

Housing Association and Local Authority Lettings & Sales: Key Findings Digest 2007-08

The information included in this digest reflects only data that has been provided to CORE during 2007-08. Information from LAs is therefore incomplete due to the effect of participation, and this caveat applies to all LA lettings information in this digest, including where comparisons between LA and HA lettings have been made. In 2004-05, 54 (24%) stockholding local authorities participated in CORE. In 2007-08 this had risen to 155 (85%).

CORE (COntinuous REcording) is a system for recording information about local authority lettings and Registered Social Landlords' (RSL) lettings and sales in England. Each year, the Centre for Housing Research at the University of St Andrews publishes an Annual Digest of CORE data. The Annual Digest tabulations and commentary are available at www.core.ac.uk. To complement the web publication, this Key Findings Digest highlights a selection of trends over the past four years and then uses CORE data to explore two topics in more detail. The report is divided into three parts: Part A focuses on the trends in General Needs and Supported Housing lettings and Sales from 2004 to 2008; Part B focuses on the issue of 'tenants new to social housing' within General Needs properties and Part C examines Supported Housing for older people.

Part A: Trends in key CORE statistics

Table 1: Key statistics in general needs accommodation, 2004/5 to 2007/8

	Housing association lettings				Local authority lettings			
	2004-05	2005-06	2006-07	2007-08	2004-05	2005-06	2006-07	2007-08
Number of lettings	143,463	128,239	130,014	127,290	18,854	28,123	61,151	71,635
Number of people housed	275,134	259,173	263,919	260,090	32,271	49,398	111,959	132,902
% Single adult households	34	36	37	36	35	36	37	37
% Tenants in full time employment	24	26	26	26	20	21	21	21
% BME tenants	14	14	14	14	14	9	14	14
% LA nominations	42	46	50	53				
Average net weekly income	£180.58	£186.87	£191.69	£197.62	£170.12	£171.22	£173.06	£179.66
Average weekly rent	£60.49	£63.08	£65.40	£68.30	£48.24	£50.26	£52.85	£55.86
Average relet time (days)	36	34	32	31	51	41	42	40
% Tenants moving from a different LA	13	11	10	10	6	6	5	5

Note 1: The definition of BME for both HA and LA is consistent with National Statistics and includes all non-white ethnic groupings.

Figures are calculated based on responses from the household reference person only, and the figures quoted for LAs are based on incomplete data (see above).

Note 2: Net household weekly income excludes housing benefit, council tax benefit, interest from savings and childcare tax credit.

Child Benefit is included.

- The total number of new HA tenancies recorded by General Needs CORE in 2007-08 was 127,290, which represented a decrease of just over 2% from that reported last year. The total number of people housed in those lettings for which details of household composition are available (95% of all lettings) was 260,090 (a decrease of 1.5% from the 263,919 housed during 2006-07).

- For HA lettings, the percentage of single adult households fell slightly, down from 37% in 2006-07 to 36% in 2007-08.
- Average relet times for HA properties have improved steadily over recent years from 36 days in 2004-05 to 31 days in the current year.
- The percentage of tenants moving from a different local authority area has fallen, particularly within the HA sector – down from 13% in 2004-05 to 10% in 2007-08.
- Compared to 2006-07, incomes in 2007-08 have risen in the HA sector (up by 3%). Average weekly rents have also increased over the same period, up by 4% for HAs.

Table 2: Key trends in supported accommodation, 2004-05 to 2007-08

	Housing association lettings				Local authority lettings			
	2004-05	2005-06	2006-07	2007-08	2004-05	2005-06	2006-07	2007-08
Number of lettings	76,705	92,406	92,601	94,127	391	4,423	10,853	13,050
% Single Adult Households	76	64	63	60	10	15	24	22
% Job Seekers	37	30	28	27	2	3	7	6
% BME tenants	18	15	14	14	0	2	7	7
Average net weekly income	£82.52	£92.71	£97.66	£102.00	£149.72	£148.08	£141.26	£149.58
% Tenants receiving Housing Benefit	83	78	74	76	53	53	59	58
% Tenants moving from a different LA	32	29	26	26	15	17	13	11

Note 1: Job seekers is calculated for the household reference person only.

Note 2: BME tenants is calculated for the household reference person only.

Note 3: Net household weekly income excludes housing benefit, council tax benefit, interest from savings and childcare tax credit. Child Benefit is included.

- The total number of new Supported Housing tenancies recorded in CORE during 2007-08 was 94,127 (HA) and 13,050 (LA).
- Over the four years being reported, the number of job seekers has dropped within HA housing – down from 37% in 2004-05 to 27% in 2007-08.
- Over the past four years, the proportion of lone adult households housed in HA accommodation has declined from a high of 76% in 2004-05 to a low of 60% in 2007-08.
- As was the case in general needs lettings, the proportion of tenants in HA housing moving from one local authority area to another has fallen over the recording period.

Table 3: Key trends in LCHO sales (housing associations only), 2004/5 to 2007/8

	2004-05	2005-06	2006-07	2007-08
Number of sales	17,423	16,468	16,555	17,131
Average gross annual income	£27,602	£28,022	£27,084	£28,030
Average market value of all sales	£115,239	£132,067	£143,744	£158,444
Average age of LCHO purchaser	34	33	34	34
% BME purchasers	16	15	12	15
% in full time employment	92	93	92	91
Average equity - shared ownership (SO) sales	46	49	49	46
Average monthly rent paid on SO sales	£200	£194	£200	£212
% Tenants moving from a different LA	56	52	47	43

Note 1: Average age is calculated for the household reference person only.

Note 2: BME is calculated for the household reference person only.

Note 3: Net household income excludes housing benefit, council tax benefit, interest from savings and childcare tax credit. Child Benefit is included.

Note 4: Percentage in full time employment is calculated for the household reference person only.

- Market values of LCHO properties have been increasing each year with the current average (£158,444) being 10% more expensive than the average reported during 2006-07 (£143,744).
- BME purchasers accounted for 15% of LCHO sales in 2007-08.
- The average equity share purchased within shared ownership properties decreased from 49% in the last reporting period to 46% this one. The average rents paid for such properties increased from £200 to £212 over the same time period.
- 43% of all LCHO purchasers moved from a different local authority area when making their purchase.

Part B: Overcrowding, vulnerability & choice based lettings in general needs housing

Overcrowding

Increasing housing supply and reducing overcrowding are key priorities for Government. CLG estimates from the Survey of English Housing that 229,000 households in England are living in overcrowded properties in the social housing sector¹. Recent initiatives demonstrate the Government's commitment to tackling this issue². In this section, we use CORE data to assess the extent to which overcrowding was recorded as the main reason for re-housing households in general needs HA and LA properties during 2007-08³.

At a national level, 17% (21,128) of all general needs households in the HA sector and 13% (7,928) of LA households in 2007/8 were re-housed because of overcrowding (Table 4). Existing tenants of social housing were more likely to move due to overcrowding (22% for HA) than tenants new to the social housing sector (14% for HA).

A household is defined as being new to social housing if they had not previously lived in either a local authority or housing association property immediately prior to the start of their current accommodation and had not been referred by another social landlord.

Table 4: Overcrowding in general needs housing

	Housing association lettings						Local authority lettings					
	New tenants		Existing tenants		Total		New tenants		Existing tenants		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Previous property unsuitable because of overcrowding	10,793	14	10,335	22	21,128	17	4,028	10	3,900	19	7,928	13
Regional breakdown (overcrowding):												
London	738	12	1,999	27	2,737	20	244	12	284	21	528	15
Other regions	10,055	14	8,336	21	18,391	16	3,784	10	3,616	19	7,400	13
Ethnicity breakdown (overcrowding):												
BME household head	1,717	17	2,121	31	3,838	23	631	13	500	27	1,031	17
Non-BME household head	8,908	13	8,047	21	16,955	16	3,377	10	3,278	18	6,655	13

Note 2: BME is calculated for the household reference person only.

CLG's 2007 report notes that London has higher concentrations of overcrowding than the rest of the country. CORE data shows that although the proportion of households affected by overcrowding is higher in London (20% for HA) than outside London (16% for HA), differences are relatively small.

Levels of overcrowding within BME households recorded by CORE (23%) are higher than those within non-BME households (16%) across the HA sectors. Once again, the pattern is more marked for tenants moving within the social housing sector than for tenants entering the sector for the first time.

¹ Figures based on the Bedroom Standard (developed in the 1960s) from the Survey of English Housing using a 3-year average from 2004/05 to 2006/07, as published in 'Housing in England, 2006/07'.

² Tackling overcrowding in England: an action plan, Communities and Local Government, 2007.

³ CORE records whether the main reason a household left their last settled home was because the *Previous property was unsuitable because of overcrowding*.

⁴ Vulnerable People in General Needs Housing, Housing Corporation, 2008.

Vulnerability

In July 2008, the Housing Corporation published a thematic review on the topic of vulnerable people in general needs housing⁴. This review notes that many vulnerable people have multiple needs that should be met in a way that promotes choice and maximises independence and quality of life.

Vulnerability in general needs housing can be identified from a combination of answers to a number of questions on the general needs CORE log. The thematic review published by the Housing Corporation found homelessness to be the most common indicator of vulnerability, followed by people who are sick or disabled, and those whose previous property was unsuitable because of ill health or disability.

CORE data for 2007-08 can therefore be used to examine the three most common indicators of vulnerability (Table 5).

- Of new HA tenants moving into the social housing sector, 24% were statutorily homeless.
- Across the HA sector, tenants moving within the social housing sector were more likely to be sick or disabled (16%) than those new to the social housing sector (12%).
- Of those moving within the social housing sector, 13% (HA) moved because their previous property was unsuitable due to ill health or disability.

Table 5: Measures of vulnerability in general needs housing

	Housing association lettings						Local authority lettings					
	New tenants		Existing tenants		Total		New tenants		Existing tenants		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Statutorily homeless	19,373	24	2,889	6	22,262	17	13,916	29	1,411	6	15,327	21
Sick or disabled	9,079	12	7,160	16	16,239	13	4,334	12	2,995	15	7,329	13
Previous property unsuitable because of ill health/disability	4,318	5	6,236	13	10,554	8	2,496	6	3,419	16	5,915	9

Choice based lettings (CBL)

Choice based lettings (CBL) provide tenants with the choice, control and transparency to apply for a new home. Research has shown that it also leads to improved tenancy sustainment and satisfaction, encourages flexible thinking regarding housing choice, and reduces rather than compounds ethnic segregation⁵. In 2005, Communities and Local Government established a five-year plan to ensure that all local authorities would have a CBL policy in place by 2010⁷.

Table 6 summarises HA and LA data relating to choice based lettings to households recorded during 2007-08.

- Overall, the percentage of HA properties let using CBL was 34%. In both sectors, new tenants are more likely to find a property using CBL than existing tenants.
- The percentage of HA tenants who were new to social housing and used CBL to find a home was 36%.

Table 6: Table 6 Choice based lettings (CBL) in general needs housing

	Housing association lettings						Local authority lettings					
	New tenants		Existing tenants		Total		New tenants		Existing tenants		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Choice based lettings (all properties)	28,634	36	14,904	32	43,538	34	22,782	47	10,263	44	33,045	46
Choice based lettings (new properties)	4,028	34	3,012	34	7,040	34	1,309	68	316	61	1,625	67
Choice based lettings (relet properties)	24,606	36	11,892	31	36,498	34	21,473	46	9,947	44	31,420	45

⁵ Monitoring the Longer Term Impact of Choice Based Lettings, Communities and Local Government, 2006.

⁶ Sustainable Communities: Homes for All, Communities and Local Government, 2005.

Part C: Supported Housing for Older People

Background

Over the next three decades the composition of the older age group in England will change dramatically with the number of people aged 75 years and over increasing by 4.4 million (95%), and those over 84 years by 2.3 million (184%)⁷. There will be more older black and minority ethnic households and the number of older disabled people is likely to double. By 2026, 20% of the population of England will be of pensionable age.

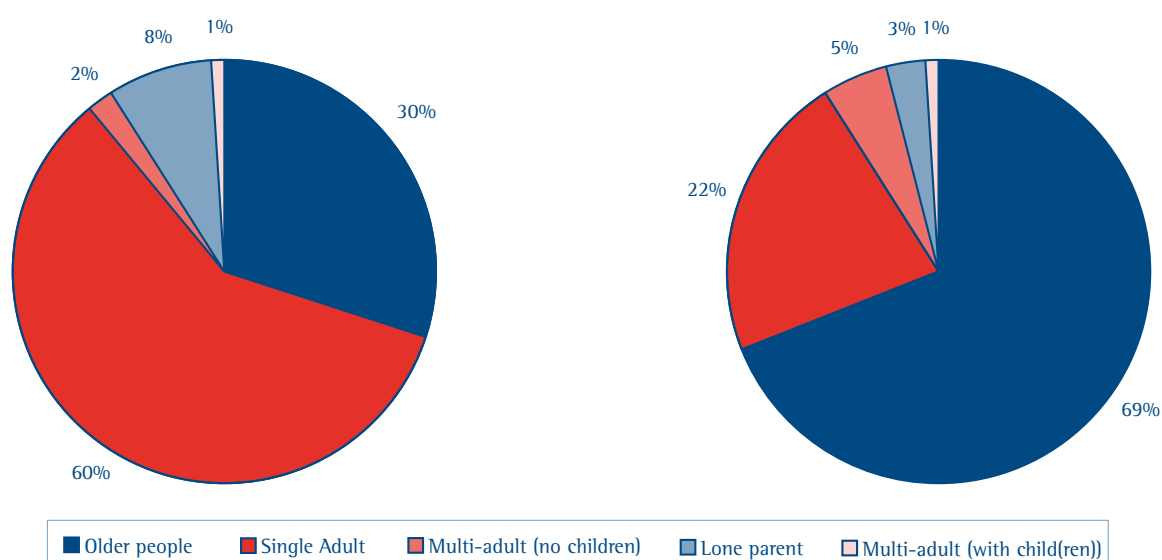
In recognition of the increasing proportion of older people in the population the Housing Corporation has recently issued a strategy document for older person housing provision. The CLG *National Housing Strategy for an Ageing Society* places 'housing and older people at the heart of local government services' and suggests that by 2011 all new public housing will be built to 'Lifetime Homes Standards'⁸. The Housing Corporation has committed to play its part in achieving this target by promoting housing for older people especially through its supported housing programme. Presently 34% of housing association households are headed by someone over 65 years, and designated or specially designed housing for older people constitutes 15% of all housing association stock.⁹

The following section reports on lettings trends within the HA and LA sectors, examining differences and similarities between new-let properties and relet properties. CORE defines older households as those in which either the tenant or the tenant's partner is aged 60 years or over. The section examines CORE data on the provision of supported housing new tenancies for older people during the 2007-08 reporting period. Supported housing is housing which is purpose designed or designated for a particular client group. Supported housing for older people is housing which by dint of designation or design is let to older people¹⁰.

Older people in supported housing

- In the 2007-08 reporting period, older people households comprised 30% (27,421) of supported housing new tenancies in the HA sector. The largest client group in the HA sector was single adults.

Figure 1: Supported Housing HA and LA – Household Characteristics



⁷ National Housing Strategy for an Ageing Society, Communities and Local Government, 2008.

⁸ Lifetime Homes have 16 design features that ensure that the home will be flexible enough to meet the existing and changing needs of most households.

⁹ Investing for Lifetimes – Strategy for Housing an Ageing Society, Housing Corporation, 2008.

¹⁰ Some older households access general needs housing – in 2007-08 this was 12% of HA general needs lettings, and 14% of LA general needs lettings.

- Within the HA sector, new lettings accounted for the majority (52%) of all lettings made to 'older people' with relets accounting for the remaining 48%.

Table 7: Household type in supported tenancies by new let and relet

	Housing association lettings						Local authority lettings					
	New lets		Relet		Total		New lets		Relet		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Older people	14,132	22	13,289	47	27,421	30	4,175	60	4,131	80	8,307	69
Single adult	43,375	68	12,091	43	55,466	60	1,975	29	699	13	2,674	22
Multi-adult (no children)	1,062	2	503	2	1,565	2	344	5	209	4	552	5
Lone parent	4,787	8	2,225	8	7,012	8	282	4	101	2	383	3
Multi-adult (with child(ren))	458	1	81	0	539	1	135	2	44	1	179	1

Demographic characteristics of older people households

- Within HA supported tenancies, 38% of older people households declared a disability and 11% used a wheelchair.
- Only a small minority (3%) of households were classified as BME in HA households.
- The majority (77%) of HA older people households moved within the same local authority.
- Within the HA sector:
 - more households moved within the same local authority in new-let properties (83%) than in relet properties (77%);
 - there was a higher proportion of BME households, people with a declared disability and wheelchair users in new-let properties than in relet properties.

Table 8: Selected characteristics of older people households in supported housing

	Housing association lettings						Local authority lettings					
	New lets		Relet		Total		New lets		Relet		Total	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Tenant moved from within same LA	1,505	83	19,547	76	21,052	77	321	92	6,929	87	7,250	87
BME household	99	6	805	3	904	3	4	1	244	3	248	3
Any household member considering him/herself to have a disability	857	48	9,475	38	10,332	38	135	43	3,081	40	3,216	38
Wheelchair user in household	335	18	2,799	11	3,134	11	28	8	709	9	737	9