

Report of	Meeting	Date
Director of Partnerships, Planning & Policy (Introduced by the Executive Leader)	Executive Cabinet	3 June 2010

# RESPONSE TO OVERVIEW AND SCRUTINY TASK GROUP-AFFORDABLE HOUSING.

#### **PURPOSE OF REPORT**

1. To respond to the findings and recommendations of the Overview and Scrutiny report on Affordable Housing.

# **RECOMMENDATION(S)**

2. That the Executive Cabinet endorses the response attached to be received by the Overview and Scrutiny Committee.

# **REASONS FOR RECOMMENDATION(S)**

(If the recommendations are accepted)

3. To inform Overview and Scrutiny of the Executives response to the recommendations made by the O&S Project into Affordable Housing

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

4. None

#### **CORPORATE PRIORITIES**

5. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region		Develop local solutions to climate change.	
Improving equality of opportunity and		Develop the Character and feel of	Χ
life chances		Chorley as a good place to live	
Involving people in their communities	Х	Ensure Chorley Borough Council is	
		a performing organization	

### **BACKGROUND**

6. During the summer of 2008, the Central Lancashire Authorities were involved in a strategic housing session hosted by the IDEA. Following a number of workshops involving



homelessness and affordable housing delivery, it was suggested that a joint Overview and Scrutiny inquiry take place.

The inquiry into Affordable Housing was undertaken between September 2008 and June 2009. The purpose of the Inquiry was to examine the delivery of affordable housing, and to consider alternative methods to increase affordable housing supply.

#### Recommendations

- 7. The Report containing a number of recommendations was presented in December 2009 to the Executive Cabinet. Outlined below are the responses to each of the recommendations.
  - A 50/50 split for affordable housing not be adopted in the interim period and each local authority in Central Lancashire continue to utilise existing policy tenure splits until analysis of the Housing Needs Survey has been carried out. A higher provision of social rented housing would be preferred.

The Central Lancashire Strategic Housing Market Assessment has recently been published in October 2009. The housing need figures indicated within the study are now used to inform all negotiation with Developers and RSL's when considering sites with affordable housing obligation. This information is supplemented with demand figures provided from the Councils Housing Waiting List. The tenure split across the Borough of Chorley is 74% Social Rented Accommodation, 26% Intermediate. As a result of current difficult market conditions, the Council is working proactively with partners to deliver flexible intermediate tenure types (such as 'Rent To Homebuy') as appropriate and where this ensures the viability and delivery of schemes.

- 2. Publicity promoting the concept of social housing and the wider benefits to the community giving a positive example, such as enabling young people to access housing in their local area.
  - A comprehensive publicity programme has been undertaken to promote successful delivery of this years Affordable Housing delivery programme. The local press has featured articles on the completion of Gillibrand Parcel 8&9, Halliwell Street Refurbishment Project and the innovative Purchase & Repair Scheme. This has assisted in raising the profile of the range and availability of social housing and will be continued for suture years. The Councils Website has also been updated with information about the range of social housing products available across the Borough, including a link to the Home-buy Agency Plumlife. Looking to the future, work has also been initiated to publish a brochure of Affordable Housing which expected to be completed by Summer 2010.
- 3. All authorities be requested to identify land for potential affordable housing and to call for land specifically for smaller sites for affordable housing from private owners.

All three Central Lancashire authorities are currently at the early stages of producing Site Allocations Development Plan Documents. Calls for site suggestions took place in autumn 2005, summer 2007 and autumn 2009. Site suggestions for a range of uses have been received but no sites have been identified for particular uses yet. Consultation is due to take place in autumn 2010 on issues and options relating to site allocations. Housing issues will be included as part of this process.

The Council have identified our own developable land and are currently in negotiation with Adactus Housing Association with regards to transferring the land to enable further affordable housing delivery within the borough.

4. The Joint Local Development Framework team to be requested to produce a map showing those sites identified for affordable housing to highlight any sites adjacent between two authorities that could be merged.

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5. In addition to the Central Lancashire Councils other bodies, like the Police, PCT, Fire Service, RSL, English Partnership, Churches and Parish Councils and should be approached regarding land that could be brought forward for affordable housing on rural exception sites.

We continue to seek appropriate land i.e. Homes & Community Agency holdings which is available in both Chorley and South Ribble areas.

The Multi Area Agreement will be an important tool in order to assist conversations with other public bodies.

6. To investigate any flexibility in the Local Development Plan for each Authority to encourage rural exception sites where there is demonstrable housing need and broaden the local needs area around settlements and beyond specific villages without harming the green belt.

The Current Chorley Local Plan is positive toward the development of affordable housing in rural areas. It requires the provision of 100% affordable housing on rural exception sites in designated rural settlements. These sites can be adjacent to the villages, including in the Green Belt, providing certain policy provisions are met. Residential schemes here are restricted by the Local Plan to those that will provide a significant proportion of affordable housing; this therefore encourages affordable housing and does allow for some flexibility.

The Joint Central Lancashire Core Strategy will replace the Local Plan and is expected to be submitted to Government in September of this year. This proposes seeking the provision of 30% affordable housing on sites of 15 units or more, but in rural areas seeking at or near 35% affordable housing on any sites of 5 units or more. On rural exception sites the requirement is for 100% affordable housing. This document is scheduled for adoption in June 2011. It is also intended to produce an Affordable Housing Supplementary Planning Document.

7. For each Authority to investigate how they can stimulate the local housing market and assist first time buyers. This could be through the provision of mortgage or assistance with a deposit.

With the success and extent of recent 'Kickstart' and 'Homebuy' Direct Programmes across Chorley within the last year, residents now have access to a wide range of affordable housing products which are helping to stimulate house sales in the borough and supporting both first time buyers and families requiring larger properties.

8. To promote and advocate the bonds scheme with lettings agents and landlords and publicise new legislation regarding deposits/ bonds.

A Rental Bond Scheme for Chorley was established in June 2009, and has to date successfully provided 32 Guarantees. The project is administered by the Specialist Housing Advisor who is based within the Homeless & Housing Advice Team.

9. To promote the provision of additional affordable housing with parish councils (and area committees where they exist) by keeping them informed at an early stage and the public generally through communication mechanisms used by each Authority.

Parish Councillors have recently been consulted regarding affordable housing priorities as part of work undertaken to complete a Rural Housing Needs Study. Representatives will continue to be engaged as further work on the study progresses. It is anticipated that the study and the relationships established as part of this project, will provide the foundations upon which improved communication mechanisms can be built.

10. Council publications be utilised to promote the availability of debt advice, with strong message to those experiencing financial hardship to contact advisors and lenders as appropriate at an early stage.

The existing suite of 'Housing Options' leaflets have been increased to incorporate one dealing specifically with repossession which is available for Customers and local partner agencies. Referral arrangements have been developed with Chorley CAB Specialist Debt Advisors, and following a successful funding application to CLG, a County Court Duty Desk commenced in September 2009. This service includes provision of advice and representation at Court for those facing possession proceedings. Referrals are received from a wide range of partners including the Court, RSL's and other support agencies. The Councils Specialist Housing Advice Officer also acts as the referral and liaison contact for the Governments Mortgage Rescue Scheme which is managed and facilitated through Plumlife Agency.

11. Where one isn't in place, councils give consideration to implementation of a Housing Association Leasing Scheme.

The Strategic Housing team operated a Housing Authority Leasing Scheme in partnership with New Progress Housing Association between 2005-2009. Following a review of the service in 2009, the scheme was ended due to low interest from landlords/property owners within the Borough. Within this period a total of 4 properties were leased on the Council's behalf, despite numerous advertisement campaigns and presentations at the Councils Private Landlord Forum.

12. Councils continue to investigate the possible use of Empty Dwelling Management Orders (EDMO). Respective Chief Executive write to CLG, the local MP's and the Government requesting that they review the EDMO process with a view to

changing the legislation and that the Minister for Housing and Planning also receives copy correspondence.

EDMO's are appropriate in areas where there are large numbers of derelict dwellings, i.e. inner city areas. To effectively tackle empty properties through an EDMO requires significant resource and funding.

A letter from the Chief Executives has not been sent, however we will pursue this with the other two authorities during 2010/11.

13. The empty homes function be placed within Strategic Housing

The Council has no plans to place the Empty Homes function within the Strategic Housing function.

Strategic Housing will continue to be responsible for the strategic direction/strategy for responding to empty homes; however the delivery will continue to be within the People and Places directorate.

Regular liaison meetings between Strategic Housing and Environmental Health take place, in order to share best working practice, update one another on progress made against appropriate projects.

14. The 3 Authorities produce an Empty Properties Register based on a consistent approach, recording, if possible, the number of bedrooms.

Due to resource limitations in all involved Local Authorities, no progress has been made on this action. This will be taken forward in 2010/11.

15. To lobby Government to amend building regulations in England and Wales to reflect those of Scotland, with a view to ensuring that all new build meets minimum functional space standards to facilitate the transfer of properties to Registered Social Landlords.

No lobbying has taken place on behalf of the Local Authorities. We will liaise with the authorities regarding taking this forward in 2010/11.

16. Investigations to be undertaken with the Homes and Communities Agency with a view to differential weighting of various criteria contained within the Design Strategy & Standards to allow existing private housing stock being brought into the housing supply of affordable housing.

The Homes & Community Agency has began to hold a single conversation with Local Authorities regarding their priorities and concerns. It is proposed that this will be tabled as part of the single conversation.

17. Local authorities to meet with RSL Partners to discuss and agree an acceptable formula for pepper potting affordable housing within developments.

Discussions regarding 'pepper potting' are currently undertaken on a site by site basis to ensure developments are viable whilst also meeting strategic objectives of delivering mixed/ tenure blind developments. A flexible approach to negotiations is required to ensure that the Councils approach takes into consideration the demands of RSL's managing sites who have locally expressed a preference for clusters of properties – which assists in their maintenance of properties. It is recommended that these flexible

principles be outlined in Supplementary Planning Document due to be produced as part of the Core Strategy process.

18. The Code for Sustainable Homes be met in full in all new developments.

The adopted Chorley Sustainable Resources Development Plan Document outlines how the Code for Sustainable Homes is to be met in Chorley. It sets out a phased approach to meeting the standard in the Borough. All new dwellings will be required to meet Level 3 of the Code by 2010, Level 4 by 2013 and Level 6 by 2016. This approach is proposed to be strengthened in the Joint Core Strategy as it requires Level 4 of the Code where viable before 2013.

19. The Homes and Communities Agency & CLG to be invited to discuss matters of mutual interest relating to the provision of additional affordable housing.

As indicated in action 16, the Homes & Community Agency are committed to regularly meeting Local Authorities in order to discuss housing related interest.

#### **IMPLICATIONS OF REPORT**

8. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	Customer Services	
Human Resources	Equality and Diversity	
Legal	No significant implications in this	$\sqrt{}$
	area	

# LESLEY-ANN FENTON DIRECTOR OF PARTNERSHIPS, PLANNING AND POLICY

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Lesley-Ann Fenton	***	***	***

Background Papers			
Document	Date	File	Place of Inspection
Final Report of the Overview and Scrutiny Task Group on Affordable Housing 2009.	х	***	***