

BROMSGROVE DISTRICT COUNCIL

PERFORMANCE MANAGEMENT BOARD

17TH MARCH 2009

**BROMSGROVE DISTRICT COUNCIL - HOUSING STRATEGY 2006 -2011 –
'Unlocking the Door To Meeting Housing Needs in The District' –
PROGRESS REPORT, MID TERM REVIEW AND NEW ACTION PLAN**

Responsible Portfolio Holder	Cllr Peter Whittaker
Responsible Head of Service	David Hammond

1. SUMMARY

- 1.1 In March 2006, the Council received a 'Fit For Purpose' accreditation from the Government Office for it's new Housing Strategy Document covering the 5 year period 2006 – 2011.
- 1.2 Three years into the life of the strategy, this report is a third update upon the progress that has been made upon the strategic actions set and details the recent Mid Term Review that has been carried out and the new action plan that has been formulated for the remaining two years of the strategy.
- 1.3 Attached at Appendix I to this report is the Mid Term Review Summary and the Refreshed Housing Strategy Action Plan.

2. RECOMMENDATION

- 2.1 That Members consider the progress report.

3. BACKGROUND

- 3.1 This report is one of the three performance reports that relate to Strategic Housing. This report provides members with a half yearly update on the progress being made against the action plan set out in the Council's Housing Strategy document.

For clarification purposes, the other two Strategic Housing performance reports are:

- The Strategic Housing Audit Commission Inspection Action Plan
 - The annual report made upon BDHT's performance against transfer promises made to tenants, their performance in services provided to the Council and the support given to our housing strategy.
- 3.2 Local authorities are required to produce a Housing Strategy Statement as an over-arching document that reviews housing-related issues in the local authority's area, setting out housing objectives, establishing priorities for action both by the local authority and by other service providers and stakeholders, and providing a clear Action Plan in agreement with the Council's local partners.
- 3.3 Bromsgrove District Council's Housing Strategy 2006–2011 was the first to be produced by the Council since it transferred its housing stock in March 2004. The document which was developed in 2006, following thorough review and consultation upon housing issues in the District, sets out a comprehensive strategy for the Council to focus on its strategic role to meet a broad range of housing objectives. The original document details the local context, looks at national and regional housing policy and outlines the housing needs / survey information that we held back in 2006. The Housing Strategy then set out the Council's four key Housing Priorities:
- **PRIORITY 1 – ADDRESSING THE SHORTAGE OF AFFORDABLE HOUSING**
 - Focusing on achieving a well balanced Housing Market and a consistent and appropriate supply of affordable housing to meet urban and rural needs, making best use of planning powers and the resources available
 - **PRIORITY 2 – IMPROVING THE QUALITY AND AVAILABILITY OF PRIVATE SECTOR HOUSING**
 - To achieve sustained decent housing conditions, a strong, well managed private rented sector, improved energy efficiency of domestic homes and increased availability and accessibility of privately rented accommodation offering people more choice.
 - **PRIORITY 3 – ADDRESSING HOMELESSNESS**
 - Promoting a continued co-ordinated approach to the ongoing provision of early intervention preventative and support services for the homeless and an improved supply of permanent accommodation to reduce the use of temporary accommodation. Increased access to privately rented housing for the homeless is targeted to help achieve this and to maintain our minimal use of Bed & Breakfast accommodation. The strategy also focuses upon providing an improved standard and type of temporary accommodation.

- **PRIORITY 4 - ASSISTING VULNERABLE GROUPS TO LIVE INDEPENDENTLY**
 - Aimed at enabling people who are vulnerable through age, disability or life experience to live independently, within the community. Promotion of healthy, safe and independent living through improved housing conditions, home safety & security checks and by creating the right environment through improvements and adaptations and linked action to enable older people to be discharged from hospital more rapidly through more efficient home adaptation.

The Strategy concluded with Action Plans for all four priorities detailing the link with the resources available and the arrangements that are in place to monitor progress.

4. HOUSING STRATEGY REVIEW AND REFRESH - NOVEMBER 2008

- 4.1 Since the original Housing Strategy Document was published in 2006 there has been a considerable amount of energy and commitment invested in implementing the strategy and in achieving over 83% of the actions that were originally set.
- 4.2 Having originally committed ourselves to carrying out a mid term review, last November, halfway through the life of the Strategy we re-consulted with stakeholders, took into account the results of the recent Bromsgrove Housing Market Assessment and developed a new set of actions (across all 4 priority areas) for the remaining life of the strategy and beyond.
- 4.3 The Mid Term Review and Refreshed Action Plan was approved by The Executive Cabinet on the 4th February 2009.

5. WHAT DOES THE HOUSING STRATEGY COVER?

- 5.1 The Council's strategy is formulated to address the identified housing needs of the District. It is a partnership strategy to guide all partners, RSLs, voluntary agencies etc to help address the identified needs through a set of priorities and actions. It's not just about delivering affordable housing, it is also about:
 - preventing homelessness and providing support and assistance to those who are homeless;
 - Improving the standard and promoting the availability of private sector housing to supplement the lack of affordable housing in the District;
 - addressing the housing and support needs of vulnerable clients such as the elderly and mentally and physically disabled.

6.0 FOCUSING UPON THE DELIVERY OF AFFORDABLE HOUSING

- 6.1 With specific reference to the part of the strategy that focuses upon the 'delivery of affordable housing' we set a target of achieving the provision of 400 new units over the 5 year life of the strategy. Just over half way through the life of the strategy 253 units have been delivered, so we are currently on course to achieve the target.
- 6.2 The Council works in partnership work with a number of Registered Social Landlords (RSLs). Whilst the BDHT/ West Mercia Housing alliance were selected as the Council's Principal Preferred Partners the Council also works with Bromford Housing and Servite Houses as preferred partners and Strategic Housing officers meet regularly to advise them of the needs of the district to guide and develop a partnership approach to the joint commissioning of affordable housing schemes.
- 6.3 Historically, a considerable amount of larger sized private family housing has been developed in the district leading to an imbalance in the housing market resulting in a low level of smaller affordable housing. The imbalance in the housing market is what the affordable housing element of the Council's Housing Strategy aims to address.
- 6.4 The scarcity of sites, cost of land and competition from private developers has historically presented difficulties to local authorities and RSLs in delivering affordable housing. The over supply of housing and introduction of the planning moratorium in the Bromsgrove District has exacerbated the situation as the lack of private development sites coming forward has meant that Bromsgrove as a local authority has been limited in its ability to use planning powers to require 'on site' affordable housing within private developments.

7. WHAT IS THE CURRENT HOUSING POSITION GIVEN THE CURRENT ECONOMIC DOWNTURN?

- 7.1 Whilst not so relevant in Bromsgrove, nationally the current economic recession has started to impact upon the delivery of private development and accordingly has had the knock on effect of reducing the affordable housing contribution that would have been made available on those sites cross subsidised by the private developer.
- 7.2 At present the effect has not been great in Bromsgrove because as a result of the moratorium, there are no large private developments that would have provided an affordable housing contribution. In fact opportunities have arisen where private development has been converted to 100% affordable housing through funding from the Homes and Communities Agency (formerly the Housing Corporation). At this stage it is hard to predict how the recession may affect the delivery of

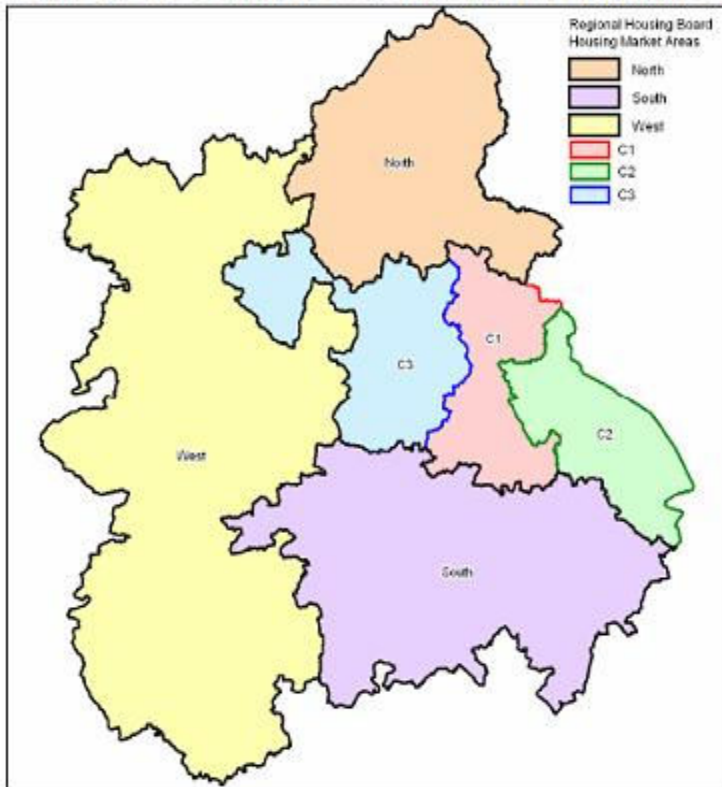
future potentially larger private developments in the District upon which we will expect a proportion of affordable housing.

- 7.3 The Council's Draft Core Strategy proposes that a considerable affordable housing requirement (40%) will be placed upon private developers as it starts to allocate development sites when the RSS Review allocation has been finalised. If the current financial climate continues private developers may not be in a hurry to develop and therefore the Council's housing strategy will need to continue to focus upon identifying other 100% affordable housing sites and applying for development grant (as opposed to getting private developers to cross subsidise) from the Homes and Communities Agency for the units to be built.
- 7.4 The RSS is currently undergoing its Examination In Public with 9 weeks of hearing sessions to take place in April, May and June this year. The Council has written to the Panel Secretary asking to be fully involved in these sessions where necessary. Once the hearing is completed the panel will then write up its report, currently scheduled to be finished in September 2009. Any changes that need to be made are then incorporated and consulted upon. This is likely to take place in spring 2010, with the final RSS published in summer 2010, although this is only a draft timetable at the moment, and based on past experiences with the RSS likely to change.

8. HOW 100% AFORDABLE HOUSING SCHEMES ARE FUNDED.

- 8.1 The Bromsgrove Housing Strategy sits under and picks up the main threads and priorities of the **Housing Strategy for the West Midlands Region** which sets out long term goals for the socially and economically effective functioning of the Region's housing markets.
- 8.2 The West Midlands Regional Housing Strategy divided the region into four parts - North, South, West and Central, for the purpose of conducting strategic housing market assessments and formulating Housing policies.

Figure 1.1 West Midlands sub-regional housing market areas



The District of Bromsgrove, along with the remaining five district authorities within Worcestershire, plus Stratford and Warwick make up the South Housing Market Area.

- 8.3 A Sub Regional Partnership has been formulated to carry out an ongoing housing market / needs assessment. Whilst local authority Housing Strategies should already link in with the Regional Housing Strategic Priorities the development of Sub Regional Housing Strategies is now being encouraged to guide investment plans and implement the Regional Housing Strategy at Sub Regional and local level.
- 8.4 Capital funding for housing in the West Midlands Region is allocated on a sub regional basis. Whilst 31% of the funding is allocated to schemes that support existing housing including private sector renewal and the improvement of municipal housing, the major part (69%) makes up what is known as the National Affordable Housing Programme (NAHP), which is capital funding for the development of new and additional units of affordable housing .
- 8.5 For the three year funding period 2008 – 2011 the NAHP for the West Midlands Region equates to a total of £467m and is divided up across the four Sub Regional Housing Market Areas as follows:
- | | | |
|-----------|---------|-------|
| South HMA | £65.4m | (14%) |
| West HMA | £46.72m | (10%) |
| North HMA | £51.39m | (11%) |

Central HMA £303.65m (65%)

9. TAKE UP OF THE NATIONAL AFFORDABLE HOUSING PROGRAMME IN THE SOUTH HMA

- 9.1 There is a phased approach to the allocation of the £65.4m funding available to the South HMA over the three year period 2008 – 2011. In the first bidding round, out of £32.8m of scheme bids that were received by the Housing Corporation (now known as The Homes and Communities Agency) only £13.5m was allocated mainly because of delivery issues associated with the bids received.
- 9.2 The remaining budget is being allocated through what is known as Regular Market Engagement under which the Homes and Communities Agency (HCA) regularly consider bids submitted by affordable housing providers for grant funding towards new schemes. Bids have to be supported by the local strategic housing authority as being strategically relevant and deliverable.
- 9.3 To date a current total of £26m of bids have been approved (728 units) in the South HMA. As per figures supplied in mid Jan 2009, Bromsgrove is the district that has taken up the largest allocation within the South HMA (£5,705,000 – 156 units).

10. WHAT IS BEING DONE TO ADDRESS THE CHALLENGES AND PROMOTE THE DELIVERY OF SITES

- 10.1 Sub regionally, there is concern with regard to the quantity and deliverability of pipeline schemes that are being worked up in the South HMA and their ability to fully utilise the NAHP allocation. The scarcity of sites, cost of land and competition from private developers has historically presented difficulties to local authorities and RSLs in delivering affordable housing.
- 10.2 The over supply of housing and introduction of the planning moratorium in the Bromsgrove District has exacerbated the situation as the lack of private development sites coming forward has meant that Bromsgrove as a local authority has been unable to use its planning powers to require 'on site' affordable housing within private developments. Whilst not so relevant in Bromsgrove, across the South HMA the current economic recession has started to impact upon the delivery of private developments and accordingly reduced the affordable housing that would have been available on those sites.
- 10.3 The SHMA Partnership is carefully monitoring the number and viability of pipeline schemes coming along to assess potential take up.
- 10.4 There are signs that the HCA are becoming more flexible in terms of the value for money it seeks, the level of grant rates allocated and the quality standards it requires in order to help promote affordable housing in the current financial climate.
- 10.5 Local authority CEOs and Council Leaders across the South HMA have joined forces to give support and strengthen the potential delivery

of affordable housing by promoting a more joined up approach to bring sites forward, develop cross boundary working, pool resources, maximise use of public land for affordable housing and reduce planning obstacles where possible. To enable a more delivery focussed partnership, the structure, capacity and skills of the South Housing Market Area Partnership is currently under review.

11. KEY STRATEGIC HOUSING PERFORMANCE INDICATORS

11.1 The following Key Performance Indicators summarise the progress being made by Strategic Housing Services up to the end of December 2008.

KEY STRATEGIC HOUSING PIs	ACTUAL 2004/05	ACTUAL 2005/06	ACTUAL 2006/07	ACTUAL 2007/08	To end of Dec 2008
Achieve delivery of 400 additional units of affordable housing over period 2006–2011 (= 80pa)	26	75	72	46	135
Reduce the use of temporary accommodation by 50% from 2004 – 2010. (2004 baseline figure = 68 therefore target =34)			63 clients in temp accom	16 clients in temp accom (Gov't target achieved two years ahead of schedule)	10 clients in temp accom
To increase housing energy efficiency by 30% from 1996 - 2010	20.69%	22.68%	24.64%	25.94%	Collated annually
BV 064 - Number of private sector vacant dwellings returned into occupation or demolished during the year.	2 (Target 3)	3 (Target 3)	8 (Target 4)	19 (Target 4)	15
BV 202 - Number of people sleeping rough on a single night within the area.	0 (Target <10)	0 (Target <10)	0 (Target <10)	0 (Target <10)	0 (Target <10)
Reduce Homelessness through preventative action		52 cases prevented	76 cases prevented	147 cases prevented	118 cases prevented

12. APPENDICES

Appendix 1 – Mid Term Housing Strategy Review Summary and Refreshed Action Plan.

13. BACKGROUND PAPERS

Bromsgrove District Council – Housing Strategy 2006 – 2011.

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