

POPULATION FLOWS AND THE IMPACT ON HOUSING SERVICES – WITNESS SESSION 2

Contact Officer: Neil Stubbings
Telephone: x 7269

REASON FOR ITEM

To hear from witnesses as part of the Committee's 2011/12 review examining *Population flows and the impact on Housing Services in Hillingdon*.

OPTIONS AVAILABLE TO THE COMMITTEE

To question the witnesses about population flows and the impact on housing at a local level, concentrating on those changes occurring in Hillingdon. (Suggested questions attached as **Annex A**).

INFORMATION

1. The Committee is responsible for undertaking the 'policy overview' role in relation to Social Services, Health and Housing. This role is outlined at the start of the agenda.
2. Previous experience from both Hillingdon and other Councils indicates that the Committee can have the greatest impact by focusing on a particular topic at one or several meetings.
3. Following discussion at the Committee's meeting on 25th January 2012, Members decided to review the population flows and the impact on Housing Services in Hillingdon.
4. This is the second witness session for the review. This will provide an overview of what population flows are occurring locally, where specifically these changes are occurring and aim to establish the likely impacts of population flows on Housing services. It will also look at the financial modelling work officers undertake to plan future service provision.
5. The following will be attending to give evidence to the Committee:
 - Steve Cross, Head of Finance, Social Care, Health and Housing
 - April Southern, Housing Benefits Manager, Social Care, Health and Housing

- Emma Humphrey, Housing Needs Manager, Social Care, Health and Housing
 - Anna Crispin, Chief Education Officer
6. Questions (attached as Annex A) have been sent to the witnesses in advance. Members are not constrained by these and may wish to ask supplementary questions. A copy of the amended Scoping Report is attached as Annex B.

Attachments:

Annex A: Questions for the witnesses

Annex B: Copy of the amended scoping report

SUGGESTED COMMITTEE ACTIVITY

Question the witnesses, adding supplementary questions as appropriate.

Annex A

SUGGESTED QUESTIONS FOR THE WITNESSES

1. Are trends in births, deaths and inward and outward migration occurring in Hillingdon and, if so, why are population flows occurring?
 2. What are the geographical locations of where population flows are occurring within the borough and across Hillingdon's Borough boundaries?
 3. What are the likely impacts of population flows on Housing services, the socio-demographic profile of occupants and existing and new housing stock
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HILLINGDON

LONDON

Social Services, Health & Housing Policy Overview & Scrutiny Committee Short Review Scoping Report 2011/12

OBJECTIVE

To examine population flows and the impact on Housing Services in Hillingdon

Aim of review

To examine population flows and its impact on housing supply and housing demand in Hillingdon

The review will inform the development of the Tenancy Strategy which is due to be published at the start of 2013 as a requirement of the Localism Act.

Terms of Reference

1. To establish trends in births, deaths and inward and outward migration in Hillingdon if and why population flows are occurring?
2. To determine the geographical locations of where population flows are occurring within the borough and across our Borough boundaries
3. To establish the likely impacts of population flow on Housing services, the socio-demographic profile of occupants and existing and new housing stock
4. To highlight those areas to Cabinet requiring further investigation

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Reasons for the review

Recent changes to the housing benefits regime has resulted in the possible need to move to cheaper alternative properties for families across London. Although this is expected, the evidence has so far not been seen. In year applications for school places has highlighted significant population flows within the London Borough of Hillingdon. This fluctuation in school numbers is separate to the demographic information used by the Local Authority to identify future requirements for school places. These expected changes and numerical changes have prompted the following salient questions:

Key Issues

Key issues requiring further investigation include:

- What is the evidence of population flow?
- What population flow is happening (e.g. Brunel Students, student nurses at Hillingdon hospital)
- Where is population flow happening?
- Who is moving?
- Why are people moving?
- Are large families adversely impacted?
- Are single family households a factor?
- What is the impact of this population flow on housing demand?
- What is the impact on other council service such as education and social care?
- The impact of the welfare reforms?
- Is homelessness increasing as a result?
- Is the use of temporary accommodation increasing?
- Are other local authorities procuring properties in the borough? – out of borough agencies
- Is owner occupation decreasing?
- Is the private rented sector increasing?
- How is the private rented sector reacting?
- What is the impact on private rented sector rents?
- Is there increased eviction activity, legal or illegal?
- The turnover of properties in the Private rented sector
- Hidden families (including homes in back gardens)
- Is there an Olympic factor?
- Is the affordable rent model impacting population flow?

Internal Migration - How is this measured?

Notwithstanding the variances highlighted by in year applications for school places, local population movements can be measured through the following indicators:

- School Census (or Pupil Level Annual School Census/PLASC)
- Local surveys and administrative data
- NHS central register/Flag 4

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- National Insurance Number (NINO) registrations
- Electoral Register (ER)
- Housing Benefit applications
- Applications for homelessness
- Temporary accommodation or private sector placements by one borough in other boroughs

School Census (or Pupil Level Annual School Census/PLASC) – This provides an annual comprehensive count of all children in maintained schools in the UK. Available on national basis since 2002, it includes address, age, ethnicity and first language. This count does not include data on nationality but the question about first language provides a reasonable proxy.

Pupils are recorded when they enter the system but not when they leave. Year on year comparison can provide a strong indicator of migration by families with children using the variables described and by identifying children who join the system at an age above the start of schooling, although this will not capture children arriving and leaving during the year.

Local surveys are important to inform local service planning, and some regular **surveys**, such as the London Housing Survey, can provide data on migration or be adapted to do so. **Administrative data** – there is a variety of data available. Most of these sources are concerned with registrations rather than de-registrations and so are more valuable for measuring arrivals rather than those currently resident.

NHS central register – There is no compulsory system within the United Kingdom to record the movement of the population. It is, therefore, necessary to use proxy data to estimate internal migration. The most reliable and updated source of data is the NHS Central Register (NHSCR). The NHSCR is based on people transferring to a new GP practice and informing their doctor as they change residential address. The accuracy of the data is therefore dependent on individuals informing their doctor when they move.

Its limitations are that there is a time lag between entering the UK and registering and some, particularly young men, are known not to register, or to delay registration unless and until they have a medical need; the flag is lost when a patient moves within the UK and registers with another GP; and no date is held for the registration.

The NHSCR data provides insights into patterns of inter-regional migrants within the UK.

National Insurance Number (NINO) registrations – National insurance numbers are a necessary first step for employment/self employment and for claiming benefits and tax credits. NINOs provide a record of residential postcode, arrival and registration date, country of origin and age. The data is available at local level and provides valuable information about migrants who have come to work in a particular area (although the

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individual may live in one and work in another neighbouring authority, depending on housing availability and transport links).

Electoral Register (ER) – Each local authority is required to keep a register of all those entitled to vote. An annual form is sent to every household and there is a rolling revision throughout most of the year. The ER form records nationality in order to determine in what, if any, elections the registrant is entitled to vote. If the nationality has no voting rights then the name is not added to the register and if this applies to the whole household then the register will show no elector.

Housing indices mentioned above

The remaining bullet points above can be identified from information collated from Council's back office systems.

This review will only concentrate on Housing and Education Services indicators of population movement.

Background information on Hillingdon's Housing Environment

See Appendix A

What is the Council already doing in relation to Housing Services?

- The Council have an established Local Housing Partnership, with whom the Council have already worked with to develop and deliver Area Based Housing Plans (2009 and 2010) specifically to reduce homelessness and make better use of housing across the Borough. This work has enabled a deeper understanding of the local housing market.
- The Registered Providers working in the area have told the Council their plans in respect of tenure and affordable rents. Business decisions have been taken to participate in affordable rent and the process of implementing this provides an opportunity for the council to influence decision making by other providers. The impact of these decisions will need to be tracked to identify which families access affordable rent properties.
- The Council are working on a definition of affordability, based on the GLA definition but taking into consideration the local impacts of this. This is expected to be in place by early December 2012
- The Council already have a better-than-average knowledge of current tenants and applicants for housing, but acknowledge the need to improve knowledge of tenants' financial circumstances and occupancy levels so that this can be used to inform choices around affordable rents and tenure length.
- Some work has also been undertaken to understand the impact of welfare reform, particularly proposals relating to under-occupation in the social housing

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sector. The welfare reform 'goal posts' continue to move; it will necessary to consider the impacts throughout this review.

The Council has reviewed its allocations policy and the housing register within the last few months, so the Council's knowledge of people seeking housing is up-to-date. This information can be provided to POC as part of its evidence gathering.

Methodology

The review proposes two witness sessions.

It is anticipated that at the first meeting the Committee will have an opportunity to question a representative from the Office for National Statistics and a representative from London Councils to gain a national and then regional perspective about the evidence for and impact of local population flows on Housing services.

At the second witness session, the Committee will have the opportunity to hear from Housing and Education Officers about the modelling work they undertake to plan future service provision

Proposed timeframe & milestones

Meeting	Milestone	Outcomes
15 February 2012	Agree scoping report	
22 March 2012	Witness Session Potential witnesses include: ONS London Councils	(Possible written submissions from: <ul style="list-style-type: none">• Job Centre Plus• Shelter) To examine national population flows To examine regional population flows
19 April 2012	Witness Session Potential witnesses include: Head of Finance SSHsg Education Officer/s	Enquiries to residential developers / estate agents about new developments To examine local population flows and the impact on Housing services To agree the conclusions and recommendations of the final report
That authority be delegated to officers to agree the final report in conjunction with the Chairman and Labour Lead by email.		

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Intelligence

A number of reports since 2010 have suggested that policy changes affecting housing costs may lead to population movements away from Inner London towards Outer London, as properties in the centre become less affordable.

London's Poverty Profile 2011, published by the New Policy Institute (October 2011)¹ suggested that “services in Outer London, which are already stretched, such as GP surgeries and schools, may come under increasing pressure as people relocate there”. Housing benefit changes could make rents unaffordable for low income families in Inner London. The report analysed London population flows, including flows from Inner to Outer London, finding that each more people move from inner to outer London.

The report estimated that 104,000 households in London would be affected by changes to the housing benefit system starting in 2011, which will mean their levels of benefit will no longer be sufficient to cover their rent. The authors noted that the biggest shortfalls in weekly rent were likely to affect households in the Inner West of London, as well as larger households throughout the capital.

Research by London Councils published in September 2010 claimed that 82,000 households across the capital would be at risk of losing their homes under changes to housing benefit.²

The Commons Work and Pensions Committee published a report on ‘*Changes to Housing Benefit announced in the June 2010 Budget*’ in December 2010.³

London Councils published a paper in November 2011 examining pressure on school places in London.⁴

In 2011 the Greater London Authority published ‘*Focus on London, Housing - a growing city*’, which included:

- Details on London rent levels
- Length of time at address by borough
- Estimated distribution of losses from LHA changes.⁵

¹ <http://www.londonpovertyprofile.org.uk/downloads/povertyreport2011-web.pdf>

² [London Councils Housing Benefit](#)

³ [Work & Pensions Committee housing benefit changes](#)

⁴ [London Councils school places](#)

⁵ [GLA London Housing](#)

Key facts about Hillingdon & Housing

The following background information provides an overview of the current Housing environment in Hillingdon.

Households and Families

There were 99,449 households in Hillingdon in 2006, a rise of almost 2.8% since 2001. However, the number of households is expected to increase to 114,011 by 2026, which will represent a rise of 17.8% on the 2001 figure.

Housing (2011)

Table 6: Housing tenure	
Total number of households	102,129
Local authority	10,549
Registered social landlord	6,127
Other public sector	1,310
Private sector	84,143
Total public sector	18%
Total private sector	82%

House prices

According to data from the Land Registry, the mean house price in Hillingdon in Q1 of 2009 was £243,908. This had risen to £261,960 by October 2010. The average price in Hillingdon has more than doubled over the past ten years, although prices have decreased in the last year, in line with the regional and national trend.

Entry-level prices (for home ownership and private renting) were obtained by bedroom size across the borough via a survey of properties advertised for sale and to let during April 2009. These costs were qualified by the qualitative research with estate and letting agents in the area. Entry-level prices are crucial to the assessment of affordability used in the model to assess housing need in the Borough.

The survey estimates that around 26% of private rented sector households are recipients of Local Housing Allowance (LHA). Almost three quarters of these households contain children, compared to only a quarter of non-LHA private rented sector households.

The HMA2 results suggest that entry-level market housing is more than double the cost of social rented accommodation, indicating that intermediate housing could be beneficial to a number of households in ascending the housing ladder. Intermediate housing is affordable housing to rent or to buy which is available at a cost above that of social rented housing and below entry level market housing. Many shared ownership schemes fall into the intermediate housing category.

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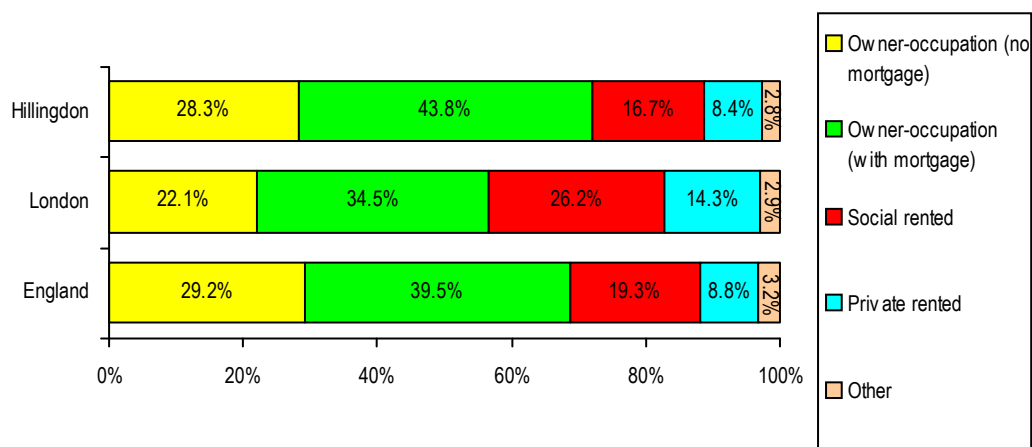
The potential range of costs at which intermediate housing (whether to rent or buy) could be provided is shown in the table below. The mid-point of the intermediate range is termed the 'usefully affordable' point, at which it is feasible to produce intermediate housing that will be affordable to a reasonable proportion of households unable to access the market, therefore providing a genuine step on the housing ladder. The cost of new build shared ownership housing currently

available in the borough lies towards to the top of the intermediate range - intermediate housing currently on offer in the borough in the form of shared ownership is of a higher cost than the 'usefully affordable' point.

Table 7: Weekly costs by tenure

Bedrooms	Social rent	Intermediate range	'Usefully affordable' Intermediate housing	Shared ownership	Entry-level private rent	Entry-level purchase*
1 bed	£74	£75 - £164	£120	£149	£165	£193
2 bed	£88	£89 - £194	£142	£176	£195	£258
3 bed	£102	£103 - £262	£183	£208	£263	£343
4 bed	£118	£119 - £418	£268	-	£419	£482

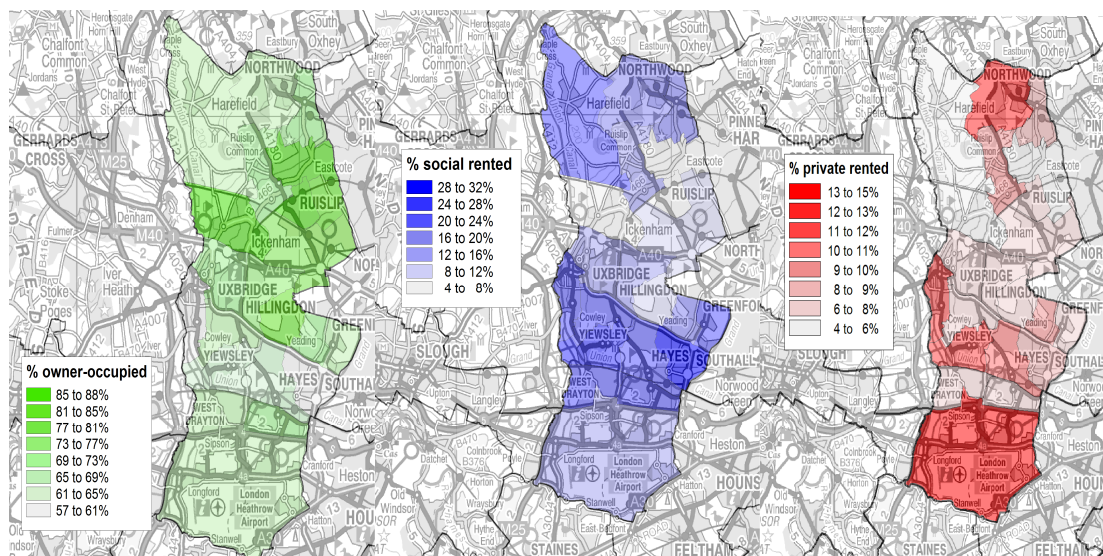
Tenure



Source: 2001 Census

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Tenure By Ward



Source: 2001 Census

Social Housing 2011

Social Stock Levels – 2011 Housing Register - 2011 Lettings 2010-11

Total Social Stock	16731	Band A	99 (1.3%)	Local Authority	560
of which Sheltered	1370 (8.2%)	Band B	284 (3.7%)	Registered Provider	235
Hillingdon Housing Services	10319	Band C	2869 (37.1%)	Total Social Lettings	795
of which Sheltered	838 (8.1%)	Band D	4483 (57.9%)	Private Sector (Housing Needs Assisted)	374
Registered Provider	6412	Total	7735		
of which Sheltered	532 (8.3%)				

Source: TSA & L.B. Hillingdon Housing Register Profile

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Social Housing Demand

Priority band	A - C	Non Priority	D
0 & 1 Bed Need	611	0 & 1 Bed Need	2352
2 Bed Need	1074	2 Bed Need	1369
3 Bed Need	933	3 Bed Need	595
4 Bed+ Need	634	4 Bed+ Need	167

Source: LB Hillingdon Housing Register Profile 01.04.2011

Current Social Lettings (1st April 2011-1st Nov 2011)

	Estimated Demand (Total Household)	Current annual % of lettings	Current annual count of lettings
1. Homeless households	1000	34.21%	143
2. Overcrowded	1470	20.81%	87
3. Under occupiers	190	8.61%	36?/?
4. Freeing up supported or residential accommodation (includes care leavers)	125	7.18%	30
5. Transferring tenants	1476	7.18%	30
6. Medical Need To Move	157	9.09%	38
7. Others	700	12.92%	54
Total			418

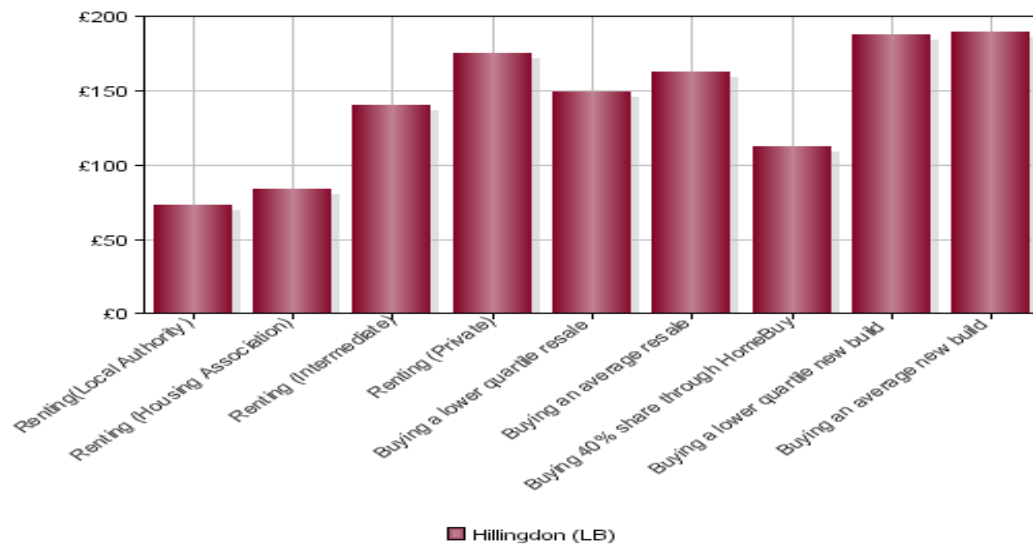
Age restricted or elderly sheltered lets	Number of Lets	% of all lets
	94	22.49%

Adapted lets	Number of Lets	% of all lets
	35	8.37%

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Cross Tenure affordability (weekly cost)

Weekly cost (1 bed property)



Source: LB Hillingdon Housing Market News Report Nov 2011