



Tackling overcrowding in England

An action plan



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Ministerial Foreword



Families living in overcrowded conditions can face all kinds of problems. Children don't have space to do their homework, and family life comes under stress.

So far we have made considerable progress helping families out of bed and breakfast and temporary accommodation, and preventing homelessness in the first place. Over one million children have also been lifted out of cold, damp homes through the Decent Homes programme.

However, we have to do more to prevent bad housing harming children's and families' chances in life. That is why we want a new focus on overcrowding alongside homelessness to help improve homes for all.

A handwritten signature in black ink, which appears to read 'Yvette Cooper'. The signature is fluid and cursive.

The Rt Hon Yvette Cooper MP
Minister for Housing

Introduction

1. Good housing has a key role to play in influencing the overall living standards of a family. Children's development and well being is dependent on tackling all relevant dimensions of poor housing. If a home is overcrowded it can affect health and educational attainment and can impact negatively on life chances.
2. Living in overcrowded accommodation can, both directly and indirectly, have a devastating effect on families. Under-achievement at school can be caused by lack of space for children to do their homework. Absence rates may be higher because of illness associated at least in part with poor living conditions. Older children may spend more time outside the home, on the streets, simply to find privacy and space. Overcrowding may exacerbate stress, depression and in the worst cases domestic violence or breakdown of relationships.
3. Poor housing conditions can cause a range of physical and mental illnesses and children growing up in difficult housing conditions are 25% more likely to suffer severe ill-health and disability during childhood/early adulthood.¹ Overcrowding is a key component of poor housing.
4. Increased demand for social housing, and in particular for larger family-sized homes can, in some areas, mean a long wait for a suitable property. Mobility moves for social tenants are limited, particularly for those tenants who are under-occupying larger homes. This means that fewer new lets are available for families. Local authorities often are most focused on giving priority for family housing to those living in temporary accommodation, paying less attention to overcrowded households. By making better use of transfers, through moving under-occupiers and overcrowded households, smaller properties can be freed up for homeless families – thereby supporting all households in need.
5. For those families who live in the private sector there is often a problem of affordability for the larger properties. With the introduction of the Local Housing Allowance next April, those families who are currently in receipt of housing benefit should be able to move to a more suitably sized property if they choose to as their level of allowance will be based on the median-rent level within their area and on the size of their household.

¹ Shelter: Chance of a Lifetime

6. The statutory standards currently used to define overcrowding have not been updated since their introduction in 1935. These two standards, the 'room standard' and the 'space standard'², were introduced to reflect two key concerns, decency through the separation of the sexes and provision of adequate space. These two areas are of equal concern today, but the standards that were considered suitable over 70 years ago no longer fit with modern day expectations for decent accommodation and living arrangements.

What have we done so far?

7. We have made a sustained and substantial investment in improving the quality of social housing since 1997 and have reduced significantly the number of families, often those amongst the poorest households, who live in non-decent homes. We have also supported local authorities to invest in their homelessness services and move households out of temporary accommodation as quickly as possible.
8. We now want local authorities to increase their focus on overcrowding alongside these issues. We have spent too long focussing on individual aspects of poor housing and now want to focus on lifting children out of bad housing overall.
9. In 07/08 we funded five London boroughs – Barnet, Camden, Hackney, Kingston upon Thames and Tower Hamlets – to support pilots aimed at improving the wellbeing of overcrowded families and develop options to alleviate the impact of their overcrowding.

Camden has adopted a new approach to lessening the impacts of overcrowding on local families. The project seeks to develop packages of tailored interventions around space management, health, education, play and parenting and aims to help overcrowded families stay where they are by improving their quality of life or move elsewhere by providing high quality housing advice. By the end of 2008, Camden aim to have helped over 300 families to improve their circumstances, to have engaged 125 families in alternative housing options and to have made 125 property improvements to overcrowded homes, ranging from space saving, small adaptations to larger scale works.

² Most recently defined in the Housing Act 1985

10. It is still early days with these pilots but some of the results being achieved look promising. More importantly the approaches taken are those that can be adopted by any forward thinking local authority who is looking to offer support to its tenants and make best use of its stock. For example, Hackney have given increased priority to under-occupiers in it's allocation scheme – all local authorities can, and should, be doing this within their local discretion.
11. We have also funded five sub-regional co-ordinators across London, working alongside London Councils, to focus and co-ordinate efforts on overcrowding.
12. The co-ordinators have been tasked with mapping levels of overcrowding and under-occupation across London boroughs. They are also providing analysis of how overcrowding is being assessed and managed across the capital and have encouraged both cross boundary working and greater involvement of the RSL sector in support of alleviating overcrowding in their sub- regions.
13. We will be looking at the lessons learnt from these pilots for wider dissemination when they conclude.

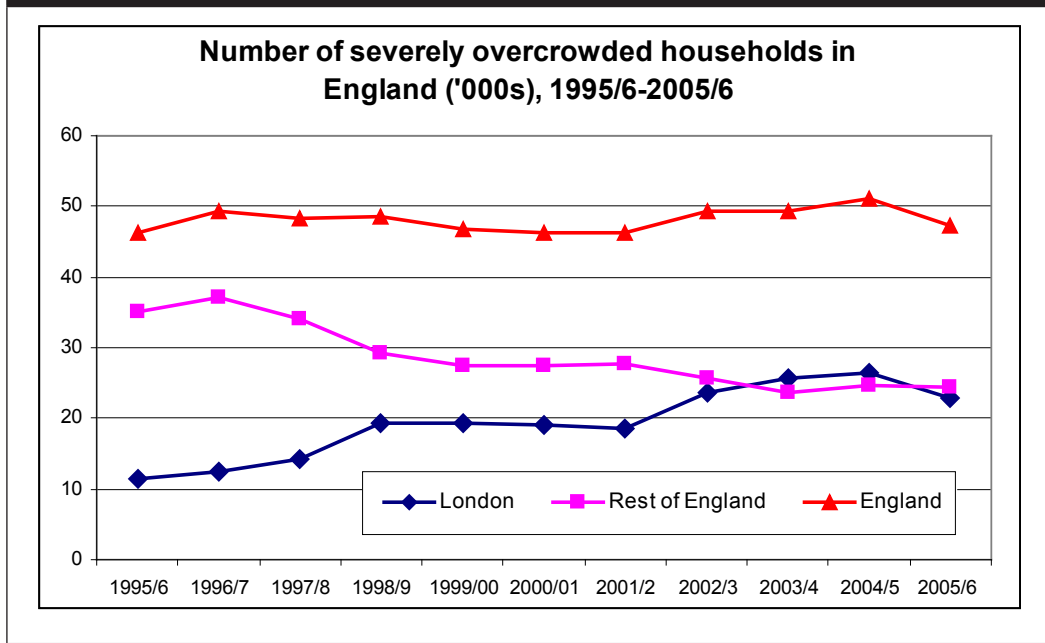
Kingston upon Thames are procuring 30 large family sized units in the private sector on long leases to offer overcrowded Council tenants some “breathing space” whilst they bid for appropriately sized LA or RSL homes. Tenants can remain in their Breathing Space home for up to 4.5 years and Kingston are seeking to increase the proportion of large family homes on new developments to offer to these families. The 30 PSL properties are being procured during the year to October 2008 and 4 have already been let, with a further 4 homes being advertised through choice based lettings and offered to prospective tenants. The first families to move are absolutely delighted with their new Breathing Space homes and looking forward to enjoying a more comfortable 2008.

What will we do next?

14. We want to see a substantial reduction in the number of households who are living in overcrowded accommodation. This will provide better circumstances for individual households to achieve their ambitions and improve their life chances. Reducing overcrowding is closely tied to Government's ambition to eradicate child poverty by 2020.

15. We want to start with supporting those households who are worst off, those who are deemed to be severely overcrowded.

Chart 1: Number of severely overcrowded households in England ('000s), 1995/96 – 2006/06



3-year moving averages. Source: Survey of English Housing

16. In particular that means delivering more large properties. The numbers of new affordable homes being provided over the next three years will include a year on year increase in the numbers of family homes. The number of new homes with three or more bedrooms will increase nationally and within this programme we are asking the Housing Corporation to assess the number of people housed as well as the number of homes provided. Nationally, we are currently providing 25% of social rented homes with three or more bedrooms. The Mayor has, in his draft housing strategy, committed London to increasing the number of new family homes for rent to 42% and the number of new homes for low cost home ownership will also go up.
17. We will invest £15m in tackling overcrowding. Starting with 38 pathfinder schemes across London and in five areas outside of London which experience high levels of overcrowding; Birmingham, Bradford, Leicester, Liverpool and Manchester, to pilot housing options and advice services targeting overcrowded households. We estimate that 60% of all overcrowded households in the social rented sector live in these 38 boroughs.

18. These pathfinder authorities will begin straight away by using the Bedroom Standard as a minimum level of assessing overcrowding in their areas.
19. Pathfinders will be expected to build on some of the early lessons identified in the five London pilots and develop housing options and advice services targeted at overcrowded households.
20. The pathfinders will be expected to use a range of means based on those that have been most successful in the pilots including:
 - **Securing better deals with the Private Rented Sector** – pilots have found that many larger households will opt to move to a the private sector if it means a better standard of living for their family. Making better use of an accredited landlord scheme and seeking to broker longer leases will help provide greater security for these families.

Barnet has recruited the services of Private Lettings Negotiators to acquire family-sized properties in the private sector, both within their boundary and outside of London. An officer visits overcrowded families and discusses the range of housing options available to them and takes forward requests on a casework basis. Since April 07 the visiting officer has visited over 100 overcrowded households and rehoused 10 of these into suitable private sector tenancies using either of Barnet's two private sector schemes. Households have also been assisted with bidding for an appropriate social rented home or have had their overcrowding problem resolved through other means. Numerous households have been prevented from becoming homeless and going into temporary accommodation through this early intervention approach.

- **Making better use of the allocations framework to give greater priority to under-occupiers** – local authorities have sufficient flexibility within their allocations framework to give greater priority to tenants who are under-occupying properties enabling them to move to a property more suitable to their current needs much quicker. This in turn frees up a larger property earlier than might otherwise be expected for an overcrowded household.

In **Hackney** greater priority has been given to under-occupiers in their allocations framework. Financial support is offered to cover the costs of moving, whilst amenities in the new home are upgraded. An additional bedroom is also on offer, if required. A bespoke 'hand-holding' service is provided for elderly tenants throughout the move process. The number of transfers for under-occupiers has increased by 50% in a year as a result, with the family homes freed-up through this process ring-fenced for overcrowded families.

- **Targeted support for under-occupiers** – in addition to changing their allocations framework the pilots have indicated that under-occupiers may need to be targeted and made aware of their options for moving. Local authorities should be able to easily identify tenants, through the council tax register and transfer lists for example. Older tenants are likely to need support and assistance through the move process.
- **Cash incentives for under-occupiers** – many local authorities already offer a cash-incentive for under-occupiers to downsize e.g. a cash payment per bedroom given up. Local authorities should make greater investment in this area through their Housing Revenue Account to free up stock for households potentially in greater need.
- **Giving greater priority to severely overcrowded households** – local authorities should make better use of the flexibilities awarded to them in the allocations framework to make better use of stock. By moving an overcrowded household to more suitable accommodation they are likely to be freeing up a social let for another household. If households are able to successfully bid for more suitably-sized properties, local authorities are less likely to have to incur the costs of homelessness.

Tower Hamlets offer enhanced grants to under-occupying tenants in properties with three or more bedrooms. They have a dedicated support officer for these households and have established a packing and removal service for vulnerable tenants. As part of this initiative they also provide intensive support for overcrowded tenants with specific health needs; offering these households appropriate advice and information on their housing options, so that they may secure a move to alternative suitable accommodation.

In a similar initiative last year, they were able to release a significant number of larger size homes and rehouse 32 overcrowded tenants to alternative suitable accommodation. So far this year Tower Hamlets has rehoused 75 under-occupying families, freeing up these homes for those most in need.

- **Joint working with RSLs** – to ensure a common approach to overcrowding through an agreed standard, common housing register and reciprocal nominations.
 - **Supporting adult children of overcrowded households** – overcrowding can be caused by more than one generation living together as one household. Where some family members wish to move to their own tenancy local authorities can offer support by for example providing rent deposits to move to the private sector, giving them greater priority for bedsits and one-beds or advice on low-cost home ownership.
21. We will also expect the pathfinders to join up existing funding streams, such as homelessness grant, to further embed overcrowding in the housing needs and options approach. Local authorities are now well established in reducing homelessness acceptances through homelessness prevention work and are starting to see significant reductions in the number of households in temporary accommodation.
22. To underpin the pathfinders and to spread the progress more widely Communities and Local Government will also make a series of further changes:
- We will **change the reasonable preference categories** – next spring, we intend to consult on the proposal to introduce a statutory reasonable preference category which gives greater priority to people who want to move to smaller properties. This would help all local authorities support people who want to down size and free up larger homes.

- **Introduce Capital Moves** – To make it more attractive for people – especially older people – to move to smaller properties we will also make it easier for them to move across boundaries especially to where their children and grandchildren are. The demand for mobility, including mutual exchange, is particularly high in London and we are working with London Councils to launch the ‘Capital Moves’ Choice and Mobility Scheme in January 2009.
- **Develop mobility** – we will be jointly working with the Housing Corporation, key RSLs, and local authorities to develop proposals to make it easier for tenants to move around the country. We are also looking to further develop the Seaside and Country Homes Scheme for older tenants.
- **Choice Based Lettings (CBL)** – the majority of local authorities have, or are, developing choice based lettings schemes. We are encouraging local authorities to adopt a sub-regional or regional approach to CBL and include a range of options (ie low cost home ownership and private rented accommodation as well as social rented housing) to offer more choice to both overcrowded and under-occupying tenants. To date we have invested £2.5m and on the back of this funding 65% of local authorities will have a sub-regional or regional CBL scheme by early 2010. 86% of these will provide mobility moves across local authority boundaries. We are investing a further £2m over the next two years to enable all local authorities to be part of sub-regional CBL.

23. We will work to spread best practice nationally. Once the pilot schemes conclude, we will be commissioning work to look at the lessons learnt from the five overcrowding London pilots with a view to producing ‘advice notes’ for all social housing providers. We will also disseminate the lessons learnt from the London co-ordinators and examples of innovation they have identified within their sub-region. We will publish a toolkit to help local authorities develop an overcrowding strategy.
24. The remit of the team of Communities and Local Government’s Housing Advisers will be expanded to work with local authorities to develop strategies to reduce overcrowding and to monitor progress.

25. We will evaluate the overcrowding pathfinders by developing a monitoring system which will, throughout the initial year, provide information and data on issues such as:
 - a. Which housing options are most favoured by overcrowded households?
 - b. Which factors influence the decisions overcrowded households take in alleviating their circumstances?
 - c. What incentivises under-occupiers to move?
 - d. The cost of updating IT systems to record against the Bedroom Standard
26. We will use the outcomes of the pathfinder evaluation to take forward a national approach to tackling overcrowding.

Overcrowding standards

27. We will also underpin the work on overcrowding by updating the overcrowding standards.
28. The statutory standards are the minimum standard against which local authorities assess overcrowding. A household who falls below these standards is entitled to seek support from their local authority who is obliged by law to find them alternative, more suitable, accommodation. Previous administrations have sought to update the standards but they have in practice been carried over unchanged.
29. We have been considering ways to remedy this anachronism and in July 2006 issued Tackling Overcrowding in England; A discussion paper to seek views on the best way of addressing overcrowding, not just whether and how standards should be raised but also on the consequences of change and how practical they would be.
30. We received 75 substantive responses to this discussion paper. The overwhelming majority called for an incremental move to the Bedroom Standard. The Bedroom Standard was developed in the 1960s and has been the basis for estimating overcrowding using Survey of English Housing data since 1993/94.

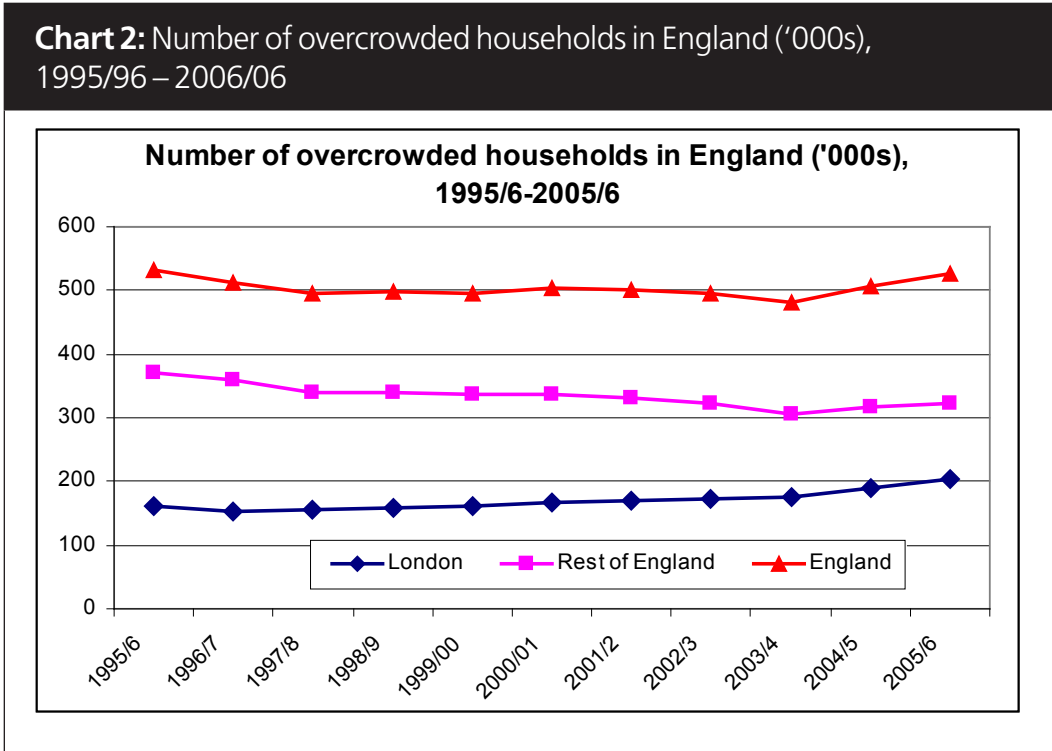
The Bedroom Standard is based on the ages and composition of the family. A notional number of bedrooms is allocated to each household in accordance with its composition by age, sex and marital status and relationships of family members. A separate bedroom is allocated to each:

- 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.

This standard is then compared with the number of bedrooms available for the sole use of the household. Bedrooms converted to other uses are not included; bedrooms not in use are included unless they are uninhabitable.

31. Under the existing statutory standards we estimate that around 20,000 households are overcrowded. Under the Bedroom Standard it is estimated that some 526,000 households are overcrowded, of which 216,000 are in the social sector. There are particular concentrations of overcrowding in London where some 37% of all overcrowded households live.



32. We are committed to updating the statutory overcrowding standards to the Bedroom Standard but we also want to begin by helping those who are most severely overcrowded first. The 38 pathfinders will begin to use the Bedroom Standard immediately and we will use the work of the pathfinders to assess the timeframe for the implementation of a new statutory standard across the country.

Monitoring overcrowding

33. One of the issues, in assessing true levels of overcrowding, is the lack of substantial data. Assumptions and estimates we have made to date have been based on the Survey of English Housing data. The sample of overcrowded households surveyed each year is small at about 500. From April 2008 a substantially increased sample of households, from both the Labour Force Survey and the new English Housing Survey, will provide a more reliable basis for estimating levels of overcrowding.

34. Starting in the New Year we will be carrying out further research and analysis to examine and improve our understanding of the causes of overcrowding, changes over time and the differences between locations. The results of this analysis will help local authorities improve local estimates of overcrowding based on the Bedroom Standard.

Conclusion

35. We need to help families out of unacceptable overcrowded housing. It is not fair if children do not have space to do their homework, play with their friends or enjoy family life at home.
36. We have invested in pilots to determine how we might best support not just overcrowded families but also under-occupiers in order to make best use of stock. We are now expanding this approach through the overcrowding pathfinders, to help inform a formal consultation on the timeframe for making a legal change to the overcrowding standards.
37. In the meantime we expect that forward looking local authorities will anticipate the future change and will look closely at the initiatives within this action plan and begin to develop their own overcrowding strategy.