

## Durham E-Theses

---

### *Access to council housing: a study of opportunities and constraints*

K. S. G. Pritchard

#### How to cite:

---

Pritchard, K. S. G. (1978) Access to council housing: a study of opportunities and constraints. Masters thesis, Durham University.

#### Use policy

---

The full-text may be used and/or reproduced, and given to third parties in any format or medium, without prior permission or charge, for personal research or study, educational, or not-for-profit purposes provided that:

- a full bibliographic reference is made to the original source
- a <https://etheses.durham.ac.uk/id/eprint/9854/> is made to the metadata record in Durham E-Theses
- the full-text is not changed in any way

The full-text must not be sold in any format or medium without the formal permission of the copyright holders.

Please consult the [full Durham E-Theses policy](#) for further details.

**ACCESS TO COUNCIL HOUSING : A Study of Opportunities and Constraints**

**UNIVERSITY OF DURHAM**

**A thesis submitted for the degree of Master of Arts**

**K. S. G. PRITCHARD**

**OCTOBER 1978**

The copyright of this thesis rests with the author.  
No quotation from it should be published without  
his prior written consent and information derived  
from it should be acknowledged.

## ACCESS TO COUNCIL HOUSING: A Study of Opportunities and Constraints

### Abstract

The research on this topic took place between January, 1976 and October, 1978. During this time, some important changes in national housing policy occurred. For example, in 1976 the Government introduced a new system of control over local authority capital housing expenditure based upon annual allocations. In December, 1977 the Housing (Homeless Persons) Act came into operation. This Act imposed a duty upon local housing authorities in England and Wales to secure accommodation for certain categories of homeless persons. The period of study also coincided with the Government's review of housing policy and valuable data contained in the Consultative Document and accompanying Technical Volumes have been incorporated in the sections dealing with housing trends and public sector housing costs.

This thesis also shows that despite the existence of a legal and advisory framework, local housing authorities enjoy a degree of autonomy with the power to manage and allocate their housing stock in accordance with their locally determined policies and procedures. Consequently, a wide variety of practice prevails both in the treatment of eligibility for council tenancies and the manner in which they are allocated. Moreover, some of the rules and regulations are arbitrary and out of context with national objectives and supporting policies. Of interest also is the fact that the methods adopted by local housing authorities to select their tenants are of social as well as economic importance. Accordingly, these various points are covered in the sections dealing with eligibility and council housing allocation methods.

The remainder of the study is devoted to an examination of options and choices. First from the standpoint of an individual household in a local housing market, and second in the context of national public housing policy.

Much of the data used in this study has been obtained from local housing authorities within the Northern Region, supplemented where appropriate by material provided by the Department of the Environment and other established reference sources.

## ACKNOWLEDGEMENTS

The completion of this thesis for a higher degree ensures that at least once in the researcher's lifetime an opportunity has been taken to expand public knowledge. It is therefore a duty as well as a pleasure to express my gratitude to the local government officers who have provided me with much of the data incorporated in the text.

But I owe my biggest debt to my supervisor Professor P.R. Kaim-Caudle whose direction throughout the period of study was as enjoyable as it was instructive. His patience and understanding encouraged me through the difficult times and inspired me at the completion stage.

Finally, I would like to acknowledge the most valuable assistance of Mrs. Jean Griffiths who has worked hard and enthusiastically in typing the manuscript.

K.S.G.P.

October 1978.

## CONTENTS

Schedule of Tables .....	Page i
Introduction .....	Page iv
 <u>PART I - Housing Trends, Costs and Statutory Requirements</u>	
Chapter 1 Housing and Social Trends .....	Page 1
Chapter 2 Public Sector Housing Costs .....	Page 34
Chapter 3 Statutory Requirements and Advisory Criteria ..	Page 54
 <u>PART II - Eligibility</u>	
Chapter 4 Residential Qualifications .....	Page 80
Chapter 5 Household Eligibility Factors .....	Page 118
 <u>PART III - Council Housing Allocation Methods</u>	
Chapter 6 Allocation Methods .....	Page 138
Chapter 7 Policies and Procedures - County Durham .....	Page 154
 <u>PART IV - Choices and Options</u>	
Chapter 8 Housing Choice for the Individual .....	Page 182
Chapter 9 The Role of Central Government .....	Page 195
 Bibliography .....	 Page 212
Appendices .....	Page 218

## SCHEDULE OF TABLES

Table 1	- The Investment Opportunity for a Private Landlord .....	Page 4
Table 2	- The Tenure Pattern in the County of Durham 1971 .....	Page 7
Table 3	- Population, Households and Dwellings in England and Wales 1951 - 1976.....	Page 10
Table 4	- Household Type - England and Wales 1961 - 1976.....	Page 12
Table 5	- Composition of Local Authorities Housing Waiting Lists July 1978 .....	Page 13
Table 6	- Changes in the Number of Dwellings Unfit or Lacking Basic Amenities - England 1971 - 1976 ...	Page 15
Table 7	- Vacant Dwellings in English Counties 1971 .....	Page 17
Table 8	- Size of Household Spaces by Number of Bedrooms : England and Wales 1971 .....	Page 19
Table 9	- Analysis of Public Sector Dwelling Stock - County of Durham 1977 .....	Page 20
Table 10	- Households and Bedroom Standard : England and Wales 1971 (By Tenure) .....	Page 23
Table 11	- Household Size - Dwelling Size, County Durham 1971 .....	Page 24
Table 12	- Households with More Than 1½ persons per Room, England and Wales 1971 .....	Page 25
Table 13	- Households Living in Shared Dwellings 1951-1971 .....	Page 29
Table 14	- Composition of Local Authority Housebuilding Programmes Durham County 1977 - 81 .....	Page 43
Table 15	- Analysis of Average Capital Costs per Dwelling - January 1978 .....	Page 45

Table 16	- Analysis of Implication in Current Cost Terms January 1978 .....	Page 46
Table 17	- Interest Rates - The Effect on Subsidies and Debt Charges 1978 /79 .....	Page 49
Table 18	- Income Tax Relief in Relation to Income Tax Thresholds, November 1978 .....	Page 52
Table 19	- Analysis of Residential Qualifications (Before Rehousing) Greater London, October 1977 .....	Page 83
Table 20	- The Housing Register - London Borough of Hammersmith, 1973 - 1977 .....	Page 85
Table 21	- Residential Qualifications - Northern Region Local Authorities, May 1978 .....	Page 88
Table 22	- Analysis of External Housing Applications - Selected Local Authorities, May 1978 .....	Page 113
Table 23	- Methods of Selecting Tenants - D.O.E. Sample Survey 1975 .....	Page 139
Table 24	- The Effect of Points Assessment and Sub-standard Housing .....	Page 145
Table 25	- Relationship of Households to Housing Stock England and Wales 1975 - 1977 .....	Page 148
Table 26	- Relationship of Access to Particular Locations (3 Bedroom Accommodation) 1977 .....	Page 149
Table 27	- Some Local Authorities with Untenanted Dwellings, 1977 .....	Page 150
Table 28	- Relationship of Location and the Incidence of Rent Arrears 1976 /77 .....	Page 151
Table 29	- The Relationship of Households to Housing Stock - County Durham 1978 .....	Page 156
Table 30	- Council Housing: Demand and Supply - County Durham 1977 .....	Page 157
Table 31	- Analysis of Investigations about Housing Allocations, 1st April 1974 - 31st December 1977 - Where Maladministration has been found .....	Page 188
Table 32	- Housing Options - Analysis of Preliminary Costs May 1978 .....	Page 190

<b>Table 33</b>	<b>- Housing Options - Analysis of Weekly Costs</b>	
	<b>May 1978 .....</b>	<b>Page 191</b>
<b>Table 34</b>	<b>- Homelessness Procedures - County Durham</b>	
	<b>October 1978 .....</b>	<b>Page 206</b>

## Introduction

In 1967 Rex and Moore published the results of their study into "Race Community and Conflict" in the district of Sparkbrook, Birmingham. Although this study was essentially concerned with race relations, the research revealed some of the constraints confronting persons who required the tenancy of a council house which were not solely related to the ethnic origins of the households concerned. <sup>(1)</sup>

Two years later the Central Housing Advisory Committee published its ninth report entitled "Council Housing Purposes, Procedures and Priorities". This document expanded the conclusions and recommendations contained in earlier reports and highlighted the changing context of council housing and the inequities still to be found in local authority allocation policies and procedures.

In April 1974 local government in England and Wales was reorganised under the terms of the Local Government Act, 1972. <sup>(2)</sup> In conjunction with administrative boundary changes the Act constituted 422 local authorities in place of the previous 1,436 of which 369 were given specific responsibilities for the provision and management of council housing. <sup>(3)</sup>

Against this background, it would seem reasonable to presume that the most profound examples of arbitrary rules and regulations governing local authority housing allocation schemes would have been eliminated. However, this study will reveal that unnecessary constraints still abound, thus accentuating the

1. Race Community and Conflict - John Rex and Robert Moore, Oxford University Press 1967, Chapter 1
2. The Local Government Act 1972 excluded the Greater London area which was re-organised under the terms of the London Government Act 1963.
3. The Municipal Year Book 1977 - The Municipal Journal, London

social and economic problems of those households who are unable to gain access to the tenancy of a council house.

To a large extent this situation has its roots in the relationships between central and local government since the provision and management of council housing has never officially been classified as a national social service. However, devolution by central government to local authorities of responsibility for providing council housing to meet shortages and to eliminate unsatisfactory housing conditions, has given the impression that such a service is in fact a component of public policy. Moreover, financial assistance afforded by governments to local authorities to enable them to fulfil their respective roles in the housing system tends to reinforce the validity of this theory.

However, when council housing management methods are compared with clearly established public policies, some notable inconsistencies are apparent. For example, national standards in terms of service provision and personnel training in respect of the national health service ensures broadly comparable opportunity for the recipient, no matter in which part of the country he lives. Similarly, the scale of pensions and cash benefits are consistently applied.

It is worth noting, however, that in the past central government has recognised a need to impose certain national criteria in relation to housing standards, capital expenditure levels and financial assistance. Moreover, legislation has been enacted which in some circumstances ensures the provision of council housing for homeless persons <sup>(4)</sup> and those displaced by local authority clearance and redevelopment schemes. <sup>(5)</sup> But, apart from these impositions local

4. Housing (Homeless Persons) Act 1977

5. Housing Act 1957

authorities have retained the power to determine their housing management and allocation policies although at different times central government has issued advice as to the procedures it would like to see followed.

The extent of arbitrary housing allocation policies and procedures tends not only to create a "neighbourhood effect" in terms of other social and economic problems, but it can lead also to a lack of public confidence in local housing administration. It therefore raises the question as to why central government in the pursuance of national housing objectives, should tolerate such organisational inequalities. Harold L. Wolman discussing political structures in "Housing and Housing Policy in the U.S. and the U.K." makes a valid point in this connection:

"The United Kingdom is a unitary system with a national government exercising sovereignty and with local authorities existing as the creatures of national government. Thus, constitutionally national government can mandate local government action or it can provide local government with the discretionary authority to take action. Local governments are proscribed from taking any action not expressly permitted by central government. However, in actual practice wide authority for the operation of some functions including, at least traditionally, housing, has been assigned to local authorities. Because this devolution of authority has come to be accepted as proper, it is politically much less easy for the central government to mandate local authorities to

undertake activities against their will than it might seem from a mechanical understanding of the constitutional arrangements." (6)

To some extent the evolution of local authority inspired tenant selection schemes with its variations in practice is understandable if not wholly justified. Faced in the past with housing shortages and large areas of substandard housing, local authorities, at least historically, have substantiated the need to impose housing demand constraints. Moreover, in the light of increased central government intervention and financial control across the whole field of local administration, it reasonably follows that the pre-occupation with local housing requirements is bound to transcend wider based social and economic objectives.

But, the social and demographic structure of this country has been changing for some time. Households are smaller in content and generally more mobile. The birth rate is declining and elderly people are living longer. In this connection it is probable that many local authorities have been slow to identify and respond to these changes. On the other hand it could be argued that central government should have brought to the attention of local authorities the emergence of new trends more explicitly than by the publication of statistics which often need specialist interpretation.

It is an aim of this study to examine the hypothesis that the provision and management of council housing, because it is not the subject of formalised social policy, has produced and maintained inequalities of opportunity which

6. Housing Policy in the U.S. and the U.K. - Harold L. Wolman, Lexington Books, D.C. Heath and Company 1975  
page 5

are not wholly justified in terms of current housing trends and social changes. In this way both central and local government responsibilities will be evaluated.

In the process of research, the broad scale of opportunities and constraints will be identified and analysed by reference to national and regional data, alongside certain individual local authority policies and procedures. To this end the dissertation has been structured on the following lines :

### Part One

The purpose of this section is to identify from data contained in the Government's "Green Paper" and other reference sources some important housing trends and social changes which are apparent in national and local indices of housing conditions and household requirements. The analysis proceeds with an examination of public sector housing costs and some of the political, social and economic constraints which may affect the provision of new council housing. This section concludes with the documentation of statutory obligations and advisory recommendations concerning local authority housing allocation practice.

### Part Two

This section is devoted to an evaluation of council housing eligibility criteria. First as a constraint upon certain households registering their individual housing needs and requirements and second, as a constraint in securing the tenancy of a council house once an application has been accepted by the local authority concerned.

### Part Three

The opening chapter in this section is concerned with the principles of local authority tenant selection methods, followed in the next chapter by a study of

tenant selection policies and procedures of a group of local authorities in the Northern Region (Durham County).

#### Part Four

The concluding section of this dissertation is devoted to an assessment of choices and options. First, from the standpoint of an individual household in a local housing market, and second in the context of public policy options.

## CHAPTER ONE

### HOUSING AND SOCIAL TRENDS

#### Introduction

In chapter three of the Government's "Green Paper on housing policy, the fact is established that during the last twenty-five years, housing conditions in this country have improved considerably. For example, from a position of housing stock deficiency in 1951 amounting to about 750,000 dwellings, by 1976 it is estimated that there were about 500,000 more dwellings than households.<sup>(1)</sup> There has also been a significant improvement in the quality of the housing stock and an established trend towards lower densities of occupation. Moreover, with increased emphasis upon rehabilitation afforded by the Housing Act, 1974, it is highly probable that these trends will continue. However, there are some important factors arising from this evidence which warrant clarification.

First, in a free market the price mechanism regulates supply and demand for all goods and services. In housing free market forces are restrained as the price of about forty-five per cent of the domestic housing stock is mostly either administratively or statutorily regulated or controlled. Accordingly, national and local differentials in supply and demand are bound to occur at different times.

Second, in spite of the progress made in recent years, there is still scope for further improvements. For example, nearly three million households (about seventeen per cent) in 1976 were occupying dwellings classified as either unfit, substandard or where the density of occupation was greater than 1.5 persons per room.<sup>(2)</sup> Of importance also is the fact that data concerning households which comprise the resident population is based upon the 1971 census definition and thus excludes a proportion of those persons who share accommodation with others and who for one reason or another have not set up their own home.

1. Housing Policy - A Consultative Document, chapter 3 paragraph 3.05, page 10

2. Housing Policy - A Consultative Document, chapter 3 paragraph 3.07, page 10

Third, important social changes have been taking place also. The demand for housing generally has increased as a direct result of improved standards of living. But more specifically the requirement for smaller dwellings has increased due to such factors as earlier marriage, a larger proportion of elderly in the population and the growing desire of young persons to lead independent lives. Moreover, there has been an increase in the rate of divorce and separation which in turn has motivated additional housing demand from single parent families.<sup>(3)</sup>

Fourth, the evidence supporting a national surplus of housing misrepresents to some extent the situation in some regions where the scale and diversity of housing problem is still acute. \*

It is the purpose of this chapter then to examine some of these factors in greater depth since they will have a profound effect upon the composition of demand for council housing and thus the allocation of financial resources. Furthermore in the light of continued decline in the supply of private rented housing, the assessment of local housing requirements and the manner in which council house tenancies are allocated will probably assume greater importance in the context of future national housing policy objectives.

### The Structure of the Housing Market

One of the main characteristics of the housing market in this country is its division into various sectors. Principally amongst these is the tenure of owner-occupation, council housing and the private rented sector. One of the most significant social changes during the last sixty years or so has been the growth

3. Department of Environment - Housing Services Advisory Group "The Housing of One Parent Families" paragraph 2.1

\* For example, Greater London, Birmingham Liverpool and Manchester

of home ownership and council housing, not only in quantitative terms but as proportions of the total housing stock also. In contrast, the private sector has declined steadily over the years and this trend is continuing.

For example, from a minority position in 1951, the proportion of dwellings in owner occupation was about thirty-one per cent and in 1976 it was about fifty-five per cent. Council housing during the same period increased from a mere seventeen per cent to about thirty per cent, whereas private rented housing has declined from fifty-two per cent to a minority position of about fifteen per cent.<sup>(4)</sup> The reasons for these spectacular changes in the tenure pattern are not difficult to determine and have been well documented. However, one point about which many writers on this subject are agreed is that one of the major effects of government intervention in the housing market by way of rent control, subsidies and housing standards allied to national financial and economic policy during the last fifty years or so, has been to enhance the benefits of home ownership and to accustom the majority of tenants to the idea of cheap rented housing to which personal attitudes and family expenditure budgets have been adjusted.

As a result, we now have a diminished private rented sector which consists predominantly of sub-standard housing - a factor which significantly enhances access to public sector rented housing and thus more new building; a buoyant owner-occupied sector benefiting from inflationary trends; a public sector which is making increasing demands upon national and local financial resources and some experimentation in new forms of tenure.

In this connection the writer has been mindful of the arguments advanced for increasing the stock of privately rented housing and that an end to rent regulation

and the uncertainties facing landlords over their power to end unsatisfactory tenancies are necessary conditions for the success of such an effort.<sup>(5)</sup> However, such views may belie the realities of the situation when we consider that opportunity for some households to achieve access to council rented housing in non-stress areas has improved considerably over time.

The following analysis may, therefore, facilitate an appreciation of the constraints which might flow from a reversal of rent regulation and control in the privately rented sector.

For the purposes of this example the writer has obtained data from Darlington Borough Council concerning the recent acquisition and improvement of an old terraced house situated in an area designated for revitalisation.

Table 1. - 7 Primrose Street, Darlington - An Unimproved Dwelling Lacking Basic Amenities - The Investment Opportunity for a Private Landlord

(a) Opportunity cost possibilities as opposed to acquisition improvement and renting (non-speculative examples) \*

- Local Authority long term bonds - 6 $\frac{1}{3}$ % net return
- National Savings - 9% net return
- Building Society Deposit - 6% net return

Assume therefore that a private landlord would require an income of 10% net on capital invested

	£	£
(b) Capital Cost of Dwelling		1,500
Improvements (Actual)	4,900	
LESS Improvement Grant @ 50%	2,450	
		2,450
		3,950

(5) For example, "Too Much Housing" M. Clarke, Lloyds Bank Review October 1977 Page 31

\* N.B. The writer is conscious of the fact that there are other opportunity investments which a landlord may consider but the return from which may be more uncertain.

(c)	Investment for Private Renting		
	Capital Cost	£	£
	Gross rent required	3,950	663
	LESS repairs (say £65)	65	
	LESS Schedule 'A' Tax @ 34%	<u>203</u>	
			<u>268</u>
(d)	Total representing 10% net return on capital		<u>395</u>
(e)	Therefore the rent required on a fifty week basis would amount to £13.26 per week		

We can now compare the outcome of this calculation with average net rents of different council houses in Darlington let on a fifty week rent collecting basis :-

-	Pre War Improved	£5.38 net
-	Post War	£5.91 net
-	Parker Morris	£6.51 net

Accepting that there may be a preference amongst some households for a rented dwelling in a private street as opposed to a council estate. Allowing also for the fact that rent allowances are available to private tenants on the same basis as rent rebates to council house tenants,<sup>(6)</sup> the possibility exists that when faced with these options many households would choose a council tenancy whenever the opportunity is readily available. The writer will discuss this aspect more fully in chapter 8.

However, there are some further points arising that are worth noting. For example, a private landlord evaluating the feasibility of acquiring and improving an older terraced house free from rent restriction may rely upon inflation and the possibility of capital gain in the longer term and thus be content to recover less than a ten per cent net annual return on investment. However there can be no guarantee that this situation would follow since it is the experience of Darlington Borough Council - in the process of selling houses which have been acquired and improved, that some dwellings have not realised the actual cost of provision.<sup>(7)</sup>

6. The difference in rental levels of these two examples is such that even allowing for the possibility of a rebate in respect of the private rented dwelling, the choice of a council tenancy would represent the cheapest option.

7. Cost of provision includes acquisition and improvement costs plus fees.

For this reason, it is probable that a potential investor would wish to be assured of the long term economic future of the area in which his dwellings or proposed acquisition was situated, since a lack of general financial investment and the neighbourhood deterioration which might follow would possibly result in house values not appreciating in line with overall inflationary trends.

It is partially as a result of the decline in the availability of private rented dwellings, occasioned in real terms by slum clearance programmes, road improvement schemes and conversions to owner-occupation that the public rented sector has reached its present proportion.

But there are other reasons which are worth recording. For example, until 1976 when the Government introduced financial controls in conjunction with local authority Housing Investment Programmes, new council house building programmes were often initiated without detailed appraisal of private sector development. Accordingly new building schemes tended to follow housing demand as portrayed by the numerical strength of housing waiting lists which, in turn, would be reflected to a degree by the social and economic structure of the area.

Moreover there has been a tendency for local authorities to interpret their housing responsibilities not only in the context of national housing policy but in accordance with local political attitudes also.

The relevance of these various factors can best be illustrated by reference to data contained in the following table and the interpretations which follow :-

**Table 2 - The Tenure Pattern in the County of Durham 1971 (percentages)**

Areas	Owner-Occupiers	Council Tenants	Private Tenants
Darlington	59	22	19
Derwentside	39	39	22
Durham	37	46	17
Chester-le-Street	46	43	11
Easington	25	56	19
Sedgefield	31	57	12
Teesdale	50	16	34
Wear Valley	47	32	21
England and Wales	52	29	19

Source: National Census Returns 1971

It is apparent now that by comparison Easington and Sedgefield have a very large proportion of council tenants in relation to other tenures. This is largely attributable to the fact that in each of these districts there is a New Town with a high proportion of housing stock owned and managed by Development Corporations.\* Teesdale on the other hand has a comparatively low proportion of private rented accommodation. The main reason for this is that Teesdale is predominantly a rural area containing a significant number of agricultural tenancies.

\* Estimated Sedgefield 19 per cent, Easington 18 per cent

From the party political standpoint, the writer has catalogued the historical patterns in these areas between 1961 and 1971 to determine whether there was a discernible link between the proportion of council housing and local political attitudes. Unfortunately difficulties were encountered because the local government areas constituted in April 1974 do not correspond to those in being prior to this date. However, in the process of investigation, it was established that Darlington was one of the areas in the County most subject to political change.\* For example, Labour either controlled the council or was its majority party during eight of the eleven years in question whereas the Conservative party occupied the same status from 1969 until 1972.

Bearing in mind that the effect of a decision to mount or run-down a new building programme can overlap local government elections; during the period 1967 to 1969 when political control of the County Borough Council altered, the future council house building programme was reduced. For example, Minute H88 of the Housing Committee held in November 1968 made specific reference to a policy to build 500 units per annum. It is interesting to note in this connection that the Assistant Secretary of the Northern Regional Office of the Ministry of Housing and Local Government attended the meeting at which time he stated :

"..... the population was unlikely to increase to the extent which had been forecasted. It is for the Authority to assess the extent of its need for houses."

\* Darlington Borough Council established under the Local Government Act, 1972, comprised the former County Borough of Darlington and a portion of the former Darlington Rural District

Further investigation reveals that when the Conservatives gained control of the council in 1969, the policy to build 500 units a year was examined. The following extract from Minute H.74 of the Housing Committee held in November 1969 is relevant:-

"RESOLVED - (a) That for the time being no further two or three bedroom houses be planned, except for "infilling" or to provide a balanced unit with old peoples' dwellings. (b) That the programme for the year ending 31st March 1973 be 200 old peoples' or single persons dwellings .....

Despite this change in attitude, no significant changes either in the level of demand for council housing in the area or in central government policy\* was so apparent as to justify a policy in 1968 to produce 500 units a year and for this target to be reduced to 200 units a year in 1969. In the absence of further detailed research the writer can only presume that party politics even at a local level is eminently capable of applying different interpretations of housing needs and requirements which may have significant repercussions. \*\*

To conclude this section then, the trend towards owner-occupation and council housing is well established both nationally and locally. Regional variations such as those apparent in County Durham can overwhelmingly be attributed not only to the social and economic characteristics of areas but local political attitudes also.

NOTE: Labour regained control of the County Borough Council in 1972 which lasted until 1976 when a Conservative administration was returned locally. The interesting fact is that in February 1975 the Labour Controlled Council approved a recommendation to mount a building programme of 400 units per annum until 1980.

\* The Housing Act 1969 which became operative in July 1969 inter alia made further provision for improvement grants and established the concept of General Improvement Areas.

\*\* For example, drastic changes in a development programme may have an effect upon the building industry particularly a local authority direct labour building department.

In so far as the future of the private rented sector is concerned it is worth documenting comments contained in chapter 3 of the Government's "Green" Paper.

Paragraph 3.19

'It is difficult to envisage a reversal of the contraction of the private rented sector. But there are about seven million people still living in private rented accommodation, and so the private rented sector will be of great importance for many years to come. This is why the Government are carrying out the Review of the Rent Acts'.

Households

In this section we are principally concerned with trends relating to the number of households which comprise the resident population; their size and composition, since these factors will influence housing demand for dwellings in the various tenure groups. The following Table which contains relevant data, also sets the scene for the remainder of this chapter by showing the chronological relationship between population, households and housing stock :-

Table 3 - Population, Households and Dwellings - England and Wales (millions)

Detail	1951	1961	1976	Change %
Population	43.7	46.1	48.7	+ 11
Households	13.3	14.7	17.6	+ 32
Dwellings	12.5	14.6	18.1	+ 45
Balance	- 0.8	- 0.1	+ 0.5	-
Average Household Size	3.2	3.1	2.7	-

Source: Housing Policy - A Consultative Document - Amalgam of Table 1.2 Technical Volume Part 1 Page 12 and Table 3 page 142 of main document

Some interesting trends are now apparent and worth noting. First, the number of households has increased as a result of dwellings being available to house them. However, the number of households does not depend solely on the size of the population. For example, changes in marriage rates are important as also are "headship rates"<sup>(8)</sup> which comprise a total population. To clarify this point further, it is not unusual to find in many local areas that the number of households has increased significantly over time against a background of a static or even reduced population when the number of dwellings has increased at least at the same rate.

Second, from a position of dwelling deficiency in 1951 of about 0.8 million dwellings by 1976 there was a surplus of about 0.5 million dwellings. On this point there are two factors which should be explained. Namely, the increase in the housing stock from 1951 through to 1976 has not been at the expense of slum clearance and other demolitions since further evidence contained in the "Green Paper" shows that the removal of housing stock has been maintained at an even rate during the post war years peaking slightly during the period 1961 - 1975<sup>(9)</sup> However, there are signs that such activity is beginning to "tail off" probably as a result of the Housing Act 1974 which had the intent of diverting resources from clearance to programmes of rehabilitation. Moreover, there is a tendency to place too much emphasis upon the relative surplus or deficiency as between households and dwellings. In this connection the writer has already drawn attention to the question of housing conditions - a matter to be examined in more detail later. Of equal importance is the fact that in any population classified by households, there will be a proportion of "concealed households" - those not revealed by national census returns and who are likely to make demands upon the

8. A headship rate is the proportion of persons within a group - usually defined in terms of age, sex and marital status - who are heads of households.

9. Housing Policy - A Consultative Document Technical Volume Part 1 - Table 1.12 page 23

supply of housing when it is available at an acceptable price. A detailed study of concealed (sharing) households is beyond the scope of this study but it is interesting to note that in the "Green Paper" it was estimated that in 1971 the proportion of "concealed married households" represented about 2.3 per cent of the total married couple households. <sup>(10)</sup>

A further point of interest arising from data contained in Table 3 is that the average household unit has reduced from 3.2 persons to 2.7 persons during the period 1951 - 1976. Undoubtedly, this is due to three main factors: a reduction in the birth rate, an increase in single person households and an increasing proportion of elderly households.

It is considered that some advantage would be gained by pursuing this examination a stage further to ascertain changes in household type during the last fifteen years. To this end the following table contains the relevant data.

**Table 4 - Household Type - England and Wales (Thousands)**

Detail	1961	1976(Est.)	Change
Married Couple Households	10,489	11,554	+ 1,065
One Parent Households (a)	1,012	1,208	+ 196
One Person Households:			
Under 30	70	274	+ 204
30-59/64 (b)	705	1,077	+ 372
60-65 or over	1,334	2,581	+ 1,247
Total	2,109	3,932	+ 1,823
Other Households (c)			
Head Under Age 30	48	163	+ 115
Others	1,066	718	- 348
All Households (Millions)	14.7	17.5	+ 2.8

Source: Housing Policy - A Consultative Document - Table 6 page 144

- Notes: (a) Not all of these households include dependent children  
 (b) 30 - 59 for women, 30 - 64 for men  
 (c) Households comprising two or more people, none of whom is related as husband and wife or parent and child

Certain household trends are now apparent. There have been significant increases in married couple households, single person households of all ages including single parents, and more particularly households over pensionable age.

In local housing policy terms, these factors are important because such trends represent the changing pattern of housing demand for which supply has to be found, not only within existing housing stocks but future council building projects also, since for the smaller and economically vulnerable household, council housing is often the only accessible alternative to unsatisfactory housing conditions.

At this juncture it is appropriate to relate these national trends in terms of local indices of demand for council housing. For this purpose the writer has obtained housing list data from local authorities at Darlington, Manchester and Wakefield; not because they are unique in any sense but because information was readily available.

**Table 5 - Composition of Local Authorities Housing Waiting Lists**

Composition of Waiting Lists	Darlington B.C.		Manchester MDC		Wakefield M.D.C.	
	Number	Pro-portion %	Number	Pro-portion %	Number	Pro-portion %
Pensioners	624	30	8,591	29	2,741	34
Single Persons *	437	21	4,863	17	1,045	13
Childless Couples	237	12	3,586	12	887	11
Families with 1 child	122	6	11,819	40	731	9
Families with 2/3 children	157	8			1,010	13
Large Families	33	2			188	2
Single Parents **	122	6			705	9
Others ***	315	15	645	2	721	9
<b>TOTAL</b>	<b>2,047</b>	<b>100</b>	<b>29,504</b>	<b>100</b>	<b>8,028</b>	<b>100</b>

**Source: Local Authority Records - July 1978**

NOTES: \* Single Persons relates to those under retirement age  
 \*\* Manchester did not annotate single-parent families separately, there are however, 1,179 on the waiting list.  
 \*\*\* Others include such households as Keyworkers and Forces Families

In concluding this section on household trends, the point should be established that if this chapter was principally concerned with the determinants of housing demand a detailed analysis and discussion on such matters as income, social class, the price of housing and the supply of capital finance would logically follow. However, as this part of the study is primarily concerned with the identification of those trends which are likely to be reflected in the composition of demand for council housing and thus the requirement of access policies and procedures, the writer has decided not to afford detailed reference to these points but to proceed with an examination of trends relating to the housing stock.

### The Housing Stock

The quantitative size of the housing stock in England and Wales was documented in Table 3, where it was established that the growth in the number of dwellings had exceeded the rate of household formation thus producing a crude surplus of dwellings in 1976 of about 0.5 million. However, it would be erroneous to assume from these statistics that housing problems in this country have been resolved and that satisfactory dwellings are available to all those households who would demand them at a price they can afford. Clearly, this matter has to be placed in perspective.

To begin with it is necessary to examine the condition of the housing stock in terms of unfitness and lack of amenities. This factor is important in terms of council housing allocation practice since local authority tenant selection schemes invariably involve recognition of substandard housing conditions in the criteria for assessing priorities. Accordingly, relevant data extracted from the Government "Green Paper" is reproduced in Table 6 below :-

Table 6 - Changes in the Number of Dwellings Unfit or lacking Basic Amenities - England (thousands)

Detail	Owner Occupied	Local Authority	Other Tenures	Vacant	Total
<u>Unfit</u>					
1971	318	58	606	165	1,147
1976	263	46	334	151	794
Change	- 55	- 12	- 272	- 14	- 353
<u>Fit, but lacking one or more Basic Amenity</u>					
1971	619	445	601	83	1,748
1976	278	255	353	45	921
Change	-341	- 190	- 258	-38	- 827
<u>No fixed Bath or Bathroom*</u>					
1971	430	104	805	145	1,484
1976	247	45	382	126	800
Change	-183	-59	-423	-19	- 684
<u>No Inside W.C. *</u>					
1971	612	262	839	138	1,851
1976	360	157	437	129	1,083
Change	- 252	-105	- 402	- 9	- 768

Source: Housing Policy - Technical Volume Part 1, Page 57, Table 11.5

Notes: \* Includes both fit and unfit dwellings

A significant improvement in the condition of the dwelling stock is readily apparent. Moreover, further improvements in quality are expected as a result of the 1976 House Condition Survey. However, it is necessary to make two observations arising from these statistics. First, as in all instances involving national data, there are some regional variations in the degree of change and thus the scope for continued remedial policies and investment. Second, the distinction

between unfit housing and sub-standard housing should be emphasised. The Northern Region Strategy Team Report, "Housing in the Northern Region" September 1976 makes this point also :-

"Local authorities have a duty to deal with houses which are unfit for human habitation, either by ensuring that they are made fit, or by their demolition. The definition of unfitness is related to a number of physical criteria, and to each authority's assessment of a reasonable cost of making the dwellings fit for occupation. Sub-standard housing are those dwellings lacking one of the standard amenities, i.e. hot water, a fixed bath, and inside W.C. There is no simple relation between unfit and substandard housing. Many, but by no means all substandard houses are also unfit. Most unfit houses lack one or more standard amenities but there are some dwellings which are unfit because of structural faults, or accumulated repairs, even though standard amenities are installed." (11)

Notwithstanding, national (and regional) improvements in the quality of the housing stock the problem of older housing is likely to test the ingenuity and policy making skills of local housing authorities for the foreseeable future. Moreover their concern with housing standards is not only related to housing allocation criteria but resource allocation also. Areas to be declared for general improvement, areas to be designated for local authority home loans and future slum clearance and highway improvement schemes will therefore continue

to dominate strategic housing planning and resource allocation.

This situation interacts to some extent with the apparent increase in the number of vacant dwellings. Data in Table 6 does not reveal the true position since the vacancies shown relate only to substandard dwellings. However, further evidence in the "Green Paper" places the number of vacant dwellings in England and Wales at 676 thousand representing an increase from 1.1 per cent of the housing stock in 1951 to 3.9 per cent in 1971 <sup>(12)</sup> of which only about 300 thousand are estimated to be in a satisfactory condition. <sup>(13)</sup>

Again, such statistics belie regional problems and variations. But on this point we are more fortunate because the "Green Paper" does show variations between counties in England. For reference purposes a selection has been incorporated in the following table in order to display some variations:-

Table 7 - Vacant Dwellings in English Counties 1971

Metropolitan Counties		Large Towns and Cities		Greater London		Outer London	
	%		%		%		%
Manchester	3.7	Hull	4.4	Kensington & Chelsea	8.0	Barking	1.9
Sth. Yorks.	2.7	Norwich	4.0	Westminster	8.5	Hounslow	3.5
West Yorks	3.9	Coventry	2.3	Wandsworth	3.9	Sutton	2.3

Source: Housing Policy, Technical Volume Part 1 Appendix A Pge 103/ 104

Perhaps the most inexplicable and surprising factor is the incidence of vacant dwellings in certain districts of Greater London an area notorious for its housing pressures and a factor which merits detailed research. \* On the strength of this

12 Housing Policy Technical Volume Part 1 Table 1.5 page 15

13 Housing Policy - A Consultative Document paragraph 3.06 page 10.

\* See appendix for detailed explanation.

evidence some concern must be expressed about those 376 thousand vacant dwellings which by implication are not in a satisfactory condition. It is improbable that all will be unfit within the statutory criteria. Moreover previous research has shown that vacant dwellings may be classified in two distinct ways.<sup>(14)</sup> That proportion of dwellings required to facilitate temporary and permanent movement within the housing system - a proportion sometimes referred to as the "frictional vacancy rate", and that element which for various reasons remains vacant for long periods known as the "structural vacancy rate." Both these terms are analogous with terminology used in the analysis of unemployment when "structural unemployment" is said to result from a long term switch in demand away from a particular product usually as a result of technical change. On the other hand "frictional unemployment" arises purely from labour mobility and will therefore exist in any labour market, no matter what the level of demand. Thus the analogy with short and long term vacant dwellings would appear to have some validity. The problem is from the research point of view that only detailed study will reveal the frictional and structural proportions of vacancy levels and for this reason alone to suggest acceptable levels for national and regional purposes can be erroneous and misleading.

However, on the reasoned assumption that most of the areas (and indeed others) shown in Table 7 will have within their respective areas a proportion of long standing unsatisfactory vacant dwellings upon which building societies are reluctant to advance capital, it behoves local authorities to consider what action can be taken to bring them into use. Unfortunately, figures by themselves cannot indicate what this action should be: they point to a problem, not its solution. However, there are certain policies which local authorities might

14. For example - 'Vacancy Reserve' - Moreton and Tate Town Planning Review Volume 46 No. 1 January 1975

consider. For example, local councils might assume the role of "market stimulator" and purchase a proportion of long standing vacancies and then improve and let them. Alternatively, dwellings might be similarly acquired and improved and then sold with the aid of a council mortgage. Such a policy might with some economic advantage be orientated to the housing needs of single persons and young couples, households who in many areas have difficulty in satisfying access criteria for conventional forms of council housing.

It is now appropriate to examine the size of the housing stock because the vacancies which occur within it have a profound effect upon the capacity to meet demand. Again, data included in the "Green Paper" will be used for analysis.

**Table 8 - Size of Household Spaces by Number of Bedrooms: England and Wales 1971 (percentages)**

Bedrooms	Owner / Occupied	Rented Publicly	Rented Privately	All Tenures
1	2.0	12.8	22.1	9.1
2	28.1	27.6	34.6	29.3
3	57.5	56.6	35.3	52.8
4	9.5	2.7	5.4	6.7
5	1.9	0.2	1.6	1.4
6 or more	1.0	0.1	0.9	0.7
All Sizes	100.0	100.0	100.0	100.0
Total Households ('000)	8,228	4,628	3,546	16,434

Source: Housing Policy - Technical Volume Part 1 Table 11.2 Page 54

NOTE: It will be noticed that the figure for "All Tenancies" is somewhat less than the figure for Total Dwellings shown in Table 3. This is due to chronological differences and the fact that this table refers to occupied dwellings.

There are now some important characteristics of the Nation's housing stock which should be documented. First, in all sectors there is a predominance of two and three bedroomed dwellings ranging from 85.6 per cent in owner-occupation to about 70 per cent in the private rented sector with the public sector proportion at about 84 per cent. Second, at both ends of the bedroom scale there exists only a relatively small proportion of single bedroom accommodation and also dwellings suitable for large families. Third, the private rented sector is by far the most heterogeneous and no doubt this is due to the substantial number of 'rooms' including bed sitting rooms which comprises the stock in this sector.

Since we might expect the manifestation of national housing and social trends concerning households to be evident in local areas, it is considered to be of value in comparing the bedroom size of a local housing stock in relation to the national public sector trend. To this end data has been obtained from "Housing Statistics (England and Wales) published by the Chartered Institute of Public Finance and Accountancy relating to local authorities which comprise the County of Durham.

Table 9 - Analysis of Public Sector Dwelling Stock - County of Durham 1977

(percentages)

Bedrooms	County Durham 1977	England & Wales 1971
1	12.0	12.8
2	35.3	27.6
3	47.5	56.6
4	2.6	2.7
5 or more	2.6	0.3
All sizes	100.00	100.00

Source: Housing Statistics (England and Wales) Part 1 February 1977  
Chartered Institute of Public Finance and Accountancy

Apart from a slight imbalance between two and three bedroom occupied dwellings it would appear that the public rented stock in Durham County compares proportionately with the national trend.

This situation then reproduces the national problem into a local context in terms of current and future trends in "matching" the needs of smaller households - some with rather special housing requirements - to a stock that is somewhat out of balance with these needs. By implication then, as vacancies are bound to be in proportion to the composition of the stock, opportunity of access to council housing will abound for some households in some areas and there will be constraints for others. That is despite variation in tenant selection policy - a factor to be evaluated later.

### Density of Occupation

In this section the writer is principally concerned with two aspects of occupational density: that of housing space deficiency and sharing. It should be noted however, that households who share are not necessarily short of housing space, so for this reason each factor will be treated separately.

Dealing with households with a deficiency of housing space first, and in order to rationalise chronological trends, it is necessary to establish a unit of measurement. In this connection the current legal definition of overcrowding is contained in Section 77 of the Housing Act 1957:

"A dwelling house shall be deemed for the purposes of this Act to be overcrowded at any time when the number of persons sleeping in the house either:

- (a) is such that any two of those persons, being persons ten years old or more of opposite sexes and not being persons living together as husband and wife, must sleep in the same room; or
- (b) is in relation to the numbers and the floor area of the rooms of which the house consists, in excess of the permitted number of persons as defined in the Sixth Schedule to this Act . . . . ." (15)

These statutory definitions are broadly analogous with two widely used methods of assessing housing space deficiency. One relates to the 'bedroom standard' and a unit of measurement adopted by the 1960 Housing Survey and the other more severest related to 'persons per room' which includes all habitable rooms.

One specific advantage in using the 'bedroom standard' is that it not only indicates the proportion of households with a shortage of bedroom space, but those with space in excess of normal requirements, thus providing a guide not only to the rate of over-occupation, but under-occupation also. The criteria developed by the Social Survey for the 1960 Housing Survey is set out below:

- (a) One for each married couple;
- (b) One each for other men and women aged 21 or over;
- (c) One for each two persons of the same sex aged 10-20;
- (d) One for any person aged 10-20 and a child under 10 of the same sex;
- (e) One for any person aged 10-20 not paired as in (c) or (d);
- (f) One for each two of any remaining children;
- (g) One for any child remaining;

(15) Housing Act 1957, Part IV Section 77

The following table taken from the Government's 'Green Paper' <sup>(16)</sup> shows the proportion of households who comply with this criteria; those who fall below it and those who enjoy a higher than base standard of two or more bedrooms:

**Table 10 - Households and Bedroom Standard: England and Wales 1971 (thousands)**

Detail	By Tenure		
	1960	1971	1975
<b>Below</b>			
Owner-occupiers	360	290	220
Local Authority tenants	470	380	270
Other tenants	770	320	220
<b>Total</b>	<b>1,600</b>	<b>990</b>	<b>710</b>
<b>Equal or one above</b>			
Owner-occupiers	4,320	5,680	5,850
Local authority tenants	2,860	3,600	3,950
Other tenants	3,470	2,560	2,440
<b>Total</b>	<b>10,650</b>	<b>11,840</b>	<b>12,240</b>
<b>Two or more above</b>			
Owner-occupiers	1,310	2,260	2,870
Local authority tenants	200	650	660
Other tenants	660	700	610
<b>Total</b>	<b>2,170</b>	<b>3,610</b>	<b>4,140</b>

Source: Housing Policy Technical Volume, Part 1

Notes

- (i) 'Other tenants' comprise households renting accommodation with job or business, tenants renting unfurnished accommodation from private landlords and housing associations; and households renting furnished accommodation.
- (ii) The number of households by tenure in 1975 is an approximate estimate only. The housing stock is estimated to have increased by 845,000 between 1971 Census date and mid-1975, whereas the projected increase in households was 670,000. The 670,000 was apportioned pro rata to the changes in number of dwellings in each tenure, and added to the 1971 figures used in this Chapter.
- (iii) 1971 figures are of households enumerated at their dwellings. The 1975 figures are consistent with those for 1971, and therefore differ from projected figures that are based on totals that include households absent from home at the time of the Census.

Source - 1960 from P. G. Gray and R. Russell, The Housing Situation In 1960 (Social Survey, 1962, Tables 14 and 72); 1971 and 1975 proportions from General Household Survey).

A number of factors are discernible from this data. First, the number of households with bedrooms below the standard has fallen significantly from 1960 to 1975 with those classified as 'other tenants' predominating the analysis. One point which is surprising is that 270,000 local authority tenants in 1975 (almost five per cent of the public sector stock) fell below the bedroom standard. Whether this factor relates to purpose built council houses is not apparent from the statistics, but nevertheless the incidence is of sufficient significance to question local authority transfer and exchange policies. Second, there has been a growth in the number of households equal to or possessing one bedroom above the standard with a more significant increase in the proportion of households who enjoy at least two bedrooms above the standard. Again local authority tenants and owner-occupiers are pre-eminent in this respect and a factor hardly surprising when we consider the rate of demand for the ownership of excess housing space and the composition of the public sector housing stock.

At this juncture the writer would have liked to introduce local statistics for comparison purposes but comparable data is not readily available. As a reasonable substitute the following table has been extracted from the Durham County Structure Plan - Technical Paper No. 3 relating to household and dwelling size.

Table 11 - Household Size and Dwelling Size, County Durham, 1971 (Percentages)

Household size (persons)	1+2 rooms	3 rooms	4 rooms	5 rooms	6 rooms	7+ rooms	Total %
1	14.8	22.9	38.1	16.0	6.5	1.7	100.0
2	4.3	12.7	42.1	25.7	12.1	3.1	100.0
3	1.2	7.3	36.7	32.8	17.6	4.4	100.0
4	0.7	4.3	27.0	37.5	24.4	6.1	100.0
5	0.5	3.3	20.2	41.9	24.9	9.2	100.0
6	0.3	2.3	17.5	43.6	26.1	10.2	100.0
7+	0.3	2.2	13.5	44.1	26.7	13.2	100.0

Source: Durham County Structure Plan, Technical Paper No. 3, 1977

This table shows clearly that smaller households tend to occupy smaller dwellings, while the proportion of households in five, six, seven and more roomed dwellings increases as the household size increases. However, it is the extreme points which produce the most interesting conclusion in that over 15 per cent of seven and more person households in Durham County live in dwellings with four or less rooms, while almost 25 per cent of single person households live in dwellings with five or more rooms. This data thus indicates that by adopting a standard of one person per habitable room, there is some space deficiency and also a degree of under-occupation.

We can proceed now to examine the rate of occupational density by reference to the more severe standard of occupancy in excess of  $1\frac{1}{2}$  persons per room.

Table 12 - Households with More than  $1\frac{1}{2}$  Persons Per Room, England and Wales 1971

	England and Wales	
	Number ('000)	Per cent
Owner-occupiers	40	0.5
Renting from local authority or new town	83	1.8
Renting unfurnished from private landlord	40	1.4
Renting furnished	61	8.1
Total	226*	1.4

Source: Housing Policy - Technical Volume Part I, page 66, Table 11.14

NOTE: Arithmetical error in addition should be noted.\*

Again the results are clear, with further evidence of occupational density problems prevalent in the public sector with 1.8 per cent of these households living at a rate in excess of  $1\frac{1}{2}$  persons per room as against the average for all sectors of 1.4 per cent. Moreover data relating to the Northern Region and County Durham is compatible with the national trend, with a density of occupation in excess of  $1\frac{1}{2}$  persons per room at 1.6 per cent <sup>(17)</sup> and 1.5 per cent <sup>(18)</sup> respectively.

By progression, it is appropriate now to consider trends relating to the proportion of households who share accommodation, but it is necessary first of all to explain some inherent problems, which the analyst faces in attempting to assess trends. For example, not all households who share will be experiencing overcrowding or bedroom deficiency. On the other hand, a proportion of households will undoubtedly be occupying rooms in multi-occupied tenements where housing conditions may be classified as being amongst the most unsatisfactory. Unfortunately, data which separates the varying forms of sharing are not readily available and thus sharing as a 'housing need' indicator is not conclusive when related to national statistics.

Much of the problem in attempting to assess trends and social changes concerning sharing emanate from definitions applied by the Office of Population Censuses and Surveys. For example, in the 1971 Census some groups of people were counted as one household when really there were two. Moreover, the term 'Dwelling' used in the 1971 Census had a different meaning from the one it carried in previous censuses. In all previous censuses the meaning of the word 'dwelling', in the context of the census, has been defined and explained in the instructions given

17. Northern Region Strategy Team Report - Housing in the Northern Region, Page G.7 Table 6

18. Durham County Structure Plan Technical Paper No. 3, Page 21. Table 18

to enumerators who were told to identify individual dwellings and indicate in the records the households occupying each dwelling so identified. In 1971, the term 'dwelling' was not used in the printed instructions given to enumerators or in the training they received from Census Officers. <sup>(19)</sup>

A greater appreciation of the difficulties produced by definitions can be obtained by documenting the relevant classifications:

Household: A household is -

- either one person living alone, or
- a group of persons (who may or may not be related) living at the same address with common housekeeping. Persons staying temporarily with the household are included. <sup>(19)</sup>

This means that in practice a dwelling occupied by say an owner and his wife, a married son and his wife, and an aged parent would have been classified as one household when really there were three. This situation not only creates problems for a local housing authority when attempting to assess future housing requirements, but it tends also to produce uncertainties in establishing the number of households which comprise a given population.

A Dwelling means either -

- (i) the total household space occupied by a household which shares none of its household or access space of any kind with any other household.
- (ii) the household space of a household which shares its access space with other households but
  - (a) itself uses this space only for access, and
  - (b) this space is used by other households for access only.

- (iii) the total of the household spaces of those households who share
  - (a) rooms (other than toilets or bathrooms) and/or
  - (b) access space, part or the whole of which is used by at least one of the households to move between the rooms in their household space.

The principal implication arising from this definition is that persons occupying rooms in dwellings owned by some other household may have been enumerated as occupying separate dwellings when really they were sharing. As with the enumeration of households, this definition of a dwelling is likely to create some confusion as to the size of the dwelling stock and thus the relationship between households and dwellings.

On this point, the Department of the Environment estimates that the number of sharing households in 1971 amounted to 820,000, comprising 380,000 multi-person households and 440,000 one-person households (including some who were away from their usual place of residence on Census night), compared with the enumerated totals of 367,000 multi-person households and 270,000 one-person households sharing. <sup>(20)</sup>

As a consequence of the constraints created by the 1971 Census definitions, neither the Government's 'Green Paper' nor the 'General Housing Survey' of 1976 has much more to offer in terms of sharing indicators. True, the 'Green Paper' gives data showing regional variations as between the proportions of households sharing private rented furnished and unfurnished accommodation,

(20) Housing Policy Technical Volume, Part 1, Page 72, Paragraph 48

but these indicators are by no means conclusive since other tenures are not included.

However, the Northern Region Strategy Team Report entitled 'Housing in the Northern Region'<sup>(21)</sup> does contain a trend analysis which may still be dubious for the reasons outlined, but is of some benefit in showing the probability that an improvement in the degree of sharing is taking place over time. The relevant data is reproduced below:

Table 13 - Households Living in Shared Dwellings 1951 - 1971

Detail	Households		
	Northern Region No.	%	England and Wales %
1951	64,435	7.2	14.3
1961	17,705	1.8	6.1
1971	11,660	1.1	3.8

Source: Census Returns

The 'Report' goes on to say:

'Whereas sharing is still a major problem in much of Greater London and the West Midlands it is now inconsequential in this Region and is largely limited to the two university cities ...'<sup>(22)</sup>

However, the writer is aware that this statement may be somewhat misleading for reasons already outlined and the fact that evidence contained in the

(21) Northern Region Strategy Team Report - Housing in the Northern Region 1976, Page G6, Table 5

(22) Northern Region Strategy Team Report - Housing in the Northern Region 1976 Page G6, para 8

Government's 'Green Paper' shows that sharing in the West Midlands Region may be significantly lower than the proportions in Greater London, the South-East, South-West Regions and to a lesser extent Wales. <sup>(23)</sup>

### The Assessment of Local Housing Needs and Requirements

In 1977, the Government imposed complete control upon local authority housing capital expenditure by the introduction of Housing Investment Programmes. At this time local housing authorities were invited to carry out an appraisal of their housing needs and requirements and to submit proposals for capital spending involving such activities as new building, slum clearance, improvement schemes, home loans and gross lending to housing associations. Following detailed submissions supplied by a housing strategy appraisal, the Regional Offices of the Department of the Environment and Transport appraised all submissions in the context of the Government's Fiscal policy and subsequently notified local authorities within their respective regions of their capital spending allocations.

The starting point in any exercise of this nature is often the employment of data produced by the Office of Population Censuses and Surveys supported by local based data, with fairly elaborate adjustments made for new building, demolitions, conversions, vacant dwellings and household formation. However, the fallacy lies in assuming that the numbers of dwellings and the households expected to reside in them may be determined irrespective of the 'price' of housing. In fact, in that part of the housing system where 'free forces' still operate, price may be the deciding factor both to the number of separate dwellings supplied and the numbers of separate households demanding them.

(23) Housing Policy - Technical Volume Part 1. Page 73 Table 11.19

For example, the owner of a large house who is debating whether or not to convert it into flats; or the elderly couple who because of frailty are deciding whether or not to live with children; or the single person who is determining whether to rent a bed-sitting room flat, or live in lodgings; all these households are in a position to increase or decrease the gap between demand and supply and for many of them price will be the all important factor.

Consequently, the most that local housing authorities can do in appreciation of this factor is to recognise the intrinsic shortcomings in projecting global housing requirements and to utilize information about national and local trends and to frame their housing programmes and allocation policies accordingly.

### Conclusion

In this chapter the writer has attempted to display the evidence denoting some important housing trends and social changes. A number of factors have come to light the interaction of which will undoubtedly create additional scope for a re-thinking of national and local housing policies in the context of the housing system and the manner in which it functions.

The private rented sector is declining and it is difficult in economic terms to determine how this trend may be reversed. Of fundamental importance in social policy terms, is the question as to whether positive attempts should at this late stage be made to reverse or even stabilise the rate of decline having regard to the amount of capital investment that would be required in ratio to the level of rent income that landlords might expect. No doubt the Government will evaluate these factors in their review of the Rent Acts. One further point which

will have to be examined in the review is the heterogeneous nature of the private sector and its capacity to cater for the housing requirements of the smaller household of which single persons form a significant proportion. In contrast the size and composition of the public housing stock is now perceptibly out of balance with emerging housing needs, a situation which will probably cause local authorities to consider schemes of conversion as well as appropriate new building schemes.

The indication of there being a trend towards a housing surplus has also to be treated with caution. There are regional variations in the relationship between households and housing stock where in some areas pressures upon supply may be severe. Of importance also in the connection are the definitions employed by the Office of Population Censuses and Surveys concerning households and dwellings. One would hope that in the future some attempt will be made to rationalise such important definitions. However, there is sufficient evidence of a changing relationship between households and the dwellings available to house them to merit a careful appraisal of how local authorities may best operate in the housing system and the extent of financial resources which such involvement would require. In this connection much will depend upon detailed local knowledge of housing requirements and the strategic potential inherent in the Housing Investment Programme system.

Some notable social changes have been taking place also within which the growth of single person households, single parent families, married couples and elderly person households are examples. The growing requirement for smaller dwelling units will thus add pressure upon the supply of public sector rented housing as a result of price and supply constraints in the private sector.

In general terms, the range of trends and changes outlined in this chapter point to a gradual improvement in the housing conditions of this country. A reduction in the proportion of substandard dwellings, lower densities of occupation and sharing may therefore motivate further changes in local housing policy and thus foster greater adherence to national housing objectives.

Finally the changing relationship between households and dwellings has produced more vacant dwellings, significant proportions of which have been classified as substandard. Faced with this situation in their areas, it behoves local housing authorities to consider policies to reduce the structural element of the vacancy pool. For example, an authority may as a matter of strategic objective acquire a proportion of these dwellings, improve and let them. Alternatively they may be sold with the assistance of mortgage facilities. Such options may thus be seen to transcend political views and maximise social and economic opportunities.

## CHAPTER TWO

### PUBLIC SECTOR HOUSING COSTS

#### Introduction

The cost of new housing depends upon the price of land, building costs, housing standards and density of occupation. Housing price on the other hand will be influenced by additional factors such as builders profit margin, speed of construction and the quality of the environment in which dwellings are situated. Both housing costs and prices will be affected by demand which, in turn, will depend on income levels, the net cost of borrowing, rental levels and government policy.

However, in the context of public sector housing development, this is only a starting point because for periods up to sixty years after completion, debt charges are payable in respect of capital borrowing and dwellings have to be managed, repaired and very often improved in order to reflect changing requirements. Moreover economic conditions will affect the level of interest rates, debt charges, management costs, government and community subsidies. The interaction between all these factors alongside political aspirations will therefore have a bearing upon the manner in which individual local housing authorities respond to housing demand.

In the course of the previous analysis, the writer attempted to show examples of national and local housing trends in terms of the changing pattern of housing requirements. The main purpose of this chapter, is to provide evidence of the constraints in meeting articulated demand for council housing, imposed by financial controls and housing standards. In the process the principal capital and revenue implications of public sector housing development will also be identified and discussed. For this purpose the writer has obtained data relating to a recently proposed local authority development in Darlington which will provide useful reference material for the analysis which follows.

## Government Policy

The Government's primary housing objectives were emphasised in Chapter Two of "Housing Policy - A Consultative Document". They are that all families should be able to obtain a decent home at a price within their means, and that the Government must secure a more selective and discerning approach to housing policy which will enable pressing housing needs of individuals and areas to be tackled effectively and urgently, and make it easier for more people to obtain the kind of home they want.<sup>(1)</sup> However, it remains to be seen the extent to which these objectives may be realised without further government intervention in the operation of the housing system, a question which the writer will explore as this study proceeds.

For the moment, it is essential to relate these primary objectives with the Government's short term expenditure proposals. In this connection it is apparent from details contained in "The Government's Expenditure Plans 1978 - 79 to 1981 - 82" Volume II<sup>(2)</sup> that whereas total housing expenditure between 1976 and 1980 will decline as a proportion of Gross Domestic Product by about one per cent - a smaller reduction than for health and education - in volume terms it is planned that current expenditure will increase during this period by about £26 million.

However, this projected increase in housing expenditure is a product of several policy adjustments. For example, in terms of current expenditure, general subsidies are expected to remain at about the same level whereas income related subsidies (rebates) are planned to increase by about £55 million. Moreover, expenditure on option mortgages is expected to reduce by about £29 million when in contrast, central and local government administrative expenditure is likely to remain constant. In so far as the Government's capital

1. Housing Policy - A Consultative Document page 7 paragraph 2.16

2. The Government's Expenditure Plans 1978-79 to 1981-82 Volume II January 1978 Cmd. 7049-II

expenditure proposals are concerned, it is planned to reduce investment by about £82 millions of which a reduction in expenditure on new building in favour of improvements appears to be the most significant feature. Equally clear is the intention to increase financial support in terms of loans and grants to Housing Associations. For example, it is proposed that expenditure will increase in this sector by about £79 millions during the period 1976 - 1980\*.

On the question of Government control over local authority housing expenditure, it was noted in chapter one of this dissertation that capital spending is controlled by cash allocations under the terms of Housing Investment Programmes introduced in 1977. However, this is not to imply that the Government simply makes cash available to local authorities. What it does mean is that local authorities may borrow money at appropriate market rates of interest within the overall spending allocation limits.

Current or revenue forms of housing expenditure on the other hand are not subject to specific government control. But, in the context of an authority's total rate fund expenditure, the operation of the Rate Support Grant system allied to local strategic objectives may provide a form of control in relation to the amount of any rate fund contribution necessary by law to balance the housing revenue account.<sup>(3)</sup> The options facing a local housing authority therefore are numerous. For example, it will have to decide if and when a housing revenue account deficit is apparent; whether to increase rents or make (or increase) a rate fund contribution in order to balance the account. Alternatively, the authority may decide to reduce its level of housing current expenditure, but this is never an easy choice because large proportions of current housing expenditure

3. Housing (Financial Provisions) Act 1958

\* The implication being, increased rents, higher rebates, lower direct subsidies and a reduction in new building by local authorities.

are related to servicing debt and property management and maintenance.

However, in the last analysis, these decisions will depend upon the social and political assessment of the level of rate fund expenditure required for other services, since the Government expects local authorities to limit rate increases in accordance with national guide lines.

### Housing Standards and Costs

The history of public sector rented housing shows that space standards have fluctuated on at least two occasions since the first World War for reasons other than consideration of comfort and convenience. Thus, housing standards emanating from the Tudor Walters Committee of 1919 were reduced in 1923 because of high costs and those of 1949 were reduced in 1952 in order to maintain a high number of housing completions in the face of diminishing availability of materials and labour. The Parker Morris Report <sup>(4)</sup> sought to re-establish space standards determined by the reasonable life style of the intended occupiers. In broad terms they relate to minimum floor areas, the arrangements of rooms, fittings and equipment, space, heating and play spaces. Such standards were mandatory for public sector housing provision from January 1st 1969.

However, in recognition of the varying housing needs of different households, the Government has at certain periods modified and indeed expanded the framework of mandatory minimum design requirements. For example, circular 82/69 contained special provision for old people, taking the form of a higher standard of heating, certain safety measures and other aids. <sup>(5)</sup> Moreover circular 92/75 entitled "Wheelchair and Mobility Housing: Standards and Costs" was designed to allow more flexibility in planning for the housing needs of disabled

4. Parker Morris Report : Homes for Today and Tomorrow H.M.S.O. 1961

5. D.O.E. Circular 82/69 Appendix 1

people and to speed up the provision of more suitable new dwellings.<sup>(6)</sup>

A further circular was issued on January 23rd 1976 concerning "Housing for Single Working People" in which additional cost yardstick allowances were made for housing designed for single working people including those who were disabled.<sup>(7)</sup>

The progression towards higher standards which emerged during the early 1960's however was not the only factor to be incorporated into national housing policy because the Government was becoming equally concerned about costs. High rise flats had by this time become a recognisable feature of public sector housing provision, the resulting costs of which were often grossly excessive in relation to the number of persons housed.

This situation caused the Ministry of Housing and Local Government to issue a circular in June 1963<sup>(8)</sup> entitled "Cost Guidance for Medium and High Density Housing". Accompanying this circular was a Design Bulletin<sup>(9)</sup> which contained a table showing suitable costs per person over a wide range of densities and average family sizes. Figures relating to these costs had been based upon a variety of well designed schemes produced by many local authorities sub-divided to show separately the costs of superstructure, substructure and external works. It was expected that local authorities should comply with these cost guidelines as a condition of acceptance of a scheme, loan sanction and subsidy. However, the development of aged persons flatlets was not covered by the cost table. This was to follow later in the development of the housing standards and cost strategy for old people.<sup>(10)</sup> By December 1966 the progression towards the adoption of new and improved housing standards and associated cost controls was almost complete. To this end a statement made in the House of Commons

6. D.O.E. Circular 92/75 paragraph 4

7. D.O.E. Circular 14/76 paragraph 2

8. Ministry of Housing and Local Government Circular 40/63

9. Ministry of Housing and Local Government Design Bulletin No. 7

10. Ministry of Housing and Local Government Circular 82/69

By the Minister of Housing and Local Government on December 15th, 1966 was reproduced in Circular 36/67 thus :-

"Costs are related to standards. Although housing standards have been rising the mandatory minimum standard has not changed in some respects since 1949 or since 1952 in others. The House will recall that improved standards were recommended by the Parker Morris Committee in 1961. I have decided to set a new standard based on the Parker Morris standards, which will come into effect about two years from now.

The new subsidies will help local authorities to achieve the new standards. But there are two pitfalls which Hon. members will agree, we must avoid. In the first place, the proposed new subsidy will be a percentage contribution towards the cost of each house. I therefore have to ensure that the cost of the house is kept to a reasonable level to avoid an open-ended commitment of Exchequer moneys. Secondly, while we are trying to bring all authorities up to this standard - and the Parker Morris size house is a very good house indeed - we just cannot afford to let other authorities build to even higher standards. The cost of housing schemes from now on will, therefore, be limited by new cost yardsticks which the Ministry have prepared and are publishing. I intend that the new subsidy will be payable only up to the cost limit set by the yardstick. This deals with the difficulty of the open-ended commitment.

Secondly, schemes will not receive loan sanction if their cost exceeds the yardstick by more than a tolerance of ten per cent. Plus, of course, the reasonable cost of items like garages

which do not qualify for subsidy. This will limit the amount that local authorities can spend on each house, even if they are willing to bear the extra cost themselves. We have to prevent a situation where some local authorities might use more than their fair share of the global resources available for house building. This is essential if we are to raise the general standard of local authority housing .....

So, with the advent of Circular 36/67 issued in 1967 Parker Morris standards became obligatory alongside the cost yardstick control system, although it should be noted that local authorities had been using such standards for some time previously. However, the revised cost yardstick system details of which are incorporated in Appendix 2 of Circular 36/67 contained the following modifications :-

- Parker Morris standards
- increasing experience of designing for medium and high density, with minimum use of high building and provision of space for car accommodation.
- a slightly changed relationship between the costs of low, medium and high rise building:
- increased building costs since Design Bulletin 7<sup>(11)</sup>

Accompanying Appendix II of the Circular was a series of cost tables varying according to the number of persons per room. To use the tables it is necessary to delineate on a site plan the boundaries of the site in accordance with the definitions contained in paragraph 10; to measure its area and to calculate the

11. Ministry of Housing and Local Government Circular 36/67 Appendix II paragraph 1

number of dwellings to be provided and the total number of bed spaces (i. e. persons). From these can be calculated the density in persons per acre and the average number of persons (bed spaces) per dwelling. The appropriate cost is found from the cost table in the column headed by the density achieved and opposite the average number of persons per dwelling applicable to the scheme. Costs for intermediate densities could be found by simple proportion, but there were no increases for densities higher than the highest shown against each average family size per dwelling.

These cost tables also contained provision for Regional Variations above basic yardstick figures ranging from nil,  $7\frac{1}{2}$  per cent to  $12\frac{1}{2}$  per cent depending upon building costs in the Economic Planning Regions concerned. These variations have in fact been revised many times in accordance with general economic trends.

The question now is whether the introduction of the cost yardstick system has achieved its objective and moreover, whether local housing authority performance has been impaired as a result. These are matters which we might usefully examine next.

First, the Government in the "Green Paper" are apparently not too happy about the present cost yardstick system.

"the present "housing cost yardstick" involves too much detailed and time-consuming work for both central and local government. Discussions have suggested that a simpler system, based on a fixed level of costs per house eligible for subsidy combined with monitoring of overall cost trends, could provide local authorities with greater

incentives to seek value for money in their building schemes and cut down on paper work. This new approach will be developed in further consultation with the local authorities." (12)

In order to obtain an opinion from the local authority side, the writer contacted a prominent architect in the North East Region. The view expressed at this time was that the cost yardstick system represented a constraint upon the designer in meeting the housing need of smaller households. Because the system is intrinsically bound up with densities, many local authorities have found it to be more feasible to build three bedroom houses as opposed to smaller dwellings since lower density produces substantially higher development costs. Moreover, despite yardstick variations at the lower end of the bedroom scale such changes have not been sufficient to enable local authorities to fully exploit their housing development opportunities in the context of emerging housing requirements.

The view of the Department of Environment's Regional Officer in Newcastle supported this point of view but some additional points were advanced also. For example, the constraint of the cost yardstick procedure has in some instances resulted in less attention being paid to future maintenance of dwellings and the choice of materials and equipment which might otherwise have been the case if greater flexibility and tolerance had been provided in the system. However, on the credit side, the point was made that the procedural requirements of the cost yardstick system had fostered and encouraged quite sophisticated cost planning techniques, the like of which is not apparent in any other country involved in public sector housing provision.

In the context of the cost-yardstick system being interpreted as one of the possible constraints upon the provision of new local authority dwellings for smaller households, the writer has obtained details of the composition of house building programmes of local authorities in Durham County as revealed by their 1977-81 Housing Investment Programme submissions. The results are incorporated in the following table :-

**Table 14 - Composition of Local Authority Housebuilding Programmes, Durham County 1977-81**

District	One Bedroom		Two Bedroom		Three Bedroom		4 or more Bedroom		TOTAL	
	No.	%	No.	%	No.	%	No.	%	No.	%
Chester-le-Street	214	32	113	17	132	20	200	30	659	100
Darlington	339	68	105	21	41	8	11	2	496	100
Derwentside	100	8	812	68	266	22	22	2	1200	100
Durham City	208	62	104	31	15	4	8	2	335	100
Easington	654	46	378	27	358	25	31	2	1421	100
Sedgefield	535	22	885	37	919	38	64	3	2403	100
Teesdale	26	15	71	40	78	44	1	1	176	100
Wear Valley	326	31	562	54	110	10	51	5	1049	100
Durham County	2402	31	3030	39	1919	25	388	5	7739	100

Source: Housing Investment Programmes 1977-81, Department of Environment 1978

NOTE: Percentages do not equal 100 in each case due to rounding.

It is evident from this data that only a small proportion of the County's five year building programme (31 per cent) is orientated towards the needs of one and two person households.

The possibility has to be faced however, that other factors may be responsible for the County-wide building programme being influenced by the inclusion of a significant proportion of dwellings in excess of one bedroom, other than the constraints imposed by the cost-yardstick system. For example, the location of building sites within the County may not be conducive to smaller type development either in terms of size or its proximity to essential services. On this point it should be noted that building land has to be fully serviceable prior to building, with the inclusion of necessary on-site and off-site sewage and drainage disposal. The responsibility for such provision is in the hands of the Regional Water Authorities and thus the appropriate financial commitment has to run with their strategic planning objectives also.

Alternatively, it is possible that articulated demand for council housing in some areas of the County is contrary to the national trends in which case the continued development of three bedroom type accommodation might well be justified (Teesdale, Sedgefield). On the other hand it might be the case that the local authorities concerned have interpreted their new housing programmes on the basis of traditional requirements rather than upon emerging needs of smaller households. It may equally be true that some local authorities in the County may not yet be in a position to extract necessary data which would assist them in recognising changing demographic trends and social changes.

Accordingly, all of these factors may be interpreted as possible housing requirement constraints within which the cost-yardstick system is but one possible example. Only detailed research will reveal the true situation, a course of which would extend beyond the remit of this study.

It is appropriate now to examine a cost appraisal of a typical local authority housing development scheme, both from the capital expenditure side and the implications this has in current expenditure terms. The dwelling mix used in the analysis which follows consists of eighty one bedroom two person units suitable for aged persons; forty one bedroom two person units and seven two bedroom three person units. Such a development - in three storeys - may thus be suitable for smaller household requirements.

**Table 15 - Analysis of Average Capital Costs per Dwelling (127 Dwellings-Jan. 1978)**

Detail	Costs per Dwelling £
Building costs at December 1977 price levels	8,952
Site Development Costs at December 1977 price levels	1,446
Professional fee limit at December 1977 price levels	1,118
Land <sup>(1)</sup>	298
Contingencies <sup>(2)</sup>	208
Completed Scheme at December 1977 price levels	12,022
Estimated price fluctuations <sup>(3)</sup>	2,550
Completed Scheme at Projected prices	14,572

- NOTES
1. Former slum clearance land valued at £10,000 per acre - December 1977
  2. Provision for Contingencies such as bad ground or basements of old buildings
  3. Estimated price fluctuations allowed for possible price and contract variations

We can now project the anticipated effect upon the Housing Revenue Account:-

**Table 16 - Analysis of Implication in Current Cost Terms - January 1978**

Detail	Total Annual Charges £	Cost per Dwelling per Week £
<b>Debt Charges: 11<math>\frac{7}{8}</math>% P.W.L.B Rate</b>		
Capital costs attracting subsidy £1,786,700	212,400	33.45
Capital costs not attracting subsidy £64,000*	7,600	1.20
Repairs and Maintenance	6,400	1.00
Supervision, Management and Insurance	4,600	0.72
Maintenance of landscaped areas	2,300	0.36
Sweeping paved areas	300	0.05
Cleaning and Lighting staircases	1,700	0.27
<b>Total Gross Costs (1)</b>	<b>235,300</b>	<b>37.05</b>
<b>LESS</b>		
Rents	32,800	5.17
Exchequer Subsidy	140,200	22.08
<b>Total Deficit (2)</b>	<b>62,300</b>	<b>9.80</b>

- NOTES: 1. Debt charges are based on capital costs at projected price levels
2. Running costs are based on current price levels
3. Rent income based upon current average
4. The economic rent is shown at (1)
5. The total deficit at (2) can be financed by increasing rents or a rate fund contribution or a combination of both
6. Capital costs not attracting subsidy is due to the cost of this scheme exceeding cost yardstick but within 10% tolerance

These analyses therefore, show the projected average capital costs per dwelling and the relationship between capital and current expenditure. Arising from these data are some points which justify further analysis and clarification.

\* The estimated cost exceeded the cost-yardstick but was within the 10% tolerance allowed.

First, on the question of debt charges, a local authority will service its capital debt on new housing schemes on the basis of an interest rate derived from the average of all borrowings contained in their loans pool.

Moreover, repayments of principal and interest are based on a sixty-year period with the exception of site development costs which are repaid over a twenty-year period. In practice, interest rates derived from an authority's loans pool tend, during persistent inflation, to be lower than current market rates since the 'pool' has the accrued benefit of previous borrowings at interest rates frequently lower than current rates. However, any variations in interest rates prompted either by market forces or by the Government are reflected in the rates of interest paid by local authorities. For example, during the first half year 1978 short term rates have nearly doubled and longer term rates have increased by about three per cent, thus affecting to some degree the 'pool' rate of all local authorities.

Second, the amount of exchequer subsidy on new housing schemes will depend indirectly upon the interest rate derived from the loans pool. This is a matter to which the writer will return in a moment or two. However, at present, exchequer subsidy is based broadly upon 66 per cent of the debt charges under the terms of the Housing Rents and Subsidies Act, 1975, designed only for a temporary period pending the outcome of the Housing Policy Review (i.e. the Green Paper). The current subsidy system comprises four main elements. A 'Basic' element which is a consolidation and continuation of the subsidy payable under the last vestiges of the Housing Finance Act 1972; a 'New Capital Cost' element which affirms a 66 per cent subsidy on debt charges arising from capital schemes; a 'Supplementary Financing'

element which represents a 33 per cent subsidy on any increase in loan charges on the subsidisable debt as at 31st March 1975 and a 'High Cost' element (paid from 1976/7) for those authorities with exceptionally high costs.

In recognition of these interim arrangements, the Government has proposed that in order to bridge the 'gap' between what it costs a local authority to provide decent housing and the amount which the local community should be asked to pay for such housing both directly through rents and indirectly by contributions from the General Rate Fund, payment of subsidy should be based on a regular appraisal of local housing costs. This 'deficit' subsidy should be closely linked with the system of housing investment programmes, while also taking into account necessary current expenditure. The system should thus operate by annual adjustments of subsidy entitlement to avoid sudden lurches in the amount of assistance provided. <sup>(13)</sup>

At this juncture we should return to examine more closely the relationship between interest rates and exchequer subsidy. To this end the table over-leaf has been prepared to show the effect upon exchequer subsidy following variations in the 'pool rate' which in turn will be influenced by the economic trends.

Arising from data contained in table 17 some interesting factors have emerged and are worth noting. First, it is apparent that a four per cent increase in the loans pool rate will increase debt charges by about £1 million and exchequer subsidy by over £400,000. On the other hand a one per cent increase in the 'pool rate' say from ten to eleven per cent would produce increases in the order of £260,000 and £129,000 respectively. The effect of

**Table 17 - Interest Rates - The Effect on subsidies and Debt Charges (£000's)**

Detail	Variations in Loans Pool Rate				
	8%	9%	10%	11%	12%
<b>Loan Charges</b>	<b>2,508</b>	<b>2,768</b>	<b>3,028</b>	<b>3,288</b>	<b>3,548</b>
<b>Exchequer Subsidy:</b>					
<b>Basic Element</b>	<b>613</b>	<b>613</b>	<b>613</b>	<b>613</b>	<b>613</b>
<b>Capital Costs</b>	<b>603</b>	<b>678</b>	<b>746</b>	<b>816</b>	<b>884</b>
<b>Supplementary Financing</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>
<b>High Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140</b>
	<b>1,221</b>	<b>1,291</b>	<b>1,359</b>	<b>1,488</b>	<b>1,647</b>

**NOTE:** The data shown in this table relates to loan charges and subsidies in respect of the Borough Council's total debt on council housing.

Source: Darlington Borough Council Housing Records, 1978/9

this situation may be critical to a local authority in terms of budgetary control since it requires only a small movement in interest levels (up or down) to alter relevant levels of housing revenue account deficit or surplus. The major implication being that when a deficit is apparent or increases in deficit anticipated beyond expectation, an appropriate contribution is required from the General Rate Fund, in order to balance the housing revenue account.

Second, it is also apparent that a reduction in the 'pool rate' will significantly affect debt charges and to a lesser extent, the amount of exchequer subsidy which is payable. The important point here is that an anticipated deficit may ultimately result in the creation of a surplus on the housing revenue account, yet exchequer subsidy is still debited in the account as income simply because it is related to capital investment levels. The Government's proposal to modify existing arrangements in favour of a housing costs or revenue deficit subsidy will therefore go some way to correcting this anomaly.

However, one of the consequences of the proposed new subsidy system would be a continuation of disparities between rent levels in different parts of the country. For example, in 1975/6 the average gross rent for all public sector dwellings in England was £225 per annum. However, there were some notable variations from this figure ranging from £284 per annum in respect of Greater London at the high end of the scale, to £173 at the low end. <sup>(14)</sup> On this point the Government's 'Green Paper' made specific comment:

(14) Housing Policy - A Consultative Document. Page 36 table 2.

Paragraph 9.51

"Just as a home owner who has paid off his mortgage has to cope with only the cost of upkeep, so a local authority in an area where the need for new investment was declining might find that its costs were falling to relatively low levels by comparison with the costs of authorities in pressure areas, and rents could also be allowed to fall in real terms."

However, it would appear from a subsequent statement in the 'Green Paper' concerning the question of avoiding rent disparities by way of 'National Rent Pool', that the Government is prepared to accept the current situation thus:

Paragraph 9.53

"If high housing costs in certain areas of the country have to be met by subsidy, it seems right that the cost of the subsidy should fall on the community as a whole, and not solely on local authority tenants in other parts of the country which happen to enjoy relatively low housing costs."

To conclude this chapter, we might usefully refer again to table II and in particular to the question of rent levels. The fact has already been established that in periods of inflation and high interest rates, local authorities have at all times to consider income adjustments by way of rent increases simply because the housing revenue account is 'debt orientated and Government subsidy insufficient to meet the financial effects of new capital investment. For many tenants in receipt of comparatively low incomes, individual subsidy by way of rent rebate may allow for only 40% of any

rent increase which an authority may consider it necessary to impose. In practice however, much will depend upon local political assessments of the social and financial effect of rent increases upon tenants in relation to alternative means of increasing income by way of general rate fund contributions. Even so, evidence supports the fact that rate fund contributions over time have had a greater effect upon current expenditure than income from rents. But this is not to suggest that rent levels have failed to keep pace with inflation, rather it is the massive increase in housing costs by way of debt charges which has proved to be the most significant factor.

However, the owner-occupation sector is not without inequities either. One point in particular is worthy of documentation - a matter not covered adequately in the Government's 'Green Paper' - and it concerns the anomaly produced by the system of income tax relief in conjunction with income tax thresholds. Data shown in table 13 will help to exemplify the position. The examples shown, are based on the assumption that basic income tax allowances are applicable to four households each consisting of Husband, Non-working Wife, and one child aged fifteen, each with a different income and all requiring a mortgage from a building society of £10,000. at  $9\frac{3}{4}\%$  interest over a 25 year term.

Table 18 - Income Tax Relief in Relation to Income Tax Thresholds

Detail	House - hold 'A' £	House - hold 'B' £	House - hold 'C' £	House - hold 'D' £
Income	5000	10000	15000	20000
Income Tax Allowances	1670	1670	1670	1670
Income Tax Paid	1039	2712	5253	8586
Income Tax Relief	322	345	578	683
Effective Rate of Interest (1st Yr)	5.7%	5.4%	1.8%	Below 1%

Source: Income Tax and Mortgage Tables (as revised November 1978)

The inequity produced by income tax thresholds is readily apparent from this table, a situation which can arguably be accentuated by the possibility of capital loans being obtained from building societies at comparatively cheap interest rates and used for some purpose other than housing and at the same time qualifying for the appropriate rate of income tax relief.\*

### Conclusion

In this chapter the writer has attempted to identify some of the constraints which may inhibit the development of new council housing required to meet the requirements of smaller households. There are some contributory factors of which the Government are well aware, and the cost yardstick system and direct subsidy calculation are examples earmarked for future modification.

However, the ability to meet the changing pattern of demand for council housing will depend not only on a revision of certain national housing policies, but upon each local authority's interpretation of housing requirements and the formulation of political, social and economic objectives. In this connection the potential, inherent in the concept of Housing Investment Programmes may eventually highlight the significance of trends and social changes as local housing knowledge increases.

\* The writer now understands that this facility is no longer readily available from building societies.

## CHAPTER THREE

### STATUTORY REQUIREMENTS AND ADVISORY CRITERIA

#### Introduction

The last two chapters have been devoted to an assessment of housing trends and an explanation of some of the constraints experienced by local authorities in providing a supply of rented accommodation to meet the emerging housing requirements of smaller and perhaps more economically vulnerable households.

It is appropriate at this juncture for this research study to take a new direction and examine the opportunities and constraints which affect more closely a household's requirement for a council tenancy. In this connection, local authorities do not enjoy complete autonomy because over time a statutory framework has been developed which in certain circumstances ensures for some people the right of access to a council tenancy.

Moreover, from time to time, Governments have attempted to fulfil national housing policy objectives by the introduction of Ministry Circulars and reports some of which contain advice as to how local housing authorities should select their tenants. However, by tradition Local Government prizes its autonomy very highly and not all the advice which has been offered has been accepted, thus the tendency towards legislation as a last resort is perhaps not surprising.

The purpose of this chapter then is to document relevant details of the Statutory Framework which will be followed by references to appropriate Government Circulars and Reports. This descriptive account will thus set the scene for subsequent analyses and documentation.

## The Statutory Requirements

Access to council housing is controlled entirely by local authority policies and procedures. However, in the context of tenant selection, such locally determined systems are subject to a basic statutory framework which, in certain circumstances imposes legal obligations upon local housing authorities to provide council house tenancies. These obligations have been incorporated into various Acts of Parliament, the relevant portions of which will be documented in turn.

In general terms, legal obligations governing the selection of tenants, are contained in Sections 91 and 113(2) of the Housing Act 1957, namely :

### Section 91

"It shall be the duty of every local authority to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation and for that purpose to review the information which has been brought to their notice either as a result of inspections and surveys . . . . ."

This section of the 1957 Act has since been modified by The Chronically Sick and Disabled Persons Act 1970 <sup>(1)</sup> which imposes an additional duty to have regard to the special needs of chronically sick or disabled persons; and any proposals prepared and submitted to the Minister in respect of the provision of new houses shall distinguish any houses which an authority propose to provide which make special provision for the needs of such people.

1. Chronically Sick and Disabled Persons Act 1970 Section 3

### Section 113(2)

"The local authority shall secure that in the selection of their tenants a reasonable preference is given to persons who are occupying insanitary or overcrowded houses, have large families or are living under unsatisfactory conditions."

More specifically, the following statutes contain additional references to the rehousing obligations of local housing authorities, namely :-

### Housing Act 1957 - Section 42

This section of the Act refers to the rehousing obligations towards persons displaced as a result of the clearance of dwellings which are unfit for human habitation and states amongst other things that :-

"The authority shall satisfy themselves that in so far as suitable accommodation available for the persons who will be displaced by the clearance of the area does not already exist, the authority can provide or secure the provision of such accommodation in advance of the displacements which will from time to time become necessary as the demolition of buildings in the area, or in different parts thereof proceeds."

### Land Compensation Act 1973 - Section 39

The Land Compensation Act 1973 deals primarily with financial compensation in respect of those persons who are displaced from land. However, Section 39 imposes a duty upon local

authorities to provide alternative accommodation (where suitable alternative accommodation on reasonable terms is not available) in consequence of :-

- (a) The acquisition of land by an authority possessing compulsory purchase powers;
- (b) The making, passing or acceptance of a housing order, resolution or undertaking in respect of a house or building on the land;
- (c) Where the land has been previously acquired by an authority possessing compulsory purchase powers or appropriated by a local authority and is for the time being held by the authority for the purposes for which it was acquired or appropriated, the carrying out of any improvement to a house or building on the land or of redevelopment on the land;
- (d) The service of an improvement notice within the meaning of Section 86 of the Housing Act 1974

#### Rent (Agriculture) Act 1976

This Act came into force on the 1st January 1977 and provides security of tenure for certain agricultural workers, ex-workers and their successors who are not protected by the Rent Acts.

The Act places a duty upon housing authorities to rehouse when a qualified farmworker's employment ceases as a result of retirement, dismissal, redundancy or resignation, and the existing accommodation is required in the interests of efficient use of agriculture.

## Race Relations Act 1976

The Race Relations Act received Royal Assent on the 22<sup>nd</sup> November 1976. Although it must be emphasised that the provisions of the Act are subject to judicial interpretation, there are certain implications of immediate significance to local housing authorities.

For example, the Act makes it unlawful to discriminate on the grounds of colour, race, nationality, ethnic or national origins in the fields of employment, education, and the provision of goods, services and premises. This covers virtually every kind of public transaction or service. The definition of unlawful discrimination is extended in Section 1(i) (b) to cover indirect discrimination, i.e. the application of a condition or requirement by a person.

- (i) which is such that the proportion of persons of the same racial group... who can comply with it is considerably smaller than the proportion of persons not of that racial group who can comply with it; and
- (ii) which he cannot show to be justifiable irrespective of the colour etc... of the person to whom it is applied; and
- (iii) which is to the detriment of that other because he cannot comply with it.

The concept of indirect discrimination, as defined above, may have particular implications for housing authorities. If, for example, certain procedures or criteria are used which result in a disproportionate number of ethnic minority families on

poor estates and which cannot be justified, this may constitute indirect discrimination. The use of certain residential qualifications could also be seen in this light.<sup>(2)</sup>

Section 2 makes it unlawful to treat one person less favourably than another person because he had, for example, asserted his rights under the Act, assisted someone else to do so or given information to the C.R.E. or because it was suspected that the person might do such things.

The Act includes a section imposing a general duty on local authorities to promote good race relations. Section 71 states that :

" without prejudice to their obligation to comply with any other provision of this Act, it shall be the duty of every local authority to make appropriate arrangements with a view to securing that their various functions are carried out with due regard to the need -

- (a) to eliminate unlawful racial discrimination; and
- (b) to promote equality of opportunity and good relations between persons of different racial groups. "

This general duty covers the same purposes which are prescribed for the new Commission for Racial Equality. An important step in eliminating discrimination and securing equality of opportunity is to monitor the allocation of council

2. This point is discussed in greater detail in chapter 4

housing by maintaining and analysing records of the ethnic origin of council tenants. This would enable those responsible for administering the service to have a picture of the distribution of minority group tenants to identify areas that require further examination (and possibly corrective action) and determine whether equal opportunity is being provided.

#### The National Assistance Act 1948

From the Housing point of view this Act is notable in that responsibility is placed upon County Councils (non-housing authorities) to provide :-

- (i) residential accommodation for persons who by reason of age, infirmity or any circumstances are in need of care and attention which is not available to them ;
- (ii) temporary accommodation for persons in urgent need in circumstances which could not reasonably have been foreseen or in such circumstances as the authority may in any particular case determine. \*

#### Ministry Circulars

The issue of circulars connected with the rehousing obligations of local authorities has not been prolific, and the few which have been published in recent years lack the force of legislation and thus are merely advisory in concept, trusting that local authorities will appreciate the content and adopt the recommendations.

\* Replaced by Housing (Homeless Persons) Act 1977

### Circular 60/65 - Housing for Ex-Servicemen\*

This circular was issued on August 17th 1965. The subject matter referred initially to a previous circular issued in 1955 in which the attention of local authorities was directed to the problems of ex-servicemen unable to gain access to council housing in areas where they settled because they were unable to satisfy residential qualifications. Accordingly, local authorities were asked to accept applications from ex-servicemen and to disregard residential requirements as a condition of application. Circular 60/65 therefore drew attention to the subsequent and apparent variation in practice between authorities since the publication of the earlier circular and asked that all local authorities should adopt the same approach and consider applications from ex servicemen made either before or within one year of demobilisation exclusively on the basis of housing need and without regard to the length of residence in the locality. The final paragraph of this circular stated that any local authority which found difficulty in complying with the recommendations was asked to let the Secretary of State know its reasons and its present practice, before October 1st 1965.

### Circular 6/67 - Housing and the Redeployment of Labour

The preamble to this circular issued on January 4th 1967 emphasised the importance in the national interest of facilitating the redeployment of labour and the extent to which housing difficulties are an obstacle to mobility. The circular goes on to say that the insistence on lengthy residential qualifications as a pre-requisite to obtaining access to a council house is an impediment to industrial mobility and the attention of local authorities was drawn to the recommendations of the Central Housing Advisory Committee's fifth report on Residential Qualifications, which condemned excessive residential qualifications. The circular concludes by asking all local authorities to look again at their practice

\* This circular was superseded by Circular 54/75

in accepting applicants on the housing waiting list and in subsequently allocating tenancies, with a view to giving sympathetic consideration to applicants who need family accommodation in their areas in order to take up local employment and to make housing need the main consideration in allocating tenancies.

### Circulars 62/67 and 18/74 - Homelessness

Circular 62/67 was issued on September 26th 1967 and Circular 18/74 on February 7th 1974. In both cases the circulars were issued jointly by the Ministry of Health, Home Office and Ministry of Housing and Local Government in 1967 and by the Department of Environment and the Department of Health and Social Security in 1974.

Circular 62/67 outlined the evidence received from local authorities about homelessness in response to a Ministerial request in October 1966. This circular emphasised in particular the connection between homelessness and bad management in respect of the families concerned, and the fact that help given at an early stage may actually prevent in some cases homelessness occurring. This statement was seen also to be particularly relevant to those authorities who as a matter of housing management policy evicted tenants seriously in arrear with their rent. This circular continues to the effect that the Ministers hope that local authorities will review their notice to quit procedure and to consult the social services department when such action is unavoidable, and from the re-housing point of view to provide houses for use as intermediate accommodation and to accept former tenants even though they may have poor rent payment records.<sup>(3)</sup>

Further comment is made about the social implications of splitting families up, and thus reinforced the value of intermediate housing being used to

3. This point is covered in greater detail in chapter 5.

prevent this happening, and moreover that such temporary housing should be regarded as a stepping stone to eventual permanent rehousing.

Circular 34/74 drew attention to the growing problem of homelessness denoting that the number of applications for temporary accommodation in England and Wales rose from 18,000 in 1968 to 28,000 in 1972, and the fact that applications in Greater London formed 43 per cent of the national total in the year 1972. It was also made clear that homelessness should be regarded as the most acute form of housing need and that the Government believes that all those who have no roof, or who appear likely to lose their shelter within a month, should be helped to secure accommodation by advice, preventive action or, if these are not enough, the provision, permanent or temporary, of local authority accommodation.

This circular accepted the fact that notwithstanding the response of individual local authorities in certain areas where the housing situation is difficult, it would not be possible to help all to the same extent, and therefore first claim on resources available must be given to the most vulnerable, referred to in the circular as "Priority Groups". The Priority Groups are classified as follows :-

- "families with dependant children living with them, or in care;
- adult families or people living alone who either become homeless in an emergency such as fire or flooding, or are vulnerable because of old age, disability, pregnancy or other special reasons."

A section of this circular is devoted to the prevention and relief of homelessness as the product of a corporate and collaborative approach, utilising the full resources of local government, and more particularly the value of good consultative processes between housing and social service authorities.

The central recommendation of the circular is that the responsibility for securing accommodation for the homeless should be undertaken as a housing responsibility on the basis that housing authorities are in the best position to secure that those who are homeless are able to get what they need most urgently - some form of housing in which they can stay permanently or temporarily. The Secretaries of State expressed also the hope that housing authorities would increasingly take the broadest view of their statutory housing functions; and that they would accept their responsibility for helping those who have special housing needs or who suffer from special disadvantages in the housing market.

The weight which this circular placed upon voluntary transfer of responsibility to housing authorities, also emphasised the importance of social service departments helping to prevent homelessness and providing supporting services including social work help, to those whose personal problems were considered likely to be a contributory factor to the loss of their home. <sup>(4)</sup>

### Central Housing Advisory Committee Reports

The Central Housing Advisory Committee (C.H.A.C.) was set up under Section 135 of the Housing Act 1936 and later incorporated in the Housing Act, 1957.

4. An Act of Parliament was passed on July 29th 1977 entitled 'Housing (Homeless Persons) Act 1977 which became operative from December 1st 1977

The duties of this Committee were principally to advise the Minister on such housing matters as may be referred by him to the Committee from time to time. The Committee was abolished under Section 13 of the Housing Rents and Subsidies Act 1975,<sup>(5)</sup> but during its existence, nine major reports were published concerning local authority housing management, of which the following contained recommendations as to the manner in which applications for housing should be dealt with and tenants selected:-

#### Selection of Tenants Third Report 1949

This report reviewed evidence from a number of local authorities and professional institutions concerning the methods adopted by local authorities to choose their tenants. The principal recommendations were :-

- Each local authority should select tenants by reference to housing need
  
- As a first step in abolishing restrictions to waiting lists for council houses, all local authorities should immediately reduce their restrictions to a uniform level and accept an application from any person who at the time of application lived in the area for one year or more or is employed or to be employed there.
  
- All local authorities should ensure that once an applicant is admitted to the waiting list his prospects of accommodation are not prejudiced because undue weight is attached to long residence when tenants are selected.

5. Replaced by the Housing Services Advisory Group established by the Secretary of State for the Environment in December 1975

- Overcrowding as a factor of housing need shall be measured in terms of bedroom deficiency.
- Factors not affecting the conditions in which the applicant is living such as length of residence, date of application and war service, should only be used to discriminate between applicants having an equal claim on grounds of housing need.
- The date of application should never in itself secure an applicant a house, but it might be used as one factor to distinguish between applicants with equal claim on grounds of housing need.
- Where practicable the selection of all tenants should be undertaken either by the Housing Committee or by a representative Sub-Committee applying the principles and method of selection defined by the parent committee. There should be no delegation of the power of selecting tenants to individual Councillors or to a Parish Council. Where the housing activities of a local authority are so large that the selection of tenants must be dealt with by Officers, the principles and method of selection should be decided by the Housing Committee and the names of successful applicants should be reported or made available to that Committee.

#### Residential Qualifications, Fifth Report 1955

This report was constituted in two parts, one dealing with the problem experienced by persons obtaining access to council housing as a result of waiting list restrictions, and the other dealt specifically with the difficulties endured by ex-servicemen when residential qualifications were a pre-requisite to consideration for a council house tenancy. 66.

The recommendations of the report emphasised, amongst other things, the importance of rehousing on the basis of housing need; the need for all local authorities to give less weight to residential qualifications and wherever possible, such restrictions should be removed completely.

#### Councils and Their Houses, Eighth Report 1959

The report "Councils and Their Houses" covered the complete process of local authority housing management ranging from estate planning to the organisation of tenants clubrooms and community activities. One chapter was, however, devoted exclusively to Applications and Lettings from which the following recommendations have been taken :-

- Local authorities should ensure that selection of tenants from the waiting list is based strictly on housing needs and that a sound method of assessment is adopted.
- There are advantages in delegation to the Housing Manager of the responsibility for determining, within the framework of the Council's selection policy, the order in which applicants are offered a house.
- Periodic reviews of the waiting list are essential to the assessment of current demand and the practice of requiring applications to be reviewed at stated intervals should be generally adopted.

#### Council Housing, Purposes, Procedures and Priorities, Ninth Report 1969

The Housing Management Sub Committee appointed by the Central Housing Advisory Committee to review the practice of local authorities in allocating tenancies and rehousing was established in February 1968 and their report

"Council Housing Purposes Procedures and Priorities" was published in 1969.

The sub-Committee was chaired by Professor J. B. Cullingworth, and the report is now colloquially known in housing circles as the 'Cullingworth Report'.

This document contains twelve chapters and the discussion covers a wide area of local authority housing allocation policy and practice dealing specifically with such matters as The Changing Context of Council Housing, Objectives of Allocation Policies, Housing and Labour Mobility and the Housing and Social Needs of Particular Households. The following conclusions and recommendations are considered to be of special interest :-

#### The Changing Context of Council Housing

- The huge decline in the privately rented sector has the important implication that the alternatives to a council house facing a household wishing to rent (or unable to buy) have declined greatly. The conclusion is that local authorities must take a wider responsibility for groups of people who at one time would have been housed in the private sector.
  
- In 1966, forty - six per cent of households consisted of only one or two persons. It is this, and the large increase in five - room dwellings which accounts for much of the fall in room occupancy rates.
  
- There is no longer a single 'national' housing problem but a series of local ones. Local authorities are recommended to ensure that they are better informed of the housing situation in their areas.

- The responsibilities of local housing authorities should extend far beyond providing for the needs of those who are actually to be housed by them: they should be looking for hidden needs, for needs which are not being met elsewhere.

### The Objectives of Allocation Policies

- Local authorities should give particular attention to those whose incomes are low in relation to their needs.
- The housing advisory functions of the Ministry be strengthened as an aid in spreading good housing management practice.

### Advice and Selection

- The first requirement of any public activity is publicity; information on tenant selection schemes should be freely available (and made a statutory responsibility).
- Some local authorities grade applicants according to their suitability for dwellings of different ages and standards. It is a far cry from allocating specially selected houses to unsatisfactory tenants to grading ALL tenants according to their 'fitness' for particular types of houses.
- Applicants whose health is such that they should have priority in the allocation of council houses should be considered outside the normal selection procedures.

- More weight should be given to social need in the overall assessment of housing need as a qualification for rehousing. The highest priority for council housing should go to those households in bad conditions with which they are unable to cope, and where the potential ability to improve the situation themselves is low.
- The selection of individual tenants should in general be undertaken by officers, not by elected members. It is the function of members to formulate the policy framework within which selection is to operate and to ensure that it is properly implemented.

#### Residential Qualifications

- There should be no barrier to the acceptance of an application on a housing list. This rule should be made a statutory obligation. <sup>(6)</sup>

#### Housing and Labour Mobility

- Most local authorities deal sympathetically with applications from retiring tenants of tied houses and with ex-servicemen local authorities should try to be specially helpful in cases where a serviceman has lost all his roots and is looking for both a job and a house.
- The needs of 'professional key-workers' must not be forgotten. A healthy community should provide opportunities for teachers, doctors and community and social workers to live in the area which they serve.

6. The current attitude and proposals of the Government are outlined in chapter 4.

### Some Important Needs

- The housing needs of large families should not be overlooked in the preoccupation with the huge need for small dwellings.
  
- Elderly owner-occupiers who wish to move to a small council dwelling should not be debarred because of their tenure.
  
- The problem of the family with persistent rent arrears may be solved by an adequate rent rebate scheme, but often the basic problem may be deeper and indicates the need for other social services to help the family.

### Major Reports Affecting the Access to Council Housing

In recent years a number of major reports on important social issues have been published, some of which contain references directly and indirectly to local authority housing administration and in particular to the question of access to council housing. Relevant extracts are set out below :-

#### The Herbert Report - October, 1960

This report incorporated the views of the Royal Commission on Local Government in Greater London which ultimately provided the foundation of the London Government Act 1963. Amongst other important matters the Commission recommended that every resident in London should be able to register an application for housing as a matter of right, and a recommendation which has since been accepted by each of the thirty two London Boroughs (established under the 1963 Act).

## The Milner Holland Report 1965

A Committee was established in July 1963 under the Chairmanship of Sir Milner Holland. The main objective of this Committee was to examine the housing situation in Greater London. The report was published in 1965 and drew attention to the severity of housing problems occasioned by a crude housing shortage of dwellings and the social implications of large scale multiple occupation. The report also concluded that the lack of security of tenure was a contributing factor to the problems of many residential tenants, and thus recommended that greater security of tenure should also be accompanied by rent regulation and the harassment of tenants by unscrupulous landlords should be subject to criminal legal proceedings.

This report influenced the Government in passing legislation to deal with two major problems :-

- The Protection from Eviction Act 1964
- The Rent Act 1965

## Report of the Committee on Local Authority and Allied Personal Social Services

This Committee was appointed on December 20th 1965 "to review the organisation and responsibilities of the local authority personal social services in England and Wales, and to consider what changes are desirable to secure an effective family service". The Committee was chaired by Frederick Seebolm and the report was presented to Parliament in July 1968.

In deliberating upon the foundations of an effective personal social service, the report devoted a whole chapter to housing. The following extracts

offer additional support to the changing character of council housing, evident in the 1960's.

Reference is made in the introduction to the chapter dealing with the "foundation of an effective service", to the advantage of relating the personal social services on the same tier of local government as housing although the further point was made that subsequent proposals did not depend upon this. In the same paragraph the problems experienced by (former) county council welfare departments in dealing with their statutory responsibilities for homelessness was mentioned and emphasised the fact that welfare departments had no powers necessarily to prevent evictions and moreover had no direct access to council housing.

Comment is made in a subsequent paragraph that local authorities should take a broader view of their housing responsibilities and provide a centre for housing advice and guidance to which the public, as well as workers in statutory and voluntary social services could turn. In this context it is suggested that families may be assisted with their housing problems in other ways which do not necessarily involve the allocation of a council house.<sup>(7)</sup>

In addition to local authorities taking a broader view of housing responsibilities, the report goes on to say that more attention should be paid to families in greatest need and that some families are at greater risk than others of becoming homeless or grossly ill-housed: for example, the very young family, the large family with a low income or the fatherless family.

7. For example Home Loans and Improvement Grants

Later in the report it is recommended that the full range of housing responsibilities should be placed upon housing departments and is so doing to assume full responsibility for providing accommodation for homeless families.

On the housing needs of the physically handicapped the disabled and elderly persons, the report recommends the closest co-operation between hospitals, general practitioners, social service departments and housing authorities, to determine well in advance the special and particular needs of such households.

Finally, the report emphasises what is by this time a recurring theme in local authority housing circles: that local authorities should know far more about the total housing needs in their respective areas and develop comprehensive policies to meet those needs.

#### The Report of the Committee on One Parent Families (8)

This Committee was appointed on November 6th, 1969 to consider amongst other related matters, "the nature of any special difficulties which the parents of the various kinds of one-parent families may encounter....." The Committee was chaired by the Hon. Sir Morris Finer and the report was presented to Parliament in July 1974 - three months after local government reorganisation in England and Wales.

Not surprisingly a chapter was devoted exclusively to Housing of which the following recommendations are relevant to the present discussion.:

8. Department of the Environment Circular 78/77 entitled 'Housing for One Parent Families' recommends inter alia, that:

(a) Residential Qualifications should not be applied to lone parents AND

(b) Lone parents should not be regarded as 'less deserving than other households'. This statement refers to the allocation of dwellings.

- Local and central government should have regard to recent changes in the demographic characteristics of the population in considering housing needs.
- The division of functions between county and district authorities, with social services a county responsibility, should be kept under review to ensure that satisfactory links between the two departments are established and maintained.
- Guidance should be issued to local authorities indicating that eviction simply for rent arrears is no longer tolerable.
- Discrimination against lone parents in the allocation of council houses on grounds that they are 'less deserving' than others should cease.
- Where points systems are used to select tenants, a lone parent should qualify for the same number of points as a married couple with a comparable family.
- Anyone should be able to apply for housing accommodation as soon as he comes to live in a particular local authority area, and should then be eligible for that local authority's housing list.
- Except in areas where acute housing shortage makes it impossible to abolish residential qualifications entirely, once families with children have been admitted to the housing list, their claims should be considered solely by reference to an assessment of need with

over-riding emphasis on the avoidance of separation between parents and children.

- In considering transfer of tenancies after separations, local authorities should take action as soon as it is clear that irrespective of any intervention by the court a breakdown has occurred; in so doing they should ensure that the tenancy follows the partner with care of the children and be ready to make provision, if necessary, for the other partner.
- Security of tenure (similar to the Rent Acts protection) should be extended to tenancies in the public sector

### Other Reports

Other reports of substance have been issued from time to time, but, in the context of the topic under discussion they include only passing references, thus it is considered appropriate to document brief comments only namely :

### The Francis Report <sup>(9)</sup>

This report reviewed and reported upon the operation of the rent regulations under the Rent Acts. The Committee suggested that local authorities should have powers to take over the management of dwellings owned by oppressive landlords. Whilst rejecting overall security of tenure

9. Department of Environment "Report of the Committee on the Rent Acts" Cmnd, 4609 H.M.S.O. 1971

the Committee recommended that stronger powers be given to local authorities to cope with the worst kinds of exploitation in areas of housing stress.

### The Greve Report - Homelessness in London

This report was carried out by the Birmingham Centre for Urban and Regional Studies under the direction of Professor John Greve in response to an invitation from the Department of Health and Social Security.

Professor Greve achieved considerable success in establishing the causes of homelessness and the manner in which local authorities at that time dealt with the problems. The report contained a number of recommendations of which the following is particularly relevant to this study:

"Particular attention should be devoted to standardising criteria for assessment of applicants and admissions policies ..... and high priority should be given to the creation of an extensive system utilising both statutory and voluntary agencies to give an 'early warning' of family or personal difficulties, the aim being to prevent the deterioration in circumstances that too often, at present, end up in homelessness or some other crisis" (10)

### Conclusion

It will be apparent from even a cursory examination of legislative provisions documented in this chapter that there is some depth to the obligations imposed upon local authorities in terms of council house allocations. But the relevant statutes are primarily concerned with

10. Londons Homeless J. Greve. Occasional Papers in Social Administration  
No. 10 Codicot:Press. Welwyn 1964

either displacement or home loss. Only the Race Relations Act, 1976 attempts to apply obligations in terms of discrimination. In due course the writer will show that there are certain discriminatory practices unassociated with Race which are applied in assessing eligibility for council housing, some of which have profound effects in social policy terms.

The content of Ministry Circulars and Reports on the other hand are merely descriptive and advisory although certain themes tend to re-occur over time. In this connection, there is one Report of particular significance in the context of this study, namely the Cullingworth Report of 1969. This document contained fresh evidence of the changing context of council housing and the emergence of specific trends which the writer considers are still highly relevant despite the elapse of time since it was first published.

With this factor in mind, it is considered appropriate and useful to summarize some of the main themes arising from this report and indeed other documents, where there is some consistency of thought. This will then establish a standard by which to measure the performance and effects of current local housing authority allocation policies and procedures, a subject which represents the main thrust of the remainder of this dissertation:

- (a) Residential qualifications in any form are undesirable and inhibit not only mobility but, in some cases, speed of access to housing of a decent standard.
- (b) The selection of tenants should be by reference to housing

need and not to extraneous factors unassociated with need.

- (c) Selection of tenants should be carried out by officers and not members, and the members role limited to the formulation of policy and performance review.
- (d) There is a need for local housing authorities to take a broader and extended view of their housing responsibilities on the basis at least that the provision of a council house is only one of many possible solutions.
- (e) The characteristics of council housing are changing and local authorities should be more aware of the wider needs of their respective districts.
- (f) Homelessness should be the responsibility of housing authorities,<sup>(3)</sup> who are most likely to have the resources to deal humanely with such problems. However, the point is emphasised that close co-operation is required within, between and beyond local authorities in order to determine speedy and sensitive solutions to those who are experiencing housing stress as a possible manifestation of deeper social problems.

(3) Referred to in detail on pages 102/103

## CHAPTER FOUR

### RESIDENTIAL QUALIFICATIONS

Access to any of the tenure groups which comprise the housing system in this country is influenced by eligibility policies and procedures. For example, in the field of home ownership the ability to obtain a mortgage is determined by reference to the income, employment, age and sometimes the financial commitment of the applicant. Moreover, such parameters of eligibility apply whether a mortgage is required from a bank, building society, insurance company or local authority. Entry to the privately rented sector may also be determined by socio-economic factors. In contrast, regulations which govern access to council housing tend to be substantially more diverse.

One of the most significant problems relating to the provision of council housing in this country has been the inability of local housing authorities to match housing supply with demand. Notwithstanding the social, economic and political causes, the manifestation of the apparent 'housing shortage' has been the maintenance of waiting lists upon which peoples' housing needs and aspirations are recorded. As an alternative to using the 'price mechanism' to equate supply and demand, many local authorities have produced rules of eligibility which have the effect of either restricting applications to the waiting list or inversely, restricting the opportunity for rehousing once an application has been accepted. By far the most widespread application of eligibility procedure is the use of 'residential qualifications', an inhibiting device which has been the subject of controversy for many years.

The purpose of this chapter is to examine the rationale of residential qualifications and the social and economic repercussions which may often occur. An attempt will also be made to evaluate the effects of such procedures in terms of both central and local government attitudes against a background of changing housing needs and requirements.

## Definition and General Effects

Despite the quantity of material emanating from central government and other sources, the term 'residential qualification' does not appear to have been accurately defined. However, by analysing the term any doubts as to definition are quickly removed since the rationale and the effects upon the opportunities of persons wishing to avail themselves of a council tenancy are soon established. Accordingly it is considered appropriate and useful to clarify this point as a prelude to the study which follows.

By examination of local authority policies and procedures it is apparent that a residential qualification is the application of an eligibility rule which prohibits or defers acceptance or consideration of an application for rehousing until actual residence or a period of residence has been fulfilled. For example, some local authorities will not accept an application for rehousing until the applicant is physically resident in the district. Other authorities will accept an application for rehousing, but not allow the applicant to be considered for a tenancy until residence in the area has been established for a specific period of time. In still other instances there are those councils who are prepared to accept employment or the promise of employment in their districts as an alternative to residency.

The general effect of such eligibility policies is to restrict the volume of applications for rehousing and in the process to enhance the claims of those persons who are resident or who have been resident in the area for the pre-requisite period of time.

In contrast there are those local authorities who do not operate residential qualifications as such and allow any person who so chooses to register the

desire for a council tenancy. But it is not uncommon to find the test of residency inversely applied, by local authorities awarding rehousing priority to those applicants who have been resident in the area for specific periods of time. Similarly, such practice also has the effect of placing non-residents or residents of short duration at a disadvantage when dwellings are allocated. The essential difference between these policies is that on the one hand the applicant may have no hope of obtaining a council tenancy in the area of choice and therefore strive for an alternative solution. Whereas, on the other hand, the applicant may well have the expectation of rehousing which either remains unfulfilled or at least deterred.

### The Evidence

Unfortunately, evidence as to the number of local housing authorities in the country operating various forms of residential qualifications is not readily available. As a substitute, the most recent, albeit limited attempt to assess the strength of the situation emanates from the ninth report of the Central Housing Advisory Committee published in 1969 entitled 'Council Housing : Purposes, Procedures and Priorities' <sup>(1)</sup> This report, known colloquially as the 'Cullingworth Report' incorporated evidence from a representative sample of one hundred local housing authorities. It is worth noting, however, that the relevant data was compiled prior to local government reorganisation in England and Wales in April 1974 which effectively reduced the number of housing authorities from 1,436 to 369.

However, the data recorded in 1969 denotes the various ways that residential qualifications can effect an application for rehousing. One specific conclusion contained in the report was that much more widespread than a residential qualification for acceptance on a list is that for consideration for rehousing. In all three quarters of the local authorities in our sample had such a qualification ranging up to six years

1. Council Housing Purposes, Procedures and Priorities - Ministry of Housing and Local Government Welsh Office - H.M.S.O. 1969

or more, although figures of this nature can mask significant differences between the ways in which residential rules are applied'. (2)

Despite the fact that the Cullingworth Report in common with other publications emanating from the Central Housing Advisory Committee, deprecated the use of residential qualifications as an arbitrary barrier to obtaining access to council housing, the use of such eligibility tests are still common practice. In no area of the country is this more readily apparent than in the Greater London area where specific periods of residence are normally required as a pre-requisite to consideration for a council tenancy. Moreover, the opportunity for rehousing in Greater London might well have been further restricted were it not for the fact that the London Government Act, 1963<sup>(3)</sup> imposes an obligation on all London housing authorities to accept an application for rehousing from anyone resident in the Greater London area.

In this connection, data contained in the following table shows the latest position in respect of the thirty two London Boroughs and the City of London which comprise the Greater London area. This information was used as evidence in a report to the London Boroughs Association by a Working Group of London Borough Housing Officers in December 1974 (4)

Table 19 - Analysis of Residential Qualifications (Before Rehousing) Greater London

Residence in Greater London (Years)							Residence in London Borough * (Years)						
Nil	-1	1	2	3	4	5	Nil	-1	1	2	3	4	5
5			1	4	1	22	4	2	23	4	-	-	-

\* Includes City of London

Source: London Boroughs Association - October, 13th 1977

(2) Council Housing Purposes. Procedures and Priorities - Paragraph 145, Page 47.

(3) London Government Act, 1963 Section 22.

(4) Towards Ending Residential Qualifications in London - A Report to London Boroughs Association by a working group from Association of London Borough Housing Officers - October 1977.

Arising from further analysis of this data it is apparent that the application of residential qualifications in the Greater London area follows a particular pattern that is: five years residency in London with the last year resident in the district of the local authority concerned. However, there are some interesting variations in practice, thus supporting the view expressed by the Cullingworth report recorded on the previous page. For example, the London Boroughs of Hammersmith and Havering do not operate specific residential periods prior to consideration for a tenancy and neither does the City of London. On the other hand the London Boroughs of Richmond and Wandsworth do not insist upon a period of residence in the Greater London area but confine their initial interest to a specified period of residence in their respective administrative districts. The London Borough of Kingston operate in a similar manner insisting that those making 'family applications' must be resident in the Borough for two years whereas 'retired persons' have to be resident at least five of the last ten years. Here we have an instance not only of varying opportunity between residents and non-residents but residents also. In some cases it is apparent that Councils are prepared to over-ride the residential qualifications by reference to the medical classification or incapacity of the applicant concerned. \*

But, the most significant feature established by this assembly of data is the high proportion of councils who require five years residency in the Greater London area particularly in view of the fact that some authorities seem to manage adequately by insisting on a lesser period. This situation prompts the question as to whether the demand for and the supply of housing accommodation is particularly different between the authorities concerned to the extent that varying prohibitive factors are justified

\* Most London Boroughs are also prepared to consider applications from ex-servicemen.

Derek Fox, the Director of Housing to the London Borough of Hammersmith has pursued this point on a number of occasions in papers submitted to various journals<sup>(5)</sup> and offers the following evidence in response to those who fear that the abolition of residential qualifications will motivate significant additional demand for housing from persons resident beyond the area of the local authority concerned. The crux of Derek Fox's argument can be appreciated by reference to the volume of housing applications registered by his department prior to and following the abolition of residential qualifications by his employing authority. The relevant data is reproduced in the following table :-

Table 20 - The Housing Register - London Borough of Hammersmith

<u>As at January 1st</u>	<u>Number on Register</u>
1973	5,652
1974	5,398
1975 *	4,419
1976	3,932
1977	4,402

Source: Municipal and Public Services Journal - August 26th 1977

\* Residential Qualifications removed -  
May 1st 1975

In support of his main argument, Derek Fox further declares that by examining the 369 housing applications received by his local authority in May 1977, eighty-three per cent had lived in Hammersmith for more than six months, thus indicative of the fact that only a few people would possibly move into an area merely to put their names on the list (6)

Notwithstanding the fact that there has been no apparent significant change in the size of the housing waiting list in Hammersmith, there are nevertheless some weaknesses in the evidence presented. For example, only a detailed examination

(5) Why Hammersmith scrapped residential qualifications - Municipal Engineering - 16th May 1975. Let's abolish Residential Qualifications - paper presented to Kent Housing Manager's Association 1971.

(6) Municipal Engineering - 16th May 1975.

\* Derek Fox was formerly Adviser on Housing Management to D.O.E.

of those housing applications registered between May 1st 1975 and January 1st 1977 will reveal with any degree of accuracy those households accepted on the waiting list who would not have been accepted had some form of residential qualification been in force during this period. The fact that the numerical total of the waiting list has not altered to any great extent could be due to other factors. First, the supply of housing from either new build or existing sources may have been greater during this period. Alternatively or conjointly the rate of withdrawal of applicants from the waiting list may have increased during the reference period.

Of equal significance is the knowledge that people may have of Hammersmith's Waiting List policy. As it stands, with the majority of London Boroughs operating a residential qualification relating to specific periods, failing adequate publicity, some people may take the view that the London Borough of Hammersmith follows the standard pattern.

It is worth noting also that in the case of all Greater London Councils, Hammersmith included, applicants are required to be resident in the area of the authority to whom they wish to apply for rehousing. Effectively and save in the case of ex-servicemen, this policy precludes anyone not resident in Greater London from applying for a council tenancy no matter what the circumstances might be. This situation is in contrast to the seventeen per cent of local authorities surveyed in the Cullingworth Report who accepted applications to the housing waiting list whether the applicant was resident in the area or not. However, as will be apparent later in this study the acceptance of an application for rehousing is one matter, subsequent rehousing can be quite another.

It is considered necessary at this juncture to compare evidence contained in the Cullingworth Report and that appertaining in the Greater London area with the recently recorded practice of local authorities in the Northern Region, an area of the country which still has some very pressing housing problems albeit not perhaps on the scale of the Greater London districts. In this connection data compiled by the Northern Region Strategy Team in September 1976 <sup>(7)</sup> will be used for comparison purposes.

The Northern Region comprises twenty-nine local authorities ranging from Metropolitan Districts in the Tyne and Wear area to small district councils of rural character in Northumberland and to a lesser extent Cumbria and County Durham. Each local authority in the Northern Region maintains a housing waiting list. At least five constituent authorities have adopted the recommendation of the Cullingworth Report in accepting a bona fide housing application from anyone who chooses to apply, whether they are resident in the area or not. However, two of these local authorities will not offer a tenancy to anybody not resident in the district. For example, Carlisle District Council will accept an application from a non-resident, but that person must have obtained residence before rehousing is considered. A number of other councils <sup>(8)</sup> place non-residents on what is termed a 'deferred list' and thus are not actively considered for rehousing until other priority groups have been satisfied or accommodation of low popularity becomes available.

However, there are still other local authorities in the region who steadfastly maintain traditional forms of residential qualification as a pre-requisite to registering a housing application. The general position as it was (and in many cases still is) in 1975 when data was compiled by the Northern Region Strategy Team is summarised in the table which follows :-

(7) Housing in the Northern Region. Northern Region Strategy Team, September 1976, Technical Volume 2, section K.

(8) For example Sedgefield Newcastle Stockton.

Table 21 - Residential Qualifications - Northern Region Local Authorities

Description	Northern Region 1975	
	No.	%
Open Acceptance	7	27
Residence /Employment	12	46
Residence Only	5	19
Residence - Specific Period	2	8
Total Sample	26 *	100

Source: Northern Region Strategy Team Report - Technical Appendix K. 6  
(as amended May 1978)

Again it is apparent that the majority of local authorities maintain a residential qualification as a pre-requisite to the acceptance of an application. In contrast with the Greater London area however, only a small proportion allocate a specific time period to such eligibility requirements. One other interesting feature is the apparent willingness of a majority of councils in the Region to accept employment in their respective districts in lieu of residency - a factor perhaps not surprising in view of the traditional high level of unemployment in the Region as compared with the national average. (9)

### The Justification for Residential Qualifications

The Cullingworth Report suggested that a few local authorities employ residential qualifications arising from their interpretation of Section 91 of the Housing Act 1957: which requires them "to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation" (10) However, the writer is of the opinion arising from this study that such attitudes are more likely to stem from parochial attitudes allied to political loyalty to the electorate. In other words "in times of scarcity we look after our own people first". In support of this point of view, it is appropriate to examine the comments contained in earlier government sponsored reports.

(9) For Example Great Britain 5.9% Northern Region 8.6% Department of Employment Newcastle, April 1978

(10) Council Housing Purposes, Procedures and Priorities - Paragraph 153, Page 50

\* Three local authorities did not participate in the N.R.S.T. survey

In 1949 the Housing Management Sub-Committee of the Central Housing Advisory Committee<sup>(11)</sup> considered evidence from thirteen local authorities and nine professional organisations on the subject of 'Selection of Tenants'. The report which followed contained a section devoted to residential qualifications. The key issues and recommendations were subsequently incorporated in a further report issued by this same Committee in 1955 entitled 'Residential Qualifications'.<sup>(12)</sup>

These reports strongly condemned the indiscriminate use of residential qualifications as a pre-requisite to the application for and obtaining of a council tenancy. But in so doing both documents identified the justification for such eligibility requirements as apparent to those local authorities called upon to submit evidence. These views may be conveniently classified in the following groups :-

- To give preference to local residents in housing need
- To discourage the entry into the district of newcomers who in some cases might obtain preference by living in over-crowded conditions.
- To restrict the length of the waiting list
- Because shortage of land curtails the building programme of the authority.

The common denominator in each case is the desire by certain local authorities for whatever reason, to limit the demand for what may still be regarded as scarce housing resources. Moreover administrative action which operates in this way is likely to be more readily comprehended by the Councillor, Officer and housing applicant than other devices which might alternatively be used to achieve the same result. For example, demand for council housing might equally be reduced

(11) Selection of Tenants - Ministry of Health - H.M.S.O. 1949.

(12) Residential Qualifications - Ministry of Housing and Local Government, H.M.S.O. 1955.

by increasing rents more in keeping with economic costs. That there are substantial sociological arguments for not doing so, does not alter the fact. Alternatively greater use might be made of weighting certain factors in the tenant selection process on the lines indicated in chapter 6 which has the effect of awarding priority to certain household groups who might well be residents of long standing. Alternatively "income" might be used as an eliminating factor.

In more recent times, some justification for maintaining residential qualifications might be advanced on the basis that Government inspired reductions in capital expenditure on housing will impose additional constraints upon some local authorities attempting to cater for housing need and demand within their resident population. Moreover, with the relatively high development costs of new council housing and the increasing proportion of subsidy from central and community sources necessary to support housing revenue account deficits<sup>(13)</sup> the political motivation to exclude so called outsiders from housing waiting lists may be accentuated.

The Cullingworth Report however, recognised the fact that in some parts of the country the use of residential qualifications might be unavoidable.<sup>(14)</sup> But in such instances it was recommended that special circumstances of individual applications be taken into account. This point of view then would tend to support the peculiar nature of the housing problem in Greater London and some large conurbations where the pressures upon the supply of rented public sector housing is acute, and where to maintain completely "open" waiting lists would merely encourage public expectation which could not be fulfilled within reasonable time scales.

(13) From 1968/69 to 1975/76 income from Rate Fund Contributions increased from 7.2% to 15.3% - Housing Construction Statistics No. 15.

(14) Council Housing Purposes. Procedures and Priorities - Summary of Recommendations Paragraph 469. Pages 152 and 153.

Some responsibility for the varying rehousing opportunity that exists between residents and non-residents might also be attributable to the somewhat contradictory comments given in the Ministry of Health's report entitled "Selection of Tenants" (15) Although this document outlined the justification for residential qualifications as seen by those local authorities submitting evidence to the Advisory Committee, in the end compelling arguments for abolishing such requirements were also well established. However, in the same document the Advisory Committee in the process of reviewing the operation of "point schemes" for the selection of tenants had this to say about the use of "balancing points"(i. e. points to be added where more than one housing application had the same number of points for housing need.)

"Most local authorities take into consideration several of the following factors and the Sub-Committee think it unnecessary to suggest what weight should be attached to each. Where, however, points are awarded for a factor involving time, it is an advantage if the number varies with the period and is subject to a maximum (e. g. one point might be awarded for each year of war service up to a maximum of six) as this results in a greater differentiation by means of balancing points between applicants with equal numbers of basic points :-

- War service
- Length of residence in a district
- Residence in a particular district, ward or parish
- Place of employment
- Nature of employment
- Date of application
- Suitability of the applicant as a council tenant ..... " (16)

(15) Selection of Tenants. Ministry of Health, H.M.S.O. 1949

(16) Selection of Tenants - Appendix III, Sample Points Scheme, Pages 27 and 28

Under the circumstances, it is perhaps hardly surprising that many local authorities (following the general advice contained in the report) incorporated such extraneous weighting factors in their tenant selection schemes which, despite open entry to a waiting list, has the effect of applying residential or other examples of non-housing priority.

### The Social and Economic Effects of Residential Qualifications

The social and economic effects which flow from the use of residential qualifications as an eligibility test for entry to a waiting list or subsequent rehousing, have also been documented in Government Advisory reports of which the following extracts are worth noting, thus :-

#### Fifth Report of the Housing Management Sub-Committee of the Central Housing Advisory Committee - 1955 - Residential Qualifications.<sup>(17)</sup>

"Early in our investigation cases were brought to our notice where families had been unable to gain admission to the housing waiting list of any local authority. Originally resident in one district they had moved to another - perhaps because the head of the family had changed his employment and wished to live nearer to his work. They had been refused admission to the waiting list of their new local authority because they did not satisfy the residential requirements demanded from applicants. Their former local authority had in the meanwhile removed their name from their list because they were no longer resident in the district. For housing purposes they had become 'stateless persons' (paragraph 9)

"Perhaps the most exasperating situation presents itself to the family who have always lived in the same locality, probably in one of the big centres of population where local government boundaries have tended

to become artificial, but who from time to time change their address as they move from one set of furnished rooms to another. Inadvertently they cross a 'line on the map' enter the area of another local authority, and in consequence have to start acquiring a new residential qualification" (paragraph 11)

"The requirement of a lengthy period of residence before an application can be accepted may impose considerable hardship on particular families. A period of several years is not uncommon, and local authorities do not usually relax their requirements. In consequence, families whose housing need certainly appears to some observers to be quite desperate cannot be considered by their authority until they have been resident for the due period of time. This appears to us much as if one should say to a man who is ill that he must wait six months before he can see a doctor." (paragraph 13).

These comments were related to recommendations I and II of the third report of the Housing Management Sub-Committee entitled "Selection of Tenants" published in 1949.<sup>(18)</sup>

The Cullingworth Report also followed the same themes but no new evidence relating to the social and economic repercussions was advanced in this document.

Of particular importance is the effect of residential qualifications upon mobility of labour. Certainly in areas of high unemployment there are manifest advantages in encouraging movement to areas where certain employment opportunities exist. In recognition of the need for local economic buoyancy some councils have circumvented their residence based housing allocation policies by considering applicants wishing to move to their areas in order to take up employment by initiating what is termed as 'keyworker' rehousing schemes.<sup>(19)</sup> However, it is

18. Selection of Tenants, Ministry of Health, H.M.S.O. 1949 page 19/20

(19) Council Housing Purposes, Procedures and Priorities — page 36 defines keyworkers: "In their evidence the Department of Employment and Productivity suggested that broadly a worker might be described as 'essential' if his particular skill or aptitude was essential to the undertaking in which he was engaged and there was no suitably qualified or experienced person locally to fill the position..."

usual for such applicants to have the nominated support of local firms, a situation which often represents a considerable advantage in relation to other applicants wishing to move for a new job where commercial expansion or continued productivity is not a 'key issue' in the economic structure of the area.

Recent examples of how mobility can be organised and managed on a sizeable scale was apparent in the West Riding of Yorkshire in the late 1960's when the National Coal Board closed certain coal mines in Durham and elsewhere in the Northern Region and council houses and jobs in Yorkshire coal fields were provided to cater for redundant coal miners. The former Boroughs of Castleford and Pontefract were particularly active in this field having provided hundreds of council houses in their respective areas at the behest of the National Coal Board. However, one essential factor in this exercise was the payment of a subsidy by the Coal Board to the local authorities concerned amounting to £50 per dwelling provided, for a period of ten years.

The problem of mobility for renters of housing as opposed to owners has been posed on many occasions by different writers. In the context of this study it is appropriate to record some general views contained in "English Housing Trends" <sup>(20)</sup> namely :-

"The residential qualifications imposed by many councils have been the subject of repeated criticism, but in spite of this, they threaten to constitute a new law of settlement. Clearly there are dangers that this may retard industrial mobility. There is an indication that this may be so: only 4% of Council tenants moved for employment

reasons, compared with 15% of all movers.

As the Crammond survey and the Toothill Report stressed, "the methods used by local authorities in allocating their houses discourage people from moving to get a job or a better job. ...."

Limited mobility between Council tenants of different local authorities is sometimes possible by way of mutual exchanges. <sup>(21)</sup> But again there are certain prescribed conditions to be met which often inhibit such planned activity. For example, local authorities usually insist upon documentary evidence of a good tenancy record and optimum use of the council dwelling to be provided, a situation sometimes in contrast to their normal rehousing activities.

Then, there is the problem of the potentially mobile tenant obtaining knowledge of a possible partner to a mutual exchange. Whilst most local authorities do their best to advertise such requests within the often limited space at their disposal, more often participants are advised to advertise their request in local newspapers or shop windows. In this instance the writer is reminded of a transfer request submitted to Darlington Borough Council by a council house tenant of an authority in Devon. Following publication of the request on the "Transfer Index" in the Darlington Housing Centre, a Darlington tenant wrote to her counterpart in Devon, received no reply and so borrowed the train fare to visit Devon, only to find that the person had moved. <sup>(22)</sup>

The effect of residential qualifications on households with domestic and social problems and sometimes special needs, should not escape attention. Elderly people who may have moved to follow employment, who following a bereavement wish to return to their home town where friends and relations may still be resident,

(21) A mutual exchange is a change of dwellings agreed by the tenants concerned, to which the approval of the Council/s is required before movement takes place. Such exchanges can take place either within or beyond a local authority area and sometimes involve public and private rented sector tenants.

(22) Rehousing Officer, Mrs. M. McKenna Darlington Borough Council May 1978.

are typical examples. Moreover, there is the problem of single people, in particular the single parent.

In this connection the Report of the Committee on One-Parent Families published in July 1974 and known colloquially as "The Finer Report"<sup>(23)</sup> drew attention to the difficulties of single parents thus :-

"We are particularly concerned about residential qualifications as a basis for the allocation of council tenancies because their imposition tends to create and can indeed be so managed as deliberately to create, special difficulties and hardship for one parent families. The National Council for the Unmarried Mother and her Child told us in oral evidence that unmarried mothers often moved frequently in search of suitable accommodation and that in many cases the first two years of a child's life were spent waiting for his mother to qualify for inclusion on a housing list . . . . ."

(paragraph 6.74 page 384)

Of importance in the social, economic and political context of this study is the trend apparent in some local authority areas where some dwellings are difficult to allocate because they are unpopular. For example, the Metropolitan District of North Tyneside operate a limited residential qualification of twelve months as a pre-requisite to consideration for a tenancy. However, the housing department is now experiencing severe difficulty in letting certain dwellings and rather than have them empty with resulting vandalism and loss of revenue, tenancies are so offered on occasions to applicants unable to satisfy the normal residential requirement.<sup>(24)</sup>

(23) Report of the Committee on One-Parent Families - Volume 1. Department of Health and Social Security, H.M.S.O. 1974

(24) Lettings Section North Tyneside M.D.C. May 1978

This is but one example, there are others but nothing further will be gained by detailing other cases. But, the situation is clear. Many local authorities operate residential tests partly based on historic development of selection procedures and a sense of loyalty to residents (who may or may not be rate payers) which in the process are often inconsistently applied. This has the effect of creating dubious opportunities for some and manifest constraints for others. Such practice, the writer maintains, is hardly consistent with the changing context of council housing whereby in many parts of the country surpluses of housing are prevalent rather than shortages, at a time when Government economic policy is partly directed to alleviating problems in inner city areas, the relief of unemployment and expansion of industry.

#### The Effect of Other Housing Policies

One of the characteristics of public sector housing administration is the slow response to recognisable social and economic trends. No doubt this syndrome is due in part to the products of local government autonomy and the unwillingness of central government to interfere, save when such a course is considered to be in the national interest. Nearly thirty years has elapsed since the first government report was issued advising against the use of residential qualifications and still the practice is fairly widespread. So far, Central Government has not intervened despite a statement that it intends to do so. <sup>(25)</sup> Accordingly, it is worth documenting the approach to residential based eligibility tests contained in legislation. A similar trend will be apparent in the section dealing with tenant selection schemes, but this will appear later.

The legislation to be discussed is set out below, although it is not intended to overload this chapter with a detailed analysis of the statutes concerned :-

- The London Government Act 1963, Section 22
- The Race Relations Act 1976
- The Rent (Agriculture) Act 1976
- The Housing (Homeless Persons) Act 1977

(i) The London Government Act 1963, Section 22

This Act which re-organised local government in Greater London devoted Part III to housing and planning functions of the newly constituted local authorities. In particular, Section 22 sets out certain obligations concerning the recording of housing need and facilities for the exchange of accommodation. With regard to the recording of housing need in London the following extract is relevant to this study :-

"The Greater London Council shall establish and maintain in such form and manner as they think fit, appropriate records showing the needs for the time being of Greater London with respect to housing accommodation.

Any application for housing accommodation maintained by a housing authority in Greater London -

- (a) if the applicant is resident in a London Borough whether or not the accommodation is sought in that Borough, shall be made to the Council of that Borough OR
- (b) in any other case, shall be made to the Greater London Council who may, if they think fit, transmit the application to such of the London Borough Councils as they think appropriate (paragraph 2)

Section 22 paragraph 3 of the Act contained the following reference to the receipt of housing applications:

"Each London Borough Council shall establish and maintain a register of all applications duly made to them under subsection 2(a) or transmitted to them under Section 2 (b)....."

However, it has already been shown that the receipt of an application for rehousing is one matter and subsequent rehousing is quite another. In no instance is this paradox more apparent than in the analysis of residential qualifications shown earlier.<sup>(26)</sup> To express this situation in practical terms: a person resident in any part of Greater London has a right under Section 22 of the Act to register an application for rehousing with an appropriate local authority. But, as may be apparent from the analysis of current practice in Greater London, rehousing may not be actively considered until the applicant has fulfilled certain residential criteria in respect of which, the standard would appear to be five years in Greater London and one year in the district concerned.<sup>(27)</sup>

(ii) The Race Relations Act 1976

The purpose of this Act is to give effect to the proposals contained in the White Paper 'Racial Discrimination'. It replaces the Race Relations Acts 1965 and 1968 by new provisions making unlawful certain kinds of racial discrimination and is, where possible, framed in similar terms to the Sex Discrimination Act 1975. The Act replaces the Race Relations Board and Community Relations Commission by a new Commission for Racial Equality with new powers and functions.

(26) Referred to on page 83 Table 19

(27) Referred to on page 84

This Act by virtue of Part 10 section 71 sets out the obligations falling upon local authorities, namely :

"Without prejudice to their obligations to comply with any other provision of this Act, it shall be the duty of every local authority to make appropriate arrangements with a view to securing that their various functions are carried out with due regard to the need :-

- (a) to eliminate unlawful racial discrimination      AND
- (b) to promote equality of opportunity and good relations  
between persons of different racial groups.

Whilst this Act was not particularly concerned with the operation and effects of residential restrictions for rehousing, Department of Environment Circular 54/77<sup>(28)</sup> is somewhat more specific, thus :-

"Indirect discrimination may arise if, for example, requirements as to residence are applied which place individuals of a particular colour, race or national group at a disadvantage and which cannot be justified on non racial grounds." (paragraph 5)

In simple terms, it is unlawful to apply any form of residential qualifications as a pre-requisite to the recording of an application for rehousing from specific groups. But, the use of such restrictions in respect of housing applicants in general cannot be regarded as unlawful either directly or indirectly.

It is interesting to record also the comments of the Commission for Racial Equality <sup>(29)</sup> concerning the general application of eligibility qualifications in

(28) Race Relations Act 1976. Department of Environment circular 54/77 10th June, 1977.

(29) Housing Need among Ethnic Minorities. A memorandum from the Commission for Racial Equality December 1977.

response to the Governments Consultative Document on Housing Policy, namely :-

"The Commission supports the Governments proposal in line with the recommendations of the Cullingworth Committee in 1969 and more recently of the Housing Services Advisory Group, to consider legislation to prohibit residential or other qualifications for entry to local authority waiting lists. We should like this proposal to include the residential requirements such as the five year waiting rule imposed by most London Boroughs, whereby no offer of accommodation can be made until an applicant has been resident for a fixed period of time regardless of housing need . . . . ." (paragraph 3.2 page 2)

It would appear from this statement that the commission recognises the important point that unless the Governments' proposals with regard to tenant selection schemes are far reaching, legislation removing residential qualifications may not achieve the requisite degree of rehousing opportunity intended.

(iii) The Rent (Agriculture) Act 1976

The main purposes of this Act are to provide security of tenure for certain agricultural and forestry workers and ex-workers who are not protected by the Rent Acts because they occupy dwelling houses in consequence of their employment, under licences or tenancies at a low or nil rent, and to place a duty on housing authorities to rehouse ex-agriculture and forestry workers where stipulated conditions are met. This Act makes no specific reference to the imposition of residential qualifications as an inhibiting factor to the fulfillment of obligations and once more it is left to a subsequent Government Circular

to offer guidance in this respect. The relevant Circular 122/76 <sup>(30)</sup> in which a statement is made which might reasonably be interpreted as an obligation in some circumstances to circumvent the effect of residential qualifications namely :-

"The Act makes it clear that authorities may provide the alternative accommodation by any means open to them, whether direct or indirect. Since, therefore, provision of council houses is not their sole option, authorities should consider where appropriate whether they could provide the accommodation by other means, e.g. offer a home loan or nomination to a housing association. They will also need on occasion especially to cater for ex agricultural workers taking a job in a different district from the one in which the house is situated, to establish arrangements with other authorities, either on a contingency basis or as and when individual cases arise."

Unfortunately, the position with regard to the provision of housing for ex-agriculture workers from beyond the local authority area concerned is not altogether clear. However, one point is plainly evident : the Government are looking for local authorities to administer the terms of this Act with sensibility and compassion. On this basis, it is suggested that the majority of local authorities would measure up to their responsibilities notwithstanding any wider application of residential or other eligibility qualifications.

(iv) The Housing (Homeless Persons) Act 1977

This Act which received the Royal Assent on the 29th July, 1977, replaces the limited duty of social service authorities to provide accommodation

(30) Rent (Agriculture) Act 1976. Department of Environment circular 122/76, 23rd December, 1976.

for those in urgent need, by wider duties placed on housing authorities.

These new duties are generally to secure or help to secure, accommodation for those who are homeless, or threatened with homeless.

Section 4 of the Act requires that, where the housing authority are satisfied that an applicant is homeless and has priority need,<sup>(31)</sup> they are to secure that accommodation is available for his occupation. Moreover when a housing authority considers that neither the applicant nor anyone who might reasonably be expected to reside with him has a local connection with their area, but that there is a local connection with the area of another authority, Section 5 provides that they may notify that other authority and that the duty to secure accommodation may become the obligation of that other authority provided that no member of the household will be at risk of domestic violence.<sup>(32)</sup>

However, Section 18 has the additional effect of ameliorating the effect of residential qualifications by placing a duty on local authorities with whom applications are made, to secure accommodation for those persons (with priority need) who have a local connection with the authority concerned.

Local connection is defined in the Act as follows :-

- (a) because he is or in the past was normally resident in it (the area concerned) and his residence in it is or was of his own choice; OR
- (b) because he is employed in it : OR
- (c) because of family associations; OR
- (d) because of any special circumstances

(31) Housing (Homeless Persons) Act 1977 - Code of Guidance - H.M.S.O. defines 'priority need' as (a) 'A person with one or more dependant children living with him or (b) A person who becomes homeless as a result of an emergency disaster. (c) A person vulnerable because of old age mental illness or pregnancy.

(32) Should domestic violence be a possibility it seems that the 'receiving authority' has a prima facie duty to provide housing accommodation.

## Comparisons with Other Public Services

It is appropriate now to consider a comparison of residential qualifications with other public services.

### (a) Health and Education

Derek Fox in papers presented to the Kent Housing Managers' Association in 1971 and the Institute of Housing Journal in February 1978 had the following comments to make :-

"Housing is the only public service where the need for a prior residential qualification is frequently required before anyone can even register his need, let alone benefit from the service"

AND

"Housing is the only public service which has this restrictive practice ..... " (33)

These statements, whilst being true of the Health Service, are not wholly valid when applied to the Education Service. For example, in some areas it is not uncommon to find that access to a particular school may be restricted to children resident in a certain locality defined by the local education authority. Such policies have been implemented in many areas not to interfere with 'parental choice', but simply to regulate administratively the elements of demand for the supply of limited classroom space (34)

There is a further example of 'residency' affecting access to education in the Local Education Authority Awards Regulations 1977 in which the following passage is set out :-

(33) Let's abolish Residential Qualifications - Paragraph 1 ibid page 84

(34) For example Durham County Council, Darlington School Zoning Policy.

"An Authority shall not be under a duty to bestow an award in respect of a persons attendance at a course

- (a) Upon a person who has not been ordinarily resident in the United Kingdom for the three years immediately preceding the first year of the course in question unless the local authority are satisfied that he has not been so resident only because he, his wife, or his parents was for the time being employed outside the United Kingdom".

(b) Local Authority Services - The Provision of Residential Accommodation

It is the duty of County Councils - who are not housing authorities in the accepted sense - Metropolitan District Councils under the National Assistance Act 1948 Section 21 to provide -

"Residential accommodation for persons who by reason of age, infirmity or any other circumstances, are in need of care and attention which is not otherwise available to them .....

It is proposed to compare this duty in terms of the provision of residential accommodation for old people. Accordingly, the local authority liable to provide this form of accommodation is normally the authority in whose area the person requiring the accommodation is ordinarily resident (Section 24 (1) ). However, under Section 24 (4) a local authority has the power to provide residential accommodation for a person ordinarily resident in the area of another local authority with, that is, the consent of that authority.

However, administrative policies and decisions are critical to the allocation process, particularly so when the supply of residential units fails to meet the articulated demand. Thus, in common with local housing authorities, waiting lists are formed containing details of those aged persons in need of care and protection and resident within and beyond the area concerned. Consequently when vacancies occur, the local authority has to decide priority in terms of the various competing claims.

Further research would undoubtedly show the predominant criteria for determining access to residential accommodation provided under the National Assistance Act 1948, but with diminishing returns in the context of comparison. In the absence of empirical evidence, the writer has approached senior officials in a number of social service departments in the northern region<sup>(35)</sup> to ascertain allocation criteria when there are competing internal and external claims.

Without exception the point was made that whilst there is provision for accepting applicants for residential accommodation from other areas; where there are local shortages, in the absence of outstanding social need factors, preference is usually given to local residents. However, it should not be assumed from these generalised statements that movement across local authority boundaries does not take place. Indeed there have been frequent occasions in each of the local authorities consulted where such movement has occurred. One other interesting factor became apparent from enquiries, in that claims for access to residential accommodation are not assessed by 'points schemes' in the manner adopted by the majority of local authorities for the selection of tenants, but more often by a consultative appraisal between social workers on which occasions the relative housing and social needs are taken into account.

(35) Mr. Hanson Gateshead M.D.C. Social Services Department  
Mr. Brewer Durham County Council Social Services Department  
Mr. Brown Newcastle M.D.C. Social Services Department



local authority mortgage schemes as outlined by central government in contrast with the current aspirations of the building society movement. To this end an extract from Government Circular 22/71 is relevant to this point, namely :-

Local Authority Advances for House Purchase - Circular 22/71

"..... to enable local authorities more freely to fulfill the basic purpose of lending of this kind; namely to meet housing needs, or to fulfill public policies, which would not otherwise be furthered."

In contrast, the current objectives as stated in the Building Societies Association Year Book for 1977, tends to emphasise the 'investment' characteristics of home ownership thus :-

"To encourage the practice of saving and investing; to promote home ownership and to assist in raising housing standards....." (37)

To facilitate a comparison of local authority housing advance procedures, eligibility rules in respect of each district council in Durham County have been collated. By comparing this data with basic information concerning tenant selection, schemes of the same local authorities shown in Appendix 2, some interesting facts are apparent.

First, "residential qualifications" form no part of mortgage lending schemes in the housing policies of the local authorities surveyed. This situation is in contrast to the policies of four of the eight Durham housing authorities, who incorporate some form of residency factor as a pre-requisite to consideration for a council tenancy. But, in the context of these local authorities maximising their housing investment opportunities in conjunction

with capital spending allocations imposed by central government,<sup>(38)</sup> there is no statutory reason which would prevent them limiting mortgage funds to residents if such a policy was considered desirable.

It is significant that, in contrast with mortgage lending schemes operated by the district councils in Durham County, neither income or financial commitments are regarded as eligibility factors for access to council housing.

These differences in approach to eligibility processes as between mortgage lending and the selection of tenants are perhaps not difficult to comprehend. For example, despite the inherent 'social' orientation of local authority mortgage lending schemes, the principles of 'investment return' the obligation of a mortgagee to repay the amount borrowed on terms agreed, are widely accepted characteristics of sound commercial practice.

The provision of council housing on the other hand is a statutory responsibility and notwithstanding local authority interpretation of such obligations, schemes for selection of tenants are frequently based upon the social concept of 'need' rather than 'demand'. Moreover, with the advent of a national rent rebate scheme produced by the Housing Finance Act 1972<sup>(39)</sup> the ratio of rent to income and thus the ability of the tenant to pay, without hardship, is in theory anyway a less significant factor.

However, the amount of money available for local authorities to finance mortgage schemes is controlled by Central Government in connection with its public expenditure objectives, and in particular housing investment programmes. It seems illogical, therefore, in the context of limited funds

(38) Capital Allocations are made to Local Housing Authorities via expenditure bids contained in Housing Investment submissions to D.O.E.

(39) Housing Finance Act 1972 inter alia produced a national rent rebate and allowance scheme and retained despite the abolition of significant parts of the Act when a Labour Government was subsequently returned to power.

available for home loans and continuing waiting lists for rented council housing, that local authorities should feel the need to impose residential qualifications for one aspect of their housing service, but not the other.

### Central Government Proposals

The following extract from 'Housing Policy - A Consultative Document' <sup>(40)</sup> establishes the Government's proposals on the subject of allocation schemes :-

"But the Government wish to maintain their policy of giving maximum freedom to authorities to interpret and implement policies in the light of local circumstances. They therefore believe that proposals to control local authorities allocation policies centrally - for example by laying down a statutory framework for allocation schemes - should be rejected with the following two exceptions:-

- ending the practice of imposing residential or other qualifications for inclusion on a housing list ;
- requiring publication of allocation schemes "

"On the first exception, the Government share the view of the Cullingworth Committee that it is 'fundamental that no one should be precluded from applying for, or being considered for, a council tenancy on any ground whatsoever ....."

This proposal, in so far as residential qualifications are concerned has recently been endorsed by the Secretary of State for Defence in a recent reply to a question in the House of Commons, thus :

(40) Housing Policy - A Consultative Document page 79 paragraph 9.20 and 9.21

"..... the Government are considering the case for introducing legislation to end the practice of imposing residential or other qualifications for inclusion on a housing list" (41)

But, legislation to this effect will not establish equality of opportunity for a council tenancy unless suitable provision is included which prevents local authorities from attaching undue weight to residence factors in their tenant selection schemes. In the event, such an obligation would be difficult to enforce because not every local authority operates a formalised selection procedure. For example, many councils choose their tenants by a merit appraisal often by way of a Committee comprising council members and officers. Consequently there can be no certainty that residence factors in some shape or form would not influence a final decision.

Accordingly, since it would appear that Central Government is reluctant to widen the influence of legislation, one is bound to draw the conclusion that the abolition of residential qualifications may not have the overall effect that is intended. In this situation, public expectation that is unfulfilled may only serve to create disillusionment and a deterioration of confidence in local authority allocation systems.

### The Problem for Local Government

The Department of Environment has issued a consultation paper on restricted circulation entitled "Housing Policy Review, Housing Management - Access and Allocation" (42) Of interest is the statement contained in this document :-

41. Hansard 24 - 27th April, 1978 - Service Families (Housing) question raised by Mr. Sherat,, answered by Mr. Robert C. Brown.

42. Housing Policy Review, Housing Management: Access and Allocation - Consultation Paper. Department of Environment - August 1977

"..... the experience of those local authorities which have abolished residential qualifications does not suggest that the practical difficulties would be significant"

However, the extent of the evidence justifying this statement is not apparent. Certainly the only widespread publicity relating to local authority experience following abolition of residential qualifications is that relating to the London Borough of Hammersmith, about which their housing director, Derek Fox, has written prolifically. <sup>(43)</sup> In this situation, local authorities are like ordinary people in that they can only produce effective policies on the basis of good quality information and research data. Unfortunately, as the writer has discovered, the implications and repercussions likely to flow from a removal of residential qualifications seems to have escaped serious study, a somewhat surprising fact in view of the amount of housing research that has taken place in recent years.

Accordingly, an attempt will be made at this juncture to assess the broad consequences should certain local authorities decide to abandon the use of such eligibility requirements both directly and indirectly. To this end the writer has obtained data from five of the seven local authorities in the Northern region who maintain an open waiting list. Information from the remainder: Newcastle and Berwick upon Tweed was not readily available. The results are incorporated in the following Table :-

(43) Referred to on Page 85

**Table 22 - Analysis of External Housing Applications - Selected Local Authorities**

Area	Waiting List		%	Location of External Applicants					
	(a) Total	(b) External		(b) : (a)	Tyne and Wear	Cleve- land	Cumbria	Durham	Northum- berland
South * Tyne side	3,718	677(187)	18	166 *	10	3	16	14	281
Carlisle*	3,323	454(159)	14	5	1	109*	3	8	169
Darling- ton *	2,400	550(301)	23	8	31	1	105 *	2	102
Barrow in Furness *	2,080	284(74)	14	3	4	76 *	5	2	120
Allerdale *	2,511	320(10)	13	6	1	15 *	6	3	279

Source: Local Authority Records - May 1978

NOTE: Figures in brackets relate to applications from ex-servicemen

Although this data relates to a small sample of local authorities and the results somewhat inconclusive, some interesting points are apparent and worth recording. First, the number of applications on each of the waiting lists from outsiders is relatively small with proportions ranging from thirteen to twenty-three per cent. Second, a significant proportion of these emanate from the same geographical area and this factor is apparent in respect of each local authority concerned. In contrast the number of outside applications from other county districts in the region is less significant. Third, by far the greater number of outside applications relate to areas beyond the region, covering the country as a whole, with proportions ranging from eighteen to eighty-seven per cent.\* In three of the four authorities, the proportion is more consistent at between thirty-seven and forty-two per cent. Fourth, although the table does not disclose the fact, the local authorities concerned confirm that the majority of applications from outsiders are from households below pensionable age.

\* Proportion obtained as a result of (c : b)

From this data then, some tentative conclusions may be formed. For example, if all local authorities in these regions were to abolish residential qualifications both before and after 'the event', it is highly probable that in numerical terms, outward migration would substantially offset inward migration. Equally important, some migrating households would be existing council house tenants, thus creating additional capacity in the turn over of dwellings available for re-letting.

The broad advantages of a complete relaxation of residential based eligibility requirements could thus be classified as follows: First, increased mobility between areas would reflect greater choice of tenure - a factor supported by persons at both ends of the political spectrum; households would thus not only benefit from increased housing opportunity but economic opportunity also. This situation would have the added advantages of relieving some unemployment, and providing a better social mix on council estates. However, on the debit side such mobility may exacerbate the outward migration of younger households in some areas where the population structure is declining due to the lack of industrial and commercial opportunity and investment. Such factors would therefore have to be considered in the context of national and regional economic strategies and where appropriate, reversal policies applied.

In support of the arguments for the abolition of residential qualifications on a national basis, three important factors should be stressed. First, housing conditions in England and Wales have improved considerably during the last twenty-five years. As shown in chapter 1 from a position of housing stock deficiency in 1951 amounting to about 750,000 dwellings, by 1976 it is estimated that there was a crude surplus of about 500,000 more dwellings than households. (44)

This situation has produced higher vacancy rates in the public and private housing sectors; shorter waiting lists and thus easier and quicker access to certain type of council houses.

Second, the private rented housing stock has declined rapidly since the First World War when this sector comprised something like ninety per cent of the total housing stock in this country, to a position today when it represents no more than about fifteen per cent.<sup>(45)</sup> Consequently, this has meant a greater reliance upon owner occupation and the public rented sector tenures, which in both instances have increased significantly during the same period of time. It follows then, that for those households unable or unwilling either by income or aspiration to fulfill the requirements for home ownership, access to a council house becomes increasingly more critical.

Third, experience shows that the widespread abolition of residential qualifications in respect of ex servicemen has not created undue problems from the local authority's point of view in providing an exception to eligibility procedures, nor it seems has there been any noticeable adverse reaction from the resident population. A further indication on this last point is shown in the Cullingworth Report when assessing public attitudes to priorities for rehousing, at which time only twelve per cent of all respondents ranked long residence in an area as a factor which should receive a high priority.<sup>(46)</sup>

Of course the problem for Central Government and others in housing circles is being able to persuade local authorities that the general housing situation in many areas is changing, thus requiring sensitive policies to meet new problems.

(45) Housing Policy - A Consultative Document - Paragraph 3.16, Page 13

(46) Council Housing Purposes, Procedures and Priorities Table 8 Page 49.

To this end, considerable onus rests upon the housing management profession to advise their respective councils of these facts since the writer believes that the Governments proposals concerning residential qualifications and indeed other access eligibility tests will not succeed on the basis of the 'statement of intention' known so far.

### Conclusion

The application of residential qualifications has its roots in the days when the pressure of local housing problems caused local authorities to apply constraints in relation to the level of demand for council housing. Understandably, this situation produced a feeling of reluctance on the part of many councils to consider the needs and requirements of non-residents at a time when the supply of council housing was insufficient to meet the needs of households who comprised the resident population.

To some extent this problem still exists today, particularly in connection with the housing needs of certain household groups such as single persons and the elderly. But, in general terms, local authorities are now better equipped than at any other time to consider the changing structure of their areas and to make provision for that proportion of demand for council housing produced by a more mobile society.

However, it is unlikely that local authorities will change their attitudes overnight, for by tradition the local government system is often slow to respond to the emergence of new requirements. For this reason the onus of increasing housing choice and opportunity is largely upon Central Government to frame legislation and supporting advice in such a way as to preserve a degree of autonomy and discretion which local government prizes very highly. So too is there a responsibility upon the housing management profession and those associated with it to produce cogent

arguements for a change in attitude. Only in these ways will council housing fulfill a more vital role in the context of those policies which have a bearing upon wider based social and economic objectives.

In the opinion of the writer there is currently no substantial reason in most areas for not abandoning residential qualification altogether. Any administrative difficulties which might be encountered in attempting to incorporate different housing needs and requirements in tenant selection systems can be overcome by allocating a fixed number of dwellings to 'outsiders' each year. In the absence of legislation to this effect, agreement might be reached on a regional basis with the support of the various local authority organisations.

Finally, one has cause to speculate also at the justification for such variation in local government policy and practice in relation to the treatment of common problems . This is a matter which will be examined further as this dissertation proceeds .

## CHAPTER FIVE

### HOUSEHOLD ELIGIBILITY FACTORS

#### Introduction

In the previous chapter, eligibility for the tenancy of a council house was discussed in the context of residential qualifications. In the process, the current attitude of the Government and Ministerial advice spanning a number of years emphasizing the inequities of such policies, and the disparity of local authority practice was clearly established.

However, there are numerous other examples of discriminatory eligibility factors in force which also have the effect of inhibiting access to council housing. These procedures in contrast to residential qualifications tend to be related to the applicant and are also applied in the form of restrictions to housing waiting lists or as a bar to rehousing. Moreover, these factors appear not to have received the same degree of public attention as the constraints relating to residency.

The main purpose of this chapter is to document and explain those restrictive practices which the writer has found to be used by various local housing authorities in the Northern Region. In this connection, data was obtained from each of the twenty-nine local authorities concerning the following:

- Income
- Age
- Tenure
- Rent and Rate Arrears
- Problem Families
- Marital Status

Each of these factors will be analysed in turn followed by a critical assessment of the key issues.

### Income

A survey of local authority procedures in the Northern Region shows that in no case was income used as an eligibility factor nor inversely were the economic circumstances of housing applicants recognised in the formulation of rehousing priorities. The writer was somewhat surprised by this finding since on the one hand the link between low income and poor housing and other forms of social deprivation and disadvantage has been clearly established.<sup>(1)</sup> Moreover, eligibility based upon the financial circumstances of the recipient not only shares comparison with the administration of other public policies, but, it would appear at first sight, to be a feasible method of limiting demand for public rented housing in areas of shortage, so as to increase the opportunities of those households who have not the financial means to resolve their housing difficulties in any other way.

Accordingly and in view of the lack of income recognition in the housing allocation policies of the Northern Region, the writer contacted the Department of the Environment in London and subsequently received details of local authorities who were known to have formulated income based eligibility requirements. There were in fact only five local authorities who were known to have adopted such policies\*, namely:

---

1. For example Low Income and Bad Housing - Shelter Housing Aid Centre, December 1976

\* Details extracted from published allocation schemes

- Eastleigh Borough Council
- Haringey London Borough Council
- Aylesbury Vale District Council
- Gosport Borough Council
- Maidstone Borough Council

Not surprisingly, the manner in which income is used as an eligibility factor varied between the local authorities concerned. For example, Eastleigh and Maidstone apply a general policy of restricting housing applications to those whose income is not in excess of £4,000 per annum. On the other hand, Haringey and Gosport apply an income test to specific classes of applicant. Haringey relate their policy to homelessness whereby single persons and childless couples over the age of fifty may be rehoused if they have insufficient income or capital to raise a mortgage. Whereas for those persons aged under fifty an incomes bar at £50 per week for childless couples and £35 for single persons is imposed. Gosport relate their income barriers to Key Workers including local authority staff and teachers in which cases, temporary tenancies may be offered to those persons whose income falls below £4,500 per annum. Applicants whose salaries are higher than this, require special consideration. Alternatively, Aylesbury restrict applications to those with incomes below £5,000 per annum, but in so doing operate a number of exemptions of which the following are examples:

\*

"Candidates who suffer more than three children should not be excluded from the waiting list" AND

\* **Writer's emphasis**

"Candidates who have more than one family to maintain (divorcees, or separated couples) should not be excluded ..."

The type of exemption to an incomes barrier incorporated in the Aylesbury scheme illustrates some of the problems which might follow if income related eligibility tests were to become more widespread. Moreover, an authority contemplating such a policy would have to consider other factors such as the ratio between age and income, size of household to income and income to other heads of expenditure. However, it will be shown later that local authorities have been somewhat ingenious in producing other forms of tenant selection criteria, thus it is not beyond the bounds of possibility that appropriate income recognition could be similarly contrived.

Surprisingly, there is a notable lack of comment in official circulars and reports about income as a form of eligibility. However, the Institute of Housing Managers in a document published in 1970 about 'Points Schemes' made the following comment:

"A local authority may feel it desirable to place some upper income limit on applicants for council houses. This is entirely a matter of policy. The most straight forward way of doing this is to refuse applications from those who have more than a certain income, the amount being perhaps related to the minimum income that can qualify for a loan from the local authority for house purchase." (2)

(2) Housing Management Practice Points Scheme Institute of Housing Managers Pamphlet No. 2 1970 Page 3

Thus, whilst the Institute of Housing Managers<sup>\*</sup> at this time did not rule out the possibility of an incomes test, the concept is certainly in contradiction to a recommendation contained in the Cullingworth Report published about a year earlier, namely:

"We therefore recommend that there should be no residential qualification for admission to a housing list. Indeed, we go further and hold it to be fundamental that no one should be precluded from applying for, or being considered for, a council tenancy on any ground whatsoever ..."<sup>(3)</sup>

Further arguments against the use of income as an eligibility test are advanced in 'Allocation of Council Houses' by R. D. Cramond:

"In the larger areas housing conditions generally are so bad, and the wait for a tenancy so long, that it is argued that a test of financial need is unnecessary because virtually everyone who could afford it would by now have made an attempt to better his housing conditions to the point where he comes out of the 'urgent' categories and will have little chance of getting a council tenancy. This argument may be valid in areas where houses are allocated strictly according to degree of housing need: it falls in the many areas where points for matters irrelevant to housing need - such as long term rent paying - are awarded. Even where valid, it postulates a

(3) Council Housing Purposes Procedures and Priorities H.M.S.O. 1969 Paragraph 468 Page 152

\* The Institute of Housing Managers has now been renamed 'Institute of Housing'

rather curious situation in which those who earn a little - but not a lot - more than average, and spend it to improve their housing conditions, may finish up more badly housed than poorer neighbours who have qualified for a council tenancy." (4)

Taking up this last point, part of the problem is related to the definition of 'housing need'. In due course the writer will show that the majority of local housing authorities base their assessment of rehousing priorities on factors associated with the dwelling currently occupied. For example, dwellings lacking amenities, insufficient bedrooms and structural deterioration represent prime examples. Accordingly if tenant selection criteria was based more upon social need as opposed to housing need, income and the ability of an applicant to resolve his own housing problem would have a more significant effect upon rehousing opportunity. In this way, a sub-standard dwelling would cease to become the main force for producing access priorities. This point was also recognised in the Cullingworth Report:

"... it is not sufficient that local authorities should give priority to 'housing need' as measured by objective factors such as overcrowding, sharing and the like. These indices, important though they are, give only a partial picture. Different economic and social situations in which different families live must also be taken into account." AND

"... in allocating council houses, local authorities should

(4) Allocation of Council Houses R. D. Crammond University of Glasgow Social and Economic Studies Occasional Papers No. 1 1964 Page 42

give particular attention to those with incomes which are low in relations to their needs." (5)

However, this point has the same weakness as other aspects of tenant selection policy. For example, depending upon the social and economic structure of the community, to afford high priority to those whose incomes are low would have broadly the same effect as an incomes barrier, since low income would rank for additional recognition at the expense of those whose incomes were not so low. In this way, opportunity which is felt to be delayed or non-existent may be a disincentive to persons to express their housing requirements, thus it is for this very reason that data emanating from housing waiting lists should be treated with caution.

In concluding this section, the point should be made that the above references relate to research carried out in the late 1960's and early 1970's. Accordingly, it is important to relate the concept of using an incomes test to the changing composition of housing demand. For example, this study has clearly revealed the growing tendency for demand for council housing to emanate from smaller households of which single persons, childless couples and elderly persons form the main components. It has been shown also that with local authority rental levels being what they are, the future of the private rented sector with or without rent controls is somewhat limited. Accordingly, local authorities still faced with a demand which outstrips supply; bearing in mind also the revenue implications of capital expenditure, there might well be some merit in relating selection criteria more

in keeping with the economic circumstances of the applicant concerned, as opposed merely to using the condition or size of the dwelling occupied as a means of securing priority.

Naturally, national and local housing policy has also to be concerned with the socio-economic content of communities. To reserve council housing merely for those with low incomes in relation to their needs may accentuate some of the social problems prevalent on many housing estates. But, the writer is of the opinion that such potential problems might be alleviated by mixed housing developments with a corresponding variable rental structure. In this way, not only would communities become more socially heterogeneous but a wider choice would ensue also.

### Age

Of the twenty-nine local authorities in the Northern Region, who responded to the eligibility survey, fifteen of them operate an age factor as a condition of eligibility with a further six authorities operating similar qualifications at the rehousing stage. All but one of the local authorities were consistent in their regard to age, the norm being eighteen for couples and families and national retirement age for pensioners. The exception was Darlington who would accept applications from persons of sixteen.

The most significant variation in practice was in relation to single persons. For example Stockton Borough Council restricts applications from single persons to those who are at least thirty years of age if they reside with parents or to those aged not less than twenty-five if they live in rooms. Easington and Durham operate similar eligibility policies for single persons, restricting applications

to those persons aged at least thirty and twenty-five respectively. At the rehousing stage North Tyneside will not rehouse single persons until they have reached the age of forty whereas Sunderland will not rehouse single persons until they have reached the age of thirty.

### Rehousing Opportunity for the Owner - Occupier

Eligibility policies employed by housing authorities in the Northern Region concerning tenure relate almost exclusively to owner-occupation. Whilst most Councils will accept owner-occupiers on their waiting lists, the survey revealed a bewildering number of variables used at the rehousing stage. For this connection the writer takes the view that rather than document details of all the different policies in use, this section of the study will be better served by a comparison of the most significant policy variations. To this end, data published by the Borough of Langbaurch City of Newcastle-Upon-Tyne, South Lakeland District Council, South Tyneside Borough Council, the Borough of Sunderland and Stockton on Tees Borough Council as incorporated in forms of "Guidance Notes" for intending housing applicants, will form the basis for comparison.

#### i) Langbaurch Borough Council

The Borough Council operate a "first come, first served" system of housing allocations commonly known as a "Date Order" system the principles of which will be discussed in the next chapter. The following extract from their published "Housing Allocation Scheme" contains information relative to tenure including owner occupation:-

"An applicant will be placed in one of the following categories and will be offered rehousing within that category on the basis of date of application related to area of choice:

<u>%</u>	<u>Category</u>
45	Category D - Sub-tenants .
15	Category E - Tenants and sole occupier (including owner occupiers) - overcrowded.
20	Category F - Tenants and sole occupiers (including owner-occupiers) in properties lacking basic amenities - NOT overcrowded.
15	Category G - Council tenants in properties NOT lacking basic amenities - NOT overcrowded.
5	Category L - Private tenants and sole occupiers (including owner-occupiers) in properties NOT lacking basic amenities NOT overcrowded... " <sup>(6)</sup>

It is evident from this extract that there is, prima facie, a degree of rehousing opportunity for all housing applicants subject only to the proportion of total housing supply allocation and the applicants personal choice. It is interesting to record also that the 'Notes of Guidance' contain helpful definitions of sub-tenants, overcrowding and basic amenities.

ii) City of Newcastle-Upon-Tyne

Information on housing allocations is contained in a booklet entitled "Guide for Applicants to Housing Waiting List" - not specifically as to the method of selecting tenants nor to the rehousing opportunity of various tenure groups. However, the following extracts cover the point in a general sense:

(6) Borough of Langbaugh, Housing Allocation Scheme (Except for Aged Persons) Page 1 July 1978. Paragraph 1

**'Question 1 - Can I apply for a Council Tenancy?**

**Answer - Anyone may apply at any time"**

**'Question 5 - How are allocations of housing made?**

**Answer - In general, the waiting list is divided into two categories, i.e. the 'Active' list and the 'Deferred' list. This simply means that those persons with an obvious housing need, such as overcrowding, lack of bathroom, outside W.C. etc., are placed on the 'Active' list, and obviously given greater priority for rehousing than those on the 'Deferred' list ..."** <sup>(7)</sup>

Notwithstanding the varying rehousing opportunity implicit in these notes, the examples show once again the concern of a housing authority with the condition and size of the dwelling, rather than the personal circumstances of the people who reside in them. One might question the word 'obvious' which appears twice in Question 5. What may be obvious to some may well be less obvious to others.

### (iii) South Lakeland District Council

The guidance notes issued by this local housing authority contains a specific reference to owners of housing property, thus:

"Applications by house-owners, or former owners, can only be considered in one or more of the following circumstances:

(7) City of Newcastle-Upon-Tyne Guide for Applicant to Housing Waiting List Pages 1 and 2, July 1978

- (i) the owner/occupied house is totally unsuitable for the present needs of the applicant on size or health grounds;
- (ii) the costs associated with owning and occupying the property are now beyond the means of the applicant;
- (iii) the property formerly owned was sold not less than three years ago;
- (iv) the property at present owned by the applicant is occupied by permanent tenants and possession cannot be obtained;

AND

the applicant, if at present an owner/occupier, is prepared to give the Council the option to purchase the dwelling at District Valuer's Valuation figure ..."<sup>(8)</sup>

The guidance notes also contain details of how rehousing priorities are determined. However, it is apparent that in this case the rôle of the Council as a 'municipalisator' is crucial to the rehousing opportunity of owner-occupiers as also is the function of the District Valuer in determining 'price'. The other interesting point is, that South Lakeland take into account the financial circumstances of the owner-occupier as well as the condition and size of the dwelling.

#### (iv) South Tyneside Borough Council

Like the City of Newcastle, the notes of guidance for intending applicants

(8) South Lakeland District Council Admittance to the Housing Waiting List Page 1 April 1978

are incorporated in question and answer form. Only a brief reference is made to owner-occupation, namely:

"Question - I am owner/occupier. May I apply?

Answer - Yes. When your turn is reached on the waiting list, your application will be assessed on an individual basis to determine whether or not you will be offered accommodation ..."(9)

The explanatory leaflet goes on to say that vacant council dwellings are allocated by points awarded for various aspects of housing need. No provision is made within the criteria for economic circumstances of the applicant. Moreover, there is no mention of how an owner occupier 'reaches his turn' on the waiting list. In the absence of a specific reference to this point one must assume that 'turn' is reached by points totals, thus if housing need (dwelling) factors are not apparent at the application stage, it is unlikely that a situation meriting active consideration for rehousing would follow later.

#### (v) Borough of Sunderland

Sunderland Borough Council appear to be somewhat out of pattern with most other housing authorities in that unless an owner-occupier experiences overcrowding or inadequate facilities, an application will not even be considered. The following extract from their notes of guidance substantiates this fact:

"Applications for the tenancy of a Council dwelling will be accepted from any person for inclusion on the Housing Waiting List, with the following exceptions:

- (a) Families living in a home of their own (other than a flat), having adequate facilities and not overcrowded ..."<sup>(10)</sup>

Further information adequately explains the definitions of overcrowding and inadequate facilities. However, in common with many other local housing authorities in the region, there is no recognition of an applicant's financial situation. Accordingly, and in the absence of certain prescribed dwelling inadequacies, an owner-occupier in Sunderland will not apparently be admitted to the waiting list.

#### (vi) Stockton on Tees Borough Council

The rehousing opportunity of owner-occupiers in Stockton would appear to be treated on a similar basis as other local housing authorities whose policies have been described. As such there would be little gained in documenting the policy of this authority were it not for the interesting nature of an aspect of their publicity material. For example:

#### "Can I Apply for Council Accommodation if I Own My Own House ?

Yes, but you will need to show us that you are living in overcrowding conditions, or that you qualify in other ways.\* For example, we would do our best to accommodate you if you or a member of your family is seriously medically disabled ..."<sup>(11)</sup>

(10) Borough of Sunderland. Points Scheme for the Allocation of Council Dwellings Page 1 April 1974  
(11) Stockton on Tees Borough Council Can I have a Council House? Page 1 July 1978

\* Writer's emphasis

Unfortunately, it is apparent from the remaining text that there has been no attempt to define overcrowding or the "other ways" in which an applicant may qualify! Moreover, there is no explanation as to how tenants are selected.

In concluding this section on the rehusing opportunity of owner-occupiers, it is noticeable that whilst eligibility policies share certain characteristics, there is a tendency for opportunity and constraint factors to be applied in different ways. Moreover, some examples of publicity on this aspect alone, shows the scope for improvement both in the manner in which the material is presented and the definition and explanation of the terms used. This is probably an area of local government administration which would benefit from professional public relations input since clear information is essential to public knowledge and understanding.

Finally, the writer is mindful of the similarity of certain eligibility policies concerning owner-occupiers with that of an incomes or capital resources test. In other words, if an owner is prohibited from expressing his housing needs just because he is an owner-occupier and not a tenant or a lodger, presumably it is because of the potential economic capability derived from the dwelling by its occupier.

#### Rent and Rate Arrears, Problem Families, Marital Status

So far, this study has revealed that eligibility policies primarily concern residence, employment, age and tenure. However, there are a further range of discriminatory qualifications that are often found within the framework of tenant selection schemes, all of which concern the applicant as

opposed to the dwelling in which he lives. For example, many local housing authorities are concerned at the rent and rate payment capacity of the applicant by reference to his past record. Moreover, a high degree of attention is given to an applicant's domestic standards. Furthermore, many local authorities will wish to know whether the prospective tenant is married, separated, widowed or divorced, or cohabiting. All of these factors may not only be used as a qualification to the waiting list, but in terms of rehousing opportunity also. Again for the purpose of this section data provided by local housing authorities in the Northern Region will be used for comparison purposes.

Dealing with rent and rate arrears first, at least twenty-two local councils in the region insist that rent, mortgage and rate accounts are clear before rehousing. At least four of these authorities insist upon a good payment record before accepting an application, a situation which probably accounts for those questions which are frequently apparent on application forms and housing investigation reports concerning housing payments. However, only Middlesbrough make specific mention of this constraint in their notes of guidance to intending applicants, namely:

"Applicants with Rent, Rates or Mortgage Arrears

- (i) Former Council tenants who still owe rent cannot apply until arrears have been paid.
- (ii) Private tenants or owner-occupiers who are applicants on the ordinary waiting list with rent or mortgage arrears or who owe rates cannot be rehoused until these have been

paid subject to any special reasons being referred to the Housing Services Management Sub-Committee for decision. " (12)

This form of eligibility requirement relates to a degree with local authority attitudes to problem families: those persons with case histories involving a variety of social and domestic problems which many housing officers now prefer to classify as 'Families with Problems' or those whose domestic standards are seen to be below average. In fact, at least sixteen local housing authorities in the region declared in the survey that whilst rehousing is not prohibited to problem families, most certainly they are directed to those housing estates which are low in the hierarchy that is unless they gravitate to such areas by choice. \*

The same moralistic attitude is apparent also in relation to the matrimonial status of the applicant. On this point there is some documentation which will assist this comparison. For example:

(a) Middlesbrough Borough Council (13)

Cohabiting Applicants

"Can apply after five years of living together or when a child is born, whichever is the sooner"

Separated Couples

"Cases of separated couples who are not the subject of a divorce or Legal Separation Order will be considered by the Housing Services Management Sub-Committee."

(12/13) Middlesbrough Borough Council Housing Allocation Scheme Paragraph 12 July 1978

\* Referred to again on page 150

(b) Langbaugh Borough Council <sup>(14)</sup>

Cohabiting Applicants

"Cohabiting Applicants can apply, provided that at least one of the following conditions is fulfilled:

- (a) Two years living together.
- (b) A child of the association is born. (or pregnancy confirmed)
- (c) Where applicant's children are involved (not necessarily of the association), provided that both partners are the subject of a Divorce or Matrimonial Order where appropriate."

Separated Couples

"Parties to a marriage cannot be considered for separate accommodation until they produce a Matrimonial Order (i. e. Divorce, Legal Separation or Custody of the Children), or can satisfy the Council that they have lived apart for a period of not less than two years."

There are in fact three other local authorities in the region who stated that eligibility processes were used in connection with marital status, but to which no specific reference is made in the official notes of guidance. However, the writer considers that sufficient emphasis has been made in the examples documented.

To conclude this section of the study, it is appropriate and useful to make reference to the Report of the Committee on One Parent Families published

(14) Referred to on page 126

in July, 1974 and in particular to comments made about the rôle of local authorities, thus

" In considering the housing needs of their areas it is important that local authorities (and indeed those responsible for housing policy in Central Government) should have regard to the important changes in the demographic characteristics of the population and their implications which we have discussed in Part 3 ...

These factors will not only influence the nature and size of the housing stock needed in the foreseeable future, but also require a change in allocation and management policies. For example, the higher risk of family breakdown makes it more important than ever that young married couples should not have to live after marriage in the parental home, and, of equal urgency, that the restrictive policies presently adopted by many local authorities on the re-allocation of the tenancy when a marriage fails should be reviewed ..."<sup>(15)</sup>

### Conclusion

The writer has attempted to show in this chapter a range of eligibility policies unassociated with residency which are strongly related to household characteristics. The evidence clearly shows that in nearly all instances, such policies are arbitrary to the point where

(15) Department of Health and Social Security. A Report of the Committee on One Parent Families Cmnd. 5629 July 1974. Page 367 Paragraph 6.29

it may be said that some local authorities operate in a quasi-judicial capacity without the benefit of powers conferred upon them by central government.

In common with the application of 'residential qualifications' perhaps the major argument which can be put forward in defence of varying eligibility procedures, is that housing management policy is one of the few areas of local administration left whereby individual local authorities can exercise their discretion and thus reflect their policies in terms of local housing requirements. But, housing need as measured by inadequate standards and density of occupation is not that different between regions nor even areas within regions. It has to be emphasised also that eligibility procedures act as constraints not only in terms of a persons housing need, but of choice also. (16)

Accordingly, it is this potential conflict between national and local housing objectives which may ultimately result not in greater local authority freedom, but more central government control. Alternatively, the onus is upon local government, their Associations and Advisors to examine particularly the rationale of eligibility procedures with a view to the development of policies more in keeping with changing demographic and economic circumstances.

16. Housing Policy - A Consultative Document page 8 Paragraph (vii)

"We must make it easier for people to obtain the tenure they want....."

Hugh Rossi (Opposition Spokesman in Housing) - District Councils Review October 1977 page 235

"The housing policy of the next Conservative Government will be based on two fundamental principals. First the need to ensure that every household is able to obtain a decent roof over it's head and does not have to pay more for this than it can reasonably afford. Second that as far as possible people are enabled to choose for themselves the type of home they want."

## CHAPTER SIX

### ALLOCATION METHODS

#### Introduction

An examination of the legal framework in chapter three revealed that legislation ensures the right of access to council housing in certain circumstances to persons who are homeless or obliged to vacate their existing accommodation by slum clearance or other local authority sponsored schemes of displacement. However, there are other priority situations whereby claims for a council tenancy will not have the support of law but by the nature of the personal circumstances involved, may receive high priority in the tenancy allocation procedure. Such claims for rehousing might emanate from people who suffer physical disability, or whose medical condition is severely prejudiced by existing housing conditions. Alternatively, priority claims may arise from persons moving to an area as part of agreed arrangements with commerce and industry.

For the remainder of households unable to meet special criteria, it is the task of a local authority to decide the best way to differentiate between the various competing claims. There are numerous ways of achieving this objective, and the purpose of this chapter is to describe the methods which local authorities in general adopt to choose their tenants, other than those who are rehoused as a result of displacement or emergency procedures. Unfortunately no statistics are readily available which might determine with accuracy the type of selection schemes currently in operation. As an alternative, information has been obtained from the Department of Environment relating to a sample

survey carried out by the Housing Services Advisory Group in 1975 covering sixty-eight local authorities in England, and each of the thirty-seven housing authorities in Wales. <sup>(1)</sup> The data summarised in the following table shows the methods adopted by these authorities to select tenants and allocate suitable dwellings.

**Table 23- Methods of Selecting Tenants - D.O.E. Sample Survey - 1975**

Method	England	Wales	Total	%
Date Order System	29	5	34	32.5
Points Scheme	36	28	64	61.0
Merit Scheme	3	4	7	6.5
	68	37	105	100.00

Source: Department of the Environment 1977

On the basis that such methods will be an acceptable representation of procedures used by other local authorities in England, it is necessary to examine and consider the characteristics of each allocation system, accepting the likelihood that the structure and operation of such schemes will differ from one local authority to another.

### Date Order Schemes

As this term implies, applicants who comprise local authority housing waiting lists are considered for a tenancy in the order in which they applied. There are in fact some permutations on this theme which are worth documenting namely :

(a) By Reference to Tenure

Such schemes separate the housing applications of tenants of private dwellings from those who share accommodation, and both groups may be separated from owner occupiers. Indeed some local authorities may exclude some categories of owner occupier from the waiting list altogether. With

(1) Survey conducted by Pat Niner - Birmingham University, Centre of Urban and Regional Studies 1975.

procedures such as this it is not uncommon either for local authorities to employ a percentage factor to each of the tenure groups, for example sixty per cent of allocations to persons who share and say thirty per cent to tenants and the remainder to owner occupiers.<sup>(2)</sup>

(b) By Reference to Housing Deficiency

Alternatively, housing applications are classified by the deficiency of existing housing standards such as overcrowding, and lack of amenities. Again some local authorities may operate a percentage factor, others may allocate directly from the top of each sub-waiting list in the same way as tenure groups.

(c) By Reference to Date of Application and Degree of Housing Need

A third variation relates to those local authorities who maintain virtually one housing waiting list and allocate strictly in date order, but in the case of those applicants who are experiencing relatively poor housing conditions, the procedure facilitates consideration beyond the normal date order system usually by a Committee or Sub-Committee of Councillors appointed specifically for this purpose. Applications dealt with in this way are colloquially known as 'special cases'.

There are a number of disadvantages inherent in the operation of a 'date order system' which may not be readily appreciated by the local authorities who use such procedures. For example, to allocate tenancies strictly by reference to date of application is to facilitate the concept of 'choice' rather than 'housing need'. This method of determining access to council housing is of particular significance when new building resources are limited, because

(2) For example Langbaugh Borough Council ibid Chapter 5 pages 126 - 127

such procedures governing access to council housing have the effect of slowing down and inhibiting to a degree the housing opportunity of some people to the benefit of perhaps those whose housing needs are less severe, but who had the good sense to register an application well in advance of requirement.

The same can be said of those date order schemes which attempt to recognise broad categories of housing need in that frequently no account is taken of the varying degrees of need which may exist within each group. To illustrate this point, a family may be living in overcrowded conditions in a dwelling which lacks a bathroom, an inside toilet and a hot water supply, yet consideration for rehousing may be heavily influenced by group criteria which contains a number of applicants who have a prior claim to rehousing by virtue of an earlier application date, but whose housing need is less severe.

However, there are those local authorities who extract from the date order waiting list, details of those applicants who have a housing need, and such cases considered by a Committee of Councillors with the possibility of some degree of priority being awarded. In these circumstances however, it might be reasonable to conclude that if there is, overall, a greater emphasis upon housing need than date of application, then such procedures require re-classification. At the same time, the question arises as to whether a Committee is able to apply objective criteria often enough to ensure complete impartiality and comparable judgement to each application considered by this means. This is a point of importance to which we will refer again later and which will be considered in detail in the next chapter when the operating policies and procedures of a group of local authorities are examined.

On the other hand, if something like a third of all housing authorities in England and Wales choose to select their tenants by reference to the date order of application, then it would not be unreasonable to suppose that they have determined a good reason for doing so. For example, some local authorities may contend that it is virtually impossible to differentiate on any objective basis, housing needs which are different in kind and which provoke different reactions from people who experience these problems. Moreover, it might also be argued that a straight date order system of housing allocation is easy to understand and, therefore, more acceptable to those who compete for the supply of council houses. Alternatively, it might equally be said that date order schemes combined with special cases of housing need, present an opportunity for Council members to dispense 'Corporate' justice and to participate more fully in the relief of their constituents' problems.

### Point Schemes

By definition a 'points scheme' is a numerical scale of points awarded in recognition of certain housing or social deficiencies and inadequacies. Such systems although different in structure are (if the information in Table 23 is a fair representation) the most widely used of all tenant selection schemes. As with the operation of date order systems there are many variations on the theme, and what is described now is a scheme which merely incorporates the essential features and basic characteristics.

A points scheme seeks to establish those applicants on the housing waiting list whose needs are the greatest. It follows that those with the highest number of points will represent the most severe elements of housing stress known to the local authority, and thus have priority in rehousing. For example, points might be awarded for overcrowding, lack of basic amenities,

security of tenure, and if social need is taken into account, for such matters as single parenthood, low income and generally to those whose ability to cope with unsatisfactory housing conditions is low. We can see how this concept might operate in practice by examining the following hypothetical situations :-

- (a) Man and Wife with a boy and girl both over ten years, sharing a three bedroom house with parents.
- (b) Widow with two boys over ten years and a girl aged nine years occupying two rooms in a multi-occupied tenement, sharing bathroom, toilet and kitchen.
- (c) Young married couple sharing a three bedroom house with parents.

A		B		C	
Living in rooms and sharing	10	Sharing Amenities	6	Living in and Sharing	10
Bedroom shortage	3	Bedroom shortage	6	Lodger	3
Lodger	3	Multi-occupation	4		
		Single Parent	3		
	16		19		13

On the above basis case 'B' would have preference for access to a three bedroom accommodation in advance of cases 'A' and 'C'

Perhaps the most essential feature of a points scheme is its inherent ability to differentiate between the various social and physical need factors irrespective of the date an application was registered. A failure to relate

circumstances in this way will of necessity distort an assessment, and thus a persons access to council housing. The effect can be appreciated by modifying the points system used above namely.

A		B		C	
Living In and Sharing	6	Sharing Amenities	4	Living In and Sharing	6
Bedroom Shortage	2	Bedroom Shortage	4	Lodger	1
Lodger	1				
	9		8		7

In terms of housing priority case 'A' now has preference in advance of cases 'B' and 'C'.

However, when we consider the advantages of selection by points schemes, some important factors emerge :-

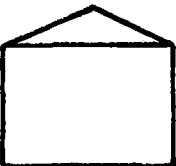
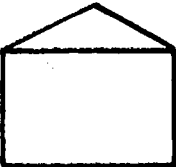

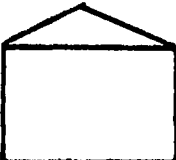
- The criteria are consistently applied to all persons included on a housing waiting list
- A variety of factors relating to housing and social need can be quantified.
- The extent of unsatisfactory housing, environmental and social conditions in an area can be better appreciated and the information used to facilitate more pertinent housing policies.

Like other methods of establishing access to council housing, points schemes have certain inherent disadvantages also. The assessment is always arithmetical and thus incapable of measuring human responses to unsatisfactory housing conditions, thereby excluding what might be important factors of social need. For example, a newly married 144.

couple may be able to cope more adequately with the problems of sharing accommodation with caring and sympathetic parents in contrast to a housing situation where constant friction and unpleasantness creates additional domestic problems. Second, if a points scheme does not observe a sensitive comparison between housing and social need factors, then claims for rehousing may be distorted and the impartiality of the system questioned.

Notwithstanding the administrative costs of operating a points scheme, perhaps the major weakness of such a system as compared with rehousing by some other method, is that a points scheme which recognises a wide variety of housing need factors may be a contributing factor in promoting a flow of relatively high priority applications from one particular source, to the ultimate disadvantage of those applicants who have a housing need but cannot accumulate the pre-requisite priority. The following diagram may help to illustrate this diagnosis :-

**Table 24- The Effect of Points Assessment and Sub-standard Housing**

House No. 1		No Bathroom Outside Toilet Some Disrepair	<u>Applicant 'A'</u> - 7 points qualifies for rehousing
House No. 1		House Re-occupied by Applicant 'B'	<u>Applicant 'B'</u> - 7 points qualifies for rehousing
House No. 1		House Re-occupied by Applicant 'C'	<u>Applicant 'C'</u> - 7 points qualifies for rehousing
House No. 2		Outside Toilet Some Disrepair	<u>Applicant 'D'</u> - 4 points may not qualify for rehousing

\* House No. 2 in better condition, therefore applicant does not score sufficient points for rehousing

There are a number of social policy issues implicit in this example which are worthy of a brief examination. First, is the question as to whether housing need factors based upon the size and condition of an occupied dwelling are more pertinent than personal social and economic circumstances. Second, for so long as a proportion of sub-standard dwellings exist within areas where tenant selection is by a points scheme, then it is conceivable that for every present and subsequent occupier, rehousing opportunity will be enhanced and thus more housing capital investment needed than might otherwise be required.

However, there would appear to be certain measures which can be taken to ameliorate the effects of this situation. For example, greater attention to an applicant's personal circumstances unassociated with the condition of the dwelling occupied would be likely to produce a different range of priorities. Alternatively, and more important, following the rehousing of a household from a sub-standard dwelling, the local authority could negotiate with the owner or his agent with a view to the execution of comprehensive improvements. Or if this approach failed then the local authority could attempt to purchase the dwelling and improve it and then either add it to the rented housing stock, or sell it with the aid of mortgage facilities. In this way a number of objectives might be achieved, namely:

- A higher proportion of sub-standard dwellings would be improved.
- A corresponding rate of owner-occupation would ensue.
- The transactions would be self-financing.
- Such opportunities could be directed specifically to certain groups such as young couples, single persons or even existing council tenants.

## Merit Schemes

The term 'Merit Scheme' is perhaps a somewhat unfortunate euphemism for a tenant selection scheme, which may conjure up in the imagination the idea that applicants have to earn or merit the allocation of a council dwelling as a reward for perhaps good citizenship. This is far from the real situation. A Merit Scheme is a classification of tenant selection, determined usually by a Committee or Sub-Committee of Councillors and officials who meet at frequent intervals to consider full details of those applicants who comprise a housing waiting list. At these times the officer responsible will acquaint the Committee with all the relevant housing and social need factors and priority will be determined or further information requested. It is not unusual to find that Councillors attending the Committee will know the applicants personally, and in rural areas especially, will be able to balance the needs of one applicant against those of another, more adequately than a points scheme will be able to do.

However, as with other systems of allocating tenancies, there are inherent disadvantages :-

- A consistent application of assessment criteria to each applicant is virtually impossible to achieve.
- Subjective criteria may be taken into account which have no relationship to housing or social need.
- Impartiality in assessment is difficult with the effect that the system is often unable to sustain public confidence.

- Applicants may be completely unaware of the criteria used to select tenants.

Related Factors

Although the individual selection methods of local authorities determine to a degree the rate of access to council housing, there are other policies, and indeed the attributes of persons who comprise the housing waiting lists, which have a direct bearing upon the scale of housing opportunity.

For example the supply and size of a local authority's housing stock may be an inhibiting factor, particularly if we take an extreme case of a local authority housing stock consisting exclusively of two and three bedroom dwellings when the majority of persons on the waiting list are elderly and thus require smaller easier to manage units of accommodation. The information contained in the following table may support this hypothesis :

Table 25 - Relationship of Households to Housing Stock, England and Wales

Household Size (1971)	%	Dwelling Size (1971)	%	Darlington Borough Council (1975)	
				Waiting List	Housing Stock
				%	%
1/2 Persons	44.4	1 Bedroom	12.8	70.4	15.6
3/4 Persons	35.9	2 Bedrooms	27.6	21.3	31.4
5 Persons	10.0	3 Bedrooms	56.6	5.5	51.9
6 Persons and over	9.6	4 Bedrooms and over	3.0	2.8	1.1
	99.9		100.00	100.00	100.00

Source: Housing Policy - Technical Volume Part I, Tables 11.2, 11.25, pages 54/81 ; and Darlington Borough Council Housing Records 1975

\* The pattern of new building is now altering (in 1975 32% of dwellings had one bedroom; 20% had two; 36% had 3; and 4% had 4 or more) to reflect a change in household size, but there remains Nationally a shortage of smaller dwellings of one and two bedrooms and of larger units of four bedrooms or more - D.O.E. 1977

It will be apparent from this table that whenever a local authority's housing commitment and size of housing stock follows this general pattern, rehousing performance will favour those persons who justify access to three bedroom accommodation with those who need smaller units having to wait longer, and quite out of proportion to their respective housing and social need.

Second, the location of a local authority housing stock and its position in the hierarchy of estates will also affect access opportunity. It is appropriate again to use data supplied by the Darlington Borough Council housing department to illustrate this situation.

**Table 26- Relationship of Access to Particular Locations ( 3 Bedroom Accom.)**

Area	Points Required
Location A	16
B	12
C	10 - 12
D	10 - 12
E	6

Source: Darlington Borough Council Housing Department, June 1977

Closely tied to the location is the supply and availability within each sector. Certainly by using the information in the above table, one would expect an applicant with sixteen points to have a wide choice, but if dwellings in the selected area are in short supply then the applicant concerned will either have to wait or to select a substitute. Some authorities impose certain rules in this respect to the extent that once a requisite number of offers have been made and refused subsequent refusals may result in the loss of priority.<sup>(3)</sup>

The other point of interest, is the question of access to the most unpopular locations in a local authority's housing stock. In this connection,

(3) For example, Durham City Council

the situation has been reached whereby in a number of local authority areas there are some relatively modern dwellings which are so unpopular that they remain untenanted and thus represent a problem of some magnitude to the local authority concerned. Some notable examples in this connection are set out in Table 5 :

**Table 27 - Some Local Authorities With Untenanted Dwellings - 1977**

<u>Local Authority</u>	<u>No. of Units</u>	<u>Hsg. % Stock</u>	<u>Age</u>	<u>Type</u>
Glasgow D.C.	3,000	1.5	1937-57	Flats
Liverpool M.D.C.	500 (approx)	0.67	1966	Multi-Storey Flats
Manchester M.D.C.	1,000	1.02	Pre-War	Flats
Newcastle M.D.C.	570	1.25	Post War	Flats

Source: Local Authority Records 1977

These local authorities are adopting various measures to deal with the problem which involves a mixture of demolition in some areas and refurbishment in others. The Birmingham City Council has a potential problem but so far this has been averted by relaxing residential qualifications and using vacant dwellings for homeless families.

Whilst the situation described above represents one of the most severe housing management problems, there remains in many more local authority areas the problem of filling those dwellings in unpopular areas, which are often typified by high rent arrears, large families, vandalism and delinquency. Access to such dwellings is often relatively easy, and an attempt has been made in Darlington to classify the criteria which usually ensures that a dwelling is occupied:

- Persons in low need with a good or low personal and domestic standard
- Persons in high need with a low personal and domestic standard - have been diverted to such areas by the housing department.
- Persons in high need with good standards who have friends or relations in the area concerned

In this context it is considered important to provide a definition of what some housing departments might consider to be 'low standards'. The classification in Darlington - which is undocumented and therefore not part of official allocation procedures - is that persons with low standards are those whose personal and domestic standard of cleanliness is poor and not influenced to any significant extent by unsatisfactory housing conditions; those who have a history of serious rent or rate arrears and more generally, those who it would appear will experience difficulties in settling within certain communities.

A relationship between the personal and domestic standards of prospective tenants, location of rehousing and the incidence of subsequent housing management problems (rent arrears) is shown in the following table:-

**Table 28 - Relationship of Location and the Incidence of Rent Arrears 1976/77**

<u>Location</u>	<u>Vacancies</u> %	<u>Allocations</u>	<u>Rent Arrears</u>
Unpopular Area	7.0	64	33 (51%)
Popular Area 'A'	7.4	44	11 (25%)
Popular Area 'B'	2.6	43	6 (14%)

Source: Darlington Borough Council Housing Department 1977

Whilst this information is not conclusive there are clear indications that there is a correlation between the factors outlined. What remains unclear is the possible interaction of relatively low quality housing upon the incidence of social problems which subsequently appear, or whether the rehousing of certain households in areas of low popularity either by choice or direction is justified on the grounds of avoiding adverse public reaction, incompatibility and possible deterioration of good quality housing.

## CONCLUSION

In this chapter the discussion has covered a wide field ranging from local authority tenant selection systems and procedures to some of the social policy implications inherent therein.

The system of allocation is an important link in the chain of factors which determines access to council housing. Date order and merit selection schemes tend to afford a greater degree of choice, whilst those local authorities who operate points schemes place greater emphasis upon housing need factors. A closer examination of the structure of local authority selection schemes will take place in the next chapter, which should facilitate a more detailed appreciation of the relative advantages and disadvantages of each system and the effects which certain policies and procedures have upon access opportunity.

Further attention has been given in this chapter to the constraints upon access by virtue of the supply and size of the Nations council housing stock. There is an indication that notwithstanding differences in local authority procedures, opportunity tends to favour larger households or those at child bearing ages with smaller and older households having to wait longer in the housing queue.\*

Location is important also in the spectrum of council housing opportunities, not only in terms of travelling to places of employment and neighbourhood centres but in terms of the quality and popularity of certain housing estates. In some local authority areas, dwellings that are difficult to let are already a problem. Other local authorities have yet to experience the full impact of this trend. But, the response of the public to offers of

\* Referred to again on page 210

housing accommodation indicate that more housing management attention will have to be afforded to the problem of unpopular areas, not only to enhance the lettability of the dwellings concerned, but to reduce the evidence of social stress caused in part by the continuing policy of rehousing many families with problems in such areas as a matter of professional housing management practice.

## CHAPTER SEVEN

### POLICIES AND PROCEDURES - COUNTY DURHAM

#### Introduction

Having described the basic principles of housing allocation methods, the writer now considers it appropriate to examine this subject in greater detail. To this end, the material which follows will be related to the policies and procedures of a group of local authorities in the Northern Region where disparity in housing allocation practice is apparent. The area selected is the County of Durham which comprises the following district councils :-

- Chester-le-Street
- Darlington
- Derwentside
- Durham
- Easington
- Sedgefield
- Teesdale
- Wear Valley

However, as a prelude to the main theme, it is considered beneficial to describe in broad terms the economic structure of the county together with a comparative analysis of some of the principal housing characteristics of each constituent authority. This information will thus help to establish whether there is any significant justification for the degree of variation which exists in local authority housing allocation policies and procedures.

## The Structure of the County

Following local government re-organisation in April 1974<sup>(1)</sup>, the new County of Durham was established comprising a large part of the former administrative County of Durham, the former County Borough of Darlington and a small part of the area administered by the former North Riding County Council.

County Durham is the second largest of five counties in the Northern Region with a population of about 608,000 and the third largest in area producing a population density of approximately one person per acre.<sup>(2)</sup> With the exception of Darlington, the county contains no large urban developments but is made up of small and medium sized towns and villages in fairly open countryside.

The county's economic and employment profile varies according to District, but generally job losses have been heaviest in the north and west, with Durham and Sedgefield experiencing considerable gains. Coal mining is no longer a major employer of labour except on the eastern coast. Agriculture and forestry provides only a small proportion of employment in the rural west, where there is a dependence upon service employment. Darlington and Durham, as the largest urban centres, generate much of the office and administrative employment.

The natural locational advantages of the centre of the county, for example the Darlington, Aycliffe, Spennymoor and Durham axis has assisted the success of the central districts in attracting new employment. The intrinsic geographical disadvantages of the western part of the county (Derwentside and Wear Valley) with its recent economic decline has led to the Durham County Structure Plan proposing policies aimed at reducing population losses and increasing employment opportunities in this area.

1. Local Government Act 1972

2. Municipal Year Book 1977 page 516

## Housing Factors

The following table contains some useful data showing a relationship between households and the housing stock in the county analysed by district.

**Table 29 - The Relationship of Households to Housing Stock - County Durham**  
1978

(100's)

Local Authority	Housing Stock		Total Housing Stock	Total Households	Vacant Dwellings	Ratio of Vacancies to Housing Stock %
	Public	Private				
Chester-le-Street	89	100	189	185	4	2
Darlington	87	280	367	355	11	3
Derwentside	159	197	356	332	21	6
Durham	145	159	304	308	1.5	0.5
Easington	255	132	387	375	13	3
Sedgefield	208	130	338	329	14	4
Teesdale	23	74	97	99	3	3
Wear Valley	97	157	254	230	-	-
	1,063	1,229	2,292	2,213	67.5	3

**Source : Local Authority Housing Investment Programmes 1979 - 83 (August 1978)**

- Notes:**
- Figures have been rounded
  - Total Households have been estimated by individual authorities
  - Data relating to public sector housing includes Housing Association dwellings
  - Wear Valley did not estimate the total number of vacant dwellings

Some interesting factors are now apparent. First, with the exception of Teesdale, there would appear to be a crude surplus of dwellings in each district. However, the point should be emphasised again that to place this matter into perspective a range of other indices have to be taken into account. As it stands it would appear reasonable to assume that there are no extraordinary pressures upon the supply of public sector housing.

Second, the proportion of vacant dwellings in Derwentside is about twice the normative ratio for the county. Further enquiries reveal that this situation is due to a gradual decline in population and thus demand, a trend which has now stabilized.

To continue, it is appropriate and useful to assess the comparative relationship between articulated demand for council housing in the county and the supply. The following table incorporates relevant data :-

**Table 30 - Council Housing : Demand and Supply - County Durham, 1977**

(100's)

Local Authority	Demand	Ratio per 100 Population	Supply	Ratio per 100 Population
	(a)	(b) %	(c)	(d) %
Chester-le-Street	15	3	8	1.7
Darlington	24	2	6	0.6
Derwentside	29	3	12	1.3
Durham	14	2	14	1.6
Easington	39	4	13	1.2
Sedgefield	28	3	14	1.5
Teesdale	12	5	1	0.4
Wear Valley	19	3	11	1.7
	180	3	79	1.3

Source: Local Authority Housing Records 1977 - Municipal Year Book 1977

(Population)

- Notes - The data relating to demand emanates from local authority waiting lists and includes pensioners and other household groups.
- The data concerning supply is an amalgam of the average rate of new housing completions during 1964 - 1974 to which has been added the average rate of annual vacancies.
  - With the exception of the last column, all data has been rounded to facilitate comparisons.

From this data one might speculate that rehousing opportunity in Teesdale for example with a relatively high demand factor in conjunction with a low supply index, is somewhat below the normative level for the county. On the other hand it might also be expected that the level of rehousing opportunity in Durham City is significantly better than in some of the other districts.

However, it would be erroneous to regard these indices as firm conclusions since other factors have also to be taken into account. For example, the rules of eligibility and allocation methods play an important part in rehousing opportunity as also will the composition of demand and supply. But in general terms, there would appear to be some level of consistency between the various local authorities in the county in terms of the basic demand and supply equation.

## Local Authority Policies and Procedures

### (a) Chester-le-Street

Chester-le-Street District Council operates a housing allocation system which affords priority to applicants based upon the date of application. However, there is provision within the allocation system for those applicants who have an urgent need for rehousing to be considered by the Finance Sub - Committee as a 'special case'. If approved, such applicants are rehoused as quickly as possible irrespective of the date the application was registered. However, in the context of the allocation system such cases represent a minority because only an average of three special cases are presented to the Committee for determination each month.

The housing waiting list is divided into two sub-lists and a deferred list. One sub-list is classified as a "General Waiting List" which contains details of those applicants whose housing requirements are for standard sized housing accommodation. The other list contains details of those applicants who have reached pensionable age and comprised of single persons, widows, widowers and couples. The "Deferred List" contains details of those applications submitted by persons who do not reside within the boundary of Chester-le-Street upon which no action is taken until such time as the demand from residents has been exhausted.

The Council operates a general residency restriction in terms of the General Waiting List although no specific period is mentioned. The same qualification applies to pensioners except that a residential period of three years is a documented requirement.

Applications from owner-occupiers are accepted and included on the appropriate list but if the housing manager feels that access to council housing is unjustified then he will refer the application to his Committee for a decision.

Special arrangements exist for applicants who suffer physical or psychological disorders. Such persons are visited by a housing assistant upon receipt of a General Practitioner's letter, the severity of housing conditions assessed and where appropriate the Community Physician is requested to make a rehousing recommendation. But, this applies only to those applicants whose medical condition is classified as serious (undefined). In other instances medical cases are awarded points based on the following scale namely:-

<u>Physical</u>	<u>Points</u>	<u>Psychological</u>	<u>Points</u>
Unable to go upstairs	5	Unable to get on with neighbours	2
Bed-ridden	4	Living in	4
Chairbound	5	Cannot afford mortgage	1
Unable to use outside w. c.	5	Subnormal child	1
Cannot leave house	3		
House wrongly placed - hills etc.	2		
Handicapped child	2		

Medical cases assessed in this way may be dealt with in one of three ways either in date order in accordance with the main principles of the allocation system or as a special case. Alternatively the housing manager has delegated authority to allocate one dwelling in ten to medical cases on the basis of priority determined by the highest number of medical points in this category.

Applications from ex-servicemen and their families, persons nominated as keyworkers by local commercial and industrial institutions; homeless families and those where homelessness is threatened, are considered as special cases by the Finance Sub Committee and decisions reached may take precedence over other rehousing commitments. The housing manager has delegated authority to allocate accommodation within the policy framework other than special cases which are determined by the Finance Sub-Committee.

(b) Darlington

The Borough Council will accept a housing application from any person who lives or works in the district or who has any other good reason to seek accommodation in the area.

The housing waiting list is divided into ten sub- lists or groups. Groups one to six differentiates between the size of households and their housing requirements and groups seven to ten represent particular housing need categories and are determined beyond the normal selection criteria. The classification is detailed thus :-

Group 1	Pensioner	Group 6	Large families
Group 2	Single Persons	Group 7	Keyworkers
Group 3	Childless Couples	Group 8	Slum Clearance
Group 4	Households with One Child	Group 9	Chronically sick
Group 5	Households with 2/3 children	Group 10	Forces Families

Access to council housing in Darlington is governed largely by the operation of a "Points Scheme". Points are allocated in recognition of certain housing and social need factors and those applicants with the greatest need (highest points) are allocated accommodation in this order. As households within groups one to six compete with households of comparable size and housing requirements, the waiting period for a tenancy is controlled by the supply of accommodation which because of the excess ratio of larger to smaller dwellings, tends to favour families

of average size rather than smaller households.

The objective of the Points Scheme is to measure the housing needs of all applicants by the same criteria. For example points are awarded to those households who occupy dwellings which lack basic amenities or are in a poor state of repair. Moreover the scheme recognises the problems of these households who share accommodation with others and thus points are awarded in accordance with the degree of sharing and the extent of overcrowding or bedroom deficiency. If conditions are particularly poor as is often the case in some multi-occupied dwellings, additional points may be awarded.

The Points Scheme also recognises various "social need" factors characterised by the assessment of a persons ability to cope with their respective housing problems. For example, additional points are awarded for "special hardship", such as disability or ill health or those households that comprise single parent families. Security of tenure is also taken into account with points awarded to those who are classed as lodgers, service tenants or occupiers of furnished and unfurnished tenancies. However, no points in this category are awarded to owner-occupiers.

The length of time an applicant spends on the waiting list is also a qualification for extra points subject to a maximum period of five years (1 point per completed year on the waiting list).

For those persons who comprise groups seven to ten, access to Council housing is determined not by a points total but by the demand for and the supply of accommodation. Applications from "key workers" are determined by the Housing Committee by reference to the needs of local commerce and industry and the current employment and housing status of the applicant. Households occupying dwellings in slum clearance areas are rehoused as a matter of outright priority and families who are demobilised from Her Majesty's Forces and who have a previous residential connection in the area are allocated accommodation to combine as near as possible with their release date. In addition to these priorities, the Community Physician (formerly Medical Officer of Health) is empowered to recommend rehousing in respect of any person who is chronically sick or disabled whereby the existing housing conditions are considered to be prejudicial to either treatment or recovery. For other applicants who suffer a degree of ill-health, the Community Physician is authorised to award points within the range of one to ten, and a standard provision which is incorporated within the Council's rehousing policy. \*

In addition to household and housing need groups Darlington had accepted in April 1974 prior to the Housing (Homeless Persons) Act 1977 the transfer of responsibility from Durham County Council for the provision of accommodation for homeless families. The procedure so established provides that families homeless within the Borough are temporarily placed at a reception centre. Where the Housing Department considers

\* Council Policy amended in certain respects, September 1978

that there is a bona fide rehousing commitment, families are subsequently transferred to short-life accommodation (dwellings awaiting demolition) followed ultimately by a move to a standard council dwelling. The period of time which the family may spend in a short-life dwelling will coincide with the average time taken to qualify for rehousing in the normal way as determined by the particular household group. There is provision within the homeless families policy framework for some households to move direct to a standard council dwelling thus avoiding temporary placement in the reception centre and then the tenancy of a short-life dwelling. This alternative procedure is used if the family concerned are displaced as a result of disaster (fire, flood) and more often in respect of families forced to move house due to matrimonial breakdown and the family home is to be sold.

As for the operation of allocation policies and procedures in Darlington, the Chief Housing Officer is authorised to implement the various policies and procedures, the Housing Committee being only concerned with those applications nominated by local commercial and industrial organisations and the performance of the allocation system in general.

(c) Derwentside

The District Council secures that a reasonable preference is given to persons who are occupying unsanitary or overcrowded houses, have large families or are living under unsatisfactory housing conditions.

The foundation for such a policy is stated to be Section 35 of the Housing Act 1936 : <sup>(3)</sup>

Applications for council housing in Derwentside are classified in any one of six groups, namely :-

- Slum Clearance
- Medical Cases
- Persons Sharing Accommodation
- Households (i. e. Tenants and Owner-Occupiers)
- Households resident outside the district
- Pensioners

With the exception of persons who occupy dwellings in confirmed clearance areas and those who are neither resident or employed in the district, priorities are determined by the allocation of points. For example, one point for each year of married residence is awarded to families who share a dwelling up to a maximum of

3. This Act was superceded by the Housing Act 1957

six points on the first application and thereafter one additional point per year up to a maximum of thirty. Householders also qualify for married residence points but with an initial maximum of twenty.

All families whether householders or sharing qualify for additional points based upon one point for each member of the applicants household and twenty points if the dwelling is lacking either a separate toilet or a fixed bath or shower (or forty points if the dwelling is deficient in terms of both these amenities).

The householders waiting list is in fact divided into two sub-lists. One sub-list contains those applicants who occupy dwellings which are overcrowded or where there is a bedroom deficiency in relation to the number and sex of the occupants; in which case one extra point is awarded for children under the age of ten and two points for persons over ten. The other sub-list contains details of those applicants who may have no special circumstances.

For those persons who claim some priority on health grounds, applications have to be accompanied by reliable medical evidence and subsequently confirmed by the District Community Physician.

Should applicants be resident outside but employed within the district, one point is given for each year of employment and as indicated on the previous page applicants who are neither resident or employed within the district, priorities are determined by date order of applications. However, the tenancy allocation policy provides that out-of-district applicants be vetted by the housing department, by reference to their current rent book and by a testimonial from some independent body.

Applications for Aged Persons Dwellings are only accepted from persons who have reached the age of sixty-five years and who are relieved from employment. Thus, pensioners who so qualify for inclusion on the waiting list are given points on the following basis:-

- Residence: One point per year - maximum twenty
- Age: One point for each year after retirement at sixty-five years or any such later date of retirement.

It will be apparent from this description that the number of points per applicant may vary within each group and that such groups may be competing for available accommodation. Accordingly, the Council has established a rationing system of allocation to each group in relation to the supply of dwellings (other than pensioners accommodation) namely:-



**(d) City of Durham**

The City Council maintains waiting lists which are sub- divided into the following categories :-

- Aged Person Applicants
- Disabled Person Applicants
- Other Applicants

Persons who have reached retirement age can be included on the Aged Persons Waiting List providing that they reside in the City. The same facility applies to men sixty years and over if retirement has been occasioned by ill-health. In the case of married couples the age of the husband is the determining factor.

Accommodation either specifically developed or converted is made available within the terms of the allocation policy to applicants who are registered as handicapped persons with Durham County Council, Social Services Department. Access to this form of specialised Council housing is based upon the recommendations of the District Community Physician. However, dwellings so provided to meet the needs of handicapped persons are subject to "special" conditions of tenancy with the effect that if occupants with the special need cease, for any reason, to live in the

dwelling the Council may require the remaining occupants to move to other suitable Council accommodation.

All other applicants are included on the main waiting list which is sub-divided into six geographical areas of the city in respect of which tenancy allocation matters are determined by Area Housing Sub-Committees. Applicants must be residents within the Council's administrative area before an application is included on the appropriate list. There is no provision within the policy framework for applications from non-residents to be included on the waiting list.

The policy governing admission of applicants to the waiting list is clearly described and includes a reference to the following:-

- (a) Married Couples living-in (e. g. no home of their own)
- (b) Unmarried mother /father (subject to custody of the children)
- (c) Caravan applicants from registered caravan sites
- (d) Separated partner who has care of the children
- (e) Inadequately housed, i. e.
  - Unfit houses
  - Bedroom deficiency
- (f) Single persons 30 years of age and over
- (g) Tenants of under-occupied Council or North Eastern Housing Association accommodation

- (h) Tenants of Council or North Eastern Housing Association houses who have resided continuously in the same accommodation - for two years.
- (i) Tenants of sub-standard property
- (j) Any other cases approved by the Council
- (k) Persons living in rooms

Allocations from the waiting lists so divided by reference to housing requirements and location are effected by the date of application. However the Committee reserves the right to grant priority to special cases of which applicants with serious medical incapacity, returning servicemen, homeless persons and workers considered to be essential to local commerce and industry are typical examples. Moreover, although the system does not normally allow persons resident in private accommodation suited to their needs and persons not resident in the City to register an application on the waiting list, the Committee reserves the right to consider cases where there are special (undefined) circumstances.

The Council's Borough Treasurer is empowered to allocate dwellings within policy guide lines and to refer appropriate applications to Area Committee for determination.

(e) Easington

Easington is the only district in the County with a coast line and the only one in which coal mining is still important, with a number of large collieries working undersea coal seams. The relative stability of the industry in this area, together with the jobs attracted to Peterlee New Town has kept the population of the area around 110,000 during the last twenty years.

For council housing management purposes, the district is divided into fifteen areas (based upon colliery villages) each administered by an Area Committee.

Housing applications are accepted from residents in each area and appropriate housing is allocated on the basis of date order of application. In some instances (about fifty per cent of all areas) the Area Committee will allocate housing accommodation available in their areas.

The General Waiting List apart from its sub division between fifteen village areas also contains a 'deferred' list which records details of servicemen who have registered an application prior to their release date and tied tenants of National Coal Board dwellings managed by the N.C.B. Housing Association who may be required to vacate their dwellings should they leave the local mining industry. A waiting list for Aged Persons based upon the age of normal retirement is also part of the General Waiting List and similarly divided between the various villages in the district.

Generally speaking then, housing applicants in Easington are allocated council housing by reference to date order. But, there is provision within the

allocation system for persons with special housing and social need to be considered by the appropriate Area Committee. Such application may emanate from commercial and industrial nominations, homeless persons or other applicants who have an urgent need for rehousing not recognised by the date- order system.

**(f) Sedgefield**

Sedgefield is part of the growth zone in the north east and includes the new town of Newton Aycliffe. The area was formerly a mining district but all the collieries except one have closed and been replaced by modern manufacturing industries.

The District Council have fixed their prime objective on housing, which is documented thus :-

"To secure the provision of housing to modern standards  
(undefined) for housing all people resident in or who wish  
to reside in Sedgefield District"

This objective is quantified in terms of the provision by the council of public housing as follows :-

"To secure the provision of local authority housing for all people requiring such housing"

For housing management purposes, the administrative area of Sedgefield is divided into four districts each controlled by an Area Housing Committee. The duties of these Committees is to select tenants and to determine related tenancy matters within a uniform policy framework set by the District Council.

Applications for council housing are recorded and channelled to a "Master List" divided in the following ways :

- Persons requiring bungalows
- Persons requiring houses

The Master list is further sub- divided to correspond with each of the four geographical areas. Tenancy allocations are determined by reference to the date order of application with the proviso that "urgent" housing needs are determined by the Area Housing Committee and subsequent priority awarded according to the Committee's assessment.

There are no residential qualifications imposed, and applicants who are not resident in the district may apply and subsequently be considered for the tenancy of a council dwelling. Applications from persons resident outside the district are recorded on a separate list and allocations from this list are made when demand for vacant housing from residents has been temporarily exhausted. Applications from local commerce and industry under the Council's Keyworker

Scheme are determined also by the appropriate Area Committee, as are homeless persons, ex-servicemen and medical cases.

A significant feature of the allocation system at Sedgefield is that the Area Housing Committees allocate all dwellings in their respective areas from details recorded on the waiting lists. Such transactions form part of regular monthly agendas, and if a tenancy allocation has to be carried out between the normal committee cycle, the Chairman and Vice-Chairman are empowered to make a decision.

(g) Teesdale

Teesdale is the largest local government area in the County by area (208,311 acres) but is sparsely populated (24,100). The area is wholly rural in character with agriculture being the prime industry centred on the market town of Barnard Castle.

The District Council maintains two main housing waiting lists, one containing details of those applicants who require houses and the other details of persons who have retired and require aged persons accommodation. These waiting lists are sub-divided into twenty-eight sections, each corresponding to geographical locations administered for housing allocation purposes by an Area Lettings Committee.

There is no formal tenant selection procedure as all applicants for housing accommodation are considered on 'merit' by the Area Committees, at which time all relevant housing and social need factors are taken into account. It is normal practice for the Area Committees to agree the priorities of a number of applications in advance of accommodation being available to enable the tenancy allocation system to operate as efficiently as possible.

The Council does not insist upon prior residential qualifications and thus any person may, in theory, submit an application for rehousing in the district. However, in practice, the Area Committees tend to give preference to residents in their areas, although as supply and demand varies considerably in the district, so opportunity for non-residents varies also.

Prior to local government re-organisation in April 1974 the former Urban District Council of Barnard Castle approved some applications from local industry for houses necessary to fulfil the requirements of workers moving into the area. The District Council has continued this support to a degree although in recent times, demand tends to centre around the needs of the Community Health Service in the area rather than industry.

Housing applications are also accepted from ex-servicemen providing that such persons have a prior residential connection with the area. Homeless persons are also considered in accordance with the Housing (Homeless Persons) Act 1977.

**(h) Wear Valley**

The district of Wear Valley is largely rural in character, large areas of which are regarded by Durham County Council, Planning Department, as of 'greater landscape value'.

With the decline in coalmining in recent years and the consequential loss of job opportunities, the population has declined. Since the mid 1960's, however, the development of Bishop Auckland as a service centre has led to an increase in jobs for women and the number of jobs available in the district has begun to increase again.

Wear Valley District Council operates two waiting lists for housing in the area, one list for bungalows and ground floor flats (aged persons) and the other for houses and first floor flats (general needs).

Priorities are determined by the allocation of points which takes into account a variety of housing and social need factors, namely:

- **Medical Circumstances** - Maximum of five points per person or ten per family, to be certified by the General Medical Practitioner or District Community Physician. The District Community Physician is empowered to make additional points allocations in respect of

persons who suffer a severe degree of infirmity on the basis of a maximum of five points for persons of pensionable age and ten points for persons under pensionable age.

- Under and Over Occupation - Aged persons may benefit from points awarded for each bedroom under-occupied in a dwelling of three or more bedrooms (five points). Moreover, all persons may benefit from points awarded for over-occupation (overcrowding) on the basis of five points for each bedroom by which the applicants accommodation falls short of a set standard.

- Age - Aged persons qualify for points in accordance with advancing years. For example, single persons between 60 - 65 receive one point rising to three points for those aged between 71 - 75 increasing by one point for each year advance in age. Married applicants are treated somewhat differently with an award of one half point, one and one half points respectively and an increase of one half point for each year advance in age over 75.

- Lack of a Separate Home - Five points are awarded to aged persons and for applicants under pensionable age, ten points may be awarded under certain circumstances.

- Lack of Basic Amenities - An additional point is awarded to all applicants for each of certain prescribed amenities which a dwelling may be lacking. For example, the lack of a fixed bath or shower, wash hand basin, sink; hot and cold water supply at bath, shower, wash-hand basin or sink; lack of an internal water closet (aged persons) and lacking a water closet for applicants below pensionable age.
  
- Date of Application - Applicants of all ages may qualify for points in recognition of the length of time an application has been recorded on the waiting list.

In addition to the allocation of points, there is the further proviso in the allocation system to the effect that persons compulsorily displaced from their existing accommodation shall receive absolute priority for rehousing. For the remainder of applicants, percentage allocations apply on the basis of sixty per cent of available housing for sub-tenants or lodger applicants and forty per cent in respect of Tenants and Keyworkers.

The District Council operates certain rules governing admission to the waiting list in respect of persons above and below pensionable age although there are variations in practice between the two groups. For example, persons who require a bungalow or a ground floor flat must be resident or employed continuously within the area of Wear Valley for a period of not less than twelve months before becoming eligible for consideration in accordance with the Points Scheme. For those applicants living or working within the Wear Valley area

who require other dwellings, the initial waiting period before consideration in accordance with the Points Scheme is six months.

Not only is there a 'waiting period' imposed upon persons resident or employed in the district but the Council operates a system of "Penalty Points" in respect of those applicants who are not resident or employed in the district. In practice, penalty points where appropriate are deducted from the normal points total on the basis of the preferred area of rehousing. For example, applicants who wish ultimately to reside in Bishop Auckland will have a maximum of five points deducted from their total points assessment. However, should applicants wish to live in Sunnybrow, Tow Law or Stanhope then only two points are deducted. On the other hand there is no deduction of points if applicants elect to be considered for rehousing in Eastgate, Witton-le-Wear, St. John's Chapel or Rookhope.

The Chief Housing Officer is authorised to implement the Council's tenancy allocation and homeless families policy with the Housing Committee monitoring performance of the systems and occasionally being called upon to determine an application which does not fulfill the criteria of the established policy framework.

Finally, it is worth noting that the District Council has incorporated into the policy a provision that each applicant be allowed one refusal of tenancy and on refusal of a second offer, the application is then deleted from the waiting list.

## Conclusion

This descriptive analysis has revealed a notable lack of uniformity in eligibility and tenant selection procedures. Moreover, there is no national or regional machinery available to co-ordinate or inspire an organisational change in favour of policies which are more relevant to the areas housing needs.

The data contained in Tables 29 and 30 shows that there are no major differences in the demand and supply ratios, yet households experiencing similar housing problems will fare differently depending upon the area of residence. Even if this analysis had shown a wide disparity between housing demand and supply this would call for an adjustment in local authority housing programmes and central financial allocations, not for wide variations in procedure.

Here the matter will rest for the moment but in the concluding chapter the writer will attempt to establish broadly a means by which such arbitrary constraints can be removed and equality of opportunity enhanced.

## CHAPTER EIGHT

### HOUSING CHOICE FOR THE INDIVIDUAL

#### Introduction

At any given time and in any local area there will be those households who are engaged in migrating from the area whilst others are attempting to replace them. Any difference in what is commonly known as the rate of net migration will ultimately have a strong bearing upon the population and the number of households it comprises. Whilst external movement is taking place, some households will be moving within the locality with the remainder forming the non-moving or static sector of the market. In some instances newly formed households will form part of this pattern as also will be the case with extinguished households.

A local housing market may be seen therefore as a complicated series of activities with many households competing as purchasers, renters, vendors and lessors with some fulfilling two roles at the same time. Such competition is strongly supported by a powerful network of estate agents, solicitors, financial institutions, local authorities, the house building and allied industries, along with the advertising media whose joint interests may be served by attempting to match supply with demand.

However, it has been noted (page 1) that housing is not a commodity which is entirely governed by free market conditions. This is far from the case, largely due to the effect of subsidies on virtually all domestic dwellings and the manner in which they are applied. Because the housing market is subjected to manipulation by the form and operation of subsidies it is worth noting some

of the principal effects. First it enables people to benefit from a standard of housing they might otherwise be prepared to forego. Second, the demand for some forms of housing may increase and this is especially true of public sector rented housing. Third, and most important in social policy terms is that it enables those households to obtain decent accommodation which in a free market they may be unable to afford. Fourth, housing subsidies which are applied at the point of entry to housing enables people to benefit whether they need it or not. In wider economic terms, the greater demands upon housing subsidy the smaller will be the proportion of national resources available for other services or those available for reductions in direct and indirect taxation. Conversely, for the recipient, the less he spends on housing the more he will have available to spend on other goods and services (consumption or investment) - a situation which benefits producers also.

The main implications arising from housing market forces which operate in this way are first, subsidies do not prevent market forces from equalising the functions of demand and supply, they merely alter prices and levels of demand. Second, the determination of council house rents irrespective of demand and supply and the control or regulation of privately rented accommodation may, and often do, result in waiting lists for council dwellings and in various illegal practices as well as frustrated demand from tenants of private landlords.

Accordingly, on the basis that in many parts of the country there are now sufficient dwellings to accommodate those households which comprise resident populations allied to the fact that the present Government's policy on housing general assistance (subsidies) would appear to be fairly well established, it is appropriate now to consider the degree of choice within the principal tenure groups for the household wishing to live independently for the first time.

However, notwithstanding eligibility constraints, the fact remains that for most people the price of housing will be the dominant factor in personal decision making. But, the matter does not rest at this point because choice can only be exercised on the basis of what is known to exist. Thus it is essential first of all to consider the extent and quality of information available about the housing system as a pre-requisite to defining the options.

Accordingly, this chapter has been designed with these factors in mind. To begin with the writer will evaluate the quality of information relating to owner-occupation and the tenancy of a council house. This will be followed by an analysis of the principal housing costs at the point of access to each tenure group.

To this end, information emanating from certain local authorities in the northern region concerning access to council housing will be discussed where appropriate, whereas the financial aspects of housing choices will be related to the Darlington housing market. There are two reasons for this. First, the social, economic and demographic structure of the area compares more closely with the national pattern than many other parts of County Durham and the Northern Region. Second, experience has shown that data essential to this topic is readily available from the Borough Council's administration.

## Public Knowledge of the Housing System

A household contemplating home ownership for the first time would normally visit a building society branch and arrange an appointment with the manager or his deputy. At this time, advice would be given as to the level of mortgage a given income would support; the amount of gross monthly repayment together with an indication of supplementary housing costs such as insurance and rates. Moreover, an idea of mortgage availability would be given which would likely depend upon whether the applicant held a savings account with the building society concerned. Comprehensive advice about house purchase and perhaps easier access to a mortgage would also be available from the sales representatives of major builders operating in the area at a given point in time. A subsequent visit to a solicitor would reveal the approximate legal charges in respect of house purchase at different price levels and enquiries from estate agents would determine not only a range of houses for sale but those which were available to rent privately also.

However, if the same household was to consider that the tenancy of a council house was more appropriate, depending upon the area concerned, it is likely that the degree of knowledge acquired as a result of a visit to the local housing department, may not be so conclusive. In this connection, much would depend upon the method of initial contact between the intending applicant, and the local authority concerned. For example, some housing departments do not have the staff resources to permit a lengthy interview with each applicant. In these instances great reliance is placed upon proprietary forms of written publicity material as a means of conveying knowledge to the applicants concerned.

On this point, it is considered appropriate to document additional extracts from publicity material used by local authorities in the Northern Region in order to

to show some of the complexities which may be apparent to the household evaluating his opportunities. The local authorities concerned in this instance are Durham City Council and Stockton on Tees Borough Council:

Durham City Council - "Scheme of Lettings"

"Applicants in District Numbers 1, 2, 5 and 6 be allowed to apply for housing accommodation in any of those four districts.

Applicants in the Number 3 District be allowed to apply for housing accommodation in Numbers 1, 2, 3, 5, and 6.

Applicants in the Number 4 District be allowed to apply for housing accommodation in any district.

Applications from residents of District Numbers 1, 2, 5 and 6 for accommodation in the Numbers 3 and 4 Districts, and residents in Number 3 District for District Number 4, be referred to the Number 2 Area Housing Committee for consideration . . ." (1)

Borough of Stockton on Tees - "Can I have a Council House?"

"I am single, can I apply for a Council Dwelling?"

Yes, if you are over 25 years or more and living in rooms, or 30 years or more and living at home; but be warned, if you change your status we will have to take another look at you . . ." (2)

Surprisingly, Darlington Borough Council are one of the local authorities in the region who do not publish notes of guidance merely, details of how their

(1) City of Durham - Scheme of Lettings. January 1977, Paragraph 3.

(2) Borough of Stockton on Tees - Can I have a Council House?, July 1978. Page 1

points scheme works. However, all intending applicants for council housing are interviewed in their Housing Aid Centre, when full information is given verbally as to the selection criteria and when possible the probable date of rehousing.

In social policy terms, the quality of information concerning access to council housing is critical. In this connection, the writer was impressed with the professional approach of the Department of the Environment evidenced by the amount and quality of published literature on a variety of housing topics unassociated with access to council housing. For example, the Housing Aid Centres in Darlington and Newcastle display extensive material on such matters as: House Renovation Grants, Leasehold Reform, Land Compensation, Buying a Home with an Option Mortgage and many others. Much of this publicity is designed in question and answer form and attractively set out. The writer also found examples of Government sponsored publicity on housing matters displayed in Public Libraries and Citizens Advice Bureaux. However, of greater concern is the fact that some local authorities do not appear to issue any form of written publicity on allocation criteria at all. This point has been recognised by the Government in the 'Green Paper' thus:

"... a local authority's method of allocating housing must be seen to be fair. The Government will introduce legislation requiring allocation schemes to be published. Such a requirement need not entail impersonal or rigid procedures. But the criteria for allocation must be clear." (3)

Although the Government's intention is clear from this statement, publication of selection criteria does not guarantee fairness if irrelevant and onerous

(3) Housing Policy - A Consultative Document, Page 80. Paragraph 9.22

eligibility qualifications are in force nor will a statutory requirement to publish selection methods benefit potential housing applicants if the material is not readily comprehensible to those for whom it is designed. Moreover, nor will it enhance public confidence, if the allocation system is unfairly or inefficiently administered.

This point is supported to a degree by evidence arising from the annual reports of the Commission for Local Administration in England (Ombudsman). For example, the following table shows the source of grievance in respect of the Commissioner's investigations of housing allocation complaints for the period 1st April 1974 to 31st December 1977 where maladministration had been found.

**Table 31 - Analysis of Investigations about Housing Allocations 1st April 1974 - 31st December 1977 - Where Maladministration has been found**

Subject	1974/75	1975/76	1976/77	1977/78	Total
Misleading or lack of Information by Local Authority to Complainants.				2	2
Lack of liason between Local Authority Administrative Divisions				1	1
Inconsistently applied Policies and Procedures			4	2	6
Inadequate or Unfair Policies and Procedures			2	3	5
Unreasonable Delay			1	2	3
Failure to Honour Pre Reorganisation Decisions		1			1
<b>TOTAL</b>		1	7	10	18

In as much that eighteen complaints involving maladministration cannot be regarded as an indictment of the quality of local authority housing management, the analysis does confirm the trend towards the dissatisfaction of certain housing allocation procedures and the manner in which they are administered.

To conclude this section, it is appropriate to document an extract from the National Consumer Council's response to the Government's "Green Paper" on the subject of Access to Council Housing:- <sup>(4)</sup>

"The detailed suggestions on the form of publication are also inadequate. Some published schemes are at present virtually incomprehensible to the lay person. The Department of Environment should issue guidance and model leaflets illustrating the methods of achieving a reasonable balance between providing sufficient detail and maintaining comprehensibility. The fear that this will lead to "disputes with applicants disappointed with the slow rate of progress in their cases" is surely unfounded. Disputes most commonly occur precisely because of the frustration of people who cannot find out how their application has been assessed. The applicant should have a right to know not only the general details of the scheme but also how their individual application has been assessed. Without this right they have no means of gauging the fairness and accuracy of the authority's treatment of their application...."

### Housing Choices

The final choice of housing for many people will not only depend upon eligibility processes and the availability of dwellings to suit particular needs and requirements but upon aspiration and price in relation to other expenditure priorities. For example,

(4) The National Consumer Council's Response to the Department of the Environment Consultation Paper, December 1977 Page 13

some households may prefer to pay as little as they can for housing and to spend more money on other commodities even if their standard of housing is reduced as a direct consequence. Moreover in assessing the price of housing the prudent person will consider not only direct costs but supplementary housing costs also such as furnishing, rates and maintenance.

Accordingly and in recognition of limited choice in the private rented sector, a range of housing options available to say a family consisting of husband, wife with two children will now be examined. It is assumed for this purpose that the gross income is about £74 per week and that there are no access constraints. The options to be examined are applicable to the characteristics of the housing market in Darlington for reasons given in the introduction to this chapter, namely:

- a) Purchase of an unimproved terraced house
- b) Purchase of an improved terraced house <sup>(5)</sup>
- c) Renting an appropriate council house

In options (a) and (b) access will involve certain preliminary costs such as a deposit, legal fees, survey fee and insurance. All options will involve initial costs of furniture and probably decoration, since a home (or a castle) is not usually acceptable to some people unless it is nicely equipped. The results are shown in the following table:-

**Table 32 - Housing Options - Analysis of Preliminary Costs - May 1978**

Options	Price	Deposit	Legal Fees		Supplementary Costs				Total
			Survey	Solicitor	Removal	Carpets	Furniture	Decoration	
	£	£	£	£	£	£	£	£	£
(a)	3,000	150	7	133	15	500	1,165	100	2,070
(b)	7,250	363	18	180	15	500	1,165	100	2,341
(c)	Council	-	-	-	15	500	1,165	100	1,780

Source: T.W. Cracknell Ltd., (Furniture Removers) Close Thornton & Co., (Solicitors)

(5) It was considered unnecessary to use an option for a higher priced dwelling since a household with an income of £74 per week would have difficulty obtaining a mortgage.

In this illustration it has been assumed that a 95 per cent mortgage is available either from a building society or a local authority. Second and in each case it is recognised that the cost of carpets and furniture amounting to £1,665 may well be funded by either a hire purchase agreement or a bank loan. In the case of a hire purchase agreement a finance company would require an initial deposit of £333 with repayments totalling £14.40 per week for a period of two years.<sup>(6)</sup> Whereas with a bank loan no deposit is required, thus repayments would be £8.92 per week for five years.<sup>(7)</sup>

However, discounting the relative pecuniary advantages of most forms of home ownership, it would appear from the varying amounts of initial capital required, that compared with the standards afforded by a modern council house at subsidised rental levels, the initial choice for council housing is an attractive one indeed.

It is relevant to pursue this matter a stage further by assessing likely repayments in respect of these options thus:

Table 33 - Housing Options - Analysis of Weekly Costs - May 1978

Options	Weekly Payments	Improvements Loans Repayments	Weekly Rates		Insurance Weekly	Tax Relief (minus)	Hire Purchase Payments	Total	Proportion of Gross Income
			Gen.	Water & Sewerage					
(a)	£ 7.60	£ 6.94*	£ 1.08	£ 0.60	£ 0.17	£ 4.64	£ 14.40	£ 26.15	% 35
(b)	12.94	-	2.48	0.65	0.25	3.83	14.40	26.89	36
(c) Council	6.23	-	2.21	0.74	-	-	14.40	23.58	32

Source: Departmental Records and Municipal Mutual Insurance Co., Newcastle

(6) Mercantile Credit Co. Ltd., Darlington.

(7) Barclays Bank Darlington

\* Assumes an Improvement Loan of £2,500

\*\* The writer acknowledges the fact that not all households would wish to spend this amount of money initially. Moreover some may prefer to invest in second hand equipment.

A number of points are now readily apparent. First, we can see the slight financial disparities of the various options in terms of weekly repayments expressed as a proportion of weekly gross income. Second, the analysis favours a prima facie choice for council housing, but it should be emphasised that this illustration takes no account of inflationary opportunities or maintenance commitments inherent in home ownership or future increases in council house rents. Third, and particularly important in the context of this study is the fact that it is only marginally less expensive in terms of mortgage repayments to buy and improve an unmodernised house than a modernised one at an initial higher cost. This is entirely due to the effect of interest rates. For example in option (a) a building society in Darlington will not normally lend on such property thus the only other likely source of finance is the local authority where the interest rate is slightly higher at  $10\frac{1}{2}$  per cent as opposed to building society rate of  $8\frac{1}{2}$  per cent.\*

This factor highlights another important point, that of providing access to cheaper housing by way of mortgage facilities. Building Societies see their general operation as one orientated to investment opportunity and therefore tend to reject risky business. Local authority lending policy on the other hand, is designed to reflect the "social policy" aspect of housing allied to the objective of supplementing the lending policies of building societies rather than competing with them. The major constraint is however, that funds for local authority home loans are restricted by Central Government. Thus, it follows that latent demand for cheaper owner-occupied housing is likely to be unfulfilled - a factor which has surely contributed to an increase in vacant dwellings. In consequence such choices may be diverted to more expensive forms of owner-occupation or alternatively to council waiting lists.

\* The building society interest rate as in October 1978 was  $9\frac{3}{4}$  per cent

But so far housing choice has only been considered from the standpoint of a young household in receipt of an average income. There are other household groups to consider such as single persons, the elderly and others with special needs. Clearly the evidence at the present time highlights the constraints upon housing choices available to the elderly and single working persons and whereas the ownership of a cheaper, older house may be quite suitable for a single person, the level of income may be insufficient to maintain a mortgage, insurance, maintenance and supplementary housing costs also. So the result all too often is that housing requirements are met by lodgings and in extreme cases by multi-occupation. Consequently, any intention by local authorities to remedy the effect of poor housing conditions apparent in such cases, merely stimulates extra demand for smaller council housing units which because of low supply ratios cannot be fulfilled. For the elderly, there is often no benefit in moving to older housing areas or more expensive forms of owner-occupation as their needs are primarily for comfort, warmth, companionship and welfare support, which in general terms is only provided by public sector housing of a specialised nature or in more severe instances by the provision of Category III residential accommodation.

### Conclusion

In this chapter an attempt has been made to show the inadequacies of written publicity material prepared by certain local housing authorities with a view to explaining the extent of rehousing opportunity. Only three examples have been shown and since these adequately illustrate the point there was little value to be gained in documenting additional material. However, the fact remains that clear well designed publicity is essential not only in conveying to the layman knowledge of how a particular housing allocation system works, but as a

test of local authority performance and impartiality also. In this connection the Government should go further than impose obligations upon all housing authorities to publish details of their allocation policies and procedures and heed the recommendations of the National Consumer Council by giving advice and examples of how such literature can best be designed.

On the question of housing choice, from the examples given, the ratio of weekly costs to gross income does not vary significantly. For the consumer, factors relating to housing standards; the amount of initial capital required allied to the short and long run advantages intrinsic to owner-occupation would appear to be the key issues. It is unlikely however, that many households would attempt an opportunity evaluation in this detail. Accordingly, it would appear to be sensible and useful for local authorities to devote more of their administrative resources to undertaking more intensive interviews with intending applicants with a view to explaining the principal features of various options since only with detailed knowledge can the individual exercise discretion and maximise his opportunity.

CHAPTER NINE  
THE ROLE OF CENTRAL GOVERNMENT

Introduction

This study has shown that for many households, the ability to obtain a council house tenancy is affected by housing supply constraints, eligibility qualifications and tenant selection methods. In some respects the inequality of opportunity is a product of local authority autonomy whereas in other instances it is perhaps more a question of national housing policy being insufficiently dynamic in its response to changing needs and requirements. From the standpoint of local government, housing policy is largely dependant upon the political and social attitudes of its elected members whose task it is to determine local objectives and supporting policies assisted by information and advice from their senior administrations.

In the light of evidence presented in this study, the major option for central government is the fundamental issue as to which is more important: greater equality of housing opportunity arising from direction and control, or the privilege of continued local government discretion? However, on the basis of over sixty years of municipal housing endeavour, it seems unlikely that the plethora of organisational constraints, will be removed within a reasonable time span other than by central direction or stronger influence.

The main thrust of this concluding chapter then, will be to offer some arguments supporting a proposition for a more positive central government influence, and an indication of the principal advantages and disadvantages which can sometimes flow from uniformity.

## The Case for Central Intervention

On the assumption that increased state involvement in housing management policy or the less convincing hypothesis that local government, if left to its own devices, may produce more equality in access to council housing, it is necessary as a starting point to consider whether the inconsistencies in practice are of superficial interest only or whether the matter is of particular importance?

On the broad question of social inequality, as one might expect, there is a vast literature and to pursue the conceptual arguments too far is beyond the scope of this study. However, the arbitrary nature of council housing allocation policy would seem to be analogous for example to a statement made by R. H. Tawney in 'Equality':-

'So to criticize inequality and to desire equality is not, as is sometimes suggested, to cherish the romantic illusion that men are equal in character and intelligence. It is to hold that, while their natural endowments differ profoundly, it is the mark of a civilised society to aim at eliminating such inequalities as have their source, not in individual differences, but in its own organisation . . . . .'<sup>(1)</sup>

As the results of this study have shown, the procedures for choosing council tenants have social as well as economic importance. A good allocation policy ensures that priority is afforded to those whose housing and social need is greatest. The principles of tenant selection must be readily understood, and

Page 39.

1. Readings on Social Stratification, Prentice Hall Inc, New Jersey 1970. Excerpt from "Equality" by R.H. Tawney - Capricorn Books. New York 1961.

facilitate public confidence. At present, and accepting that there has to be a system of eligibility in all social policies, it is possible that some people may be highly critical of local housing policies which permit the rehousing of a single person aged thirty<sup>(2)</sup> in some areas but do not permit the rehousing of single persons of any age, prior to retirement, in other areas. Or, to a statutory guarantee of rehousing to say a homeless family evicted from a private tenancy through rent arrears<sup>(3)</sup> as against the inability of an owner-occupier facing unavoidable difficulties in maintaining mortgage repayments to even register a public sector housing requirement?<sup>(4)</sup>

On these points, the writer has been surprised by the limited amount of academic publications in contrast to the material available on other public sector housing topics. However, in 'Council Housing', David Hoath who devoted a chapter to the allocation and transfer of council tenancies, is mindful of the anomalies and inequalities of the public sector housing system but rather dismissed the arguments for reform :

'Since these problems are subject to considerable regional variations, it is not possible to prescribe any single method of selection for general use.'<sup>(5)</sup>

While it is true that there are some distinct regional variations in the degree of certain housing problems, they are not so different in kind as to justify widely separate treatments. Wallace F. Smith in 'Housing : The Social and Economic Elements' offers a more thoughtful statement relating to the allocation process.

2. Ibid Page 125 (Easington District Council)
3. Housing (Homeless Persons) Act 1977
4. Sunderland Borough Council, Ibid page 129
5. Council Housing - David Hoath, Sweet and Maxwell 1978, page 6

" ..... there is general agreement that only a finite number of objective circumstances are of real significance in housing allocation ..... so long as objective matters only are involved, the allocation process need not be very complicated ." <sup>(6)</sup>

One way out of this autonomous jungle then would be for central government to introduce a greater measure of control. After all, there are statutory criteria for such matters as dwelling unfitness, rent rebates and rent allowances, housing standards and subsidies. And, while such factors tend to produce certain peculiarities in practice, there would appear to be no singularly important reason for central government not exerting a stronger influence over arbitrary and unjustifiable eligibility selection methods.

That Governments have resisted such a move is hardly surprising when one considers the powerful political content of the local government system supported by equally powerful local authority associations and professional societies. In fact, in "Housing Policy - A Consultative Document", the present Government has stated:

"But the Government wish to maintain their policy of giving the maximum freedom for authorities to interpret and implement national policies in the light of local circumstances. They therefore believe that proposals to control local authorities' allocation policies centrally -

for example by laying down a statutory framework for allocation schemes - should be rejected, with the following two exceptions:

- ending the practice of imposing residential or other qualifications for inclusion on a housing list: (7)
- requiring publication of allocation schemes."

However, these proposals will not necessarily remove the constraints to mobility if, for example, the practice of awarding rehousing priority to residency persists; or on the question of publicity, material concerning tenant selection schemes is so poorly designed as to confuse rather than enlighten the recipient.

As the writer has already noted, the last Ministry Report specifically on local authority housing allocation procedures was the "Cullingworth Report" published in 1969. Despite the fact that discussion took place on the 'Role of Central Government', the Committee did not document the arguments for an extension of central control. Nevertheless they reached the conclusion that increased guidance was a more desirable objective, thus:-

"Most of those who raised this matter with us stressed the importance of local discretion and the inadvisability of greater central control. We agree: indeed our view is that more central control could prove less effective than the present system. Those who put to us a case for greater control (as a means for achieving greater uniformity, for preventing discrimination against particular —

groups or for ensuring greater equity) make the mistake of comparing the disadvantages of 'what is' with the assumed advantages of 'what might be'. The need is for a clearer <sup>(8)</sup> lead from central government, not greater control. "

It is an interesting fact that nearly ten years following publication of this report many of the major recommendations have still to be implemented by a large number of local authorities. Moreover as this study has shown the arbitrary barriers governing access to council housing (certainly in the Northern Region) are as prevalent in 1978 as they were in 1969. One might presume therefore that the Committee was too optimistic that arbitrary barriers would be removed solely by voluntary endeavour.

The important question arises, therefore, as to whether the rate of social and demographic change evident at local as well as national level supports a case for greater central control than was apparent in 1969? In this connection, evidence arising from this study exemplifies at least two relevant factors. First, the private rented sector is declining rapidly. Second, the household structure of the population is changing thus producing conditions which in the absence of private sector adjustments will motivate increasing dependence upon the resources of the public sector housing stock, over time.

Moreover, the product of over a half-century of municipal housing enterprise shows that notwithstanding the amount of advisory material emanating from

8. Council Housing Purposes Procedures and Priorities H.M.S.O. 1969, page 24 paragraph 64

successive governments on housing allocation criteria, glaring inequalities in the system still persist. At this juncture then, it is appropriate to document some of the social advantages which may accrue if the Government decided to adopt a more positive role.

### Social Advantages

The principal functions of this hypothesis can be conveniently outlined under the following headings and each will be discussed in turn:-

- Mobility
- Individuality
- Greater knowledge and choice

#### (a) Mobility

The present system of council housing eligibility qualifications represents a severe impediment to mobility, since it is very often impossible for some tenants to move from one local government area to another unless an exchange is arranged in conjunction with another tenant. Thus, there are at least two very important consequences accentuated by such constraints.

First, the system reinforces one of the main social disadvantages of council house tenants since having fulfilled one set of procedures, they may be subject to yet another rigorous eligibility test should movement to some other area be necessary. This situation highlights an economic problem of significance also. For example, redundancy and unemployment with its attendant social costs might be alleviated by the prospect of employment in some other area. This in turn may benefit the receiving area particularly if local commercial and industrial firms are experiencing difficulties in recruiting labour from within their resident populations. On the other hand, while it is true that many local

authorities operate what are colloquially known as "keyworker schemes" such opportunity is not always open ended and consideration will often depend upon the fulfillment of rigid eligibility criteria.

On this point, greater central intervention would undoubtedly alleviate many of these problems. Moreover, such an influence would tend to improve the status of the council house tenant also.

(b) Individuality

It is appropriate to open the discussion by reference to a statement made by Harold L. Wolman in "Housing and Housing Policy in the U.S. and the U.K."

"A housing unit provides much more than shelter from the elements. It is the secure and protective haven from which human life is sustained. As such, it has an emotional dimension as important, if not more important, as its physical protection dimension. It is a home; not simply a housing unit. Its contours, features, and characteristics are intertwined with an individual's own desires, life styles, and aspirations. A home is thus an extension of an individuals personality ....."<sup>(9)</sup>

D. V. Donnison in "The Government of Housing" expresses a similar theme in his introduction:-

9. Housing and Housing Policy in the U.S. and the U.K. - Harold L. Wolman. Lexington Books, Lexington, Massachusetts. 1975, page 108.

'House and home stand at the centre of people's lives, providing a shelter for sleep and for half their waking activities, a shield against the elements and the world - which yet admits both in controlled and selective fashion - and a storage place and showcase for most of their possessions.'<sup>(10)</sup>

Notwithstanding the conceptual connotation of these statements, the two dimensional characteristics and the concomitant effects upon peoples lives, it follows that the importance of such factors lends weight to the case for a measure of organisational reform. Thus if the present system is incapable of producing uniformity in practice and greater equality of opportunity, then reliance must be placed upon national policy - a situation which is not without precedent in the field of public policy generally.

(c) Greater Knowledge and Choice

At present, detailed knowledge of regional and local area housing needs is of necessity linked to the results of national surveys. The demand for council housing is shown somewhat more dubiously by the composition of housing waiting lists. But, housing waiting lists are governed by local authority policies and procedures and the more restrictive they are then the less value such indices have in representing local housing trends and requirements. Moreover, faced with a move towards increasing dependence upon council housing, if a reasonable choice within diminishing tenure options is to prevail in the future, then the public rented sector will have to become more heterogeneous and its inherent constraints removed.

10. The Government of Housing - D.V. Donnison, Penguin Books Ltd., 1967, page 9.

On these points, local authorities can at best frame their new housing supply programmes upon the basis of known data. It follows then that if for example, single persons or indeed other household groups are not in contention because they are ineligible, then the index of housing need will be distorted and associated financial resources allocated to some other purpose.

Thus, not only would a rationalisation of procedures eliminate some of the major inequalities in the public sector housing system, but greater knowledge and awareness of the nation's housing needs and requirements would ensue also. In this way the quality of national housing policy and its local interpretation would be enhanced, which in turn would identify more accurately the short and long term expenditure levels for future public sector housing development.

#### Arguments Against an Extension of Central Government Control

It is important to place the line of argument developed so far into perspective since the uniformity which flows from national housing policy can sometimes create new problems. For example, the operation of mandatory Parker Morris standards allied to statutory cost control has tended to create an undesirable degree of monotony and regularity in certain forms of council housing development, the like of which is apparent in almost any locality. It has also been argued that such standards have produced not only an unnecessary increase in the unit cost of council housing in relation to comparable sized private sector developments, but imposed supplementary housing costs upon tenants in respect of amenities they would have been prepared to forego. The corrective action recently announced by central government in connection with energy conservation and high heating costs is a further example of the problems which can sometimes

result from national housing standards. Similarly, legislative criteria in connection with the standards of dwelling unfitness and the administration of renovation grants are regarded by some people as a constraint upon an authority's ability to influence local housing problems and priorities.

On the question of council housing allocation procedures, while national criteria would more readily enhance social opportunity, such policies would not establish equality in terms of pre-tenancy waiting periods. The problem here is that waiting periods would depend upon local indices of housing need and demand in relation to the composition of supply which although not different in kind may in some regions be different in degree. But this calls for an adjustment in local authority housing programmes and the central financial allocation system, not for wide variations in procedures. In this connection, it is of interest to emphasise the fact that the overwhelming effect of eligibility and housing priority constraints is to limit demand. Accordingly, should central government decree that all household groups be afforded equal rehousing opportunity, it is possible that in some areas demand would be precipitated to a point where the fulfillment of public expectation would necessitate the need for an immediate increase in resources in excess of the nation's present expenditure on housing. A failure to increase supply would possibly provoke further consumer disenchantment with central and local housing policies.

Moreover, legislation incorporating national criteria which is vague and open to interpretation can create additional problems. The writer has already shown the limitations of the Housing Act 1957 in so far as a local authority's rehousing

obligations are concerned, but there is a further example of national housing policy which can be used to illustrate the validity of this point. For example, it is of interest to note the response of local housing authorities in County Durham to the Housing (Homeless Persons) Act, 1977.

Table 34 - Homelessness Procedures - County Durham - October 1978

District	Housing Procedures
Chester-le-Street	Normal Council Housing in low demand areas
Derwentside	Use of Battered Wives Hostel, visitors rooms in Sheltered Housing Schemes.
Darlington	Homeless Families Unit. Short life accommodation. Normal Council Housing.
Durham	3 Flats, unfurnished.
Easington	3 Flats, unfurnished.
Sedgefield	3 Normal Council Houses in low demand areas.
Teesdale	1 Caravan.
Wear Valley	3 Furnished Houses and 2 Caravans.

Source: Local Authority Housing Records - October 1978

The degree of variation in practice is now readily apparent. As a result it is possible that some people feel that if they are homeless in the County of Durham, far better it be in Durham than in Teesdale. However, it is of interest to note also that at least all local authorities in the area have responded positively to the legislation when prior to the Act coming into force in January 1977, most of the districts in the County relied exclusively upon the inadequate resources of the social services department of the County Council.

On the basis that this situation was apparent in other regions, it is perhaps not surprising that central government felt it necessary to apply legislation.

At a time when state intervention is at the core of British social, industrial and economic policy, it is necessary also to consider briefly the more fundamental implications of increased central control over local housing affairs. As the Report of The Committee of Enquiry in Local Government Finance pointed out in May 1976:-

"The role of local government is to promote democracy, to enhance accountability, to use resources to the best effect by enabling the provision of services to be adjusted to local needs and to provide opportunities for innovation".<sup>(12)</sup>

In this connection, one cannot afford to be indifferent to the role of the elected member in the social and political system and his rather special relationship with his constituents. In the event of continued domination by central government either directly by legislation or indirectly by the use of financial controls, the effectiveness of elected members may be reduced and public accountability eroded. At least for the present, the population have a person in public life (in addition to the Member of Parliament) to whom they can ventilate a grievance. Councillors by the very nature of their role in the community have powers to investigate the local administrative machinery, policies and decisions arising from them. If the elected member is dissatisfied with the outcome of his enquiries, he can exert pressure either independently, via the media or through the political machinery. In these various ways the individual and local pressure

12. Report of the Committee of Enquiry into Local Government Finance (The Layfield Report) cmd. 6453 H.M.S.O. 1976, page 63 paragraph 45.

groups can be assured of attention to their problems by the organisation most responsible for the initiation of policy and its execution.

However, much depends upon the calibre of councillor recruited to local government. The Committee set up by the Minister of Housing and Local Government to enquire into the Management of Local Government in 1964 applied considerable thought to how local government can best continue to attract and retain people of the calibre necessary to ensure its maximum effectiveness. The following comments are therefore worthy of note since there was a feeling that continued erosion of autonomy and discretion may result in local government having difficulty in recruiting councillors of quality and aptitude:-

"We have urged that there should be greater trust in local authorities, that they should be treated as responsible bodies and have a wider range of discretion. We have stressed the need for local authorities to be responsive and for a closer relationship to be established between local authorities and the public which they serve. These recommendations will, if followed, help to create a new image of local government. But we cannot say with any certainty that they will attract people with the qualities we have mentioned. All we can say is that without the changes we have proposed the chances of attracting them will be diminished."

(13)

However, in the context of this study, central government has no need to go to the extreme. Notwithstanding the disadvantages of a stronger central government influence over local authority housing allocation methods, the

point should be emphasised that the public who are at all times at the receiving end of locally determined decisions may feel that they have just cause to expect the same degree of council housing opportunity in Sedgefield as in Darlington and Durham even if a tenancy takes a little longer to achieve in one area than another.

### Conclusion

Bearing in mind the advantages and disadvantages of increased state control the writer is faced with the task now of recommending the most likely ways in which the arbitrary constraints governing admission to housing waiting lists and subsequent selection priorities might be removed. Unfortunately housing allocation procedures are not the only issues confronting local housing authorities at the present time. A complicated system of Housing Investment Programme analysis has been placed upon them by central government. Moreover, the changing composition of housing demand has produced a requirement for fresh policies on such matters as difficult-to-let dwellings, rental structures, vacant dwellings and by no means least the economic and social problems of older housing. Against this background it is difficult to foresee this challenge being met successfully without significant changes in attitude and some re-organisation of methods. That local government is capable of change both voluntarily and by direction is proven by their response to the Local Government Act 1972, when in the process of reorganisation many policies and procedures probably held as inviolable by merging authorities were standardised.

But, as is too often the case, central government may have to take the initiative, not only with regard to access criteria, but certain other aspects of housing policy also. Progress can thus be made firstly by modifying the relevant vague sections<sup>(14)</sup> of the Housing Act 1957 in favour of more specific rehousing duties and expanding tenant selection criteria to include social as well as housing need. Eligibility constraints should be removed also by legislation, with the exception perhaps of certain 'cut off' points in connection with young single persons. The possible increases in demand arising from these changes should then be monitored and resulting data used to formulate more pertinent housing finance strategies. It may also be advisable for central government to publish a model allocation scheme and associated publicity material.

In the wider context of social housing policy, central government should be more concerned with housing conditions in the private sector. For example, greater emphasis upon criteria for removing those dwellings nearing the end of their economic life would eliminate the most vulnerable proportions of the housing stock. Continuing this theme, a greater input of financial resources and more flexibility in older housing renovation programmes, would have the added effects of improving housing conditions at a faster rate, and removing the manifestation of one of the principal indices of housing need also. Such a proposal may also have the advantage of reducing the demand for some forms of council housing and invigorating the 'bottom end' of the housing market while, at the same time, reducing the 'structural' element of the vacancy pool. Moreover, it is considered that more emphasis be placed upon converting existing council houses to form smaller units. This policy would then make the public sector more heterogeneous in structure and more

14. Housing Act 1957, Sections 91 and 113/2

in keeping with the needs of smaller households, who now comprise a larger proportion of the population.

Naturally, these proposals would call for a switch in finance resources from new construction to the renovation and adaptation of existing housing stocks. Consequently, central government would have to reconcile the resulting repercussions upon the building industry with its overall financial and economic policy. However, as a starting point it may be prudent to deal with some of these proposals on a regional or even county basis. In this way, the major impact of a sudden change in the re-direction of national housing policy would be less marked. Moreover, such an approach would involve a smaller number of local authorities many of which would probably share common problems and objectives.

Of course local authorities have the capability to achieve this end voluntarily through its associations and professional institutions, although historical performance and current practice does not enhance the probability that this will happen. However, if in the last analysis central government has to intervene as it has done so in the past, then local government has only itself to blame. After all, decent housing is of crucial importance to people. Not all households in the future will be able to take advantage of free market opportunity, any more than they have been able to do in the past. In this situation greater equality of opportunity in housing is at least as important as it is in income maintenance and health services.

## BIBLIOGRAPHY

- ASSOCIATION OF LONDON BOROUGH HOUSING OFFICERS'**  
"Towards Ending Residential Qualifications" 1977
- BARCLAYS BANK (DARLINGTON)**  
Information on Bank Charges, May 1978
- BUILDING SOCIETIES ASSOCIATION**  
Year Book 1977
- CHANCELLOR OF THE EXCHEQUER**  
"The Governments Expenditure Plans 1978 - 79 to 1981 - 82"  
Cmnd. 7049 - II H.M.S.O. 1978
- CHRONICALLY SICK AND DISABLED PERSONS ACT, 1970**
- CLARKE M.**  
"Too Much Housing", Lloyds Bank Review, October 1977
- CLOSE, THORNTON AND COMPANY (Solicitors, Darlington)**  
Information on Legal Costs - May 1978
- COMMISSION FOR LOCAL ADMINISTRATION IN ENGLAND**  
"Annual Reports" 1974 - March 1978
- COMMISSION FOR RACIAL EQUALITY**  
"Housing Need Among Ethnic Minorities" - A Memorandum,  
December 1977
- CRACKNELL T. W. (Furniture Removers, Darlington)**  
Information on Removal Costs - May 1978
- CRAMOND R. D.**  
"Allocation of Council Houses", University of Glasgow,  
Social and Economic Studies, Occasional Papers No. 1, 1964
- CULLINGWORTH J. B.**  
"English Housing Trends" Bell, 1965
- DARLINGTON BOROUGH COUNCIL**  
Information Concerning Transfers and Exchanges, May 1978
- DEPARTMENT OF EMPLOYMENT**  
Information on Unemployment Levels, Newcastle, April 1978
- DEPARTMENT OF ENVIRONMENT**  
"Building Society Support Schemes", D.O.E. Letter to  
Local Authorities, March 1978

**DEPARTMENT OF ENVIRONMENT, THE DEPARTMENT OF HEALTH AND SOCIAL SECURITY**

"Homelessness" Circular 18/74

**DEPARTMENT OF ENVIRONMENT**

"Housing Action Areas, Priority Neighbourhoods and General Improvement Areas", Circular 14/76

**DEPARTMENT OF ENVIRONMENT**

"Housing Construction Tables No. 13"

**DEPARTMENT OF ENVIRONMENT**

"Housing for One Parent Families", Circular 78/77

**DEPARTMENT OF ENVIRONMENT**

"Housing Mangement: Access and Allocation", Consultation Paper, D.O.E. August 1977

**DEPARTMENT OF ENVIRONMENT**

"Housing in the Northern Region", Northern Region Strategy Team Report, D.O.E. September 1976

**DEPARTMENT OF ENVIRONMENT**

"Housing Policy - A Consultative Document", Cmnd. 6851, H.M.S.O. 1977

**DEPARTMENT OF ENVIRONMENT**

"Housing Policy" - Technical Volume I, Cmnd. 6851 H.M.S.O. 1977

**DEPARTMENT OF ENVIRONMENT**

"The Housing of One Parent Families", Housing Services Advisory Group, H.M.S.O. 1978

**DEPARTMENT OF ENVIRONMENT**

"Report of the Committee on the Rent Acts", Cmnd. 4609 H.M.S.O. 1971

**DEPARTMENT OF ENVIRONMENT**

"Wheelchair and Mobility Housing: Standards and Costs" Circular 92/75

**DEPARTMENT OF ENVIRONMENT**

"Local Authority Advances for House Purchase" Circular 22/71

**DEPARTMENT OF HEALTH AND SOCIAL SECURITY**

"Report of Committee on One Parent Families" Volume I H.M.S.O. 1974

**DONNISON D. V.**

"The Government of Housing", Penguin Books Ltd., 1967

**DURHAM COUNTY COUNCIL**

"Durham County Structure Plan" Paper No. 3, Durham County Council 1977

**DURHAM CITY COUNCIL**

"Scheme of Lettings", January 1977

**DURHAM COUNTY COUNCIL**

School Zoning Policy (Darlington)

**FOX, D.**

"Lets Abolish Residential Qualifications", Paper Presented to Kent Housing Manager's Association 1971

**FOX, D.**

"Why Hammersmith Scrapped Residential Qualifications" Municipal Engineering, May 1975

**GREVE, J.**

"London's Homeless", Occasional Papers in Social Administration No. 10, Codicot Press, Welwyn 1964

**HANSARD**

"Service Families (Housing)", 24-27 April 1978, Questions and Answers in the House of Commons

**HOATH D.**

"Council Housing", Sweet and Maxwell, 1978

**HOME DEPARTMENT, DEPARTMENT OF EDUCATION AND SCIENCE,  
MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Report of the Committee on Local Authority and Allied Personal Social Services" Cmnd. 3703, H.M.S.O. 1968

**HOUSING ACT 1957**

**HOUSING (HOMELESS PERSONS) ACT 1977**

"Code of Guidance" H.M.S.O. 1977

**HOUSING FINANCE ACT 1972**

**HOUSING (FINANCIAL PROVISIONS) ACT, 1958**

**HOUSING RENTS AND SUBSIDIES ACT, 1975**

**INSTITUTE OF HOUSING MANAGERS**

"Housing Management Practice : Points Schemes", Institute of Housing Managers Pamphlet No. 2, 1970

**LAND COMPENSATION ACT, 1973**

**LANGBAUGH BOROUGH COUNCIL**

"Allocation Schemes", July 1978

**LOCAL EDUCATION AUTHORITY AWARDS REGULATIONS 1977**

**LOCAL GOVERNMENT ACT, 1972**

**LONDON GOVERNMENT ACT, 1963**

**MERCANTILE CREDIT CO. LTD. (DARLINGTON)**

Information on Hire Purchase Payments , May 1978

**MIDDLESBROUGH BOROUGH COUNCIL**

"Housing Allocation Scheme," July, 1978

**MINISTRY OF HEALTH, HOME OFFICE AND MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Homeless Families - Temporary Accommodation," Circular 62/67

**MINISTRY OF HEALTH**

Third Report of the Central Housing Advisory Committee,  
"Selection of Tenants", H.M.S.O. 1949

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Cost Guidance for Medium and High Density Housing",  
Circular 40/63

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

Eighth Report of the Central Housing Advisory Committee  
"Councils and Their Houses" H.M.S.O. 1959

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

Fifth Report of the Central Housing Advisory Committee  
"Residential Qualifications", H.M.S.O. 1955

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Homes for Today and Tomorrow", H.M.S.O. 1961

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Housing and the Redeployment of Labour", Circular 6/67

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Housing Cost Yardstick" Circular 36/67, Appendix II

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Housing for Ex-Servicemen" Circular 60/65

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Housing Standards and Costs, Accommodation Specially  
Designed for Old People" Circular 82/69

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

Ninth Report of the Central Housing Advisory Committee  
"Council Housing, Purposes, Procedures and Priorities"  
H.M.S.O. 1969

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Report of the Committee on Housing in Greater London"  
Cmnd. 2605, H.M.S.O. 1965

**MINISTRY OF HOUSING AND LOCAL GOVERNMENT**

"Report of the Committee on Management of Local Government"  
H.M.S.O. 1967

- MORETON AND TATE**  
"Vacancy Reserve", Town Planning Review, Volume 46, 1975
- MUNICIPAL MUTUAL INSURANCE COMPANY, NEWCASTLE**  
Information on House Insurance Costs, May 1978
- MUNICIPAL YEAR BOOK**  
The Municipal Journal Ltd., London 1977
- NATIONAL ASSISTANCE ACT, 1948**
- NATIONAL CONSUMER COUNCIL** : Response to Government's 'Green Paper' - Dec. 1977
- NEWCASTLE UPON TYNE CITY COUNCIL**  
"Guide for Applicants to Housing Waiting List", July 1978
- NINER P.**  
"Allocation Methods" Survey Carried Out on Behalf of  
Department of Environment 1977
- NORTH TYNESIDE M.B.C.**  
Information on Residential Qualifications, May 1978
- OFFICE OF POPULATION CENSUSES AND SURVEYS**  
"Definition of Terms", O.P.C.S. 1971
- RACE RELATIONS ACT, 1976**
- RENT (AGRICULTURE) ACT 1976**  
D.O.E. Circular 122/76
- REX AND MOORE**  
"Race Community and Conflict", Oxford University Press 1967
- ROSSI H.**  
Conservative Party Spokesman on Housing, Article on  
"Housing Choice" District Councils Review, October 1977
- ROYAL COMMISSION ON LOCAL GOVERNMENT IN GREATER LONDON 1957 - 60**  
"Report" Cmnd. 1164, H.M.S.O. 1960
- SECRETARY OF STATE FOR THE ENVIRONMENT**  
"Report of the Committee of Enquiry into Local Government  
Finance" Cmnd. 6453, H.M.S.O. May 1976
- SMITH W. F.**  
"Housing: The Social and Economic Effects", University of  
California Press 1971
- SOUTH LAKE LAND DISTRICT COUNCIL**  
"Admittance to the Housing Waiting List", April 1978
- SHELTER HOUSING AID CENTRE** :  
"Low Income and Bad Housing" 1976

SOUTH TYNESIDE M.B.C.

"Allocation of Council Tenancies", July 1978

STOCKTON ON TEES BOROUGH COUNCIL

"Can I have a Council House?" July 1978

SUNDERLAND BOROUGH COUNCIL

"Points Scheme for the Allocation of Council Dwellings"  
April 1974

TAWNEY R. H.

"Equality" Capricorn Books, New York, 1961

WOLMAN H. L.

"Housing and Housing Policy in the U.S. and the U.K."  
Lexington Books, Massachusetts, 1975



R.L. STILLWELL, D.F.C., D.F.M.,  
Town Clerk and Chief Executive

Department 100  
The Town Hall,  
Hornton Street,  
London,  
W8 7NX

K. S. G. Pritchard, Esq.,

Telephone: (01)937 5464  
Extension:

APPENDIX I

5th May, 1978.

My reference:

FGS/HF/  
H032/1/3

Your reference:

Please ask for:

Mr. Smith.

Dear Mr. Pritchard,

Vacant Private Dwellings.

Thank you for your letter dated 26th April addressed to the Borough Housing Manager. You will also have seen from the document you quote (paragraph 54):-

"In London, the outer boroughs have much lower vacancy rates than the inner boroughs; and the inner boroughs generally thought of as areas of heavy housing pressure, namely Camden, Islington, Kensington and Chelsea and Westminster had the highest vacancy rates in inner London, which casts doubt on whether many of the vacancies were due to dwellings standing empty for want of would-be occupiers. The matter is much more complex than that."

It certainly is more complex than that. The situation at the time of and just prior to the 1971 census was slightly different to that which appertains today. To set the scene, may I first of all explain that like other inner London boroughs, particularly those mentioned in the technical volume, this borough contains many large mansion blocks of flats built many years ago and large Victorian houses which are let off in flats or which have developed into houses in multiple occupation. Therefore, at any one time, there is likely to be a vacancy rate higher than, say, outer London where there is a predominance of single family houses.

Having said that, the situation in 1971 was exacerbated by the facts that:-

- (i) The property market was rising fast.
- (ii) The improvement grant conditions (under the Housing Act, 1969) imposed no conditions and therefore owners were more inclined to leave parts of houses empty whilst they were negotiating with the remaining tenants to secure full vacant possession so that the whole building could be converted into modern flats with the aid of improvement grants and then sold off.
- (iii) There were large areas of property owned by the Council which were "empty pending redevelopment".

(iv) There was no provision for the payment of empty rate.

At the present time, (i) is again coming to the fore but (ii) above no longer applies because of the restrictions placed on improvement grants. There is some movement but nothing like the explosion between 1969 and 1974. So far as (iii) above is concerned, the properties have been demolished and the sites either rebuilt or in the course of construction.  
(iv) no longer applies.

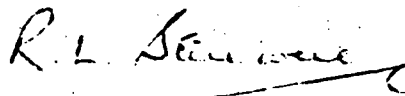
Added to these reasons are the normal ones which were re-enforced recently following a survey carried out by the Housing Study Group of the Council, i.e.:-

- (v) Property empty at the time of survey but since occupied.
- (vi) Town Planning consent for conversion awaited.
- (vii) Town planning consent for conversion given. Works about to start.
- (viii) Town planning consent for conversion given. Works in hand.
- (ix) Property recently changed hands. Works about to start.
- (x) The normal turnover of lettings where dwellings are being repaired or decorated pending re-letting.

The present rating records show a current vacancy rate of about 5.8%.

I hope that this information is of use to you.

Yours sincerely,



Town Clerk.

Analysis of Local Authority Mortgage Lending Schemes - Durham County (April, 1978)

LOCAL AUTHORITY	DOES L.A. ASK FOR CHARACTER REFERENCES	DOES L.A. REQUIRE INFORMATION REGARDING FINANCIAL COMMITMENTS	ARE FINANCIAL COMMITMENTS CHECKED	IS INCOME VERIFIED	INTEREST RATES OFFERED				INCOME ELIGIBILITY TEST	MORTGAGE LIMIT	ARE RESIDENTIAL QUALIFICATIONS APPLIED ?
					VARIABLE	RATE	FIXED	RATE			
DARLINGTON	YES	YES	NO	YES	YES	10.5%	YES	13.375%	Monthly Mortgage Repayment must not exceed 33% of net monthly income	95% x £6,000	NO
DURHAM	NO	YES	YES	YES	NO	-	YES	13.375%	Mortgage based on twice gross annual income including wife	95% x £10,000	NO
SEDFIELD	NO	YES	NO	YES	YES	11%	NO	-	Monthly Mortgage Repayment and all H.P. Agreements must not exceed one weeks gross income	95% x £10,000	NO
TEESDALE	NO	NO	NO	YES	YES	12%	NO	-	Monthly Mortgage Repayment must not exceed one weeks gross income	95% x £5,000	NO
CHESTER LE STREET	NO	YES	NO	YES	YES	12%	NO	-	Monthly Mortgage Repayment must not exceed one weeks gross income	100% x £7,000	NO
WEAR VALLEY	NO	YES	NO	YES	NO	-	YES	13.375%	Monthly Mortgage repayment must not exceed 33% of gross monthly salary	95% x £4,000	NO
DERWENTSIDE	NO MORTGAGES GIVEN										
EASINGTON	NO MORTGAGES GIVEN - AT PRESENT TIME										