

EAST HERTS COUNCIL

COMMUNITY SCRUTINY COMMITTEE - 28 FEBRUARY 2012

REPORT BY EXECUTIVE MEMBER FOR HEALTH, HOUSING AND
COMMUNITY SUPPORT

HOUSING STRATEGY 2008-2011 ACTION PLAN UPDATE AND
DRAFT HOUSING STRATEGY FOR 2012-2015

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- The report highlights successful performance on the Housing Strategy Action Plan 2008-2011. The report also presents to Members, for consideration and comment, the draft Housing Strategy for 2012-2015.

RECOMMENDATION FOR : COMMUNITY SCRUTINY COMMITTEE	
(A)	Members note successful progress on the Housing Strategy Action Plan 2008-2011; and
(B)	consider and comment on the draft Housing Strategy for 2012 - 2015 so that officers can undertake consultation on the document with external partners and stakeholders.

1.0 Background

1.1 The Council adopted the Housing Strategy for 2008-2011 in October 2008. The Housing Strategy for East Herts sets the direction for housing within the district from 2008 to 2011 whilst having regard to longer term housing challenges.

1.2 It was agreed at the Community Scrutiny meeting of 22 July 2008 and the Executive on 9 September 2008 that an annual report should be presented to Community Scrutiny Committee to monitor progress on the action plan.

1.3 The Strategic Housing Service, with the assistance of Planning Policy and Private Sector Housing, has drafted a Housing Strategy for the period from 2012 to 2015. This document will be subject to consultation by our external partners and stakeholders.

2.0 Report

2.1 The current Housing Strategy 2008-2011 was adopted by the Council on 1 October 2008. The aims and objectives of the Strategy are being delivered by officers of the Council, along with our partner agencies. The Housing Strategy Action Plan has been grouped into three Strategic Objectives. These Strategic Objectives are:

1. Maximise the delivery of a range of new affordable homes to meet diverse needs
2. Improve the condition of the housing stock both public and private
3. Building sustainable and thriving neighbourhoods and communities and ensure that vulnerable people are supported in the community.

2.2 The Strategy is a three year one, with the Action Plan being reviewed annually.

2.3 The Council and its partners have made significant progress on the actions in the plan. **Essential Reference Paper B** details progress on each action in the Housing Strategy Action Plan.

The Housing Strategy for 2012-2015

2.4 The Strategic Housing Service with assistance from Planning Policy and Private Sector Housing, has begun the process of developing the next Housing Strategy.

2.5 The Coalition Government has developed, consulted and put into law a number of changes to housing and social housing. The most significant documents are, the Localism Act, the governments Housing Strategy for England 'Laying the Foundations (2011) and the Welfare Reform Act. Not all of the changes in these documents are directly relevant to East Herts, however those that are will have a significant impact on the way housing is developed, allocated and managed in East Herts. The draft Housing Strategy references the key changes which will be subject to further consultation and discussion as they come into force.

- 2.6 The Localism Act gives local authorities greater freedom to set their own policies about who should qualify to go on the Housing Register for social housing in their area. This means that Councils can, if they wish, develop their own policies regarding who is eligible to join the Housing Register. Authorities are still obliged to ensure that social homes go to the most vulnerable in society and those who need them most. Under Homeless Legislation, Councils have a duty to house people who are eligible, in priority need and unintentionally homeless; and this duty will remain in place. The Localism Act lets local authorities meet their homelessness duty by providing good quality private rented homes, which under previous rules they were able to refuse.
- 2.7 The Localism Act has also introduced a number of changes to the planning system including at the national level replacing Planning Policy Statements (PPS) with a single and shortened National Planning Policy Framework (NPPF) and removing the regional tier of planning by abolishing regional spatial strategies such as the East of England Plan. At the local level, whilst the principles of the Local Development Framework (LDF) are being retained, it is being rebranded as the local plan.
- 2.8 With the reductions in spending by Central Government, the grant available for developing new affordable housing for the period 2011-15 is about 50% less than during the previous four year period. With the aim of continuing the development of new affordable homes, the government has developed a new rented product, known as 'Affordable Rent', whereby social housing providers charge higher rents, at up to 80% of market levels, and use the increased rental income to support additional borrowing to compensate for reduced grant.
- 2.9 In addition to being able to charge higher rents registered providers with homes in East Herts are able to offer Fixed Term Tenancies to applicants from the Council's Housing Register for five years, with tenancies of between two and five years only allocated in "exceptional circumstances". These tenancies are reviewed by the registered provider at the end of the fixed term and can be renewed and another fixed term offered if it is decided, within the registered provider's policies, that a household still requires an affordable rent home.
- 2.10 To encourage delivery of additional housing, the Government has

also introduced an incentive scheme called the New Homes Bonus. The Government will match the council tax raised for each new home for the first six years after that home is built. An additional amount is payable for every additional affordable home.

- 2.11 Welfare reforms have reduced the Housing Benefit awards available to private sector tenants, by changing the way the maximum amount of Housing Benefit payable is calculated and setting further caps on these amounts that affect high rent areas.
- 2.12 The Council agreed with the Homes and Communities Agency a Local Investment Plan (LIP) in 2011. The East Herts Local Investment plan (LIP) is intended to provide a framework that will be used to seek future HCA funding for primarily affordable housing in East Herts.
- 2.13 The LIP identifies the strategic context for investment and summarises the evidence base that will be used to direct investment from us and our partners including the HCA. The LIP was developed around four overarching 'Challenges'.
- 2.14 The challenges are:
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| Challenge 1. | Maximise the delivery of a range of new affordable homes, whilst ensuring the best use of existing housing |
| Challenge 2. | Meeting the needs of a growing elderly population |
| Challenge 3. | Meeting the needs of vulnerable people and stronger communities |
| Challenge 4. | Economic Development, Employment and Skills |
- 2.15 It was agreed at Community Scrutiny on 25 January 2011 to use one, two and three of the four strategic challenges identified in the LIP in the development Housing Strategy and associated action plan to enable there to be a clear link between these strategic documents. A draft copy of the Housing Strategy 2012 - 2015 is at **Essential Reference Paper B**.
- 2.16 Any recommended amendments from Community Scrutiny will be incorporated into the draft document. The process of external consultation with partners and stakeholders will begin with a Housing Forum event on 7 March 2012 being chaired by Councillor Haysey. Following this, the document will be published on the

Council's website for wider consultation. An action plan will be agreed with Housing, Local Plans and Private Sector Housing to enable the Council to monitor progress on the key priorities under each of the three strategic priorities.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Minutes of the Community Scrutiny Committee 22 July 2008.

Minutes of the Executive 9 September 2008

Minutes of Community Scrutiny 25 January 2011

Housing Strategy 2008-2011

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ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
<p>Consultation:</p>	<p>Extensive consultation undertaken in developing the Housing Strategy and Action Plan 2008-2011. Consultation of the Housing Strategy 2012-2015 will begin with a Housing Forum event for partners on 7 March 2012.</p>
<p>Legal:</p>	<p>None</p>
<p>Financial:</p>	<p>None</p>
<p>Human Resource:</p>	<p>None</p>
<p>Risk Management:</p>	<p>None</p>