

EAST HERTS COUNCIL

COMMUNITY SCRUTINY COMMITTEE - 25 JANUARY 2011

REPORT BY EXECUTIVE MEMBER OF HOUSING AND HEALTH

HOUSING STRATEGY ACTION PLAN UPDATE

WARD(S) AFFECTED: ALL

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**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, revised strategic priorities for the new Housing Strategy due to replace the current one in October 2011.

**RECOMMENDATION FOR : COMMUNITY SCRUTINY COMMITTEE**

<b>(A)</b>	Members note successful progress on the Housing Strategy Action Plan 2008-2011 and
<b>(B)</b>	Members agree the revised strategic priorities for the Housing Strategy so that officers can begin drafting the next Housing strategy due October 2011.

1.0 Background

- 1.1 The Council adopted its current 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 of 9 September 2008 that an annual report should be presented to Community Scrutiny to monitor progress against the action plan. The timetable has slipped slightly due to the purdah period in 2010.
- 1.3 The Strategic Housing Service, with the assistance of Planning Policy and Private Sector Housing, have begun the process of

developing the next Housing Strategy which will cover the period from 2011 to 2014.

## 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. The Corporate Housing Strategy Group, which consists of officers from the Housing Service, Private Sector Housing and Planning Policy monitor the actions on the plan.

2.3 The Council and its partners have made significant progress on the actions in the plan. Essential Reference Paper B attached to the report now submitted details progress on each action in the Housing Strategy Action Plan. This report highlights three significant actions that have been successfully achieved, since the last report in October 2009.

## Key Successes

2.4 **Action 1. Increase supply of affordable housing including affordable rented housing and shared ownership - Carry out a Strategic Housing Market Assessment (SHMA) with partner Local Authorities.** The SHMA was published in January 2010 with a report being presented to the LDF Panel, from the consultants, also in January 2010. In addition, a SHMA Viability Report, that considers the economics of housing development was published in August 2010. In 2009/10 there were 185 units of affordable homes developed in East Herts. This is the highest

number of affordable homes since 2006/07, the year when Jackson Square and the Herts and Essex hospital site were completed, and set against a continuing difficult economic climate. This has been achieved primarily through negotiation on Section 106 sites as well as some redevelopment of under used housing association land and assets.

- 2.5 **Action 6. Continue to secure funding that provides the optimum mix of affordable housing in terms of type and tenure, in the right location.** The Strategic Housing Service has produced and agreed, within a very short timescale, a Local Investment Plan (LIP) with the Homes and Communities Agency (HCA). 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 document will be used as evidence based framework to seek funding, primarily for affordable housing in East Herts, and to ensure that the right housing of the right size and type is developed in East Herts. This is the first time local authorities have been advised to produce such a strategic document to guide investment from them. Without an agreed LIP the HCA are unlikely to invest social housing grant in a local authority. Copies of the document are available from the Housing Strategy and Policy Manager.
- 2.6 **Action 16. Undertake a house Condition Survey in 2009/10.** Survey fieldwork was carried out during May to September 2009, findings reported to Council at its meeting on 9<sup>th</sup> December 2009, and report revised and produced. This is a comprehensive survey of a representative sample of the housing stock in the District carried out every five years. The conclusions and data from the study are used to inform future policy and direct resources for maximum benefit. All has been achieved within budget.

### **The Housing Strategy for 2011-2014**

- 2.7 The Strategic Housing Service with assistance from Planning Policy and Private Sector Housing has begun the process of developing the next Housing Strategy.
- 2.8 Since the new Government took office in May 2010 they have begun a process of consulting on a number of significant proposed changes to housing and planning laws and policies. Two papers issued by the Department of Communities and Local Government (DCLG) have recently been out for consultation that will have a significant impact on our housing and planning policies in the

future. However the proposals may change significantly once the Government reviews the consultation responses it has received and begins the process of putting them onto statute. The table below gives a brief summary of the current main proposals.

2.9

<b>Proposal</b>	<b>Overview</b>
New Homes Bonus	<p>Consultation document on financial incentives for local authorities to drive growth. Key proposals:</p> <ul style="list-style-type: none"> <li>• Local authorities will receive a New Homes Bonus on each additional property they build/bring back into use</li> <li>• The bonus will be equal to the national average for the council tax band and paid for the following six years as an un-ring fenced grant.</li> <li>• There will be an enhancement of 25% for affordable homes</li> <li>• The Government has set aside £1bn over the spending review period towards funding the scheme.</li> </ul> <p>The consultation period ended 24 December 2010</p>
<i>Local decisions: a fairer future for social housing</i>	<p>Consultation document: Key proposals include:</p> <ul style="list-style-type: none"> <li>• Creation of a new local authority flexible tenancy with min fixed terms of two years (in addition to secure and introductory tenancies)</li> <li>• Investment of £100m to bring empty homes back into use</li> <li>• New local authority powers to manage waiting lists</li> <li>• Introduction of a national home swap scheme for social tenants</li> <li>• Homelessness – local authorities will have the power to fully discharge their duty to secure accommodation by offering suitable accommodation in the private sector without the applicant's agreement.</li> </ul> <p>The consultation period ended 17<sup>th</sup> January 2011.</p>

2.10 In addition the Council has recently agreed with the Homes and Communities Agency a Local Investment Plan. The HCA is able

to provide grant funding for affordable housing and has other powers relating to the provision, facilitation and acquisition of housing, regeneration and infrastructure. This is a very significant document and it is the first time that the HCA have asked Local Authorities to produce one.

2.11 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. It is intended to be a document that is subject to continual review as projects complete and new ones come forward that need to be considered for funding.

2.12 The LIP is based upon existing strategic documents and priorities which have already been subject to extensive public consultation. These documents include the East Herts Sustainable Community Strategy (SCS), the ongoing consultation on the Local Development Core Strategy and the current Housing Strategy 2008-2011. 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'.

2.13 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  |

2.14 The East Herts LIP focuses on affordable housing developments and sites with funding gaps and where successful intervention would help address agreed ambitions and challenges for East Herts. The LIP also identifies priorities for housing specific groups of people with support needs and for vulnerable people.

2.15 To begin the process of developing the next Housing Strategy the Strategic Housing Service recommends that one, two and three of the four strategic challenges identified in the LIP are used in the

development of the Housing Strategy and associated action plan to enable there to be a clear link between all these strategic documents.

2.16 The Council will need to agree a new Housing Strategy by the end of this calendar year and if these priorities are agreed it is intended to bring a draft strategy for comment to Community Scrutiny in the autumn.

### 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' attached to the report.

### Background Papers

Minutes of the Community Scrutiny Committee 22 July 2008.

Minutes of the Executive 9 September 2008

Housing Strategy 2008-2011

Local Decisions: a fairer future for social housing DCLG

<http://www.communities.gov.uk/documents/housing/pdf/1775577.pdf>

New Homes Bonus: Consultation

<http://www.communities.gov.uk/documents/housing/pdf/1767788.pdf>

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## ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p><b>Promoting prosperity and well-being; providing access and opportunities</b>  <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p><b>Fit for purpose, services fit for you</b>  <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p><b>Pride in East Herts</b>  <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p><b>Caring about what's built and where</b>  <i>Care for and improve our natural and built environment.</i></p> <p><b>Shaping now, shaping the future</b>  <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><b>Leading the way, working together</b>  <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</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>