

| | | |
|--|---|---------------------------|
| Title of Report | NEW AFFORDABLE HOUSING SUPPLY STRATEGY 2020 | |
| Presented by | Councillor Roger Bayliss Housing and Customer Services Portfolio Holder | |
| Background Papers | There are none. | Public Report: Yes |
| | | Key Decision: Yes |
| Financial Implications | There are no direct financial implications associated with this report although the strategy will inform the use of existing resources | |
| | Signed off by the Section 151 Officer: Yes | |
| Legal Implications | There are no implications | |
| | Signed off by the Monitoring Officer: Yes | |
| Staffing and Corporate Implications | There are no implications | |
| | Signed off by the Deputy Head of Paid Service: Yes | |
| Purpose of Report | To allow Cabinet to consider the Council's Draft Affordable Housing Supply Strategy | |
| Reason for Decision | To identify the Council's priorities in relation to new affordable housing and to support the priority that Local people live in high quality, affordable homes | |
| Recommendations | <p>THAT CABINET:</p> <ol style="list-style-type: none"> 1. APPROVES THE AFFORDABLE HOUSING SUPPLY STRATEGY FOR ADOPTION 2. DELEGATES AUTHORITY TO THE HEAD OF HOUSING IN CONSULTATION WITH THE PORTFOLIO HOLDER FOR HOUSING, PROPERTY AND CUSTOMER SERVICES TO MAKE MINOR CHANGES AS NECESSARY IN FUTURE FOR THE PRACTICAL APPLICATION OF THE STRATEGY | |

1. BACKGROUND

- 1.1 The Housing Strategy 2020-21 sets out an objective to “Maintain and increase the supply of affordable homes, in a challenging financial environment, including the construction and acquisition of new affordable homes by North West Leicestershire District Council (NWLDC).”
- 1.2 The Council recognises that it has a role as the strategic housing authority to work to address the housing needs of the district. At the same time it has a direct role in the delivery of affordable housing as a developing landlord.

- 1.3 As an organisation that has only recently resumed its development programme it is important that we balance our twin roles to ensure that as a provider the development we are involved in compliments rather than competes with other developing organisations active within the district.
- 1.4 This Strategy identifies the Council's priorities for affordable housing and identifies the actions that will be taken to ensure that the right size, type and quality of affordable housing delivered in the right places within North West Leicestershire.

2. THE NEW AFFORDABLE HOUSING SUPPLY STRATEGY

- 2.1 The Strategy sets out the range of products that fall within the definition of affordable housing and the mechanisms of delivery. It then considers the success to date in delivery of affordable housing.
- 2.2 It then considers the level of affordable housing need in the district including the need for specialist accommodation
- 2.3 Finally the strategy identifies the gap between supply and demand for affordable housing and sets out areas that the council can improve delivery both as a strategic enabler and also as an affordable housing provider in its own right.

3. IDENTIFIED PRIORITIES

- 3.1 The strategy has identified a number of key priority actions to support the Council's ambition to increase the volume and improve the quality of affordable housing supply. These are:
 - We will work with the County Council to understand the levels of need for specialist housing within the district
 - We will develop a clear and transparent approach to section 106 agreements, in particular how we will deal with situations where a developer cannot provide a policy compliant on site affordable housing scheme.
 - The Council will continue to offer financial support to registered providers developing in the district. Our priority will be to support schemes that meet needs which are not easily met through other routes.
 - We will work with Homes England to develop a more pro-active approach to larger predominantly affordable housing developments within the District.
 - As a developer we will begin a programme of pro-active site acquisition to accelerate new home delivery.
 - We will procure a new development partner to support us with the next phase of our newbuild programme whilst growing our in house capacity to develop sites directly in the future.
 - We will pro-actively seek partnerships that can bring added value to our development aspirations
 - We will continue to appraise section 106 opportunities however we will only bid for properties where there is no viable bid from other registered providers.
 - We will consider the opportunities within our own programme to develop specialist accommodation that is not forthcoming through other programmes.
 - We will develop a newbuild specification for our own programme and ensure that Capital funding is only provided to schemes with similar high standards.

4. CONSULTATION AND ENGAGEMENT

- 4.1 The Strategy was considered by Community Scrutiny Committee on 21 July 2020. Draft Minutes of the meeting are attached as Appendix 1. A wider consultation targeted at key stakeholders but also promoted more widely by the Council’s communications team took place between the 27 July and 19 August 2020.
- 4.2 Consultees were directed toward an online survey and provided a link to comments made by the Scrutiny Committee. They were also provided with the opportunity to contact the Housing Strategy and Systems Team Manager directly.
- 4.3 The outcome of the wider consultation was broad support for the Council’s approach, although a number of people commented on the likely impact of the Planning White Paper which was to be published after the New Supply Strategy.
- 4.4 Whilst the outcome of the White Paper consultation is unknown at this stage elements of the strategy have been amended to reflect the added uncertainty this introduces. In addition the recommendation includes the provision for the Head of Housing in consultation with the Portfolioholder to make limited amendments to address any emerging issues that do not justify a full revision of the strategy.
- 4.5 Responses were received from 2 registered providers who work in the district both welcoming further clarity as to our priorities when supporting their direct development, and a response from a Community Group highlighted the importance of involvement of the local community when developing specialist accommodation. Amendments to the draft strategy have been made to reflect these and other comments received.

5. MONITORING DELIVERY

- 5.1 The strategy supports the Council priority of “Local People live in high quality, affordable homes.” As a result, high level delivery will be monitored through the Council Delivery Plan.
- 5.2 Additional delivery monitoring will be captured through the team planning process.

| Policies and other considerations, as appropriate | |
|--|--|
| Council Priorities: | <ul style="list-style-type: none"> - Developing a clean and green district - Local people live in high quality, affordable homes |
| Policy Considerations: | None Identified |
| Safeguarding: | None Identified |
| Equalities/Diversity: | The strategy identifies the need for specialist housing directly targeted at some groups with protected characteristics and seeks to improve delivery in these areas. |
| Customer Impact: | The aim of the strategy is to increase delivery of affordable housing within the district which will have a direct positive impact on customers on the housing register. |
| Economic and Social Impact: | Increasing the delivery of affordable housing will have positive impacts both economically and socially. The strategy aims to increase investment in housing in the district with the end result of providing safe affordable housing for some of the most socially excluded residents of the district |
| Environment and Climate Change: | The strategy recognises that the environmental |

| | |
|---|---|
| | <p>impact of newbuild is substantial, both in terms of initial construction and the lifecycle of the property. This will be a key consideration in developing a newbuild specification and future financial support to partners</p> |
| <p>Consultation/Community Engagement:</p> | <p>The strategy has been considered by Community Scrutiny Committee and stakeholders have been encouraged to comment on the draft strategy.</p> |
| <p>Risks:</p> | <p>As part of its Corporate Governance arrangements, the Council must ensure that Risk management is considered and satisfactorily covered in any report put before elected Members for a decision or action.</p> |
| <p>Officer Contact</p> | <p>Chris Lambert Head of Housing chris.lambertt@nwleicestershire.gov.uk</p> |

EXTRACT FROM MINUTES of a meeting of the COMMUNITY SCRUTINY COMMITTEE held in the Remote meeting using Microsoft Teams on TUESDAY, 21 JULY 2020

Present: Councillor D Harrison (Chairman)

Councillors B Harrison-Rushton, C C Benfield, A J Bridgen, T Eynon, J Geary, G Hout, K Merrie MBE and M B Wyatt

Portfolio Holders: Councillors A C Woodman

Officers: Mr J Arnold, Mr T Delaney, Mr J Knight, Mr C Lambert, Mrs M Long, Mr I Nelson, Mr P Sanders and Mr D Scruton

7. NEW AFFORDABLE HOUSING SUPPLY STRATEGY 2020

Chris Lambert, Head of Housing and David Scruton, Housing Strategy and Systems Team Manager presented the report to the Committee.

The report set out how the Strategy had identified a number of priority actions to support the Council's ambition to increase and improve affordable housing supply.

Chairman thanked Mr Lambert and Mr Scruton and invited questions and comments from Members.

In answer to a number of questions from Members, the Committee was advised that the 'narrow' pipeline of schemes would be extended, with other schemes soon to be included but these were still at the pre-proposal stage. There is a lot of work which goes on behind the scenes to assess the sites and this results in a number that are considered that are found not to be suitable for development. Once a site has been identified as suitable for development there is then work to ensure that schemes meet planning and building regulations.

The Head of Housing agreed that it could be a good time to seek land acquisitions but care needs to be taken that we are not competing with our own partners such as Housing Associations and thus pushing up land values and paying more for sites. In terms of standards around affordable warmth, this is a key consideration in terms of scheme specifications but it was acknowledged the document could reference this more clearly.

It was acknowledged that the Strategy currently does not contain specific targets or an action plan as at this stage it was a direction of travel as opposed to a delivery agenda. A comment about smarter targets was acknowledged. It was agreed that how the strategy will be delivered will be set out when the strategy is considered by Cabinet.

In response to the comments made about the quality of the existing housing stock, it was reported that stock in low demand areas is disposed of through the asset disposal programme and there is still a lot of investment in the maintenance programme to ensure the decent homes standards are retained; and work is currently ongoing looking at how more can be done to exceed the standards.

A number of questions were asked about the relationship between the strategy and the Council's Carbon Commitment. It was acknowledged that a significant amount of carbon emission is generated by the process of building new homes and this needs to be considered as well as the lifetime energy output of the home once completed. It was agreed that further work would be carried out in terms of linkages between the carbon commitment and the draft strategy but there is a trade off between quantity and quality and any enhancements to specifications are likely to lead to a reduction in the overall amount of affordable housing delivered.

Councillor T Eynon requested clarification regarding paragraph 57 of the National Planning Policy Framework with regard to making viability assessments publically available. It was confirmed that this new guidance would apply to planning applications when assessments are submitted by an applicant although as there has been no recent submissions this was perhaps why this had not been demonstrated.

In terms of the consultation process, effectively this meeting was the first stage of this and the Strategy will not be considered by Cabinet until 22 September; and the time between now and then will be used to have discussions with our partners and other interested parties.

Finally, it was noted that specialist housing for the elderly was an area where, in the past we have had an over- supply but the issue was around the quality of what was available. There have been some difficult decisions made in respect of some of these and considerable investment in others to ensure that they meet required standards and this is an area that will be progressed. An example of the frail elderly scheme in Ashby was given as an example of what can be achieved across the district when working with our partners.

The recommendation as set out on page 29 of the agenda was moved by Councillor Merrie, seconded by Councillor Houlton and by affirmation of the meeting

RESOLVED THAT:

The report and the recommendations therein be duly noted and the comments made at this meeting be reported to Cabinet ahead of its meeting on 22 September 2020.