

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

Date 8th June 2016

1. **HEADING** Newcastle-under-Lyme Housing Strategy 2016-2021
- Submitted by:** Mike O'Connor
- Portfolio:** Planning and Housing
- Ward(s) affected:** All

Purpose of the Report

To seek approval to adopt the Newcastle-under-Lyme Housing Strategy 2016-2021.

Recommendations

- (a) That Cabinet approve the adoption and implementation of the Housing Strategy 2016-2021 based on the Strategic Housing Market Assessment and the Building Research Establishment dwelling analysis.
- (b) That the Executive Director for Regeneration and Development in consultation with the relevant Portfolio Holder is authorised to make any minor amendments following the Cabinet discussion.

Reasons

The current five year housing strategy expires this year. A new strategy to cover the period 2016-2021 has been produced and having been through scrutiny and public consultation is ready for consideration by the Cabinet.

1. **Background**

- 1.1 The quality of housing, its cost and location is of primary importance to ensure everyone has the opportunity to participate in their community. Moreover, housing has a significant role in people's quality of life and their general health and wellbeing.
- 1.2 Since the publication of the last Housing Strategy which covered the period 2011-2016, there has been significant change to both the national and local approach towards housing policy and funding opportunities for building and improving homes.
- 1.3 During 2015/16 a new housing strategy was developed in consultation with relevant stakeholders and service users. This included a report to the Economic Development and Enterprise Scrutiny Committee, December 2015 meeting.

2. **Issues**

2.1 The proposed strategic priorities within the draft strategy are to:

- Support the delivery of affordable housing and development,
- Provide help and advice in finding a home,
- Reduce the number of empty homes,
- Support the Private Sector,
- Promote independence and inclusion to our most vulnerable residents.

2.2 The Borough faces a number of housing issues and challenges which have influenced the development of these priorities and these are set out fully in the strategy. The key issues are summarised below.

2.3 **Demographics.**

2.3.1 There has been a significant increase in the number of single person households to approximately 16,000 which accounts for 30% of the total households. This has impacted upon the Housing Register where the largest group seeking housing are single person households requiring one bedroom properties.

2.3.2 The population of the Borough is ageing and it is projected that there will be at least 10,000 additional older persons, over the aged of 65, in 2039 compared to 2014. This will have implications for housing within the Borough, as appropriate dwellings will have to be provided for older people both within the private and social provider sectors.

2.3.3 Conversely the Borough is home to Keele University and there are a significant number of students living here (about one third on campus with the remainder in nearby communities). The numbers of students is projected to rise with the University having ambitions to grow by up to 30% by the year 2020. In addition the nearby Staffordshire University is increasing its capacity as a result of the planned reduction in the Stafford campus (taking effect from autumn 2016). Accordingly there will be a need for accommodation which will be met through purpose-built accommodation or Houses in Multiple Occupation in the private rented sector.

2.4 **Local Housing Conditions.**

2.4.1 Earlier this year the Council commissioned the Building Research Establishment to undertake a dwelling level modelling exercise to assess the condition of the housing stock in the Borough with a focus on privately owned accommodation.

There are a number of significant findings which are summarised below;

- 1,140 dwellings in the private rented sector have category 1 Housing Health and Safety system hazards. This equates to 20% of properties in the private rented sector.
- The highest concentrations of fuel poverty and the hazard of excess cold are found in the Town ward and the rural wards.
- “Simple SAP rating” is an estimate of the energy efficacy of a dwelling with a range from 0 being the worse up to 100 the best. The average Simple SAP rating for all private rented sector dwellings in the Borough is 55 which is the same as both England and West Midlands region. For the owner-occupied stock in the Borough the figure is 55 and for the private rented it is 53.
- 9.5%(4156 as a total number) of private sector dwellings and 12.7% of private rented dwellings in the Borough have an Energy Performance Certificate Rating below band

E and under proposed legislation would not be eligible to be rented out after 2018. This is worse than the national average.

- The highest numbers of dwellings in disrepair are found in the wards of Town, Maybank and Wolstanton.
- The total cost of mitigating category 1 hazards in the Borough's private sector stock is estimated to be £17.1 million.

2.5 **Local Economy.**

2.5.1 The Strategic Housing Market Assessment 2015 (SHMA) indicates that the ability to be able to afford a home has worsened since 1997 and is an issue for first time buyers and those wishing to live in rural communities. The SHMA has concluded that within the Borough, households are required to spend around five times their income on the cost of purchasing a home.

2.5.2 The SHMA has calculated that there is an annual need for at least 163 affordable homes in the Borough.

2.6 **Homelessness.**

2.6.1 During the last financial year 2015/16 a total of 49 decisions were made of which 11 households were owed a full homelessness duty. This compare to 99 homelessness decisions made during 2014/15, of which 10 households were accepted as statutory homeless and 98 homelessness decisions during 2013/14 of which 18 accepted as statutory homeless. Even if a household is deemed to be non priority or intentionally homeless, the Council still has a duty to provide advice and assistance to find suitable accommodation.

2.6.2 The majority of those accepted as homeless fall within the age group of 25–44. The number of 16 to 24 year olds becoming homeless remains relatively high; this may reflect the lack of opportunity to prevent homelessness through the provision of alternative accommodation for single people who may have been affected by welfare reforms.

2.6.3 The causes of homelessness in the Borough reflect the national picture of parents / relatives / friends no longer willing or able to accommodate these individuals and the loss of rented or tied accommodation (termination of assured tenancy). Domestic Violence is the main cause of homelessness with fewer of those accepted as homeless being so as a result of mortgage arrears or lost tenancies due to rent arrears.

2.7 **The Private Rented Sector**

2.7.1 There has been a significant growth in the private rented sector in the Borough from 5% of the total stock in 2001 to 11% in 2011. In certain areas of the Borough the level of private renting has risen to approximately 40% which illustrates the important role this sector has in providing an alternative option to home ownership or social renting.

2.7.2 Most landlords manage their properties well and ensure they are well maintained but a minority fail to do this and fall short of the required standards. We will continue to raise the profile of good landlords, providing encouragement, support and incentives through the North Staffordshire Accreditation Scheme, whilst taking robust action where homes fall below the legal standards. We are currently developing a proposal for a selective landlord licensing in Kidsgrove and are taking this forward to consultation.

3. **Options Considered**

3.1 Three options have been considered:

- Do not produce a Housing Strategy.
- Produce a Housing Strategy over five years.
- Produce a Housing Strategy with a longer /shorter timescale.

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

4.1 The proposal is to have a Housing Strategy for the next five years.

4.2 Whilst there is no legal obligation on the Council to prepare and publish a housing strategy it is considered that, given the importance of housing to the residents of the Borough, a strategy is needed to provide a framework for setting priorities and the direction of housing related plans and policies. It should assist Registered Providers and Private Landlords in targeting known needs and enables the Government's Homes and Communities Agency to direct its funding or other support for housing-related initiatives.

4.3 The previous strategy had a duration of five years. Whilst it is recognised that changes economically and politically affecting housing can be rapid it is considered that five years would give sufficient time for plans to be delivered. Conversely a longer term strategy is likely to become out of date and therefore serve limited purpose. To ensure the strategy remains relevant the action plan has annual monitoring of outcomes linked to a service plan and the continued relevance of actions will be reviewed annually.

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

5.1 The strategy supports the Council's corporate priorities to provide a clean, safe and sustainable borough, a borough of opportunity, a healthy and active community and becoming a co-operative Council, delivering high quality community driven services.

6. **Legal and Statutory Implications**

6.1 It is not a statutory requirement for the Council to have a housing strategy but it is considered good practice to prepare and publish one.

7. **Equality Impact Assessment**

7.1 During the development and production of this strategy, equality issues have been considered. It is felt that the strategy is an inclusive document and will not have an adverse impact upon people with protected characteristics.

8. **Financial and Resource Implications**

8.1 There are no immediate financial implications resulting from the adoption of the strategy. Where the implementation of activities in the action plan requires capital funding these will be the subject of subsequent reports. It is expected that funding will be allocated as part of the Council's Capital Programme process and would, where possible, be supplemented with investment from land and property owners and central government.

9. **Major Risks**

- 9.1 If the housing strategy is not approved there will be no framework for setting the priorities and the direction of housing related plans and polices. This would make it difficult to deliver a cost effective and efficient service.

Conversely if the Housing Strategy is approved there is a risk that it may not be fully delivered. To mitigate this delivery will be through the implementation of an action plan over five years and to ensure the strategy remains relevant this plan will be monitored against measures and outcomes annually.

10. **Key Decision Information**

- 10.1 The strategy will affect more than two wards in the Borough and was included in the Cabinet's Forward Plan for the period in which the meeting is to take place.

11. **Earlier Cabinet/Committee Resolutions**

- 11.1 Consultation Draft Newcastle-under- Lyme Housing Strategy 2016-21 accepted at meeting held December 2015.

12. **Background Papers**

- 12.1 Draft Newcastle-under- Lyme Housing Strategy 2016-21 is available from Housing Strategy Team on request.