

HOUSING REVIEW: CURRENT POSITION

Executive Summary

Overview and Scrutiny Committee have included a Housing Review as a key item on their work programme for 2020/21. It is anticipated that the Review will be split over three sessions, running from September 2020 to November 2020. This report contains information and analysis in relation to “Session 1: Current Position”, covering current housing need and gaps in provision as identified through housing needs assessments and statistics drawn from the Housing Register. The remaining two sessions will cover Housing Delivery and Future Housing Strategy.

The report concludes that there is an acute need for more affordable housing of all types, sizes and tenures in Woking. The Housing Register shows that the greatest need is for 1 bed units at 43%, but there is also a significant need for 2 and 3 bed homes at 31% and 20% respectively. 3 bedroom houses have attracted the highest average numbers of bids over recent months and there is evidence that waiting times are longer for larger properties.

Recommendations

The Committee notes the report.

The Committee has the authority to determine the recommendation(s) set out above.

Background Papers: None.

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1.0 Introduction

- 1.1 Overview and Scrutiny Committee have included a Housing Review as a key item on their work programme for 2020/21. It is anticipated that the Review will be split over three sessions, running from September 2020 to November 2020.
- 1.2 This report contains information and analysis in relation to “Session 1: Current Position”. This session will look at what housing data is showing, including:
 - Needs: housing needs assessments/breakdown from the register; present and projected needs in private and social housing; gaps in provision; homelessness; housing register/allocations policy.
 - Supply: profile of current stock (Council and Thamesway); impact of Right to Buy; specialist/adapted housing
 - Match of needs and supply
- 1.3 The remaining two sessions will cover Housing Delivery and Future Housing Strategy.

2.0 Current position - Housing Need

Strategic Housing Market Assessment (SHMA) 2015

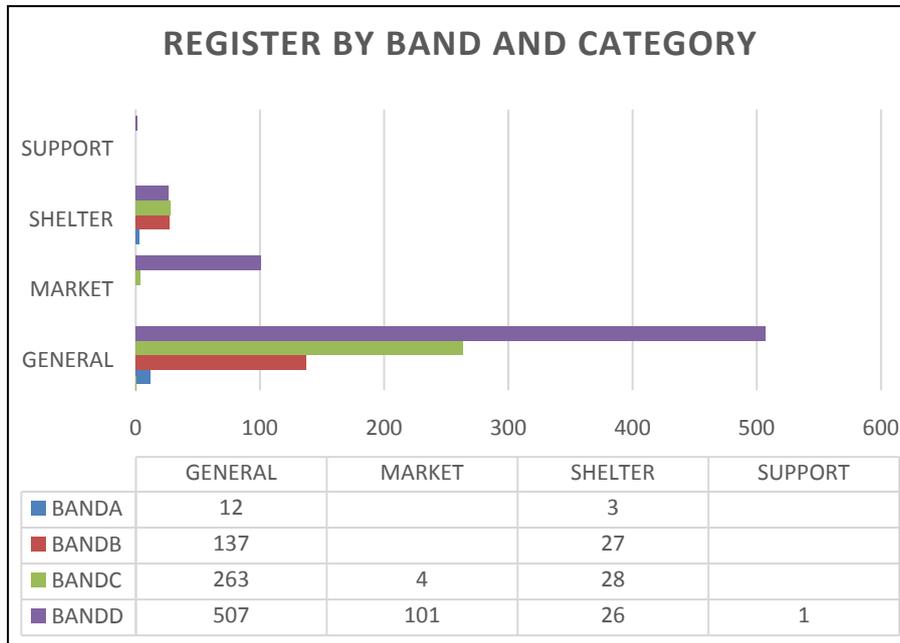
- 2.1 The West Surrey Strategic Housing Market Assessment (SHMA) 2015, indicated a net need of 375 affordable housing units per annum in Woking Borough in order to meet current and future needs.
- 2.2 The study estimated that 26% of the need was for low-cost home ownership (shared ownership/discount market sale) and 74% for social/affordable rented dwellings.
- 2.3 In order to meet this level of affordable provision, it was recognised that this would consequently require a level of overall development which the Borough would not have the capacity to achieve due to environmental and infrastructural constraints.
- 2.4 Accordingly, the Core Strategy set a reasonable target of 1,737 affordable dwellings for the Plan period (2013 to 2027), equating to an annual target of 102 new affordable dwellings per annum.
- 2.5 By bedroom number, the SHMA calculated for Woking that 50% of need will be for 1 bedroom dwellings; 25% for 2 bedroom dwellings; 22% for 3 bedroom dwellings and 3% for 4+ bedroom dwellings. This would equate to the following requirements over the next 5 years:

SHMA Estimated Affordable Housing Need from now to 2024/5:

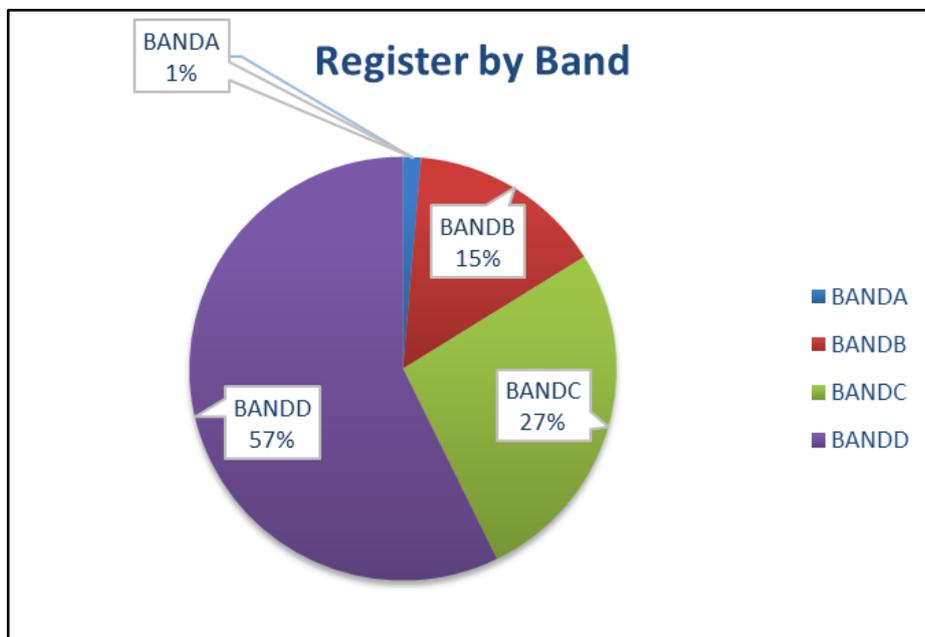
• 1 bed dwellings	255
• 2 bed dwellings	130
• 3 bed dwellings	110
• 4 bed + dwellings	15
<i>Total Target</i>	<i>510</i>

Housing Register

2.6 As of the end of July 2020, there were a total of 1,109 applicants on the Housing Register, including 105 applications that were registered for Thamesway Housing Limited properties only and 85 for sheltered accommodation (see Chart 1 below)..



2.7 Of the 1,109 applicants, 56% are currently placed in Band D, with 27% in Band C, 16% in Band B and 1% in Band A (see Chart 2 below).

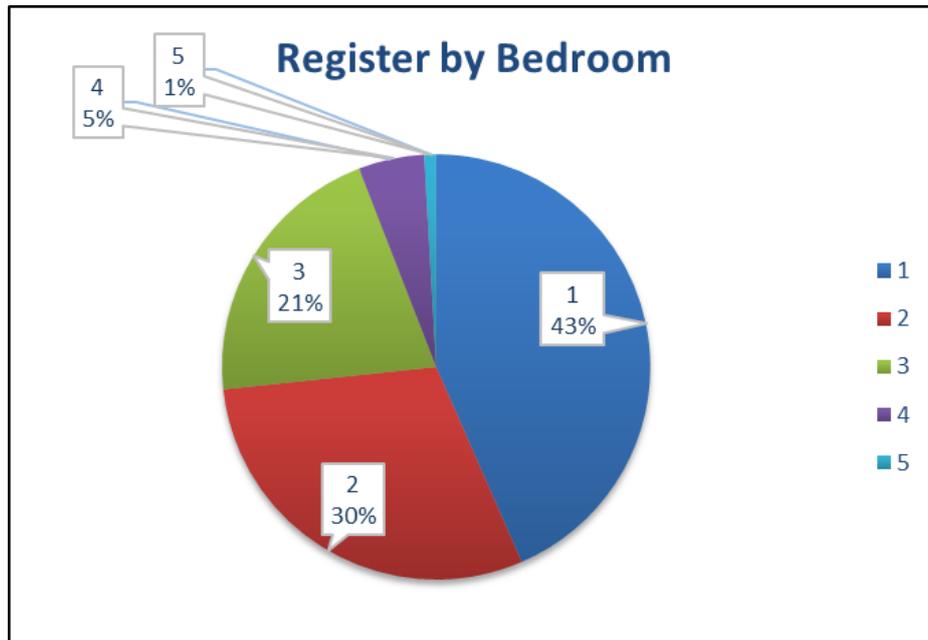


2.8 Band A is only used in the most serious emergencies. There are currently 13 applicants (of which 2 require sheltered accommodation) in Band A.

2.9 Most applicants on the Housing Register (618) are in Band D, with general needs applicants likely to wait up to ten years for accommodation.

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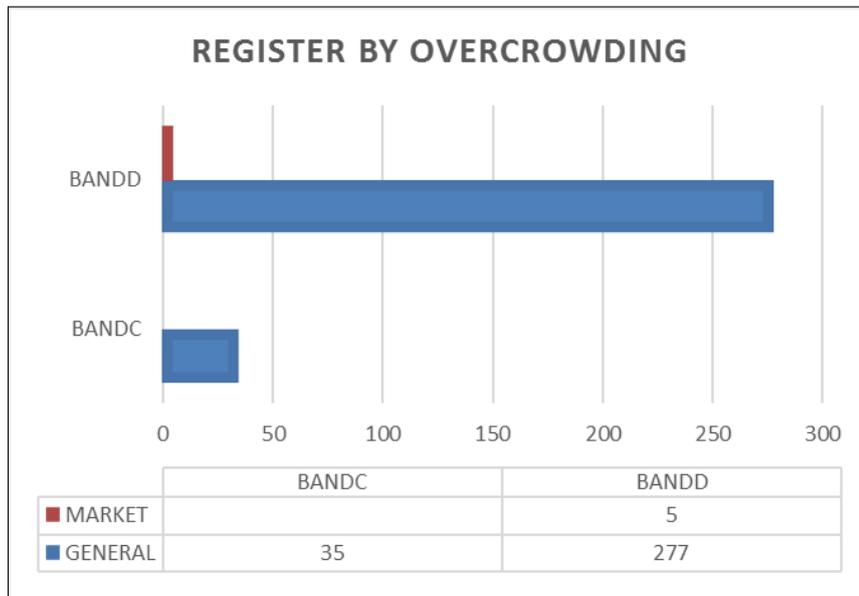
- 2.10 The Housing Register evidences a need of 43% for 1 bed dwellings; 30% for 2 bed; 21% for 3 bed; and 6% for 4+ bed (see Chart 3 below).



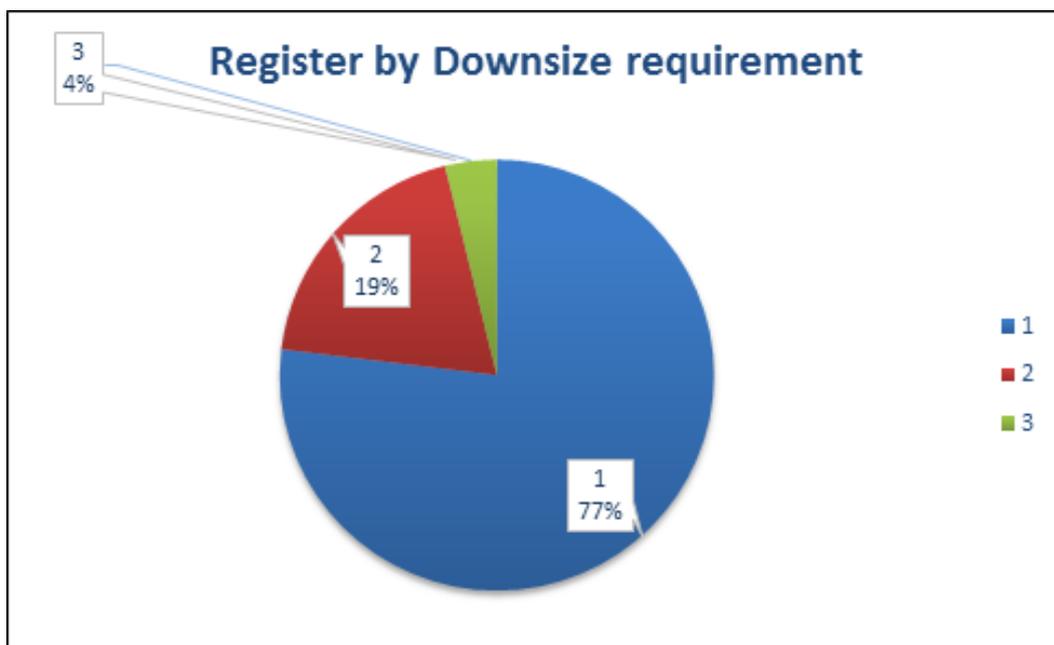
- 2.11 83% of all need is for general needs housing, with 10% for intermediate/market properties and 7% for sheltered housing.
- 2.12 Of the general need applicants, 40% need 1 bed dwellings; 30% need 2 bed dwellings; 23% need 3 bed dwellings; and 7% need 4+ bedrooms.
- 2.13 Whilst the majority of applicants on the Housing Register need smaller properties, the waiting times for larger family homes are longer, as these properties turnover less frequently.
- 2.14 Average waiting times for General Needs properties let over the last year are as follows:
- 1 bedroom - 25 weeks
 - 2 bedrooms - 81 weeks
 - 3 bedrooms - 84 weeks
 - 4 bedrooms - 90 weeks
- 2.15 The vast majority of lettings above will have gone to applicants in Bands A and B, and will not reflect the waiting times of most Housing Register applicants (in Bands C and D), who are likely to be waiting many years.
- 2.16 The Housing Register shows 85 applicants needing sheltered accommodation. 100% of these applications are for one bedroom accommodation.
- 2.17 Due to the migration of data to the new OpenHousing IT system, only limited information is currently available on bidding trends from December 2019. It is anticipated that further information including bids by type of property (i.e. flats, houses, bungalows) will be available later this year.

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- 2.18 However the information for the last 10 months shows the largest average number of bids were received for 3 bed properties. This was closely followed by bids for 2 bed properties.
- 2.19 13 x 1 bed properties have been advertised on Hometrak since December 2019, attracting 371 bids (an average of 29 bids per property). 13 x 2 bed properties were advertised over the same period, attracting 762 bids (an average of 59 bids per property). There were 13 x 3 bed properties also advertised, attracting 831 bids (an average of 64 bids per property). No 4 bed properties have been advertised in this period.
- 2.20 Overcrowding affects 317 applicants in Bands D and C, of which 277 (87%) are in Band D (see Chart 4 below).

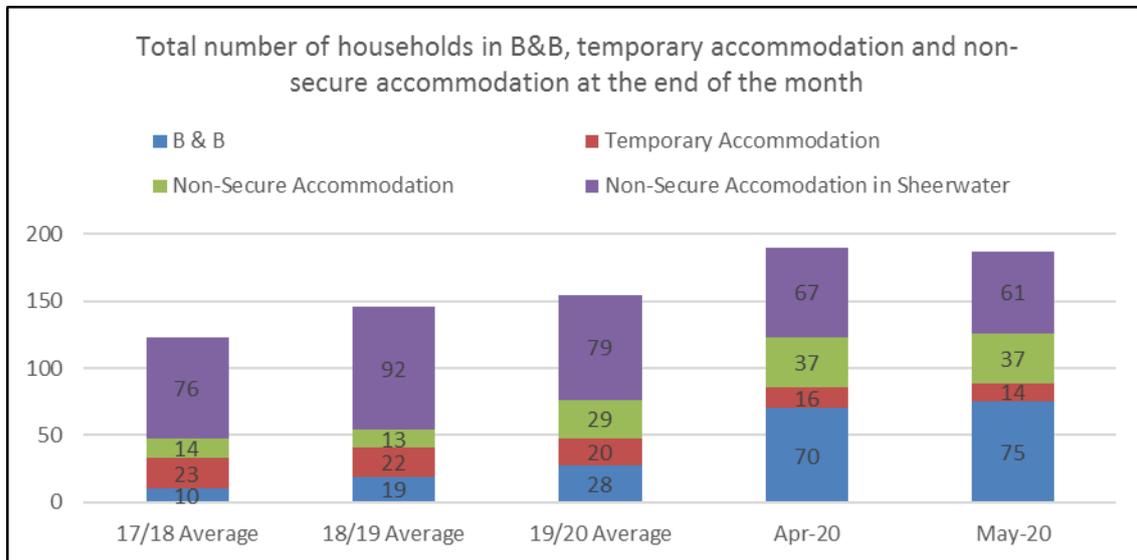


- 2.21 Figures show that 49% of those overcrowded are in 1 bed properties needing a 2 bed property (120 households) while 27% are in 2 bed properties needing a 3 bed property.
- 2.22 There are 26 applicants on the Housing Register seeking to downsize, with 20 (77%) applicants needing 1 bed homes (see Chart 5 below).

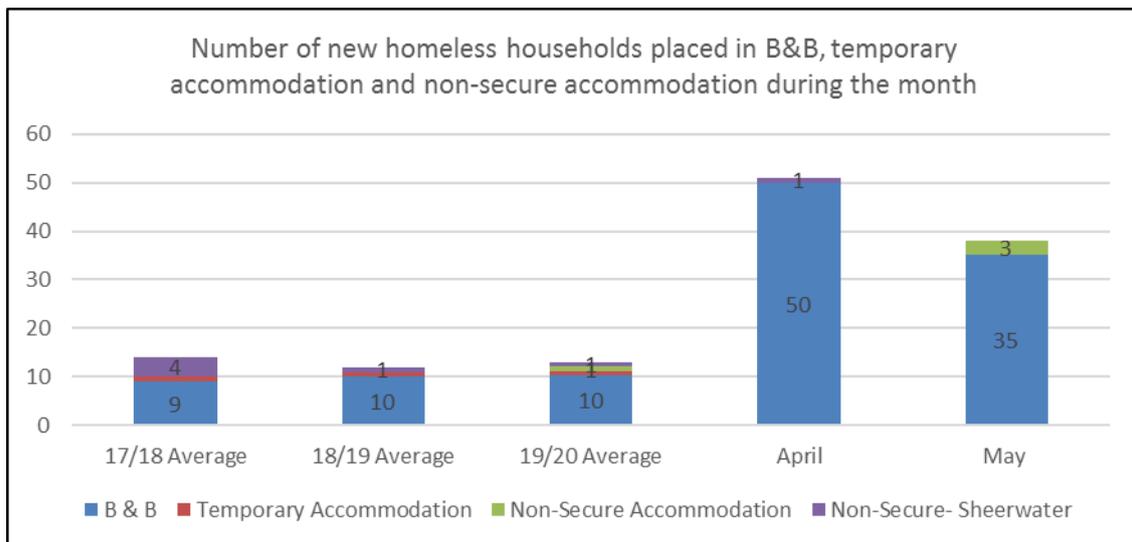


3.0 Current Position - Homelessness

3.1 At the end of May 2020, the Council was accommodating 187 homeless households in some form of emergency accommodation. Typically, over the last 2 years, this number has been around 130 - 150, with the increase reflecting the additional numbers accommodated through the Covid-19 pandemic (see Chart 6 below).

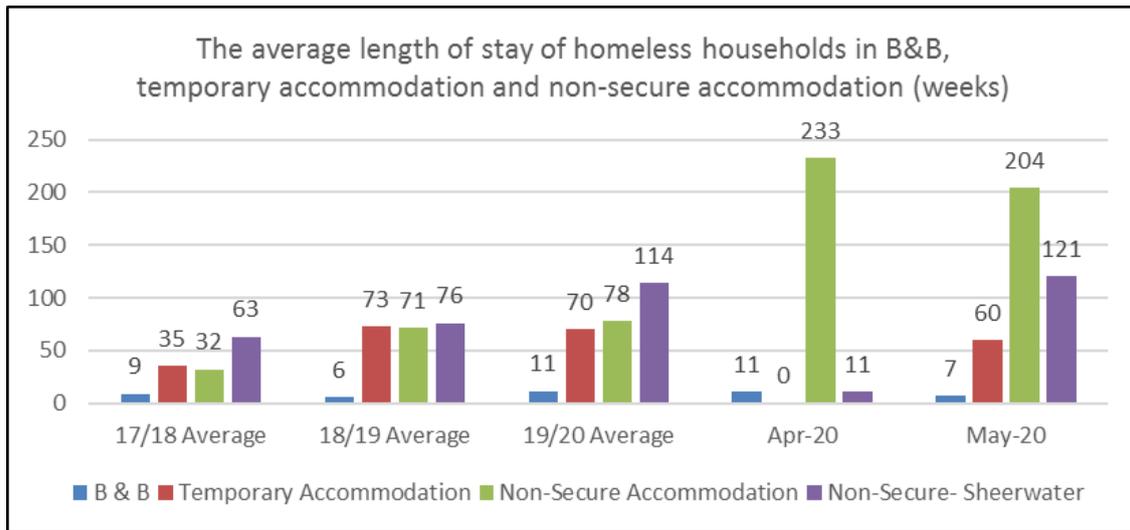


3.2 Chart 7 below further highlights the impact of the Covid-19 pandemic on homelessness. In April 2020, 51 households were accommodated, primarily in B&B/hotels, compared with an average month of around 15 placements.



3.3 On average, homeless households spend around 11 weeks in B&B accommodation and 70 weeks+ in other forms of temporary accommodation (see Chart 8 below).

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- 3.4 **NOTE:** The figures for time spent in non-secure accommodation in the early part of the financial year are heavily skewed by one individual.
- 3.5 Due to the long waiting times for applicants on the Housing Register, the Council often discharges its homeless duties into the private rented sector, including the Let's Rent scheme. There are currently 70 households referred to the Let's Rent scheme.

Current number of referrals to Let's Rent by household size

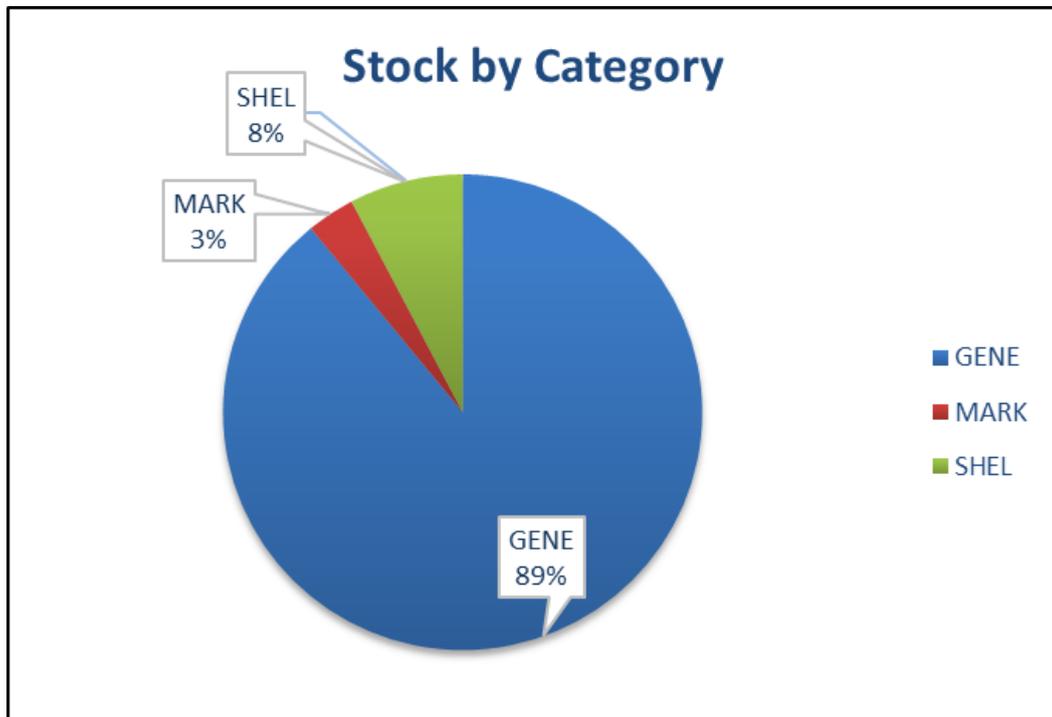
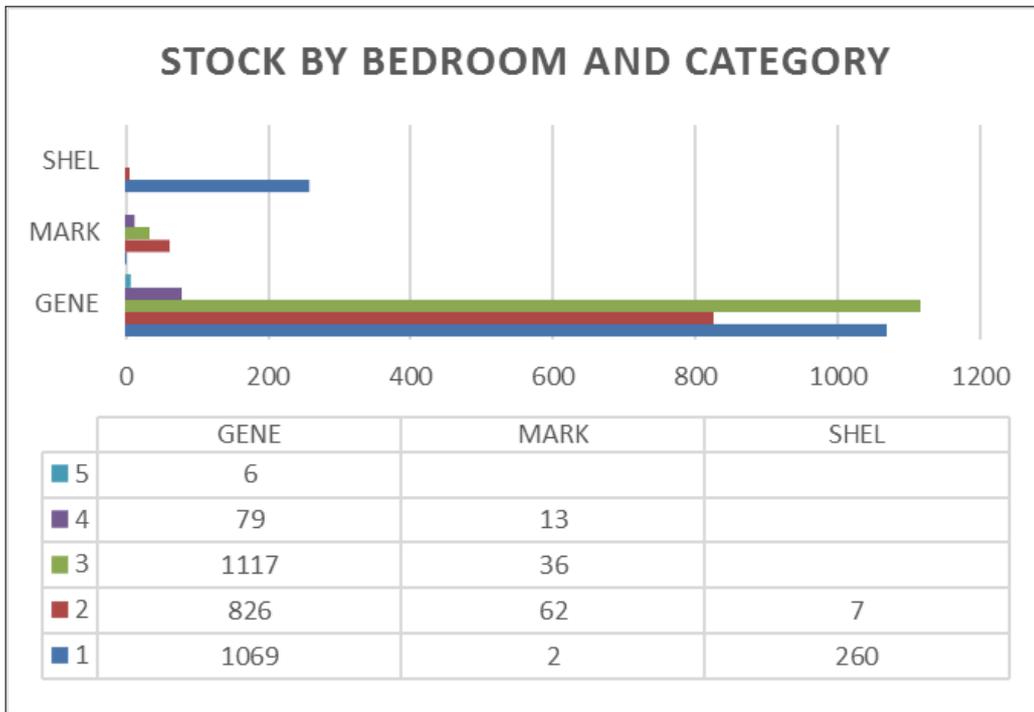
	Numbers	Known to be benefit capped
Shared room	2	1
1 bed	25	2
2 bed	29	7
3 bed	11	5
4 bed	3	1
Total	70	16

- 3.6 The majority of referrals require 1 and 2 bedroom properties. However, the team are increasingly finding that applicants are benefit capped, which is making it even more difficult to source affordable private rented accommodation. The benefit capped number in the table above is likely to be much higher, but new affordability assessments using the new LHA level are ongoing.

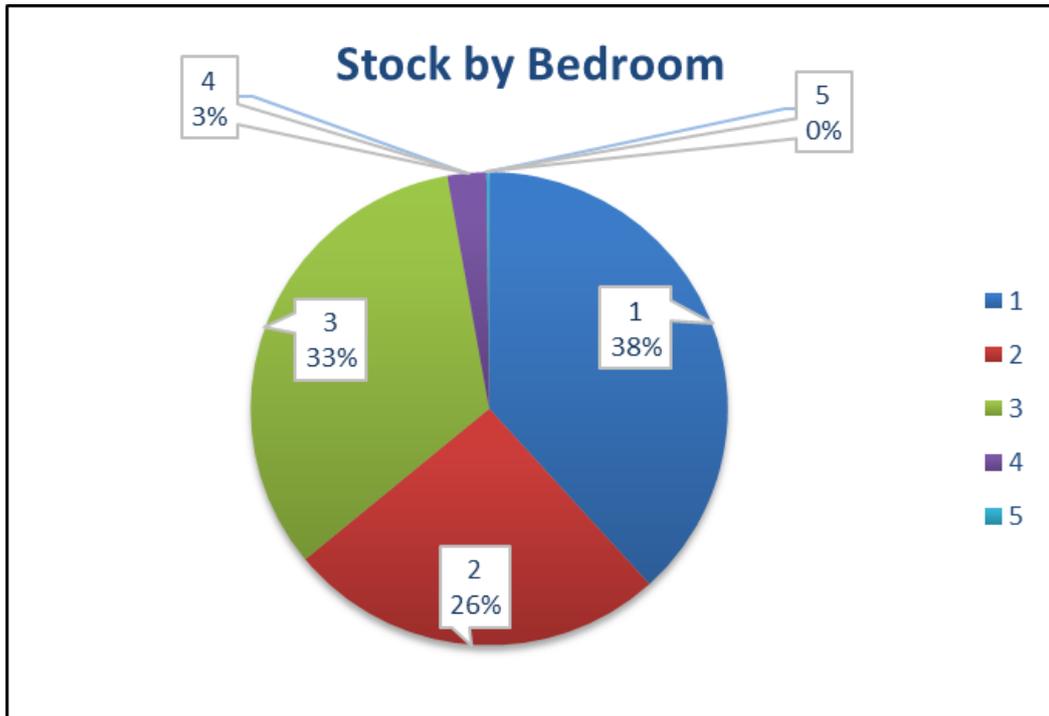
4.0 Current position - Stock Profile

- 4.1 Our Council-owned affordable housing stock total currently stands at 3,477 dwellings, plus a further 113 Thamesway Housing Limited (THL) dwellings managed by New Vision Homes (NVH) – to which WBC is able to nominate persons from the Housing Register. In addition, there are approximately 2,050 housing association properties in the Borough and a further 100 THL properties (which are affordable but not managed by NVH).

4.2 Of the Council's affordable housing stock, 89% is for general needs; 8% for sheltered needs; and 3% for market need (see Charts 9 and 10 below).



4.3 Chart 11 below breaks down the Council's housing stock by size. 38% of our stock is 1 bedroom dwellings; 26% 2 bed; 33% 3 bed; and 3% 4+ bed.



4.4 The pipeline of new affordable housing delivery will be covered in Session 2.

4.5 In addition to our long-term housing stock, the Council holds 6 temporary accommodation schemes in the general fund, providing a total of 24 units. A new scheme currently under development at Waterman House will provide a further 22 self-contained temporary accommodation flats.

5.0 Current position – Low Cost Home Ownership

5.1 The waiting list for low cost home ownership products, such as shared ownership, is held by the regional Help to Buy Agent (Radian Housing Association). They have 203 applicants seeking shared ownership homes in Woking as of July 2020.

5.2 Of these, 29% are seeking one bedroom dwellings; 53% two-bedroom dwellings; and 18% three bedroom dwellings.

5.3 The majority of applicants are either privately renting or living with family or friends currently.

5.4 Nearly half of applicants for low-cost home ownership products are looking for two or three bedroomed houses, as opposed to smaller flatted accommodation.

6.0 Impact of Right to Buy

6.1 Over the last 3 years, the Right to Buy has resulted in an average loss of 10 dwellings per annum from the Council's housing stock. Of these, 45% have been 3 bed houses; 35% 2 bed houses/flats; and 20% 1 bed flats. The impact since the early days of the Right to Buy in the 1980s has diminished, and unless there is a major change in the policy and/or discounts, the reduction in the Council's stock is expected to continue at similar rates.

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- 6.2 An extension of the Right to Buy to housing association tenants is currently being trialled with a £200 million pilot Voluntary Right to Buy scheme across the English Midlands.
- 6.3 Metropolitan Thames Valley Housing (MTVH) Association were one of five housing associations that trialled an earlier scheme between 2016 to 2018 to offer their tenants in pilot areas, including Woking, the opportunity to buy their home under a voluntary sales scheme similar to the existing Right to Buy. Tenants taking part in the pilot could get a discount of up to 70% on the market value of their home (or £77,900, whichever was lower) provided they had been a tenant for 10 years or more with a housing association or a public sector landlord (such as a council).
- 6.4 There were no completions on the pilot scheme in Woking and MTVH only did 5 completions in total across all of its pilot areas.
- 6.5 At this stage, it is difficult to gauge what the impact of an extended Right to Buy would be on housing association stock if it was rolled out, as many dwellings are subject to Section 106 agreements, restricting their status as affordable dwellings.

7.0 Match between Needs and Supply

- 7.1 There is a relatively close match between the Housing Register and stock profile in terms of type of accommodation, with 83% of applicants requiring general needs housing compared to 89% of housing stock. For Sheltered Accommodation, the need is 7% against a stock of 8%. However, as our stock is mostly occupied, this does not mean it is available to meet needs.
- 7.2 Again, when analysing need and stock by bedroom numbers, there is also a strong correlation. There is a relative shortage of 2 bedroom dwellings when compared against need on the Housing Register. However, the waiting times data shows that whilst the greatest numbers of applicants are waiting for 1 and 2 bedroom properties, the longest waiting times are for larger family homes.

8.0 Conclusions

- 8.1 There is an acute need for more affordable housing of all types, sizes and tenures in Woking.
- 8.2 The Housing Register shows that the greatest need is for 1 bed units at 43%, but there is also a significant need for 2 and 3 bed homes at 31% and 20% respectively. 3 bedroom houses have attracted the highest average numbers of bids over recent months and there is evidence that waiting times are longer for larger properties.

REPORT ENDS