropriate recommendations that could help the region to address the impact that the research revealed overcrowding can have on education, health, well being, family relationships and community cohesion.

5.2 An overview of the Sub-group's literature review is contained in Annex E.

5.3 As a consequence of this review, and work undertaken by the Sub-group to determine the level of awareness of overcrowding in the voluntary and community sector¹⁰, the Sub-group believes that the first step to addressing the wider social impacts that overcrowding can have is to understand them. It therefore recommends that the research evidence to illustrate overcrowding's potential effect on the health, education and well being of overcrowded families, is disseminated widely to key regional stakeholders. The Regional Housing Strategy is seen as an effective conduit for increasing this understanding across the region and the Sub-group would welcome a paragraph in the Strategy that reflects the research findings contained in Annex E.

5.4 It is through an understanding of the wider social impacts caused by overcrowding that appropriate solutions, capable of helping and supporting overcrowded families can be developed. To achieve this in the South East, the Sub-group recommends that a regional partnership is formed, potentially through the Government Office for the South East, between housing stakeholders and stakeholders operating in education, health, children's services, advice, social inclusion and services provision and that they work together to review the regional evidence of the impact of overcrowding and formulate effective policies to address them.

5.5 To support this recommendation, Citizens Advice in the South East will work with RAISE and Shelter to develop the foundations for a regional evidence base. Citizens Advice has committed to record all instances where clients present with an overcrowding related issue. The Sub-group hopes that the specific regional evidence this work produces can also inform the regional partnership in its development of appropriate regional solutions to address the impacts that overcrowding can cause. This evidence could also be the means by which the partnership determines and recommends the type and allocation of resources.

5.6 At a more local level structures established by Local Area Agreements (LAAs) and Local Strategic Partnerships (LSPs) can be used to raise awareness of the causal link between overcrowding specifically and poor housing generally, to the wider social consequences discussed in this chapter. Should additional public sector resources be channelled through LAAs, the Sub-group considers it essential that they recognise the key part that investment in decent housing plays in addressing these wider social issues.

5.7 The Sub-group concluded that solutions to address the wider social impacts of overcrowding are a necessary measure in the intervening period between investment in larger homes and their supply to meet need.

10 An email was sent to voluntary and community organisations working in areas most affected by overcrowding to assess their awareness of the impacts that overcrowding can have

Key Recommendation 3:

Effective approaches to alleviating the wider social impacts created by overcrowding should be established between housing and other stakeholders. These should be based on a comprehensive understanding of the impacts that living in overcrowded homes can have on health, education, wellbeing and life chances and should bring together key stakeholders from across these sectors.

Good practice should be promoted through existing mechanisms such as the Housing Corporation Gold Award scheme.

Note: This is intended to be an interim measure necessary until the larger homes needed in the region are supplied.

Supporting Recommendation

At local level such approaches be developed through established structures e.g. Local Area Agreements and Local Strategic Partnerships.

6. Identifying Need

6.1 Work carried out by the Sub-group through a survey of unitary and district councils and analysis of Housing Needs Surveys (See Questionnaire - Annex F) would seem to confirm the estimate of overcrowding in the ODPM 'Overcrowding in England' report. However although data existed on the absolute levels of overcrowding in individual authorities:

- In many cases the extent of overcrowding was a measure of peoples perception of their circumstances and did not appear to have had a "standard" applied to these perceptions
- In the majority of cases these surveys did not identify the supply levels of property types needed to address overcrowding.
- The extent to which small hidden households contributed to this overcrowding could not be identified.

6.2 PPS3 gives an opportunity to housing authorities across the region to be more prescriptive in their requirements for affordable housing provision on residential development sites subject to Section 106 requirements for affordable housing. This will allow such Section 106 Agreements to specify tenure and property size. However PPS3 makes clear reference to such requirements having to be supported by Strategic Housing Market Assessments (SHMAs). This will require the primary data on which such SHMAs are based to provide a robust evidence base for such provision.

6.3 It may be that re-analysis of the data housing authorities already possess through recent Housing Needs Surveys could provide this evidence base. The Sub-group did not pursue this option, because this was beyond its resources, either to carry out itself or to commission and also owing to the age of much the data.

6.4 In order for housing authorities to be able to address overcrowding effectively it is essential that their Strategic Housing Market Assessments have an evidence base sufficiently robust to ensure a supply of larger affordable housing through the planning system can be justified.

6.5 Final guidance on Strategic Housing Market Assessments was only published in March 2007, after the work of the Sub-group had concluded. It has not been possible to assess the extent to which pilot SHMAs would address the need for larger affordable accommodation.

6.6 A few authorities indicated that the Housing Health and Safety Rating System might serve to provide a measure of housing need arising from overcrowding. However it is strongly felt by the Sub-group that this is inappropriate.

6.7 From the research carried out there is clearly an information gap that needs to be filled if the extent and nature of overcrowding in the region is to be properly quantified and appropriate actions put in place to address it.

Recommendation

Strategic Housing Market Assessments must provide a robust evidence base for affordable housing provision that addresses the full range of housing needs including the effect of establishing a supply chain through the provision of larger affordable homes. Primary data used in connection with Strategic Housing Market Assessments should identify:

- Overcrowding with specific reference to and tested against, the Bedroom Standard
- Overcrowding in respect of existing tenures
- The extent to which overcrowding relates to hidden households
- The mix of property size, type and tenure required to address identified overcrowding issues.

7. Overcrowding in Rural Communities

7.1 The report of the Affordable Rural Housing Commission cites overcrowding as one of the consequences of a lack of affordable housing in rural areas.

7.2 A report from Three Dragons with Strategic Solutions on “Rural Affordable Housing Need in the South East”, commissioned by the South East England Regional Assembly, was published in autumn 2006. This report concentrated on the economic barriers people in rural communities faced in securing accommodation. It identified a number of issues in relation to overcrowding:

- A net annual shortfall of 3,050 homes per year in rural communities across the South East
- Overcrowding in rural areas, determined through the 2001 Census, shows there to be 3,990 overcrowded households. Of these 1,430 live in owner-occupied homes, 1,026 in social housing, and 1,534 in private rented
- 2001 Census data indicates around 3,250 concealed households in South East rural areas, and many may also be overcrowded.

7.3 It reports a figure for overcrowding taken from the 2001 census of 4,000 households but did not look at overcrowding as an issue in itself.

“It is unlikely that overcrowded households in owner occupation would be considered in housing need. Equally overcrowding in council or other social rented properties will normally be dealt with within the social rented sector e.g. by a management move. Consequently in terms of the study’s brief, the overcrowded element of the backlog would be restricted to the private sector, in which some 1,500 households appear to have been in this form of need¹¹.”

7.4 Overcrowded households no matter what sector they are currently living in need to have their needs met by suitable accommodation, the critical factor being whether they are in a financial position to do this without public sector intervention in the market.

7.5 The Three Dragons report did make the very valid point that applying a region wide assessment of housing need to a small rural community in itself gave rise to problems best explained by also quoting directly from the report.

“Estimating the future need for affordable housing is generally problematic, depending as it does on the interplay between income and price changes which determine which households will be unable to access suitable accommodation through the market. This is particularly true for micro-markets in rural areas where supply within the small stock of each settlement can be so volatile.

A similar volatility can be expected in the scale of local need or demand for housing within a small community, which will vary unpredictably over time as households form or change; and it is therefore a matter of chance whether new local demand or need arises at the same time as vacant properties. This applies particularly to vacancies arising within the existing affordable stock in rural areas, which is relatively sparsely scattered, and has been strongly depleted by the Right to Buy¹¹”

7.6 There are two issues arising from this:

¹¹ Rural Affordable Housing Need in the South East –Three Dragons with Strategic Solutions 2006

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- Regional assessments can only be used as a guide to overall investment requirements. The needs of individual rural communities must be assessed at a local level. The role of Rural Housing Enablers is a key factor in achieving this.
- Because of the inevitable time lag between local needs assessment and delivery, investment in new affordable housing in rural areas should aim to provide a range of accommodation that could respond flexibly to changes in local need.

7.7 A further issue which is emerging is that of the effect migrant, agricultural workers particularly, but not exclusively, from the A8 states is having on the level of overcrowding in rural communities particularly in the private rented sector. This issue is also raised in Chapter 9.

Recommendations

Strategic Housing Market Assessments should explicitly assess the nature and size of overcrowded households in rural areas.

New housing provision in rural areas provides a range of accommodation able to respond flexibly to changes in local need.

Any research on the impact of migrant workers should consider the effect on rural communities.

8. Overcrowding in Private Sector Housing

8.1 Findings to date suggest that there is very limited use of local authority housing powers to support works that will alleviate overcrowding in private sector dwellings. The main reasons are potentially:

- There can be complications around repayment clauses attached to grants
- Many local authorities have only limited funding available overall to tackle poor housing conditions in their areas (only a relatively small number of authorities receive capital funding from the Government for this purpose). Many local authorities will prioritise other areas of private sector housing work (e.g. tackling Category 1 hazards under the Health and Safety Rating System (HHSRS), Disabled Facilities Grants) rather than overcrowding.

8.2 While overcrowded households in social housing (i.e. local authority or RSL accommodation) can seek a transfer to larger accommodation, this option is not generally available to overcrowded households in the private sector (i.e. those who own their own accommodation or rent privately). Attention needs to be given to ways of alleviating overcrowding in the existing private sector stock. This is especially important for those overcrowded households who are not in a position to move-on to larger accommodation (e.g. they cannot afford to buy or rent a larger property).

8.3 Local housing authorities have a statutory duty to regularly review housing conditions in their area and to address unsatisfactory housing conditions. This intervention potentially includes the use of grants and/or loans to improve accommodation.

8.4 The Sub-group surveyed local authorities via the EHNet (national electronic discussion board for sharing environmental health good practice) to identify what work (if any) is already being undertaken to relieve overcrowding in private sector housing. Most respondents advised that they do not have any specific policies around using grants/loans to tackle overcrowding. A small number of respondent authorities have tried to provide assistance for this purpose, with apparently limited success.

8.5 There is clearly a resourcing issue that will affect the willingness and the ability of local authorities to commit to addressing overcrowding in the private sector through the grant/loans system. If effective solutions and good practice can be identified these need to be supported by Government, GOSE and Regional Housing Board including capital allocations to fund works.

8.6 A potential significant problem is that of increased overcrowding in the private sector arising from migrant workers, principally from A8 states. The Audit Commission has published a national study "Crossing Borders" which looks at the opportunities and challenges that migrant workers bring to local areas. In the context of this report it is the effect that rapid, local population change might have on conditions in the private rented sector and in particular the incidence of overcrowding which is most relevant. The Sub-group consider that this is an issue that needs urgent investigation at both local and regional level. Although these households do not, in the majority of cases, have access to social rented housing they can have an impact on overall housing conditions particularly overcrowding.

Recommendations

Further investigation is undertaken to identifying existing good practice among local authorities using their housing powers (including grants and loans) to support works to alleviate overcrowding (e.g. loft conversions, extensions etc)

Identify barriers to local authorities using their housing powers for this purpose and possible solutions (including recommendations for amendments to Government policy)

Further research is carried out on the impact of migrant workers on housing conditions, and in particular overcrowding, in the private rented sector.

9. Examining under occupation: Making best use of the region's housing

9.1 The Survey of English Housing, using the Bedroom Standard suggests that 1.3m households in the South East under-occupying their home. The overwhelming majority of these households, 1.6m, are owner-occupiers. Approximately 80,000 homes in the social housing sector are under-occupied, with a further 118,000 in the private rented sector.

9.2 Whilst direct intervention in the housing market is neither likely nor desirable, expanding the range of housing options across all tenures has the potential to encourage downsizing. We need to ensure that any new housing is of a high quality, increases choice, and is both accessible and adaptable to suit a wide range of housing needs.

9.3 Additionally, it needs to be recognised that the moving process is in itself a challenge for many, and that vulnerable households may experience particular difficulties. If we truly want to make best use of the housing stock, consideration must be given to the provision of support to vulnerable residents to help them downsize.

9.4 This chapter offers some suggested tools and good practice to facilitate better use of the region's existing housing stock.

Private Sector

9.4 Despite almost 90% of under-occupation being in the private sector, there is understandably a lack of good practice in making best use of this housing.

9.5 The UK is a nation that favours home ownership as the key method of meeting housing need. Additionally marketing and aspirations are often aimed at increasing housing space and having additional spare rooms for guests, home office, or playroom.

9.6 A survey in 2006 by propertyfinder.com revealed that while two-thirds of house hunters are upsizing - seeking somewhere more expensive than the one they are selling - a third are 'trading down'. On average, this enables them to release £112,000 of equity. A Joseph Rowntree Report "Housing Futures" from 2004 highlights that 19% of those wanting to move wish to downsize.

9.7 This may offer opportunities to further promote this lifestyle change and make better use of the housing stock. Potential tools would include developing new homes aimed at those downsizing, provision of support to vulnerable households, and perhaps financial incentives, such as waiver of stamp duty fees.

Social Housing

9.8 Current best practice in encouraging and promoting downsizing has been developed for use in social housing, and has been researched and promoted by a range of organisations over the last six years, such as Shelter Shelter's *Full House?*¹², CLG, and London Housing.

9.9 Many authorities now offer grants to social housing residents to help encourage downsizing and contribute to the cost of moving.

¹² *Full House? How overcrowded housing affects families* – Liam Reynolds, Shelter - 2005

Choice Based Lettings

9.10 CLG research in 2001¹³ found that people had very specific requirements in terms of property type, size, quality and location and were reluctant to move unless these were met.

9.11 Choice Based Letting schemes give an opportunity to encourage a more effective use of the housing stock.

9.12 This new lettings process ensures that tenants wanting to downsize are able to meet their aspirations for housing without allocations officers having to “second guess” what they want. By placing such applicants in high priority bands they have the opportunity of successfully bidding for properties they want.

London Borough of Islington

- **Choice Based Lettings**
- **Under Occupation Grant**

Islington Council’s scheme gives under-occupying tenants high priority on the housing register as well as an under occupancy grant (UOC) of £500 for each bedroom released. Since the launch of this scheme in January 2003, Islington has re-housed 387 under-occupying tenants, bringing larger units back into use for families living in overcrowded conditions.

Islington also launched a pilot mutual exchange project that enables under-occupying tenants to advertise their property in a choice-based lettings advertisement to overcrowded Islington tenants. If an under-occupying tenant does a mutual exchange, with the council’s permission, with an overcrowded Islington tenant, they will also receive the UOC grant.

Accounting for the need to have a spare bedroom

9.13 There are many reasons for households wishing to have a spare bedroom, for example, for guests, a carer, or a home office. However, tenant incentive or downsizing policies often restrict moves to one bedroom homes or the bare minimum that the households requires to meet its needs.

9.14 Often downsizing opportunities, perhaps to free up a three or four bed home are lost because the households would prefer a move to a two bed home. Many allocations policies are under review as a result of Choice Based Lettings, affording the opportunity for authorities to reconsider existing schemes on a more holistic basis. Depending upon local circumstances small families will also be “competing” for the same accommodation. The level of this demand, balanced against available supply will dictate whether such an approach is viable

¹³ Managing under-occupation: A guide to good practice in social housing – CLG 2001

London Borough of Hackney

- **Downsizing but keeping a spare bedroom**

Hackney Council provides a further incentive allowing under-occupying tenants a second bedroom. Current policy allows tenants who have four-bedroom, or larger, homes but only need one bedroom to be offered a home with a second bedroom. The local authority hopes to extend this incentive to under-occupying tenants of three-bedroom homes in the future.

Provision of Support to Assist with Downsizing

9.15 London Councils (formerly the Association of London Government) research carried out in 2005¹⁴ found that the support of a dedicated under-occupation officer can be essential for some vulnerable groups, such as older people. The research study found that staff who specialise in working with under occupiers can be particularly successful in winning the trust of tenants and negotiating a way forward. The flow of information is in both directions: personal knowledge of the tenant means that such staff are in a better position to identify properties that are likely to appeal to different individuals.

9.16 In addition, earlier London Housing/CLG research conducted in 2001¹⁵ found that people had very specific requirements in terms of property type, size, quality and location and were reluctant to move unless these were met. This level of personal contact can work to lower any unrealistic expectations on the part of tenants by providing them with better information about the properties likely to be offered. As a result, households may choose to reassess their requirements.

9.17 This support has focused on social housing, however, many owner-occupiers in may also benefit from this type of assistance.

A Whole Systems Approach

9.17 Brighton & Hove City Council introduced Choice Based Lettings in June 2005, and found that the number of under occupiers actively bidding for properties was less than 30%, despite these tenants having very high priority in the scheme.

9.18 It was felt that this was because many under occupiers needed extra help and support with bidding, viewing, and ultimately moving that was not available to them. In Brighton & Hove, many applicants either do not bid because the right property has not appeared, or reject the properties they view because of the condition or size (too small?).

¹⁴ Reducing under occupation in council housing – London Housing/ALG 2005

¹⁵ Under occupation in social housing, Housing Research Summary 141 – CLG 2001

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9.19 Due to the nature of the city, new affordable housing is concentrated in 1 and 2 bedroom flats, with limited scope to develop housing suitable for larger families. Brighton & Hove City Council with its RSL partners wants to explore ways of using new housing developments to help free up existing under utilized family homes.

Brighton & Hove City Council

- **Choice Based Lettings Under Occupation Pilot Project**
- **Under Occupation Officer**
- **Local Lettings Plans**
- **Under Occupation Grant**

The under-occupation pilot at Brighton & Hove City Council began in January 2007 with the appointment of an Under Occupation Officer. This officer has been tasked with visiting the 120 tenants registered for a move to downsize, to provide support to those already registered, and also to promote the scheme widely to those who were not registered for a move.

The officer will discuss housing requirements in detail, explain what kinds of property might be available, how the system works and what the landlord can do to help. The Under Occupation Officer will identify suitable properties, including bungalows, flats with gardens and new build flats, and target these specifically at those wanting to downsize.

The Brighton & Hove project will be gathering and analysing data on applicants so that there is a clearer picture of what type of accommodation and support is required, particularly to establish the aspirations of older residents that need to be addressed to release family accommodation.

This approach is also being combined with incentive scheme payments of up to £3,500, to cover the real cost of moving such as a removal van, and new carpets and curtains.

The project is a three month pilot that will also develop a model local lettings plan for new housing developments that offers priority to households downsizing. A full report will be produced in April 2007, to build upon the findings and recommendations of this report.

Recommendations

For the Regional Housing Strategy to recognise the need to make best use of the existing housing stock across all tenures, by:

- Encouraging the development of services that provide housing support to assist vulnerable households downsizing across all tenures
- Encouraging the use of model local lettings plans for new affordable housing developments that gives adequate priority to households downsizing
- Encouraging council allocation schemes and in particular Choice Based Lettings schemes to give sufficient priority to encourage households willing to do so, to downsize
- Encouraging more widespread use of staff with a remit to address under occupation, perhaps linked to incentives for local authorities and RSLs successful in making better use of their housing stock
- Supporting the provision of Extra Care and other high quality housing to increase choice that promotes independent living and a high quality of life
- Gathering and disseminate information on housing and non-housing factors, and potential incentives, which people look for when considering downsizing across all tenures.

10 Lifetime Homes Standards

10.1 The survey referred to in para 3.6, into the provision and barriers to providing larger affordable homes in the region also looked at the potential use and impact of adopting Lifetime Homes standards.

10.2 Some respondents clearly believed that developing homes to Lifetime Homes standards and to better space standards would help reduce the need for larger homes to be used for people who need more space (for example, due to their physical disabilities) but who do not necessarily need a specifically larger home.

10.3 Equally, there is a need to consider people's aspirations alongside need. Building to Lifetime Homes standards would offer the flexibility and potential for people to stay in their own homes longer as they face changes in personal circumstance, again whether that is through age or disability. Adopting the standard would also enable more properties to be suitable for people choosing to move out of under-occupied accommodation to something more fitting their current circumstances, thereby releasing larger homes. However, it was generally thought that this final option would not result in large numbers of homes becoming available and should be seen as a means of offering additional choice.

10.4 Clearly building to Lifetime Homes standards will result in increased flexibility for more people with a range of needs. As part of the London Plan, there has been a target set of 100% of homes to meet Lifetime Homes Standards, with a 10% target for wheelchair access (Section 3A.4 Housing Choice). The London Development Plan policy puts the onus on local authorities to ensure all new housing is built to Lifetime Homes standards. Their research has shown:

“that homes built for general mainstream use but designed to meet the Lifetime Homes standards will contribute towards redressing the severe shortage of accessible housing in London. Meeting Lifetime Homes standards is a cost-effective way of providing homes that are adaptable, flexible, convenient and appropriate to changing needs. They enhance choice, enable independent living and help to create more balanced and inclusive communities.¹⁶”

10.5 Parts of the South East region, such as Brighton and Hove City Council have already adopted a 100% target and believe achieving this higher standard will improve the accessibility of all their newly developed properties whilst not having an impact upon their overall delivery.

10.6 In the National Affordable Housing Programme 2006/08, 16.8% of all allocations were given to homes that will achieve Lifetime Homes standards.

10.7 However, respondents' views on adoption of a Lifetime Home target were mixed, with many clearly in support of full adoption but offset against this support are concerns over a reduction in the overall numbers of homes provided due to the larger footprint of homes built to this standard and the additional cost of designing and building to the standard.

10.8 It does appear that there is a desire for the Lifetimes Home standards to be adopted at least in some form. The most obvious route for this would be through the Regional Housing Strategy. The existing Regional Housing Strategy is silent on this subject and clearly there is both a resource and cost implication of providing homes built to Lifetime Homes standards. Therefore the Regional Assembly will need to ensure that additional resources are made available to ensure any agreed targets are met. To assist in this process, the Housing Corporation is currently conducting research into the additional

¹⁶ Accessible London: achieving an inclusive environment, Lifetime Homes – London Development Agency 2006

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costs of providing properties to Lifetime Homes standards, the results of which are due to be released in April 2007.

Recommendation

The Regional Housing Board to encourage the Lifetime Homes standard to be adopted for all new affordable housing provision in the South East region with the objective of achieving 100% development adoption by the end of the revised Regional Housing Strategy. This to be supported by appropriate additional resources.

11 Good practice in addressing overcrowding

11.1 A key feature of many of the Sub-group's recommendations is the identification of good practice and ensuring its dissemination across the region. Examples of this are included in the relevant chapters of the report but in particular with reference to:

- Tackling the barriers to the delivery of larger homes
- Overcrowding in rural areas
- Tackling under-occupation.

11.2 There is clearly a role in the region to continue to identify good practice and monitor the success of that already in place, but more importantly to ensure that such good practice is accessible to authorities throughout the region. Beacon status such as that achieved by Basingstoke and Deane for their affordable housing planning policies is one mechanism for this but many authorities must have examples of good practice, which have potential for wider application.

11.2 The Sub-group are of the view that a mechanism for recognising and disseminating good practice in the region would be a valuable tool that would benefit all authorities and the region as a whole in addressing not just the specific issues connected with overcrowding but the housing need of the region as a whole. This role is one that the Regional Housing Forum could adopt through the Sub-groups it has commissioned to look into various aspects of housing throughout the region.

11.3 Also illustrated in this report are examples of where best practice can be shared between regions and for the South East, particularly London.

11.4 London is estimated to have 175,000 overcrowded households, lacking one bedroom or more on the bedroom standard. To respond to this level of overcrowding, and the housing requirements identified in London by a 2004 Greater London Authority Study, the London Housing Strategy 2005-2016 has set a target for the Housing Corporation to deliver 35% of its 2006-08 allocations for social rented housing towards homes with three or more bedrooms.

11.5 The Association of London Government (ALG), now London Councils, played an instrumental role in setting this target, which if achieved will contribute significantly towards addressing overcrowding in the Capital.

11.6 London Councils continues to actively ensure that the housing policies of Government and the London Housing Board maintain a commitment to produce a level of larger family sized homes that meets London's housing needs.

11.7 The Overcrowding Sub-group of the Housing Forum for the South East has forged links with London Councils to benefit and learn from the considerable programme of work they have undertaken in relation to overcrowding.

11.8 With kind permission of James Gleeson, Principal Policy and Research Officer the London Councils their Overcrowding Manifesto is reproduced below:

Tacking Overcrowding – a manifesto from the ALG

Overcrowding is on the increase again, particularly in social housing. With severe effects on health, education and child development, overcrowding is a significant driver of social exclusion and poverty.

The ALG has developed a 10-point action plan to tackle the problem:

1. Set a London target to reduce overcrowding by half, and entirely eliminate severe overcrowding by 2015
2. Government to establish an Overcrowding Unit to help ensure targets are reached
3. Increase the overall grant programme for affordable housing, and offer more generous grants to encourage developers to build larger homes
4. In the short-term, funding should be provided for housing associations to acquire family sized properties on the open market, in order to re-house overcrowded families
5. Local, regional and national planning and housing policies and guidance should stress the need to provide more homes of the right size, and talk about housing people, not units
6. Provide support and incentives to assist moves to smaller properties by social tenants under-occupying larger homes and moves for tenants in high demand areas to other areas
7. Offer cash incentives for tenants to buy homes on the open market, with higher incentives for those releasing family-sized homes
8. Increase funding for councils and housing associations to extend homes by one room or more
9. Where possible, prevent councils and housing associations from selling valuable family-sized homes
10. Develop programmes of support to mitigate the worst effects for those living in overcrowded conditions.

Recommendations

That regional mechanisms are established to identify and disseminate good practice in the region and that this role is adopted by the Regional Housing Forum through the Sub-groups established to examine various aspects of housing in the South East region

Resources are identified to carry out this role using seminars, workshops and website as possible mechanisms.

Annex A – Overcrowding Sub-group Stakeholders

Organisation	Representative
Age Concern	Gillian Connor
Age Concern (West Sussex)	Diane Henderson
Brighton and Hove City Council	Andy Staniford
Chiltern District Council	Michael Veryard
Community Action Hampshire	Debbie Rhodes
English Partnerships	Simon Bandy
Government Office for the South East (Health)	Jo Nurse
Government Office for the South East (Secretariat)	Hazel Long
Guildford Borough Council	Jeff Holderness
Housing Corporation (South East)	Rose Chadwick
National Housing Federation (South East)	Warren Finney
Private Landlords Federation	Mike Stimpson
RAISE	Kathryn Williamson
RAISE (ASP)	David Simmons
Regional Housing Board and Regional Planning Committee	Cllr Keith House
Shelter	Karen Stalbow

Annex B - Definitions of overcrowding – Statutory and bedroom standard

The current statutory definition

The current statutory definition (Housing Act 1985, based on 1935 legislation) consists of two parts - room and space standard:

- The Room Standard is breached if the number of people sleeping in a dwelling, and the number of rooms available as sleeping accommodation, are such that two people of opposite sexes who are not living together as husband and wife must sleep in the same room. Children under 10 do not count.
- The Space Standard specifies the maximum number of people who may sleep in a dwelling, and in the available rooms within it, having regard to (i) the number of available rooms of 50 square feet or more and (ii) the floor area of each room. Two calculations are required and the lower number applies. Babies under one year old do not count, and children between one and ten count as half.

For the purposes of these standards, a room is considered to be “available as sleeping accommodation” if it is “of a type normally used in the locality either as a bedroom or a living room”.

The worst example of not failing statutory definition

Although the intention of the legislators in 1935 was that the standards should be regularly updated, they have in practice been carried over unchanged into the 1985 Act. They are as a result now well out of line with contemporary expectations. For example a couple with a boy aged 15 years and a girl aged 13 years in a one-bedroom flat would not be statutorily overcrowded because the father and son could share one room and the mother and daughter the sitting room (or even the kitchen).

The Bedroom Standard

A more modern definition of overcrowding is used in the Survey of English Housing, known as the Bedroom Standard. This is based on the ages and composition of the family. A notional number of bedrooms are allocated to each household in accordance with its composition by age, sex and marital status and relationships of family members. A separate bedroom is allocated to each:

- married or cohabiting couple
- adult aged 21 years or more
- pair of adolescents aged 10-20 years of the same sex
- pair of children aged under 10 years regardless of sex
- Any unpaired person aged 10-20 years is paired, if possible, with a child aged under 10 years of the same sex or, if that is not possible given a separate bedroom. The same applies to any unpaired child aged under 10 years.¹⁷

¹⁷ Tackling Overcrowding in England: A discussion paper - CLG, July 2006

Annex C – Overcrowding Sub-group Objectives and their leads

Evidence Based Objectives	Sub-Group Lead / s
Rural overcrowding	Debbie Rhodes
BME housing need	Dave Simmons
Engineering pending Housing Market Assessments to provide a regional measure of overcrowding through incorporation of the bedroom standard	Jeff Holderness
Identifying barriers to the delivery of larger homes	Warren Finney and Rose Chadwick
The wider social impacts of overcrowding and the role of the VCS in addressing these	Karen Stalbow and Kathryn Shephard
Utilising existing research into overcrowding	All
Practice Based Objectives	Sub-Group Lead / s
Recommendations for replacing the current number of units provided approach to housing delivery with a “number of people housed” housing delivery measure	Rose Chadwick
Recommendations for a target for family sized homes across varying bedroom sizes	Rose Chadwick
Innovative and needs assessed approaches to under-occupation in the social rented / private and private rented sectors that also identify what older people want	Andy Staniford and Judith Clarke
Refurbishment of the private rented sector	Michael Veryard
Conversions of existing stock and lifetime homes / building flexibly recommendations	Simon Bandy
Best practice identification across all practice areas and its dissemination	All

Annex D – Questionnaire on Housing Supply

This Questionnaire's aim is to enable information gathering from local authorities and registered social landlords to feed into the final sub-group report on addressing the issues of overcrowding in the South East and is in relation to the deliver of larger affordable housing only. Can you please advise:

1. Name of organisation and individual completing the form
2. The number of three+ bed properties developed per year in your local authority (please define the area the LA covers)
3. Percentage of new three+ bed properties developed per site
4. If there are specific reason why the LA does not seek to develop more larger homes (larger meaning three+ bed properties)?
5. What is the percentage reduction of larger families (families requiring three+ bed properties) on the homeless waiting list last year and what is then actual number?
6. What is the perceived demand for larger properties in the local area, do these tend to be in specific locations?
7. What are the arguments put forward by developers (if any) for developing smaller properties?
8. In relation to question 6, how does this aim to meet the local need of larger families?
9. What is the impact of developing larger properties on meeting Government targets? Is there a negative effect?
10. If you have suggestions on how to encourage the development of larger homes; such as ring-fenced targets or a requirement for there to be a specific part of the housing strategy to address the need for larger homes?
11. If you believe that developing to "Lifetime Homes" standards could help to release larger properties, thereby ease the need to develop new larger homes?
12. If there are specific issues that reduce/hinder the ability to develop larger homes?
13. If the new rent restructuring bedroom weightings for larger homes imposed through the rent restructuring regime will influence the LA to develop larger homes

Annex E – Literature review – The Impacts of Overcrowding

Overcrowding Research Literature review, ODPM, 2004

In late 2003, the Office of the Deputy Prime Minister commissioned this review from the Centre for Comparative Housing Research and the Health Policy Research Unit at De Montfort University, Leicester. The aim was to identify the known impacts of overcrowded housing on people's health and education. Wherever possible the study reviewed primary studies rather than secondary material. A small proportion of the analysis, however, was based on 'reviews of reviews'.

The study found an evidence base of 40 studies on overcrowding and physical health. The evidence pointed towards a relationship between overcrowding and aspects of the health of both children and adults. Additionally, there was evidence to suggest that overcrowding in childhood affects aspects of adult health.

A smaller evidence base (25 studies) was found relating to mental health. There was mixed evidence of a relationship between overcrowding and mental health. Eighteen studies were found on overcrowding, childhood development, growth and education. A limited number of studies were found which focused specifically on understanding the experience of black and minority ethnic groups, particularly where there were high levels of overcrowding. No studies were found however, which specifically drew out the differential effects of overcrowding on the health or education of people from different ethnic backgrounds.

In essence the evidence uncovered by this literature review showed how overcrowding can:

- increase the spread of illness and cause unsettled sleep patterns
- impact on privacy for all family members
- make it harder for children to find a quiet space to read or do their homework affect the quality of relationships between parents and children, and between siblings.

Overcrowding in England, ODPM, 2004

This is a series of reports that sought to undertake "some more focused research into the levels of overcrowding¹⁸" and examined the types of household and areas of the country where overcrowding is most common.

The first paper dealt with overcrowding at the national and regional level, and sought to bring together the available data from household surveys (the ODPM Survey of English Housing, the ODPM English House Condition Survey and the DWP Family Resources Survey).

The second paper dealt with overcrowding at a sub-regional level and related to counties, London boroughs, metropolitan districts and unitary authorities. It was followed by a third and final paper dealing with overcrowding at a local level.

The three reports confirmed that about 60, 000 households fall below the bedroom standard in South East and that those in BME groups and social housing are most likely to be affected.

¹⁸ Overcrowding in England – ODPM 2003

“Crowded House”, Shelter, London 2004

This report, produced by Shelter in October 2004, made the case for modernising the national overcrowding measure acceptable by today’s living standards and called for the Government to pursue a measure capable of making a real difference to the people suffering in overcrowded conditions. To support this, the report summarised previous research illustrating how living in cramped conditions can have a detrimental affect on children’s health, education, and general well being. The ability of overcrowding to impact on all aspects of people’s lives means it affects both adults and children. For children, the report concluded, overcrowding means increased risk of infections and a lack of space and privacy, which can affect how they do at school. For parents, it is a barrier to providing positive opportunities for their children and a constant cause of anxiety and depression.

The report used existing statistics to examine the size of the overcrowding problem and which household types are most likely to be affected. It showed that around 58,000 households in South East are overcrowded according to the bedroom standard. The majority of these overcrowded households (over 40,000) are families with children, and it is estimated that over 100,000 children in the region live in an overcrowded household. The report also showed that BME households are significantly more likely to experience overcrowding than their white British counterparts.

“Full House”, Shelter, London, 2005

The research for this report was undertaken by Shelter in 2005 using a survey of more than 500 overcrowded households living in social housing, making it the largest study of its kind. Most of those who responded were from average-sized families with one, two or three children crammed into one- or two-bedroom flats. Their testimonies confirm the devastating impact of their living conditions on family relationships, health, and the development and education of children. The main findings are summarised below:

Sleeping arrangements - Research into sleeping arrangements produced some of this report’s uneasiest reading. Almost all overcrowded families who responded said they were forced to adopt uncomfortable or irregular sleeping arrangements. Sharing and changing bedrooms caused disruption to sleep on a wide scale.

The chaotic sleeping arrangements were an underlying cause of many other effects of overcrowding. These effects fell into three broad categories: family relationships, child development and education, and health.

Family relationships - Strong agreement that overcrowding harmed family relationships stood at 77%. It was strongly agreed by 81% that overcrowding caused fighting and arguing among their children.

Child development and education - Seventy-one% of families strongly agreed that overcrowding was a damaging influence on their children’s education and development. For 81% of families there wasn’t enough room for their children to play, and seven out of 10 (70%) said that overcrowding made it difficult for their children to study.

Health - A total of 71% of respondents strongly agreed that overcrowding harmed the health of family members. Depression, anxiety or stress in the home was a result of cramped living conditions according to 86%.

Room size and storage space - Tiny rooms and a lack of storage space in many overcrowded homes made problems associated with overcrowding worse. Almost a third (32%) of written comments from families concerned box rooms or the lack of space in bedsits and studio flats. This lack of space led to increased stress and the likelihood of accidents in the home.

The Findings of the Overcrowding Sub-group of the Housing Forum for the South East

Outside space - The effects of overcrowding were also worse when other problems with housing and neighbourhoods were present. Almost two-thirds (63%) of overcrowded families said they did not have access to a safe outside play area for their children and this magnified the impact of overcrowding. Three-quarters of those without access to a play area said that the health of their children was harmed by being overcrowded, compared with 56% of those with access.

Black and minority ethnic families - The report also confirms that overcrowding disproportionately affects BME communities. Overcrowded families from BME groups were twice as likely as white British families to be severely overcrowded. BME families were also more likely to say overcrowding had a negative affect on them. For example, more than three-quarters (78%) of Asian/Asian British families strongly agreed that 'overcrowding harms the education of our children', compared with 53% of white British families.

These findings enabled the report to link the wider social issues created by overcrowding with the Government's ambitious target on child poverty, and showed how, through a significant investment boost for affordable family sized housing to tackle overcrowding the Government would lift even more children out of poverty.

"Chance of a Lifetime", Shelter, London 2006

Shelter has recently commissioned child development expert and Child Poverty Tsar, Lisa Harker to undertake a comprehensive review of the literature concerning the link between housing status and conditions and children's life chances.

The review has considered the evidence of over seventy academic studies identified as part of an initial scoping exercise. The areas it has covered include evidence that relates to the impact of housing status/conditions on health, education, income and occupation, emotional wellbeing, aspirations, safety and security. Where possible, the review has reported evidence of the direct link of housing status/conditions on children's immediate and future life chances. It has also shown the disproportionate impact of poor housing on certain groups (e.g. ethnic minority families) and has highlighted where there are gaps in the research evidence. A summary of its findings is outlined below:

- Bad housing affects children's ability to be ready for learning at school and to study in the home
- Children in unfit and overcrowded homes miss school more frequently due to illnesses and infections
- Overcrowding is linked to delayed cognitive development and homelessness to delayed development in communication skills
- The lower educational attainment and health problems associated with bad housing in childhood impact on opportunities in adulthood
- Health and opportunities in adult life
- Experience of multiple housing problems increases children's risk of ill-health and disability by up to 25% over a lifetime
- Long-term health problems and low educational attainment increase the likelihood of unemployment or working in low paid jobs
- Opportunities for leisure and recreation are undermined by low income and health problems
- The behavioural problems associated with bad housing in childhood can manifest themselves in later offending behaviour. In one study nearly half of young people who had offended had experienced homelessness.

Annex F – Housing Market Assessment Questionnaire

Please return this survey by email to: jeff.Holderness@guildford.gov.uk or by post to:

Jeff Holderness, Head of housing Advice Services
Guildford Borough Council
Millmead House, Millmead
Guildford, Surrey, GU2 4BB

11. Local Authority Name:

12. Name of Contact:

Telephone: Email:

13. Do you have or are you seeking specific information on the extent of overcrowding in your area?

YES/NO

If you have this information what was the source or how was the information obtained?

.....
.....

Are you prepared to release this information to the Overcrowding Sub-group?

YES/NO

If you are in the process of commissioning research to obtain this information how are you are proposing to do this (e.g. within a Housing Needs Survey)?

.....

If you are appointing consultants to carry this out who are they?

.....

If you do not have, or are not seeking this information is there a reason?

Not perceived as a significant local issue

The Findings of the Overcrowding Sub-group of the Housing Forum for the South East

Lack of resources to undertake research

Lack of Government or other guidance

Other (please specify)

14. Do you have or are you seeking information on the extent of under-occupation and the housing aspirations of those residents under-occupying?

YES/NO

If you have this information what was the source or how was the information obtained?

.....

.....

Are you prepared to release this information to the Overcrowding Sub- group?

YES/NO

If you are in the process of commissioning research to obtain this information how are you are proposing to achieve this (e.g. within an overall Housing Needs Survey)?

.....

If you are appointing consultants to carry this out who are they?

.....

If you do not have, or are not seeking this information is there a reason?

Not perceived as a significant local issue

Lack of resources to undertake research

Lack of Government or other guidance

Other (please specify)

15. Are you actively pursuing a Sub Regional Housing Market Assessment with other partner local authorities?

The Findings of the Overcrowding Sub-group of the Housing Forum for the South East

YES/NO

In YES who are your partner authorities?

.....

.....

Which is the lead/co-coordinating authority?

Who is the contact?

Telephone: Email:

16. When are you anticipating carrying out a Housing Market Assessment?

.....