

Public Document Pack

Date of meeting Monday, 27th February, 2012
Time 7.00 pm
Venue Committee Room 2. Civic Offices, Merrial Street,
Newcastle-under-Lyme, Staffs ST5 2AG
Contact Geoff Durham

Economic Development and Enterprise Overview and Scrutiny Committee

AGENDA

PART 1- OPEN AGENDA

- 1 MINUTES** (Pages 1 - 2)
To consider the minutes of the previous meeting held on 5 January 2012.
- 2 DECLARATIONS OF INTEREST**
To receive Declarations of Interest from Members on items included on the agenda.
- 3 Strategic Tenancy Policy** (Pages 3 - 16)
- 4 Housing Allocations Policy** (Pages 17 - 22)
- 5 Economic Development Strategy** (Pages 23 - 28)
- 6 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972

Members: Councillors M Olzewski (Chairman), I Gilmore (Vice-Chair), A Beech, Boden, D Clarke, Holland, Loades, D Richards, I Wilkes, G Cairns, P Hailstones, Olzewski and K-N Taylor

'Members of the Council: If you identify any personal training / development requirements from the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Committee Clerk at the close of the meeting'

Officers will be in attendance prior to the meeting for informal discussions on agenda items.

This page is intentionally left blank

**ECONOMIC DEVELOPMENT AND ENTERPRISE OVERVIEW AND
SCRUTINY COMMITTEE**

Thursday 5 January 2012

Present:- M Olszewski – in the Chair

Councillors Mrs Beech, Boden, Cairns, Clarke D, Gilmore, Holland,
Loades, Miss Olszewski and Wilkes

Apologies were received from Councillors Hailstones and Richards.

1. DECLARATIONS OF INTEREST

There were no declarations of interest.

2. MINUTES OF PREVIOUS MEETING

Resolved:- That the minutes of the meeting held on 23 November 2011 be agreed as a correct record.

3. WORK PROGRAMME - DRAFT BRIEFS FOR SCRUTINY

Consideration was given to a report on the Council's Draft Asset Management Strategy for 2012-2015. An amended version was handed to Members at the meeting and the Council's Head of Assets and Regeneration explained the changes.

The document was a framework for how the Council carried out its activities in respect of Asset Management and would be scrutinised in greater detail at the next meeting.

Resolved:- That the information be received.

4. STAFFORDSHIRE STRATEGIC ASSETS REVIEW

Further information was awaited from the consultants. The document would seek to reinforce the efficient use of public estates around the country. There would also be links with the Fire and Police Services and Health Authorities.

This item would be discussed in more detail at the next meeting.

Resolved:- That the information be received.

M OLSZEWSKI
Chair

This page is intentionally left blank

STRATEGIC TENANCY STRATEGY

Submitted by: Caroline Abel

Portfolio: Regeneration and Planning

Ward(s) affected: All

Purpose of the Report

To advise Members of the statutory duty Local Authorities now have to prepare and publish a Strategic Tenancy Strategy within 12 months of the publication of the Localism Act 2011. This duty applies to all Local Authorities whether or not they still retain housing stock and is seen as part of the authorities' strategic housing role, not their landlord role.

To advise Members of the progress on the development of Newcastle under Lyme's Strategic Tenancy Strategy.

Recommendation

To seek comments on the draft Strategic Tenancy Strategy as part of the consultation process.

Reasons

Endorsing this Strategy will ensure that the Council is up to date with its strategic aims around the delivery of social housing in Newcastle under Lyme, it gives rise to fundamental social housing reform opportunities and will cover the whole of the Borough.

1. Background

- 1.1 On 15 November 2011, the Localism Bill received Royal Assent and become the Localism Act 2011.
- 1.2 The Act places a statutory duty on Local Authorities to prepare and publish a Strategic Tenancy Strategy. The Act incorporates many of the proposals contained in the DCLG's consultation paper Local Decisions: A fairer future for Social Housing. It devolves greater powers to Councils and neighbourhoods in order to give local communities more control over housing and planning decisions.
- 1.3 During the parliamentary process, whilst the Bill was progressing through Parliament, it was very clear that the proposed duty for Local Authorities to produce a Strategic Tenancy Strategy would remain and become part of the final Act. With this in mind the Housing Strategy team for the Council was keen to begin the implementation of this strategy and gained Cabinet approval on 20 July 2011 to commence work on the Strategy.
- 1.4 The Housing Strategy team began to work with partners on the proposals within the Act; this partnership process enabled the team to develop a Strategic Tenancy Strategy Statement. This document was a mix of background information, proposals, assumptions and questions. The statement was circulated amongst all partners and stakeholders to promote further discussion and feedback. The responses from partners on the issues raised within the Statement have been considered and used in the development of Newcastle's Strategic Tenancy Strategy.

2. **Issues**

- 2.1 Newcastle's Strategic Tenancy Strategy sets out the broad objectives to be taken into consideration by all individual Registered Housing Providers who operate in the Borough regarding the development of their future policies in the granting and reissuing of tenancies.
- 2.2 All Registered Providers will also be required to publish and follow their own policy on tenure, which meets the requirements of the Council's Strategic Tenancy Strategy. Our Strategic Tenancy Strategy makes clear the approach we wish Registered Providers follow in regard to the:
- The kinds of tenancies to be granted;
 - The circumstances in which a particular tenancy will be granted;
 - The use of Affordable Rents;
 - The national Mobility Scheme; and
 - The discharge of Homelessness duty into the Private Rented Sector.
- 2.3 Whilst it is clear that the Act enables Registered Providers substantial freedoms on the types of tenancy they may wish to provide, and to avoid creating bureaucratic structures which restrict the ability to respond creatively and sensibly to the particular needs of local communities and particular circumstances, these have to be balanced with consideration for local housing needs and circumstances. Our Strategic Tenancy Strategy will be the overarching document that will ensure that these alternative tenancy options are balanced against meeting local housing need in the Borough. Our Strategy highlights the importance of protecting those who are deemed as vulnerable and/or needing care and support services within the Borough, when operating under the new reforms.
- 2.4 Our Strategy also recognises that the reforms need to be seen in the context of the proposed welfare changes which when implemented may reduce the ability of those in housing need (and reliant on housing benefit) to secure alternative types other than social housing accommodation in the Borough. This will put greater emphasis on the existing social housing in the Borough; and we must ensure that it is used appropriately and is available to those with the greatest housing need.
- 2.7 The Council will need to ensure that the Strategic Tenancy Strategy is reviewed from time to time and that it is consistent with our Joint Allocation Policy and our Homelessness Strategy.
- 2.8 The aim is that the publication of this Strategy will provide transparency, by enabling local communities to clearly understand how the Council and Registered Providers are responding to local housing needs and priorities.

3. **Options Considered**

- 3.1 No other options have been considered as the requirement for each Local Authority to produce and publish a Strategic Tenancy Strategy is a statutory requirement.
- 3.2 The Strategic Tenancy Strategy needs to be in place 12 months from 15 November 2011, when the Act was published.
- 3.3 By producing and publishing our Strategic Tenancy Strategy early in 2012 the Council is able to give clear guidance to Registered Providers who are also commencing work on their own tenancy policies. The sooner these documents are in the place the better it will be for the Borough in relation the allocation of future housing stock to residents as the Council can be confident that all agencies are working towards the same aims and objectives.

4. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

4.1 Newcastle's Strategic Tenancy Strategy has the following aims:

- To encourage better use of existing social housing stock to meet housing need in the Borough
- To tackle overcrowding and under occupation in social housing stock in the Borough
- To contribute to balanced and sustainable and cohesive communities within the Borough
- To protect and support vulnerable people who require housing in the Borough

4.2 Implementation of the Strategic Tenancy Strategy will assist in the delivery of the corporate priority of creating safe and sustainable communities.

5. **Legal and Statutory Implications**

5.1 Under the Localism Act it is a statutory duty for Local Authorities to produce a Strategic Tenancy Strategy, within 12 months of the publication of the Act.

6. **Equality Impact Assessment**

6.1 On 31 Jan 2011 the Government published its impact assessment document on the Localism Bill: A Fairer Future for Social Housing.

7. **Financial and Resource Implications**

7.1 There are no direct implications and it is planned that the 'mainly electronic' consultation process will be met within the current budgets.

8. **Major Risks**

8.1 Not having a Strategic Tenancy Strategy will leave the Council open to legal challenge for failing to produce a mandatory document.

9. **Key Decision Information**

9.1 Endorsing this Strategy will ensure that the Council is up to date with its strategic aims around the delivery of social housing in the Borough, it gives rise to fundamental social housing reform opportunities and will cover the whole of the Borough.

10. **Earlier Cabinet/Committee Resolutions**

10.1 20 July 2011 Cabinet gave approval to commence work on the Strategic Tenancy Strategy in the Borough.

11. **List of Appendices**

Appendix A - Newcastle under Lyme Borough Council's Draft Strategic Tenancy Strategy.

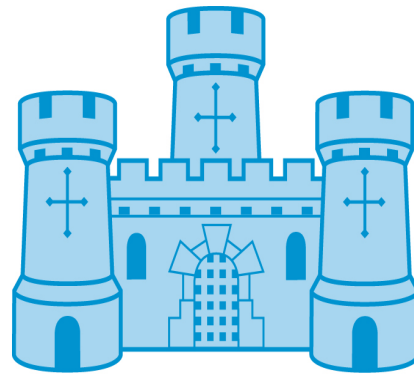
14. **Background Papers**

The Localism Act – plain English Guide

<http://www.communities.gov.uk/publications/localgovernment/localismplainenglishupdate>

The Localism Act 2011

<http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted/data.htm>



**NEWCASTLE
UNDER LYME
BOROUGH COUNCIL**

Newcastle under Lyme Borough Council

Strategic Tenancy Strategy

2012

Newcastle under Lyme Borough Council's Strategic Tenancy Strategy

Introduction

The Localism Act 2011 places a statutory duty on every Local Authority in England to prepare and publish a Strategic Tenancy Strategy. Each strategy will detail the broad objectives to which Registered Providers of social housing that operate in the Local Authority area are to have regard to, when formulating their own policies on the type of tenancies they grant. When producing the Strategic Tenancy Strategy each Local Authority must have regard for the aims and objectives of their Housing Strategy, Homelessness Strategy and Allocation's Policy.

Background

Social housing provides around eight million people with a decent home in England. The Coalition Government identified a number of problems with the social housing system. It recognised that:

- Social housing is a scarce resource which is not being used as effectively as it could to meet housing needs.
- The rules were too rigidly set by central government, so Local Authorities found it hard to adapt to meet local needs.
- Some low income households, unable to access social housing are living in more costly accommodation e.g. temporary accommodation.
- The housing benefit bill is considerable and rising.
- There are high levels of unemployment in the social rented sector and in some cases social housing rules can trap people, making it hard to move for work.
- Social landlords didn't have enough discretion over how they managed their housing in the best interests of their local community.
- Social housing has a poor reputation amongst the public.
- New homes are desperately needed to meet housing need but there is a lack of public subsidy for new social housing supply.

In essence, the system was failing the very people it was designed to help. The government's solution is to enable the housing sector, through a series of reforms to social housing policy and legislation, to resolve these problems at a more local level, in order to make the system fairer and more effective.

Social housing reform is intended to:

- Enable decisions about who lives where and for how long, to be taken on the basis of local need and circumstances.
- Result in a housing system that is better focused: protecting and supporting those who need it most.
- Shift the public's perception of social housing to it being a springboard into work and self sufficiency.

To order to achieve these outcomes the government, through the Localism Act has:

*Newcastle under Lyme Strategic Tenancy Strategy – following initial Consultation
December 2011*

- Placed a duty on every Local Authority in England to publish a Strategic Tenancy Strategy.
- Given Local Authorities greater control of their waiting lists.
- Enabled Local Authorities to discharge their homelessness duty through accommodating households in the private rented sector.
- Given Social Registered Providers a range of new flexibilities that will allow them to
 - Grant tenancies for a fixed length of time.
 - Determine the type of tenancies they grant.
 - Determine the circumstances in which they grant a tenancy of a particular kind.
 - Determine the circumstances in which they will grant a further tenancy on the coming to an end of an existing tenancy.
 - Improve tenant's opportunities to move home.
 - Make better use of adapted accommodation.
 - Build new homes and re-let existing homes under the new 'affordable rent' tenure.

Context

The Government's objective is to ensure that Local Authorities develop strategies to assist people whose needs cannot be met within the wider housing market. There is no expectation that the authority will itself meet such needs directly but that, in its enabling role, it will involve other agencies as appropriate and use its power as a planning authority to seek to fulfil strategic priorities.

This Strategic Tenancy Strategy has been developed within the context of the overarching aims of Newcastle under Lyme Borough Council and will describe the broad objectives (matters) that Registered Providers should 'have regard to' in their own tenancy policies for our Borough. It has taken into account the aims and objectives of our Housing Strategy, our Homelessness Strategy and our Joint Allocation's Policy. The government expects that each Strategic Tenancy Strategy will cover tenure only as rent setting is the responsibility of the landlord under the management of the housing register and any other issues as determined as relevant by each individual authority.

Considering the housing needs of our Borough this Strategic Tenancy Strategy aims to:

- To encourage better use of existing housing stock to meet housing need in the Borough.
- To tackle overcrowding and under occupation in social housing stock in the Borough.
- To contribute to balanced, sustainable and cohesive communities within the Borough.
- To protect and support vulnerable people who require housing in the Borough.

Use of Fixed Term Tenancies

The Localism Act has given Registered Providers the choice to no longer have to let a tenancy for life; they will now be able to let it on a fixed term. The minimum fixed term is 5 years (except in exceptional circumstances where it can be 2 years); it can also be longer and can still be for life.

When appropriate, we will support the use of fixed term tenancies for new tenants as we believe that they provide an opportunity to address such issues as overcrowding, under

Newcastle under Lyme Strategic Tenancy Strategy – following initial Consultation
December 2011

occupation, promoting social mobility and better use of our affordable housing stock in the Borough. We are however keen to ensure that these new flexibilities granted to Registered Providers still ensure that the most vulnerable tenants are provided with the level of stability they require. In fact we would discourage a registered provider from applying a fixed term tenancy where the tenant is deemed to have 'long term' vulnerability and identified 'long term' care and support needs.

We are keen for Registered Providers to utilise the new flexibilities in order to address current social housing issues. However we also recognise that as well as the potential opportunities these new flexibilities offer, many partners have concerns regarding the assessment of the personal circumstances of an individual household and the negative impact such an assessment may have both for the tenant and the registered provider. It is for this reason that we are not proposing to be prescriptive in terms of how long a fixed term tenancy should be or what percentage of stock each Registered Provider should operate as fixed term tenancies. We would expect that any decision whether to offer a fixed term tenancy would be taken in the context of the personal circumstances of the household, the capacity of the organisation and the levels of local housing need and supply within the area of the property.

When a fixed term tenancy has been granted, we would expect that when it is due for review, that certain matters are reviewed as a matter of course, these being:

- Household Profile – whether a change in that profile merits a move to alternative accommodation (e.g. household is smaller, larger, requires an adapted property).
- Household Vulnerability – whether a member of the household has support and/or care needs or is deemed to be vulnerable.
- Household Income and Circumstances – the housing income would enable the household to purchase a property outright (including opting to purchase under the right to acquire) or on a shared ownership/equity basis that met their needs. Where the household is not working, review work, training and volunteering options.
- Household Conduct – whether there has been anti social behaviour, rent arrears or property management issues. *NB.* when reviewing on this point consideration must be given on the three preceding points of profile, vulnerability and income circumstances.

We would also expect that where a fixed term tenancy is granted the Registered Provider would commence and complete the review of the tenancy at least six months before the tenancy expires. This will enable adequate time for the Registered Provider to provide the household with appropriate advice and assistance to enable them to move into alternative housing. If no further tenancy is to be granted the Registered Provider must provide the notice in writing, stating that it does not propose to do so.

Where a tenancy is not renewed we would expect that the Registered Provider's advice and assistance services are fit for purpose in order to facilitate appropriate move on. This advice and assistance should ensure that there are also no negative impacts arising for the Newcastle Housing Advice service. It would not be appropriate for a Registered Provider to end a tenancy on expiry of a fixed term tenancy, where there would then be a duty on the Borough Council to provide accommodation except where there is an agreed plan of action already in place. We would expect Registered Provider's policies to outline how they will prevent homelessness as we are committed to ensuring that the decision to terminate a fixed term tenancy does not lead to increased levels of homelessness in Newcastle under Lyme.

*Newcastle under Lyme Strategic Tenancy Strategy – following initial Consultation
December 2011*

We are also in support of the government's view that a fixed term tenancy may be preceded by a probationary tenancy. We see the use of probationary tenancies as an excellent tool for tenants (particularly young people) to demonstrate that they can successfully sustain their tenancy. Where appropriate, we would also expect probationary tenancies to be linked with packages of housing support, to maximise the potential for ongoing sustainment.

We anticipate that following the first review of a fixed term tenancy, the majority of tenancies may either be renewed or that a new review date would be set relative to the household's circumstances. Where a tenancy is renewed, we would support arrangements that provide the opportunity to review the rent level of the tenancy and the household's income to determine whether a rent increase is appropriate.

We recognise that there may also be circumstances where a guarantee of accommodation should be made "for life" but this guarantee shall not necessarily be in respect to the actual property that the tenant is currently occupying, as there may be particular circumstances where remaining in the same property is not on balance the best option for the tenant. Such examples of granting a tenancy for life may be tenancies granted to a tenant (alone or joint) in circumstances where the tenant or member of the household suffers from a long term illness or disability or has a need for secure accommodation on medical or welfare grounds, where the vulnerability of the tenant remains but personal circumstances change. We are also in the view that tenancies granted to a tenant (alone or joint) aged 60 years and over especially those residing in specific older person's accommodation such as sheltered housing or extra care accommodation should continue to be granted lifetime tenancies.

In respect to the transfer of secure and assured tenants, our current position is that we would expect existing secure or assured tenants to be granted new secure or assured tenancies when they move, particularly where such a move benefits the Borough in meeting local housing needs (e.g. the move of an under occupying household).

Succession

Prior to the Localism Act, when a tenant in a social housing tenancy dies various people in his or her household may have the right to continue to live there under that tenancy. Under the new rules the only person will have the right to succeed the tenancy will be the partner of the tenant and in some cases the partner might already be a joint tenant. Once the partner has taken over the tenancy that will end the right to succession, i.e. the tenancy can not pass to anyone else in the household by right.

It will however be possible that Registered Providers could allow for another succession, for instance where an adult son or daughter has lived in the home. However the Registered Provider also has the choice to decide that the property is too big and ask the son/daughter to move to a more suitable home.

We support the approach of automatic succession being limited to the partner of the tenant, however would expect consideration to be given for an additional succession to another person, where a full assessment of housing need has taken place in respect of the person and that person has sufficient priority under our allocation scheme. Again we would expect that decisions over a further succession to a tenancy recognise the vulnerability and housing needs of individuals within the household. We would also expect that the accommodation in question must be the principal or only residence of the survivor at the time of the tenant's death in order for the succession to occur.

*Newcastle under Lyme Strategic Tenancy Strategy – following initial Consultation
December 2011*

Plus, it is imperative that when dealing with a succession case, the timescales take account of the added stresses that bereavement places on the surviving family. A succession of this type could take place in the same home or in suitable alternative accommodation.

Mobility

The Government is committed to introducing a nationwide social home swap scheme to ensure that social tenants wishing to move can maximise their chances of securing a suitable match.

We support this aim to make it easier for tenants to see possible exchange partners and to increase tenant's choices and control where they live. We believe that increased mobility can lead to better opportunities to meet people's housing needs. We would expect all Registered Providers to provide their tenants with access to a good internet based home swap service and ensure that appropriate support is provided for those tenants who do not have internet access.

We encourage home swaps particularly where these resolve a housing issue (under occupation/overcrowding) or where they provide opportunities for the households wishing to exchange (securing employment). We are mindful however that there must be sufficient regard given to those exchanges that place additional demands on other services within the Borough (for example health and social care).

Affordable Rents

The Government's Affordable Rent Programme is intended to deliver 'new' housing supply with a limited public subsidy. In order to support the development of new homes, Registered Providers in Newcastle will charge an 'affordable rent' on all new homes developed. The affordable rent can be up to 80% of the level of market rents being charged in the private rented sector and therefore will cost more than the current social housing rent for the same type of property. Registered Providers also have the option to charge affordable rents on a proportion of their existing stock when they are re-let. This will enable the extra money generated from the higher rents to be used for reinvestment and the development of further housing to meet local needs.

We support the use of the Affordable Rent Programme by our Register Providers as a means of leading to further development of housing stock in the Borough. We are however keen to ensure that in our Borough the affordable rents do in fact remain affordable and would like registered providers to ensure that the rents charged on affordable rented properties do not exceed the relevant local housing allowance (LHA) that is applicable for the property size at the time of setting the rent.

From our initial calculations, we anticipate that affordable rent tenancies in Newcastle will fall below the LHA eligibility threshold and therefore will be available to all applicants on the housing register whether in receipt of benefits or working. However we would expect Registered Providers to continue to be mindful of the potential impact the proposed changes to the welfare system may have on affordability issues in Newcastle, with particular consideration being given to the introduction of the universal credit system in April 2013.

The Affordable Rent Programme is governed by the Homes and Communities Agency and they have provided detailed guidance on its operation to all Registered Providers.

We would expect Registered Providers to discuss their plans prior to adopting an approach in order that the benefits of creating affordable rents are balanced with the number of

*Newcastle under Lyme Strategic Tenancy Strategy – following initial Consultation
December 2011*

properties converted. We would also expect Registered Providers to outline the extent of financial changes and how the funding can be allocated to local schemes to benefit Newcastle residents.

Discharge of Homelessness Duty

The Localism Act amends the Housing Act 1996 with regard to the discharge of homelessness duties to homeless persons by Local Authorities. Local Authorities owe a range of duties to homelessness people and in cases where the household is found to be in priority need and unintentionally homeless, the authority is obliged to find housing for them temporarily until they are re-housed in longer-term and appropriate accommodation.

Currently, this longer-term accommodation is usually social housing, although the duty can be met by providing private rented accommodation, with the consent of the applicant. The amendment will permit Local Authorities to discharge duty into the Private Rented Sector without the consent of the applicant, although:

- Tenancies must be for a minimum fixed term of 12 months.
- An offer of private housing will only bring the duty to an end if the accommodation is suitable for the whole household.
- The homelessness duty would recur if, within 2 years, the applicant becomes homeless again through no fault of his or her own and re-applies. The re-application duty will apply to any authority not just the authority who accepted the original duty.

We welcome this change in legislation which now enables us to discharge our homelessness duty through accommodating households in the private rented sector. As it should assist in preventing people having to spend long periods in temporary accommodation and increase the accommodation options available to us when helping someone who is homeless find accommodation. We would however, only expect that the homeless duty be discharged into the private rented sector where the accommodation is affordable and appropriate. A determining factor as to when we can make use of this new power will be whether suitable affordable private sector accommodation is available at the required time for us to discharge our homelessness duty. We realise that we have to strengthen our enabling role in relation to developing links with the Private Rented Sector in order for this to be a success.

Monitoring and Review

In order for this strategy to be successful it is important that we have a framework for monitoring and reviewing progress.

We already have a number of active forums and meetings which are well represented by a wide range of our partner agencies, we propose to co-ordinate meeting timetables to enable the review of the success of this strategy within our Borough to be tabled at these meetings on an annual basis.

In addition to this the progress of this strategy will be monitored internally via the Housing Strategy Team within the authority.

What are your views?

We welcome your views and comments on this strategy.

*Newcastle under Lyme Strategic Tenancy Strategy – following initial Consultation
December 2011*

Below is a feedback form for any comments you wish to make. On completion please return via email to caroline.abel@newcastle-staffs.gov.uk or post a copy back to Caroline Abel, Newcastle under Lyme Borough Council, Housing Strategy, Civic Offices, Merrial Street, Newcastle, Staffs, ST5 2AG.

FINAL DRAFT

Newcastle under Lyme Borough Council Strategic Tenancy Statement

Feedback Form

We value your feedback; please use the boxes to give us your views and opinions.

Name:

Organisation:

Address:

Email:

Telephone Number:

Comments:

Thank you for your feedback

On completion please return via email to caroline.abel@newcastle-staffs.gov.uk or post a copy back to Caroline Abel, Newcastle under Lyme Borough Council, Housing Strategy, Civic Offices, Merrial Street, Newcastle, Staffs, ST5 2AG

This page is intentionally left blank

DRAFT JOINT HOUSING ALLOCATIONS POLICY REVIEW

Submitted by: Sarah Moore

Portfolio: Regeneration and Development

Ward(s) affected: All

Purpose of the Report

To highlight that the current Joint Housing Allocations Policy with Aspire Housing has been reviewed and to enable Scrutiny Members to consider the Review and draft Policy as part of the final consultation.

Recommendation

To highlight the changes proposed in the Draft Joint Housing Allocations Policy and to seek comments as part of the consultation process.

Reasons

In line with the existing policy, which was adopted in 2010 there was a commitment made to review the Joint Housing Allocations Policy after it had been in operation for 12 months. This Review was to be undertaken by Council Officers and Aspire Housing Officers and it is best practice for the Council to ensure that consultation is undertaken on the document before changes to the Policy are decided and prior to formal adoption.

1. **Background**

1.1 The existing Joint Housing Allocations Policy was developed in partnership with Aspire Housing as a mechanism to determine priorities for housing need in the Borough and for defining the procedures to be followed in allocating accommodation to local residents approaching the Council through the Newcastle Housing Advice (NHA) service for assistance. The current Policy was approved by Cabinet in 2010 and a commitment was made to review the document after 12 months in operation.

2. **Issues**

2.1 It is recognised as best practice, that Policies and Strategies are reviewed on a regular basis so that any relevant changes in circumstances, guidance and legislation can be incorporated.

2.2 A Review Group consisting of Council Officers and Aspire Housing Officers was established and convened in Spring 2011 to co-ordinate the Review of the current Joint Housing Allocations Policy and in particular to:-

- determine the success of the Policy to date
- identify areas for improvement
- identify blockages for service users
- consider changes in case law/legislation
- consider recommendations from government policy and guidance

2.3 Issues that were highlighted for consideration included:

- effects of the Sub Regional scheme being ended
- Eligibility – new powers from Localism Bill
- Local Connection
- Low Demand and Hard to Let properties
- Under occupancy and the impact of the Welfare Reform Bill
- Eligibility and Housing need
- Bandings – whether working efficiently
- Exclusions and Reduced Preference
- Unlimited Bids, Time Limits and Refusals
- Medical Assessments
- Equity
- Move on
- Adapted Properties

2.4 Following initial consultation with Stakeholders and Customers, a number of amendments have been proposed by the Review Group and can be summarised as follows:

- (a) Accept applications only from applicants with a local connection to the Borough, with the exception of applicants aged 55 or over who are eligible for bungalows and/or sheltered accommodation. Such applicants would be placed in Band 7 regardless of circumstances and be considered after all applicants who have a local connection.
- (b) Remove the education link for local connection from the Policy to align with the local connection for homelessness criteria;
- (c) Continue to permit applicants with no housing need to bid for properties advertised under the NHA Options Choice Based Lettings (CBL) scheme;
- (d) Permit applicants over the age of 55 years without a local connection to make a Housing Register applications and bid for properties advertised under the NHA Options CBL scheme.
- (e) Align the bedroom criteria and property eligibility for the scheme to the principles of the Welfare Reform Act (2012) to prevent future financial hardship for households *NB. this may be subject to change depending on the outcome of the consultation for the Welfare Reform Act proposals;*
- (f) To enable Aspire tenants who are under occupying to downsize to make better use of property stock;
- (g) Revision of position relating to allocation of flats – align to Welfare Reform principles i.e. restrictions to the size of properties applicants are eligible for because of changes to benefits and effects of affordability to applicants *NB. this may be subject to change depending on the outcome of the consultation for the Welfare Reform Act proposals;*
- (h) Bandings amendments including:
 - Band 1 - remove clauses relating to overcrowding, tenants requiring urgent repairs
 - Band 2 - remove cumulative need and move up Preference System Cases from the current Band 3 position and introduce applicants requiring a disabled facilities grant
 - Band 3 – move applicants threatened with homelessness from Band 4, prioritise tenants who are under occupying by 2 or more bedrooms and introduce a priority for tenants whose fixed term tenancy is due to end in readiness for the proposed changes from the Localism Act
 - Band 4 – clarify position regarding applicants requiring additional bedrooms, prioritise tenants under occupying by 1 bedroom and remove clause relating to care leavers
 - Band 5 – amend clause relating to families in flats with young children from the current 12 years to 5 years in 2nd floor flats and above and to remove the clause

relating to move on cases who are not considered ready to move on to general needs accommodation by their support providers

- Band 6 – introduce lower threshold of proof for reduced preference in line with guidance of Localism Act 2011 and reduced the equity threshold from £125,000 to £60,000
 - Band 7 – continue to place applicants with a local connection but no housing need and prioritise over applicants without a local connection who are over 55 years;
- (i) To permit NHA to make bids on the applicants behalf and make 1 offer for applicants in Band 1 to relieve urgent or acute housing need and to remove the reasonable time period and if the bids result in an offer and the offer is refused for NHA to reassess the applicant as threatened with homelessness in Band 3;
 - (j) For Band 2 applicants to be given 1 month to place bids and if there is no bidding in this time for NHA to place assisted bids on the applicants' behalf, in consultation with them and if the offer is refused for NHA to reassess the applicant to 2 bands lower, therefore Band 4
 - (k) For Band 3 applicants to be given 3 months to place bids and if there are no bids in this time for NHA to place assisted bids on the applicants' behalf, in consultation with them and if the offer is refused for NHA to reassess the applicant to 2 bands lower, therefore Band 5.
 - (l) To clarify the wording in the Banding clauses for awards for medical assessments as per recommendations in Allocations Review Report;
 - (m) To exclude means tested benefits (with the exception of working families' tax credits and child tax credits) for the purposes of determining income thresholds for equity and reduced preference under the terms of the Policy
 - (n) To retain the local connection requirement for households moving on from supported accommodation with the exception of using discretion for domestic violence cases, where it can be evidenced that it would be unsafe to return to the district of their previous origin;
 - (o) To ensure that adapted properties are advertised and allocated appropriately to ensure best use of property stock.

2.5 The above amendments have been included in the revised Policy which is now out for final consultation with Stakeholders and Customers.

3. **Options Considered**

3.1 The Council have options to keep the Joint Housing Allocations Policy as it is, or to consult on the changes proposed by the Review group to seek to enhance the Policy, or to completely rewrite the Policy and make major changes.

4. **Proposal and Reasons for this Preferred Solution**

4.1 It is proposed that the amendments listed above are considered as part of the consultation, as these changes have been deemed to be necessary to ensure that the Policy is able to continue to prioritise housing needs of local residents effectively in response to changes in government policy and legislation and challenges that faced in light of the current economic climate.

4.2 Through the Newcastle Housing Advice (NHA) service the Council has been operating the Joint Housing Allocations Policy with Aspire Housing since the launch of the NHA Options Choice Based Lettings (CBL) scheme in June 2010. It is therefore appropriate that the Council works with Aspire Housing Officers to complete consultation and assess how the Policy has operated over the last 12 months; to effectively determine the success of the Policy to date; identify areas for improvement; identify and address blockages for service

users; consider changes in case law/legislation; consider recommendations from government policy and guidance. This has enabled Officers to define Review recommendations to enhance and update the current Policy as appropriate.

- 4.3 The preferred solution was complete a final consultation on the Draft Joint Housing Allocations Review and Policy as the favoured option because this would be less costly than completely rewriting and implementing a new Policy but still enables the Council to respond to changes in Government policy and legislation.

5. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 5.1 The current Joint Housing Allocations Policy enables the Council to prioritise meeting the housing needs of local residents; this contributes to the delivery of the corporate priority of creating safe and sustainable communities.

6. **Legal and Statutory Implications**

- 6.1 Housing Authorities are required by s.167 of the Housing Act (1996), as amended by the Homelessness Act (2002), to have an allocation scheme for determining priorities and for defining the procedures to be followed in allocating housing accommodation. In framing the allocation scheme the Council need to ensure that reasonable preference is given to certain categories of people as set out in s.167(2) of the 1996 Act. Applicants who are not entitled to a reasonable preference cannot compete on equal terms with those who are.
- 6.2 The current Policy complies with the Housing Act (1996) (Part VI), as amended by the Homelessness Act (2002) and the Localism Act (2011) and the Homelessness Code of Guidance for Local Authorities.

7. **Equality Impact Assessment**

- 7.1 The Council has an EIA for the current Joint Housing Allocations Policy and this will be updated in line following consultation.

8. **Financial and Resource Implications**

- 8.1 There are no direct implications of the consultation process as it is planned to be met within the current budgets using existing resources.
- 8.2 Future cost implications of altering the ICT systems to deliver the amended Allocations Policy will be considered in line with the recommendations on the changes to the Policy at a future Cabinet. It is important to note however, that amendments to the policy will have to be constrained to ensure that the ICT amendments can be delivered within the remaining Choice Based Lettings budget. Following payment of the Locata ICT licence costs there will remain approximately £17,000 to invest in ICT developments.

9. **Major Risks**

- 9.1 The proposed changes are made as a result of the initial recommendations for the Welfare Reform Act, which is currently under consultation and due to come into force in 2013 and also the Localism Act (2011), which may be subject to change depending on the outcome of the consultations. The Policy Review was prepared using the most up to date recommendations of the Welfare Reform Act and guidance but at the time of writing some opposition has been raised to the stance regarding benefit payments for households under occupying their homes which may conclude in the Bill repealing some of sections and would in turn enable the Council to adapt and respond accordingly if necessary.

10. **Key Decision Information**

10.1 The adoption and the implementation of this policy will affect all wards within the Borough.

11. **Earlier Cabinet/Committee Resolutions**

11.1 Choice Based Lettings Update – Feb 2010

11.2 Joint Housing Allocations Policy Review – July 2011

12. **List of Appendices**

None.

13. **Background Papers**

Draft Joint Housing Allocations Policy Review Report 2011 – available on request from the Housing Strategy Team.

This page is intentionally left blank

REPORT ON THE COMMENTS RECEIVED FOLLOWING CONSULTATION ON THE DRAFT ECONOMIC DEVELOPMENT STRATEGY 2012-17

Submitted by: Neale Clifton, Executive Director, Regeneration and Development

Principal Author: Simon Smith, Regeneration Manager

Portfolio: Regeneration and Planning

Ward(s) affected: All

Purpose of the Report

To report comments received on the draft Economic Development Strategy 2012-17, following consultation on the draft, and to consider what changes Members wish to make in the light of these comments.

Recommendations

- (a) That the draft strategy be amended as set out in Appendix A to this report.**
- (b) That Cabinet given further consideration to any other improvements/modifications Members wish to see made to the draft.**
- (c) That the modified (final) version of the strategy be reported to next meeting for approval.**
- (d) That the final version of the strategy be accompanied by a first year action plan demonstrating in more detail timescales, lead bodies and resource implications.**
- (e) That the approved version of the strategy be re-formatted with plans and photographs added and printed for wider distribution.**

Reasons

To strengthen the strategy and to ensure that it better reflects stakeholders' views.

To give Members more time to review comments received and to suggest/agree improvements to the strategy.

1. Background

- 1.1 Cabinet approved a first draft of a new Economic Development Strategy for the Borough at its meeting on 19 October and agreed that this should form the basis of consultation with partners, LAPs, the local business community and other interested groups and stakeholders. The draft was also considered by the Economic Development and Enterprise Scrutiny (which will receive this report prior to Cabinet and so have another opportunity to pass comment before it is considered for approval/adoption).

Scrutiny Committee at its meeting last September made a number of comments the draft and these are included, along with other comments received, in this report (see Appendix A).

- 1.2 The consultation process began on 5 December and has allowed nine weeks for comment (closing on 3 February). This length of time is deliberately designed to encourage as much

opportunity as possible for stakeholders and other interested parties to contribute and have their say. This is intentional since

- the subject matter is important and effects everyone in the Borough;
- partners are well placed to suggest improvements to the strategy and will usually be more expert than the Borough Council in their particular field;
- it is possible that this strategy will also have the effect of influencing the priorities and plans of other organisations with which the Council works; and
- as discussed at the October meeting, the level of support given to the broad direction and content of the strategy will clearly have a strong bearing on its success.

2. Comments Received From the Consultation Process

- 2.1 Over 320 comments have been received and these are set out in Appendix A to this report. The appendix is in three parts – a summary of the response (for brevity, not verbatim), your officers' comments on that response and finally, your officers' recommendation as to how the draft strategy should be modified to reflect the response. The source of the responses is not identified (to avoid unintended bias). Nearly all responses have come via email and in some cases the source is not known.
- 2.2 It is proposed to report comments received to *this* meeting of Cabinet (and to the February meeting of the Economic Development & Enterprise Scrutiny Committee) giving Members adequate time to reflect on those comments and on the officers' recommendations on our response to them. Depending on Members' views, the Draft will then be modified into a final version for approval at the following meeting. Although this adds to the length of the process, the alternative of approving a modified version (on the assumption that Cabinet will accept all officers' recommendations) and considering consultees comments at the *same* meeting is impractical (and undesirable).
- 2.3 This approach will also give time for the preparation of a more detailed first year action plan to accompany the strategy which will set out actions with further information of timescales, lead bodies and resource implications.
- 2.4 It is not intended that the strategy, be distributed further in the form you see here. Once agreed and adopted it is intended to re-format the text in a manner which will make it more reader-friendly, add plans and photographs to give it greater personality (and greater specificity to the Borough) and be printed for wider distribution. It is hoped that this will help to answer some of the comments received about the documents length and complexity.

3. Comments Received From Scrutiny Committee

- 3.1 Cabinet will recall that the following comments were made by Scrutiny Committee at its meeting in September regarding the draft Strategy:
- That it would benefit from the inclusion of a timetable highlighting the aspirations and intent of the Council.
 - That it was vital to liaise with other Borough and District Councils to ensure harmony with their Strategies.
 - That the Council should consider how it provided advice to businesses and shops to help guide them through the current economic climate
 - That the importance of redevelopment to encourage people to visit Newcastle under Lyme and not just the main shopping centres be noted

- That consideration be given to the mix and use of executive housing as there were concerns that customers looking for executive housing could be dissuaded from buying if the property was in close proximity to affordable housing.
- That the importance of well paid jobs in the Borough be noted. The Committee cited the fact that many of the young Doctors trained at Keele University then left the Borough for higher salaries elsewhere.
- That consideration be given to the mix of home owners and those renting properties as it was thought that the balance was moving towards a larger percentage of renters which would have a knock on effect regarding where these people spent their money (home owners were expected to spend money on their properties whilst those who rented spent more of their money on luxury items).
- That it was vitally important to raise the skills level in the Borough.
- That the Strategy must remain as a living document and once agreed be revisited every 6 months if possible.

These comments are reproduced in Appendix 1, and commented on (with recommendations for changes, as required) along with all the other comments received.

4. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 4.1 The strategy has been prepared in response to the Council's priority of 'Creating a Borough of Opportunity'.

5. **Legal and Statutory Implications**

- 5.1 There is not a strict requirement on the Council to prepare an economic development strategy though clearly developing policies, committing resources and making investment against a rational set of agreed objectives is good business practice and an adopted strategy is a good place to start when it comes to encouraging partner organisations to share objectives and concrete plans.

6. **Equality Impact Assessment**

No differential impact had been identified.

7. **Financial and Resource Implications**

- 7.1 There are staff resource implications arising from the preparation of the strategy and these are built into current work programmes. There will also be a modest financial cost to cover printing costs once the strategy has been agreed and approved (although promotion of the document on the Council's website should reduce demand for hard copies).

8. **Major Risks**

- 8.1 The principal risk of *not* preparing a strategy for the promotion of economic development is that staff resources are committed and financial investment made without reference to the things which the Council and its partners consider to be most important. This would most likely cause the Council's actions to be ineffective (or at best, not as effective as could be).
- 8.2 There is no obvious risk to preparing a strategy in itself, other than perhaps raising expectations from Members, staff and partners that everything in it will be achieved – but this simply reflects the inherent risk of setting objectives and targets. The strategy itself does not commit the Council to specific actions; these will be the subject of more detailed reports including (where relevant) the first year action plan.

9. **Key Decision Information**

9.1 This strategy will impact on two or more wards and has been included in the Forward Plan.

10. **Earlier Cabinet Resolutions**

10.1 'That the Draft Economic Development Strategy, subject to modifications suggested by Cabinet and Scrutiny Committee, be used as a basis for consulting with partner organisations, the local business community, LAPs and the Economic Development strand of the Newcastle Partnership and that comments received are reported back for Cabinet's consideration.

'A new Economic Development Strategy for the Borough', Cabinet 19 October 2011.

11. **List of Appendices**

Appendix A - Draft Economic Development Strategy 2012-17, Summary of Responses.

328	14. We will stimulate demand for higher skills and create opportunities for people to acquire relevant skills for current and future industrial structure - The Finance Career Academy at NULC also works very closely with the professional services companies in FINEST who provide mentors and work placement opportunities for A Level students wishing to pursue a career in Finance. The Science Technology Engineering Mathematics (STEM) Career Academy at the College liaises closely with Keele University Science and Business Park to find mentors and work placement opportunities in science-based companies on the Science Park.	Point accepted	Include as suggested.
	The Chamber welcomes the local authority's commitment to supporting business growth and job creation in the Borough and your recognition of the need to work closely with partners across North Staffordshire in order to address sub-regional priorities.		
	The Chamber looks forward to working with you to achieve your objective of transforming the business base and you may find it useful to make reference to some of our activities in your strategy document. As you will be aware, the Stoke and Staffordshire Inward Investment Team are now co-located with the Chamber at Commerce House, helping to provide a seamless service to businesses wanting to invest or re-invest in the sub region. The Chamber also delivers the LEP Business Helpline, providing a single point of contact for business support services.	Point accepted	Add more detail in first year action plan
	In addition, the Chamber provides: Start-up advice, training and enterprise units, Finest Professional Services Forum, Build Up North Staffordshire, North Staffordshire Manufacturing Forum, Business mentoring scheme, UKTI export services, business skills training, and a wide range of other practical support services for local firms.	Points accepted	Add more detail in first year action plan

	<p>The Chamber are currently working with Stafford Borough Council to run an independent retailers support scheme. We would be happy to discuss a similar initiative with you to help meet your objectives.</p>		<p>Update Section 2 to include the LEP's introduction of a business support helpline and strengthen the reference to the Business Link website. Other actions to be addressed in the action plan. Update section 15 in light of changes to the inward investment teams.</p>
	<p>Similarly, the Chamber is working closely with the City and County Councils to help ensure that the local economy benefits from public sector procurement opportunities by improving communication and accessibility to information and training for SMEs. We welcome the planned improvements to your website and communications, and are willing to assist you in any way that we can.</p>	<p>Noted</p>	<p>We will explore this suggestion further for possible inclusion in the Action Plan</p>