

Report to Cabinet

Subject: Housing Delivery Plan

Date: 24 April 2014

Author: Service Manager, Housing & Localities

Wards Affected

All

Purpose

To recommend that the Council publish a Housing Delivery Plan as a concise statement of its priorities and actions in relation to housing.

Key Decision

This is not a key decision.

Background

- 1.1. In the last ten years, most local housing authorities have periodically published a “housing strategy”, detailing their understanding of housing challenges facing their local area, and the council’s response to meeting them. However, there is no statutory requirement to do so.
- 1.2. Gedling Borough Council published housing strategies in 2001, 2002/3 (updated in 2004) and 2010. The [2010 – 2014 strategy](#) is currently published on the website and has an action plan that the Council is working through.
- 1.3. Section 87 of the Local Government Act 2003 gives the Secretary of State the power to require a local housing authority to publish a housing strategy, and to specify what it must contain. However no subordinate legislation has been introduced which gives effect to this section.
- 1.4. The [draft Deregulation Bill](#), published on 1 July 2013, would, subject to Parliamentary approval, repeal the above section. It is therefore the Government’s clear intention that there should not be a duty to publish a housing strategy.
- 1.5. The Gedling Housing Strategy 2010 – 2014 is 50 pages long, including an

action plan of 43 actions. The actions were informed by consultation with the public and stakeholders, and represented the priorities of the council when it was drafted in 2009. However, the housing market, the policy environment, the Council's administration and the resources available have all changed since its publication. Any strategy of this nature is vulnerable to becoming outdated very quickly, having committed the Council to doing the things that were needed to tackle yesterday's problems.

- 1.6. An overarching document describing the housing market, the challenges and the Council's response is of value, particularly to members, non-expert officers, partners and the public. However, it needs to be straightforward and accessible to fulfil this role. The current Housing Strategy has had a very low profile, internally and externally. Despite being published on the Council's website since 2010, no enquiries have ever been received by the Housing Strategy section about its priorities or the progress achieved. This suggests that the current "strategy" format is not effective at informing the public, promoting the Council's objectives or building partnerships to facilitate action, and hence an alternative is proposed.

2. Proposal

- 2.1. It is proposed that instead of introducing a new Housing Strategy, the Council should publish the attached Housing Delivery Plan as a complement to the Gedling Plan 2014/15, and as a public statement of its priorities for housing and the actions being taken to secure improvements.
- 2.2. Briefly, the plan describes the Council's actions in achieving:
 - Homes people can afford
 - Safe and warm homes
 - An effective safety net to prevent homelessness
 - A housing market that drives the local economy
- 2.3. The plan is focussed on encouraging investment in both new and existing homes, showing how this links to economic growth and benefits in terms of skills and wellbeing.
- 2.4. The approach has been to produce an accessible public document, rather than the most comprehensive list possible of everything that is known or is being done about every related issue.

3. Alternative Options

- 3.1. The Council could decide to produce a more traditional replacement for the existing Housing Strategy, more or less similar in format and content to previous strategies.

- 3.2. Alternatively, given the lack of clarity over any existing duty to produce a housing strategy, and the likelihood that the power to impose such a duty may be definitively repealed in the near future, the Council could decide to do nothing.

4. Financial Implications

- 4.1. There are no direct financial implications arising from this report.

5. Appendices

- 5.1. Appendix 1 - Draft Gedling Housing Delivery Plan

6. Background Papers

- 6.1. Gedling Housing Strategy 2010 – 2014

7. Recommendation(s)

- 7.1. That Cabinet approve the publication of the attached Housing Delivery Plan as a statement of the Council's priorities and actions relating to housing, instead of producing a new Housing Strategy.**

8. Reasons for Recommendations

- 8.1. To raise awareness among members, officers, partners and the public about the housing challenges facing the Borough and the Council's actions in response.
- 8.2. To position the Council as a forward-looking and flexible authority, focussed on outcomes, not process, and to complement the Growth Strategy.
- 8.3. To focus resources on projects that make a practical difference, such as the South Notts Homelessness Strategy action plan, Get Gedling Building programme and Empty Homes Strategy action plan (in development).
- 8.4. To accord with the Council's Values of being "*An ambitious Council – one that is never satisfied and constantly hungry for improvement*" and "*An efficient Council – that is responsible with its resources; that avoids waste and makes the most of what it has.*"

Appendix 1: Gedling Housing Delivery Plan

Introduction

Housing is a top priority for Gedling Borough Council. Britain needs more homes, and Gedling is no exception. Not only do people need safe, warm and affordable homes, but the lack of adequate housing can damage our local economy. It leads to people living in poverty, with less money to spend with local businesses. It harms children's health and wellbeing and it holds back achievement at school, meaning we can't grow the skilled workforce that we need for the future.

Most people can find adequate housing through the open market, and we all have to make choices about where we live and what we spend our money on. But sometimes the housing market doesn't work effectively, and people suffer as a result – living in overcrowded conditions; not knowing whether they can afford the rent next month; working hard but never having the prospect of owning their own home.

That's when we should step in to free up the market and bring development forward. We want to provide more homes of the right type, in the right place, and in the Gedling Plan for 2014/15, we've committed that we will:

- Adopt the Core Strategy and progress implementation of the housing sites in it
- Continue to press for delivery of the first phase of the Gedling Access Road
- Progress the "Get Gedling Building" programme for unused sites
- Bring empty properties back into use

But in addition to that, we know that we need to put extra efforts to help some people and particularly some areas of our borough. That's why we will also:

- Ensure effective use of Housing Benefit to support people to remain in their homes
- Implement the Home Energy Conservation Act Delivery Plan
- Continue to implement the South Notts Homelessness Strategy Action Plan

We have produced this Housing Delivery Plan to set out our priorities for action, and to show how a high-quality, balanced and affordable housing offer underpins our efforts to attract investment into Gedling and grow the local economy.

The things that we want from housing in Gedling are

Homes people can afford
Safe and warm homes
An effective safety net to prevent homelessness
A housing market that drives the local economy

If you can help us to deliver these, please come and talk to us. You'll find we are always open for business.

Councillor Jenny Hollingsworth
Portfolio Holder for Health and Housing

Why does housing matter to Gedling's economy?

People need homes they can afford

- The less people have to spend on housing costs, the more disposable income they can spend in the local economy with local businesses.
- The less people have to spend on housing costs, the better their security and ability to resist shocks such as interest rates rising, or losing their job.
- Owning a home is associated with long term prosperity and security.
- The money that homeowners spend on housing stays in the borough as asset value, instead of going out as rent to landlords who live elsewhere.

Vulnerable people need assistance to avoid homelessness

- Each case of homelessness costs the UK an average of £26,000 – resources that cannot then be invested elsewhere.
- Homelessness and insecure accommodation harm children's education, and therefore harms our prospects for a skilled local workforce.
- The more security people have in where they live, the more they can put down roots, with knock-on benefits to our other objectives, such as improving health and wellbeing, and widening participation in leisure and culture.
- Preventing homelessness makes good business sense, as well as human sense.

People need safe and warm homes

- The less people have to spend on heating their home, the more disposable income they can spend in the local economy.
- The less people have to spend on heating their home, the better their security, as above.
- Bad housing that is damp and cold is a major cause of poor health. This has knock on costs both for the individual and for wider society (healthcare costs, lost working days, need for benefits etc.)
- Improving public health benefits our local economy, and housing quality is an essential part of that.
- Improving energy efficiency reduces carbon emissions.

Constructing homes boosts the economy and creates jobs

- The construction sector is the 4th largest employer of Gedling residents.
- According to the National Housing Federation, each new home built creates 1.5 jobs directly, and supports up to 6 more in the supply chain and associated trades.
- Local firms, including small and medium enterprises, tend to benefit more from house building than from other forms of construction.
- Empty and dilapidated homes blight the area and discourage investment.

Housing in Gedling

In 2011, Gedling had 113,600 people living in 49,349 households. This is projected to grow to by a further 3,574 households by 2021, with most of this growth being accounted for by single person and lone parent households. This reflects long-term societal trends, including later co-habitation and marriage, a higher divorce rate and increasing life expectancy.

22,100 people are aged over 65. This is expected to be 26,000 by 2020. The population aged over 85 is expected to increase by a third over the same period, and the population living with dementia to rise by over a quarter. Although more people will be able to remain in their own homes for longer, thanks to improving health and assistive technology, we still need to plan for the homes that this older generation will need.

House prices in Gedling are relatively affordable, with the estimated ratio of median house price to mean salary in 2013 being around 4.5, compared to 6.7 for England. However, the picture is very mixed across the borough, with a wide variety of prices between different locations. For several years, the requirement for large deposits (averaging 20% or more) restricted first time buyers' access to the market. This situation is now easing, with higher Loan to Value mortgages being available, partly with the impact of Help to Buy and our own Local Lend a Hand scheme.

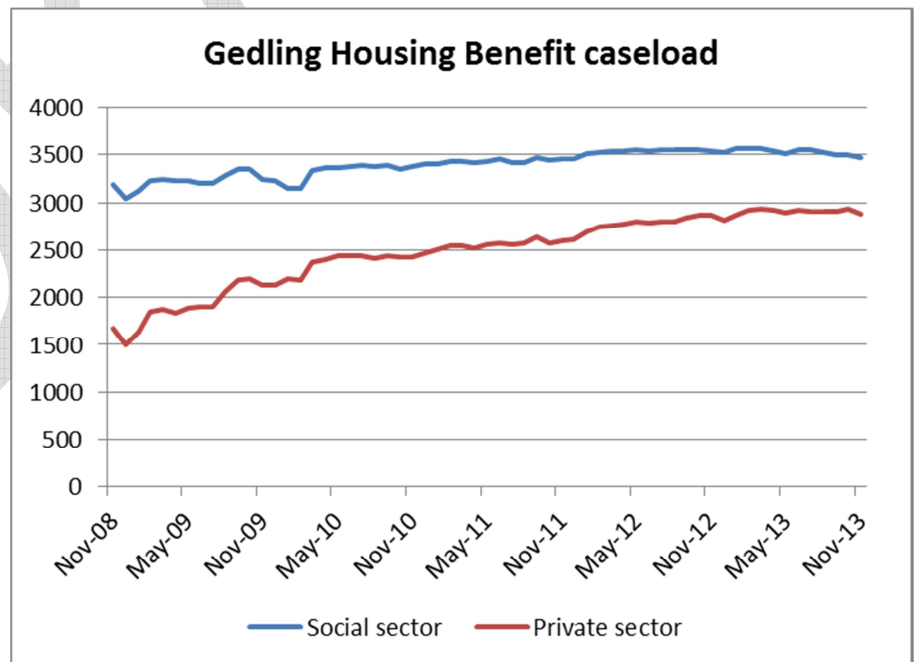
Gedling property sale prices, Jan 2012 – Mar 2013

Type	Detached	Semi-detached	Terraced	Flat
Median	£180,000	£119,950	£100,000	£85,750
Lower quartile	£155,000	£103,124	£78,000	£72,000

Housing Benefit is a measure of how many people are unable to afford to pay rent from their own resources. While the number of claimants in the social sector has only increased modestly in the last five years, the number of private rented sector claims has almost doubled.

For further information, we recommend:

[Gedling Insight](#)
[Local Health](#)
[DWP Stat-Xplore](#)
[ONS nomis](#)
[Shelter Housing Databank](#)
[POPPI](#) and [PANSI](#)



References for all the statistics in this document are available on request.

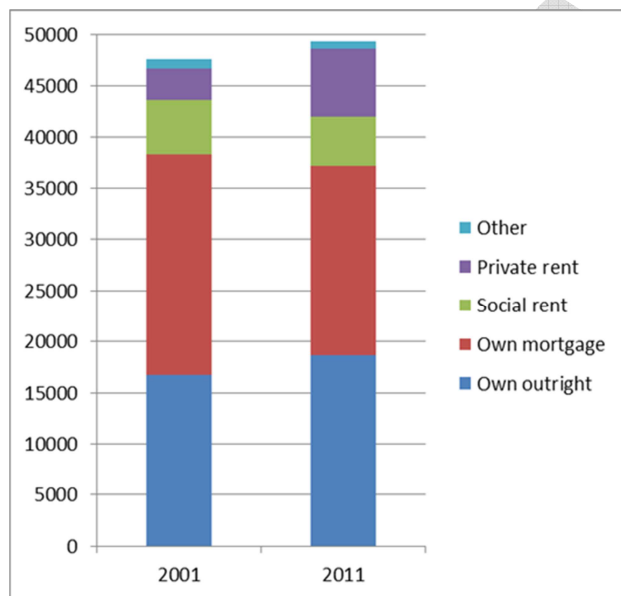
Homes people can afford

Where are we now?

The shortage of social housing and the recent difficulties faced by first time buyers have combined to increase demand for private rented housing. Although rents have only increased modestly in recent years, there is limited choice in the rented market for people working on a low income and claiming Housing Benefit, especially if they need a larger property.

Property type	Average private rent	Lower quartile rent	Max Housing Benefit (Nottingham area)	% fully affordable on Housing Benefit
1 bed flat	£425 pcm	£390 pcm	£396 pcm	34%
2 bed flat	£495 pcm	£430 pcm	£466 pcm	41%
2 bed house	£525 pcm	£475 pcm	£466 pcm	19%
3 bed house	£600 pcm	£550 pcm	£518 pcm	10%

We reviewed our social housing allocations policy in 2013, so that only people with a need to move and a local connection to Gedling can join the housing register. There are now 926 households on our housing register, but with an average of just 300 lettings in each of the last three years, waiting times for social housing are still very long.



From 2001 to 2011, the number of homeowners in the Borough fell, whereas the private rented sector more than doubled in size. This indicates increasing numbers of people whose rent money is “lost” to a landlord, rather than remaining in the Borough as equity, which can support personal finance, or be realised in the future.

Our Strategic Housing Market Assessment projects that every year, 508 new households will be formed in Gedling who cannot access home ownership, of whom 92 cannot afford to rent a home either. This will increase the demand for affordable housing, which will continue to grow so long as house prices rise faster than real wages.

What do we want to see?

We need more affordable housing, particularly for social rent, to help people living in some of the worst conditions. This will also help to reduce the housing benefit bill, by reducing reliance on the more expensive private sector.

We want people to have a fair chance to get a foot on the property ladder. We want young households working locally to be able to buy their own home in a reasonable timescale. This gives people security, knowing that they will not have to move if their landlord decides to sell, or increase the rent.

In 2013/14, 37 new affordable homes to rent were completed.

1406 new households approached us about social housing.

We also want an increased supply of rented property to increase competition, helping to stabilise rental prices and increase the quality on offer.

What are we doing about it?

We showed our corporate commitment by being one of the first authorities to sign the East Midlands Declaration on Affordable Housing. We act flexibly to divert resources from sites where there is less of a need for affordable housing, to fund developments in areas of higher need, thus meeting the needs of the whole borough.

We worked with Lloyds TSB to help 78 local people buy their first home through the Local Lend a Hand scheme. This allowed first time buyers to access a 95% mortgage at highly preferential rates, and provided a model for the Help to Buy Mortgage Guarantee scheme, which is now available nationwide.

We have formed a partnership with the Nottingham Credit Union, so now residents will be able to open savings accounts, get financial advice and apply for low interest affordable loans at the Council.

We will complete our transition to an actively managed housing register, where we can help people in need to find social housing that suits them and make best use of the homes available.

We are using small parcels of Council land and planning obligation contributions to support new affordable homes through our Get Gedling Building programme and bring investment from housing association partners and the Homes & Communities Agency into the borough.

We are releasing land for 7,250 homes through our Local Development Framework, and we will work with developers to turn those allocations into homes. This will expand supply in the Nottingham Core housing market, keeping a downward pressure on purchase and rental prices.

We are working to deliver the Gedling Access Road, which will unlock development of the Gedling Colliery site, and are making the case for a new Trent crossing to support further growth.

Safe and warm homes

Where are we now?

The latest information published by Government projects that around 16% of households in Gedling are in fuel poverty – that is, they have to spend more than 10% of their income to keep their home reasonably warm. We have mapped this data and found the highest levels of fuel poverty where the housing stock is oldest. This includes most of the rural areas of the borough, but also Netherfield, Gedling village, Carlton Hill and Woodthorpe.

Our database of 17,000 Energy Performance Certificates issued in Gedling shows that 37% of homes have an E rating for energy efficiency, and 10% have an even lower F or G rating. These are the worst performing properties and ones that we will target for improvements.

Based on the stock condition survey we carried out in 2006 and the work we have done since, we estimate that around 11,000 homes in the private sector would not meet the Decent Homes Standard, mostly owing to excess cold and disrepair. A percentage of those will also contain a Category 1 Hazard – again, excess cold being the main problem, followed by the potential for falls on stairs, It is estimated that 1,672 adults aged 16 – 64 in Gedling have some form of learning disability and 1,725 have a serious physical disability. We are supporting the delivery of Nottinghamshire County Council's strategy to help more disabled people to live independently in the community.

What do we want to see?

As well as reducing the official levels of fuel poverty, we want to help all residents to reduce their energy costs by insulating their homes, using less energy and finding the best deals. This will reduce pressure on household finances, meaning that fewer people become homeless because they cannot afford their rent or mortgage, and that people have more disposable income to spend in the local economy. It will also support the Council's objective to reduce carbon emissions.

Improving housing conditions also has benefits for improving peoples' general health and wellbeing. People living in damp and cold homes are more likely to suffer from respiratory disease, cardiovascular disease and rheumatoid arthritis, and poor housing conditions are a cause of depression and stress. These physical and mental health problems make it more difficult for people to work or participate in other activities. Improving poor housing will address a root cause of many of these issues.

What are we doing about it?

We have a full time Sustainability Officer promoting energy-efficiency improvements to householders. We have produced an information pack to promote the Green Deal and help people decide if it is right for them.

We are also working with energy suppliers to offer insulation and energy efficiency improvements for properties in the Borough, funded by the Energy Company Obligation. We have recently completed a scheme in partnership with E.ON to insulate unfilled cavity walls in low rise flats. In 2013, we accessed Government funding to replace 80 old G-rated boilers at no charge to the residents, and we also promoted a collective energy supplier switching scheme to help people across Nottinghamshire buy energy jointly and secure the best deal on the market.

We are working to include housing conditions as one of the priorities in the Health & Wellbeing Strategy for Nottinghamshire for 2014/15 onwards. We are also working to provide the evidence through the Joint Strategic Needs Assessment that public health backing for schemes to improve housing conditions is a cost-effective investment. Our partnership working with the Health & Wellbeing Board will also help us to ensure that funding is available from the Better Care Fund to provide adaptations to the homes of disabled people.

We promote best practice in the private rented sector through our landlords' forum. We also enforce minimum standards, having investigated over 400 complaints about property conditions in the last three years.

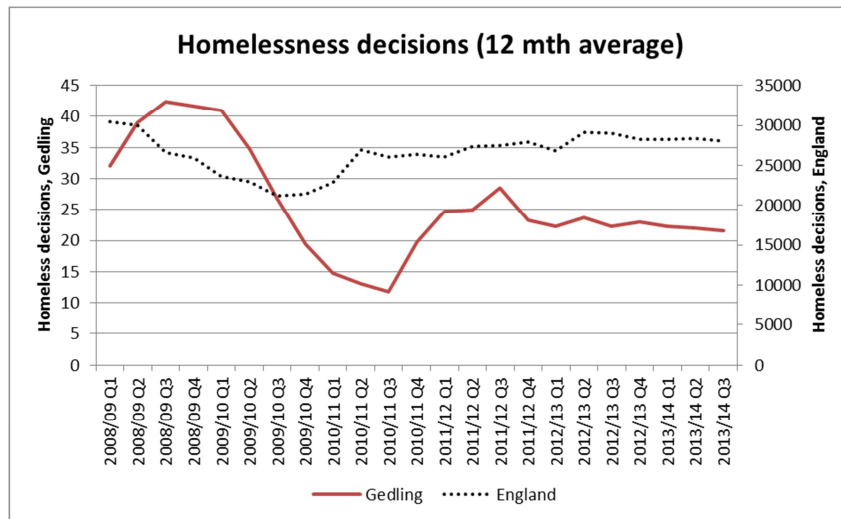
We are working with partners to bring forward Care & Support developments to meet the needs of an aging population and people with specialist housing needs. This will allow more vulnerable members of the community to live in safe, warm and appropriate homes and release homes that

they were not able to maintain back to the market for investment. It also reflects our commitment to be a Dementia Friendly Council, planning services to meet the needs of our community in the future.

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An effective safety net to prevent homelessness

Where are we now?



The level of statutory homelessness in Gedling is more or less stable, which is comparable to the national picture. However, this is largely down to our success at preventing homelessness much more often than we have to accept a duty to rehouse a household.

We continue to provide advice to between 150 and 200 households per month, particularly because they are in financial difficulty or cannot afford the rent on their private property. This has been an

increasing cause of homelessness in Gedling, and now rivals parental eviction, which has historically been the most common cause.

What do we want to see?

We want to avoid anyone sleeping rough, and we want to reduce homelessness year on year, by preventing even more cases at an early stage. Given that there is not enough social housing to meet demand, we want all clients to get the help they need to access private rented housing.

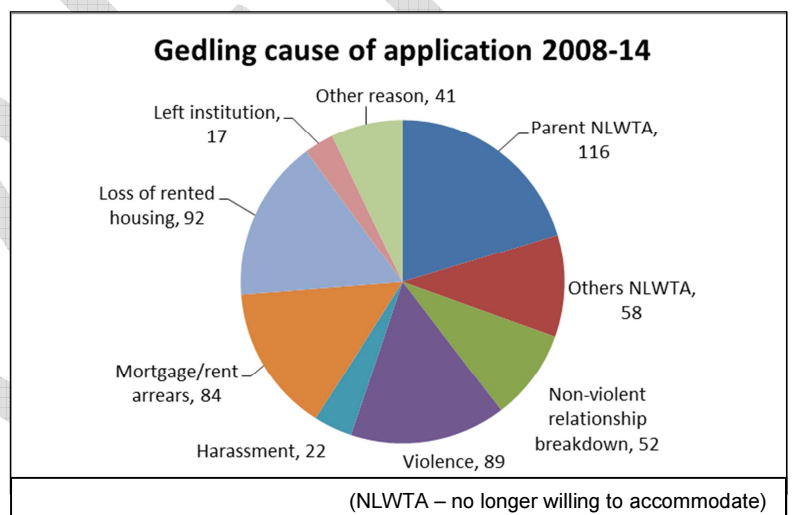
We want all young people to learn the facts about homelessness and housing options before they leave school, and we want

there to be no confusion about the services available for vulnerable clients or who is responsible for doing what. These are the outcomes that emerged from consultation on our joint homelessness strategy, which we published with Broxtowe and Rushcliffe borough councils at the start of 2013.

What are we doing about it?

The homelessness strategy action plan focusses on making sure people can routinely access the prevention tools that already exist, such as financial and debt advice, and the ability to rent in the private sector or share homes. There is also a strong focus on all partners knowing what resources are available and how they can work together. This is important at a time of restricted budgets in the statutory sector and reconfigured services in the voluntary sector.

Just as important as the action plan is the South Notts Homelessness Forum. This brings together all partners in one, practically-focussed meeting, to share information and maintain close working relationships. The councils have committed to reporting progress on the action plan to the forum, so that it is an active document, and not just a strategy that sits on a shelf.



A housing market that drives the local economy

Where are we now?

Gedling has a comparatively large construction sector, employing 9.2% of local workers (East Midlands and England both 7.7%). The sector is the fourth largest employer of Gedling residents, and is therefore an important source of jobs and income. It is estimated that every £1 spent on construction generates an additional £1.84 in economic activity.

The number of new homes started in Gedling has risen in the past year in line with house prices, but it is too early to say whether this is a sustained recovery from the low levels of activity seen during the economic downturn.

In October 2013, there were 473 homes in Gedling that had been empty for at least 6 months.

Unemployment (as measured by the JSA claimant count) is falling in Gedling, and is lower than the national average. However, the rate for the 18-24 age group, at 5.7%, is higher than the regional (5.0%) and national (5.1%) levels. The percentage of 16 – 19 year olds not in education, employment or training (NEET) has almost halved from its peak in 2011, but still sits at 3.2%, fractionally higher than the county average.

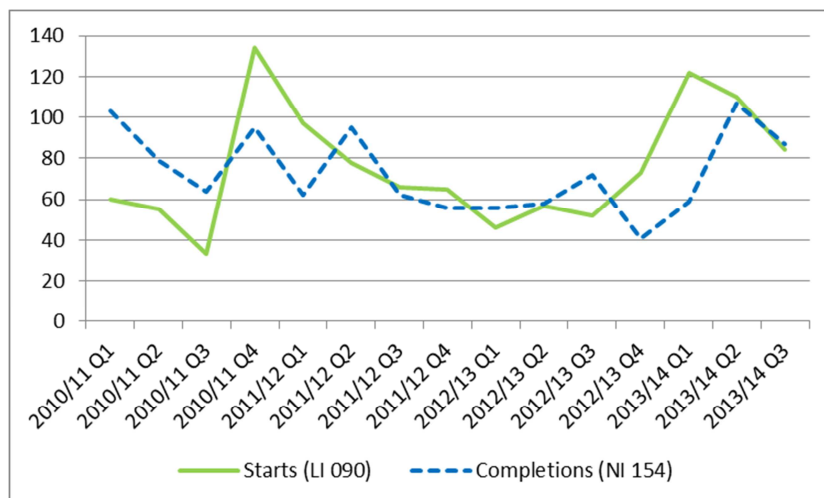
What do we want to see?

We want to attract investment into building, refurbishing and retrofitting homes. We want local construction businesses to have full order books and create more jobs and opportunities, especially entry level jobs and apprenticeships for young people starting out on their careers.

Increasing the housing supply also has a “virtuous circle” effect as it puts downward pressure on purchase and rental prices. This means people pay less for their housing, so have more disposable income to spend, creating further growth in the local economy. A recent survey showed more than half of British households consciously have to restrict their household spending because of high housing costs.

What are we doing about it?

We are encouraging the building of new homes (see ‘Homes people can afford’). We are also promoting several options to bring empty homes back into use, such as the National Empty Homes Loan Fund and the opportunity for Gedling Homes to lease or purchase empty homes, refurbish them and let them as affordable housing. We are also running a matchmaker scheme to bring property owners together with investors and developers who want to bring homes back into use.



For more information and to discuss how we can work with you, please contact Alison Bennett or Michael Gillie
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