

Report of	Meeting	Date
Director of Development and Regeneration	Overview Scrutiny Committee Executive Cabinet	03/09/07 06/09/07

## STRATEGIC HOUSING PRIORITIES

### PURPOSE OF REPORT

1. To explain the strategic priorities of the Council and a brief summary of the focus of the team's activity in the short term.

### RECOMMENDATION(S)

2. That the report be noted.

### EXECUTIVE SUMMARY OF REPORT

3. There are a number of strategic priorities, which the Council will be taking forward over the next twelve months and which will be the focus of the Strategic Housing Team, following the successful transfer of the Council housing stock in March 2007. These priorities include the prevention of homelessness, increasing the provision of affordable housing in the Borough and developing a Choice Based Lettings scheme. In order to deliver these aims, it is essential that robust data be gathered regarding the housing market, both locally and on a sub-regional basis, which will inform these policies.

### REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

4. To ensure that the key strategic housing issues are properly addressed.

### 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		Improved access to public services	4
Improving equality of opportunity and life chance		Develop the character and feel of Chorley as a good place to live	
Involving People in their Communities		Ensure Chorley is a performing Organisation	4

### BACKGROUND

6. The large-scale voluntary transfer of Council housing stock to Chorley Community Housing was completed in March 2007, with the remaining strategic and enabling function now led by the Strategic Housing Team, which consists of a manager, a Home Improvement Officer and two Housing Needs and Investment Officers. All local authorities are now required to understand the local housing market and to take appropriate steps in order to facilitate a balanced housing market, consisting of a mix of tenures and types of accommodation and associated products, which meet local need and aspirations. This team is now up to full capacity as from 4 June 2007 and this report is a summary of the strategic priorities, which the team have identified and which will inform the activities and programme over the next few months.

## **HOMELESSNESS & HOUSING OPTIONS**

7. Chorley Council provides a Housing Options service for customers, incorporating homelessness and housing advice. This service was transferred to Chorley Community Housing (CCH), from March 2007 onwards. The Council remains accountable for the decisions made regarding homeless presentations and also for reporting on performance on homelessness and the prevention of homelessness.
8. The current situation in Chorley requires a systematic review of operational procedures and policy, coupled with the drafting of a robust prevention strategy for 2008-2012. For example, the total number of those presenting themselves as homeless in 2006/2007 was 689 compared to 465 in the previous year. This has occurred as a result of a number of factors, including a lack of affordable housing for rent and owner occupation in the Borough.
9. Nationally, there is a target for local authorities to eliminate the use of bed and breakfast accommodation. However, in Chorley, the use of bed and breakfast accommodation is becoming increasingly common, with a total of 21 households housed in bed and breakfast accommodation for the whole of 2006/2007, compared to 34 households in just the first quarter of this year. The Council is committed to reducing its reliance on temporary accommodation especially bed and breakfast and we are developing an action plan in order to address this quickly and in partnership with CCH and other agencies.
10. Immediately following the transfer of the operational delivery of the Housing Options team, the frequency and vigour of legal challenges made to the Council upon decisions regarding homeless applicants (reviews of which, are carried out by officers within the Strategic Housing Team) has increased significantly.
11. Therefore in order to tackle these issues, a number of actions are being undertaken, including the establishment of a Housing Options Partnership Steering Group between the Council and the Chorley Community Housing. A revised procedure for determining homeless applications and associated documentation is currently underway along with a renewal of the partnerships between local agencies. This includes the engagement of the homeless agencies and social services, in order to review and revise procedures and so assist with improvements in delivery of outcomes and targets, including the increased use of preventative measures.

## **AFFORDABLE HOUSING**

12. There are a number of factors influencing the housing market in Chorley, which are creating an issue of affordability. The housing waiting list for social rented accommodation has almost doubled in recent years to approximately 6,000 applicants. Coupled with a lack of private rented accommodation and a buoyant housing market with above average house prices, which together with local aspirations for home ownership, has created a situation where many households within the Borough are unable to obtain accommodation.

13. A key measure included within the Corporate Strategy is for the Council to provide 250 affordable dwellings by March 2009. Since April 2006, 8 dwellings have been built for local residents, with a further potential 104 in the pipeline and other early negotiations taking place with regards to potential developments.
14. It is acknowledged that there is a need to review current policy and procedures including the definition of affordability for Chorley Borough and also the eligibility criteria for applicants seeking affordable housing.
15. On the 4 November 2004 the Council adopted a definition of affordable housing. The initial sale price being set in relation to average household earnings in the Borough. According to this definition, an affordable house is one sold initially at a maximum of average household earnings in the Borough multiplied by two point five.
16. It is proposed to update the lending multiplier, in order to bring it inline with national affordable housing policy and guidance and to those adopted by our sub-regional partner authorities. There is also a need to take into account changes in income and demography, which have occurred over the past three years. A report dedicated to affordable housing which will include a proposed definition of affordable housing for Chorley, in addition to action plan and projections for delivery for 2007-2009 will follow in September.
17. An action plan is currently being drawn up in order to increase the provision of affordable housing units in the Borough. This will include of the use of Section 106 Agreements and in particular, to ensure that affordable housing provision is maximised where possible and is in keeping with requirements of national policy, ie of a mixed, dispersed tenure obtained on site where appropriate.
18. Officers are also exploring more creative methods of increasing supply, including the use of private rented sector properties for voluntary leasing, (which involves the provision of a long lease on a private rented property, which is subsequently refurbished and let as a social rented property by an RSL (Registered Social Landlord). Shared ownership is also an option, where a private property is acquired by an RSL, through a partnership agreement and provided to eligible applicants, under a shared ownership scheme. It is recognised that in order to facilitate this new area of work, there is a need to establish an effective partnership with RSLs in the Borough and for further exploration and scoping work to be undertaken. A paper is expected to be submitted to Executive Committee regarding these types of schemes in the next few months.
19. The Housing Development Forum meeting was held on the 17 July 2007 and it is envisaged that this will become a more regular meeting, which will link into the proposed Chorley Strategic Housing Partnership (mentioned below).
20. Recent changes in national planning policy guidance have resulted in the reduction in the size threshold at and above which we can seek the provision of affordable housing as an element of overall development. The new threshold is a minimum of 15 dwellings, in contrast to the previous threshold of 25 dwellings or more (or 1 hectare or more). The Government published Planning Policy Statement 3: Housing (PPS3) in November 2006 and this will be a material consideration in the determination of planning applications for housing development.

## **STRATEGIC HOUSING MARKET & NEEDS ASSESSMENT**

21. In order to inform current objectives and strategic priorities of the Council, there is a need to gather market data and information about housing needs, property prices and income levels and to this end, the Council is exploring the joint procurement of the Hometrack Housing Market Intelligence System. This system is the market leader in providing income and property data to local and regional government. This date would provide a

baseline for the affordable housing policy and inform the drafting of the 2009-2012 strategy, in addition to informing planning policy. The cost of this system is £7,200.

### **CHOICE BASED LETTINGS**

22. There is a commitment of the Council to introduce choice based letting in order to provide customers with a housing allocations service, which is based on the principle of choice and control over where applicants live. This provides an opportunity for authorities to develop robust partnerships with RSLs to make properties more accessible to applicants.
23. Choice based letting schemes are very different from the traditional way of allocating housing via the waiting list. Choice based letting allows applicants to apply for vacancies, which are advertised widely in the neighbourhood (eg in the local newspaper or on a website). Priority is given to those in urgent need but where possible properties are allocated on the basis of who has waited the longest. There is a local scheme jointly commissioned by South Ribble and Preston Councils and partnership to this scheme is to be considered, along with an appraisal of a stand-alone scheme for Chorley.

### **PRIVATE SECTOR HOUSING**

24. As a strategic housing authority, the Council has a duty to identify strategic priorities for private sector housing and this incorporates a range of issues from dealing with empty properties and the poor management of private rented accommodation, to the need for disabled facility grants and energy efficiency measures, linking into the priority to reduce domestic carbon emissions. There is also a requirement by law to ensure that certain private rented properties are licensed and this needs to be progressed in Chorley.
25. One of the priorities identified by Government is that of decent homes, with a national target, which has been set to reduce the number of vulnerable households in non-decent accommodation to 70% by 2010. The 2004 Private Sector Stock Condition Survey in Chorley indicated that current levels are approximately 3% short of this figure and some of the work of the Home Improvement Agency is addressing this. However, there is a need to continue and build upon the work to improve on the monitoring of this, and to increase the number of empty properties back into use. There is money available for housing and some of this is to be allocated for the recruitment of a Strategic Housing Officer (private sector) to work proactively in the private sector.

### **ENERGY EFFICIENCY**

26. Energy efficiency in the home provides a significant contribution to the reduction (including carbon) of greenhouse gas emission and is a priority both nationally and locally. The Home Energy Conservation Act 1995 requires all councils to devise strategies for reducing energy consumption, in order to meet national targets. The Council currently provide energy efficiency grants and it is intended to tender the installer contract to accord with procurement rules. As part of this process, it is proposed to add a discount scheme (able-to-pay) to expand the range of services we offer and thereby reach a wider range of people. There is also a plan being developed in order to bring in external funding so that insulation measures are not solely reliant on Council capital budgets; and to increase the number of Government-funded Warm Front Grants (WGF) carried out in the area. Officers have engaged in discussions with Eaga plc regarding WGF and should yield positive outcomes.

## HOME REPAIR ASSISTANCE GRANTS

27. There is to be a revision of the grant-assisted domestic property condition assessment method carried out by the Home Improvement Agency, Anchor, which is in future, to be determined on the grounds of the Housing & Health Safety Rating System (HHSRS) and the Decent Homes standard, as opposed instead of the old 'fitness' standard. This will add value to the process as it will contribute to our target to meet decency and also highlight any issues of housing disrepair. Following the implementation of these changes, there is also to be a revision of the grant policy to reflect the above assessment criteria change.

## DISABLED FACILITIES GRANTS

28. The Council current provides disabled facility grants through Anchor and this service has been successful and is in demand. There are plans to submit a bid to GONW for additional funding, which will require Executive member approval.

## STRATEGIC HOUSING PARTNERSHIP

29. It is recognised that in order to develop a strategy, which is fit for purpose and delivers real change for customers, all stakeholders must be part of the process, from early consultation to the delivery of objectives and tasks. Therefore it is proposed that a partnership be established, a "Chorley Strategic Housing Partnership" which will bring together key stakeholders in order to provide strategic direction in Chorley, to monitor delivery the existing Housing Strategy and to inform the development of the new strategy for 2009-2012.
30. The Partnership will consist of key public and private sector partners including the Council, Chorley's RSL partners, developers, the community and voluntary sector, health and finance. The development and delivery of key projects, including Choice based lettings, stock rationalisation, the Homeless network and New Development, will be overseen by focus groups, which will feed into the strategic partnership.

## CONCLUSION

31. The Strategic Housing Team now have a number of key priorities and objectives to achieve, in addition to the delivery of corporate and national targets, and detailed action plans for each work area are currently being devised. The effective use of project management and budgetary control will be key to the delivery of this programme and the associated outcomes, along with partnership working.

## IMPLICATIONS OF REPORT

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

Finance	4	Customer Services	
Human Resources	4	Equality and Diversity	
Legal			

There are a number of risks associated with proposals included within this report. Failure to deliver these strategic objectives could have an adverse effect on the reputation of the Council, particularly given that a number of these are required by statute. The CPA assessment in particular could be affected by the poor performance on targets around homelessness. Without appropriate and timely intervention, the costs associated with the use of bed and breakfast accommodation could spiral and reduce the availability of funding for more appropriate and long-term solutions for homelessness prevention.

Operationally, these proposals will have an impact on staffing and will require effective management of workloads and delegation of tasks, in order to ensure they are delivered.

#### **COMMENTS OF THE DIRECTOR OF FINANCE**

33. There are currently funds available in the Council's budget to finance some of these projects, specifically there are sums of £788k available to fund affordable housing schemes and other private sector initiatives. However some of the work may require a review of current resourcing levels once clear view of the work required is identified. Members may recall that the current Strategic Housing Structure is fairly new and that a review was scheduled after 12 months of operation to ensure it was fit for purpose. Any resource implications identified from that review will need to be considered in terms of the Council's progress on corporate priorities and the overall budgetary position.

#### **COMMENTS OF THE DIRECTOR OF HUMAN RESOURCES**

34. It is clearly essential that the Strategic Housing Team are suitably able to manage this work especially in terms of project management, financial/budget management and management of time and resources, as referred to in this report. Appropriate support through formal and/or informal training should be sought if required to assist staff with the delivery of the outcomes as stated, eg project management training and support. This would be supported through the Corporate Training Budget given the clear links with the delivery of a key corporate objective. Operationally, the Director of Development and Regeneration and Strategic Housing Manager will have a key role in ensuring that workloads and capacity are managed effectively within current staffing levels.

JANE E MEEK  
DIRECTOR OF REGENERATION AND DEVELOPMENT

<b>Background Papers</b>			
<b>Document</b>	<b>Date</b>	<b>File</b>	<b>Place of Inspection</b>
Planning Policy Statement (PPS3)	November 2006		

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Zoe Whiteside	5711	17 August 2007	ADMINREP/1708LM1